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SEVENTY-FIFTH CONGRESS, THIRD SESSION

SENATE

WEDNESDAY, JUNE 8, 1938

(Legislative day of Tuesday, June 7, 1938)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Tuesday, June 7, 1938, was dispensed with, and the Journal was approved.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 1872) for the relief of Martin Bridges, asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. KENNEDY of Maryland, Mr. COFFEE of Washington, and Mr. CARLSON were appointed managers on the part of the House at the conference.

The message also announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 5743) for the relief of Haffenreffer & Co., Inc., asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. KENNEDY of Maryland, Mr. COFFEE of Washington, and Mr. CARLSON were appointed managers on the part of the House.

The message further announced that the House had agreed to a concurrent resolution (H. Con. Res. 53) providing for the appointment of a committee of Senators and Representatives to participate in the one hundredth anniversary of the birth of the late John Hay, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills and joint resolutions, and they were signed by the Vice President:

S. 821. An act for the relief of Lawson N. Dick;

S. 1220. An act for the relief of Josephine Russell;

S. 1340. An act for the relief of A. D. Weikert;

S. 1694. An act authorizing the Secretary of War to convey to the town of Montgomery, W. Va., a certain tract of land;

S. 2023. An act for the relief of Charles A. Rife;

S. 2368. An act to provide funds for cooperation with School District No. 2, Mason County, State of Washington, in the construction of a public-school building to be available to both white and Indian children;

S. 2409. An act for the relief of certain officers of the United States Navy and the United States Marine Corps;

S. 2655. An act for the relief of Lt. T. L. Bartlett;

S. 2709. An act for the relief of Mr. and Mrs. Joseph Konderish;

S. 2742. An act for the relief of Mrs. C. Doorn;

S. 2956. An act for the relief of Orville D. Davis;

S. 2979. An act for the relief of Glenn Morrow;

S. 2985. An act for the relief of John F. Fahey, United States Marine Corps, retired;

S. 3040. An act for the relief of Herman F. Krafft;

S. 3095. An act authorizing the Secretary of War to grant to the Coos County Court of Coquille, Oreg., and the State of Oregon an easement with respect to certain lands for highway purposes;

S. 3126. An act authorizing the Secretary of War to convey a certain parcel of land in Tillamook County, Oreg., to the State of Oregon to be used for highway purposes;

S. 3166. An act to amend section 2139 of the Revised Statutes, as amended;

S. 3188. An act for the relief of the Ouachita National Bank of Monroe, La.; the Milner-Fuller, Inc., Monroe, La.; estate of John C. Bass, of Lake Providence, La.; Richard Bell, of Lake Providence, La.; and Mrs. Cluren Surles, of Lake Providence, La.;

S. 3209. An act authorizing the Secretary of War to grant an easement to the city of Highwood, Lake County, Ill., in and over certain portions of the Fort Sheridan Military Reservation, for the purpose of constructing a waterworks system;

S. 3223. An act for the relief of the dependents of the late Lt. Robert E. Van Meter, United States Navy;

S. 3242. An act to aid in providing a permanent mooring for the battleship *Oregon;*

S. 3365. An act for the relief of Joseph D. Schoolfield;

S. 3410. An act for the relief of Miles A. Barclay;

S. 3416. An act providing for the addition of certain lands to the Black Hills National Forest in the State of Wyoming;

S. 3417. An act for the relief of the State of Wyoming;

S. 3543. An act authorizing the Comptroller General of the United States to settle and adjust the claim of Earle Lindsey;

S. 3820. An act to authorize membership on behalf of the United States in the International Criminal Police Commission;

S. 3822. An act to authorize an increase in the basic allotment of enlisted men to the Air Corps within the total enlisted strength provided in appropriations for the Regular Army;

S. 3849. An act authorizing the Secretary of the Treasury to transfer on the books of the Treasury Department to the credit of the Chippewa Indians of Minnesota the proceeds of a certain judgment erroneously deposited in the Treasury of the United States as public money;

S. 3882. An act amending the act authorizing the collection and publication of cotton statistics by requiring a record to be kept of bales ginned by counties;

H. R. 9995. An act making appropriations for the Military Establishment for the fiscal year ending June 30, 1939, and for other purposes;

H. R. 9996. An act to authorize the registration of certain collective trade-marks;

H. R. 10291. An act making appropriations for the fiscal year ending June 30, 1939, for civil functions administered by the War Department, and for other purposes;

S. J. Res. 243. Joint resolution to provide for the transfer of the Cape Henry Memorial site in Fort Story, Va., to the Department of the Interior;

S. J. Res. 247. Joint resolution authorizing William Bowie, captain (retired), United States Coast and Geodetic Survey, Department of Commerce, to accept and wear decoration of

the Order of Orange Nassau, bestowed by the Government of the Netherlands;

S. J. Res. 289. Joint resolution to provide that the United States extend an invitation to the Governments of the American republics, members of the Pan American Union, to hold the Eighth American Scientific Congress in the United States in 1940 on the occasion of the fiftieth anniversary of the founding of the Pan American Union; to invite these Governments to participate in the proposed congress; and to authorize an appropriation for the expenses thereof; and

H. J. Res. 667. Joint resolution to authorize an appropriation to aid in defraying the expenses of the observance of the seventy-fifth anniversary of the Battles of Chickamauga, Ga., Lookout Mountain, Tenn., and Missionary Ridge, Tenn.; and commemorate the one-hundredth anniversary of the removal from Tennessee of the Cherokee Indians, at Chattanooga, Tenn., and at Chickamauga, Ga., from September 18 to 24, 1938, inclusive; and for other purposes.

CALL OF THE ROLL

Mr. LEWIS. Mr. President, I note that there is not a quorum present, and I ask for a roll call.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Dieterich	King	Pittman
Andrews	Donahey	La Follette	Pope
Ashurst	Duffy	Lee	Radcliffe
Austin	Ellender	Lewis	Reames
Bailey	Frazier	Lodge	Russell
Bankhead	George	Logan	Schwartz
Barkley	Gerry	Lonergan	Schwellenbach
Berry	Gibson	Lundeen	Sheppard
Bilbo	Glass	McAdoo	Shipstead
Bone	Green	McGill	Smith
Borah	Guffey	McKellar	Thomas, Utah
Brown, Mich.	Hale	McNary	Townsend
Brown, N. H.	Harrison	Maloney	Truman
Bulkley	Hatch	Miller	Tydings
Bulow	Hayden	Milton	Vandenberg
Burke	Herring	Minton	Van Nuys
Byrd	Hill	Murray	Wagner
Byrnes	Hitchcock	Neely	Walsh
Capper	Holt	Norris	Wheeler
Caraway	Hughes	O'Mahoney	
Connally	Johnson, Calif.	Overton	
Copeland	Johnson, Colo.	Pepper	

Mr. LEWIS. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Missouri [Mr. CLARK], the Senator from Iowa [Mr. GILLETTE], the Senator from Nevada [Mr. MCCARRAN], the Senator from New Jersey [Mr. SMATHERS], and the Senator from Oklahoma [Mr. THOMAS] are detained on important public business.

I also announce that the Senator from North Carolina [Mr. REYNOLDS] is unavoidably detained.

Mr. AUSTIN. I announce that the Senator from New Hampshire [Mr. BRIDGES] is absent because of the death of his wife, and that the Senator from Pennsylvania [Mr. DAVIS] is necessarily detained from the Senate.

The VICE PRESIDENT. Eighty-five Senators have answered to their names. A quorum is present.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries, who also announced that the President had approved and signed the following acts:

On May 31, 1938:

S. 3532. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Randolph, Mo.;

S. 3691. An act to provide for the appointment of additional judges for certain United States district courts, circuit courts of appeals, and certain courts of the United States for the District of Columbia; and

S. 3949. An act to amend the Agricultural Adjustment Act of 1938.

On June 1, 1938:

S. 3526. An act to provide for reimbursing certain railroads for sums paid into the Treasury of the United States under an unconstitutional act of Congress.

On June 3, 1938:

S. 3843. An act to remove certain inequitable requirements for eligibility for detail as a member of the General Staff Corps.

On June 7, 1938:

S. 1307. An act for the relief of W. F. Lueders; and

S. 3522. An act authorizing the President to present the Distinguished Service Medal to Rear Admiral Reginald Vesey Holt, British Navy, and to Capt. George Eric Maxia O'Donnell, British Navy; and the Navy Cross to Vice Admiral Lewis Gonne Eyre Crabbe, British Navy, and to Lt. Comdr. Harry Douglas Barlow, British Navy.

CORRECTION

Mr. FRAZIER. Mr. President, on behalf of my colleague the junior Senator from North Dakota [Mr. NYE] I ask unanimous consent to have placed in the RECORD a letter from Mr. Lawrence Richey making a correction of a statement in an article which, on request of my colleague, was printed in the RECORD of April 8, 1938.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

WASHINGTON, D. C., *May 4, 1938.*

Hon. GERALD P. NYE,
United States Senate, Washington, D. C.

MY DEAR SENATOR: My attention was called to an editorial entitled "Alias Herbert Hoover," in the People's World of February 28, 1938, which was published in the CONGRESSIONAL RECORD of April 8, 1938, at your request.

I have taken this matter up with Mr. Hoover, and he advises me that he is not now interested and never has been interested in any oil properties in southern California, and that he does not today have the remotest interest in any of the concerns under discussion in the editorial.

I am writing you knowing you would like to have the real facts and hoping you will find some way to make correction in the RECORD.

Yours sincerely,

LAWRENCE RICHEY.

CONSERVATION AND USE OF AGRICULTURAL LAND RESOURCES (S. DOC. NO. 200)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting a proposed provision affecting existing appropriations for the Department of Agriculture for the fiscal years 1938 and 1939, under the headings "Soil Conservation and Domestic Allotment Act," as amended, and "Agricultural Adjustment Act of 1938," as amended, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

SUPPLEMENTAL ESTIMATES, DISTRICT OF COLUMBIA (S. DOC. NO. 199)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting supplemental estimates of appropriations for the District of Columbia for the fiscal year 1939, amounting to $16,020, together with a draft of proposed provision pertaining to an existing appropriation, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

INTERNATIONAL AGREEMENT FOR REGULATION OF WHALING

The VICE PRESIDENT laid before the Senate a letter from the Assistant Secretary of Commerce, transmitting a draft of proposed legislation to give effect to the international agreement between the United States and certain other countries for the regulation of whaling, signed at London, June 8, 1937, which, with the accompanying paper, was referred to the Committee on Foreign Relations.

REPORT INVOLVING CONTRACT MADE IN VIOLATION OF LAW

The VICE PRESIDENT laid before the Senate a letter from the Acting Comptroller General of the United States, transmitting a report relative to the Navy Department, submitted pursuant to the provisions of section 312 (c) of the Budget and Accounting Act, 42 Stat. 26, requiring the Comptroller General to specially report contracts made by any department or establishment in violation of law, which, with

the accompanying paper, was referred to the Committee on Appropriations.

LIST OF CASES DISMISSED BY COURT OF CLAIMS

The VICE PRESIDENT laid before the Senate a letter from the Chief Clerk of the Court of Claims, advising, pursuant to an order of the court, that certain cases—listed therein—which were referred to the Court of Claims by resolution of the Senate under the act of March 3, 1911, known as the Judicial Code, were dismissed on plaintiff's motion, or for nonprosecution, which was referred to the Committee on Claims.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following concurrent resolution of the Legislature of the State of New Jersey, which was ordered to lie on the table:

Concurrent resolution memorializing the Congress of the United States of America to eliminate the taxation of gasoline by the Federal Government

Whereas the Congress of the United States of America in 1932 imposed a tax of 1 cent per gallon upon all sales of gasoline; and

Whereas, the State of New Jersey and all the other States of the United States had already imposed taxes upon such sales; and

Whereas the Federal tax on such sales was untimely and restrictive and, coupled with the respective State taxes on such sales, places a burden upon the users of the gasoline beyond that which they should rightfully carry and beyond that which the traffic can legitimately bear; and

Whereas the taxation of sales of gasoline should properly be left to the exclusive use of the States as a means of providing funds for road construction and maintenance: Now, therefore, be it

Resolved by the Assembly of the State of New Jersey (the Senate concurring therein), That the Congress of the United States be and is hereby respectfully memorialized to abandon the Federal gasoline sales tax and surrender to the States exclusively the power to tax such sales in the future; and be it further

Resolved, That a copy of this resolution be transmitted to the President of the United States, the Clerk of the House of Representatives, the Secretary of the United States Senate, and to each Member of Congress elected from the State of New Jersey, and that the latter be requested to use their best endeavors to accomplish the purpose of this resolution.

Mr. WALSH presented petitions of sundry citizens of the State of Massachusetts, praying for the adoption of policies designed to keep the United States out of war and also the adoption of an adequate national-defense program, which were referred to the Committee on Foreign Relations.

Mr. OVERTON presented petitions of sundry citizens of the State of Louisiana, praying for the adoption of policies designed to keep the United States out of war and also the adoption of an adequate national-defense program, which were referred to the Committee on Foreign Relations.

Mr. WHEELER presented petitions of sundry citizens of the State of Montana, praying for the adoption of policies designed to keep the United States out of war and also the adoption of an adequate national-defense program, which were referred to the Committee on Foreign Relations.

Mr. COPELAND presented a resolution adopted by local No. 281, United Brotherhood of Carpenters and Joiners, of Binghamton, N. Y., favoring the enactment of legislation to provide for Government-owned and controlled hospitals, which was referred to the Committee on Commerce.

He also presented a resolution adopted by the Queens County (N. Y.) Committee of the American Legion, favoring the enactment of legislation providing that honorably discharged veterans who served in the armed forces of the United States during a war shall be eligible for employment by the W. P. A. and P. W. A. regardless of their home-relief status, which was referred to the Committee on Education and Labor.

He also presented a letter in the nature of a memorial from the delegates of the Congregational-Christian Churches of the State of New York, assembled at Niagara Falls, N. Y., remonstrating against the enactment of legislation to prevent profiteering in time of war and to equalize the burdens of war and thus provide for the national defense, and promote peace, which was referred to the Committee on Finance.

He also presented a resolution adopted by Rochester Lodge No. 99, Brotherhood of Locomotive Firemen and Enginemen, of Rochester, N. Y., protesting against the enactment of legislation to prevent profiteering in time of war and to equalize the burdens of war and thus provide for the national defense, and promote peace, which was referred to the Committee on Finance.

He also presented a resolution adopted by the Nassau County Council, Veterans of Foreign Wars of the United States, of Malverne, N. Y., protesting against the entrance of aliens into the United States during the past 6 weeks, which was referred to the Committee on Immigration.

He also presented a resolution adopted by the Queens County (N. Y.) Committee of the American Legion, favoring the enactment of legislation providing that all immigration to the United States be reduced by 90 percent of existing quotas, which was referred to the Committee on Immigration.

He also presented a resolution adopted by the Queens County (N. Y.) Committee of the American Legion, favoring the enactment of legislation to terminate all Government relief or other assistance being granted to alien residents of the United States, which was ordered to lie on the table.

REPORTS OF COMMITTEES

Mr. BROWN of Michigan, from the Committee on Claims, to which was referred the bill (S. 3950) for the relief of the American National Bank, of Kalamazoo, Mich., reported it without amendment and submitted a report (No. 1995) thereon.

Mr. SCHWELLENBACH, from the Committee on Claims, to which was referred the bill (S. 3628) to confer jurisdiction on the Court of Claims to hear, determine, and enter judgment upon the claims of Government contractors whose costs of performance were increased as a result of enactment of the National Industrial Recovery Act, June 16, 1933, reported it without amendment and submitted a report (No. 1996) thereon.

Mr. MILTON, from the Committee on Claims, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

S. 3803. A bill to amend the act entitled "An act giving jurisdiction to the Court of Claims to hear and determine the claim of the Butler Lumber Co., Inc. (Rept. No. 1997); and

H. R. 7537. A bill for the relief of certain stevedores employed on the United States Army transport docks in San Francisco, Calif. (Rept. No. 1998).

Mr. LOGAN, from the Committee on Claims, to which was referred the bill (H. R. 4571) for the relief of Helen Mahar Johnson, reported it with amendments and submitted a report (No. 1999) thereon.

Mr. CAPPER, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H. R. 2487. A bill for the relief of Thomas J. Allen, Jr. (Rept. No. 2000);

H. R. 2650. A bill for the relief of Veracunda O'Brien Allen (Rept. No. 2001);

H. R. 3747. A bill for the relief of George O. Wills (Rept. No. 2002);

H. R. 4169. A bill to carry out the findings of the Court of Claims in the case of the Atlantic Works, of Boston, Mass. (Rept. No. 2003);

H. R. 4227. A bill for the relief of Mrs. R. A. Smith (Rept. No. 2004);

H. R. 6186. A bill for the relief of Moses Red Bird (Rept. No. 2005);

H. R. 6669. A bill for the relief of Augusta L. Collins (Rept. No. 2006);

H. R. 7012. A bill for the relief of J. Anse Little (Rept. No. 2007);

H. R. 7060. A bill for the relief of James Mohin and Joseph Lercara (Rept. No. 2008);

H. R. 7166. A bill for the relief of the estate of Raymond Finklea (Rept. No. 2009);

H. R. 7429. A bill for the relief of Muriel C. Young (Rept. No. 2010);

H. R. 7460. A bill for the relief of Mr. and Mrs. Roy Blessing (Rept. No. 2011);

H. R. 8051. A bill for the relief of Roswell H. Haynie (Rept. No. 2012);

H. R. 8123. A bill for the relief of Sonia M. Bell (Rept. No. 2013);

H. R. 8241. A bill for the relief of Fred J. Christoff (Rept. No. 2014); and

H. R. 8365. A bill for the relief of the North Mississippi Oil Mills, of Holly Springs, Miss. (Rept. No. 2015).

Mr. CAPPER also, from the Committee on Immigration, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

H. R. 7297. A bill for the relief of Gordon L. Cheasley (Rept. No. 2026); and

H. R. 8743. A bill for the relief of Louis Michael Bregantic (Rept. No. 2027).

Mr. SHEPPARD, from the Committee on Commerce, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H. R. 10076. A bill to create the White County Bridge Commission; defining the authority, power, and duties of said commission; and authorizing said commission and its successors and assigns to purchase, maintain, and operate a bridge across the Wabash River at or near New Harmony, Ind. (Rept. No. 2017);

H. R. 10225. A bill to amend section 6 of chapter 64, approved April 24, 1894 (U. S. Stat. L., vol XXVIII, 2d sess., 53d Cong.), being an act entitled "An act to authorize the construction of a steel bridge over the St. Louis River, between the States of Wisconsin and Minnesota" (Rept. No. 2018); and

H. R. 10346. A bill to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Niobrara, Nebr. (Rept. No. 2019).

Mr. SHEPPARD also, from the Committee on Military Affairs, to which was referred the bill (H. R. 9014) to authorize the conveyance to the Lane S. Anderson Post, No. 297, Veterans of Foreign Wars of the United States, of a parcel of land at lock No. 6, Kanawha River, South Charleston, W. Va., reported it without amendment and submitted a report (No. 2034) thereon.

Mr. COPELAND, from the Committee on Commerce, to which were referred the following bills and joint resolution, reported them severally without amendment and submitted reports thereon as indicated:

S. 4145. A bill to authorize contingent expenditures, United States Coast Guard Academy;

H. R. 10536. A bill authorizing the United States Maritime Commission to sell or lease the Hoboken Pier Terminals, or any part thereof, to the city of Hoboken, N. J. (Rept. No. 2016);

H. R. 10672. A bill to amend section 4197 of the Revised Statutes, as amended (U. S. C., 1934 ed., title 46, sec. 91); and section 4200 of the Revised Statutes (U. S. C., 1934 ed., title 46, sec. 92), and for other purposes (Rept. No. 2020); and

H. J. Res. 668. Joint resolution creating the Niagara Falls Bridge Commission and authorizing said commission and its successors to construct, maintain, and operate a bridge across the Niagara River at or near the city of Niagara Falls, N. Y. (Rept. No. 2021).

Mr. COPELAND also, from the Committee on Immigration, to which was referred the bill (S. 3389) for the relief of Albert Richard Jeske, reported it without amendment and submitted a report (No. 2022) thereon.

He also, from the Committee on the District of Columbia, to which was referred the bill (H. R. 7982) to regulate the manufacturing, dispensing, selling, and possession of narcotic drugs in the District of Columbia, reported it without amendment and submitted a report (No. 2032) thereon.

Mr. JOHNSON of California, from the Committee on Commerce, to which was referred the bill (H. R. 9916) to provide for the establishment of a Coast Guard station at or near Shelter Cove, Calif., reported it without amendment and submitted a report (No. 2023) thereon.

Mr. MALONEY, from the Committee on Immigration, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

S. 3816. A bill authorizing the naturalization of Olaf Nordman (Rept. No. 2024); and

H. R. 9400. A bill for the relief of Adolph Arendt (Rept. No. 2025).

Mr. SCHWELLENBACH, from the Committee on Immigration, to which was referred the bill (H. R. 8275) for the relief of Stanley Kolitzoff and Marie Kolitzoff, reported it without amendment and submitted a report (No. 2028) thereon.

Mr. HUGHES, from the Committee on Immigration, to which was referred the bill (H. R. 8858) for the relief of Joseph Brum and Gussie Brum, reported it without amendment and submitted a report (No. 2029) thereon.

Mr. BARKLEY, from the Committee on Finance, to which was referred the joint resolution (H. J. Res. 683) to provide for a floor stock tax on distilled spirits, except brandy, reported it without amendment and submitted a report (No. 2031) thereon.

Mr. KING, from the Committee on the District of Columbia, to which was referred the bill (S. 3238) to provide for recording of deeds of trust and mortgages secured on real estate in the District of Columbia, and for the releasing thereof, and for other purposes, reported it with amendments and submitted a report (No. 2033) thereon.

Mr. ADAMS (for Mr. BANKHEAD), from the Committee on Irrigation and Reclamation, to which was referred the bill (H. R. 7764) to authorize the sale of surplus power developed under the Uncompahgre Valley reclamation project, Colorado, reported it without amendment and submitted a report (No. 2035) thereon.

Mr. PITTMAN, from the Committee on Foreign Relations, to which was referred the bill (S. 4044) to authorize the President to permit citizens of the American Republics to receive instruction at professional educational institutions and schools maintained and administered by the Government of the United States or by Departments or agencies thereof, reported it with an amendment and submitted a report (No. 2036) thereon.

REPORT ON INVESTIGATION OF THE AMERICAN COTTON COOPERATIVE ASSOCIATION (REPT. NO. 2030)

Mr. ELLENDER. On behalf of the Senator from Alabama [Mr. BANKHEAD] and myself, from the Committee on Agriculture and Forestry, I submit a report pertaining to the investigation of certain activities of the American Cotton Cooperative Association. I ask that it be printed in the RECORD, and in the usual report form.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

The Committee on Agriculture and Forestry which was authorized and directed to make a full and complete investigation of certain activities of the American Cotton Cooperative Association pursuant to Senate Resolution 137 of the Seventy-fifth Congress, first session, and Senate Resolution 205 of the Seventy-fifth Congress, third session, having completed its investigation, makes the following report:

I. COMMODITY CREDIT CORPORATION

A. IN CONNECTION WITH THE GRADING, STAPLING, RECONCENTRATION, AND MARKETING OF COTTON FINANCED BY THE FEDERAL GOVERNMENT BY MEANS OF LOANS AND ADVANCES MADE BY THE COMMODITY CREDIT CORPORATION AND THE COTTON PRODUCERS POOL

The Commodity Credit Corporation entered into a contract with the American Cotton Cooperative Association for the reconcentration and reclassification of approximately 1,600,000 bales of 12-cent-loan cotton. The committee finds that there was no deliberate or intentional overclassing or underclassing of this cotton. The evidence shows that the classing was reasonably accurate, considering the inexactness of the existing methods of classifying and grading cotton. The testimony indicates that there was considerable difference with respect to the reclassing and regrading of cotton located in South Carolina, but experienced witnesses agreed and the record indicates that where the same cotton is classed by two competent classers at different times, at different locations, on different samples, and under varying conditions as

to light, humidity, etc., wide differences in classifications may and do often result. Several witnesses testified that a difference of as much as 30 points was not unusual and their testimony was borne out by actual figures presented to the committee with respect to the regrading of some 40,000 bales in South Carolina. One classification of one-thousand-seven-hundred-and-some-odd bales of certain cotton in South Carolina made by Government classifiers showed little difference when compared to the original classification of A. C. C. A. Later on a portion of that same lot of cotton was again regraded and reclassed under Government supervision and differences in classification ranged from 1.7 over, to as much as 86.2 under.

On the other hand, the evidence discloses that a comparison made by the Commodity Credit Corporation of the class placed on 64,724 bales of reconcentrated cotton by the B. A. E. board of examiners and the class placed on the same cotton by A. C. C. A. showed a difference of less than 1 point, or less than 5 cents per bale in value. The committee finds that the classification and regrading of cotton made under ordinary trade conditions and in the usual course of business were fairly accurate. There may have been instances where errors occurred in classing individual bales, but, on the whole, there is little or no cause for complaint.

The committee was unable to discover any motive for the alleged underclassing of said cotton by A. C. C. A. Several witnesses testified that the only way by which A. C. C. A. could have benefited by underclassing was to purchase this underclassed cotton and sell it for a better grade. The evidence discloses that A. C. C. A. did purchase 135,398 bales, 30 to 40 percent of which was reconcentrated cotton, and an average of $2.05 per bale was paid to the farmers by A. C. C. A. in addition to the payment of all of the loans with interest, storage, and other carrying charges. The evidence further discloses that A. C. C. A. did not buy any of this cotton except at the request of and for the benefit of certain of its associations' farmer members. The evidence does not show that A. C. C. A. benefited in any of these transactions, except by such profits as may have accrued in the ordinary and usual course of its business. There is no evidence to the effect that any of the members of the association profited through any of these transactions or in fact in any of the dealings of the association.

II. COTTON PRODUCERS' POOL

That the Secretary of Agriculture acquired 2,500,000 bales of cotton, of which 600,000 bales were futures, thereby leaving 1,900,000 bales of actual cotton. Hon. Oscar Johnston was appointed by the Secretary as pool manager and later he entered into a contract with A. C. C. A. for the handling of said cotton under his direction. The evidence does not show that said cotton was underclassed. The adjustments made on said cotton as a result of underclassing or overclassing were negligible, considering the fact that the classing of cotton is a very inexact science.

The committee wishes to quote from the testimony of Mr. Johnston appearing on page 173 of the transcript, as follows:

"In my experience in handling cotton 30-odd years, I have never seen nor have had done a nicer marketing job nor more satisfactory marketing job than was done by American Cotton Cooperative Association and their personnel in the handling of that 1,900,000 bales of actual cotton."

The committee believes that Mr. Johnston was fully justified in making the above statement.

B. THE BONA FIDE MEMBERS IN A. C. C. A. AND WHETHER THEY ARE TRUE COOPERATIVES

Under the law, "persons engaged in the production of the agricultural products to be handled by or through the association, including lessees and tenants of land used for the production of such products, and any lessors and landlords who receive as rent all or any part of the crop raised on the leased premises" are entitled to membership and eligibility of membership is determined by State law.

Governor Myers testified:

"Furthermore, the law does not prescribe any fixed form of application or method that must be followed by nonstock associations in obtaining their membership. Neither is it required as a matter of law that such associations enter into marketing agreements with their members; and, of course, it is optional with associations whether they shall charge membership fees. * * *

There was no evidence by any members of these associations that they were dissatisfied with the conduct and affairs of A. C. C. A.

C. INTERLOCKING DIRECTORATES

The evidence discloses that the directors of the State and regional associations are elected by the farmer members. The farmers through their representative boards elect one director in A. C. C. A. There was no complaint furnished the committee as to the method of electing directors.

D. FINANCIAL STRUCTURE AND OPERATIONS; WHETHER OR NOT A. C. C. A. IS A COTTON COOPERATIVE OR SIMPLY A BUYING AND SELLING ORGANIZATION FOR THE BENEFIT OF ITS OFFICERS; THE LENDING OF MONEY BY THE GOVERNMENT TO INDIVIDUAL ASSOCIATIONS FOR THE USE OF A. C. C. A.; ITS SOLVENCY AND THAT OF ITS MEMBER ASSOCIATIONS; ITS BORROWING OF MONEY FROM GOVERNMENT AGENCIES OR PRIVATE COMPANIES AND ITS PRESENT INDEBTEDNESS TO THE GOVERNMENT OR ITS AGENCIES; ANY SPECULATION MADE BY SAID ASSOCIATION OR ITS MEMBERS IN COTTON

The financial statements furnished to the committee and the evidence of several witnesses, some from the Farm Credit Administration, indicate that A. C. C. A. is solvent, that its capital and surplus as of June 30, 1937, the close of its fiscal year, amounted to $6,166,245.96. As of February 26, 1938, it had a paid-up capital of $6,154,700 and a surplus of $227,684.76. Five million dollars of this amount represents paid-up capital by the various State associations that own the capital stock of A. C. C. A. This latter sum was borrowed from the Farm Credit Administration, repayable over a period of years. To this date, the State associations have repaid $360,000. Seven of the stockholder members have net assets of $1,368,558.08, and five have a combined deficit of $109,859.74.

On March 8, 1938, the State and regional associations owed the Farm Credit Administration a total of $4,640,000. The sum is secured by 57,155 shares of A. C. C. A. preferred stock, valued at $5,715,500.

During the season 1937–38 the Central Bank for Cooperatives loaned to A. C. C. A. $5,250,000, of which amount $1,500,000 has been repaid and the balance is not yet due. A. C. C. A. makes loans from private banks each season ranging from $25,000,000 to as much as $75,000,000. At the request of the Central Bank for Cooperatives 20 percent of these loans secured by cotton were made from it by A. C. C. A.

The evidence discloses that A. C. C. A. is operated for the benefit of its members and there is no evidence whatever of any speculation in cotton. The cooperatives have handled and hedged cotton received according to normal trade practices. We quote from the testimony of Governor Myers:

"Q. You consider the American Cotton Cooperative Association now fully in accordance with the idea of a cooperative association?

"Mr. MYERS. I think it is fully in accordance with the law. I think like all organizations it falls short of our ideals. I believe intelligent effort has been made and is being made more closely to obtain the ideals of what is expected in a farmer cooperative organization * * *."

E. OPERATIONS WITH THE SEED LOAN BORROWERS

The evidence shows no irregularities in the handling of seed-loan cotton. It was disposed of in accordance with the rules and regulations of the Farm Credit Administration and there was no complaint made by the seed-loan borrowers.

F. INTEREST RATE; INTEREST RATE A. C. C. A. PAYS OR HAS PAID TO THE GOVERNMENT OR ITS AGENCIES AND THE INTEREST RATE IT CHARGES OR HAS CHARGED THE FARMERS

During the 1930–31 and 1931–32 seasons the Federal Farm Board loaned money to A. C. C. A. at rates of three-eighths of 1 percent, and during subsequent seasons at rates of from 3 to 4 percent. During the 1936–37 and the 1937–38 seasons, the Central Bank for Cooperatives charged a rate of interest of 2 percent on commodity loans fully secured.

Prior to 1933–34 A. C. C. A. made loans to State and regional associations and charged an interest spread of from 1 to 2 percent in accordance with its bylaws. Proceeds from the interest spread have accrued to the State cooperatives. Since the beginning of the 1933–34 season few loans to individual associations have been made and the interest rates ranged from 3 to 5 percent.

G. WAIVER OF PRIOR LIENS FOR THE GOVERNMENT AND ITS AGENCIES

On one occasion in 1932 the Federal Farm Board waived a second lien which it held on cotton belonging to A. C. C. A. Neither the Farm Credit Administration nor any of its agencies has waived prior liens in connection with extension of credit to A. C. C. A.

H. INVESTMENTS IN REAL ESTATE OF A. C. C. A. AND ITS STOCKHOLDER MEMBERS

The evidence shows that A. C. C. A. owns no real estate, but six of its stockholder-member associations own real estate valued at approximately $300,000, said property consisting of buildings, gins, and warehouses.

I. ACCOUNTING OF FARM CREDIT ADMINISTRATION AND ITS PREDECESSORS REPRESENTING THE GOVERNMENT WITH A. C. C. A. AND ITS AFFILIATES, INCLUDING TOTAL AMOUNT OF LOSSES SUSTAINED IN DEALING WITH THE GOVERNMENT BY THE A. C. C. A. AND ITS PREDECESSORS AND AFFILIATES UP TO DATE AND THE TOTAL LOSS OF THE FARMERS AND THE GOVERNMENT

The evidence given by Governor Myers clearly demonstrates that the Government has experienced no loss in its operation with A. C. C. A. or affiliate associations subsequent to the loss occurring from the Federal Farm Board's stabilization operations. The evidence does not disclose a loss to farmers, but on the contrary, it shows that the spread between the farmer and the cotton consumer has been considerably decreased to the advantage and benefit of the cotton farmers of the Nation.

J. SALARIES OF THE MANAGER AND OTHER EMPLOYEES

The question of the salaries paid to the manager and other employees of the association was raised during the hearings and the committee finds that although the salary of the manager is probably high, it is under that paid to other managers doing like work and having similar responsibilities in the cotton trade.

RECOMMENDATIONS

It is recommended that the Secretary of Agriculture be requested to make a thorough study of the general subject of the classification of cotton, and that he be asked to submit for the consideration of the next session of Congress a proposed bill providing under Government supervision and regulation classification of all cotton produced in the United States in such a manner that the

official Government classification of every bale so produced may be made available to the producer at the earliest practicable date after ginning, and so that such official Government classification shall follow each bale through the channels of trade until consumed.

ALLEN J. ELLENDER.
J. H. BANKHEAD, II.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. FRAZIER:

A bill (S. 4153) to carry out the findings of the Court of Claims in the case of Lester P. Barlow against the United States; to the Committee on Claims.

By Mr. TYDINGS:

A bill (S. 4154) to authorize and direct the Commissioners of the District of Columbia to set aside the trial-board conviction of Policemen David R. Thompson and Ralph S. Warner and their resultant dismissal, and to reinstate David R. Thompson and Ralph S. Warner to their former positions as members of the Metropolitan Police Department; to the Committee on the District of Columbia.

A bill (S. 4155) to authorize the county of Kauai to issue bonds of such county in the year 1938 under the authority of Act 186 of the Session Laws of Hawaii, 1937, in excess of 1 percent of the assessed value of the property in said county as shown by the last assessment for taxation; to the Committee on Territories and Insular Affairs.

By Mr. COPELAND:

A bill (S. 4156) to amend the act of March 2, 1929, entitled "An act to establish load lines for American vessels, and for other purposes"; to the Committee on Commerce.

By Mr. LODGE:

A bill (S. 4157) to increase old-age benefit payments by one-third; ordered to lie on the table.

By Mr. SHIPSTEAD:

A bill (S. 4158) authorizing the States of Minnesota and Wisconsin, jointly or separately, to construct, maintain, and operate a free highway bridge across the Mississippi River at or near Winona, Minn.; to the Committee on Commerce.

By Mr. McADOO:

A bill (S. 4159) to authorize Federal cooperation in the acquisition of the "Muir Wood Toll Road," located in Marin County, State of California, and for other purposes; to the Committee on Post Offices and Post Roads.

By Mr. DUFFY:

A bill (S. 4160) to amend section 327 of the Liquor Tax Administration Act, approved June 26, 1936, to permit an allowance for breakage and leakage in brewery bottling operations; to the Committee on Finance.

AUTHORIZATION OF WORKS ON RIVERS AND HARBORS FOR FLOOD CONTROL—AMENDMENT

Mr. McNARY submitted an amendment intended to be proposed by him to the bill (H. R. 10618) authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes, which was ordered to lie on the table and to be printed.

AMENDMENTS TO SECOND DEFICIENCY APPROPRIATION BILL

Mr. PITTMAN submitted amendments intended to be proposed by him to House bill 10851, the second deficiency appropriation bill, 1938, which were referred to the Committee on Appropriations and ordered to be printed, as follows:

Amendments intended to be proposed by Mr. PITTMAN to the bill (H. R. 10851) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1938, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1938, and June 30, 1939, and for other purposes, viz: On page 64, line 16, strike out "$50,000" and insert "$66,000."

On page 64, line 22, strike out "$25,000" and insert "$31,750", and after the word "exchange", on page 64, line 25, change the period to a comma and add "and not to exceed $7,500 for expenses of attendance at meetings concerned with the work of the Department of State when authorized by the Secretary of State."

On page 69, line 8, strike out "1939" and insert "1938."

On page 69, line 25, after "1939", strike out the colon, insert a period and strike out "*Provided*, That no salary shall be paid hereunder at a rate in excess of $10,000 per annum."

On page 70, line 13, strike out "$10,000" and insert "$15,500."

At the proper place in the bill insert "Inter-American Highway, $500,000."

INVESTIGATION OF ALLEGED USE OF RELIEF AND WORK-RELIEF FUNDS FOR POLITICAL PURPOSES—CHANGE OF REFERENCE

Mr. TYDINGS. Mr. President, yesterday I submitted a resolution (S. Res. 290) providing for the appointment of three Senators in certain cases where the use of politics is alleged in W. P. A. I understand that, under the rule, the resolution should have been referred to the Committee to Audit and Control the Contingent Expenses of the Senate. It was referred to the Committee on Appropriations. I ask unanimous consent that the Committee on Appropriations be discharged from the further consideration of the resolution and that it be referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

The VICE PRESIDENT. Is there objection to the request of the Senator from Maryland that the Committee on Appropriations be discharged from the further consideration of the resolution referred to by him and that it be referred to the Committee to Audit and Control the Contingent Expenses of the Senate?

Mr. BARKLEY. Mr. President, reserving the right to object, let me say that the function of the Committee to Audit and Control the Contingent Expenses of the Senate ordinarily is to provide the funds after a standing committee of the Senate has reported favorably upon a resolution which provides for an expenditure. What is the occasion for having the resolution in this instance pursue a different course?

Mr. TYDINGS. In this case the resolution has no relation to any particular committee. Usually a resolution of investigation is along some line of activity of the Senate or the House of Representatives. As this is a detached matter, I have taken it up with the chairman of the Committee to Audit and Control the Contingent Expenses of the Senate, the Senator from South Carolina [Mr. BYRNES], and am advised that, as the money is to come out of the general fund for the contingent expenses of the Senate, it is not necessary in this case that the resolution be referred to the Committee on Appropriations. The Committee on Appropriations, as I understand, is perfectly willing to report it, but I do not think that is necessary, because it would be a useless step and no purpose would be served.

Mr. BARKLEY. Of course, I have no information as to the attitude of either the Committee on Appropriations or the Committee to Audit and Control the Contingent Expenses of the Senate with respect to the resolution. So I am not in a position to prophesy what either committee would do about it.

Mr. TYDINGS. It may not come out of the committee, but it should have been referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

Mr. BARKLEY. I have no objection.

The VICE PRESIDENT. Without objection, the Committee on Appropriations is discharged from further consideration of Senate Resolution 290, and the resolution is referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

INVESTIGATION OF ALLEGED USE OF RELIEF AND WORK-RELIEF FUNDS FOR POLITICAL PURPOSES—AMENDMENT

Mr. McADOO submitted an amendment intended to be proposed by him to the resolution (S. Res. 290) providing for an investigation of the alleged use of relief and work-relief funds for political purposes (submitted by Mr. TYDINGS and others on the 7th instant), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate and ordered to be printed.

INVESTIGATIONS CONCERNING FOREIGN MARKETS FOR TOBACCO AND USE OF TOBACCO PRODUCTS

Mr. BYRD submitted a resolution (S. Res. 291), which was ordered to lie on the table, as follows:

Resolved, That the Secretary of Agriculture is requested (1) to make a thorough study and investigation, immediately, of foreign markets and the possibilities of increased exports for all grades of tobacco and tobacco products, (2) to formulate and give full consideration to a plan or plans for increasing such exports and

enabling such exports to be made on a subsidized basis, (3) to make a thorough study and investigation of the use of byproducts of tobacco, and especially the use of nicotine as an insecticide and the cost of its manufacture, with a view to increasing the markets for such byproducts, and such investigation to be made one of the first activities of the farm laboratories when established, and (4) to transmit to the Senate, at the earliest practicable date, the results of his study and investigation, together with his recommendations and the plan or plans formulated by him and estimates of the probable expense to the Government which would be involved.

MR. AND MRS. JAMES CRAWFORD

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 2643) for the relief of Mr. and Mrs. James Crawford, which were, on page 1, line 5, to strike out all after "appropriated" down to and including "Crawford" in line 6, and insert "to Mr. and Mrs. James Crawford, of the Umatilla Indian Reservation, Oreg., the sums of $500 and $1,000, respectively"; on page 1, line 8, to strike out "damages resulting from"; on page 1, line 8, after "injuries", to insert "and property damage"; on page 1, lines 11 and 12, to strike out "Government"; and on page 2, line 1, after "Agriculture", to insert "on August 31, 1936."

The VICE PRESIDENT. The Chair understands that the Senator from Oregon [Mr. McNARY], who seems to be temporarily absent from the Chamber, desires to move to concur in the House amendments to the bill. Without objection, the House amendments are concurred in. The Chair hears no objection.

JOHN H. OWENS

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 1274) to confer jurisdiction upon the United States District Court for the District of Nebraska to determine the claim of John H. Owens, which were to strike out all after the enacting clause and insert:

That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to John H. Owens, of Omaha, Nebr., the sum of $1,500, in full satisfaction of his claim against the United States for personal injuries sustained on September 23, 1931, when the automobile he was driving was struck at the intersection of Twentieth and Harney Streets, Omaha, Nebr., by an automobile owned by the Department of Agriculture and operated by an employee thereof: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

And to amend the title so as to read: "An act for the relief of John H. Owens."

Mr. BURKE. I move that the Senate concur in the House amendments.

The motion was agreed to.

RECONCENTRATION OF COTTON

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 3836) relating to the manner of securing written consent for the reconcentration of cotton under section 383 (b) of the Agricultural Adjustment Act of 1938, which was, on page 2, line 9 after "Corporation", to insert:

Provided, however, That in cases where there is congestion and lack of storage facilities, and the local warehouse certifies such fact and requests the Commodity Credit Corporation to move the cotton for reconcentration to some other point, or when the Commodity Credit Corporation determines such loan cotton is improperly warehoused and subject to damage, or if uninsured, or if any of the terms of the loan agreement are violated, or if carrying charges are substantially in excess of the average of carrying charges available elsewhere, and the local warehouse, after notice, declines to reduce such charges, such written consent as provided in this amendment need not be obtained; and consent to movement under any of the conditions of this proviso may be required in future loan agreements.

Mr. BANKHEAD. I move that the Senate concur in the House amendment.

The motion was agreed to.

E. E. TILLETT

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 2553) for the relief of E. E. Tillett, which were, on page 1, line 6, to strike out "$781.64" and insert "$774.64"; on page 2, line 4, to strike out "$781.64" and insert "$774.64"; and on page 2, line 16, to strike out all after "1936" down to and including "Office" in line 17.

Mr. BYRD. I move that the Senate concur in the House amendments.

The motion was agreed to.

CORRESPONDENCE IN RE PAX AMERICA

Mr. PEPPER. Mr. President, I ask unanimous consent to have printed as a Senate document some correspondence between Henry H. Buchman, president of Pax America, and myself.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the matter referred to will be printed as a Senate document.

GIVE THE FARMER A CHANCE

[Mr. LEE asked and obtained leave to have printed in the RECORD some extracts from a speech of his own on the farm question, which appear in the Appendix.]

ACHIEVEMENTS OF NATIONAL AIR MAIL WEEK—ADDRESS BY POSTMASTER GENERAL FARLEY

[Mr. McKELLAR asked and obtained leave to have printed in the RECORD a radio address on the achievements of National Air Mail Week, delivered by Hon. James A. Farley, Postmaster General, on June 7, 1938, which appears in the Appendix.]

THE ENGINEER PLUS—ADDRESS BY HON. JOHN C. PAGE

[Mr. NORRIS asked and obtained leave to have printed in the RECORD an address entitled "The Engineer Plus" delivered by Hon. John C. Page, Commissioner of Reclamation, before the annual round-up of the Nebraska Engineering Society of Omaha on April 2, 1938, which appears in the Appendix.]

ADMINISTRATIVE PROBLEMS IN SOCIAL SECURITY—ADDRESS BY HON. FRANK BANE

[Mr. HILL asked and obtained leave to have printed in the RECORD an address on Administrative Problems in Social Security delivered by Frank Bane, Executive Director of the Social Security Board, before the International Association of Public Employment Services at Ottawa, Canada, on May 27, 1938, and also an editorial published in the Washington Post on May 28, 1938, in regard to the address, which appear in the Appendix.]

THE CONSTITUTION—THE SUPREME COURT—THE NEW DEAL—ADDRESS BY HON. JAMES A. REED

[Mr. AUSTIN asked and obtained leave to have printed in the RECORD an address on the subject The Constitution; the Supreme Court; the New Deal delivered by Hon. James A. Reed before the American Bar Association at Kansas City, Mo., on September 27, 1937, which appears in the Appendix.]

OIL PACT BETWEEN STANDARD VACUUM CO. AND THE QUEZON GOVERNMENT

[Mr. FRAZIER, on behalf of Mr. NYE, asked and obtained leave to have printed in the RECORD an article entitled "The Oil Pact Between the Standard Vacuum Co. and the Quezon Government" published in the Philippine American Advocate, which appears in the Appendix.]

PAYMENT OF THE DEBTS OF FOREIGN NATIONS BY EXEMPTING EXPORTS OF UNITED STATES FROM TARIFFS, SHIP DUTIES, AND WHARF CHARGES

Mr. LEWIS. Mr. President, I must bring to the attention of the Senate today a subject which is not altogether new, and which, so far as I am concerned, of course has no novelty, but as a recurring responsibility and, as far as I see it, sir, upon this Government a returning and urgent duty.

Next Wednesday there will be due this country, as interest upon the debts which are due the United States from its foreign debtors, sums which in the aggregate will reach $1,000,000,000. Outside of two small countries no one of

these debtors has intimated a desire, much less an intention, to pay this interest as due, or any part of it.

Mr. President, at the same time I beseech the Senate to let me impose upon them the information that the public records will disclose that France is lately advancing the equivalent of $50,000,000 of American money to Turkey. The object of this is to assure Turkey some munitions and ammunition for prospects of war, whatever they are. The nature of this does not concern us deeply, except with regret. At the same time, sir, France is advancing to Czechoslovakia and Poland the equivalent of the sum altogether of $100,000,000. This, in the way of credits, is ostensibly and confessedly for the object of increasing their power in what is called their defense; at any rate, sir, for the uses of war. In the meantime, sir, the debtor England finds it agreeable to extend to Rumania and Portugal what would be more than $50,000,000 in one instance and $100,000,000 in another. This England assumes as necessary to cover their emergencies or their defense demands. These sums are to be paid in such installments as England finds agreeable in her arrangement with Portugal and Rumania. We concede that England has to consider her own impending situation.

At this time, in all these generosities, we cannot fail to note that not one dollar is intimated to be paid to the United States on the debts due us, and this at a time when we are called on to vote vast millions for the relief of our poor, when with money we must meet the necessities of a regrettable but justifiable relief. At the same time, Mr. President, this Government has stupendous indebtedness which it is anxious to meet from other directions. Yet, sirs, while we are enduring this indebtedness, my fellow Senators, while these sums of money are due us and the other sums described are being advanced to other countries by our debtors, I summon the Senate to invite their attention to the fact that these large debtors of ours have lately added more tariffs against United States exports, together with wharf duties and customs privileges and other forms of obligations which attend with burdens exports from our country and the trade that comes from America. The amount that is levied against us in the form of these tariffs, duties, and obligations exactly equals, by a strange coincidence, the amount of 1 month's interest due in this month of June to the United States.

I invite the attention of the Senate to the fact that these debtors find it agreeable not only not to pay us a dollar of the principal, not to offer one dollar of the interest, but at the same time, while they are asking of us a preferential trade treaty which in the generosity of this Government and in the statesmanship of the Secretary of State and the President is being yielded to them, they are levying an increased duty upon the imports of the United States, and a further charge, known as shipping and wharf charges, upon the ships that deliver the produce of the United States to the ports of these our foreign debtors.

Mr. President, this manifest injustice is accompanied, let me add—and here I ask the Senate's attention particularly—by the fact that preferential trade treaties are given by our debtor countries to other countries in Europe, our rivals in trade. These treaties contain specific limitations levied against the United States. Germany and the neighboring countries particularly of Central Europe are by our debtors allowed exemptions from certain obligations, provided these countries give their exclusive trade to the lands—these three, particularly, which are the largest in amount of our debtors.

Mr. President, I do not know what policy induces the Government of my country, outside of a sense of charity and friendship, to tolerate these discriminations against us without ever raising a voice of protest, through our diplomatic channels, against its continuous infliction.

Mr. President, I here and now propose that this Government of ours, either with any trade treaty that it agrees upon, or as preliminary to any trade treaty, or at the appropriate time that may be utilized, make demand on these debtors that they release these tariff duties charged against the United States, and give exemption to United States shipments into their country from tariff taxes, from ship duties, and from any other commercial or wharf obligations, to an amount that shall at least equal the amount of the installments now due and past due of interest that should be paid to the United States.

In this manner these debtors will be able to pay off part of their debts. They will reserve to themselves their cash. They will release us from the payment of these duties and obligations. This will enable our shipments to reach foreign ports upon some equality with the shipments of the other lands to which our debtors have granted trade treaties which give to these other lands a preference over us, with qualifications and contracts within the treaties which practically declare that no trade shall be had with us until that with the other countries has been satisfied—and only that bought from us which these other lands cannot supply.

Sir, in the face of this record, I respectfully urge that the time has come when this honorable body, joining with our State Department, should recommend to our debtors that if they cannot pay us some money, they promptly cease levying these tariff duties and burdens against our exports. This may increase our trade and thus benefit our land at a time like this, when our needs are great, and will offset, sir, the burdens they put upon us, and by this pay something of their obligations long due us.

I realize, sir, that the question of the debts as due and unpaid is not new. I have from time to time brought it to the attention of this honorable body. I recognize that the inaction on the part of this body is due to the courtesy we owe to the State Department, all hoping it will soon initiate some measure looking to the collection of the debts or the equalizing of wrongs, in complete justice to ourselves. We may ratify such measure, or tender to it, sir, such suggestions as may seem pertinent and proper.

Mr. President, I have occupied these few moments prior to the Senate's entering upon the consideration of the river and harbor bill set for this hour that I might bring to the attention of this body that which I feel calls for immediate attention. I ask the Senate to accept my thanks for its consideration but to regard the subject as potent and vital for immediate action.

EMPLOYMENT OF ALIENS BY GOVERNMENTAL DEPARTMENTS OR AGENCIES

Mr. McKELLAR. I ask unanimous consent for the present consideration of Senate Resolution 285, pertaining to the employment of aliens by governmental Departments or agencies.

There being no objection, the resolution (S. Res. 285) submitted by Mr. McKELLAR on May 31, 1938, was considered, read, and agreed to, as follows:

Resolved, That each Department and agency of the Government is requested to transmit to the Senate, at the beginning of the first session of the Seventy-sixth Congress, a list containing the names of all aliens employed by such Department or agency, together with the reasons for their employment.

PERRY'S VICTORY MEMORIAL COMMISSION

The PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the bill (S. 2009) to authorize the payment of certain obligations contracted by the Perry's Victory Memorial Commission, which were, on page 2, line 12, to strike out "any" and insert "their claims against the United States or the Perry's Victory Memorial Commission, representing"; and on page 2, line 13, after "parties", to insert "necessarily incurred for maintenance of Perry's Victory Memorial Monument, Put in Bay Island, Lake Erie, Ohio, prior to July 6, 1936, at which time control and management of said monument was transferred to the National Park Service of the Interior Department, pursuant to Presidential proclamation."

Mr. BULKLEY. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

CARL ORR

The PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the bill (S. 2802) for the relief of the legal guardian of Carl Orr, a minor, which were, on page 1, line 8, to strike out "for damages", and to amend the title so as to read: "An act for the relief of Carl Orr, a minor."

Mr. LEE. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

MR. AND MRS. S. A. FELSENTHAL AND OTHERS

The PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the bill (S. 3147) for the relief of Mr. and Mrs. S. A. Felsenthal, Mr. and Mrs. Sam Friedlander, and Mrs. Gus Levy, which were, on page 1, line 6, to strike out "$1,382.75" and insert "$3,000"; on page 1, line 8, to strike out "$3,389.50" and insert "$5,000"; on page 1, line 9, to strike out all after "of" where it appears the first time down to and including "be", in line 10, and insert "$250,"; on page 1, line 11, to strike out all after "for" down to and including "of", in line 2 of page 2; on page 2, line 4, after "a", to insert "United States Army"; on page 2, line 4, to strike out all after "car" down to and including "accident", in line 6; on page 2, line 7, to strike out "Belvidere" and insert "Belvedere"; and on page 2, line 8, to strike out "or about."

Mr. McKELLAR. I move that the Senate concur in the House amendments.

The motion was agreed to.

BOARD OF TRADE GAMBLING IN WHEAT

Mr. CAPPER. Mr. President, I have before me a recent editorial on Gambling in Wheat by A. Q. Miller, editor and publisher of the Belleville (Kans.) Telescope, commenting forcibly on the drive now being made by the grain gamblers to drive down still further the already low market price for wheat.

The United States seems to be due for a wheat crop of close to 900,000,000 bushels, which will mean a total supply of well over a billion bushels of wheat for the coming marketing year. Of course, seeing that the rest of the world also appears to be due to have larger than normal crops, this means low-priced wheat.

But it is little short of criminal, at a time like this, to see the board of trade gamblers driving prices still further down. Last year the United States produced something over 800,000,000 bushels of wheat. Chicago Board of Trade gamblers bought and sold some 10,000,000,000 bushels. Producers and consumers, first one group and then the other, suffer from this gambling in a necessity of life. I am in entire sympathy with Editor Miller's demand that this gambling in wheat be more effectively curbed. I ask unanimous consent that the editorial from the Belleville Telescope be printed in the RECORD at this point as part of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Belleville (Kans.) Telescope]

GAMBLING IN WHEAT

(By A. Q. Miller)

The Nation is all set for a 900,000,000-bushel wheat crop, according to crop reporters, and Kansas is marked down to produce somethink over 200,000,000 bushels or nearly a fourth of the entire crop in the United States.

In the meantime the grain gamblers are busy pushing wheat prices down. All sorts of pretexts are used by the speculators to bear the wheat market, as well as other commodity markets. For example, last year the United States produced only 850,000,000 bushels of wheat, but the Chicago grain gamblers bought and sold 10,000,000,000 bushels. This is 12 times as much as the entire wheat crop, and represents nothing more or less than a poker game in which wheat is used as chips. The same system of gambling is used to sell corn, pork, cotton, and other commodities.

For years Congress has tried to place restrictions around this type of practice, one of which requires actual delivery of the product purchased, but even this seems to have been unsuccessful, because the law is not enforced. The normal application of the law of supply and demand is bound to work, just as the law of gravitation cannot be repealed, but the frenzied buying and selling of commodities on the Chicago Board of Trade, which transactions are not represented by actual merchandise, and sales should be prohibited. The actual producers of wheat, and not the speculators in wheat, are the ones who should have the profit for their labor and effort.

If Secretary Wallace or Congress want to do something realistic to help the wheat farmer they will protect him from human wolves who infest the Chicago wheat pit at this time of the year and juggle with the farmers' grain crop.

TRANSFER OF BALTIMORE MAIL LINE SHIPS TO INTERCOASTAL TRAFFIC

Mr. McADOO. Mr. President, on several occasions I have burdened the Senate with some observations on the intercoastal trade of the United States and the injustice which has been done to the great State which in part I represent and to the entire Pacific coast because of the withdrawal of three of America's finest steamships operating between New York and the Pacific coast, and the transfer of those ships to other services.

During the time this matter has been under consideration I introduced certain bills in the Senate to correct the situation, and active negotiations have been in progress with the Maritime Commission. I am very happy now to say that the Maritime Commission has found a solution, by agreement with the International Mercantile Marine Co., which controls the company which has been operating in the trans-Atlantic trade the so-called Baltimore mail steamships vessels.

As a result of this agreement the five Baltimore mail steamships will be transferred to the intercoastal service of the United States, which I think is an excellent solution, at least for the present, of the serious problem which has confronted California and the Pacific coast on account of the withdrawal heretofore of all intercoastal vessels.

I send to the desk and ask to have read to the Senate a brief letter from the Chairman of the Maritime Commission, Admiral Land.

The PRESIDENT pro tempore. The clerk will read.

The legislative clerk read as follows:

UNITED STATES MARITIME COMMISSION,
Washington, June 8, 1938.

Hon. WILLIAM G. McADOO,
United States Senate, Washington, D. C.

MY DEAR SENATOR: With reference to your letter of June 5, there is enclosed herewith a copy of the action taken by the Maritime Commission in connection with the application of the Baltimore Mail Steamship Co. from which you will note that their application to enter the intercoastal service with the five vessels of the Baltimore mail line has been approved by the Commission.

The Commission understands that operations on this new service will begin at the earliest practicable date, this being a matter completely under the cognizance of the owners of the line.

Cordially yours,

E. S. LAND, *Chairman.*

Mr. McADOO. Mr. President, I ask unanimous consent to have incorporated in the RECORD as a part of my remarks the order of the United States Maritime Commission, No. 486, dated June 7, 1938, which I send to the desk.

There being no objection, the order was ordered to be printed in the RECORD, as follows:

[United States Maritime Commission. No. 486. In re application of the Baltimore Mail Steamship Co. to transfer certain vessels owned by it to intercoastal trade. Submitted June 3, 1938. Decided June 7, 1938. Application of Baltimore Mail Steamship Co. for permission to enter intercoastal trade approved, subject to certain restrictions. Cletus Keating for applicant. Roscoe H. Hupper, William P. Palmer, J. R. Bell, Hon. William G. McAdoo, Arthur L. Winn, Jr., W. L. Thornton, Jr., H. J. Wagner, and G. H. Pouder, for intervenors]

REPORT OF THE COMMISSION

By the Commission.

By application, as supplemented, filed May 17, 1938, Baltimore Mail Steamship Co., hereinafter referred to as the "applicant," requests permission under section 805 (a) of the Merchant Marine Act, 1936, to transfer to domestic intercoastal service five combination passenger and cargo vessels owned by it—namely, *City of Baltimore, City of Norfolk, City of Hamburg, City of Havre,* and *City of Newport News.* A public hearing was held pursuant to notice and briefs were filed.

The above-named vessels were formerly operated by that company in foreign commerce between Baltimore, Md., and Newport News and Norfolk, Va., on the one hand, and continental European ports, on the other. Applicant states that, after a contemplated reorganization now in progress, all of its stock will be owned by the

International Mercantile Marine Co. and/or the Atlantic Transport Co. of West Virginia, the Baltimore Trust Co., and the Canton Co.

In 1915 the Atlantic Transport Co. of West Virginia inaugurated a service between the Atlantic and Pacific coasts by the way of the Panama Canal. The Atlantic Transport Co. of West Virginia is a subsidiary of the International Mercantile Marine Co. and owns outright the American Line Steamship Corporation, which has had a service under the name of "Panama Pacific Line" for some time with the vessels *California*, *Pennsylvania*, and *Virginia*, since the latter were constructed.

The Baltimore Mail Steamship Co., a Maryland corporation, at the present time is owned 46.59 percent common stock and 25 percent preferred stock by the Atlantic Transport Co. of West Virginia. According to the record the Baltimore Mail Steamship Co. will be reorganized, after which all of the stock of the Baltimore Mail Steamship Co. will be owned by the International Mercantile Marine Co. and/or the Atlantic Transport Co. of West Virginia and two affiliated companies. It is stated in briefs filed on behalf of applicant that "upon completion of reorganization the Atlantic Transport Co. of West Virginia will own a substantial majority of all of the outstanding stock of the Baltimore Mail Steamship Co."

The International Mercantile Marine Co. controls the Atlantic Transport Co. of West Virginia and also the United States Lines Co., a common carrier by water in foreign commerce, and the holder of an operating-differential subsidy contract under title VI of the Merchant Marine Act, 1936. Section 805 (a) thereof provides, in part, that—

"It shall be unlawful to award or pay any subsidy to any contractor under authority of title VI of this act, or to charter any vessel to any person under title VII of this act, if said contractor or charterer, or any holding company, subsidiary, affiliate, or associate of such contractor or charterer, or any officer, director, agent, or executive thereof, directly or indirectly, shall own, operate or charter any vessel or vessels engaged in the domestic intercoastal or coastwise service, or own any pecuniary interest, directly or indirectly, in any person or concern that owns, charters, or operates any vessel or vessels in the domestic intercoastal or coastwise service, without the written permission of the Commission. Every person, firm, or corporation having any interest in such application shall be permitted to intervene and the Commission shall give a hearing to the applicant and the intervenors. The Commission shall not grant any such application if the Commission finds it will result in unfair competition to any person, firm, or corporation operating exclusively in the coastwise or intercoastal service or that it would be prejudicial to the objects and policy of this act."

Carriers actively operating in intercoastal service intervened in opposition to the application. Their contentions, briefly summarized, are that the trade is now overtonnaged; that there is no present need for the vessels of the Baltimore Mail Line; that the transfer of those vessels to the intercoastal trade may disrupt the existing rate basis, especially if service is to cover ports that were not previously served by the Panama Pacific Line; that new construction by existing carriers will be discouraged by the proposed transfer; and that approval of the application in substance will amount to the extension of Government aid to the applicant upon terms not available to them. For these reasons they conclude the proposed operation will result in unfair competition to them and prejudice to the object and policy of the act which we administer. They also contend that the applicant has failed to show the proposed service to be in the public interest.

The vessels involved herein were originally sold in 1921 by the United States Shipping Board and in 1931 were reconstructed by the applicant through the aid of a construction loan made available pursuant to section 11 of the Merchant Marine Act, 1928, aggregating $6,520,706.26, of which $5,933,106.23 is still due. As a part of the application, applicant requests that provision be made for the payment of that indebtedness by equal annual installments during the balance of the present term of existing mortgage. Each vessel has accommodations for 82 passengers, a speed of 16.5 knots with a cargo capacity of about 500,000 cubic feet, of which 26,610 cubic feet is now equipped with circulating air refrigeration. It is contemplated that refrigerated space on each vessel will be increased to approximately 80,000 cubic feet.

The service is proposed to operate in lieu of the service heretofore operated between New York, N. Y., and ports in the State of California by the American Line Steamship Corporation and/or the Atlantic Transport Co. of West Virginia with the steamships *California*, *Pennsylvania*, and *Virginia*. Those vessels, and also the combination passenger and cargo vessels of the Grace Line, Inc., which operated continuously in intercoastal service for many years were recently withdrawn from this route. Except for the westbound service of Dollar Steamship Lines, Inc., Ltd., with infrequent sailings from New York during recent months as a part of its round-the-world service, there is no adequate passenger service between Atlantic and Pacific coast ports of the United States at the present time. Some cargo vessels are equipped with limited passenger space, but they are not classed as passenger vessels. Intervenors supporting the application urge the necessity of such a service by more modern vessels than are now in operation, and of a type and kind suitable for use as naval and military auxiliaries in time of war or national emergency. This need is further evidenced by the substantial number of passengers shown to have been transported during 1937 by the Panama Pacific and the Grace Lines. While applicant's vessels can accommodate but a portion of the passenger traffic previously transported via the Panama Canal, to the extent of their capacity they will serve an existing need.

It is also shown that there is little, if any, adequate space on cargo vessels now in operation for certain classes of refrigerated cargo. Vessels of the Panama Pacific Line were equipped with a total of approximately 300,000 cubic feet of circulating air refrigeration. A representative of the California Fruit Growers' Exchange testified that during the period 1933 to 1937, inclusive, shipments of citrus fruits eastbound exceeded 450,000 boxes per season; that the association filled to capacity all the refrigerated space on the vessels of that line available to it. Vessels of Grace Line, Inc., now withdrawn from service, were also equipped with substantial quantities of circulating air refrigeration. The witnesses for the association testified that it is ready, willing, and able to supply cargo to fill all the refrigerated space on the five vessels. In addition to citrus fruits, shipments moving eastbound which require refrigeration include frozen fish, frozen poultry, eggs, fresh vegetables, and fresh fruits. Westbound commodities requiring refrigeration include confectionery, cranberries, cheese, frozen fish, and oysters. It is clear that a need exists for refrigerated service in intercoastal trade which is evidenced in part by the large number of letters and telegrams from shippers and others that were submitted by the applicant. It was shown that substantial quantities of citrus fruits move all-rail to competitive points in eastern territory, but all-rail rates are substantially higher than via the all-water route to eastern points.

From the foregoing it is clear that to the extent of the refrigerated and passenger service which applicant's proposed operation will afford, its service will not be competitive with that of existing operators.

Intervenors American-Hawaiian Steamship Co. and Luckenbach Steamship Co., Inc., oppose the granting of the application on the ground that the trade is now overtonnaged and that cargo transported by applicant will decrease the carryings of vessels now in operation. They direct attention to present sailings with only part cargoes and state that all lines now operate at a loss. These intervenors operate vessels whose speed is 11.5 knots or more with sailing frequencies in excess of their present competitors. With such advantages they are able to attract high-grade cargo. Testimony in the record indicates that, while there has been some recession in the quantity of higher-grade cargo due to present economical conditions, the decline has not been so marked as that with respect to low-grade cargo, which has fallen off materially.

However, in considering the problems presented by this application, temporary declines in traffic due to existing business conditions should not control. Consideration must be given to the long-term prospects of the trade and to the age of the existing tonnage operated therein. The last factor is of particular significance in view of the fact that no substantial volume of new construction for this trade seems likely at the present time. Therefore, the transfer of the applicant's vessels, which were completely rebuilt in 1931, may be the only means of insuring adequate long-term service for high-grade cargo. Moreover, in this connection it must also be recognized that, while some of the cargo for the proposed operation may be diverted from the objecting water carriers, a substantial amount probably will represent cargo carried by fast intercoastal vessels, viz: *Virginia*, *California*, and *Pennsylvania* controlled by the Atlantic Transport Corporation, of West Virginia, or refrigerated cargo and passenger business for which the objectors' vessels cannot provide. The objectors recognize that they have no right to a monopoly in the trade. Under the ruling herein, the right to compete is not denied to them.

There is no merit in the contention that the proposed operation would result in unfair competition because of the proposed readjustment of the indebtedness covering the applicant's vessels. Such readjustment of the indebtedness as may be hereafter agreed upon would tend to insure orderly liquidation of such indebtedness and would not constitute a grant or disguised subsidy. Similar adjustments have been made in the past with operators engaged in the intercoastal trade, as well as the foreign trade. If found by the Commission to be fair and reasonable, these adjustments in themselves do not introduce any element of unfair competition. In this connection, it also should be noted that the interest rate on the mortgages covering the applicant's vessels would automatically be increased to 5¼ percent, in accordance with the terms of the mortgages.

American-Hawaiian Steamship Co. directs attention to impending dangers to the rate structure now observed by it and other carriers. In any event the rate structure is now constantly subject to jeopardy by our lack of authority to prevent intercoastal operation by other persons, and this alone does not justify a denial of the application.

We find that on this record there will be no unfair competition within the purview of the 1936 act to existing carriers or prejudice to the objects and policy of the Merchant Marine Act, 1936, from the operation of applicant's vessels in the intercoastal trade, and the application will be approved.

In view of this conclusion it is unnecessary to determine whether there has been a continuation of operations. An appropriate order will be entered.

ORDER

At a session of the United States Maritime Commission, held at its office in Washington, D. C., on the — day of June A. D. 1938—

No. 486—In re application of the Baltimore Mail Steamship Co. to transfer certain vessels owned by it to intercoastal trade

A hearing having been held in this proceeding, pursuant to the provisions of section 805 (a) of the Merchant Marine Act, 1936, and the Commission, on the date hereof, having made and entered of

record a report stating its conclusions and decision therein, which report is hereby referred to and made a part hereof;

It is ordered that the application of the Baltimore Mail Steamship Co. be, and it is hereby, approved.

By the Commission.

[SEAL] W. C. PEET, Jr., *Secretary*.

Mr. McADOO. Mr. President, I am very happy to be able to make this announcement, because a very serious problem which has been confronting the entire Pacific coast has now been settled, at least for the time being.

PROPOSED RULES OF PRACTICE IN FEDERAL COURTS

Mr. KING. Mr. President, on the 5th day of January last I offered a resolution providing for the postponement of the effective date of the Rules of Practice in Federal Courts recently promulgated by the Supreme Court of the United States.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. KING. I yield.

Mr. NORRIS. If the Senator is about to refer to the rules, I suggest that he preface his remarks by explaining to the Senate how the rules were adopted, the original resolution by which they were authorized, and the way in which the resolution provided they should go into effect unless some action should be taken by Congress which would interfere with their going into effect. I think it would be well that Senators understood the purport of the discussion of the Senator from Utah. The Senator is speaking on a very important matter, one in which all attorneys, particularly, are vitally interested, namely, the rules which have been promulgated by the Supreme Court, and which will go into effect unless some action is taken by the Congress to prevent it. I am not particularly arguing against the rules, although I agree with the Senator from Utah that there are some of them which ought not to go into effect. At least the matter ought to be understood by Congress, and it ought to be understood that unless we do take some action on these rules they will go into effect as a matter of course.

Mr. LEWIS. Mr. President, I hope the Senator from Utah will add in his discussion a statement of what he feels will be the effect of these rules when put into execution.

Mr. KING. Mr. President, I appreciate the suggestion made by the Senator from Nebraska, and also the suggestion submitted by the Senator from Illinois. In compliance with the request of the Senator from Nebraska I invite attention to the act of June 19, 1934, which conferred upon the Supreme Court of the United States the power to prescribe, by general rules, for the district courts of the United States, and for the courts of the District of Columbia the forms of process, writs, pleadings, and motions, and the practice and procedure in civil actions at law. The statute also provided that the rules were not to abridge, enlarge, or modify the substantive rights of any litigants. However they were to take effect 6 months after their promulgation and an important provision of the statute declared that:

* * * thereafter all laws in conflict therewith shall be of no further force or effect.

Section 2 of the act referred to provided that the rules shall not take effect until they shall have been reported to Congress by the Attorney General at the beginning of a regular session and until after the close of such session.

It is apparent, therefore, that these rules, with all their virtues and all of their infirmities, will become effective within 6 months after their promulgation, but they must have been reported to Congress by the Attorney General at the beginning of a regular session.

The Attorney General of the United States on the third day of January of this year did present to the Senate and the House of Representatives of the United States, rules of civil procedure which have been submitted to him by the Chief Justice of the United States on the 20th of December 1937. In the letter of transmittal to the Attorney General the Chief Justice stated:

Mr. Justice Brandeis does not approve of the adoption of the rules.

I need not say what all concede, that Mr. Justice Brandeis is one of the outstanding characters in the United States, and one of the ablest jurists who has brought distinction and honor to the Supreme Court of the United States. In this connection permit me to state that the opinion of Mr. Justice Brandeis in the Erie case handed down a few days ago, justifies the position I take, that the effective date when the rules referred to shall go into effect, should be postponed until Congress has an opportunity to examine them and their effect upon statutes which have been enacted during the past more than 100 years.

As I have indicated the rules, unless Congress shall take some affirmative act, will go into effect within a very short time. I have contended that Congress should immediately pass a measure that will postpone the effective date of the proposed rules until the adjournment date of the first session of the Seventy-sixth Congress. It is proper, therefore, in view of the importance of the questions involved and the effect of the rules upon hundreds of statutes, that Congress, through its appropriate committees, should make a thorough investigation of the rules and their relation to existing law and their effect upon procedural matters in the courts of the United States.

I might add that the late Senator from Montana, Senator Walsh, together with a number of other Senators, resisted efforts to superimpose upon the States the so-called Conformity Act. He, as well as many lawyers, were unwilling to have the Federal Government determine the rules of practice in the Federal courts in common-law proceedings. That is to say, he and they insisted that the procedure prescribed in the laws of the various States should be followed by the Federal courts within their respective States in connection with common-law actions.

I might add that the Supreme Court of the United States appointed an advisory committee to assist in the preparation of a unified system of general rules for cases in equity and actions at law, so as to secure one form of civil action and procedure in both classes of cases, and to assist the court in such undertaking it appointed an advisory committee consisting of a number of lawyers from various parts of the United States. The advisory committee was charged with the duty, subject to the instructions of the Court, to prepare and submit to the Court a draft of a unified system of rules. This advisory committee prepared rules of civil procedure for the district courts of the United States. They are found in a pamphlet which I exhibit to the Senate, consisting of 125 pages. Accompanying the pamphlet containing the rules is a pamphlet entitled "Notes to the Rules of Civil Procedure for the District Courts of the United States," prepared under the direction of the Advisory Committee on Rules for Civil Procedure. These notes are found in a pamphlet of 79 pages, which I now exhibit to the Senate.

Mr. President, believing that it would be unwise and, indeed, improper for Congress to permit these rules to become effective without examination, I offered a joint resolution, No. 281, in the Senate, on the 5th day of January, which was referred to the Committee on the Judiciary of the Senate.

It seemed highly improper that rules, which would have such an important effect upon the procedure of the courts, and indeed upon substantive rights, should automatically go into effect, and I, therefore, believed it to be the duty of Congress, through appropriate committees, to make a searching examination of the rules before they became effective. Realizing that they would become effective unless some action was taken by Congress to postpone the date when they were to go into effect, I offered the resolution referred to.

May I say that I believe that Congress would be derelict in its duty if it did not investigate the rules to determine their effect, and be in a position to certify as to the wisdom and propriety of the same. Speaking for myself, I was unwilling to permit the rules to become effective without having an opportunity to study them, and without an opportunity being given to members of the Committees of the

Judiciary of the House and the Senate as well as all members of both legislative bodies to give them appropriate examination.

The joint resolution referred to is as follows:

Whereas, by the act of June 19, 1934, chapter 651, it is provided that the Supreme Court of the United States shall prescribe by general rules for the District Courts of the United States and for the District of Columbia the forms of process, writs, pleadings, and motions and the practice and procedure in civil actions at law; and

Whereas it is further provided by said act of June 19, 1934, chapter 651, that the said rules to be promulgated thereunder shall not take effect until after the close of the regular session of the Seventy-fifth Congress; and

Whereas the rules transmitted to the Senate and the House of Representatives by the Attorney General on January 3, 1938, which purport to unite the rules for cases in equity with those in actions at law and provide in proposed rule 86 that such united rules will take effect on September 1, 1938, or 3 months subsequent to the adjournment of the second regular session of the Seventy-fifth Congress if that date is later; and

Whereas the act of June 19, 1934, chapter 651, provides that all laws in conflict therewith shall, after the rules take effect, be of no further force and effect, and rule 86 of said proposed rules provides that the united rules shall govern all proceedings in the courts in actions brought after they take effect and in all actions pending with certain exceptions.

Senators will perceive that the statute providing for the rules of civil procedure repeals by implication, if not directly, all laws which appear to be in conflict with the "united rules," though such laws may have been enacted more than 100 years ago.

I continue to read the joint resolution:

And whereas if the rules so promulgated with such provisions and under such statute are intended to have the force and effect of repealing, modifying, or superseding numerous acts of Congress now on the statute books, innumerable questions will arise as to the exact extent of the conflict; and

Whereas it is desirable that a study of such proposed rules and the laws with which they may be in conflict should be made and the conflicting provisions governing practice and procedure in the District Courts of the United States and in the District of Columbia should be brought into harmony and not be left in confusion: Now, therefore, be it

Resolved, etc., That the effective date of the proposed united rules shall be extended to the adjournment date of the first session of the Seventy-sixth Congress.

Mr. President, it will be observed that there is no intimation that the rules ought not to go into effect after full consideration; but I was unwilling, and I believe many Senators were unwilling, to give their support to a proposal which would, by implication, repeal hundreds of statutes, some of which I have examined, which were passed more than 100 years ago.

The resolution which I offered, as stated, was referred to the Committee on the Judiciary, which after consideration reported the same favorably, and it is now upon the Senate calendar. Yesterday, under the 5-minute rule, the resolution was reached, but an objection was interposed, and that postponed its consideration. It may be that in this late hour of the session, particularly when so many bills are upon the calendar, the resolution may not be passed. However, I believe it to be my duty to challenge the attention of the Senate to the rules, and to the fact that unless affirmative action is taken by Congress they will go into effect within a few days without full opportunity being given to Congress and to the people to examine them and to understand their implications. Personally, I believe that some of the rules should be modified and that material changes should be made in others. I cannot help but believe that in their present form, if they became effective, there will be great confusion in the courts, which will result in litigation, add to the work of the courts, and impose unnecessary burdens upon litigants.

I have taken this opportunity of bringing the attention of the Senate to the resolution which I offered, together with the report of the Committee on the Judiciary of the Senate accompanying the resolution when it was favorably reported to the Senate. Without taking the time of the Senate to read the report, I ask unanimous consent that it may be included at this point in my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

The report follows:

The Senate Committee on the Judiciary, to whom was referred the joint resolution (S. J. Res. 231) to postpone the effective date of the Rules of Civil Procedure for the District Courts of the United States, after consideration thereof, report the same favorably with the recommendation that it do pass.

The Rules of Civil Procedure for the District Courts of the United States were presented to the Congress on January 3, 1938, by the Attorney General.

These rules prescribe the forms of process, writs, pleadings, and motions, and the practice and procedure in civil actions at law. They purport to unite the rules for cases in equity with those in actions at law, and will take effect upon September 1, 1938, or 3 months subsequent to the adjournment of this session of Congress. The rules are intended to have the force and effect of repealing and superseding numerous acts of Congress now on the statute books, and innumerable questions will arise as to the exact extent of the conflict.

If Congress takes no action on the proposed rules, they will take effect, leaving hundreds of laws, enacted by Congress during the past century, still on the statute books, some of which undoubtedly are in conflict with many of the provisions of the rules. The result obviously will be uncertainty as to whether the rules or the statutes are to prevail. The act under which the rules were drawn does not provide for any action by Congress, but, as indicated, merely declares that the rules shall be submitted to Congress; and, in addition, provides (or is interpreted to provide) that when adopted all acts of Congress heretofore passed, and possibly to be enacted hereafter, i. e., regulating practice in the Federal courts, shall no longer be in effect.

It is the opinion of many that this will result in great confusion and instead of simplifying procedure will greatly complicate it. It is possible that in nearly every case the attorneys will be required to ascertain whether or not they have complied with the rules and the applicable statute to see whether there are conflicts or whether there may be conflicts. This means that the attorneys must select one or the other course at their peril, and so in many cases the question will have to be submitted to the court for decision. As an example, the statute that requires that the practice in the Federal courts shall conform to the State practice (the so-called Conformity Act). Would it not be better in order to avoid confusion to repeal the Conformity Act directly and not have it nullified by some promulgation of rules of court which repeal it by implication?

As stated, the rules will soon go into effect. There has been no opportunity by the Judiciary Committee of the Senate to study the rules and their effect upon statutes; and it would seem, in view of the importance of the questions involved, that a thorough study should be made by Congress before the rules become effective. This may not be done during the few weeks remaining of the present session.

The joint resolution recites some of the reasons why the effective date of the proposed rules shall be extended to the adjournment of the first session of the Seventy-sixth Congress. If this extension is given, full opportunity will be afforded for a thorough study and examination of the rules.

For these reasons, briefly stated, the Committee on the Judiciary of the Senate recommend that Senate Joint Resolution 231 do pass.

Herewith is submitted a memorandum briefly presenting reasons in behalf of the adoption of the resolution.

MEMORANDUM

It can readily be seen that if Congress is to complete its work and establish effectively a simplified system of practice in the Federal courts combining law and equity, it should make the statutes conform to the rules. This may not be a difficult task. In many cases the statute may be amended by substituting for the special procedure outlined in the statute, a provision that the procedure shall be as provided in the rules of court. This will settle a question that is bound to be the subject of interminable litigation, that is, whether a statute is substantive law or merely procedural. If substantive law, the rules cannot repeal it for there is no authority to change substantive law. This is provided in the statute authorizing the making of rules.

But what is "substantive law" as distinguished from "practice and procedure," which are proper subjects of rules of court? Certain it is that courts may well differ on what is "substantive law" and what is "procedure" in many of the rules. Certain it is that Congress enacted numerous statutes, found in the Judicial Code and its amendments, that were considered by Congress as affecting "substantive rights" and not merely the making of rules of court.

It has been held that many steps in a trial, which have offhand seemed to be merely matters of practice, such as the matter of charging the jury whether orally or in writing, the submission of interrogatories, the submission of a special verdict, the power of a court to set aside a judgment after term, the power of a court to vacate its findings and grant a voluntary nonsuit, are none of them matters of "practice and procedure."

Many of the rules contain provisions as to which there will be interminable dispute on the question whether they affect substantive rights or are merely procedural.

All this suggests the advisability of a careful study of all the statutes that are affected by the new rules. The committee of the bar association which proposed the rules has prepared a pamphlet which contains a comment on each rule and, in most instances, a reference to the statute intended to be nullified or modified or affected in some way. This pamphlet may serve as a guide in revamping the Judicial Code so as to harmonize it with the rules and avoid a vast number of questions concerning construction. This work cannot be completed in the remaining days of the present Congress. The draft of the "comments" to which reference is made has not yet been printed in final form. The House committee has not yet printed its hearings and has not yet made a report.

It is clear that a much finer work and one more satisfactory to the bar of the country can be performed if the Congress will postpone the effective date of the new rules so as to afford an opportunity to avoid the confusion resulting from conflicts between the rules of court and the acts of Congress. The resolution suggests a date at the end of the next session. The one point it is desired to emphasize is that Congress should have an opportunity to act upon the proposals for the modifications and corrections of the statutes, instead of leaving the statutes providing for one thing and the rules of court another, because of inaction by Congress, and allowing the rules to go into effect within a few weeks.

SOME OF THE CONFLICTS AND UNCERTAINTIES RESULTING FROM ADOPTION OF THE RULES WITHOUT MODIFYING THE STATUTES

(1) Rule 26 relating to mode of proof as distinguished from "Practice and Procedure." Conflicting statute 28 U. S. C. sec. 635 (Judicial Code).

(2) Rule 57 affecting remedies. Conflicting statute 28 U. S. C. sec. 400, Declaratory Judgment Act, and see 256 N. Y. 298.

(3) Rules 38 (a) and 38 (d) affecting right to jury trial. Conflicting statute 28 U. S. C. sec. 773 Judicial Code. United States Constitution, art. III, sec. 2; 52 U. S. (11 Howard) 669.

(4) Rule 4 (f) enlarging power to issue process. Conflicting statute 28 U. S. C. sec. 112; *Toland* v. *Sprague*, 12 Peters (37 U. S.) 300.

(5) Rule 6 (c) and rule 59 (b), powers of courts after term. Conflicting statutes, see *Bronson* v. *Schutten*, 104 U. S. 410.

(6) Rule 43 (b) and rules 26, 31, 33, 34, unlimited right of discovery. Conflicting statutes, 28 U. S. C. sec. 636 Judicial Code; *Hanks, etc.*, v. *International Co.*, 194 U. S. 303.

(7) Rule 35, physical examination of persons. Conflict, see 113 U. S. 717; *Union Pacific Co.* v. *Botsford*, 141 U. S. 250; Rev. Stat. sec. 861, 863, et seq. Rev. stat. sec. 724, 28 U. S. C. 635 et seq., Judicial Code.

Mr. KING. In the early part of the present session there was transmitted to Congress in a letter from the Attorney General, printed as House Document No. 460, a document embodying rules of civil procedure for the district courts of the United States adopted by the Supreme Court of the United States. A brief survey of these proposed rules has been made by the Judiciary Committee of the House and just recently by a subcommittee of the Judiciary Committee of the Senate. Even a cursory study of these rules shows that they bring about quite revolutionary changes in the procedure and power of judges and rights of litigants, particularly in law cases to be tried by juries, and that as to such law cases they purport to supersede and affect in various ways numerous statutes of the United States heretofore enacted by the Congress from time to time since 1789.

The joint resolution (S. J. Res. 281) reported out by the Judiciary Committee represents an effort by Congress to deal affirmatively with this situation and act on the rules and statutes rather than have the laws of the United States changed by inactivity of the Congress.

Mr. BROWN of Michigan. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Utah yield to the Senator from Michigan?

Mr. KING. I yield.

Mr. BROWN of Michigan. I wish to give the Senator from Utah an example of hasty action in adopting rules, the matter he was just referring to. There is now in effect a rule providing for a depository bond, a rule which the Supreme Court adopted in 1937, a year ago, and yet under the statutes governing national banks, no national bank is authorized to put up a depository bond. It seems to me that situation was rather poorly and hastily considered. No national bank can accept a deposit of the kind referred to in the rule, because it cannot legally put up security, and the Supreme Court has so held. In the last 4 years our banking legislation in this respect has been based on the proposition that special secured deposit accounts should be eliminated and all depositors placed on the same basis.

Mr. KING. Mr. President, the illustration given by the Senator from Michigan demonstrates the unwisdom of hasty and improvident legislation. Many laws thus enacted cause confusion and often serious injustice to individuals and communities. Senators know that thousands of bills are introduced at each session of Congress. Hundreds of the bills are passed, many of which have received but little attention and failed to meet conditions which it was designed they should remedy. Many acts are declared unconstitutional and we are not infrequently confronted with the fact that situations which ought to have been anticipated in the consideration of proposed legislation, were not properly guarded against or provided for, and the results were disappointing and indeed in many cases harmful if not disastrous to individuals and communities.

Mr. CONNALLY. Mr. President, the Senator is discussing the rules promulgated by the Supreme Court?

Mr. KING. I am bringing the attention of the Senate to the rules and the steps which were taken in their formulation and in their presentation to the Senate. I shall not take the time of the Senate to discuss these rules; indeed, it would require hours to do so. It is my purpose merely to call attention to the rules; their effect upon judicial procedure and the confusion which will inevitably result and the unwisdom of Congress by its silence approving these rules. If the rules are to be submitted to Congress then the duty rests upon Congress to examine them with the utmost care before it places its seal of approval upon the same. I think it would be to the discredit of Congress, by its silence, its inaction, to place its seal of approval upon these rules which affect the individual and property rights of millions of American citizens.

Mr. CONNALLY. Exactly. Let me ask the Senator if that point is not accentuated now by the recent decision of the Supreme Court in overruling the old Tyson case, in which it is now laid down that the Federal courts must follow the laws of the States in the several jurisdictions, rather than the old decision, which was by Mr. Justice Story, I believe, which announced a general law that applied everywhere? If the courts are bound to follow the practice in each State, and the law of each State, is not that course out of harmony with hard and fast, uniform, standardized rules of practice?

Mr. KING. Absolutely.

Mr. CONNALLY. Is not that circumstance an added reason why we should postpone the approval of these rules until the next session of Congress?

Mr. KING. The Senator has stated a cogent reason for that course. May I say that Mr. Justice Brandeis, who refused to assent to the promulgation of the rules, wrote the opinion in the Erie case. That opinion, in the judgment of some, further confirms the view that rules are in conflict with many statutes.

Mr. CONNALLY. I think the recent decision, going back to the original doctrine, is a very important one, and a very wise one.

Mr. KING. I think so.

Mr. CONNALLY. I think we ought to sustain the Court in that attitude as far as we can.

Mr. KING. It seems to me that Mr. Justice Brandeis has admonished us that ours is a dual form of government; that the States have rights; that there have been too many transgressions upon the rights of the States, and there has been too much centralization of authority and power in the Federal Government. He has admonished us in that decision that the rights of the States are not to be disregarded.

Mr. CONNALLY. Is there not also another important aspect of the matter? One plaintiff may not be able to get into the Federal court in Missouri, we will say, or in Nebraska. So he is bound by the laws of the State; and if under the laws of the State there is no liability on the part of the defendant, the plaintiff has no recourse. Another

plaintiff, who, by some rule, can bring his defendant into a Federal court under the old practice, might recover under the same state of facts. That situation tends toward lack of uniformity, inequity, and injustice as between litigants.

Mr. BURKE. Mr. President, will the Senator yield?

Mr. KING. I yield.

Mr. BURKE. The decision of the Supreme Court in the Erie case, to which reference has been made, has to do only with substantive law. It has nothing to do with procedure.

Mr. KING. I am not so sure that the decision can be so circumscribed as to mean that it relates only to substantive law.

Mr. BURKE. The common law relating to substantive rights, as determined in each State, is the law in that State, and not what some Federal judge may think about it. The rules of procedure promulgated by the Supreme Court have nothing at all to do with substantive rights, and relate only to procedure, in the interest of the orderly trial of lawsuits.

Mr. KING. Mr. President, I do not quite agree with my friend. It is not always easy to draw a line between what might be called procedural rights and substantive rights; they are so blended and commingled that controversies often arise in determining what is procedural and what is substantive. Those who are familiar with the laws of code States will, I am sure, agree with this view. Many cases find their way to the appellate courts growing out of controversies over procedural questions; and as indicated, there is such an overlapping, or, if I may use that expression, integration of procedural and substantive rights, as to result in confusion and too often, expensive and prolonged litigation.

I know of the difficulties which have arisen in code States in drawing the line between procedural and substantive matters; and a review of the decisions of the appellate courts will reveal the intricate and complicated questions presented for consideration in determining whether a procedural right only has been infringed, or substantive right has been denied.

Professor Keigwin, who has had many years of practice as a lawyer and as a professor and writer, indicated some of the problems involved in interpreting the rules and in applying them to the questions to which they relate. He refers to the English Judicial Act which went into effect in 1878, and in the course of 15 years, as he was advised by Professor Hepburn, the English courts decided 4,000 cases touching on points of procedure, purely on the construction of the act and the rules formulated thereunder. He further states that Justice Stewart in 1887 observed that the reports seemed to be filled with cases on points of procedure which he thought were unnecessary, and that if one followed the cases following 1834 for 10 or 15 years, he would find a considerable proportion of cases on procedure. He further added that in the same way, the code reform in 1848 showed a great flood of decisions on mere points of procedure.

And, as I have indicated, lawyers know the difficulties they have encountered in determining where the line of demarcation is drawn separating procedural matters from substantive rights. If time permitted, I could point to many instances where there was such a commingling of procedural matters and substantive rights and law, that controversies protracted and bitter resulted, and expensive and costly litigation resulted.

I recall that Professor Keigwin further stated that he had occasion to look for cases on pleading which he might use in compiling a case book for his classes, and he examined the current monthly digest published by the West Publishing Co.; and there he found every month a dozen or twenty cases from the code practice and it was not difficult to find a case dealing with points of procedure in the matter of common law.

But I must hasten along, Mr. President.

The propriety of some affirmative action by Congress, instead of leaving the rules to impair and seriously affect statutes of the United States by mere silence and inaction by Congress, becomes at once apparent when the circumstances and authority under which the rules were reported to Congress for its consideration are examined. As the statute under which the rules were made is short, and its full import is important to a consideration of the joint resolution, I deem it proper to read it at this time. It is as follows:

Be it enacted, etc., That the Supreme Court of the United States shall have the power to prescribe, by general rules, for the district courts of the United States and for the courts of the District of Columbia, the forms of process, writs, pleadings, and motions, and the practice and procedure in civil actions at law. Said rules shall neither abridge, enlarge, nor modify the substantive rights of any litigant. They shall take effect 6 months after their promulgation, and thereafter all laws in conflict therewith shall be of no further force or effect.

SEC. 2. The Court may at any time unite the general rules prescribed by it for cases in equity with those in actions at law so as to secure one form of civil action and procedure for both: *Provided, however*, That in such union of rules the right of trial by jury as at common law and declared by the seventh amendment to the Constitution shall be preserved to the parties inviolate. Such united rules shall not take effect until they shall have been reported to Congress by the Attorney General at the beginning of a regular session thereof and until after the close of such session.

It will be observed that this statute is concerned primarily with the making of rules in actions at law to be tried by juries. So far as suits in equity are concerned, the enabling act permits merely the combining of the proposed new law rules with the equity rules already made, but does not authorize the making of equity rules. The authority to make equity rules was given nearly a hundred years ago in the act now on the statute books as section 730 of title 28 of the United States Code. The statute of 1842, as amended, gave the Supreme Court the power to prescribe the forms of writs and other process, the modes of framing and filing proceedings and pleadings, of obtaining discovery, entering decrees, and of proceedings before trustees in all suits in equity in the district courts of the United States, but specifically provided in no uncertain terms that such rules should not be, in any manner, "inconsistent with any law of the United States."

The authority for the new rules now before us relating to law cases does quite a different thing. Instead of providing that the laws of the United States on the subject should not be repealed or modified, the enabling act upon which the new rules are promulgated provides that when they take effect "all laws in conflict therewith shall be of no force or effect"; that is, shall be considered repealed.

Mr. MINTON. Mr. President, will the Senator yield?

Mr. KING. I yield.

Mr. MINTON. After the rules are adopted, if the Supreme Court desires to amend the rules, Congress has nothing to say about it.

Mr. KING. I think that statement is correct. It might very well be stated that we are improperly delegating and surrendering legislative authority.

Mr. BURKE. Mr. President, will the Senator yield?

Mr. KING. I yield.

Mr. BURKE. Has any real abuse or harm been caused by the fact that for a hundred years the courts have had the right to make equity rules, as the Senator stated? Has not that fact worked out to the very great advancement of orderly procedure?

Mr. KING. Undoubtedly equity rules are necessary; but the Federal authority to prescribe equity rules specifically states that they must be conformable to law. In the present instance the reverse is true.

Mr. BURKE. The fact that the court could at any time change the equity rules without Congress having anything to say about it has not worked to the disadvantage of any litigant in the country, has it?

Mr. KING. The Senator may have been more fortunate than some of us who have practiced law. He may not have had occasion to challenge what some of us believed was an abuse of authority under the equity power of the court and under the equity rules which had been promulgated. However, I do not have time to enter into a discussion of the equity rules and the resulting benefits and evils and injustices following their interpretation and application.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. KING. I yield.

Mr. NORRIS. Does the Senator have before him a copy of the rules?

Mr. KING. Yes.

Mr. NORRIS. I think he ought to exhibit the volume to the Senate, so that the Senate may gather some idea of the number of them.

Mr. KING. I thank the Senator. I have the rules before me. They are found in a volume of more than 100 pages. I shall be glad to have Senators examine them, and I am sure that such examination will result in uncertainty as to their meaning and skepticism as to the effects of their attempted application by the courts.

If Congress is to take no action whatever on this subject and is to remain silent when this proposed alteration of the statutes of the United States is reported to it, then on September 1, the date fixed by the rules, all the laws of the United States affecting the rights and powers of litigants in United States courts in jury cases are wiped off the statute books so far as they conflict with the rules reported to Congress. This is done not by a legislative body impliedly repealing its own statutes, but by another branch of the Government, which admittedly has no legislative power to repeal, amend, suspend, or modify statutes.

It seems to me that some of us who have contended for judicial supremacy ought to scrutinize very carefully proposed legislation or rules which supersede statutes and interfere with judicial process.

Mr. BROWN of Michigan. Mr. President, will the Senator yield?

Mr. KING. I yield.

Mr. BROWN of Michigan. If, as indicated by the Senator from Indiana the court can amend the rules without approval by Congress, why should we not write into whatever legislative action we take in approval of the rules a provision preventing the amendment of the rules without the approval of Congress?

Mr. KING. Mr. President, that is a wise suggestion; but we are now denied the opportunity, because the rules go into effect soon after we adjourn; and I have serious doubt as to whether we would be able to amend them in those instances in which we have learned by experience and from investigation that they contain provisions which militate against the rights of litigants or interfere with the rights of States themselves, or encroach upon the proper authority of the courts.

This is more than repeal by implication. It is something unheard of in the history of legislative bodies. It would be sanctioning by silence repeals by others not having legislative powers, and outside of legislative halls, without Congress even knowing or being informed of the laws which are thus erased from the statute books by implication. It would be abandonment of the function of Congress to legislate; for it is as much the duty of Congress, and Congress alone, to change the laws and to repeal the laws as it is to enact the laws. The duty of Congress to decide for itself whether laws should be repealed is so clearly a part of the warp and woof of our Constitution that it is idle to say that the performance of this duty may be excused because of the eminence of the gentlemen who have formulated the implied repeals and the long study which they have given to the subject.

And what are these laws—statute law and common law—which are thus to be cast aside, without any consideration by the law-making body? They affect the finest achievement of our American judicial institutions—the preservation, on the one hand, of the common-law trial by jury in the great volume of ordinary litigated cases, and, on the other hand, permitting the exercise of the equity powers by the judge alone in those exceptional cases where jury trial is, by the very nature of the relief sought, inappropriate—a dual system, each with its own safeguards provided by statutes directly or by affirmance of common-law principles.

But I can see at once that many who have not considered these rules and who assume that they do not affect statutes, even though authority to do so was given, are saying that we are taking counsel of our fears, that this is a mare's nest, and that no such thing will happen. Let us consider this, and get at the base of the proposition. As it is generally known, the rules of procedure in Federal courts were prepared by a committee of lawyers before they were submitted to the Supreme Court. This committee from time to time prepared notes, principally relating to the source of the rules and their effect upon statutes of the United States and former rules in equity. We now have those notes put in final form and applied to the rules as now promulgated.

I thought I had the notes on my desk but, unfortunately, I left them in my office. In the appendix to this document of notes prepared and printed under the direction of the advisory committee on rules for civil procedure will be found a list of the statutes of the United States, that is, sections of the United States Code, to which references are made in the notes. The statutes so referred to are some 400 in number. Of course, many of these statutes are not overruled by the new code of rules, but are merely referred to as statutes of the same import or statutes which are continued in force by the rules, but on the other hand there are very many of these 400 sections that are admittedly either superseded or modified by the rules.

At the very beginning of the notes on page 2 there is a comment that rule 2 taken in connection with other rules modifies United States Code, title 28, section 384—Suits in Equity, When not Sustainable—and supersedes title 28, sections 724, 397, and 398.

Rule 3 is said to vary the operation of the statute of limitations.

Controversies will inevitably arise in the interpretation of that statute. My friend talks about substantive rights, but the statute of limitations is not merely a question of procedure but involves substantive rights. Yet this proposal tampers with that important phase of our judicial process.

Rule 4 is said to supersede title 28, sections 721 and 722, and modifies title 28, section 503.

Rule 7 is said to modify title 28, section 45.

Rule 8 is said to supersede the methods prescribed in title 19, section 508.

Rule 26 relating to obtaining testimony other than at the trial in open court is said to modify title 28, section 639, 640, 641, 644, 646, and 643.

Rule 28 is said to be substantially like section 639; that is, these notes say it is substantially like section 639.

Who is to determine? That would be a source of litigation. As I said a moment ago, these rules will be provocative of litigation. Attempts will be made to interpret the rules, whether they supersede and in what respect they supersede and in what respect they collide with existing law, procedural law as well as substantive law.

Mr. MINTON. Mr. President, let me ask the Senator whether the Supreme Court wrote these rules or whether the American Bar Association wrote them and the Supreme Court approved them?

Mr. KING. The Supreme Court did not write them. As I said a moment ago, one of the ablest Justices of the Supreme Court, Mr. Justice Brandeis, who is deeply interested in human rights and in the protection of the States refused to approve of them. They were prepared by a committee, as I have stated. Major Tolman took an important part, and the former Attorney General, Mr. Mitchell, who testified before the committee, played some part, but I do not know how important it was in their formulations. If Senators will read his testimony they will ascertain from his own words what contribution he made to the preparation of the rules.

Mr. BURKE. Mr. President, will the Senator yield at that point?

Mr. KING. I yield.

Mr. BURKE. It is a fact, is it not, that, after the Supreme Court had taken the initiative in the matter and designated the committee, committees, selected by local bar groups, were formed in every judicial district in the United States, to study the proposals and were in almost continuous session,

meeting frequently as the proposed rules were submitted; and that in every county in the United States lawyers who had been through the mill and who had experience in the trial of cases and knew the errors in procedure and how justice could be expedited, gave their best thought to the promulgation of the rules, and, in overwhelming numbers, supported the proposal that we now have before us?

Mr. KING. Some of us complained about adding to the number of Justices on the Supreme Court and said that the more we had the greater would be the confusion. When thousands of lawyers—and my friend goes down, I presume, into the precincts and counties of every State—monkey with this delicate matter, trying to deal with it and trying to formulate rules, confusion is inevitable. I have great respect, of course, for bar associations; I myself am a lawyer, though I do not know how much of a lawyer I am now since entering the legislative field, but I am unwilling, I do not care how able lawyers may be, to abdicate my functions and my duty as a legislator and let them prescribe rules and laws which, in effect, supersede hundreds of statutes of the United States. I want a chance, at any rate, under my oath of office, to examine and to see whether their work is satisfactory. That is all I am asking for myself and for those who have a responsibility in this matter.

Mr. BURKE. Mr. President, if the Senator will yield further, let me ask him did he vote for the act of 1934 under which the rules were formulated and were to go into effect?

Mr. KING. I have no recollection, I will say, that I did. If I did, it was one of the serious indiscretions and errors upon my part as a Senator of the United States. I am not perfect, by any means, and neither is my dear friend from Nebraska. As I have said, I joined with my friend, Senator WALSH, and we fought for years against the imposition upon the States of a statute which I felt then as I feel now was not justified.

Rule 28, as I have said, is said to be substantially like section 639. An examination will show that it is not.

Rule 30 is said to follow the equity rules—I am speaking now from the notes—but it is not stated what effect it has—this is my interpolation—on statutes relating to law cases which require testimony in open court, with few exceptions.

Rule 31 is likewise an equity rule, and its effect on statutes relating to law cases is not stated. This is true also of rules 33 and 34.

Rule 36, on admission of facts in documents, a thing unheard of heretofore in any law case, is not commented on as to its effect in changing the law in jury cases.

Rule 37, relating to control of the judge over the conduct of the parties and punishment of the parties by arrest, applies an extended equity practice to law cases. What laws of trial by jury it affects can hardly be overestimated.

Rules 38 and 39, requiring demand for jury trial on penalty of waiver, are said to modify title 28, section 773.

And so on. I will not take the time to examine each of these rules and to show the many sections of the statutes which they supersede or modify or are alleged to modify and the different contentions which have been made and will be made in trying to interpret them in their relation to substantive law as well as to procedural matters.

I desire to mention the outstanding feature of the rules by which they seriously modify the rights of litigants and power of the judge in actions at law for jury trial as such trial was known at the common law. This is done principally by rules 26 to 37 relating to procuring testimony and discovery in civil actions, which make the most radical change in the customary method of conducting trials in actions at law as distinguished from trials of suits in equity. These proposed rules, if they are, as they purport to be, superseding the statutes will bring about a most vital change from the jury trial "as at common law" referred to in the Constitution. For these rules transfer bodily to law cases all those powers of the court over the person and conduct of the parties to the litigation which we are familiar with heretofore as existing only in equity suits, such as what is known as discovery; that is, the interrogating of the other party not in the presence of the jury and not according to the rules for taking depositions after showing the necessity therefor; inspection of the premises of the parties; physical and mental examination of the parties by order of court; reference to a master to take the whole case, as is permitted in equity, and try it out, and make a decision before the case is submitted to the jury.

All of these provisions interfere with a proper concept of the trial by jury. They constitute an effort to bring about a condition in which those of us who believe in the jury system will be compelled to treat court proceedings as if we were in a court of equity, and the atmosphere and spirit of the equity procedure will prevail, rather than the common-law spirit as it relates to jury trials.

No one can contemplate this transfer of all the incidents of an equity suit to the common-law action before a jury without realizing beyond peradventure that they do affect, modify, amend, or repeal the statutes of the United States and remove the safeguards found in those statutes, particularly the safeguard which continues the restrictions and limitations of State procedure in law cases now held by the Supreme Court, in a recent decision known as the Erie Railroad Co. case, to be necessary to the preservation of the separate sovereignty of the States—a decision, by the way, which was rendered since the rules were promulgated, and since they were submitted to Congress, and since the hearings were held in the House.

I do not see how we can avoid the responsibility of determining for ourselves what statutes affecting the rights of litigants in law cases should be repealed, what statutes should be modified, and what statutes should be amended, or whether there should be such further restrictions on the rules as will make it perfectly clear that the statutes which it is not desired to repeal or modify may remain in force as not intended to be abrogated by the rules of court.

But it is said that combining the rules at law and in equity constitutes a forward step on which the bar of the country has been working for many years, and that if the effective date of the rules is postponed now they may never be enacted, and the chance of this great reform will be lost. I do not think any such argument has any place in the legislative halls. If it is our duty to consider these rules, if it is our function to determine the extent of repeals and to determine whether we want to impair our trial by jury as it was known at common law and as it is expressly continued by the Constitution in all Federal courts, we cannot justify waiving that duty and function because we have not had time at this session to go into the matter, and because it will take a little more time to complete this distinctly legislative task which the legislative body, and it alone, can perform.

If these rules are so important, to postpone their operation for only a few months so that we may acquaint ourselves with their full significance will not prevent their enactment into law if they should receive legislative approval. Indeed, if we find that the rules are proper, a full examination will hasten their consideration at the next session of Congress. I may say that we have lived for years without these rules, and I do not think justice will be denied if we wait for a few months before the rules go into effect.

There are some persons who prefer to take the word of somebody else as the basis of their action. That is all right; but when there is a responsibility resting upon me, I want to know whether a given course is right or whether it is wrong; and in a matter affecting our judicial system, the courts in every State of the United States, it seems to me that the lawyers here, who will be criticized if the rules are improper and who will be praised if they are just, should desire to know just what they are, and their effect, before they give them the seal of their approval.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. KING. I yield to my friend from Texas.

Mr. CONNALLY. If this matter were delayed until the next session of Congress, would it not be possible for the Judiciary Committee to assign a subcommittee to make an intensive study of the rules, and be in position intelligently

to advise Congress at the next session, much more so than at the present time?

Mr. KING. The Senator's question answers itself. Certainly; and I know that a number of Senators upon the Judiciary Committee have suggested that if we postpone the effective date of these rules, the Judiciary Committee will examine them through a committee, and will be ready to make its report at the next session of Congress.

It is said again that the enabling act under which the rules are made carries its own corrective, because it says that the rules so far as they affect law cases shall not abridge, enlarge, or modify substantive rights of any litigant, and that the trial by jury "as at common law" shall be preserved inviolate. But what are the substantive rights of litigants, and what is the substantive law applying to litigants, and what are the incidents of a trial in a law case that make it a trial by jury "as known to the common law"? Congress has from time to time enacted statutes with reference to trials by jury in Federal courts provided for by the Constitution. Congress has enacted, since 1789, many statutes preserving the substantive rights of litigants in actions at law. Some of them have been procedural in character, and yet they have become substantive, because they inherently related to individual rights as known at common law. One of the outstanding statutes is that which says that the extraordinary remedies in equity shall never be used in a lawsuit; that is, that the equity suit may not be proceeded with when there is a plain, adequate, and complete remedy at law. If that is a substantive right as well as a statute on procedure, then we are confronted with the question whether it shall be repealed.

No one can decide that question but the Congress; for it is its function, as I have repeatedly said, and its function only, to repeal laws. The courts cannot do this. The net result of this thought—which I might well expand, but which I shall not stop to do—is that in saying that the rule-making authority shall not abridge substantive rights, and at the same time that it may repeal all laws in conflict with the rules, is to say at one place that the rule-making body may repeal laws, and in another place that it may not repeal laws. To say the least, this is to introduce confusion—unnecessary confusion—simply because Congress does not take the time to perform its function as a legislative body in determining the continuance, modification, or repeal of laws.

Finally it is said that these rules, having been derived from such a source and having been considered by men of such eminence, ought to be tried out so that we may learn by experience what laws should be repealed and what laws should be continued. I respectfully suggest that in such a serious matter as bringing about the mass of litigation that such confusion and uncertainty will produce in our Federal courts throughout the country while we are acquiring this experience through a period of years, no such suggestion ought to weight with Congress to induce it to evade the responsibility of preventing this probable chaos.

If the rules are a model, and the statutes which conflict with them are outmoded, but yet remain on the statute books as substantive law which cannot be affected by the rules, and further remain on the statute books as laws which are superseded insofar as the rules may supersede them, we have, indeed, a curious kind of model when the rules and the statutes are taken together, as they must be.

Why give up the hope in this or any other legislation that Congress may perform its functions of legislating for the people of the United States and determining what laws should be repealed because they do not fit in with a model suggested?

In the case of no other law before Congress would this idea of experimenting to see what will happen be considered for a moment. Why not take a few months to perfect the model, rather than wait a long period of years to see what the model is, and what part of it is law and what part of it is rule?

I believe, therefore, that a joint resolution permitting Congress to take the time to give real consideration to the rules of court and their effect upon the statutes of the United States is in accord with the best traditions of the Congress, if, indeed, it is not required by the constitutional powers conferred on Congress, and withheld from other branches of the Government.

For what purpose were the rules required to be reported to Congress? For what purpose are we advised in advance that the rules may and do affect, supersede, and modify statutes of the United States? Merely to keep silent, and have someone else make the laws for us? I think not. I think we must assume the task.

This view, it seems to me, is much strengthened when we consider the alternative. As the matter now stands, if Congress is merely silent, we will have one body of rules applying to law cases and equity cases indiscriminately, having the force and effect of law governing trials in Federal courts, which, as to equity proceedings, cannot affect, modify, or repeal the laws enacted by Congress, and as to law cases, do purport to supersede laws of Congress on the subject. And thus, without more, under the guise of attaining simplicity of practice in the Federal courts, we will have successfully scrambled the eggs, if I may use a common expression, which it will take years of litigation, with consequent endless confusion, to unscramble.

Mr. President, I wish I had time to read some of the testimony of the able professors and lawyers who appeared before the Judiciary Committee in support of the position I am taking.

I apologize for having trespassed upon the Senate, but I believe this question is so important that our attention should be directed to it. I believe that I would be derelict in my duty, believing, as I do, that these rules should be considered by Congress before they go into effect, if I did not challenge the attention of my colleagues to them and to their effect and to the results which will follow in a few weeks, unless the resolution shall be agreed to.

I ask permission to insert at the close of my remarks a few statements made by Professor Keigwin and the statements of several witnesses who testified before the Committee on the Judiciary.

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

TESTIMONY BEFORE THE SUBCOMMITTEE OF THE JUDICIARY COMMITTEE POINTING TO POSSIBLE INFRINGEMENTS UPON SUBSTANTIVE RIGHTS OF LITIGANTS IN THE NEW RULES

Mr. KING. Mr. P. H. Marshall, a member of the bar of the District of Columbia, stated:

The act of Congress provided that these rules should neither abridge, enlarge, nor modify the substantive rights of any litigant. I hope to be able to make this committee believe that the Supreme Court, in promulgating these rules, exceeded the authority conferred upon it by Congress. I cannot believe it has not. The committee would not listen to me to go through a detailed consideration of all these rules, but I will select some of them about which I should like to speak briefly.

There is a rule, No. 34, which is found on pages 45 and 46, which provides that "upon motion of any party showing good cause therefor and upon notice to all other parties, the court in which an action is pending may (1) order any party to produce and permit the inspection and copying or photographing, by or on behalf of the moving party, of any designated documents, papers, books, accounts, letters, photographs, objects, or tangible things, not privileged, which constitute or contain evidence material to any matter involved in the action and which are in his possession, custody, or control."

The point I have particularly in mind is that the court may "order any party to permit entry upon designated land or other property in his possession or control for the purpose of inspecting, measuring, surveying, or photographing the property or any designated relevant object or operation thereon."

In reference to this particular rule, I was taught in law school that a man's house was his castle. I have always understood that the rights of the security of the home was one of the most fundamental rights that the citizens of this country enjoy, and that right could not be taken away from a citizen except by process of law. A law officer might enter with due process, of course. But how a court, be it the Supreme Court of the United States, for which I have the highest regard and respect, under an act which authorizes it to promulgate rules of procedure and expressly prohibits it from adopting any rule which will either abridge, enlarge, or modify any substantive right of a litigant, can by a rule deprive me of the privacy of my home, because somebody hauls me into court in litigation, is something I cannot understand. The moving party may bring me into court and say:

"I installed certain plumbing fixtures in your bathroom, and you have not paid for them. You claim they were not according to specifications. I want to go in there and photograph them, and I have got an order of the court to do it."

There is another rule that was adopted by the Court, with the limited authority given to it by Congress. That is rule No. 35, which may be found on pages 46 and 47. That rule provides that:

"In an action in which the mental or physical condition of a party is in controversy, the court in which the action is pending may order him to submit to a physical or mental examination by a physician. The order may be made only on motion for good cause shown and upon notice to the party to be examined and to all other parties and shall specify the time, place, manner, conditions, and scope of the examination and the person or persons by whom it is to be made."

Now, the question arises, may a court, when Congress has said, "You may not pass any rule which will in any manner affect or abridge the substantive rights of a litigant," by rule require a litigant to submit to a physical examination? If so, then what I have always understood to be the substantive law of the land, the security a man has of his person, is a mere procedural matter and is not a substantive right at all. Can it be possible that my right to privacy is a mere procedural matter? The Supreme Court of the United States, when that question was before it in a case which is cited in the notes that accompany these rules, held that an order made by a judge in a State requiring the defendant to submit to a physical examination was far beyond the power of that court, and excoriated the judge for making such an order. It said that to compel a person to submit his body to a physical examination against his will was an assault and a trespass upon his substantive rights.

Here, for example, take rule No. 13 on page 18. Under that rule permissive counterclaims are provided for. It is also provided in that rule that a counterclaim which arises out of the same transaction upon which the suit is brought must be pleaded as a defense, or that suit will be abandoned, although the statute of limitations may provide that that countersuit may be brought within 3 years, or perhaps 6 years, from the time the cause of action accrued. The other suit may be filed within 3 weeks. If that be a valid rule, then it takes away from the counter claimant the time allowed him under the statute of limitations to file his suit against the other man.

Now, it seems to me that is a change in the substantive law. The statute of limitations is a substantive law. It says that statute is a complete answer and defense to a suit. That is all you need to say. When you say to a man who, under that statute, has 6 years in which to file a claim, that, because another man has sued him, he may have only 1 year or 6 months, you are certainly affecting his substantive rights under that statute, because you are depriving him of the time the legislature has fixed within which he may file that suit. It seems to me that changes the substantive law.

Mr. Kahl K. Spriggs, a member of the bar of the District of Columbia, submitted a memorandum for the consideration of the committee in which he pointed out various rules which, in his opinion, have to do with substantive rights. The memorandum stated, in part:

Rule 2 provides for one form of action to be known as a civil action. On the surface, this rule seems only to modify the form of procedure; to unite the law and equity courts insofar as the mere question of procedure is concerned; to provide for the calling of a suit in equity and an action at law a "civil action." In short, the surface import of paragraph 3 of the notes of the committee (p. 2) is that the mere forms of action and procedural distinctions have been abolished. In reality, however, the rules vest equity powers in the court in actions at law as well as in equity. It would be supposed that a litigant was not entitled to invoke the equity powers of the court under the new system of pleading where he was not entitled to invoke them in a suit theretofore in equity. If, therefore, the matters alleged in the complaint now known as a civil action would not afford a litigant equitable relief measured by the principles obtaining in equity, he ought not to be entitled to such relief under the new proposed rules. (See *Armstrong Cork Co.* v. *Merchants' Refrigerating Co. et al.*, 184 Fed. (C. C. A.) 199, 204.) Such is the law of Congress as it now stands.

The committee, however, have frankly stated in the first sentence of paragraph 1, page 2, of their notes pertaining to rule 2 that it modifies title 28, United States Code, section 384. To what extent this modification applies is not clear. Section 384 states that suits in equity shall not be sustained in any court of the United States in any case where a plain, adequate, and complete remedy may be had at law. A careful study of the new rules shows that under them the court in law actions will have equitable powers, including those over the person, which heretofore had been exercised in equity only and under special circumstances and surrounded by safeguards grown up in conjunction with the practice in equity.

In abolishing the forms of procedure, the substantive jurisdiction and powers of a court of equity may not be conferred upon a court of law under the authority given by the statute authorizing the promulgation of the new rules. In the suits to which reference has been made in the notes of the committee under rule 2, it is to be observed that the provisions for a single action and mode of procedure arise under statutes of the States. Even if Congress is competent to enact all of the provisions found in the new proposed rules, this it has not done, and under the guise of promulgating new rules substantive legislation cannot be enacted in this indirect manner.

Rule 7 forbids a pleading by the plaintiff to a plea of confession and avoidance, to a plea of new matter, or to any pleading described under rule 8 (c) as affirmative defenses. For example, in any ordinary suit upon a promissory note if the defendant pleads the statute of limitations the plaintiff need not reply, but presumably could rely upon whatever evidence he might be able to produce at the trial to offset the objection of the statute. The defendant would not know until the time of trial whether plaintiff was relying upon alleged acknowledgement of the debt, or part payment, or absence from the jurisdiction. In *French* v. *District Title Insurance Co.* (75 Fed. (2) 650) the Court said that the statute of limitations in the District of Columbia in law actions cannot be raised by demurrer (nor can it be under the new rules. See rule 8 (c)), even where the declaration showed on its face that the statutory period had expired, the reason being that plaintiff is entitled to an opportunity to avoid the bar if he can by replication.

The proposed rules do not provide for definite issues to be raised by the pleadings, and thus to secure the just, speedy, and inexpensive determination of every action. Surely in pleadings, at least, where the parties are not put to any great expense either of time or money, except in the investigation by the attorneys of the real issues of the case, the parties should be held to a fairly accurate presentation of the points in controversy. There is a greater loss of time and expense occasioned by the failure to have pleadings in proper shape and by the lack of preception by respective attorneys of the merits of a case as disclosed by the pleadings than any other single thing. If looseness in pleading is condoned, and even invited ideal justice will not be attained. The opportunity for surprise afforded by rules allowing laxity of pleadings does not make for speed or simplicity. The proposed rules presume that each litigant knows perfectly well all the contentions of the other side, and that it is only necessary to state in pleadings mere general allegations that the plaintiff claims something of someone and the defendant then may deny this claim. The appendix of forms attached to the rules clearly indicates this. (See especially Form 9 on p. 109, which would now be insufficient in any court of law.) It must be observed that a plaintiff under almost any form of action has from 1 to 3 more years to work up his case. This should be sufficient time to enable him to state with some degree of precision the gravamen of his complaint. The defendant has less time, but with diligence can usually meet the issues within the time prescribed by the rules, and if necessary can secure whatever extension may be necessary. It is elementary in all pleadings and practice that facts should be opposed to each other, or issues should be opposed to each other. Under the proposed rules of pleading neither system is adopted. If order is to be brought out of supposed chaos it cannot be done by having the new order result in greater chaos.

Rule 16. It is difficult to determine just what exactly rule 16 is intended to accomplish, or what the mechanics of it will be. The dockets of almost every Federal court in the land are congested. The courts are behind in the trial of cases already at issue, and upon which the respective litigants are anxious to go to trial. The courts are busy taking care of such cases and deciding those already before them.

The court is given authority in its discretion to direct the attorneys for the parties to appear before it for a conference to consider the simplification of the issues and it is hardly to be assumed, from what has been said, that the court will "with panoramic eyes and microscopic view" search its dockets to determine what cases ought to be simplified. The attorney for one of the litigants, ex parte, by this rule is invited to see the court, discuss the case, and suggest that the other side be called in and an effort made to obtain as much concession as possible; or, the court itself in a case involving political or social ramifications, may, because of predisposition, decide to take the matter in its own hands and extract, by virtue of its position or through moral persuasion, admissions or concessions which may militate against the right of clients. Under rule 11 the pleadings in a cause represent certifications by the respective attorneys that there is good ground to support them. In short, each attorney believes that the things stated in the respective pleadings are necessary and material to the proper disposition of the case. In good faith a defendant and his attorney admit those allegations in the plaintiff's pleadings which are true, and deny those which they controvert. The present law does not permit the court to turn the function of its office of an impartial adjudicator of the law, into a mere moderator or arbitrator. In the modern practice counsel agree among themselves as to what proof may be dispensed with and what documents may be admitted without formal proof.

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Rules 26 to 37, inclusive—rules relating to depositions and discovery—apparently affect substantive rights (*Union Pacific Railway Co.* v. *Botsford*, 141 U. S. 250).

Twenty-eighth United States Code, section 636, affords all full and legitimate use of discovery necessary in law actions, and the extremely wide latitude permitted under rules 26 to 37, as admitted in the committee notes, bring about an unnecessary conflict with the desirable restrictions placed by Congress on the exceptions to trial in open court.

Rule 26 goes further, it is believed, toward permitting a "fishing expedition" to be indulged in concerning matters which may or may not be admissible in evidence than has ever been sanctioned by Congress in a jury action.

Rule 30. Here an important right has been taken away, namely, that of taking depositions orally, without being subject to the discretion of the court. Under the present statute (28 U. S. C., 639) a party may take depositions orally upon reasonable notice.

Under the rule 30 (b), the court has discretion to require that depositions be taken on written interrogatories. In *Henning* v. *Boyle* (112 Fed. 397) the Court said the method of taking testimony by commission is cumbersome and unsatisfactory, and not resorted to when the convenient method of taking proof prescribed by 863 Revised Statutes (title 28, 639) is available. Moreover, under rule 31 (d) the court has discretion to require that depositions which may be taken on written interrogatories shall be taken orally. This is another instance in which the discretion of the court is substituted for the plain mandate of the statutes.

Section 639 of the Judicial Code recognizes that litigants are the best judges of how the case should be conducted, and whether the exigencies of the case require the taking of oral testimony.

Rule 33 permits litigants to go far beyond bounds in jury actions. In addition to permitting equitable remedies in law actions, the rule transcends even the widest latitude allowed under the present Federal equity rules. The committee notes say this rule restates the substance of equity rule 58. A mere reference to that equity rule shows that the interrogatories must pertain to the discovery by one party to the other of facts and documents material to the support or defense of the cause. This safeguard and restriction is omitted in rules 33 and 34. Apparently rule 34 affects substantive rights, especially taken in conjunction with rule 37 (IV), which subjects a party to arrest for failure to obey any order of the court pertaining thereto. In *Union Pacific Railway Co.* v. *Botsford* (141 U. S. 250) it was held that a Federal court could not order a plaintiff in an action for damages to submit to a surgical examination in advance of a trial. The reason, as is clearly shown by the opinion, is that it was a substantive right not conferred by Federal statutes. That case reviews the extent to which courts of common law could go in compelling the production of books and documents, as well as other powers over the parties to the lawsuit.

The special remedies peculiar to equity arose because the parties to the controversy were not on equal footing, by virtue of trust relationship or other conditions where one party was in possession of much of the evidence, and so discovery and restraints upon the person or property were necessary to make either a suit or sometimes a defense to a suit possible.

Rule 36 is said to have its support, among other things, in the last paragraph of equity rule 58. A reference to such paragraph discloses that it is not near as broad, even in an equity suit, as rule 36 of the proposed rules applicable to actions at law as well as in equity. Under the equity rule, a demand for the admission of genuineness of documents is made 10 days before the trial (at a time when a party has prepared for trial) and calls for admitting the authenticity only of the document, letter, or other writing (saving just exceptions). Under rule 36 a party is required to admit or deny not only the genuineness of relevant documents but also the truth of any relevant facts stated therein—whether admissible or not, and apparently without saving any exceptions. Moreover, equity rule 58 calls upon a person to admit the whole document, whereas rule 36 requires one to negative or admit any particular part of a document.

The rule permits a party contemplating a lawsuit to send self-serving declarations to a proposed defendant, and after the suit has been filed call upon him to admit under oath the truth or falsity of such statements, the verbiage of which may have been selected by counsel. Furthermore, it might require the denial under oath of an unverified narration served by a plaintiff pursuant to rule 36.

Under rule 37, if a party refuses to permit entry on his property or to submit to certain other orders relating to discovery after being ordered to do so by a court, he may be punished, among other things, both by the default judgment against him or an arrest. This would seem to be, under the circumstances, legislation affecting substantive rights (*Union Pacific Railway Co.* v. *Botsford*, 141 U. S. 250).

In general, the various powers of discretion reposed in the court under the new rules, together with the power of every litigant to try the case piecemeal, serve to whittle down the right of trial by jury. Heretofore the theory has been that a case may be submitted at one time through the medium of oral testimony and in open court, except in the infrequent instances in which depositions are used. Now, by a kind of inquisition conducted under rule 26, interrogatories under rule 33, discovery under rule 34, and admission of facts under rule 36, together with the consequences imminent under rule 37, there is left little further to be done.

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CONFUSION AND UNCERTAINTY RESULTING FROM THE ADOPTION OF THE PROPOSED RULES

Mr. Charles A. Keigwin, a professor at law and noted authority on procedure, pointed out some of the confusion which will arise in the application of the rules. He said:

In respect to the procedure in the States which have adopted codes, where there is any uniformity in the code practice, there would be very little change, if any. I think these rules substantially adopt the code procedure. In a State like New York, Ohio, or California, I take it that the law would simply follow the procedure you just now brought up. In a jurisdiction like the District of Columbia, or a State like Maryland, or Illinois, or Massachusetts, the lawyers would have to learn the new practice. They would have to get a book on code pleadings.

With respect to substantive rights, what Mr. Marshall spoke about, they would produce the same sort of question in the code States as well as here. In many of the States the common law provides that a foreign corporation doing business in the State may be sued in courts of that State. The Supreme Court has time and again held that corporations may properly be subjected to that jurisdiction where they are doing business within the State.

We have a provision here that the liability of a corporation to be sued will depend upon the law of the State of its incorporation. It is possible that in a State like Delaware—I do not say it has been done or will be done—they would incorporate a concern that could be sued only in the State of Delaware. The corporation might be doing business in Pittsburgh, Cincinnati, or Chicago, and the question is whether or not that provision in these rules would subject that corporation to suit in the courts of the same State or, by he same token, in the United States court sitting in that State, because the corporation is controlled by the laws of the State of its incorporation.

It is the same way with respect to suing a partnership only by its name, or an unincorporated association. That may be the name under which they make their contracts. I take it there is a law in all the States that these people must be sued by their individual names. There are very few States, if any, without such a provision. When this provision goes into effect, you have something which dispenses with local laws, as to the manner in which the partnership may be sued. I think that goes somewhat beyond the procedural method. I think it is a substantive matter. Under our present practice, if you are going to sue A and B, you must sue them by their individual names.

THE RELATIONSHIP BETWEEN LAW AND EQUITY

Mr. Challen B. Ellis, a member of the Bar of the District of Columbia, submitted for the consideration of the committee, in addition to his oral testimony, a memorandum reading in part:

The confusion and uncertainty brought about by the rules for the Federal courts, as now reported to the Congress, arise from the fact that the right of litigants appropriate in equity cases only have now been prescribed for and made applicable to law cases triable by a jury, notwithstanding the act of Congress, under which the rules must be judged and applied specifically, requires that the rules shall preserve in full vigor the right of trial by jury with the ordinary incidents of such trial preserved in the Constitution and further specifically requires that such rules "shall neither abridge, enlarge, nor modify the substantive rights of any litigant" so far as jury actions are concerned.

The trial by jury is a product of the common law as it developed in England prior to the adoption of the Constitution. It has continued and developed in the several States which have complete and sovereign jurisdiction.

The incidents of trial by jury which make up what the Constitution calls due process of law are products of the development of common law in the States. These incidents are part of the rights of litigants and they are substantive rights because they involve the substantive right to due process of law—which may not be denied anyone under our form of government. Congress cannot take away these rights if it tried. It cannot set up a common law of the United States or for United States courts, for there is no common law outside the States. This is the purport of Justice Brandeis' decision April 25, 1938, in *Erie Railroad* v. *Thompkins*.

This decision throws a flood of light on the questions with which we are here concerned; that is, the conflicts and confusion which the new rules bring about.

For these rules do attempt so to modify trial by jury and the rights of litigants with respect thereto, as to seriously impair the efficacy of such a trial as an arbitration by one's neighbor and peers rather than by the uncontrolled action of a single judge.

The broad distinction between an action at law and a suit in equity has grown up in our practice ever since courts were established and dates back to the early days of English common law. The fundamental difference between law and equity is that law is concerned with the settlement of an issue of fact by a jury and does not in any manner involve any restraint on the person of the plaintiff or defendant; while in an action in equity, the court (formerly the chancelor) acted upon the person of the defendant; that is, the court had the authority, upon the proper showing, to order the defendant to do or not to do something on pain of certain punishment (sometimes in addition to contempt of court). As a result of this marked distinction the procedure in an equity suit differs radically from the procedure in a law action, and each has safeguards peculiarly necessary to the respective rights and powers.

Considering the tremendous powers of the chancelor and dangers of abuse, certain safeguards were thrown around an action

in equity which would not be needed nor appropriate in an action at law.

One of the first and most important safeguards is that equity is always an extraordinary remedy; that is, the drastic action of the court against the person of the parties may not be exercised unless that is the only way the complainant can escape irreparable injury. One of the outstanding principles always applied in equity is that if all the complainant is entitled to is a payment of money by the defendant to the plaintiff, he cannot impose any other obligation on the defendant, and, in fact, cannot bring his case in equity at all.

So it has been held over and over again, and has been enacted into the law of the United States, that no person can bring a bill in equity and invoke the extraordinary powers of the court when he has an adequate remedy at law, and ordinarily where an action is one on contract or one for a tort (which means nine-tenths of all the actions), the plaintiff is given remedy in damages. If the action is for breach of contract, the plaintiff is not entitled to anything but damages for the breach; if the plaintiff is injured by the negligence of the defendant, the plaintiff is compensated by damages. He cannot punish the defendant or order the defendant to turn over property to him, or make a deed, or submit to an inspection of his books and papers to establish the plaintiff's claim. In other words, in the ordinary everyday action at law, the question would be whether the plaintiff was damaged, and if so, how much; and the judgment is a money judgment if for the plaintiff and a judgment of dismissal if for the defendant. The defendant cannot be ordered to do anything or not to do anything. He has nothing to fear from interference with his person or conduct. All that is at stake is the property which he owns which may be seized after judgment only on execution, and such seizure can always be avoided by payment of the judgment.

But, in an equity case the court acting as chancellor scrutinizes with the greatest care the statement of the claim so as to be sure that the plaintiff, unless given the particular remedy of court order over the actions of the defendant other than the payment of money, will be irreparably injured; that is, whatever relief he might have will be gone. And so again, if the court finds that the plaintiff, under the guise of an equity proceeding, is attempting to harass the defendant or inquire into the affairs or examine his premises merely because he has a money claim against the defendant, the court is quick to dismiss the action, because it does not state a case in equity.

Now all this is to be thrown aside by the new rules of pleading and practice. Not alone do the rules provide for one form of action—which in itself is not objectionable—but they practically strike down all the safeguards thrown around the action at law; and, in addition, eliminate many of the safeguards peculiarly appropriate to equity.

APPLICATION OF THE DOCTRINE OF ERIE RAILROAD CO. *v.* TOMPKINS TO THE FEDERAL RULES OF CIVIL PROCEDURE

In a memorandum submitted for the consideration of the committee, Mr. Gustavus Ohlinger, a member of the bar of Ohio and an active practitioner in Toledo, Ohio, developed the application of the recent Supreme Court decision in the *Erie Railroad case* to the new rules. His memorandum reads in part:

While for the litigants *Erie Railroad Co.* v. *Tompkins* was concerned solely with a matter of substantive law, nevertheless for the people of the United States it was a forceful restatement of the philosophy underlying our Federal system of government.

The new rules for the district courts deal with procedure—any language in the rules, or any interpretation which would carry them outside that field would be unwarranted. But even as rules of procedure they are subject to the pragmatic tests which the Supreme Court applied to *Swift* v. *Tyson*. Will they introduce "grave discrimination by noncitizens against citizens?" Will they present "uniformity in the administration of the law of the State?" Will the impossibility of discovering a line of demarcation between the field which is appropriate to court rules, and the field which the rules should not enter, develop "a new well of uncertainties?"

Rule 2 provides:

"There shall be one form of action to be known as 'civil action.'"

In its report of April 1937 the Advisory Committee noted that this rule "suspended" United States Code 28:384; in its later Notes to the Rules the Committee advises that the rule "modifies" this section. The section in question is in almost the identical language of section 16 of Judiciary Act of 1789. It reads: "Suits in equity shall not be sustained in any court of the United States in any case where a plain, adequate, and complete remedy may be had at law."

Whether the Supreme Court, by adopting rule 2, meant to supersede or to modify the statute, or, if it intended to modify the statute, then in what particulars it meant to change it, is, at least, uncertain. It can well be argued that the distinction between law and equity is inherent in the Constitution, as interpreted by the Judiciary Act of 1789, and that the rule cannot change it. As said in *Armstrong Cork Co.* v. *Merchants Refrigerating Co.* (C. C. A. 8) (184 Fed. 199, 204):

"The difference, however, between causes of action at law and causes of action in equity is in matter of substance, and not of form. It inheres in the natures of the causes themselves, and it cannot be extracted by legislation or declaration. This ineradicable difference is sedulously preserved in the forms of suits which enforce these causes in the national courts. In those courts a legal cause of action may not be sustained in equity because the parties are entitled to a trial of the issues in such a cause by a jury under article 7 of the amendments to the Constitution of the United States, and it is only when there is no adequate remedy at law that a suit in equity can be maintained. * * * As the essential character of a cause of action and of the remedy it seeks determines whether it is a cause at law or in equity, neither the parties to it nor the court can by declaration or procedure make a cause of action at law a cause in equity, or vice versa, and when a pleading by the complainant, whether styled a petition, a declaration, or a bill, is filed with the clerk of a Federal court which states any cause of action, it necessarily states one at law or one in equity, and the facts set forth in the pleading and the remedy sought thereby determine whether the cause of action pleaded is at law or in equity, and whether the pleading filed invokes the jurisdiction of the court at law or in equity (*Van Nordon* v. *Morton*, 99 U. S. 378, 380, 25 L. Ed. 453; *New Orleans* v. *Construction Co.*, 129 U. S. 45, 9 Supp. Ct. 223, 32 L. Ed. 607)."

Rule 3 consists of two lines. "A civil action is commenced by filing a complaint with the court." What could be simpler? Moreover, what could be more patently procedural than this rule? But a brief comment by the advisory committee gives pause for thought:

"When a Federal or State statute of limitations is pleaded as a defense, a question may arise under this rule whether the mere filing of the complaint stops the running of the statute or whether any further step is required, such as service of the summons and complaint or their delivery to the marshal for service. The answer to this question may depend on whether it is competent for the Supreme Court, exercising the power to make rules of procedure without affecting substantive rights, to vary the operation of statutes of limitations."

In the past the Rules of Decision Act has been applied to State statutes of limitations. The Supreme Court, in *Bauserman* v. *Blunt* ((1893) 147 U. S. 647; 13 S. Ct. 466; 37 L. Ed. 316), said:

"No laws of the several States have been more steadfastly or more often recognized by this Court, from the beginning, as rules of decision in the courts of the United States, than statutes of limitations of actions, real and personal, as enacted by the legislature of a State, and as construed by its highest court (*Higginson* v. *Mein*, 4 Cranch. 415, 419, 420; *Shelby* v. *Guy*, 11 Wheat. 361, 367; *Bell* v. *Morrison*, 1 Pet. 351, 360; *Henderson* v. *Griffin*, 5 Pet. 151; *Green* v. *Neal*, 6 Pet. 291, 297–300; *McElmoyle* v. *Cohen*, 13 Pet. 312, 327; *Harpending* v. *Dutch Church*, 16 Pet. 455, 493; *Leffingwell* v. *Warren*, 2 Black 599; *Sohn* v. *Waterson*, 17 Wall. 596, 600; *Tioga Railroad* v. *Blossburg & Corning Railroad*, 20 Wall. 137; *Kibbe* v. *Ditto*, 93 U. S. 674; *Davis* v. *Briggs*, 97 U. S. 628, 637; *Amy* v. *Dubuque*, 98 U. S. 470; *Mills* v. *Scott*, 99 U. S. 25, 28; *Moores* v. *National Bank*, 104 U. S. 625; *Michigan Insurance Bank* v. *Eldred*, 130 U. S. 693, 696; *Penfield* v. *Chesapeake, &c., Railroad*, 134 U. S. 351; *Barney* v. *Oelrichs*, 138 U. S. 529)."

This rule has been followed quite consistently: *Balkan* v. *Woodstock Iron Co.* ((1894, 154 U. S. 177, 14 S. Ct. 1010, 38 L. ed. 953); *Weems* v. *Carter* ((C. C. A. 4), 30 F. (2d) 202); *Craig* v. *United States* ((C. C. A. 10), 89 F. (2d) 586); and *Graham* v. *United States* ((C. C. A. 10), 89 F. (2d) 591) (limitations on revival of action); *Arkansas Fuel Oil Co.* v. *City of Blackwell* ((C. C. A. 10), 87 F. (2d) 50) (time of accrual of cause of action); *Walton* v. *United States* ((C. C. A. 8), 73 F. (2d) 15); *Apple* v. *Owens* ((C. C. A. 5), 48 F. (2d) 807) (limitation on cause of action of surety for contribution); *Watkins* v. *Madison County Trust & Deposit Co.* ((C. C. A. 2), 24 F. (2d) 370, cert. den. (1928), 277 U. S. 602, 48 S. Ct. 562, 72 L. ed. 1010) (limitation on action for conversion under N. Y. Civil Practice Act); *St. Louis S. F. R. Co.* v. *Quinette* ((C. C. A. 8), 251 Fed. 773).

However, *Van Dyke* v. *Parker* ((C. C. A. 9), 83 F. (2d) 35), indicates that the statute of limitations is not a substantive right but relates to the remedy, and the law of the forum should control. The law of the forum, insofar as the Federal courts are concerned, will be rule 3:

"A civil action is commenced by filing a complaint with the court." Does the mere filing of a complaint toll the State statute of limitations when a State statute, like Ohio General Code, sec. 11230, reads:

"When commenced: An action shall be deemed to be commenced within the meaning of this chapter, as to each defendant, at the date of the summons which is served on him or on a codefendant who is a joint contractor, or otherwise united in interest with him. When service by publication is proper, the action shall be deemed to be commenced at the date of the first publication, if it be regularly made."

"This chapter," as referred to in the section quoted, is the chapter entitled "Limitations of Actions." If the mere filing of a complaint does toll the State statute of limitations, then we have a different and more liberal rule in the Federal court, and litigants in the same State, by reason of the accident of diversity, may be unsuccessful in invoking the statute in the Federal court, while they might succeed in setting up the bar in a State court.

But is rule 3 the law of the forum? The enabling act, act of June 19, 1934 (ch. 651, 48 Stat. 1064), among other things, says:

"Said rules shall neither abridge, enlarge, nor modify the substantive rights of any litigant * * *. They shall take effect 6

months after their promulgation, and thereafter all laws in conflict therewith shall be of no further force or effect * * *."

The court must, therefore, first draw a line between substantive rights on the one hand and procedure and remedies on the other—a distinction more shadowy and difficult than that between rules of property and general common or commercial law. Any rule invading a substantive right, either under State statute or under State decisions, would, under the Erie Railroad Co. case, be "an unconstitutional assumption of powers by courts of the United States," and an invasion of State autonomy.

Again, what is meant by the words "of no further force or effect"? Is the Rules of Decision Act, insofar as it applies to what has heretofore been considered remedial, rendered of no further force and effect? For the purpose of statutes of limitations will the computation of time in rule 6 enlarge the State statute of limitations and create two rules of limitations side by side? If so, the accident of diversity again could readily change the outcome of litigation. Can the relation back to the date of the original pleading of an amendment under rule 15 (c) whenever the claim "asserted in the amended pleading arose out of the conduct, transaction, or occurrence set forth or attempted to be set forth in the original pleading," result in the continuance in the Federal court of litigation which would be barred under the State decisions on the statute of limitations?

So far as suits in equity are concerned, the Federal courts have in the past determined for themselves when a suit was deemed commenced. (See *United States* v. *American Lumber Co.* (C. C. A. 9), 85 Fed. 827; *Humane Bit Co.* v. *Barnet* (C. C. N. J.), 117 Fed. 316; *United States* v. *Miller* (C. C. Oreg.), 164 Fed. 444; *Brown* v. *Pacific Mutual Life Ins. Co.* (C. C. A. 4), 62 F. (2d) 711; *United States* v. *Hardy* (C. C. A. 4), 74 F. (2d) 841.) Will rule 3 be applied uniformly to actions at law and actions in equity, since there is one form of civil action? Here we come upon a dilemma. If it is applied uniformly, it will in law actions override State statutes of limitation and result in different rules in the Federal and State courts. If it is applied only to equity proceedings, as it well might be, the court must first determine what in the past has been a cause of action in equity and a cause of action at law, without having, in the Federal practice, even the familiar landmark of "cause of action" as a guide, it having been superseded by "claim for relief." (See rule 8.)

These questions as to "commencement" of an action will arise, under rule 3, not only in the field of the statute of limitations, as the advisory committee has suggested, but also in connection with abatement and revival. (See *In re Connaway as Receiver of the Moscow National Bank* (1900), 178 U. S. 421, 20 S. Ct. 951, 44 L. Ed. 1134; in the determination of when the doctrine of lis pendens applies, see *Wheeler* v. *Walton & Whann Co.* (C. C. Del.), 65 Fed. 720; and in ascertaining whether a district court or a State court first obtained jurisdiction over a cause, or a res, see *Farmers' Loan, etc. Co.* v. *Lake St. Rd. Co.*, 177 U. S. 51, S. Ct. 564, 44 L. Ed. 667; *Harkin* v. *Brundage* (1928), 276 U. S. 36, 48 S. Ct. 268, 72 L. Ed. 457; *Brown* v. *Pacific Mutual Life Ins. Co.* (C. C. A. 4), 62 F. (2d) 711.) In the latter instance equity and law must again of necessity be separated.

Under V, Depositions and Discovery, rules 26 to 37, inclusive, provision is made for broader powers of discovery than obtain in most of the States. In fact, in the words of the advisory committee, these sections give an "unlimited right of discovery." Will this introduce "grave discriminations by noncitizens against citizens," such as were criticized by the Supreme Court in the Erie Railroad Co. case? Will such a "unlimited right of discovery" be abused by nonresidents against residents, as a means of forcing settlement in "nuisance" suits? Will not serious uncertainties arise as to whether rules 38 and 39 under more than lip service to the seventh amendment? How many uncertainties as to venue and the existence of a case or controversy will arise as to third-party practice under rule 14?

Will substantive rights be affected and will different results be reached in the State and Federal courts when rule 43 on evidence is applied? It is interesting to note the companion articles by Charles C. Callahan and Edwin E. Ferguson entitled "Evidence and the New Federal Rules of Civil Procedure," appearing in 45 Yale L. J. 622 and 47 Yale L. J. 194. In volume 45, at page 645, it is said:

"There is often a very close judicial relation between legal rights and the evidence which will establish them. Presumptions and burden of proof, suits involving title to land, are commonly used examples. It can be urged that conformity would operate to give full force and effect to local remedies and modes of rendering substantive rights cognizable. And so far as cases of exclusive Federal jurisdiction are concerned, conformity has been said to be desirable in that the Federal court will have the benefit of advanced State legislation.

"The proponents of conformity, however, rely mainly on the argument that substantive rights are better enforced through State rules of evidence."

Again, at pages 646–647, it is said:

"And the evils which the proponents of conformity fear may very well disappear through the States' gradual acceptance of the Federal system as their model. This was the belief and hope of the proponents of the new rules of procedure. One writer suggests that 'there are serious considerations militating against such an outcome,' in that the States will quite likely wish to keep the control of the processes of their courts in their own hands, and that should there be such adoption, the initiative in judicial reform would pass to Washington, weakening the vitality of State jurisprudence. Without concrete evidence one way or the other, a valid prediction is difficult; but it is submitted that if the Federal procedure is as successful in operation as it might well be, the pressure of the people and bar in the State will be brought to bear upon its adoption, rather than toward a jealous guarding of procedural independence; that it is a matter of conjecture whether State initiative in reform will cease upon an adoption of the Federal procedure."

As against these conjectures, it is well to recall the remark of Justice Holmes in *New York Trust Co.* v. *Eisner* (1921; 256 U. S. 345, 349, 41 S. Ct. 506, 65 L. Ed. 963):

"A page of history is worth a volume of logic," and to consider the opinion in the Erie Railroad case:

"Experience in applying the doctrines of *Swift* v. *Tyson*, had revealed its defects, political and social; and the benefits expected to flow from the rule did not accrue. Persistence of State courts in their own opinions on questions of common law prevented uniformity; * * * and the impossibility of discovering a satisfactory line of demarcation between the province of general law and that of local law developed a new well of uncertainties * * *.

"On the other hand, the mischievous results of the doctrine had become apparent. Diversity of citizenship jurisdiction was conferred in order to prevent apprehended discrimination in State courts against those not citizens of the State. *Swift* v. *Tyson* introduced grave discrimination by noncitizens against citizens. It made rights enjoyed under the unwritten 'general law' vary according to whether enforcement was sought in the State or in the Federal court; and the privilege of selecting the court in which the right should be determined was conferred upon the noncitizen. (Note No. 9.) Thus, the doctrine rendered impossible equal protection of the law. In attempting to promote uniformity of law throughout the United States, the doctrine had prevented uniformity in the administration of the law of the State."

The statements quoted are strongly supported by the references in the notes which accompany the opinion.

Again compare the history of *Swift* v. *Tyson* with the following comment on page 197 of volume 47, Yale L. J.:

"It is not intended to present a dark picture of the operation of this part of rule 44; indeed its virtue seems to lie in the fact that it does not restrict courts to a particularized body of rules. As to general questions of admissibility, therefore, the Federal courts will have complete freedom to develop their own rules. This may be somewhat of an overstatement. The fact that certain evidence, such as flagrant hearsay or opinion, is not admissible in any court, coupled with the judicial dislike for sudden change, point to the prediction that, although the Federal courts will be starting practically with a clean slate so far as rules of admissibility are concerned, the new body of precedent will be much the same as the old in general outline. But the rule of admissibility as proposed by the advisory committee does give the courts a free hand in applying reforms to individual rules, thus keeping them abreast of the times."

The inconsistency of the philosophy underlying the new rules, with that upon which *Erie Railroad Co.* v. *Tompkins* is based, becomes apparent. The hopes now expressed were also entertained by Justice Story who wrote the opinion in *Swift* v. *Tyson*. For a hundred years the Supreme Court wrestled with the problems arising out of that decision while it waited for the fulfillment of those hopes. Finally, in desperation, it abandoned entirely the century old, yet always new, "well of uncertainties."

It should be borne in mind, too, that many of the rules are modeled after those prescribed for courts of general jurisdiction under unitary governments—the English rules under the Judicature Act, the rules adopted in self-governing commonwealths of the British Empire; and after those which States have provided by legislation for courts of general jurisdiction. Senator KING has pointed out, in the hearings on the present resolution, how even under the English rules "over 4,000 cases went to the courts growing out of misinterpretation or lack of interpretation, or attempts to reconcile the rules with what might be called substantive law."

Our problems are vastly more difficult than those that might arise in a unitary State with courts of general jurisdiction. The district courts are courts of strictly limited powers in a Federal State. They are confronted by all the problems inherent in their special character—problems of State autonomy and independence, problems of equal protection of the law, and by problems of jurisdiction and venue. As said by Benjamin R. Curtis, one time an Associate Justice of the Supreme Court:

"Let it be remembered, also—for just now we may be in some danger of forgetting it—that questions of jurisdiction were questions of power between the United States and the several States."

CITY OF NEW BRUNSWICK, N. J.

Mr. BROWN of Michigan. Mr. President, I ask unanimous consent that the votes whereby Senate bill 1294 was ordered to be engrossed for a third reading, read the third time, and passed on yesterday be reconsidered. There are certain amendments which the Senator from Nebraska [Mr. BURKE], the Senator from Louisiana [Mr. ELLENDER], and I intended should be added to the bill. I ask that the bill be now reconsidered, and the amendments agreed to.

The PRESIDENT pro tempore. The Chair understands the request of the Senator from Michigan to be that the votes by which Senate bill 1294 was ordered to be engrossed for a third reading, read the third time, and passed on yesterday, be reconsidered; also, that if the bill has been transmitted to the House of Representatives, it be recalled.

Mr. BROWN of Michigan. Yes; I ask that the bill be recalled from the House, if necessary.

The PRESIDENT pro tempore. Is there objection to that request? The Chair hears none.

Mr. KING. Mr. President, a parliamentary inquiry. May amendments be offered to the bill while it is in the possession of the House, or must the Senator from Michigan wait until the bill is returned?

The PRESIDENT pro tempore. The Chair is not yet advised as to whether the bill is still in the possession of the Senate. If the bill is not in the possession of the Senate, it will be necessary to recall the bill from the House.

Mr. BROWN of Michigan. When that is ascertained, I will take up the matter again.

Mr. BROWN of Michigan subsequently said: Mr. President, I ask that the amendments which I send to the desk be stated.

The PRESIDENT pro tempore. Senate bill 1294 is in the possession of the Senate. Therefore, it is in order, by unanimous consent, that the votes by which it was ordered to be engrossed for a third reading, read the third time, and passed, be reconsidered, and that the bill be restored to the calendar. Is there objection to that course? The Chair hears none, and it is so ordered.

Is there objection to temporarily laying aside the unfinished business and proceeding to the consideration of Senate bill 1294?

Mr. McNARY. Mr. President, I did not hear the nature of the request.

The PRESIDENT pro tempore. The request of the Senator from Michigan is that the Senate proceed to the consideration of Senate bill 1294, and that the unfinished business be temporarily laid aside for that purpose.

Mr. KING. It is a bill which we passed yesterday. By inadvertence, the amendments were not incorporated in it.

The PRESIDENT pro tempore. The Chair hears no objection.

The Senate proceeded to consider the bill (S. 1294) for the relief of the city of New Brunswick, N. J.

The PRESIDENT pro tempore. The amendments offered by the Senator from Michigan [Mr. BROWN] will be stated.

The amendments submitted by Mr. BROWN of Michigan to the committee amendment in the nature of a substitute agreed to yesterday were as follows:

On page 3, line 7, before the words "per centum", to strike out "14" and insert "15"; on page 4, line 1, after the word "price", to strike out "but such" and insert a period and "The amount of such mortgage may be increased, as may be determined by the Secretary of the Treasury and the Reconstruction Finance Corporation pursuant to the rules and regulations adopted under the provision of section 13 (b) hereof, but the face amount of any such"; on the same page, line 12, after the word "years" and the period to insert "The Corporation is hereby authorized and directed to apply for such insurance."

On page 4, after line 12, to strike out section 12 and insert in lieu thereof the following:

Sec. 12. (a) The Reconstruction Finance Corporation is hereby authorized to purchase from the United States Housing Corporation, at their face value, such of the aforesaid mortgages as in the opinion of the Board of Directors of Reconstruction Finance Corporation constitute full and adequate security for the indebtedness secured thereby, and to sell or otherwise dispose of any such mortgages so purchased for such price and upon such terms as it may determine.

(b) Any such mortgages not purchased by Reconstruction Finance Corporation may be sold by the United States Housing Corporation pursuant to rules and regulations adopted under the provisions of section 13 (b) hereof.

(c) The funds received by the United States Housing Corporation from the sales provided for in sections 10 and 13 hereof, from any collections on mortgages executed and delivered pursuant to section 11 hereof, and from any sales of such mortgages authorized by said section 11, shall be used to clear any liens described in clause (c) of section (c) of section 10, and to pay any special expenses incurred by the United States Housing Corporation in carrying out the provisions of this act, including title expenses, recordation costs, and any expenses of the application to Federal Housing Administrator for insurance pursuant to section 11 hereof, and the remainder may, in the discretion of the Secretary of the Treasury and the Reconstruction Finance Corporation and pursuant to the rules and regulations promulgated under section 13 (b) hereof, be paid to the city of New Brunswick, N. J., for municipal and school service rendered to the Lincoln Gardens area and the residents thereof prior to the date of the sale of such property as provided in section 10.

On page 5, line 17, after the words "may be", to strike out "necessary to carry" and insert "deemed advisable in carrying", and in line 18, after the word "Act", to insert "and settling any pending litigation with respect to any property involved", so as to make the bill read:

Be it enacted, etc., That the act entitled "An act to authorize the President to provide housing for war needs", approved May 16, 1918, as amended, is hereby amended by adding at the end thereof the following new sections:

"SEC. 9. The United States Housing Corporation (hereinafter referred to as the 'Corporation') is authorized and directed to accept from any person holding an existing contract for the property in the Lincoln Gardens project, New Brunswick, N. J., a full release of any right or interest any such person may have acquired by reason of any such contract. Upon tender of release by any such person and acceptance by said Corporation, such contract shall become null and void and of no further force or effect, and shall be considered as a forfeiture of any right or interest any person may have acquired under or by reason of such contract.

"SEC. 10. Upon any such tender, acceptance, and forfeiture, the Corporation shall sell to such person the property covered by such forfeited contract for an amount equal to the sum of (a) 15 percent of the original contract price of such property, (b) any sum which was due the Corporation under such contract and unpaid on the date of such forfeiture, and (c) the value of any other valid liens (but not tax liens) against such property existing on the date of such sale. Such sale shall be made upon the terms and conditions set forth in section 11 hereof, and the purchaser shall have the option to elect whether to pay the purchase price in cash or partly in cash, or to have the payment of the same in whole or in part secured by the mortgage referred to in section 11.

"SEC. 11. Upon the sale of such property as provided in section 10, the Corporation shall, notwithstanding any alleged tax liens against such property, execute and deliver to the purchaser a warranty deed for such property, free and clear of all encumbrances to the date of such sale. The United States, upon conveyance, shall retain a first lien for any unpaid portion of the purchase price. To secure such lien the purchaser shall execute and deliver a first mortgage to the Corporation for any unpaid portion (or all) of the purchase price.

The amount of such mortgage may be increased, as may be determined by the Secretary of the Treasury and the Reconstruction Finance Corporation pursuant to the rules and regulations adopted under the provision of section 13 (b) hereof, but the face amount of any such mortgage shall not exceed 50 percent of the original contract price at which the property was first sold by the United States. Such first mortgages shall be executed upon a form approved by the Federal Housing Administrator for use in the State of New Jersey, shall bear interest at a rate not to exceed 5 percent per annum, and shall contain such further terms and conditions as may be necessary to make them legally eligible for insurance under title 2 of the National Housing Act as amended: *Provided*, That at the option of the purchaser such mortgages may be made to mature in not to exceed 15 years. The Corporation is hereby authorized and directed to apply for such insurance.

SEC. 12. (a) The Reconstruction Finance Corporation is hereby authorized to purchase from the United States Housing Corporation, at their face value, such of the aforesaid mortgages as in the opinion of the Board of Directors of Reconstruction Finance Corporation constitute full and adequate security for the indebtedness secured thereby, and to sell or otherwise dispose of any such mortgages so purchased for such price and upon such terms as it may determine.

(b) Any such mortgages not purchased by Reconstruction Finance Corporation may be sold by the United States Housing Corporation pursuant to rules and regulations adopted under the provisions of section 13 (b) hereof.

(c) The funds received by the United States Housing Corporation from the sales provided for in sections 10 and 13 hereof, from any collections on mortgages executed and delivered pursuant to section 11 hereof, and from any sales of such mortgages authorized by said section 11, shall be used to clear any liens described in clause (c) of section 10, and to pay any special expenses incurred by the United States Housing Corporation in carrying out the provisions of this act, including title expenses, recordation costs, and any expenses of the application to Federal Housing Administrator for insurance pursuant to section 11 hereof, and the remainder may, in the discretion of the Secretary of the Treasury and the Reconstruction Finance Corporation and pursuant to the rules and regu-

lations promulgated under section 13 (b) hereof, be paid to the city of New Bruswick, N. J., for municipal and school service rendered to the Lincoln Gardens area and the residents thereof prior to the date of the sale of such property as provided in section 10.

SEC. 13. (a) Anyone who fails or refuses to execute a release to the Corporation as provided in section 9 hereof, for any reasons whatsoever, within 90 days after the date such section takes effect, shall be ineligible to receive the benefits of sections 9 to 11, inclusive, of this act, and the Corporation shall cause such proceedings to be instituted as may be appropriate to enforce the rights of the United States, and if necessary, to divest anyone of any interest which may have been acquired in any property in the Lincoln Gardens project, and sell the property so recovered at public or private sale. The Corporation may, however, in its discretion, extend such time for a further period of not to exceed 90 days.

(b) The Corporation, with the approval of the Secretary of the Treasury and the Reconstruction Finance Corporation, shall have power to make such rules and regulations as may be deemed advisable in carrying out the provisions of sections 9 to 13, inclusive, of this act and settling any pending litigation with respect to any property involved.

The amendments to the amendment were agreed to.

The amendment, as amended, was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

The title was amended so as to read: "A bill to amend the act entitled 'An act to authorize the President to provide housing for war needs,' approved May 16, 1918, as amended."

GRIFFITH L. OWENS

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 3215) for the relief of Griffith L. Owens, which was, on page 1, line 8, after "amended"," to insert "and as limited by the act of February 15, 1934 (48 Stat. 351),".

Mr. AUSTIN. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

SALE BY THE UNITED STATES OF WAR MATERIALS TO JAPAN

Mr. POPE. Mr. President, the American people are shocked at the continued Japanese barbarities in carrying out her campaign against China. Our Government has protested against particular acts of violence, and we have claimed damages for property destroyed. America has been joined by other powers in these protests. It is just as well, however, for us to recognize the bitter fact that it is America which is supplying 54.4 percent of the materials absolutely necessary in order that Japan may continue her aggression against China. It is doubtful whether Japan could get these materials if we were not willing to supply them.

These commodities are: Oil; iron—pig iron, scrap iron and steel; ores—lead, copper, tin, zinc; aluminum; machinery—engines and parts for automobiles and airplanes; trucks, motors, and so forth.

The figures have just been compiled from the reports issued by the Japanese Government, and also from the United States Department of Commerce, Far Eastern Financial Note, No. 246, January 19, 1938.

I have before me a table showing the distribution of Japanese imports essential for war purposes by the principal countries. Mr. President, I ask that the table may be printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Distribution of Japanese imports essential for war purposes, by principal countries

[Thousands of yen]

Commodity class and country	1937		1936	
	Value [1]	Percent of total	Value	Percent of total
All oil		100.0	172,491	100.0
United States of America		60.5	109,340	63.4
Dutch India		30.8	43,492	25.2
British Borneo		4.4	9,524	5.5

[1] The values for 1937 have not been entered here because the estimated figures are not accurate enough to be of any real use.

Distribution of Japanese imports essential for war purposes, by principal countries—Continued

[Thousands of yen]

Commodity class and country	1937		1936	
	Value	Percent of total	Value	Percent of total
Ores (iron, zinc, etc.)		100.0	51,151	100.0
British Malay		[2] 36.9	18,865	36.9
China		16.9	12,015	23.5
Philippine Islands		[2] 11.9	6,092	11.9
British India		9.9	4,184	8.2
Australia		6.3	3,288	6.4
United States of America		4.7	778	1.5
Great Britain		1.3	641	1.3
Pig iron		100.0	42,064	100.0
United States of America		41.6	69	.2
Manchuria		22.3	14,659	34.8
British India		24.2	14,570	34.6
Soviet Union			12,528	29.8
Great Britain		1.5	220	.5
Belgium		.9		
Other iron		100.0	149,976	100.0
United States of America		59.7	78,026	52.0
Germany		5.6	12,120	8.1
Belgium		5.4	7,447	4.9
British India		4.8	7,568	5.0
Great Britain		4.0	7,100	4.7
Dutch India		[2] 2.1	3,100	2.1
Australia		[2] 2.0	3,044	2.0
Copper		100.0	32,873	100.0
United States of America		92.9	31,930	97.1
Canada		3.5	490	.1
Lead		100.0	26,873	100.0
Canada		41.4	11,779	43.8
British India		19.7	3,765	14.0
Australia		5.8	219	.8
United States of America		4.1	2,642	9.8
Tin		100.0	15,082	100.0
Straits Settlements		50.5	8,677	57.5
China and Hong Kong		25.6	5,653	37.5
Dutch India		3.2	235	1.6
Zinc		100.0	10,997	100.0
Australia		43.8	3,439	31.3
Canada		23.2	3,836	34.9
United States of America		20.4	1,999	18.2
Aluminum		100.0	13,229	100.0
Canada		67.9	8,620	65.2
Norway		22.9	759	5.7
Great Britain		6.6	44	.3
Switzerland		1.4	1,952	14.8
United States of America		.3	489	3.7
Automobile and parts		100.0	37,036	100.0
United States of America		91.2	34,929	94.3
Germany		3.5	810	2.2
Great Britain		2.2	674	1.8
Machinery and engines [3]		100.0	33,243	100.0
United States of America		48.5	14,095	42.4
Germany		25.6	8,942	26.9
Great Britain		14.7	5,917	17.8

[2] The percentages are those for 1936.
[3] All machinery combined.

Mr. POPE. I desire to call attention to the imports into Japan from various countries and the percentage thereof coming from the United States. Let us take oil. The United States ships to Japan 60.5 percent of all the oil that is purchased by Japan from all countries. The United States furnishes 41 percent of all the imports of pig iron into Japan. The United States furnishes 59.7 percent of all other kinds of iron purchased by Japan from other countries. The United States furnishes 92.9 percent of all copper that is purchased by Japan. The United States furnishes 20 percent of the zinc purchased by Japan. The United States furnishes 91.2 percent of all automobiles and automobile parts, which include trucks, used by the Japanese in their war on China. The United States furnishes 48.5 percent of all machinery of all kinds purchased by Japan and used in the war against China.

The following table is still more conclusive in its proof of the fact that America is Japan's best support in the war against China. The table shows the contribution of the nine principal countries toward the Japanese aggression.

In 1937 the United States furnished 627,238 yen toward the Japanese bill for war materials, or 54.4 percent, as I have pointed out. The British Empire furnished 17.5 percent of Japan's bill for war materials; Dutch India, 7.4 percent; and so forth, as shown in the table for the nine countries. I ask that the table be included as a part of my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Principal countries	1937	
	Value[1]	Share in aggregate[2]
	Thousand Yen	*Percent*
United States of America[3]	627,238	54.4
British Empire[3]	201,496	17.5
Dutch India	84,913	7.4
Germany	43,434	3.8
Belgium	23,473	2.0
China[4]	20,099	1.7
Soviet Union		
Norway	2,931	.3
Switzerland	179	.02
Total	1,003,764	87.1

[1] Values for 1937 are approximate estimates.
[2] Aggregate value of imports of 13 commodity classes: 1937, 1,152,861,000 yen; 1936, 585,015,000 yen.
[3] United States of America includes Philippine Islands; British Empire includes Great Britain, Canada, Australia, India, Malay, and British Borneo.
[4] Manchuria is excluded.

Mr. POPE. The table shows that our exports to Japan are by far the most important, supplying in 1937 54.4 percent of all the materials essential to Japan's campaign in preparation for her war and the carrying on of her aggressive war against China. The British Empire takes the second place; Dutch India, third.

On the other hand, Germany, the ally of Japan, furnishes but 3.8 percent of these war materials. The remainder comes from the democratic countries of Europe and of the Western Hemisphere.

This morning's newspaper tells of another horrible bombing of Canton. In that operation the United States furnished more than half the gasoline and oil necessary for carrying out the venture.

Another item which is absolutely essential to Japan for the continuance of the war is credit. The bulk of the credit is being furnished her by the United States.

There may be serious question as to what other course the United States ought to follow in this matter. Certainly serious consideration should be given to any other course; but the interesting fact remains that while the United States protests against the aggression of Japan in China, and while 95 to 99 percent of the American people feel keenly the invasion of China by Japan, yet the United States, by furnishing the necessary war materials to Japan, keeps her going in her war on China. I think it is clear that if it were not for the materials which the United States is furnishing Japan, this war of aggression would be seriously hampered. Whether the Japanese embargo should be supported by the Government may be a question. At any rate, the American people ought to know that while they are longing for the discontinuance of the aggressive war upon China by Japan, we are making it possible for Japan to carry on the war by the shipment of war materials to Japan.

Mr. McNARY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Dieterich	King	Pittman
Andrews	Donahey	La Follette	Pope
Ashurst	Duffy	Lee	Radcliffe
Austin	Ellender	Lewis	Reames
Bailey	Frazier	Lodge	Russell
Bankhead	George	Logan	Schwartz
Barkley	Gerry	Lonergan	Schwellenbach
Berry	Gibson	Lundeen	Sheppard
Bilbo	Glass	McAdoo	Shipstead
Bone	Green	McGill	Smith
Borah	Guffey	McKellar	Thomas, Utah
Brown, Mich.	Hale	McNary	Townsend
Brown, N. H.	Harrison	Maloney	Truman
Bulkley	Hatch	Miller	Tydings
Bulow	Hayden	Milton	Vandenberg
Burke	Herring	Minton	Van Nuys
Byrd	Hill	Murray	Wagner
Byrnes	Hitchcock	Neely	Walsh
Capper	Holt	Norris	Wheeler
Caraway	Hughes	O'Mahoney	
Connally	Johnson, Calif.	Overton	
Copeland	Johnson, Colo.	Pepper	

The PRESIDING OFFICER. Eighty-five Senators having answered to their names, a quorum is present.

CLAIMS OF CHOCTAW INDIANS OF MISSISSIPPI

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 1478) conferring jurisdiction on the Court of Claims to hear and determine the claims of the Choctaw Indians of the State of Mississippi.

Mr. CONNALLY. I move that the Senate disagree to the amendment of the House, request a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. WHEELER, Mr. CHAVEZ, and Mr. FRAZIER conferees on the part of the Senate.

BLUE RAPIDS GRAVEL CO.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 2566) for the relief of the Blue Rapids Gravel Co., of Blue Rapids, Kans., which were, on page 1, line 4, to strike out all after "money" down to and including "Corps" in line 6 and insert "in the Treasury not otherwise appropriated"; and on page 1, line 8, to strike out "Government" and insert "United States."

Mr. CAPPER. I move that the Senate concur in the House amendments.

The motion was agreed to.

EDITH JENNINGS AND LEGAL GUARDIAN OF PATSY RUTH JENNINGS

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 2798) for the relief of Edith Jennings and the legal guardian of Patsy Ruth Jennings which were, on page 1, line 8, after "Jennings", to insert "a minor", on page 2, line 2, after "Administration", to insert ", near Derby, Kans."; and to amend the title so as to read: "An act for the relief of Edith Jennings and Patsy Ruth Jennings, a minor."

Mr. CAPPER. I move that the Senate concur in the House amendments.

The motion was agreed to.

RIVER AND HARBOR AUTHORIZATIONS

The Senate resumed the consideration of the bill (H. R. 10298) authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes.

Mr. COPELAND obtained the floor.

Mr. NORRIS. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Nebraska?

Mr. COPELAND. I yield.

Mr. NORRIS. I did not know any Senator had the floor.

Mr. COPELAND. I have asked that the unfinished business be laid before the Senate. I inquire if that has been done.

The PRESIDING OFFICER. The unfinished business, the river and harbor bill, is now before the Senate.

Mr. COPELAND. Then I yield to the Senator from Nebraska.

Mr. NORRIS. I do not want to interrupt the Senator from New York.

Mr. COPELAND. As I said last night, so far as the committee amendments are concerned, they have been considered, and the bill is now open to amendment from the floor.

Mr. NORRIS. That is what I want to get the floor for. I desire to offer an amendment, but I do not want to take the Senator off the floor, if he desires to speak. I am in no hurry whatever.

Mr. COPELAND. I am glad to yield to the Senator from Nebraska.

Mr. NORRIS. Mr. President, I desire to make a few general remarks on the bill before I offer the amendment.

I realize that probably it will be futile to offer any amendment to the bill or that amendments very likely will be

voted down and the bill will be passed as the committee has reported it. That could not be prevented by a regiment of soldiers. Of course, I do not desire to defeat the bill, but I do not wish to be misunderstood in connection with the amendment that I intend to offer.

I am opposed to the Corps of Engineers of the United States Army being given power to fix a policy of the Government. The amendment which I am going to offer takes away a power conferred by this bill upon the Corps of Engineers to fix a governmental policy.

I am actuated, Mr. President, by no disrespect for the Corps of Engineers. I think they are men of high professional character and ability. Their viewpoint, at least on life in general and upon government in particular, is not always the same as mine, but I cannot criticize them for that. However, there is no reason, in my judgment, why we should confer the power to determine a governmental policy upon the Corps of Engineers. The pending bill, to some extent, does that. I admit it does so in a very mild way; it does not go nearly so far as does the flood-control bill, the companion bill, which is now on the calendar, and which, I understand, is to be taken up tomorrow; but it takes a step in that direction. As I see it, there is no reason why a man because of the high professional character and ability in the engineering line should therefore be empowered to fix a Government policy, even in regard to those improvements which, as an engineer, he has charge of and which he constructs.

I should like to add also that the Army has no monopoly on high professional qualifications in the engineering line. The Reclamation Bureau, a governmental bureau, has constructed some of the most important engineering works, including dams and other improvements, that are known to the world. I do not mean that they outshine everyone else, but they compare favorably with any other organization of engineers anywhere. The great Boulder Dam was constructed under the supervision of the Reclamation Bureau. As I remember, the Pathfinder Dam, which at the date of its construction, was one of the great engineering feats of the world, was constructed by the Reclamation Bureau. The great Guernsey Dam was constructed by the Reclamation Bureau. Without exception, so far as I know, the Reclamation Bureau wherever it has constructed a dam or built an improvement of any kind has done so without any professional criticism from any source.

The T. V. A. likewise, not so prominent, perhaps, so far as Government engineers are concerned, not perhaps having such a reputation as the Reclamation Bureau, has constructed some wonderful engineering improvements.

The engineers, as I understand, in the various organizations are not jealous of each other. In what little I have done to observe some of these improvements develop and grow, I have found a remarkable cooperation between, for instance, the Corps of Engineers of the Army, and the engineers of the Reclamation Bureau, and between the Reclamation Bureau and the War Department engineers and the T. V. A. engineers. So far as I know, they have cooperated without any friction, they help each other, and I am very glad to be able to say that it is to the credit of all that they unite and combine in the construction of great engineering undertakings, to make them perfect, useful, and able to last forever.

I would not, however, confer upon any of these engineering organizations the right to fix a policy of the Government for reclamation, for rivers and harbors, for power, for flood-control, or any of these things; and we have not done it in the past. They are called upon for certain professional opinions, and they give them. We usually follow their opinions when they give them to us. They are valuable. I am not complaining about that course of procedure. I agree to it. I approve it. But, Mr. President, as I see the matter, their professional ability does not enable them to fix a governmental policy as to whether, for instance, in the case of a given river, we should devote the money and the ability of governmental officials to constructing dams and flood-control reservoirs on the river from its source to its mouth as a whole, or whether we should divide up the work. That is a question of governmental policy. Often it is quite important to decide it. There is a great deal to be said regarding it; and I have often argued that when we start to develop a river, and all kinds of improvements that may come from its development, we ought to develop it as a whole. We ought to build no dams without considering the location of all other dams on the river, so that their location will not conflict. If we are developing a river for flood-control—and that probably is the greatest reason why we are building dams everywhere in the country—we ought to locate every dam with reference to every other dam, and with reference to every reservoir which God has made and placed there that will hold water.

This bill in section 1 confers upon the Corps of Engineers a policy-making power which, as I see it, is absolutely unnecessary. We have never before done it. We have had no difficulty, so far as I know, with the Government engineers in doing their work; and yet the following language appears in the bill, and my motion is to strike it out of the bill, commencing after the word "documents" in line 9, on page 1, strike out down to and including line 7 on page 2. The matter which is proposed to be stricken out reads as follows:

And that hereafter—

That is a long while. That is the word we usually use when we desire to make legislation permanent for all time.

And that hereafter Federal investigation, planning, and prosecution of improvements of rivers, harbors, and other waterways for navigation and allied purposes shall be a function of and under the jurisdiction of the Corps of Engineers of the United States Army under the direction of the Secretary of War and the supervision of the Chief of Engineers, except as otherwise specifically provided by act of Congress, which said investigations and improvements shall include a due regard for wildlife conservation.

Mr. President, we have been working upon rivers and harbors ever since I can remember. The bulk of all the work has been done by the Corps of Engineers of the Army. We have never before attempted—not until recently, at least—to place the policy of the Government under the control and under the supervision of the Corps of Engineers. As I see the matter, it is unnecessary to do so. There is grave danger ahead if we take this step and follow it to its logical conclusion.

It seems to me, Mr. President, that the Senator from New York [Mr. COPELAND] ought to be willing to accept the amendment and to strike this language from the bill, and not try to tie our Government down to some policy. We may not now know what it is going to be—and what is the necessity of doing it? We have never before had difficulty in that respect. We have done what we wanted to do in Congress about these improvements. From time to time we have passed various laws on the subject. There never has been any complaint, so far as I know, that the Corps of Engineers lacked the proper authority to build a dam. We have mapped the policy, or we have authorized some other organization to make a study and report to us what the policy ought to be. Now we are turning it over to a body of men—high-class, professional, educated men—who in their line probably have no superior anywhere, but they are not selected by the country to fix the policy of the Government. They are given by the bill arbitrary authority to plan; and whether or not they are to go ahead and go further in the matter depends only upon the proper appropriation being made by Congress to carry out their work.

It seems to me, therefore, that this language ought to be stricken out. I have talked with the great Senator from New York, who has the bill in charge, and have tried to induce him to strike out this language and not include it in the bill. He has very courteously declined to do it, which, of course, he has a perfect right to do. The fact that the proponents of the bill are so tenaciously hanging on to this language makes me more suspicious than ever that if we start out on this plan, we shall get into trouble before we logically finish it.

Mr. President, at the present time I do not know that I have anything further to say on the amendment. This language ought to be stricken out, because it does not add to the bill, unless we want to place the policy-making power of the Government in the Corps of Engineers. If we do, then we want this language. There is no other reason, so far as I can see, why we should have it.

The PRESIDING OFFICER. Will the Senator restate his amendment?

Mr. NORRIS. The amendment has not been printed; but it is so simple, so far as the form of the amendment is concerned, that I did not suppose it was necessary to have it printed. The amendment is on page 1, line 9, after the word "documents", to strike out down to and including line 7 on page 2.

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. NORRIS. I yield to the Senator from Louisiana.

Mr. OVERTON. I desire the Senator's interpretation of the language to which he objects, and which he seeks to have stricken out of the bill. I may be wrong, but from what the Senator said, I infer that he believes that the language would vest in the Army engineers authority to proceed with the improvement of rivers and harbors and other waterways for navigation purposes without the prior sanction and authority of the Congress.

What I mean by my inquiry is, Does the Senator interpret this language to mean that the Corps of Engineers would be vested with the power to authorize any project? Does the present language of the bill take that authority out of Congress and place it in the Corps of Engineers; or is the Corps of Engineers simply authorized to plan but not to prosecute a project unless there is an act of Congress authorizing it?

Mr. NORRIS. They cannot prosecute a project unless they have an appropriation; but when the authorization is given, the appropriation will almost automatically follow.

If it is true, Mr. President, as the Senator's question rather intimates, that this language does not confer any power, then why have it in the bill? If it is not any good, let us take it out. It seems to me that ought to be a sufficient answer. If this language is not meant to give the Corps of Engineers any power or authority, then it consists of useless words which we might very well strike out.

Mr. OVERTON. I will say to the Senator that Congress might very well authorize the Corps of Engineers to investigate these different projects and make plans for them——

Mr. NORRIS. All right; we have always done that.

Mr. OVERTON. But not to undertake any of them without an act of Congress authorizing it.

Mr. NORRIS. We have always done that. We have always referred projects to the Corps of Engineers for investigation and appropriated money so that they could carry on the investigations. They report back to us, and we either reject their recommendations or accept them.

Mr. OVERTON. That has been the policy.

Mr. NORRIS. Do we want to change that policy?

Mr. OVERTON. I had nothing to do with the preparation of the proposed legislation, but I think the language in the bill is intended to give specific authority to the Corps of Engineers to make studies and investigations of our rivers and harbors with the view of submitting plans to the Congress for its approval. Then, when the Congress has approved them, the work is to be prosecuted by the Secretary of War.

Mr. NORRIS. Have we not been proceeding in that way?

Mr. OVERTON. We have been. There has been no particular authority for it, but we have been doing that.

Mr. NORRIS. No one has objected to it, and we have gotten along very well. Why not continue in that way?

Mr. OVERTON. My purpose was merely to get the view of the Senator and his interpretation with respect to the language.

Mr. NORRIS. It is my idea that that plan has been satisfactory, has worked all right. No complaint has been made about it by anyone; and if we are to continue the practice, we do not need this language. What would be accomplished by this language unless there is something beyond what appears?

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. NORRIS. I yield.

Mr. BARKLEY. The last river and harbor measure, the act approved August 26, 1937, in the first section, after providing that—

> The following works of improvement of rivers, harbors, and other waterways are hereby adopted and authorized—

Says—

> and that hereafter Federal investigations and improvements of rivers, harbors, and other waterways shall be under the jurisdiction of and shall be prosecuted by the War Department under the direction of the Secretary of War and the supervision of the Chief of Engineers.

That makes it permanent law. Whenever Congress in a measure of that sort says that "hereafter" a certain thing shall happen, that makes it permanent. Congress does not have to do it every time it passes a bill on a certain subject. But in the pending measure the language goes much further than that. In the first place, it is unnecessary to put the language into this bill at all in order for the Army engineers to go ahead as they have been going, investigating improvements of rivers and harbors. This is the language in the pending bill:

> And that hereafter Federal investigations, planning, and prosecution—

That is not in the law; it is not in the measure passed a year ago—

> of improvements of rivers, harbors, and other waterways—

Then some new language occurs—

> for navigation and allied purposes.

That never has been in the law before, never has been in any authorization for a river and harbor appropriation before. The War Department has gone on under the language which I have quoted, now in the law which was enacted a year ago; they have made the investigations with respect to improvements of rivers and harbors, but this language goes much further than the former language, and provides that they shall plan and it "shall be a function of and under the jurisdiction of the Corps of Engineers." Heretofore there has been no provision that it should be a function of the Corps of Engineers to do this. They have done it under the authority of Congress.

I wonder why the language is necessary in the pending bill, in view of the fact that the President has sent messages to the Congress with respect not only to navigation and flood control, but with respect to the utilization of power, reforestation, soil conservation, and all the things which are allied with navigation. At least some of us have now come to understand that in the planning of the navigation of our streams there are many allied subjects which go along with navigation. Flood control, possible power, soil conservation, reforestation, recreation, and all the things which go along with the improvement of our rivers are matters of policy to be planned by some Government agency—not necessarily a body of experts, but men who have a conception and vision of the needs of the whole country with respect to all the uses to which water may be put.

I am inclined, therefore, to agree with the Senator from Nebraska, in the first place, that it is not necessary to put this language into the bill in order that the Army engineers may go ahead and do what they have been doing, and the inclusion of this language means that it is an effort to forestall some other agency of the Government, including the National Resources Board, about which we had a fight here the other day in the consideration of the relief measure, and which was included and continued with an increased appropriation above that which was provided in the House bill.

I do not know whether Congress is going to authorize, for instance, the regional planning boards which were provided for in the bill introduced by the Senator from Ne-

braska, and by a bill previously introduced by the Senator from Ohio [Mr. BULKLEY] and myself jointly, which has been under consideration by the Committee on Rivers and Harbors in the House of Representatives, and upon which I believe they made a report, or at least came to a tentative agreement, after eliminating all power to proceed with respect to any plans, and limiting such boards to investigations and recommendations to the President and to Congress, leaving it up to Congress to determine whether the plans suggested should be carried out. If such a law should become effective, of course, these various regional boards would be empowered to investigate not only the matter of rivers, not only navigation, flood control, reforestation, soil conservation, recreation, parking facilities with respect to the reservoirs, and other things created, but would have power to investigate all the natural resources of a region and report to Congress what might be done with them. I do not know whether or not that will ever become a law. We cannot prophesy as to the future. But it seems to me it is a matter worthy of our serious consideration.

In my judgment, we should not, by repeating language in the pending bill merely authorizing improvement of rivers and harbors, attempt to forestall the possibility of some other existing Government agency, or some other agency which may be hereafter created, investigating the whole subject from a broad standpoint, and making its recommendations to Congress. If this language is left in the bill, I am very much afraid it will be construed as an attempt to forestall activity on the part of any other agency of the Government.

Mr. HILL. Mr. President, can the Senator from Nebraska advise the Senate whence this particular language comes?

Mr. NORRIS. I should not want to say, although I think I know.

Mr. HILL. Would it not be logical to conclude that the language is written into the bill for the very purpose of doing what the distinguished Senator from Kentucky has indicated it might do, namely, defeat any other agency of the Government in going forward with any planning?

Mr. NORRIS. I think it would have that effect.

Mr. HILL. It would have that effect, would it not?

Mr. NORRIS. I think so.

Mr. HILL. That would be one way of killing the plan which some have in mind looking to regional planning.

Mr. NORRIS. It would not necessarily kill it, in my judgment, but it would be letting the camel get its nose under the tent. It would be the first step. It leads in that direction. The logical conclusion would be to turn the whole matter over to the Corps of Engineers of the Government.

Mr. HILL. And vest in them powers which heretofore no one has ever dreamed of putting in their hands.

Mr. NORRIS. Never.

Mr. MILLER. Mr. President, will the Senator from Nebraska yield?

Mr. NORRIS. I yield.

Mr. MILLER. Personally I would be in favor of retaining the language, although I doubt very much whether there is any necessity of it. I think the Senate knows very well what I think about the National Resources Planning Board. I should be willing to do almost anything to prevent that Board from exercising any power over anything. But I have no particular quarrel with eliminating this language, because, as the Senator well knows, every authorization bill sets up the agency which is to execute the work provided for. That is done all the time, and will continue to be done.

Mr. NORRIS. That is done without this language. We do not need the language for that purpose.

Mr. MILLER. Let me call the attention of the Senator to one thought suggested by the language in lines 6 and 7 on page 2. I believe the language ought to be amended so as to contain provision that in the execution of these projects due regard should be had for wildlife conservation. I am sure the Senator will remember that in the act of June 22, 1936, as in many other laws recently enacted, such a provision was carried.

Mr. BARKLEY. Mr. President, if the Senator from Nebraska will yield, that provision is carried in the existing law.

Mr. MILLER. I know it is.

Mr. BARKLEY. It is already law, so it is not necessary to insert it again. That requirement attaches to all these investigations and improvements of rivers and harbors conducted by the Secretary of War through the Chief of Engineers.

Mr. MILLER. The thought I had was that beginning on page 1, line 10, I would simply insert the words "and that", just using those two words, "and that the prosecution of said improvements shall be with a due regard for wildlife conservation."

Mr. NORRIS. That already being the law, what is the necessity of repeating it?

Mr. MILLER. I merely want to be certain about it.

Mr. NORRIS. I have no objection to repeating it if the Senator wants it.

Mr. MILLER. As I look upon river and harbor bills and flood-control bills, every one of them is a project bill, and every one of them is more or less governed, notwithstanding its provisions may be general, by the particular provisions of the act creating the project. That was the only thought I had.

Mr. NORRIS. The language in the existing law, which was read by the Senator from Kentucky, contains the word "hereafter," which is used universally when we wish to make permanent a provision of legislation.

I should not wish to argue against the Senator's proposal. I should be willing to have the language repeated. It is harmless.

Mr. MILLER. I do not care to have it repeated if it is not necessary, but I do not want these programs to be undertaken without some regard to the legal requirements.

Mr. BARKLEY. I am heartily in sympathy with what the Senator has said. I think all these undertakings should be entered upon with the view of utilizing every possibility for enjoyment and comfort of the people.

Mr. MILLER. If the Senator from Nebraska and the Senator from Kentucky are of the opinion that it is not necessary to carry that thought forward in the pending bill, but that the present law to which the Senator from Kentucky alluded awhile ago is sufficient to carry over and attach itself to these projects, then well and good.

Mr. BARKLEY. I have not the slightest doubt about that, because the law applies with respect to all such improvements until it is repealed, and it would attach itself to these projects forever or until the law is repealed.

Mr. MILLER. That is a very long time.

Mr. BARKLEY. Yes; that is a long time.

Mr. NORRIS. Mr. President, I want to call attention to another matter. The Senator from Kentucky has read language contained in the existing law, which is now in force. The language which I seek to strike out includes that language, together with certain very important words to which the Senator from Kentucky called attention. The inclusion of certain language in the bill is an illustration of how little by little and step by step some bureau or some organization creeps into power just a little at a time, until finally its power overshadows the whole country.

The Corps of Engineers was given certain powers in existing law. Those powers were placed in the law a year ago. Now it is proposed in the pending measure to give them more powers. This bill would add to the power they already have the following:

> Investigation, planning * * * allied purposes.

Mr. President, what does that mean? That language is not in existing law. Does the Senate want the Corps of Engineers to have that power? Under existing law I think

they have possibly every power they should have. What does the expression "allied purposes" mean? The bill says—

That hereafter Federal investigation, planning, and prosecution of improvements of rivers, harbors, and other waterways for navigation and allied purposes.

That language is not in existing law. The inclusion of that language illustrates how these powers gradually come into law; it illustrates how, little by little, the powers expand, one word at a time, until the power of a bureau mounts to the point where we never intended it to go.

What does the expression "allied purposes" mean? It means flood control undoubtedly, without any question whatever. It means water power. It means conservation. It means soil erosion. It means reforestation. That is the additional power which is proposed to be conferred upon the Corps of Engineers, a perfectly honorable, respectable, and highly professional body.

I do not believe we ought to have them decide what the policy shall be with respect to erosion. Do Senators realize that if they give anyone the power to control navigation, the power with respect to flood control will follow? Navigation is the constitutional peg upon which we hang legislation.

There is nothing in the Constitution which directly gives Congress control over matters relating to floods. Control over matters relating to floods involves control over navigation. There is no question whatever about that. We cannot have control of navigation on rivers unless we have control over floods. The floods will come at one time; the waters will rush into the streams and make navigation impossible. Then the dry season comes. The rivers dry up and there is not sufficient water for navigation. Flood control will make the rivers navigable the year around, because dams will be built at the mouths of big reservoirs which will hold back the floodwaters at the times when they cause damage, and the waters will be let out in the dry season when they will be a blessing instead of causing damage. Such works will make the rivers navigable when they otherwise would be dry.

The expression "allied purposes" means control over all such matters. Are we going to have the Government engineers, without any specific legislation by Congress, start out on that great program?

What about erosion? Flood control can be followed back to the little stream which is not any bigger than one's arm, which trickles down the hillside, and washes away the soil into a larger stream, and the floods then come and wash it into a still larger stream. Then finally that soil, which has been washed down, gets into the Mississippi River, we will say. The little erosion, beginning in the little hills thousands of miles away, finally results in the soil coming into the navigable stream. It fills up the stream. It changes its course. It makes the stream which previously was navigable nonnavigable. When navigation is controlled, soil erosion is controlled. So the effect goes back to the individual farms.

Mr. POPE. Mr. President, will the Senator yield?

Mr. NORRIS. I yield.

Mr. POPE. Let me ask the Senator if he does not think such control would include matters relating to reclamation?

Mr. NORRIS. Yes.

Mr. POPE. Because there is usually a combination of reclamation, navigation, and flood control, and even the matter of fish ladders. So the power referred to would include all those things.

Mr. NORRIS. Yes. Mr. President, I see the Senator shakes his head. Suppose I am wrong about that and it does not include all those matters. The Senator will have to agree that the language includes most of those things.

Mr. POPE. Mr. President, I did not shake my head because I disagreed with the Senator. I shook my head at the thought of turning over to the Army engineers reclamation, the fisheries, flood control, and navigation; taking it away from the authorities who now have charge. That is why I shook my head.

Mr. NORRIS. I thank the Senator for the correction. I am very glad to have it.

Senators, there is no doubt that the language referred to includes water power. If I may be permitted to do so, I will say something that I cannot prove. I criticize no one; I impugn no one's motives; but I say that, in my opinion, if there were no such thing as water power we would not have this proposal before us.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. NORRIS. I yield.

Mr. BARKLEY. In the bill which is under consideration the language is that the engineers shall have charge of "planning" and so forth with respect to "navigation and allied purposes." In the flood-control bill, which carries a similar provision, it is provided that Federal investigation, planning, and so forth, with respect to flood control and allied purposes, shall be a function of and under the jurisdiction of the Corps of Engineers.

Mr. NORRIS. Yes.

Mr. BARKLEY. And I suppose if we had a separate bill dealing with water power it would say, "water power and allied purposes." So that by a series of allied purposes we include everything over which Congress has jurisdiction.

Mr. NORRIS. The Senator is correct. And, Senators, mark this, flood-control legislation is going to follow. It may follow today. Undoubtedly it will be brought up for consideration tomorrow. That is a question in which everyone is interested. There is not a Senator present who has a greater concern than have I in the matter of flood control. Yet whenever I advocate flood control it is said that I do not mean what I say; that I am simply trying to get water power. Flood control, in my judgment, is one of the greatest issues before the American people, and will so remain until the question is settled.

Mr. President, I remember the time when I first advocated on the Senate floor the building of dams near the source of our great streams, where the heavy waters flow, as a protection against floods on the Mississippi River a thousand miles away. I was then laughed at. Comments appeared in the newspapers after the bill was defeated. Remarks were made by engineers all over the country, many of them Army engineers, concerning my efforts. The Army engineers made the remarks in very respectful and courteous language. I do not complain about that. They had the right to make their criticism. As I now remember, the criticism that came from the Army engineers could not be objected to, except, of course, I thought the criticism was wrong.

But the country—as perhaps it should have done—believed the engineers and not me. My plan was said to be entirely impossible. It was not workable. In the first place, it would cost too much money. Too many dams would have to be built. There were too many headwaters.

Mr. President, I have seen the development of this activity from the time of building levees and digging out channels in order to control floods. I have seen millions of dollars spent, honestly, and with the very best of intention, but with the result of failure to meet the problem. I have seen public sentiment change, until what was once regarded as a crazy notion is now the accepted theory for the control of floods. That theory of controlling floods is now accepted by all engineers, or nearly all engineers, over the country. If we had started that way 50 years ago, we should not have the yearly calamity on the Mississippi River and the Ohio River, with the resultant destruction of hundreds of millions of dollars' worth of property and the loss of human lives. The streams would all be controlled. They would be normal practically the year around. We are coming to that condition.

However, Mr. President, I do not want to turn over to the Corps of Engineers of the Army the policy-making power. We have seen how, little by little, additional powers have crept in year after year. The next bill to follow, the flood-control bill, has in it more of such powers than the pending bill. Such powers are attached to bills which everyone favors.

Not long ago we passed a joint resolution turning over some of these powers to the Army engineers; and the President sent a message vetoing the joint resolution, on the ground that he did not want to place in the engineers the policy-making power of government. I suppose the President would not veto the pending bill, or the flood-control bill, because we are so near the end of the session, and everybody favors the other features of the bills. However, I believe that if the President follows out his veto message, which I shall read when we take up the flood-control bill, there is only one thing which would prevent a veto of either or both the present bills if they contained such provisions. That is the fact that Congress is about to adjourn, and it would be almost a calamity to have Congress adjourn without legislating upon flood control.

I appeal to Senators. We are going further and further with every session of Congress.

As I stated a while ago, the real reason behind the attitude of the engineers is that they do not want power developed by high dams. Not all the dams would develop power. Some would not develop any power. However, many would develop considerable power. When high dams are built for flood control, it would be a sin not to utilize the power generated by falling water in order that the people of the country might have the benefit of cheaper electricity in their homes and on their farms.

Mr. HILL. Mr. President, will the Senator yield?

Mr. NORRIS. I yield.

Mr. HILL. No doubt the Senator recalls that if the report and recommendation of the Army engineers had been followed, not a single high dam would have been built on the Tennessee River unless that dam had been built by private power companies.

Mr. NORRIS. The Senator is absolutely correct; and I thank him for calling my attention to that bit of history. If Senators will run over the history of our country, they will observe that the Corps of Engineers have never built power dams unless they were specifically instructed to do so. In my judgment, their policy would not be in that direction.

I want to be understood as casting no reflections. I admit that there are two sides to the question, and I admit that the Army engineers have the right to their viewpoint. They have been educated in one school all their lives. To a great extent they have been associated with great projects in which almost untold wealth has been involved. Those interested in the projects wanted to make money out of power, and did not want the people to have cheap power. It is not surprising that the engineers should have a viewpoint and an attitude antagonistic to the development of power by public means.

Mr. President, if there were any reason for the language in question staying in the bill, I could see why there might be a contention over it. However, all the language, except the new language, is already law. If Senators are opposed to eliminating the language in question, they must have a reason for leaving it in. I have heard none. I should like to hear one.

Mr. COPELAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. MILTON in the chair). The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Byrd	Guffey	Lodge
Andrews	Byrnes	Hale	Logan
Ashurst	Capper	Harrison	Lonergan
Austin	Caraway	Hatch	Lundeen
Bailey	Connally	Hayden	McAdoo
Bankhead	Copeland	Herring	McGill
Barkley	Dieterich	Hill	McKellar
Berry	Donahey	Hitchcock	McNary
Bilbo	Duffy	Holt	Maloney
Bone	Ellender	Hughes	Miller
Borah	Frazier	Johnson, Calif.	Milton
Brown, Mich.	George	Johnson, Colo.	Minton
Brown, N. H.	Gerry	King	Murray
Bulkley	Gibson	La Follette	Neely
Bulow	Glass	Lee	Norris
Burke	Green	Lewis	O'Mahoney
Overton	Russell	Thomas, Utah	Wagner
Pepper	Schwartz	Townsend	Walsh
Pittman	Schwellenbach	Truman	Wheeler
Pope	Sheppard	Tydings	
Radcliffe	Shipstead	Vandenberg	
Reames	Smith	Van Nuys	

The PRESIDING OFFICER. Eighty-five Senators have answered to their names. A quorum is present.

TERMS OF DISTRICT COURT AT HUTCHINSON, KANS.

The PRESIDING OFFICER (Mr. MILTON in the chair) laid before the Senate the amendment of the House of Representatives to the bill (S. 3373) to provide for holding terms of the district court of the United States at Hutchinson, Kans., which was, to strike out all after the enacting clause and to insert:

That section 82 of the Judicial Code, as amended (U. S. C., title 28, sec. 157) is amended to read as follows:

"The State of Kansas shall constitute one judicial district, to be known as the district of Kansas. It is divided into three divisions, to be known as the first, second, and third divisions of the district of Kansas. The first division shall include the territory embraced on the 1st day of July 1910 in the counties of Atchison, Brown, Chase, Cheyenne, Clay, Cloud, Decatur, Dickinson, Doniphan, Douglas, Ellis, Franklin, Geary, Gove, Graham, Jackson, Jefferson, Jewell, Johnson, Leavenworth, Lincoln, Logan, Lyon, Marion, Marshall, Mitchell, Morris, Nemaha, Norton, Osage, Osborne, Ottawa, Phillips, Pottawatomie, Rawlins, Republic, Riley, Rooks, Russell, Saline, Shawnee, Sheridan, Sherman, Smith, Thomas, Trego, Wabaunsee, Wallace, Washington, and Wyandotte. The second division shall include the territory embraced on the date last mentioned in the counties of Barber, Barton, Butler, Clark, Comanche, Cowley, Edwards, Ellsworth, Finney, Ford, Grant, Gray, Greeley, Hamilton, Harper, Harvey, Hodgeman, Haskell, Kingman, Kiowa, Kearny, Lane, McPherson, Morton, Meade, Ness, Pratt, Pawnee, Reno, Rice, Rush, Scott, Sedgwick, Stafford, Stevens, Seward, Sumner, Stanton, and Wichita. The third division shall include the territory embraced on the said date last mentioned in the counties of Allen, Anderson, Bourbon, Cherokee, Coffey, Chautauqua, Crawford, Elk, Greenwood, Labette, Linn, Miami, Montgomery, Neosho, Wilson, and Woodson. Terms of the district court for the first division shall be held at Leavenworth on the second Monday in October; at Topeka on the second Monday in April; at Kansas City on the first Monday in October and the first Monday in December; and at Salina on the second Monday in May; terms of the district court for the second division shall be held at Wichita on the second Mondays in March and September, and at Hutchinson on the second Monday in June and the first Monday in November, when suitable rooms and accommodations for holding terms of the court shall be provided at Hutchinson free of cost to the United States or until, subject to the recommendation of the Attorney General of the United States with respect to providing such rooms and accommodations for holding court at Hutchinson, a public building containing such suitable rooms and accommodations shall be erected at such place; and for the third division at Fort Scott on the first Monday in May and the second Monday in November. The clerk of the district court shall appoint three deputies, one of whom shall reside and keep his office at Fort Scott, one at Wichita, and the other at Salina, and the marshal shall appoint a deputy who shall reside and keep his office at Fort Scott and the marshal shall also appoint a deputy, who shall reside and keep his office at Kansas City."

Mr. McGILL. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

RIVER AND HARBOR AUTHORIZATIONS

The Senate resumed the consideration of the bill (H. R. 10298) authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes.

Mr. COPELAND. Mr. President, for the benefit of Senators who may not have been here while the Senator from Nebraska [Mr. NORRIS] was speaking——

Mr. LOGAN. Mr. President, will the Senator from New York yield to me?

Mr. COPELAND. I yield.

Mr. LOGAN. I desire to call attention to the fact that a conference report was submitted by me some time ago on House bill 2904. It has not been finally disposed of. The Senator from Utah [Mr. KING] stated that he desired to make a speech on it, which probably would take half an hour or such a matter. I was wondering if the Senator from New York would be willing to yield at this time to me in order that I might have action on the report?

Mr. COPELAND. No, Mr. President, I do not feel that I can yield now.

Mr. LOGAN. I am merely anxious to get the report out of the way.

Mr. COPELAND. I understand, but I think, if the Senator will be patient, we can conclude the consideration of the river and harbor bill within a few minutes.

Mr. LOGAN. I am the most patient man in the world, I think, but it takes much patience sometimes to wait continually.

Mr. COPELAND. If the Senator were chairman of eight conference committees he would know that much patience is required.

Mr. President, the Senator from Nebraska is distressed at the language found on the first page of the pending bill. That language reads:

> And that hereafter Federal investigation, planning, and prosecution of improvements of rivers, harbors, and other waterways for navigation and allied purposes shall be a function of and under the jurisdiction of the Corps of Engineers of the United States Army—
>
> And so forth.

Mr. President, we have done this for a hundred years. Practically the identical language is found in the acts of 1935, 1936, and 1937, and it is found, I think, in all other previous river and harbor bills.

What does this language mean? I hope that Senators who are interested will look at the bill. We outline in this bill certain projects which are authorized by reason of the passage of the bill. It is needless to say that the job of the Army engineers is not finished when we complete the authorization of these projects. There are other rivers, other projects, other problems, and, I presume, there will be to the end of time. There will probably always be projects which must be surveyed, examined, planned and considered, and ultimately presented to the Congress. Nothing can be done by the engineers on unauthorized projects except to report to committees of the Congress—the Commerce Committee of the Senate and the corresponding committee, the Committee on Rivers and Harbors, of the House of Representatives. The Army engineers are directed to go forward with authorized projects, but even in the case of those projects they cannot go forward until appropriations are made.

I again quote from the bill:

> That hereafter Federal investigation—

Investigation of what and for what? Investigation for navigation, planning for navigation, prosecution of improvements of rivers and harbors and other waterways for navigation.

Then comes the language which is regarded as being ambiguous, and possibly it is. It reads, "and allied purposes." I think we should change that to read what it was intended to mean—namely, "and purposes allied to navigation." All these words relate to examinations and surveys for navigation, and they mean nothing else.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. COPELAND. I yield.

Mr. BARKLEY. Is it not true that surveys are made after an authorization by Congress specifically set out in a bill authorizing surveys, the conditions of such surveys being set out also in the act that provides for them, and that these authorizations are of projects of which surveys have been previously authorized and made and reports submitted upon the survey? So that, whether it authorizes a survey or after a survey is made, authorizes the improvement itself, each one of these bills carries with it provision with respect to the activities of the Corps of Engineers, whether it is a survey or whether it is the construction of a project, and it is not necessary to tie this up perpetually with plans for all other purposes that might be considered as allied with navigation?

Mr. COPELAND. On the contrary, the committee over which I have the honor to preside, the Commerce Committee of the Senate, and the Rivers and Harbors Committee of the House may join and send a request to the Army engineers to make a survey. It is not necessary to have it passed on by the Congress. That is all this is.

I could take the laws as they have been passed from last year back, perhaps, for a century and point out the same or similar language.

> That hereafter investigations—
>
> That is the law of 1937.
>
> That hereafter Federal investigations—
>
> And so forth—
>
> shall be under the Board of Army Engineers.
>
> That is from the act of 1935.

The fear of this language is merely a straw man, and nothing else. There is no reason in the world why we should be worried about it.

I listened with great interest to what the Senator from Nebraska [Mr. NORRIS] said. I also heard what the able Senator from Arkansas [Mr. MILLER] said a little while ago. He said he was not very keen about the National Resources Board. I wish to say that only a few days ago, when the relief measure was before the Senate, I spoke for 10 or 12 minutes urging increased appropriations for the National Resources Board, because, with all my heart, I believe in it. It has to do with advance planning for our country, planning which has to do with the welfare of all our people, planning with respect to the national resources of the country, and as to how they may be preserved and conserved. I would not have anything taken away from the National Resources Board.

If I had my way, I would give it more power, not to execute projects but to do exactly what we are asking the Corps of Army Engineers here to do, to bring back to us the result of surveys, to report to the Commerce Committee of the Senate and the Rivers and Harbors Committee of the House their recommendations, saying, "This is economically justifiable; this is a wise project, and in the near future it should be given attention." That is what this provision intends; that is a power that has been reposed in the Corps of Army Engineers for, as I have said, perhaps a century, and a power which we have continued to give them.

I was not altogether pleased with some things which have been said about the Army engineers. They have great monuments. The Bonneville Dam, a tremendous structure, was built by the Army engineers. The Fort Peck Dam was also built by the Army engineers. The country is spotted here and there with great undertakings and projects which have been completed by the Corps of Army Engineers. Fourteen of the great dams in the Ohio River in the Muskingum district were recently completed by them.

Mr. MINTON. Mr. President, were not the Army engineers in those instances carrying out a policy declared by Congress and not any policy declared by the Army engineers?

Mr. COPELAND. Yes; and there is not any proposal to the contrary here.

Mr. BARKLEY. Mr. President, if the Senator will yield there, conferring authority to plan certainly presupposes the creation of a policy. Of course, it is subject to the approval by Congress, but still, in its initial stages, it must be begun by whatever the planning authority is. So when we insert in the bill a provision that the Army engineers shall have the authority not only to do what Congress authorizes them to do but to plan with respect to other things and with respect to whatever might be regarded as allied with navigation, that is a term that is impossible of misconstruction, and it is bound to presuppose, it seems to me, in advance of any action by Congress, that there will be a sort of planning by the engineers with respect to what Congress shall do.

Mr. OVERTON. Mr. President, will the Senator from New York yield there?

Mr. COPELAND. I yield.

Mr. OVERTON. Are we not in the same position with reference to the National Resources Board? They have the right to plan.

Mr. BARKLEY. Yes; that is true. If the language here is intended to give the Army engineers the same right to plan, then we have duplication; and if it does not intend to

give the Army engineers the same right to plan, then it is unnecessary, as I think.

Mr. OVERTON. Mr. President, of course, in all of this planning and in the execution of these projects with reference to navigation and flood control, we ought to have the benefit of planning and investigation and execution by a body of trained experts.

If I had to choose between the National Resources Committee and the Corps of Army Engineers for planning flood-control work and navigation work I should unhesitatingly select the Corps of Army Engineers, because the Corps of Army Engineers has been engaged in this work for 100 years and more, throughout the history of our Government; and I do not think we could find anywhere a better or more capable body of men for planning and prosecuting works of this character, or a body of men who would be freer from political influence, and who would judge projects more solely upon their merits.

Mr. COPELAND. I thank the Senator for what he has said. I endorse every word of what he has said. I hate to say that I have more confidence in the Corps of Engineers than in anyone else, because there might be an invidious thought there; but I could have no more confidence in anybody in the world than I have in the Corps of Engineers.

Now, I desire to return to what the Senator from Kentucky [Mr. BARKLEY] has said about planning. Is it not somebody's business to decide, in planning, whether the channel of a river is to be dug out and made deeper, whether levees are to be built and the banks raised up, or whether a reservoir is to be built to hold back the waters until the dry time of the year? Should it not be somebody's business to make plans, about what? About navigation. That is what we are talking about. Mr. President, bear in mind all the time that we are discussing navigation, Federal investigation for navigation, planning for navigation, prosecution of improvements of rivers and harbors, when they are authorized, for navigation; that is all.

Mr. MINTON. Mr. President, will the Senator yield?

Mr. COPELAND. I yield.

Mr. MINTON. Following the word "navigation", the bill says "and allied purposes". What does the Senator understand by that language?

Mr. COPELAND. I think it is ambiguous. I told the Senator from Nebraska so yesterday. That language might be misinterpreted. "Allied purposes" might mean, as he says, reclamation and various other things. I think it ought to be changed to read "and purposes allied to navigation."

Mr. BARKLEY. Does the Senator think that really changes the meaning?

Mr. COPELAND. I do not know whether it does or not.

Mr. BARKLEY. Why is not the Senator willing to leave the language of the bill as it now is in the law which I quoted awhile ago, the act of 1937. Why is it necessary to change it? That is the law now. It is in operation, and will be in operation until Congress changes it. Why is it necessary to put this other ambiguous language in the bill? If it is unnecessary, it certainly ought not to be included. Is it the purpose to include something which the Army engineers have not been doing all this time? They have been doing all they needed to do. They would have full authority to investigate all the matters that they are now investigating, because they now have that authority in the law. If that is what they want, and if it is necessary to repeat it in each act—which I do not think is the case, because it is permanent—why is it not sufficient to have the language as it is in the act which is now the law?

Mr. COPELAND. So far as I am concerned, I want to make it clear and I want the language of the bill to be clear that what we are talking about is navigation. If the Senator from Kentucky says the words "and allied purposes" are ambiguous, strike them out; I am satisfied, because I do not want the provision to mean anything but navigation.

Mr. BARKLEY. I myself do not see why there should be any change in the language which is now in the law. If it is necessary to repeat that language in this bill, I have no objection simply to inserting in the bill, instead of the language which is here, the language which is already in the act of 1937, to which nobody has made any objection.

If the Senator would agree to substitute the language of the last act, which is now the law anyhow, I do not think there would be any need for any further discussion.

Mr. COPELAND. Mr. President, I beg my leader not to press the matter. I do not want to have another conference. It would mean another conference.

Mr. BARKLEY. I should like to relieve the Senator from New York, who, I know, is burdened with conferences; but it is more important that we get this thing right than that we not have another conference.

Mr. COPELAND. Is there any mistaking the language? Let us take the first page: "Federal investigation" for navigation; "planning" for navigation; "prosecution of improvements of rivers, harbors, and other waterways for navigation." That is exactly what the language is, and I have stated what it means. So far as the other language is concerned, if there is ambiguity in it, and a possibility that there might be read into it by somebody some sinister purpose, I am perfectly willing that it should be taken out, and I do not think the House would resist that course.

Mr. BARKLEY. Mr. President, the Senator from Nebraska [Mr. NORRIS], who offered the amendment, is not on the floor at the moment. I desire to make a parliamentary inquiry. Is it permissible to perfect the language before a vote is taken on whether or not it shall be stricken out?

The PRESIDING OFFICER. It is.

Mr. BARKLEY. Then, as a substitute for the motion of the Senator from Nebraska, I move to strike out the language which he proposes to strike out and to insert in lieu thereof the language of the present law, just as it is.

Mr. NORRIS entered the Chamber.

Mr. BARKLEY. The Senator from Nebraska was absent for a short time. In order to perfect the amendment, I have offered a substitute proposing to insert, in lieu of the language the Senator seeks to strike out, the language of the present law without any change whatever.

Mr. NORRIS. I have no objection to that, although, of course, it is entirely unnecessary.

Mr. BARKLEY. It is unnecessary; but, in order that there may be no controversy about it, I offer that amendment.

Mr. COPELAND. What is the Senator's proposal?

Mr. BARKLEY. This is the language which I would substitute:

> And that hereafter Federal investigations and improvements of rivers, harbors, and other waterways shall be under the jurisdiction of and shall be prosecuted by the War Department under the direction of the Secretary of War and the supervision of the Chief of Engineers, except as otherwise specifically provided by act of Congress.

Mr. COPELAND. Very well, Mr. President. So far as I am concerned, I am willing to accept the amended amendment.

Mr. NORRIS. Mr. President, I accept the suggested amendment of the Senator from Kentucky, if that is necessary.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Nebraska [Mr. NORRIS] as modified.

Mr. KING. Mr. President, I should like to ask the Senator from New York just what the controversial feature is, and what difference there is between the provision which the committee seeks and the provision which the Senator from Nebraska seeks, and what modification of either or both is suggested by the Senator from Kentucky.

Mr. COPELAND. The bill as it came to us from the House, at the bottom of the first page, read as follows:

> Hereafter Federal investigation, planning, and prosecution of improvements of rivers, harbors, and other waterways for navigation and allied purposes shall be a function of and under the jurisdiction of the Corps of Engineers of the United States Army.

The fear is that that might be imposing upon or granting to the Army Engineers wider and larger powers than they

have at present. I have tried to explain that as I understand the language, it means Federal investigation for navigation, planning for navigation, and prosecution of improvements for navigation; but I have said to the Senator from Kentucky and the Senator from Nebraska that I am willing to accept the amendment.

Mr. KING. Mr. President, may I ask the Senator from New York a question?

Mr. COPELAND. Certainly.

Mr. KING. Does this mean that we are committing to the War Department or its engineers the exclusive authority to determine where improvements shall be made, what rivers shall be dredged, and, generally, what work shall be done in the matter of improving our navigable waters?

Mr. NORRIS. Mr. President, if the Senator will yield, I should like to suggest to the Senator from Utah that we are substituting, no matter what we think about that, what is now the law. We cannot repeal it, and this is just a proposal to reenact the same law. As we have now agreed on the amendment, I do not think it would have any particular effect whatever. We are simply putting in this bill, as an amendment, a copy of existing law.

Mr. KING. Mr. President, if the Senator will yield, I desire to inquire of the Senator from Nebraska whether the present law contemplates that the War Department, at its own will and pleasure, may make surveys of the streams of the United States, and determine where improvements shall be made for navigation or any other purpose, regardless of the expressions or declarations of Congress by resolution or by law.

Mr. COPELAND. May I answer for the Senator from Nebraska? If he is not satisfied with my answer, he will correct me. For 100 years—ever since the Senator from Utah and I came into the Chamber [laughter]—this has been the practice——

Mr. KING. That is not true of the Senator from Nebraska.

Mr. COPELAND. No; he is much younger than that. He came in later. He came in after the Civil War. [Laughter.]

Mr. BARKLEY. Does the Senator think he is going to get anywhere with the Senator from Utah by assuming any such position as that? [Laughter.]

Mr. COPELAND. My relations with the Senator from Utah are such that he forgives me for anything I may say. If he does not like it in the RECORD, he will cut it out.

Mr. NORRIS. Mr. President, if the Senator will yield I should like to offer another amendment.

Mr. KING. The Senator from New York has not yet answered my question, notwithstanding his age and wisdom.

Mr. COPELAND. The Army engineers have a book which very appropriately is called the Blue Book. It contains a list of a billion dollars worth of projects for which surveys have been made, but probably two-thirds of them were reported back to Congress as unwise.

To answer the Senator's question categorically, the Army engineers cannot on their own initiative enter upon a survey. A survey is ordered either by an act of Congress or by request of one of the standing committees, the Commerce Committee of the Senate, or the Rivers and Harbors Committee of the House. After they have passed it back to us with a survey, when we prepare one of the big omnibus bills, someone interested in the survey will ask that his project be included, but unless it has been approved by the engineers it cannot get into the bill, and it cannot get into the bill until it has first passed the House committee and the House, and the Senate committee and the Senate. So they have no power to initiate activities.

Mr. KING. Just a few words, Mr. President, and I apologize for interrupting the proceedings.

A number of years ago, when there was before the Senate an appropriation bill for rivers and harbors calling for an enormous appropriation, I was opposing it, as was the then Senator from Iowa, Senaton Kenyon. At that time I spent a month examining every river and harbor project from the days of Washington down until that moment. There were several hundred; indeed, my recollection is that more than a thousand surveys had been made, and that more than $1,385,000,000 had been expended on so-called river and harbor improvements.

I discovered that many hundred so-called river improvements had been made when the inhabitants of a given State did not know of the existence of the little creek, bayou, swamp, or rivulet upon which thousands and tens of thousands of dollars had been expended.

I recall that when the bill was under consideration a certain little creek in the State of New Jersey, the State from which the present Presiding Officer comes (Mr. MILTON in the chair) was mentioned, and one of the Senators from New Jersey rose with considerable surprise and stated that although he had been born and reared there, he had never heard of that stream. Yet thousands of dollars had been expended upon it.

My investigations revealed the fact that many of the streams, bayous, swamps, and rivulets which had sucked out of the Treasury hundreds of millions of dollars were of no use whatever. We have squandered money in many States, squandered it without any benefit whatever being received.

I was prompted to inquire whether the War Department on its own initiative could spend money and make surveys upon rivers, and swamps, and bayous, and rivulets, as has been done in the past. I think there ought to be a different plan for the determination of the places where money shall be expended and as to the amounts which shall be expended. I have not been satisfied with the enormous appropriations which have been made for so-called river and harbor improvements, and I think that the people in the future will condemn our policy as wasteful and extravagant without any commensurate benefit.

Mr. NORRIS. Mr. President, I should like to say to the Senator from Utah that I agree with what he has said. We are presented, however, with this predicament. The amendment as now agreed upon contains a reenactment of existing law. My contention is, and I have no doubt that I am right, that the amendment does not add a thing. I would just as soon leave it out, but some of the Senators want to insert it again, and I have no objection.

Mr. KING. Mr. President, I appreciate very much the position of the Senator from Nebraska, and I am in entire accord with his position and his views.

River and harbor bills for many years were denominated "pork barrel bills," and that term was justly applied to the measures which were passed and to the profligate expenditure of the money of the taxpayers of the United States.

Mr. COPELAND. Mr. President, I had not intended to say a word, but I must do so now. A "pork barrel" bill came about in this way; a report would come in from the committee, and then every project offered would be accepted, whether or not it had ever been studied or reported upon or approved by the Army engineers. Not since I have been chairman of the Committee on Commerce has a "pork barrel" bill been reported to the Senate. As to every project included in the bills brought in a survey was first ordered and completed with the recommendations of the Army engineers explicitly regarding the utility of the proposed improvement, and its economic justification and wisdom of completion. Not one item has gone in which has partaken of the nature of the old time "pork barrel" system.

I apologize to the Senator from Utah, but I just had to make this defense.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Nebraska.

The amendment was agreed to.

Mr. NORRIS. Mr. President, I offer another amendment. I have conferred with the Senator from New York about it, and he has no objection.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 14, at the end of line 22, it is proposed to insert the following:

Provided further, That the authority hereby granted to the Secretary of War shall not extend to or include lands held or acquired by the Tennessee Valley Authority pursuant to the terms of the Tennessee Valley Authority Act.

Mr. COPELAND. Mr. President, the Senator did not take the new bill I gave him when he indicated where the amendment was to come. It should be inserted on page 7.

Mr. NORRIS. I think it ought to go on page 14 also, where the other provisos are. It probably ought to go on page 7, too.

Mr. COPELAND. Suppose we say that it shall be inserted at the appropriate place.

Mr. NORRIS. Very well. We do not know now that this is necessary, but it is a safeguard against any possibility of error. I do not think any attempt would be made through the Secretary of War to give highways to anyone across reservations where the T. V. A. had authority. I do not anticipate he would do anything of that kind. But I have thought that out of abundance of caution this amendment should be inserted.

Mr. COPELAND. Let us insert it at both places.

Mr. NORRIS. Very well.

Mr. COPELAND. It will come on page 7, line 6, after the words "Secretary of War."

Mr. NORRIS. Mr. President, I offer the amendment where I have already offered it, and also on page 7, line 6, after the words "Secretary of War."

Mr. COPELAND. I have no objection to the amendment.

The PRESIDING OFFICER. The clerk will state the second amendment offered by the Senator from Nebraska.

The LEGISLATIVE CLERK. On page 7, line 6, after the words "Secretary of War", it is proposed to insert the following:

Provided further, That the authority hereby granted to the Secretary of War shall not extend to or include lands held or acquired by the Tennessee Valley Authority pursuant to the terms of the Tennessee Valley Authority Act.

The amendment was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the same amendment, which has been stated, on page 14, after line 22.

The amendment was agreed to.

Mr. COPELAND. By inadvertence, a survey of Oyster Creek, Anne Arundel County, Md., was omitted. I ask unanimous consent that this item may be included.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 11, after line 7, it is proposed to insert the following:

Oyster Creek, Anne Arundel County, Md.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. If there are no further amendments to be offered, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

ALCEO GOVONI

The PRESIDING OFFICER (Mr. MILTON in the chair) laid before the Senate the amendments of the House of Representatives to the bill (S. 865) for the relief of Alceo Govoni, which were, on page 1, line 6, after the name "Govoni", to insert "of Wellesley Hills, Mass.", in line 8, to strike out "collided with" and insert "was struck by a", and in line 9, to strike out No. 214243."

Mr. WALSH. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

BOSTON CITY HOSPITAL, DR. DONALD MUNRO, AND OTHERS

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 2413) for the relief of the Boston City Hospital, Dr. Donald Munro, and others, which were, on page 1, to strike out all after line 2, down to and including "1935", in line 9 of page 2, and insert "That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury appropriated for medical care and treatment of officers, enlisted men, and civilian employees of the Army, to the Boston City Hospital of Boston, Mass., the sum of $585.67; to Dr. Donald Munro, of Boston, Mass., the sum of $401; to Evelyn Burns, nurse, of Dorchester, Mass., the sum of $130; to Kathleen A. Conroy, nurse, of Boston, Mass., the sum of $120; to Ethel Glennon, nurse, of Atlantic, Mass., the sum of $215; to Margaret D. Gaven, nurse, of Cambridge, Mass., the sum of $245; to Patricia V. Souser, nurse, of South Boston, Mass., the sum of $25; to Hazel Trott, nurse, of Brookline, Mass., the sum of $45; to Gladys Drake, nurse, of Weymouth, Mass., the sum of $85; and to Paul A. Leahy, of Marblehead, Mass., the sum of $510; in all, $2,361.67, in full settlement of all claims against the United States for hospital, medical, and nursing services rendered Lt. Paul A. Leahy, United States Army, now retired, from August 2 to December 23, 1935, on account of personal injuries sustained by him while on authorized leave of absence from his post; and in full satisfaction of the claim of Paul A. Leahy against the United States for payments made by him in connection with said services"; and to amend the title so as to read "An act for the relief of the Boston City Hospital, and others."

Mr. WALSH. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

UNIFORM METHOD FOR EXAMINATIONS FOR PROMOTION OF WARRANT OFFICERS

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 2474) to provide a uniform method for examinations for promotion of warrant officers, which was, in line 3, after the word "officer", to insert "of the Navy."

Mr. WALSH. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

ELIZABETH F. QUINN AND SARAH FERGUSON

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 2770) for the relief of Elizabeth F. Quinn and Sarah Ferguson, which were, on page 1, line 6, to strike out "$1,000" and insert "$750"; in line 7, to strike out "$1,000" and insert "$1,250", and in line 11, to strike out "they were" and insert "the automobile in which they were riding was."

Mr. WALSH. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

ARTHUR T. MILLER

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 3379) for the relief of Arthur T. Miller, which was on page 1, line 7, strike out all after "for" down to and including "Arkansas" in line 11, and insert "the Government indemnity on a purebred cow which was found to be a reactor, condemned, and shipped to the stockyards, where its identity was lost until after slaughter, thus preventing payment of said indemnity in accordance with the Bureau of Animal Industry's campaign to eradicate Bang's disease".

Mrs. CARAWAY. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

WATER-POLLUTION CONTROL—CONFERENCE REPORT

Mr. COPELAND. Mr. President, I submit a conference report and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The report was read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 2711) to create a Division of Water Pollution Control in the United States Public Health Service, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with amendments as follows:

In the amendment of the Senate strike out subsection "c" of section 7, and strike out all of sections 8 and 9, and the Senate agree to the same.

ROYAL S. COPELAND,
HATTIE W. CARAWAY,
JOSEPH F. GUFFEY,
Managers on the part of the Senate.
J. J. MANSFIELD,
RENÉ L. DEROUEN,
GEORGE N. SEGER,
ALBERT E. CARTER,
Managers on the part of the House.

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. COPELAND. Mr. President, this is the conference report on the water pollution bill, which has been the subject of conference for 2 years, and we have finally reached a conclusion.

Mr. NORRIS. A full agreement?

Mr. COPELAND. A full agreement.

Mr. MILLER. Mr. President, was the Senate bill or the House bill adopted in the conference?

Mr. COPELAND. I think we could all take glory. It is not fully satisfactory to every group. It is a composite bill. The Senator from Connecticut [Mr. LONERGAN] is disappointed, and I think the Senator from Kentucky [Mr. BARKLEY] would have liked to have the committee go further than we have gone. But I want the Senate to know that we were sadly restricted and limited by the rules. We could not, because of the rules, make changes which would have been desirable. Finally, however, we came to a unanimous agreement.

Mr. MILLER. I am in favor of the proposed legislation, and want to see the report adopted, regardless of what it may contain within the limits of the two bills. I am very much in favor of it being made stronger than either bill made it.

Mr. COPELAND. I am also. I have made a pledge to the Senator from Connecticut [Mr. LONERGAN] that I will do all I can to help him the next time.

Mr. OVERTON. Mr. President, have the conferees agreed upon the bill?

Mr. COPELAND. Yes.

Mr. OVERTON. Does the bill require municipal corporations to install sewage-treatment plants?

Mr. COPELAND. No; it does not.

Mr. OVERTON. It does not?

Mr. COPELAND. It does not go so far as a great many persons would like to have it go. It goes just as far as we could go.

Mr. BARKLEY. I wish to say just a word with reference to the conference report. I wish to congratulate the Senator from New York and his colleagues on the conference committee for having been able to arrive at an agreement which for the first time in the history of this country recognizes as a national problem the question of stream pollution.

The bill was discussed somewhat in detail when it was before the Senate nearly 2 years ago, and also when it was before the House at the same time, as well as in hearings which were held by both the House and Senate committees. It is, manifestly, and is so recognized by all who are interested in the prevention of stream pollution, a modest beginning in the field of preserving the health and the lives of the people who are compelled to consume the waters of our streams, as well as to preserve the life of fish in the streams.

There are many communities in the United States the health of whose people has been endangered by the pollution of the streams out of which the people secure their drinking water. The communities have endeavored in a local way to cope with the situation, but they have not yet been able to install sufficient stream purification machinery in all cases to avoid the dangers of typhoid and other diseases, which I need not mention, with which the Senator from New York is more familiar than am I, which are caused by impure water.

Nearly 2 years ago a similar bill passed the House of Representatives. The bill was introduced in the House by Representative VINSON of Kentucky, and a companion bill was introduced by me in the Senate. The House passed the bill and it came to the Senate. When it came to the Senate a group of very respectable opinion felt that the bill ought to go further by providing for some sort of national enforcement of the provisions of the measure. An amendment was inserted in the bill providing that after 3 years, upon certain conditions being complied with, and upon application of the Surgeon General of the United States, and after investigation by the health departments of the various States, the Attorney General might institute legal proceedings to enforce the provisions of the Stream Pollution Act.

So far as I am concerned, I not only have no objection to that, but I rather have favored the idea. However, it was impossible to get that feature into the bill. There was serious objection to it on the part of those representing the other legislative body.

It was suggested that in event Federal enforcement were provided in the measure, it should be postponed for 5 years; so I believe it was finally thought by the conferees that we might well proceed now with this modest beginning, and if during that 5-year period of experiment it was found necessary to have Federal enforcement by the institution of criminal proceedings, or by any other method, Congress would then be in a better position, as the result of experience, to bring about Federal enforcement than it is now, when it is without any experience whatever. Therefore, as I understand, in order to bring about this necessary, needful, and urgent legislation in behalf of health and life, the conferees waived that requirement and agreed upon the conference report as it has been brought in.

As one of the authors of the bill, I desire to thank the Senator from New York and all his colleagues on the conference committee, including the Senator from Arkansas [Mrs. CARAWAY], the Senator from Pennsylvania [Mr. GUFFEY], and other Senators who were conferees.

Mr. WALSH. Mr. President, the Senator from Connecticut [Mr. LONERGAN] is very much interested in this subject. Is the report of the conferees agreeable to him? The reason I make the inquiry is that the Senator from Connecticut is not present in the Chamber at the moment.

Mr. BARKLEY. The conference report does not satisfy the Senator from Connecticut, but he has been very generous in making concessions. He has been very cooperative, very much interested, and has lent wide experience and study and observation to the consideration of this subject. While he is somewhat disappointed that we could not go further in bringing about Federal enforcement, the Senator from Connecticut is so much interested in the principle involved of obtaining stream-pollution legislation, that, from my conferences with him, I am satisfied he will continue to work in cooperation with all of us who have been interested in this subject to secure further legislation dealing with this matter in the future, if and when it is found necessary, and I want to say that, so far as I am concerned, I shall be delighted to cooperate with him in the future as I have in the last 2 years, in trying to strengthen this measure in such respects as may be needed.

Mr. WALSH. In behalf of the Senator from Connecticut, I wish to say that I am glad to have heard the statement of the Senator from Kentucky.

Mr. BARKLEY. I want to compliment the Senator from Connecticut, who is not now on the floor of the Senate,

for the patience, forbearance, and cooperative effort which he has given, not only to the study of this subject, but to its final consummation.

Mr. COPELAND. Mr. President, I wish to say a word in reply to what the Senator from Massachusetts [Mr. WALSH] has said. The spirit of the Senator from Connecticut has been perfectly splendid. He was disappointed because we could not go further than we did. He was anxious to have Federal control. The conference was more limited than I hope any other conference I shall attend may be, because of the limitations and restrictions provided by the rules of the two Houses. In certain places where we wished to make modifications in the language we found we could not make them because we were tied by the rules of the two Houses. The Senator from Connecticut [Mr. LONERGAN] has been working to the end that an ideal condition with respect to streams and water supplies may prevail universally throughout the United States. He has been working on it for years. While he was disappointed that we could not go so far as we wished, he told me yesterday that if I would wait until noon today, if I did not hear from him, he would be satisfied to have the conference report presented. I am going to help him next year to make the measure a stronger one.

I will say that no matter what may happen to other Senators next fall, I do not have to worry, because I do not go before the voters for a couple of years.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

NAMING OF SUBCONTRACTORS ON PUBLIC BUILDING PROJECTS

Mr. KING. Mr. President, I move to reconsider the vote by which House bill 146 was passed yesterday, and ask that the House be requested to return the bill to the Senate.

The PRESIDING OFFICER. The question is on the motion of the Senator from Utah.

The motion was agreed to.

The PRESIDING OFFICER. The House will be requested to return the bill.

ONE-HUNDREDTH ANNIVERSARY OF THE BIRTH OF JOHN HAY

The PRESIDING OFFICER laid before the Senate a concurrent resolution (H. Con. Res. 53), which was read, as follows:

Whereas the one-hundredth anniversary of the birth of the late John Hay occurs on October 8, 1938; and

Whereas the said John Hay rendered distinguished public service as secretary and biographer of President Abraham Lincoln, as Secretary of State of the United States, as negotiator of the Hay-Pauncefote Treaty, and as orator at the joint meeting of Congress commemorating the life and character of President William McKinley; and

Whereas the Washington County (Ind.) Historical Society has planned an observance of said anniversary to be held at the birthplace of the late John Hay at Salem, Ind., during the week of October 2 to 18, 1938, inclusive: Therefore be it

Resolved, etc., That a committee of two Senators and four Representatives be appointed by the President of the Senate and the Speaker of the House of Representatives, respectively, to represent the Congress of the United States at said celebration.

That the Secretary of State, the Librarian of Congress, and the Archivist of the United States are hereby requested to furnish such documents or reproductions thereof, under such regulations as they may prescribe, to the Washington County Historical Society for exhibition purposes in connection with said celebration.

That no appropriation shall be made to carry out the purposes of this resolution.

Mr. MINTON. Mr. President, from October 2 to 8 of this year, at Salem, Ind., there will be celebrated the one-hundredth anniversary of the birth of John Hay. The concurrent resolution simply authorizes the President of the Senate to appoint two Senators, and the Speaker of the House of Representatives to appoint four Members of the House to attend officially the celebration at Salem, Ind. The concurrent resolution carries no appropriation at all.

I ask for the present consideration of the concurrent resolution.

There being no objection, the concurrent resolution (H. Con. Res. 53) was considered and agreed to.

The preamble was agreed to.

TEMPORARY NATIONAL ECONOMIC COMMITTEE

Mr. O'MAHONEY. Mr. President, I move that the Senate proceed to the consideration of Senate Joint Resolution 300, being Calendar No. 2103.

The PRESIDING OFFICER. The question is on the motion of the Senator from Wyoming.

Mr. VANDENBERG. Mr. President, would the Senator object to a quorum call before that is done?

Mr. O'MAHONEY. I was about to say that I fancy it would not be the purpose of the majority leader to proceed to the disposition of the joint resolution this afternoon.

Mr. BARKLEY. I should like to proceed for a while.

Mr. O'MAHONEY. Very well.

Mr. VANDENBERG. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Dieterich	King	Pittman
Andrews	Donahey	La Follette	Pope
Ashurst	Duffy	Lee	Radcliffe
Austin	Ellender	Lewis	Reames
Bailey	Frazier	Lodge	Russell
Bankhead	George	Logan	Schwartz
Barkley	Gerry	Lonergan	Schwellenbach
Berry	Gibson	Lundeen	Sheppard
Bilbo	Glass	McAdoo	Shipstead
Bone	Green	McGill	Smith
Borah	Guffey	McKellar	Thomas, Utah
Brown, Mich.	Hale	McNary	Townsend
Brown, N. H.	Harrison	Maloney	Truman
Bulkley	Hatch	Miller	Tydings
Bulow	Hayden	Milton	Vandenberg
Burke	Herring	Minton	Van Nuys
Byrd	Hill	Murray	Wagner
Byrnes	Hitchcock	Neely	Walsh
Capper	Holt	Norris	Wheeler
Caraway	Hughes	O'Mahoney	
Connally	Johnson, Calif.	Overton	
Copeland	Johnson, Colo.	Pepper	

The PRESIDING OFFICER. Eighty-five Senators have answered to their names. A quorum is present. The question is on the motion of the Senator from Wyoming [Mr. O'MAHONEY].

The motion was agreed to; and the Senate proceeded to consider the joint resolution (S. J. Res. 300) to create a temporary National Economic Committee, which had been reported from the Committee on the Judiciary, with amendments.

The PRESIDING OFFICER. The first committee amendment will be stated.

The first amendment was, in section 1, page 2, line 2, after the word "Treasury", to strike out "Department of Labor" and insert "Department of Commerce", so as to read:

Resolved, etc., That there is hereby established a temporary National Economic Committee (hereinafter referred to as the "committee"), to be composed of (1) three Members of the Senate, to be appointed by the President of the Senate; (2) three Members of the House of Representatives, to be appointed by the Speaker of the House of Representatives; and (3) one representative from each of the following Departments and agencies, to be designated by the respective heads thereof: Department of Justice, Department of the Treasury, Department of Commerce, the Securities and Exchange Commission, and the Federal Trade Commission.

Mr. BARKLEY. Mr. President, instead of striking out "Department of Labor" and inserting "Department of Commerce", would the Senator from Wyoming have any objection to inserting "Department of Commerce" in addition to "Department of Labor"?

Mr. O'MAHONEY. The Judiciary Committee considered that proposal at great length. It was the opinion of the committee that the economic committee should not be enlarged in such form, because then there would be six Members from Congress and six members from the executive establishments. As the joint resolution has been reported, the committee consists of six Members of Congress—three from the Senate and three from the House—and five members from the executive establishments. It is the judgment of the Judiciary Committee that the change which the Senator suggests should not be made.

Mr. BARKLEY. I appreciate that fact. Otherwise the committee would not have amended the joint resolution in the way in which it did. I do not know to what extent the

committee considered the addition of the Department of Commerce to the Department of Labor. The reason why I make the inquiry and suggestion is that one of the objects of antitrust legislation, in addition to securing fair prices and the prosecution of those who are engaged in monopolies, is to have an indirect, if not a direct, influence on employment.

We happen to have information to the effect that, although the production of the steel industry has decreased from around 90 percent of capacity to approximately 30 percent, and the employment of men has declined proportionately, there has been no reduction in the price of steel products. While the production of steel has gone down and the employment of men in the steel industry has gone down, not only has there been no reduction in the price of steel but in some cases it has actually increased. That circumstance is directly related to the question of unemployment.

It seems to me that the Department which has as its object the consideration of questions of labor and unemployment has as much at stake in antitrust legislation as has the Department of Commerce; I should not say more, but as much.

Mr. O'MAHONEY. There can be no doubt as to the correctness of everything the Senator has stated. However, I think he is overlooking the provisions of the joint resolution.

On page 5, beginning in line 13, the Senator will find the following specific provision:

> The committee is authorized to utilize the services, information, facilities, and personnel of the Departments and agencies of the Government.

Under that language there can be no doubt that it would be within the power of the committee to utilize all the functions and all the personnel of the Department of Labor. I am sure the Senator will agree with me that a large committee may become unwieldy. I feel that the decision of the Judiciary Committee in limiting the membership to six Members of Congress and five members of the executive Departments should be sustained by the Senate.

Mr. BARKLEY. There is no doubt that the committee may utilize the agencies of the Department of Labor; but it may do the same as to all other Departments.

Mr. O'MAHONEY. That is correct. Therefore, in the interest of efficiency in the operation of the committee, I feel that the membership should stand as provided for in the joint resolution as reported by the Judiciary Committee.

Let me add that the joint resolution was considered by Chairman SUMNERS, of the Judiciary Committee of the House. I have discussed the joint resolution with representatives of the Department of Justice and representatives of the Securities and Exchange Commission, as well as of other executive Departments, and the measure is now generally satisfactory.

Mr. BARKLEY. This measure was introduced in the Senate by the Senator from Wyoming, and in the House by the chairman of the Judiciary Committee of the House, as identical joint resolutions.

Mr. O'MAHONEY. That is correct.

Mr. BARKLEY. After long consideration and deliberation, and much consultation with the executive Departments and among the members of the two Judiciary Committees, the joint resolution as introduced included the Department of Labor; and the Judiciary Committee of the Senate changed that provision so as to include the Department of Commerce instead of the Department of Labor.

Mr. O'MAHONEY. Representation was made to the committee on behalf of the Department of Commerce, particularly on behalf of the advisory committee of businessmen which has been cooperating with the Secretary of Commerce; and it was the judgment of the committee that, in the interest of promoting harmony and good feeling between Government and business, representatives of the Department of Commerce, instead of the Department of Labor, should be included in the joint resolution as a part of the committee.

Mr. BARKLEY. I do not see any fundamental objection to 12 members as compared to 11.

Mr. O'MAHONEY. Of course there is the normal objection to an even number instead of an odd number.

Mr. BARKLEY. If the Senator is going to assume that the two groups are to be antagonistic and that they will be pulling and hauling against each other, of course, he would be correct, and one side or the other should have a majority; but it is my understanding that the committee is to merge as a committee; that it is to be an integrated committee, and not simply to represent particular Departments from which the members are taken.

Mr. O'MAHONEY. The Senator is quite right.

Mr. BARKLEY. I do not think that there would be any danger of a division of six and six on the matter of procedure or as to the method of obtaining information and from what source. So it seems to me that minimizes the necessity of having a group that would be always in the majority, although it might not turn out that way. If there were controversies, it might turn out that Members of the House or Senate might side with some members from the executive Department. It is difficult to conceive that an impasse would be reached as between the six representing the Congress and the five representing the executive.

Mr. O'MAHONEY. I am interested in obtaining results.

Mr. BARKLEY. I realize that.

Mr. O'MAHONEY. And I feel that results can better be obtained by a small committee than by a large one. In the original resolution which was introduced the personnel of the committee was to be constituted of two Members of the Senate, two Members of the House, and the heads of three executive Departments, making a committee of seven. Now it has been increased by 4, making it a committee of 11, and the Senator is asking that it be increased again by 1, making it a committee of 12. I feel that the suggestion is not well made and that it should not be adopted.

Mr. BARKLEY. Will the Senator allow the amendment to go over until we have finished other committee amendments and then return to it?

Mr. O'MAHONEY. Certainly.

Mr. CONNALLY. Mr. President, may I suggest that, irrespective of whether the five Department heads would vote as a bloc, or the six representing the Senate and the House would so vote, the point about it is that there would be an odd number, and there would be a decision one way or the other, although they might break up and some vote one way and some vote the other. There would be an odd number, just as in the Interstate Commerce Commission and the Supreme Court and all bipartisan boards there is some way of obtaining a majority vote.

Mr. O'MAHONEY. Exactly; the Senator is quite right, but inasmuch as the Senator from Kentucky [Mr. BARKLEY] has requested that the amendment go over, of course, I have no objection to that being done.

Mr. LOGAN. Mr. President, will the Senator yield there?

Mr. O'MAHONEY. I yield.

Mr. LOGAN. I wish to ask the Senator if he has thought further about the suggestion which I have made from time to time and which I think would afford the only solution of the question, namely, that in adopting the resolution we provide for the appointment of three Members of the Senate and three Members of the House of Representatives, appropriate for them $100,000, and confer upon them all the powers that are contained in the resolution, and then add a section appropriating or authorizing the appropriation for the use of the President of $400,000, so that he could use such agencies of the Government as he might desire, they to make an investigation and also report to the Congress. Has the Senator considered that suggestion any further?

Mr. O'MAHONEY. Oh, Mr. President, I will say that I have considered that at length, and it seems to me to be an altogether unwise and unnecessary provision, because then we should have two investigations proceeding at the same

time. We might have witnesses chasing from the executive investigation over to the legislative investigation and witnesses from the legislative investigation chasing over to the executive and vice versa. The purpose of this resolution is to obtain—I was about to say a scientific investigation of what I conceive to be the most important question before the people of the United States, and I feel it should not be bogged down by unnecessary provisions of that kind.

Mr. LOGAN. I do not want it to bog down, but I have this idea also: I do not think, to be perfectly frank about it, that there is the slightest prospect of this integrated committee, as it has been called, ever accomplishing anything. It is impossible to mix the executive branch and the legislative branch of the Government and ever get anywhere. I can very readily see that we could create a committee of Members of the Congress and that they should sit as a court to hear and consider the evidence, and then provide that the executive branch of the Government should present the evidence to them; I can see how that could be done; but here is a resolution reaching over and picking out someone from one Department, someone from another Department, and so on. It will bring a lack of harmony and will result in disagreement. The two should be separated in some way, or else the congressional committee should sit and let the executive branch present evidence to them, to be weighed and considered by the congressional committee.

Mr. O'MAHONEY. The Senator made a very clear statement of that point of view in the Judiciary Committee. Of course, it is not the question before the Senate now, and I suggest that, as a matter of procedure, the Senator permit us to proceed with such amendments as may be agreed to, in order that we may perfect the resolution, and then, if the Senator from Kentucky desires to offer his alternative plan later on, there will be opportunity afforded.

Mr. BARKLEY. I suggest that the Senator ask unanimous consent that the committee amendments be first considered so that we may dispose of them.

Mr. O'MAHONEY. I thank the Senator for that suggestion.

Mr. LOGAN. Mr. President, before we get away from the point which has been discussed, it seems to me that after the committee amendments shall have been adopted perhaps the resolution should go over until tomorrow so that we may have time to give more thought to it. The Judiciary Committee is not at all in agreement about it. There were many different opinions in the committee, although the report was made by a majority vote, it is true.

It seems to me that, after the resolution is perfected by the adoption of such amendments as the Senate desires, at least, the resolution should go over until tomorrow, so that some of us who are interested in the matter may try to work out something whereby we may bring about an agreement.

Mr. O'MAHONEY. I have no objection to that, and, as a matter of fact, I did not believe that the resolution would be considered this evening at all. The majority leader, however, was anxious to dispose of it.

Mr. LOGAN. I am glad to cooperate with the Senator from Wyoming, because I know how interested he is.

Mr. O'MAHONEY. Mr. President, I ask unanimous consent that the joint resolution be read for amendment and that committee amendments be first considered.

The PRESIDING OFFICER (Mr. HATCH in the chair). Is there objection to the request of the Senator from Wyoming? The Chair hears none, and the order is made.

The Chair will suggest that the first amendment has been stated.

Mr. NORRIS. Mr. President, I will say to the Senator from Wyoming that I should like to discuss the joint resolution generally before the committee amendments are considered. Unless opportunity is given me to do that, I will avail myself of the opportunity afforded by the first amendment to discuss it. However, I thought, perhaps, the Senator from Wyoming was going to discuss the resolution generally, and, if he desires to do that, I concede that he should precede me.

Mr. O'MAHONEY. I had no intention of discussing the joint resolution generally at this time, because I was hopeful we could dispose of it expeditiously; but if the Senator from Nebraska desires to make a statement, I am glad to yield the floor to him.

Mr. NORRIS. Very well, that will suit me if it is agreeable to the Senator.

Mr. O'MAHONEY. It is perfectly agreeable to me.

The PRESIDING OFFICER. The Senator from Nebraska is recognized.

Mr. NORRIS. Mr. President, this resolution has to do with a subject in which we are all greatly interested. It offers the possibility of doing a great deal of good, I think, with respect to a subject the investigation of which has been, in my opinion, much neglected by the Congress.

The general investigation that is proposed by the joint resolution comes, I presume, in response to the message of the President calling attention to conditions and asking for some kind of an investigation. With all due respect to my colleagues on the committee, and to the Senator from Wyoming, who is one of the coauthors of the resolution, I think a mistake has already been made to which attention has been briefly called by the Senator from Kentucky.

This resolution provides for a committee to be composed of three Members of the Senate, three Members of the House of Representatives, and five members representing the different Departments named in the joint resolution, making, as I see it, a sort of a three-headed committee. I do not believe, Mr. President, that much good will be accomplished by a three-headed investigation of that kind. There is opportunity to do a great deal of good, and probably a great deal of good will be accomplished, but the investigation will be long drawn out. As the committee will be made up of three different elements, naturally they will be led into different directions and there will be opportunity for discussion and debate and consideration, all of it, of course, perfectly honest, but without any possibility of reaching much, if any, agreement on anything. It would be preferable, it seems to me, if we are going to confine it to an investigation by the Congress, to have the investigation conducted by a Senate committee or a House committee acting alone, with a relatively small number of men on the committee. They would have the active support, of course, of the heads of the Departments furnishing them evidence. However, we have passed beyond that, for we are going to have at least a two-headed committee composed of three Senators and three Representatives. That much we are bound to have. I presume the rest of it is water over the dam and there is no use considering it.

If we wanted an investigation by Members of Congress, there is no reason why we should not have such an investigation and not consider the heads of the Departments at all. Such a committee would be assisted, of course, by the heads of the Departments, although no Departments would be represented on the committee. A legislative committee would be responsible for the results, whatever they might be, good or bad. While an investigation made by heads of the Departments, under the supervision of the President, would be another way to make a good investigation; and if the money to make such an investigation and the power to make it were given to the President, he would be responsible. We would have a better investigation either if made alone by the heads of Departments, such as the President would select, or by a legislative committee, leaving the heads of the Departments out of it entirely. The resolution tries to combine the three. Instead of having the President select the members of the committee directly, the selection of the committee on the part of the Departments must be made from designated Departments. I presume the selections will be made by the President in every case, if the joint resolution passes, but he will be confined to those Departments.

I do not think we ought to confine the President to those Departments. Probably he would make selections from them

anyway; but if we are going to have the President designate some of them, let us give him a free hand, and let him designate whom he wants to designate. Let him be responsible for what he does. At present we draw the line, and say, "You may have one from this Department, one from that Department, and one from another Department"; and, as the joint resolution was introduced, there was to be one from the Department of Labor. The Senator from Wyoming [Mr. O'MAHONEY] says he had the matter up with the Department of Commerce and with some businessmen who were assisting the Department of Commerce, and they wanted to put in a representative from the Department of Commerce; so they took out the Department of Labor and put in the Department of Commerce. The Senator did not say that he had discussed the matter with the Department of Labor and that they had agreed to that course. They were not consulted; but the Department of Commerce wanted to be put in, and some businessmen wanted that Department in, so it was put in, and the Department of Labor was taken out.

Personally, I think that was a sad mistake, because if there is one Department of the Government which ought to be represented on an investigation of this kind, unless we except the Department of Justice, it seems to me the Department of Labor is more important than any of the others. But, if we are going to designate people from the different Departments, I have no objection to putting in the Department of Justice. The only objection to putting them both in is, we are told, that it will make too large a committee and will tie the committee. I think, as a practical proposition, it will never occur on this committee that there will be a tie vote. It would not be anything very bad if there were a tie vote; but I concede that I would rather have an odd number than an even number.

There is another provision in the joint resolution which to my mind is the most detrimental of any provision in it. On the last page of the jont resolution, subsection (b) of section 6 reads as follows:

> Of the funds authorized to be appropriated under subsection (a), not to exceed $100,000 shall be immediately available for expenditure by the committee in carrying out its functions.

So far, I have no fault to find with that; but you will notice as we proceed that this is to be done by the committee. The President cannot do it. The President, who sent the message which brought about the investigation, cannot do it. The committee is going to do it, and the $100,000 is for the use of the committee. It is supposed that $100,000 will be enough. If it will not be enough, I should be in favor of increasing it. If the committee find that they need more money, I should be in favor of giving them more money. Let the committee proceed without hindrance and without limit.

Then this joint resolution says:

> And not to exceed $400,000 shall be available—

If we agree to the amendments—

> on application by the committee—

The money will never be available unless the committee applies for it—

> for allocation by the President.

Is it not perfectly plain that not a cent of money will ever be allocated, or given to the President for allocation, unless the committee first makes application for it and gets the money? There is no other way in which to get it.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Wyoming?

Mr. NORRIS. Yes; I yield.

Mr. O'MAHONEY. The Senator, of course, is aware that the Judiciary Committee, in considering the original form of the joint resolution, struck out entirely subparagraph (b) on page 7.

Mr. NORRIS. Yes; I am aware of that.

Mr. O'MAHONEY. So that the form in which the joint resolution comes before the Senate now is a compromise in the division of the appropriation, which otherwise would have been $500,000 for the committee and none for the President.

Mr. NORRIS. That is true. I am going to come to that. I do not think that makes a particle of difference. We have the joint resolution here in this form.

If I had my way—and it seems to me it would be the right way to do—if I were going to give any money to the President to allocate among the Departments, I would give him the money and not have any strings tied to it. I cannot conceive that the President of the United States, at whose instigation this whole investigation arose, should come hat in hand to the committee and say, "Gentlemen, will you not give me some money to allocate among the Departments to make this investigation?" That is what this joint resolution, as amended by the Judiciary Committee, means. I think it is a direct slap in the face of the President of the United States. I cannot conceive of Congress passing a law which would say, "Here, Mr. President, is a committee appointed with $400,000 to make the investigation of monopoly that you have been talking about. If you want any money, go to the committee, make your showing, and get it."

If we are going to confine the investigation to Members of Congress, all well and good; let us say nothing about the President. If we are going to give the President any hand in it, let us not make him come as a supplicant to a committee of Congress and ask them to let him have a little of the money. They may give him $400,000, or they may give him what they want to give him. They may question him and say, "What are you going to do with the money? How are you going to use it? How much are you going to need? We will give you $50 today, and when you use that come back, and perhaps we will give you some more if you can make a good showing as to what you did with the $50." That is the way Congress is going to treat the President of the United States if we pass the joint resolution in this amended form.

If I were President of the United States, I should not take 5 minutes to veto the joint resolution if it came to me in that form. It does not make any difference whether we agree with the President, or belong to his party, or anything of the kind; he is your President and he is my President, and it seems to me the great office which he holds ought to command more respect from Congress, at least, than the joint resolution manifests:

> Four hundred thousand dollars shall be available, on application by the committee for allocation by the President among the Departments and agencies of the Government to enable them to carry out their functions under this joint resolution.

We ought to say, in fact we ought to do what this particular subsection did as the Senator from Wyoming originally drew and introduced it. It would be free from that objection if it were passed in that form.

I am not finding fault with the Senator from Wyoming. The provision was once defeated, and the whole thing struck out, because it gave to the President the right to handle the $400,000. In order to get something, the Senator from Wyoming offered this amendment, and it was agreed to by a majority of the Judiciary Committee as a compromise. So I am not finding fault with anybody. The committee have a right to do this if they want to; but I should never be a party to such a provision, no matter who was President of the United States. If I were afraid of him, if I thought he was a crook, or if I thought he was dishonest, or if I thought he would not make a fair investigation, I should prevent, if I could, giving any money to him; but I should not subject him to the humiliation of going to a committee and begging for money to carry out the functions delegated to him by the joint resolution.

Mr. President, with those two amendments I do not see any objection to the joint resolution, although I think it is a mistake to investigate in the way that we undertake to do by the joint resolution. I think it would be much better if we should make the investigation in the other ways I have indicated. But we should at least say to the President of the United States, "Here is something for you and your

Departments to do; here is a sum of money that we appropriate; use it as you see fit," and hold him responsible for its use, instead of saying, "Mr. President, here is $400,000 which you may get if you will make the right kind of a showing before a committee that we appoint." That looks to me like taking a step which we cannot take unless we are willing to say that we have no faith in the President; and if we are willing to say that, then we ought not to give him any money at all.

Mr. President, if this one amendment of the committee should be agreed to I could not under any circumstances support the joint resolution, and much as I desire to have this investigation take place, I would vote against it, even though it killed the joint resolution. I think the President would be justified, in an effort to maintain the dignity of his own office, in vetoing the joint resolution if we should pass it in its present form, and I hope he will do so if it is passed in that form.

Mr. O'MAHONEY. Mr. President, I am glad the Senator from Nebraska, in his remarks which have just been concluded, called attention to the fact that in the committee, as the sponsor of the original joint resolution, I resisted the amendment by which all of paragraph (b) of section 6 was stricken out, and that the measure in its present form, as reported by the committee, is the result of a compromise effort to accommodate the conflicting views of two factions within the committee.

One group wanted to make the entire appropriation to the committee, without any participation whatsoever by the executive agency. Another group, of which I was one, wanted the $400,000 to be subject to distribution by the President among the executive agencies.

I may say that the joint resolution in the form in which it was introduced was the result of collaboration between representatives of the President, selected by him, the chairman of the Committee on the Judiciary of the House of Representatives, and myself, and so far as I am personally concerned, I still believe that paragraph (b) as originally introduced is in the form in which it ought to be adopted; but I am now the spokesman for the Judiciary Committee, representing the joint resolution as it was reported, and when that amendment comes before the Senate for action I think the Senate will probably be able to reach a conclusion upon the matter. I wanted to set the record straight.

Mr. McGILL. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. McGILL. Would it not meet at least some of the objections offered by the Senator from Nebraska, and at the same time accomplish the purpose of the committee, if on page 7, line 10, paragraph (b), we should strike out the words "on application by the committee," so as to leave the $400,000 in the control of the President, to be allocated by the President without any action by the committee?

Mr. O'MAHONEY. I call the attention of the Senator to the fact that all that would be necessary, if that is what the Senator desires to have accomplished, would be to reject the committee amendment, and it would then stand as it was originally introduced.

I now call for the regular order.

The PRESIDING OFFICER. The regular order is action on the first amendment of the committee.

Mr. O'MAHONEY. The first amendment of the committee was passed over at the request of the majority leader.

The PRESIDING OFFICER. Nothing has been passed over as yet.

Mr. BARKLEY. Mr. President, I made the request a while ago, and I understood it to be granted, that the first amendment be passed over temporarily.

The PRESIDING OFFICER. The first committee amendment is passed over temporarily, and the clerk will report the next amendment of the committee.

The LEGISLATIVE CLERK. On page 2, line 9, after the word "resolution" and the period, it is proposed to insert, "Any member appointed under clauses (1) and (2) may, when unable to attend a meeting of the committee, authorize another such member to act and vote for him in his absence," so as to read:

Any such alternate, while so acting, shall have the same rights, powers, and duties as are conferred and imposed upon a member of the committee by this joint resolution. Any member appointed under clauses (1) and (2) may, when unable to attend a meeting of the committee, authorize another such member to act and vote for him in his absence. A vacancy in the committee shall not affect the power of the remaining members to execute the functions of the committee and shall be filled in the same manner as the original selection.

The amendment was agreed to.

The next amendment of the committee was, on page 3, after line 10, to strike out the following:

SEC. 3. (a) The committee shall have power to appoint subcommittees to assist the committee in its work. In addition to such subcommittees as the committee may appoint, there is established a standing subcommittee composed of the five representatives of the executive departments and agencies designated as members of the committee by this resolution.

(b) Subject to the direction of the committee it shall be the duty of the standing subcommittee to cause a full and complete study and investigation to be made of the subject matter of the committee's inquiry. Each Department and agency represented on the standing subcommittee shall undertake such portion of such study and investigation as the standing subcommittee may assign to it, and in making such assignment the standing subcommittee shall, so far as possible, assign to each such Department or agency that portion of the inquiry which is within the jurisdiction of such Department or agency under existing law. Subject to the direction of the committee, it shall be the duty of the standing subcommittee, through the Departments and agencies represented thereon, to arrange for the orderly presentation of evidence by the examination of witnesses and by the introduction of documents and reports before the committee or the standing subcommittee or a person duly designated by the committee or standing subcommittee for such purpose.

And to insert:

SEC. 3. (a) The committee shall have power to appoint subcommittees to assist the committee in its work. The members of the committee shall serve without additional compensation but shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the exercise of the functions vested in the committee.

(b) The Department of Justice, Department of the Treasury, Department of Commerce, the Securities and Exchange Commission, and the Federal Trade Commission are directed to appear before the committee or its designee and present evidence by examination of witnesses or the introduction of documents and reports. The evidence presented by each of these agencies shall cover the subject matter of this inquiry which is within its administrative jurisdiction under existing law or which may be assigned to such agencies by the committee. Each such agency is authorized to request the committee to issue such subpenas as such agency may require for the attendance of witnesses and the production of documents and reports.

(c) The funds appropriated under the authorization contained in this joint resolution shall, with the approval of the committee, be available for expenditure by the committee and by such Departments and agencies as the committee may designate to cooperate with the committee in carrying out the provisions of this joint resolution.

So as to read:

SEC. 2. It shall be the duty of the committee—

(a) To make a full and complete study and investigation with respect to the matters referred to in the President's message of April 29, 1938, on monopoly and the concentration of economic power in and financial control over production and distribution of goods and services and to hear and receive evidence thereon, with a view to determining, but without limitation (1) the causes of such concentration and control and their effect upon competition; (2) the effect of the existing price system and the price policies of industry upon the general level of trade, upon employment, upon long-term profits, and upon consumption; and (3) the effect of existing tax, patent, and other Government policies upon competition, price levels, unemployment, profits, and consumption; and

(b) To make recommendation to Congress with respect to legislation upon the foregoing subjects, including the improvement of antitrust policy and procedure and the establishment of national standards for corporations engaged in commerce among the States and with foreign nations.

SEC. 3. (a) The committee shall have power to appoint subcommittees to assist the committee in its work. The members of the committee shall serve without additional compensation but shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the exercise of the functions vested in the committee.

(b) The Department of Justice, Department of the Treasury, Department of Commerce, the Securities and Exchange Commission, and the Federal Trade Commission are directed to appear before the committee or its designee and present evidence by

examination of witnesses or the introduction of documents and reports. The evidence presented by each of these agencies shall cover the subject matter of this inquiry which is within its administrative jurisdiction under existing law or which may be assigned to such agencies by the committee. Each such agency is authorized to request the committee to issue such subpenas as such agency may require for the attendance of witnesses and the production of documents and reports.

(c) The funds appropriated under the authorization contained in this joint resolution shall, with the approval of the committee, be available for expenditure by the committee and by such Departments and agencies as the committee may designate to cooperate with the committee in carrying out the provisions of this joint resolution.

Mr. O'MAHONEY. Mr. President, at the conclusion of the consideration of the joint resolution in the committee a few days ago the legislative counsel called my attention to the fact that there is an apparent conflict between paragraph (c) on page 5 and paragraph (b) on page 7, as approved. I, therefore, ask leave to perfect the committee amendment on page 5 by dropping paragraph (c).

Mr. BARKLEY. Mr. President, I should like to make an inquiry. Does the language in paragraph (a), "The committee shall have power to appoint subcommittees to assist the committee in its work," contemplate the idea of subcommittees within the committee?

Mr. O'MAHONEY. Within the committee; yes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Wyoming that he may modify the amendment?

The Chair hears none, and the amendment is modified accordingly. The question is on agreeing to the amendment, as modified.

The amendment, as modified, was agreed to.

The PRESIDING OFFICER. The Clerk will state the next amendment of the committee.

The LEGISLATIVE CLERK. On page 5, line 21, after the words "and by", it is proposed to strike out "the standing subcommittee and"; on page 6, line 6, after the words "the committee", strike out "or the standing subcommittee", and on line 9, before the word "majority", to strike out "a", and after the word "vote", to strike out "of the members present at any meeting", so as to read:

(d) The committee shall have power to employ and fix the compensation of such officers, experts, and employees as it deems necessary for the performance of its duties. The committee is authorized to utilize the services, information, facilities, and personnel of the Departments and agencies of the Government.

SEC. 4. (a) Prior to the opening of the first session of the Seventy-sixth Congress or as soon thereafter as is practicable the committee shall transmit to the President and to the Congress preliminary reports of the studies and investigations carried on by it, and by the Departments and agencies represented thereon, together with the findings and recommendations of the committee, and shall submit to the President and to the Congress as soon as practicable thereafter, during or prior to the termination of the Seventy-sixth Congress, further and final reports of the studies and investigations carried out pursuant to this resolution, together with the findings and recommendations of the committee.

(b) A majority of the committee shall constitute a quorum, and the powers conferred upon them by this joint resolution may be exercised by a majority vote.

(c) All authority conferred by this joint resolution shall terminate upon the expiration of the Seventy-sixth Congress.

The amendments were agreed to.

Mr. O'MAHONEY. Mr. President, I call attention to the amendment in line 11, page 5. Paragraph (c) having been stricken out, the designation "(c)" instead of "(d)" should remain on line 11, so the proposed amendment should be rejected.

The amendment was rejected.

The PRESIDING OFFICER. The clerk will state the next amendment of the committee.

The LEGISLATIVE CLERK. In section 5, page 6, line 13, after the word "committee", it is proposed to strike out "the standing subcommittee"; and on line 24, after the word "committee", to strike out "or the standing subcommittee", so as to make the section read:

SEC. 5. For the purpose of this joint resolution, the committee and the courts of the United States shall be entitled to exercise the same jurisdiction, powers, and rights as are conferred upon the Securities and Exchange Commission and upon such courts with respect to studies and investigations conducted pursuant to the Act of August 26, 1935 (title I, ch. 687; 49 Stat. 803), and the provisions of subsections (d) and (e) of section 18 thereof (49 Stat. 831) shall be applicable to all persons summoned by subpena or otherwise to attend and testify or to produce books, papers, correspondence, memoranda, contracts, agreements, or other records and documents, before the committee.

The amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment of the committee.

The LEGISLATIVE CLERK. On page 7, after the word "available", in line 9, it is proposed to insert "on application by the committee for allocation", so as to read:

SEC. 6. (a) There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $500,000, or so much thereof as may be necessary, to carry out the provisions of this joint resolution.

(b) Of the funds authorized to be appropriated under subsection (a), not to exceed $100,000 shall be immediately available for expenditure by the committee in carrying out its functions and not to exceed $400,000 shall be available, on application by the committee for allocation, etc.

Mr. BARKLEY. Mr. President, I hope this amendment of the committee will be rejected. I agree entirely with what the Senator from Nebraska has said about the matter, and I have conferred with the Senator from Wyoming and others about the amendment. I appreciate very much the sincerity of the Senator from Wyoming in his statement that, so far as he is concerned, he prefers the language as it was offered by him before the amendment of the Committee on the Judiciary was made.

I think it is extremely important that the President be left a free hand in the distribution or allocation of the $400,000 among the various executive departments. It seems to me unreasonable to expect the President to take a tin cup and go around like a blind man begging for a little change, in order that he may authorize the executive departments to do what he and we desire to have done, namely, gather information, and make investigations and research, in order that the information may be brought to the full committee.

So far as the members who will be on the committee are concerned, I imagine they will have some supervision over the information and the research to be made by the Department which they represent. They will be serving in a dual capacity. They will be members of the committee, and as members of the committee will have a share in determining the expenditure of the $100,000 which is to be available to the committee.

I do not know who will be on the committee as a representative of the Department of Justice, for instance, but let us assume that Mr. Arnold, who is the head of the anti-trust division—and it would be logical for him to be a member of the full committee—should be on the committee. Undoubtedly he would supervise the expenditure of whatever money may be allocated to the Department of Justice out of the $400,000.

We do not know whether or not the full committee will be in session all the time during the recess of Congress. We are planning to adjourn in a few days, and we will not be back until January, in all probability. Whether the full committee will be in session and at work all during the recess of Congress, nearly 6 months, I do not know. Very likely they will not be in session all the time, because the Members of the House and Senate have their own situations to attend to, which may preclude the possibility of their being in session all during the recess; but the executive departments ought to be busy all the time between now and January getting up this information.

The President should not be obliged to ask that the chairman of the committee call the committee together when Congress is not in regular session in order that he may ask for a little money to allocate to the Department of Commerce, the Department of Justice, the Securities and Exchange Commission, the Federal Trade Commission, and other departments which he may wish to enlist in the inves-

tigation in order that we may legislate when we come back for the next session of Congress.

Mr. LEWIS. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. LEWIS. Is it intimated that the money to be given to the President of the United States to carry out the purposes of the joint resolution is to be expended only after he shall have conferred with the members of the committee and they shall agree with his object, and they are to apportion the money when, according to their judgment, it shall be needed, in order at once to carry out the objects of the joint resolution?

Mr. BARKLEY. Precisely.

Mr. LEWIS. In other words, why give the President any money at all, if he is not to have any part or ought not to have any part in deciding how it is to be expended?

Mr. BARKLEY. The Senator will observe the language of the amendment which has been placed in the measure by the Committee on the Judiciary, which entirely changes the measure as it was when introduced by the Senator from Wyoming in the Senate and by the chairman of the Judiciary Committee in the House, the gentleman from Texas [Mr. SUMNERS]. After the representatives of the Departments had conferred with the members of the Senate and House committees and with the President of the United States, the joint resolution was introduced in its original form. After the language—

Four hundred thousand dollars shall be available—

the Committee on the Judiciary now adds the following language:

on application by the committee for allocation by—

And then follows the original language of the joint resolution—

the President among the Departments and agencies.

So the President will not be empowered to allocate one thin dime to any Department in the Government except upon the application of the committee set up in the joint resolution.

Mr. LEWIS. Let me ask a question. Suppose the Senate is in recess, and the respective members of the committee may for their welfare, political or personal, be at home. Some may have matters of a family nature which call them away from Washington. Some may be called home on holidays. The members of the committee, therefore, have been distributed very generously over the country. How could the President meet emergencies which may arise?

Mr. BARKLEY. He could not meet them until the committee should meet and adopt a resolution and take steps to authorize the President to allocate money to some Department. In other words, the President, in some way, will have to get the committee together. Then he will have to ask the committee to allow him to make allocations among the different Departments, and the committee will then have to authorize him to allocate the money among the different Departments before the money may be used for the purpose.

Mr. LEWIS. But before the committee can be summoned and the money put into use for the investigations with respect to certain matters of which the President may have knowledge, the evidence sought may be dissipated, and the opportunity to gain the information with respect to the needs of different Departments involved may have vanished.

Mr. BARKLEY. Probably.

Mr. BURKE. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. BURKE. It seems to me that the majority leader and others who have expressed themselves on this point have shown their total misconception of what the Judiciary Committee had in view, and since no one appears to be stating that position, I think it should be stated.

It is not the idea in setting up the committee composed of six representatives of the legislative body and five from the executive departments that the committee shall do nothing; that each of the three Senators and three Members of the House shall immediately go to distant parts of the country without doing anything at all. If that were the purpose of the joint resolution, it should be voted down altogether.

Of course what would happen, if the joint resolution should be adopted, would be that the committee would meet before its members leave Washington. The committee would outline its work; it would confer with the members of the executive departments who are on the committee, who would indicate what they need in the way of funds to carry on the work of the Departments, and then the President would make his request to the committee for so much for the Department of Justice, and so on.

According to our understanding the entire amount, or so much of it as is necessary, will be allocated at once to the various Departments.

The only purpose of the change in the joint resolution was to make the investigation in a sense a legislative investigation rather than a wholly executive investigation.

I see no merit whatever in the point which is being raised, that the President must come on bended knee and ask the committee for $10,000, or, as someone has suggested, $50. Of course the whole work of the committee will be outlined before its members leave Washington. It will be determined how much each of the Departments should have. The request will be made, and the committee will approve it. It seems to me to be a very sensible provision.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. O'MAHONEY. I rose in order to explain that very point. The argument which is being made by the majority leader, the argument which was made by the Senator from Nebraska, and that which was just now intimated by our very distinguished and eloquent friend, the senior Senator from Illinois, is all directed to an amendment which was voted down in the committee. The amendment was offered in the committee that the $400,000 should be available on application to the committee by the President. The Judiciary Committee almost unanimously, with only one vote in the negative, rejected that amendment. If that amendment had been adopted, then it would have been possible to have argued that the Judiciary Committee had brought before the Senate a joint resolution which was making the President subservient to the committee. But that, I must say in justice to the members of the committee, was not at all their purpose, and I think it was not the effect of the language which they adopted.

Mr. BARKLEY. Then, as I understand the language, in its present form, the President cannot even request the committee to allocate any funds.

Mr. O'MAHONEY. I am merely trying to explain to the Senator and to the Senate the different situations which arose within the committee. As the report was made it was the conception of the committee, as the junior Senator from Nebraska has just now stated, that it would be a working committee, a working committee with respect to all its members, whether they were from the executive or from the legislative branches, and that the committee would begin to work immediately. It was thought that immediately upon its appointment it would meet and adopt an agenda and distribute the funds.

Mr. BARKLEY. I appreciate that. Of course, in anything I have said I have not assumed that the committee would not take its duties seriously, and would not work diligently in the performance of its duties. I do not know what Members of the Senate will be on the committee, or what Members of the House will be on the committee, or who from the Departments will be on it, but if the President can make allocations of this $400,000 only when requested by the committee, I do not see why the President is brought into it at all.

Mr. O'MAHONEY. Will the Senator allow me to interrupt him?

Mr. BARKLEY. Yes.

Mr. O'MAHONEY. There is no doubt that under the language with respect to the allocation of the $400,000 the

initiative would have to come from the committee. There is no question about that.

Mr. BARKLEY. Yes. If the committee is to make the requests for the allowances, and if the President can allot any amount to the executive departments without the request being made by the committee, it seems to me it would be a mere pro forma performance of a perfunctory duty on the part of the President simply to carry out a request of the committee.

We should also keep in mind that when the President sent his message to the Congress on that subject, he asked that $500,000 be made available to be distributed and allocated by him to the various Departments for the purpose of making the investigation. That has been modified by giving the committee $100,000, and I think that is proper. I am for that provision. I think the committee ought to have money available for its own expenditures, but I insist that the other $400,000 should be left in the hands of the President without restriction.

Mr. NORRIS. Mr. President, much has been said by my colleague and others about the idea being expressed in the Judiciary Committee that the committee would meet and allocate all this money among the Departments. I do not believe that was the idea. But suppose it was. There is language in the measure which does not mean that. It does not say that. No matter what the Judiciary Committee might have been thinking, the measure contains the language of the committee which will allocate not to exceed a certain amount. They can allocate 50 cents if they want to for a certain Department and $100 for another, and the next week they may allocate some more. The probabilities are they will not allocate all of it at once. It is impossible to tell just how much each Department would use.

Mr. BARKLEY. The probabilities are they will not allocate the whole amount at once.

Mr. NORRIS. No.

Mr. BARKLEY. Until the investigation gets under way no one can know how much any Department will need.

Mr. NORRIS. As the Senator from Illinois has said, when the committee has gone home, and a meeting of the committee cannot be had, if it is then found that the money allocated to a certain Department has been exhausted, and that Department needs some more money, the committee will have to be called together before any greater allocation can be made. In other words, such action will have to await the assembling of the committee.

Mr. BARKLEY. I imagine the committee will engage in open public hearings, but I also imagine that in addition, and propably preparatory to those hearings, it will inaugurate research and investigation, not only by the Departments named in the joint resolution, but by all the Departments, and while those researches and investigations are going on the committee itself may take a recess. That is entirely possible. That happens in connection with all committees.

If the Senator from Nebraska is correct, and it is contemplated that the $400,000 will be allocated at once to the various Departments, I do not know how that could be done in a practical way, because no one can know in advance which Department will be called on or ought to be called on for service. If the committee meets in the beginning and allocates all the money to three, or four, or five, or six Departments, it may turn out later that there are three or four other Departments which ought to be brought into the picture, and investigations made by them. So my feeling is that from time to time, as the committee's work is in progress, allocations should be made to the Departments and agencies, as the need may exist, and may be revealed from time to time, and that that is a discretion which should be left in the President, and he ought not to be powerless to make the allocations unless the committee should see fit to ask him to make them.

Mr. BURKE. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield to the Senator.

Mr. BURKE. It would seem to me very much better practice, if the evidence were available, for the Senate to allocate $100,000 to the committee, the committee having decided that that is what it needs, $100,000 or $150,000 to the Department of Justice, and so many thousands to each of the other Departments to carry on their work. But, as the Senator from Kentucky has said, it is not possible at this moment, while we are acting on the joint resolution, to say just how many thousand dollars the Department of Justice really needs, or how much the Securities and Exchange Commission needs.

Under the provisions of the joint resolution, it is entirely possible for the committee, as soon as it is set up, to meet. The heads of the various governmental agencies will confer. Mr. Arnold, if he is the representative of the Department of Justice, may bring before the committee his statement as to whether his Department will need $50,000 or $100,000 to get under way; and so with the other Departments. The allocation may be made immediately, although possibly not in the entire amount. We hope the committee would not allocate to any Department more than it could actually use. Then the Departments could go to work.

The proposed committee is supposed to report very early in the next session. The members, who are appointed on the committee, certainly ought to contemplate sitting down in Washington and going at the task if they are to be ready to bring in a report early in January. I see no difficulty at all. If $100,000, say, were allocated within the next few weeks to the Department of Justice, and in September that fund were exhausted, and the Department of Justice needed $50,000 more, and the $400,000 had not been fully allocated, does anyone think there would be any difficulty in having the committee say to the President, "Here is $50,000 more to turn over to the Department of Justice to go through with the matter"?

Mr. BARKLEY. I agree with part of what the Senator says, but I must disagree in part.

Mr. BURKE. I am complimented if the Senator agrees with any part of my statement.

Mr. BARKLEY. It is always a pleasure for me to agree with the Senator if I can, because I have a very high regard for his sincerity, his honesty, and his ability. It always causes me regret when I disagree with him. I have to do it oftener than I like.

I wish to say that I do not yet understand, from any explanation which has been made, why the committee felt itself called upon to deny the President the right to allocate the money. The President is in closer touch with the Departments than Congress could possibly be. The President is in closer touch with the Departments than the proposed committee would be, or could be, because he is the head of the executive branch of the Government, and deals with them all the time, day by day.

I do not in any way intimate that the proposed committee would not diligently go about the service which it might be called upon to render; and I do not in any way intimate that the committee would not measure up to the full responsibility of the great work which lies ahead of it. It may be a great work for the benefit of the American people. No subject is more vital, more imminent, more necessary, or indispensable than the investigation contemplated by the joint resolution. While the committee will be busy and diligent, as I stated awhile ago, it is not expected that it will be in continuous session from the time we adjourn until the next session of Congress.

I am not satisfied with any reason which has yet been advanced why the President should be denied the control of the funds. I think he is in a better position than any committee, such as is proposed, to allocate them promptly and judiciously on his own knowledge and information, and on the information which he will receive from the various Departments as to the part they will play in this activity.

Therefore, I hope the amendment will be rejected.

The PRESIDING OFFICER (Mr. HATCH in the chair). The Chair will endeavor to clear up the parliamentary situation, in which he thinks the Senator from Vermont is interested. The Chair asks the attention of the Senator from Wyoming.

Before the previous amendment was agreed to, as the Chair understood, the Senator from Wyoming requested that all of subparagraph (c) of section 3, on page 5, be eliminated.

Mr. O'MAHONEY. I made a formal motion to that effect.

The PRESIDING OFFICER. The Chair announced that the amendment to the amendment was agreed to without objection.

Mr. O'MAHONEY. That is my understanding.

The PRESIDING OFFICER. The amendment to the amendment eliminated all of subparagraph (c) of section 3, on page 5. Then the committee amendment as amended, was agreed to. That point seemed to be bothering the Senator from Vermont. Is it clear at this time?

Mr. AUSTIN. Mr. President, it is clear as mud.

The PRESIDING OFFICER. The Chair has made the parliamentary situation as clear as he can.

Mr. AUSTIN. I accept the statement of the Chair. Of course it is so. It must be so. I made the claim that the clerk was stopped in his reading at line 4 on page 5. I was informed that the clerk had read all of that paragraph, and then I announced that I had not heard it, though I sat here listening intently.

Mr. BARKLEY. Mr. President, if the Senator will yield——

Mr. AUSTIN. I will not yield at this moment, Mr. President. I should like to finish my statement.

The PRESIDING OFFICER. The Senator declines to yield.

Mr. AUSTIN. This is another matter with respect to which we are taken by surprise. We have done something else entirely in the face of what the Judiciary Committee agreed to. That accounts for my misunderstanding of the motion of the Senator from Wyoming [Mr. O'MAHONEY]. I supposed that the question on agreeing to the committee amendment was being put, and that we were acting upon the committee amendment. Had I understood that anything else was being done, I should have interposed an objection.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. AUSTIN. I yield.

Mr. O'MAHONEY. I ask unanimous consent that the action of the Senate upon the committee amendment on page 4 be reconsidered in order that the Senator from Vermont may have an opportunity to express his views.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Wyoming? The Chair hears none; and the previous action, by which the amendment was agreed to——

Mr. NORRIS. Mr. President, what is the request?

The PRESIDING OFFICER. As the Chair understood it, the request of the Senator from Wyoming was that the action of the Senate in agreeing to his amendment to the committee amendment be reconsidered, and that the vote by which the committee amendment, as amended, was agreed to, be reconsidered, and that the Senate begin anew with the committee amendment on page 4. Is that the request of the Senator?

Mr. O'MAHONEY. The Chair has correctly stated the situation. If the Senator from Vermont will yield to me for a moment, I fear that, standing in the back row, I did not make myself heard throughout the Senate.

Let me say, for the benefit of the Senator from Vermont and for the benefit of the Senate, that when the clerk, in reading the amendment, reached line 5 on page 5, I interrupted him and said that subparagraph (c) was in apparent conflict with subparagraph (b) of section 6, on page 7, as reported by the Judiciary Committee. I regarded the two provisions as subject to the interpretation of stating conflicting purposes. Obviously that is correct, because subparagraph (c) of section 3, on page 5, provides that—

> The funds appropriated under the authorization contained in this joint resolution shall, with the approval of the committee, be available for expenditure by the committee and by such Departments and agencies as the committee may designate to cooperate with the committee in carrying out the provisions of this joint resolution.

The Senator will recall that that language was drawn before there was any provision whatsoever for an allocation of $400,000 for distribution by the President upon application by the committee. With the provisions of subparagraph (b) of section 6, on page 7, as reported by the Judiciary Committee, there was no need whatsoever for subparagraph (c) of section 3, on page 5. It was for that reason that I made the motion that the committee amendment be amended by eliminating subparagraph (c) of section 3, on page 5.

If the Senator feels that there is any conflict, of course I am perfectly willing that the matter shall be reviewed entirely and completely at length. However, I think there is no conflict.

Mr. AUSTIN. Mr. President, it will make no difference about the result whether or not we proceed in a parliamentary manner and reconsider the vote, and vote over again, because the same thing will take place which has already taken place. The Senate is acting under an influence which is apparently irresistible. It cannot stop to consider arguments pro and con.

Think of it. The language now sought to be stricken from the joint resolution by the Senator from Wyoming was his own language in his original resolution, Senate Joint Resolution 291, and was compatible with his original statement as to who should control the expenditure of the funds. Senate Joint Resolution 291, page 3, line 22, starts with the very language which the Senator now asks to have stricken from the joint resolution. Senate Joint Resolution 291, page 6, line 5, starts with his idea of who should control the appropriation, or the $500,000 authorized to be appropriated. It was all on the theory that this was a congressional investigation, and that the legislative body would take charge of it and direct the investigation and the control of funds.

It all goes together. We agreed in the committee that we would strike out paragraph (c) one sentence, namely, the first sentence contained in lines 4 to 6, solely because it was a duplication of the same words on the same page in lines 14 to 17. The committee unanimously agreed to that, and adopted the language of the Senator from Wyoming for the remainder of the paragraph, and the matter came here by the unanimous consent and agreement of the Judiciary Committee of the Senate, which had deliberately adopted that language. Now it has been slipped over here. I am willing to let it go on that kind of a deal, because I know it will not do any good to reconsider it.

I desire to say, before a vote is taken on the other matter—we apparently have arrived at page 7 of the joint resolution—that there seems to be a disposition to go back on the decision of the Judiciary Committee, as made, to amend the language in line 10 on page 7, and to disagree to the recommendation of the Judiciary Committee, and thereby to restore the joint resolution to the condition in which the President shall direct the expenditure of $400,000, four-fifths of all the money provided.

Mr. President, the joint resolution which we are considering is not the President's joint resolution. This is not the idea of the President of the United States. Some of the most important features of the pending joint resolution arose in the brain of the Senator from Wyoming [Mr. O'MAHONEY] and have been known here for months; and we have had committees studying these ideas for months. Take, for example, the standardization provisions of the joint resolution, and the establishment of national standards for corporations engaged in commerce among the States and with foreign nations. That is the backbone of the O'Mahoney-Borah bill, upon which we have spent days and days taking important testimony, upon which I hope we shall take much more testimony, and upon which subject I expect that the committee will collect valuable information and bring it to us for our further consideration of that important question in the next session of the Congress.

I have before me the President's message on this subject. That idea cannot be found in it anywhere. Indeed, the President's proposal was a wholly different proposal than that contained in the joint resolution now before us. Let us not delude ourselves with the idea that we are snatching away from the President of the United States something which he originated or initiated. His recommendation was not for a legislative investigation. This was his recommendation:

> The study should be comprehensive and adequately financed. I recommend an appropriation of not less than $500,000 for the conduct of such comprehensive study by the Federal Trade Commission, the Department of Justice, the Securities and Exchange Commission, and such other agencies of government as have special experience in various phases of the inquiry.

There is no idea of a congressional investigation in that recommendation to the Congress. Moreover, if there were, let me call attention to the date of this document—April 29, 1938. Long before that, weeks before that, the idea of a congressional investigation, a legislative study, was made in the following language. I am about to read something that occurred on March 3, 1938, as shown by the CONGRESSIONAL RECORD, at page 2757:

> My proposition is this: Let us create a nonpolitical, nonpartisan commission, which will have for its duties the restatement of the law relating to monopolies and trusts. The great criticism that we hear in all the different committees on which I sit is that there is no definition of monopoly. There is no clear, precise statement of what the law is. It is all in confusion. Let us define "monopoly." Let us prescribe the elements of offenses. Let us include in the law the affirmative principles that shall govern business as well as the negative ones. Let us study the relations of business—that is, of bigness, that is so much criticized. Let us study that relation to the general welfare, and to domestic and foreign trade, and let us comprehensively revise the various trade acts to give certainty to business with respect to what is lawful and what is unlawful. Let us aim at encouragement of private initiative, investment, and enterprise.

That, and much more, was stated on the floor of the Senate more than a month and a half before a suggestion of the kind made by the President came to us from him; but he did not recommend that, Mr. President. He recommended an investigation by the Departments—that was what he wanted—Departments which have a predilection; Departments which are already biased and prejudiced; Departments whose men come before us in the committees considering such bills as the O'Mahoney-Borah bill and take an extreme position, one that is well calculated to frighten business and to deter recovery. The President wanted an investigation by such men as Jackson, whose position on the stump of the country was enough to alarm anybody who had any money at all to invest in enterprise and to stimulate the Nation's business.

When we talk about departing from the President's program, I will say that this joint resolution may permit such action, such an inquisition, but that is not its objective. As the members of the Judiciary Committee considered it, in conversing with each other and in hearing it explained by its author, the object of the pending measure was a legislative investigation in which the Congress would perform its function, and it was a wholly different function from that expressed in the President's message. Therefore, it is eminently proper, and no slap at the President or anybody else, for us to make consistent the legislation we have before us. We are not trying to create an inquisitorial body to be effective through the prosecutory powers of our Government. We are trying to create an inquiry that is legislative in character and objective. Let us do it. Let us not, under the guise and the front of a legislative investigation, take four-fifths of $500,000 and turn it over to the prosecution of the aspect of the joint resolution which might be construed to be in conformity with the President's message.

There is only a small part of the pending joint resolution which is in conformity with the President's message. All I want is to see the good done and the bad stopped. That is why I think it is just too bad to mix up all this matter now, after we as a committee have done what we did to the joint resolution; to come in here on the floor of the Senate and overturn all that the committee did, in order that we may now satisfy the Chief Executive, in order that we may not do anything which could possibly be given the color of an affront to him. We do not give affront when we say to the President of the United States, "We appropriate money for you to expend on such and such and such things." We do that because the Constitution requires it of us. That is what it is our business to do. When matters have reached such a stage that a Senator cannot stand on the floor of the United States Senate and insist upon the legislative department of the Government performing its function of appropriation without his action being treated as an affront to the Chief Executive, we certainly have demeaned ourselves beneath our dignity.

Mr. HATCH. Mr. President, I do not desire to take the time of the Senate to discuss the pending amendment, but certain remarks made by the Senator from Vermont concerning the parliamentary situation which developed a moment ago compel me to make a brief statement concerning the situation and the remark made by the Senator from Vermont to which the then occupant of the Chair, I myself, took offense, and I did take offense.

Mr. AUSTIN. Mr. President, I beg the Senator's pardon.

Mr. HATCH. The remark was that something had been "slipped over." Those were the words.

Mr. AUSTIN. Mr. President, I beg the Senator's pardon, and I retract it entirely. I hope the Senator will accept my apology.

Mr. HATCH. Certainly the Senator from New Mexico accepts the apology of the Senator from Vermont, but it was unfortunate language.

Mr. AUSTIN. Yes; I acknowledge that, and I am very sorry for it.

Mr. HATCH. The Senator from New Mexico, in the chair at that time, understood the request of the Senator from Wyoming perfectly, just as he stated it.

Mr. AUSTIN. In what I said I did not mean what the Senator understood me to mean.

Mr. HATCH. I want it to be plain, and I want it understood publicly, that there was no effort on the part of the Senator from Wyoming or the occupant of the chair or anyone else to "slip anything over" the Senator from Vermont or anybody else, and I wish to say in behalf of the Senator from Wyoming that in the committee and on the floor of the Senate he has tried to handle a difficult situation, and at times a delicate situation, in a fair, square, honest manner to everyone concerned.

Mr. AUSTIN. Mr. President, I think the Senator is entirely justified in his statement, and I accept the criticism fully. I did not mean, however, just what the Senator understood.

Mr. O'MAHONEY. Mr. President, I understand the parliamentary situation to be that the question is upon my motion to perfect the amendment beginning on line 11, page 5, by striking out paragraph (c).

The PRESIDING OFFICER (Mr. MCGILL in the chair). The question is on the motion of the Senator from Wyoming to strike out paragraph (c) of section 3, on page 5.

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The question now is upon the committee amendment as amended.

Mr. BURKE. Mr. President, this is a very important amendment, and I should not like to see it acted on without the full membership of the Senate present.

Mr. O'MAHONEY. Mr. President, I hope the Senator from Nebraska will withhold his suggestion of the absence of a quorum. He might be justified in raising the question when we come to vote on the really controversial amendment, on page 7, but I think there is no controversy about the pending amendment.

Mr. BURKE. What is the amendment now pending?

The PRESIDING OFFICER. The question is on the committee amendment, on page 4, section 3, as amended by the amendment of the Senator from Wyoming.

Mr. BURKE. The point is well taken. I thought we had passed on that already.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment as amended.

The amendment as amended was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment of the committee.

The LEGISLATIVE CLERK. On page 7, after the word "available", on line 9, it is proposed to insert "on application by the committee for allocation."

Mr. BARKLEY. Mr. President, in view of the fact that we have already gone beyond the regular hour of adjournment, and the Senator from Nebraska is anxious for the appearance of his absent colleagues, and not desiring to inconvenience them by asking them to return at this hour, I think we will suspend at this time and let this amendment go over until tomorrow.

ATTENDANCE OF MARINE BAND AT NATIONAL ENCAMPMENT OF G. A. R.

Mr. WALSH. Mr. President, from the Committee on Naval Affairs, I report back favorably without amendment House bill 10722, and I ask for its immediate consideration. There is no controversy about it.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the bill (H. R. 10722) to authorize the attendance of the Marine Band at the national encampment of the Grand Army of the Republic to be held at Des Moines, Iowa, September 4 to 8, inclusive, 1938, which was ordered to a third reading, read the third time, and passed.

AGRICULTURAL DEPARTMENT APPROPRIATIONS—CONFERENCE REPORT

Mr. RUSSELL submitted a conference report.

(For conference report on H. R. 10238, see House proceedings, p. 8765.)

The report was agreed to.

MARTIN BRIDGES

The PRESIDING OFFICER laid before the Senate a message announcing the action of the House of Representatives disagreeing to the amendment of the Senate to the bill (H. R. 1872) for the relief of Martin Bridges, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. BROWN of Michigan. I move that the Senate insist upon its amendment, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. BAILEY, Mr. BROWN of Michigan, and Mr. CAPPER conferees on the part of the Senate.

WILLIAM J. SCHWARZE

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 1788) for the relief of William J. Schwarze, which were, on page 1, line 6, to strike out "his"; in line 7, to strike out all after the word "States" down to and including the word "private", in line 8, and insert "for loss of the personal"; in line 9, to strike out "was lost" and insert "a minor"; in lines 10 and 11, to strike out "his son" and insert "he"; in line 11, to strike out "(2)"; and in line 12, to strike out "him" and insert "said William J. Schwarze."

Mr. DUFFY. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

HAFFENREFFER & CO., INC.

The PRESIDING OFFICER laid before the Senate a message announcing the action of the House of Representatives disagreeing to the amendment of the Senate to the bill (H. R. 5743) for the relief of Haffenreffer & Co., Inc., and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. SCHWELLENBACH. I move that the Senate insist upon its amendment, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. BURKE, Mr. SCHWELLENBACH, and Mr. CAPPER conferees on the part of the Senate.

ANNIE MARY WILMUTH

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 546) for the relief of Annie Mary Wilmuth, which were, in line 9, after the name "Wilmuth", to insert "of Phoenix, Ariz."; in the same line, to strike out "disability" and insert "tuberculosis"; in line 10, after the word "contracted", to insert "between May 1926 and August 1927"; and in line 13, after the word "act", to insert a colon and "*Provided further*, That claim hereunder shall be filed within 6 months after approval of this act."

Mr. HAYDEN. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

RELIEF OF CERTAIN OFFICERS AND SOLDIERS OF THE VOLUNTEER SERVICE

Mr. BARKLEY. Mr. President, I wish to submit a conference report on the bill (H. R. 2904) for the relief of officers and soldiers of the volunteer service of the United States mustered into service for the War with Spain and who were held in service in the Philippine Islands after the ratification of the treaty of peace, April 11, 1899, and to ask for its immediate consideration.

Mr. KING. Mr. President, the junior Senator from Kentucky and myself had an understanding that this was not to be taken up, since he knew that I desired to submit some comments on the matter.

Mr. BARKLEY. I ask that the matter go over until tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

WABASH RIVER BRIDGE, INDIANA

Mr. MINTON. Mr. President, I ask unanimous consent that the Senate consider House bill 10076, providing for a bridge across the Wabash River at or near New Harmony, Ind.

The PRESIDING OFFICER. Is there objection?

There being no objection, the bill (H. R. 10076) to create the White County Bridge Commission; defining the authority, power, and duties of said commision; and authorizing said commission and its successors and assigns to purchase, maintain, and operate a bridge across the Wabash River at or near New Harmony, Ind., was considered, ordered to a third reading, read the third time, and passed.

DISBURSEMENT OF FUNDS FOR CARE OF EQUIPMENT, ETC., OF NATIONAL GUARD—CONFERENCE REPORT

Mr. JOHNSON of Colorado submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 9721) authorizing the disbursement of funds appropriated for compensation of help for care of material, animals, armament, and equipment in the hands of the National Guard of the several States, Territories, and the District of Columbia, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate, and agree to the same.

ED. C. JOHNSON,
ERNEST LUNDEEN,
H. C. LODGE, Jr.
Managers on the part of the Senate.

A. J. MAY,
R. EWING THOMASON,
DOW W. HARTER,
W. G. ANDREWS,
L. C. ARENDS,
Managers on the part of the House.

The report was agreed to.

FARM SECURITY ADMINISTRATION

Mr. BROWN of Michigan. Mr. President, yesterday the Senate passed Senate bill 3779. The day before an identical House measure, House bill 8673, had been passed in the House. I ask unanimous consent that the proceedings by which the Senate bill was passed be vacated, and that House bill 8673 be now considered.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the vote by which the Senate bill 3779 was passed is reconsidered. Is there objection to the request of the Senator from Michigan that the Senate consider House bill 8673?

There being no objection, the bill (H. R. 8673) for the relief of certain persons at certain projects of the Farm Security Administration, United States Department of Agriculture, was considered, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 3779 will be indefinitely postponed.

ALTERATIONS AND REPAIRS TO AIRPLANE CARRIERS "LEXINGTON" AND "SARATOGA"

Mr. WALSH. Mr. President, yesterday in my absence the distinguished Senator from Utah [Mr. KING] objected to certain bills on the calendar because they needed explanation, and in order that I may be given that opportunity now, I ask that the Senate first consider House bill 7560, which is Calendar No. 2053.

Mr. AUSTIN. Mr. President, I should like to know what the bill is.

Mr. WALSH. Mr. President, I think after an explanation is made there will be no objection to the bill. The bill authorizes the alteration and repairs to certain naval vessels. Under existing law the Navy can repair any vessel it chooses without further authorization, but cannot exceed $450,000 for such repair or alteration work. Therefore, when it becomes necessary to repair a major vessel it is necessary to get legislation authorizing it.

There are two large and important airplane carriers in the Navy, the *Lexington* and the *Saratoga*, which were originally made over from battle cruisers to airplane carriers. They are the best and finest airplane carriers in the world. We have since then built other airplane carriers, but they are inferior in size and in usefulness to the two I mention. The airplane carriers *Saratoga* and *Lexington* carry more planes than any other naval airplane carriers. They are in serious need of repair. If a new airplane carrier were to be built instead of the existing airplane carriers being repaired, each new carrier would cost at least $20,000,000. The two carriers in question can be repaired for $15,000,000, or about $7,500,000 apiece.

The Navy Department strongly urges the authorization of the repair work. The House has passed the bill. The Senate Committee on Naval Affairs favorably reported a similar bill last session, and again in this session. I sincerely hope favorable action will be taken, because, in my opinion, I will say to the Senator from Utah, the repairing of these vessels may save the asking of appropriations in the next naval bill for new airplane carriers.

Mr. KING. Mr. President, will the Senator yield?

Mr. WALSH. I yield.

Mr. KING. My recollection is that the *Lexington* and the *Saratoga* were constructed along in 1920 or thereabouts.

Mr. WALSH. They were battle cruisers which would have been scrapped as the result of the Washington Treaty were it not for the fact that they were made over into airplane carriers. The Washington Treaty did not deal with airplane carriers, so the battle cruisers were made over into airplane carriers.

Mr. KING. Some criticism has been brought to my attention from time to time that they were too large, and that better airplane carriers could be constructed than are the *Lexington* and *Saratoga*, and that to perpetuate them as airplane carriers is a mistake.

Mr. WALSH. I have heard that suggestion made, but I can say frankly that in the judgment of the naval authorities now, and in the judgment of the committee which has considered those factors, it is most desirable that these airplane carriers should be made over. My personal opinion is that I should much prefer to have these carriers made over than to have two new airplane carriers built.

Mr. KING. Why could not the Navy Department, out of the five hundred and fifty-odd million dollars which we have appropriated for the Navy for the next year, plus the nearly one billion for new naval construction, a total of a billion and a half dollars, find the necessary funds?

Mr. WALSH. Even if the Navy found the funds they could not use them.

Mr. KING. Why not?

Mr. WALSH. Because it is first necessary to have an authorization.

Mr. KING. Then why not authorize the Navy Department to use the amount necessary for this purpose out of the billion and one-half dollars which we have appropriated and authorized this year to the expenses of the Navy? Why could not we authorize the Navy to deduct the amount required from the vast sums which we have appropriated for it?

Mr. WALSH. When the emergency appropriation bill comes before us some such amendment could be offered, but the only function that I have, not being a member of the Appropriations Committee, is to decide whether or not it is a wise and efficient policy for the reconstruction and repair of these very important naval vessels.

Mr. KING. Is the Senator asking for a direct appropriation?

Mr. WALSH. No; I am not. I am only asking for an authorization. The money may not be appropriated so far as this operation is concerned, but the proposed action lays the foundation for an appropriation.

Mr. KING. Mr. President, I know that any effort to procure economy in military and naval expenditures and appropriations and authorizations in this time of hysteria of spending will be futile. I shall not object to the present consideration of the bill, but I should like to be recorded as voting "no" on the passage of the measure.

Mr. WALSH. I appreciate the attitude of the Senator from Utah.

The PRESIDING OFFICER (Mr. MCGILL in the chair). Is there objection to the present consideration of House bill 7560?

There being no objection, the Senate considered the bill (H. R. 7560) to authorize alterations and repairs to certain naval vessels, and for other purposes, which was ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That for the purpose of modernizing the United States ships *Lexington* and *Saratoga* alterations and repairs to such vessels are hereby authorized and expenditures therefor shall not be limited by the provisions of the act approved July 18, 1935 (49 Stat. 482), but the total cost of such alterations and repairs shall not exceed $15,000,000: *Provided*, That the alterations and repairs to naval vessels authorized by this act shall be subject to the provisions of such treaty or treaties limiting naval armaments as may be in effect at the time such alterations and repairs are undertaken.

INCREASE OF PRIVATES, FIRST CLASS, IN MARINE CORPS FROM 25 TO 50 PERCENT

Mr. WALSH. Mr. President, in my absence another bill was passed over yesterday because I was unfortunately absent and unable to explain it. I ask now for the immediate consideration of Senate bill 3337, being calendar No. 2075, and I shall briefly explain the bill before it is taken up.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

Mr. LA FOLLETTE. Mr. President, let us understand what the bill is before that action is taken.

The PRESIDING OFFICER. The clerk will state the bill by title.

The CHIEF CLERK. A bill (S. 3337) to amend section 2 of the act entitled "An act to temporarily increase the commissioned and warrant and enlisted strength of the Navy and Marine Corps, and for other purposes," approved May 22, 1917, as amended, to increase the authorized percentage

of privates, first-class, in the Marine Corps from 25 to 50 percent of the whole number of privates.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill.

Mr. LA FOLLETTE. Mr. President, before consent is given to take up the measure I should like to hear the explanation which the Senator from Massachusetts said he would make of the bill.

Mr. WALSH. That is a very proper request.

Mr. President, the pay given to privates in the Marine Corps in the Navy is $21 a month. The pay for enlisted men in the Navy is $30 a month. The maximum pay in the Army is the same. We are not asking that that pay be changed. But a young man enlisted in the Marine Corps has an ambition to be advanced to be what is called first-class private. When, upon the recommendation of his officers he reaches that position, he receives $30 a month.

The law fixes the percentage out of the total of enlisted men in the Marine Corps who can be given opportunity to be declared to be first-class privates after 1 year at 25 percent of that total. There is no difficulty in reaching that percentage, 25 percent, and it is always complete. The number who can be promoted to that ratio is determined and fixed. We have 17,000 enlisted men in the Marine Corps, of which number only 2,946 are privates, first class.

The Navy asks to make that percentage 50 percent. The bill puts it at 40 percent, so that 40 percent of the enlisted men, after a year's service, if found by their superior officers to be entitled to be promoted from $21 to $30, will be so promoted.

Let me say in this connection that from my observation of the personnel in the Marine Corps and in the Navy and the Army, the personnel in the Marine Corps is superior, if I may be permitted to say so, and that is no reflection upon the others. Many high-school graduates, many college men are in the Marine Corps. But there is absolutely an appalling situation in the Marine Corps because there is nothing for the enlisted man in the way of promotion except this 25-percent provision.

In the Navy it is possible for an enlisted man, by going to the Navy schools, to reach a wage of $75, $100, or $125 a month by becoming a first-class mechanic. The result is that the Marine Corps is training the men, and they are moving to the Army or to the Navy, and the Marine Corps has become a constantly shifting body. The number of reenlistments is appallingly small because of this fact. The wage of $21 a month is miserable and indefensible for young men who enlist in the Marine Corps. All the bill does is to permit the number who may be promoted and raised to the rank of first-class enlisted man to be increased from 25 to 40 percent of the total. The Navy Department asked for 50 percent, but the committee made it 40 percent.

Mr. LA FOLLETTE. Mr. President, I am satisfied with the Senator's explanation. I have no objection.

Mr. KING. Mr. President, will the Senator yield?

Mr. WALSH. I yield.

Mr. KING. If the 40-percent limit is established, how many enlisted men will fall in that category?

Mr. WALSH. A total of about 17,000 is now authorized, of which number only 2,947 are privates, first class.

Mr. KING. Of course, the personnel is not static. That is to say, there may be 12,000 this year, and next year there may be 15,000 or 20,000, because undoubtedly with the militaristic spirit which prevails today, the Marine Corps will be greatly augmented. The number of 12,000 would mean an addition of $1,200,000 to the stupendous sum which we have already appropriated for the Navy. As I stated a moment ago, there is no chance in this body to stop appropriations for the Army and Navy, or for anything else, for that matter.

Mr. WALSH. Mr. President, the increase would be about $196,000 per year. I sympathize with the Senator. Let me say to the Senator that I feel that it is a painful duty to ask for money for the Navy, in view of the large appropriations which have already been made. However, we have a situation where young men are receiving only $21 a month in the finest body of defense forces in the country. I have visited the Marine barracks on the east and west coasts, and have asked the men standing in front of me to indicate, by raising their hands, how many intended to reenlist. I was shocked to find that a very large percent of the men get out of the Marine Corps without reenlisting, because they see no opportunity for advancement by continuing their service. The men we are able to hold in the Marine Corps are the men whom we advance to first class.

Let me say to the Senator from Utah [Mr. KING] that I appreciate his position, and I sympathize with it. Only a short time ago I said to the Senator from Kentucky [Mr. BARKLEY] that one of the painful duties of my committee is to ask for readjustments and other things which involve increases in naval expenses. I feel that the pending measure is meritorious and will tend to remove an injustice in pay to the worthy privates in the Marine Corps.

Mr. KING. I express my appreciation of the sympathetic utterances of my friend. I receive a great deal of sympathy in my efforts for economy, but I do not obtain votes. I see appropriations multiply and increase as the years go by. Pretty soon we shall be appropriating over $2,000,000,000—perhaps two and a half billion dollars—for the Army and Navy, with an increased appropriation each year. The taxpayers will have to pay it sooner or later. We are increasing the burdens on the taxpayers.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 3337) to amend section 2 of the act entitled "An act to temporarily increase the commissioned and warrant and enlisted strength of the Navy and Marine Corps, and for other purposes," approved May 22, 1917, as amended, to increase the authorized percentage of privates, first-class, in the Marine Corps from 25 to 50 percent of the whole number of privates, which had been reported from the Committee on Naval Affairs with an amendment, to strike out all after the enacting clause and insert:

That section 2 of the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1919, and for other purposes," approved July 1, 1918 (40 Stat. 714; title 34 U. S. C., sec. 691c), is hereby amended by striking out the words "twenty-five" appearing in lines 6 and 7 of the said section and substituting therefor the word "forty."

Mr. McADOO. Mr. President——

The PRESIDING OFFICER. Does the Senator desire recognition on the pending bill?

Mr. McADOO. I do.

I merely wish to express my entire approval of what the Senator from Massachusetts [Mr. WALSH] has said. The existing situation is an obvious injustice, and it is harmful to the efficiency and the esprit de corps of the Marine Corps. I think it should be corrected. In my judgment, a great government such as ours should not be put in the position of doing such a grave injustice to the enlisted men in the Marine Corps.

I heartily support the bill.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to amend section 2 of the act entitled 'An act making appropriations for the naval service for the fiscal year ending June 30, 1919, and for other purposes,' approved July 1, 1918, to increase the authorized percentage of privates, first class, in the Marine Corps from 25 to 40 percent of the whole number of privates."

AMENDMENT OF CIVIL SERVICE RETIREMENT ACT

Mr. NEELY. Mr. President, I should like to propound an inquiry to the leader, the distinguished Senator from Kentucky [Mr. BARKLEY].

Since the 25th of April there has been on the Senate Calendar Senate bill 457, Order of Business 1715, a bill to

amend sections 1 and 6 of the Civil Service Retirement Act, approved May 29, 1930.

So far as I can ascertain, only one Senator has any objection to any provision of the bill. I believe not more than 30 minutes of the time of the Senate would be required to pass the bill.

I now inquire of my able leader if he cannot cooperate with me tomorrow in bringing this measure before the Senate and obtaining action upon it.

Mr. BARKLEY. I do not know whether or not we can do it tomorrow. I will say to the Senator that I shall be very glad to cooperate with him to have the bill considered as soon as possible. We may have a pretty full day's business tomorrow. The Senator has spoken to me about the bill. I desire to help him gain consideration of the bill, but I am unable to designate the time.

Mr. NEELY. I thank the Senator. I sincerely hope we may be able to proceed with the consideration of the bill before the end of the next legislative day.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. McGILL in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

Mr. McGILL, from the Committee on the Judiciary, reported favorably the nomination of Anton J. Lukaszewicz, of Wisconsin, to be United States marshal for the eastern district of Wisconsin.

Mr. LOGAN, from the Committee on the Judiciary, reported favorably the nomination of Charles E. Dierker, of Shawnee, Okla., to be United States attorney for the western district of Oklahoma, vice William C. Lewis, whose term will expire June 18, 1938.

Mr. PITTMAN, from the Committee on Foreign Relations, reported favorably, without reservation, Executive F, Seventy-fifth Congress, third session, a convention between the United States of America and the Netherlands, signed at Washington on March 18, 1938, providing for the arbitration of a difference between the Governments of the two countries in regard to the sufficiency of the payment made by the Government of the United States of America to the Government of the Netherlands for certain military supplies of the Netherlands Government which were requisitioned in 1917, and submitted a report (Ex. Rept. No. 14) thereon.

The PRESIDING OFFICER. The reports will be placed on the executive calendar.

BOARD OF TAX APPEALS

Mr. HARRISON. Mr. President, from the Committee on Finance, I report certain nominations, and, after they have been read, I shall ask unanimous consent that they be confirmed this afternoon, for the reason that they represent four nominations for reappointment to the Board of Tax Appeals. The terms ended on the 1st of June and the incumbents are now serving without pay. An important meeting of the Board is scheduled for tomorrow. I have spoken to the Senator from Oregon [Mr. McNARY] and the Senator from Kentucky [Mr. BARKLEY] about the matter. It seems to me that because of the peculiar situation, these nominations should be confirmed this afternoon, and I make that request.

The PRESIDING OFFICER. The Senator from Mississippi reports certain nominations from the Committee on Finance, and asks for their immediate consideration. Is there objection?

Mr. AUSTIN. Mr. President, I have not yet heard the names.

The PRESIDING OFFICER. The clerk will state the nominations to the Board of Tax Appeals.

The legislative clerk read the nominations of Charles R. Arundell, of Oregon; John W. Kern, of Indiana; Clarence V. Opper, of New York; and John A. Tyson, of Mississippi, to be members of the Board of Tax Appeals.

Mr. HARRISON. Let me say that these four nominations were approved by the Senators from the respective States.

Mr. AUSTIN. The Senator from Oregon [Mr. McNARY] spoke to me about the matter before he was called from the Chamber. I have no objection.

The PRESIDING OFFICER. Without objection, the nominations are confirmed.

Mr. HARRISON. I ask that the President be notified.

The PRESIDING OFFICER. Without objection, the President will be notified.

If there be no further reports of committees, the clerk will state the nominations on the calendar.

THE JUDICIARY

The legislative clerk read the nomination of Gordon Campbell, of Carmel, Calif., to be marshal of the United States Court for China.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. McADOO subsequently said: I ask that the President be notified of the confirmation of the nomination of Mr. Gordon Campbell as marshal of the United States Court for China.

The PRESIDING OFFICER. Without objection, it is so ordered.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. Mr. President, I ask that the nominations of postmasters on the calendar be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations of postmasters are confirmed en bloc.

That concludes the calendar.

Mr. McKELLAR. Mr. President, about three or four hundred nominations of postmasters have been submitted to the Senators from the several States, and those Senators have approved the nominations, which are now before the Senate. I ask unanimous consent that the nominations which have been approved by the Senators be confirmed en bloc at this time, though they are not on the printed calendar.

Mr. AUSTIN. Mr. President, I am sure I do not know what the effect of that action may be.

Mr. McKELLAR. If the Senator has any doubt about it, I will withdraw the request; but it costs a good deal to print the names on the calendar.

Mr. AUSTIN. May I request that if, on tomorrow, an objection should arise to the confirmation of any of these nominations, the matter will be reconsidered?

Mr. McKELLAR. That will be done. If any Senator desires a reconsideration, it will be done.

Mr. BARKLEY. I understand that all these nominations have been reported from the committee.

Mr. McKELLAR. All of them have been reported from the committee. They were first submitted to the Senators from the several States, and were reported on by those Senators, and then were reported by the committee. If any Senator objects to any one of them tomorrow, it will be reconsidered, of course.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Tennessee? Without objection, the nominations of the postmasters referred to are confirmed en bloc.

RECESS

The Senate resumed legislative session.

Mr. BARKLEY. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 41 minutes p. m.) the Senate took a recess until tomorrow, Thursday, June 9, 1938, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate on June 8 (legislative day of June 7), 1938

PROMOTIONS IN THE NAVY

Lt. Herbert S. Duckworth to be a lieutenant commander in the Navy, to rank from the 1st day of April 1938.

The following-named lieutenants to be lieutenant commanders in the Navy, to rank from the 2d day of June 1938:

Harold E. Parker
William L. Freseman

The following-named lieutenants (junior grade) to be lieutenants in the Navy, to rank from the 2d day of June 1938:

Samuel P. Weller, Jr.
Edward Brumby
Edward E. Colestock
Edward N. Little

The following-named ensigns to be lieutenants (junior grade) in the Navy, to rank from the 6th day of June 1938:

John M. Lee
James L. P. McCallum
Robert S. Burdick
Howard Z. Senif
Thomas F. Sharp
Cyrus C. Cole
Richard B. Lynch
Thomas S. Baskett
Roscoe F. Dillen, Jr.
Mason B. Freeman
William C. Abhau
Dewitt A. Harrell
William F. Petrovic
Ben W. Sarver, Jr.
Jesse B. Gay, Jr.
Ralph M. Metcalf
John N. Shaffer
Blake B. Booth
Clement E. Langlois
Edward B. Schutt
Evan T. Shepard
Anthony Talerico, Jr.
Walter A. Moore, Jr.
Grover S. Higginbotham
Noel A. M. Gayler
John R. Lewis
Kenneth L. Veth
William P. Gruner, Jr.
John W. Thomas
Clinton A. Neyman, Jr.
Donald N. Clay
John H. Maurer
John W. McCormick
J. C. Gillespie Wilson
John J. Baranowski
James R. North
Robert S. Mandelkorn
John D. Gerwick
Stephen W. Carpenter
Kenneth West
Omar N. Spain, Jr.
James M. Wolfe, Jr.
Melvin E. Radcliffe
John S. Fletcher
Keats E. Montross
David Nash
Raymond M. Parrish
Frederic W. Brooks
Chester A. Briggs
James W. Thomson
William T. Powell, Jr.
Eugene B. Fluckey
Vincent A. Sweeney
John H. Brandt
Thomas H. Henry
John S. Barleon, Jr.
Norman D. Gage
Harold J. Islev-Petersen
Frank E. Sellers, Jr.
William B. Wideman
Oliver D. Finnigan, Jr.
Eli T. Reich
Louis E. Schmidt, Jr.
John J. Foote
John J. Flachsenhar
Vincent A. Sisler, Jr.
Henry C. Tipton
Roy C. Klinker
William C. Thompson, Jr.
Sherwood H. Dodge
George E. Davis, Jr.
Edgar S. Keats
Frank McE. Smith
Ross E. Freeman
Bruce P. Ross
John O. Curtis
Christian L. Ewald
Marion F. Ramirez de Arellano
John A. Heath
Alton E. Paddock
Russell H. Smith
Samuel F. Spencer
Matthew S. Schmidling
Arthur M. Purdy
Fenelon A. Brock
Joseph H. Wesson
Jefferson D. Parker
Jack M. Seymour
Philip F. Hauck
Robert E. Riera
John F. Murdock
Elbert M. Stever
George L. Conkey
Gordon E. Schecter
Frank K. B. Wheeler
Victor M. Cadrow
Franklin G. Hess
Carleton R. Kear, Jr.
Thomas D. McGrath
Warren J. Bettens
Frank B. Herold
Frederick M. Stiesberg
Nevett B. Atkins
Walter F. Henry
Charles B. Langston
Ted A. Hilger
John H. Cotten
Ralph J. Baum
Lloyd A. Smith
Thomas D. Shriver
George A. Crawford
Robert H. Prickett
Grafton B. Campbell
Briscoe Chipman
Maurice F. Fitzgerald
Thomas R. Mackie
Arthur V. Ely
Walter J. East, Jr.
William S. Guest
Eugene A. Barham
George Philip, Jr.
Robert W. Jackson
Samuel Nixdorff
John B. Crosby
Francis M. Gambacorta
William J. Germershausen, Jr.
Alan McL. Nibbs
Dwight L. Moody
Walker A. Settle, Jr.
Marshall H. Austin
Marcus R. Peppard, Jr.
Robert A. Phillips
Harold W. McDonald
Stanley W. Lipski
Frederick R. Matthews
James H. Brown
Everett H. Steinmetz
Robert Van R. Bassett, Jr.
Henry L. Muller
Manning M. Kimmel
John T. Probasco
William H. Hazzard
George H. Cairnes
Charles L. Harris, Jr.
LeRoy T. Taylor
Wilson R. Bartlett
Mark Eslick, Jr.
Ralph L. Ramey
Stephen H. Gimber
Turner F. Caldwell, Jr.
Carter B. Jennings
Bladen D. Claggett
Harrison P. McIntire
Richard E. Babb
Edwin H. Headland, Jr.
James S. Clark
Charles W. Consolve
French Wampler, Jr.
Leonard J. Baird
Gerald L. Christie
John S. C. Gabbert
Nicholas G. Doukas
Ronald K. Irving
Wilson G. Reifenrath
Horace C. Laird, Jr.
William Swab, Jr.
Edward D. Robertson
John W. Payne, Jr.
Allan C. Edmands
Richard H. Burns
Joseph E. Dougherty
Doyen Klein
Cecil E. Blount
Girard L. McEntee, Jr.
John N. Ferguson, Jr.
James F. Fitzpatrick, Jr.
George S. Lambert
George T. Baker
Arnold H. Newcomb
John G. Downing
Richard M. Farrell
Edward W. Bridewell
Robert M. Hinckley, Jr.
William T. Samuels
Hubert B. Harden
Don W. Wulzen
Joe R. Penland
Sibley L. Ward, Jr.

The following-named lieutenant commanders to be commanders in the Navy, to rank from the 2d day of June 1938:

John G. Farrell
Elbert C. Rogers

Lt. Lowe H. Bibby to be a lieutenant commander in the Navy, to rank from the 2d day of June 1938.

Machinist Nuel E. Blythe to be a chief machinist in the Navy, to rank with but after ensign, from the 2d day of April 1938.

Pay Clerk Clark Dunn to be a chief pay clerk in the Navy, to rank with but after ensign, from the 2d day of January 1938.

Pay Clerk Joseph H. Lillis to be a chief pay clerk in the Navy, to rank with but after ensign, from the 2d day of February 1938.

POSTMASTERS

ALABAMA

Francis G. Rowland to be postmaster at Childersburg, Ala., in place of F. G. Rowland. Incumbent's commission expired March 29, 1938.

William F. Croft to be postmaster at Crossville, Ala., in place of W. F. Croft. Incumbent's commission expires June 18, 1938.

Emma E. Yarbrough to be postmaster at Monroeville, Ala., in place of E. E. Yarbrough. Incumbent's commission expired June 8, 1938.

ARIZONA

Frank A. Rhodes to be postmaster at Gila Bend, Ariz., in place of F. A. Rhodes. Incumbent's commission expired April 27, 1938.

ARKANSAS

Lyle A. Wert to be postmaster at Garfield, Ark., in place of L. A. Wert. Incumbent's commission expired April 27, 1938.

CALIFORNIA

Vesta P. Basham to be postmaster at Castella, Calif., in place of E. T. Stanford, removed.

CONNECTICUT

Edward M. Doyle to be postmaster at Bantam, Conn., in place of E. M. Doyle. Incumbent's commission expired April 27, 1938.

Harry W. Potter to be postmaster at Glastonbury, Conn., in place of H. W. Potter. Incumbent's commission expired June 6, 1938.

Willis Hodge to be postmaster at South Glastonbury, Conn., in place of Willis Hodge. Incumbent's commission expired June 6, 1938.

DELAWARE

Claborne A. Boothe to be postmaster at Frankford, Del., in place of C. A. Boothe. Incumbent's commission expired May 7, 1938.

ILLINOIS

John W. Williams to be postmaster at Benton, Ill., in place of J. W. Williams. Incumbent's commission expired April 27, 1938.

William S. Westermann to be postmaster at Carlyle, Ill., in place of W. S. Westermann. Incumbent's commission expired May 28, 1938.

Carl J. Markel to be postmaster at Carpentersville, Ill., in place of C. J. Markel. Incumbent's commission expired June 6, 1938.

Fred O. Grissom to be postmaster at Kinmundy, Ill., in place of F. D. Grissom. Incumbent's commission expired April 27, 1938.

Fern Conard to be postmaster at La Moille, Ill., in place of Fern Conard. Incumbent's commission expires June 14, 1938.

Henry C. Johnson to be postmaster at Lawrenceville, Ill., in place of H. C. Johnson. Incumbent's commission expired April 27, 1938.

Nellie Waters to be postmaster at Murrayville, Ill., in place of Nellie Waters. Incumbent's commission expired May 3, 1938.

Alfred J. Geiseman to be postmaster at Shannon, Ill., in place of A. J. Geiseman. Incumbent's commission expires June 18, 1938.

J. Vernon Lessley to be postmaster at Sparta, Ill., in place of J. V. Lessley. Incumbent's commission expired May 3, 1938.

John W. Foster to be postmaster at Toluca, Ill., in place of J. W. Foster. Incumbent's commission expired May 22, 1938.

Melvin Higgerson to be postmaster at West Frankfort, Ill., in place of Melvin Higgerson. Incumbent's commission expired May 31, 1938.

Floyd E. Madden to be postmaster at Willow Hill, Ill., in place of F. E. Madden. Incumbent's commission expired June 6, 1938.

Mary I. Quinn to be postmaster at Wilmington, Ill., in place of M. I. Quinn. Incumbent's commission expired May 12, 1938.

Elmer M. Bickford to be postmaster at Wyanet, Ill., in place of E. M. Bickford. Incumbent's commission expired June 6, 1938.

INDIANA

Asa C. Clark to be postmaster at Bedford, Ind., in place of A. C. Clark. Incumbent's commission expired February 10, 1938.

Fred M. Briggs to be postmaster at Churubusco, Ind., in place of F. M. Briggs. Incumbent's commission expired May 3, 1938.

Jacob N. Hight to be postmaster at Etna Green, Ind., in place of J. N. Hight. Incumbent's commission expires June 18, 1938.

Ralph W. Kimmerling to be postmaster at Frankton, Ind., in place of R. W. Kimmerling. Incumbent's commission expires June 18, 1938.

Hazel R. Widdows to be postmaster at Geneva, Ind., in place of H. R. Widdows. Incumbent's commission expired May 3, 1938.

Lloyd A. Rickel to be postmaster at Mentone, Ind., in place of L. A. Rickel. Incumbent's commission expires June 18, 1938.

Cora Riley to be postmaster at Oaklandon, Ind., in place of Cora Riley. Incumbent's commission expires June 9, 1938.

Merton L. Hughbanks, to be postmaster at Scottsburg, Ind., in place of M. L. Hughbanks. Incumbent's commission expires June 9, 1938.

Mamie N. Judy to be postmaster at West Lebanon, Ind., in place of M. N. Judy. Incumbent's commission expired April 27, 1938.

Marion H. Rice to be postmaster at Wolcottville, Ind., in place of M. H. Rice. Incumbent's commission expired May 3, 1938.

IOWA

Martin W. Brockman to be postmaster at Clarksville, Iowa, in place of M. W. Brockman. Incumbent's commission expired May 24, 1938.

Albert B. Mahnke to be postmaster at Greene, Iowa, in place of A. B. Mahnke. Incumbent's commission expired May 7, 1938.

John N. Day to be postmaster at Klemme, Iowa, in place of J. N. Day. Incumbent's commission expires June 18, 1938.

Russell G. Mellinger to be postmaster at Oakville, Iowa, in place of R. G. Mellinger. Incumbent's commission expired May 2, 1938.

KENTUCKY

Lois B. Cundiff to be postmaster at Cadiz, Ky., in place of L. B. Cundiff. Incumbent's commission expired May 2, 1938.

LOUISIANA

T. Lucien Ducrest to be postmaster at Broussard, La. Office became Presidential July 1, 1938.

MARYLAND

Thomas B. T. Radcliffe to be postmaster at Cambridge, Md., in place of T. B. T. Radcliffe. Incumbent's commission expired February 10, 1938.

MISSOURI

James E. Ferguson to be postmaster at Williamsville, Mo., in place of J. E. Ferguson. Incumbent's commission expired May 22, 1938.

NEBRASKA

Max C. Jensen to be postmaster at Bridgeport, Nebr., in place of M. C. Jensen. Incumbent's commission expired April 28, 1938.

Hjalmar A. Swanson to be postmaster at Clay Center, Nebr., in place of H. A. Swanson. Incumbent's commission expires June 15, 1938.

Clifford R. Frasier to be postmaster at Gothenburg, Nebr., in place of C. R. Frasier. Incumbent's commission expired April 28, 1938.

Harold C. Menck to be postmaster at Grand Island, Nebr., in place of H. C. Menck. Incumbent's commission expired May 1, 1938.

Hugo Stevens to be postmaster at Kilgore, Nebr., in place of Hugo Stevens. Incumbent's commission expires June 18, 1938.

William Vogt, Jr., to be postmaster at Oakland, Nebr., in place of E. A. Baugh, deceased.

Lula Newman to be postmaster at Wallace, Nebr., in place of Lula Newman. Incumbent's commission expires June 18, 1938.

NEVADA

Roy T. Williams to be postmaster at Minden, Nev., in place of R. T. Williams. Incumbent's commission expired May 29, 1938.

NEW JERSEY

William L. Scheuerman to be postmaster at Basking Ridge, N. J., in place of W. L. Scheuerman. Incumbent's commission expired March 7, 1938.

Philip L. Fellinger to be postmaster at East Orange, N. J., in place of P. L. Fellinger. Incumbent's commission expired June 8, 1938.

John F. Dugan to be postmaster at Garwood, N. J., in place of J. F. Dugan. Incumbent's commission expired April 27, 1938.

James A. Cleary to be postmaster at Lambertville, N. J., in place of J. A. Cleary. Incumbent's commission expired April 27, 1938.

Jane L. Garland to be postmaster at Sea Bright, N. J., in place of J. L. Garland. Incumbent's commission expired March 19, 1938.

NEW YORK

Gerald S. Sweet to be postmaster at Chazy, N. Y., in place of F. W. Junior, deceased.

NORTH CAROLINA

Preston L. Morris to be postmaster at Broadway, N. C., in place of C. B. Rosser, removed.

Jack Barfield to be postmaster at Mount Olive, N. C., in place of Jack Barfield. Incumbent's commission expired March 20, 1938.

OHIO

Thomas H. Rice to be postmaster at New Vienna, Ohio, in place of Ivan Schuler, removed.

Paul R. Clemson to be postmaster at Thornville, Ohio, in place of Stanley Lynn, removed.

OKLAHOMA

Logan E. Lentz to be postmaster at Ames, Okla. Office became Presidential July 1, 1937.

Branson N. Bills to be postmaster at Gotebo, Okla., in place of Dean Penn, removed.

Kid H. Warren to be postmaster at Shawnee, Okla., in place of K. H. Warren. Incumbent's commission expired May 29, 1938.

OREGON

Ermel H. Hosley to be postmaster at Chiloquin, Oreg., in place of J. Q. Buell, resigned.

PENNSYLVANIA

Joseph D. Plumer to be postmaster at Franklin, Pa., in place of J. L. Callan, removed.

Robert E. Spancake to be postmaster at Ringtown, Pa., in place of P. A. Schmidt, removed.

Otis C. Quinby to be postmaster at Springboro, Pa., in place of J. L. Kramer, removed.

Robert D. Fister to be postmaster at Shillington, Pa., in place of F. G. Ketner, deceased.

SOUTH CAROLINA

Lillie F. Beard to be postmaster at Langley, S. C., in place of C. N. Jones, removed.

TEXAS

Fountain Pitts Shrader to be postmaster at Frisco, Tex., in place of D. B. Shrader, deceased.

William G. Fuchs to be postmaster at Thrall, Tex., in place of John Krieg, removed.

VIRGINIA

William H. Smith, Jr., to be postmaster at Charlotte Court House, Va., in place of C. M. Hutcheson, deceased.

John W. Wright to be postmaster at Roanoke, Va., in place of M. S. Battle, resigned.

WEST VIRGINIA

Maurice L. Richmond to be postmaster at Barboursville, W. Va., in place of M. L. Richmond. Incumbent's commission expired April 6, 1938.

WISCONSIN

Edward Snoeyenbos to be postmaster at Hammond, Wis., in place of Edward Snoeyenbos. Incumbent's commission expires June 15, 1938.

Jesse Theodore Simons to be postmaster at Hixton, Wis., in place of M. N. Duxbury, deceased.

Simon Skroch to be postmaster at Independence, Wis., in place of Simon Skroch. Incumbent's commission expires June 12, 1938.

William S. Casey to be postmaster at Knapp, Wis., in place of W. S. Casey. Incumbent's commision expires June 18, 1938.

Gaylord T. Thompson to be postmaster at Mercer, Wis., in place of G. T. Thompson. Incumbent's commission expired May 30, 1938.

Oscar M. Rickard to be postmaster at Merrillan, Wis., in place of O. M. Richard. Incumbent's commission expires June 12, 1938.

Maurice A. Reeves to be postmaster at Pewaukee, Wis., in place of M. A. Reeves. Incumbent's commission expires June 12, 1938.

Gladys M. Suter to be postmaster at Plum City, Wis., in place of G. M. Suter. Incumbent's commission expired May 15, 1938.

Curtis R. Hanson to be postmaster at Scandinavia, Wis., in place of C. R. Hanson. Incumbent's commission expires June 12, 1938.

Louis G. Kaye to be postmaster at Westboro, Wis., in place of L. G. Kaye. Incumbent's commission expires June 15, 1938.

Donald M. Warner to be postmaster at Whitehall, Wis., in place of D. M. Warner. Incumbent's commission expires June 18, 1938.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 8 (legislative day of June 7), 1938

MARSHAL OF THE UNITED STATES COURT FOR CHINA

Gordon Campbell to be marshal of the United States Court for China.

BOARD OF TAX APPEALS

Charles R. Arundell to be a member of the Board of Tax Appeals.

John W. Kern to be a member of the Board of Tax Appeals.

Clarence V. Opper to be a member of the Board of Tax Appeals.

John A. Tyson to be a member of the Board of Tax Appeals.

POSTMASTERS

ALABAMA

William B. Wilder, Andalusia.
Bennett W. Pruett, Anniston.
James G. Brown, Atmore.
Elmer H. Carter, Castleberry.
Madge S. Jefferies, Citronelle.
Ernest D. Manning, Florala.
Herman Pride, Georgiana.
Mim C. Farish, Grove Hill.
Julian J. Chambliss, Hurtsboro.
S. Adeline Laster, Irondale.
William C. Stearns, Lanett.
Roy J. Ellison, Loxley.
William M. Moore, Luverne.
Benjamin F. Beesley, McKenzie.
S. Evelyn Selman, Mentone.
Jesse B. Adams, Ozark.
Herman Grimes, Pine Apple.

Lorenzo D. McCrary, Prattville.
Ernest L. Stough, Jr., Red Level.
Harry J. Wilters, Robertsdale.
Leslie D. Strother, Shawmut.
James H. Dunlap, Siluria.
Bettie T. Forster, Thomasville.
John F. Harmon, Troy.
Ferne W. Rainer, Union Springs.
Joe H. Kerr, Wedowee.
Benjamin L. Edmonds, West Blocton.
William H. McDonough, Whistler.

ARIZONA

Charles C. Stemmer, Cottonwood.
Robert E. Briscoe, Fort Defiance.
Joe H. Little, Glendale.
Waltice B. Ham, Somerton.
Charles J. Moody, Superior.

ARKANSAS

Fred W. Lemay, Alicia.
David G. Lamb, Arkadelphia.
Mary H. Morgan, Ashdown.
John E. Darr, Atkins.
Otis H. Parham, Bald Knob.
Lee Roy Jordan, Batesville.
Nannie L. Connevey, Bauxite.
Thomas B. Gatling, Bearden.
Earl T. Estes, Calico Rock.
Laura Clements, Cherry Valley.
W. Ernest King, Clarksville.
Joseph T. Whillock, Clinton.
Herbert D. Russell, Conway.
Frank B. Ortman, Cotter.
William I. Fish, Dumas.
Lucy F. Harris, Earl.
Ambrose D. McDaniel, Forrest City.
Lewis Friedman, Fort Smith.
Lillie Q. Lowe, Gillett.
John W. Paschall, Gould.
Charlie O. Sawyer, Hamburg.
J. Neil Cooper, Hoxie.
Fred M. Johnson, Huttig.
J. Dot Fortenberry, Imboden.
Harmon T. Griffin, Lake City.
Ben W. Walker, Lewisville.
Eethel L. Nall, Lockersburg.
Sue M. Brown, Luxora.
Elmer McHaney, Marmaduke.
Wyeth S. Daniel, Marshall.
Guy Stephenson, Monticello.
Claude M. Farish, Morrilton.
Jennings Bryan Lancaster, Mountain View.
Henry M. Landers, Murfreesboro.
Byron C. Pascoe, Newark.
William F. Elsken, Paris.
Paul Janes, Ravenden.
Martha Campbell, Rector.
Jesse T. Howard, Smithville.
Fred W. Knickerbocker, Sparkman.
Charles K. Coe, Tuckerman.
Theo Money, Waldron.
Charles C. Snapp, Walnut Ridge.
Simon O. Norris, Williford.

CALIFORNIA

Mary Ella Dow, Anderson.
Carl W. Brenner, Buena Park.
Paul O. Martin, Burbank.
John G. Carroll, Calexico.
Edgar G. Eckels, Chino.
Frank J. Roche, Concord.
Frank Emerson, Corona.
Norris Mellott, Costa Mesa.
Mae A. Kibler, Del Mar.
William Francis Richmond, El Centro.
Terrell L. Rush, Elsinore.
L. Belle Morgan, Encanto.
Faith I. Wyckoff, Firebaugh.
Charles H. Hood, Fresno.
Nelson C. Fowler, Kelseyville.
Howard Edwin Cooper, La Canada.
Ethel M. Strong, Lake Arrowhead.
Percy H. Millberry, Lakeport.
Thomas F. Helm, Lakeside.
Frederick N. Blanchard, Laton.
Floyd L. Turner, Lower Lake.
Anthony F. Sonka, Lemongrove.
George Edgar Archer, Maywood.
Miriam I. Paine, Mariposa.
Clarence McCord, Olive View.
Joseph A. Dinkler, Pacoima.
Edith B. Smith, Patton.
James B. Stone, Redlands.
Agnes McCausland, Ripon.
Joseph H. Allen, Riverside.
Bernice M. Ayer, San Clemente.
Michael E. Neish, San Leandro.
Thomas M. Day, San Rafael.
Michael L. Collins, Seal Beach.
Earl P. Thurston, Ukiah.
Orton P. Brady, Upland.
Roy Bucknell, Upper Lake.
Arden D. Lawhead, Vista.

COLORADO

Walter E. Rogers, Berthoud.
Percy B. Paddock, Boulder.
George M. Griffin, Brighton.
Patrick H. Kastler, Brush.
Mary E. Vogt, Burlington.
Flora G. Hier, Castle Rock.
Harold W. Riffle, Eckley.
James E. Adams, Englewood.
Agnes M. Padan, Fort Logan.
Carl E. Wagner, Fort Morgan.
Tom C. Crist, Haxtum.
William H. Rhoades, Jr., Kit Carson.
Michael F. O'Day, Lafayette.
Angeline B. Adkisson, Longmont.
Elmer M. Ivers, Loveland.
James A. Collins, Minturn.
Charles F. Horn, Pueblo.
Lewis Hollenbeck, Salida.
E. Velma Logan, Stratton.
Roxie R. Broad, Wheat Ridge.

CONNECTICUT

Michael J. Cook, Ansonia.
William M. O'Dwyer, Fairfield.
Charles F. Schaefer, Greens Farms.
Ralph W. Bull, Kent.
Joseph J. O'Loughlin, Lakeville.
Elizabeth J. Carris, Stepney Depot.
Catherine S. Barnett, Suffield.
Clarence H. Davenport, Washington.
Albert E. Lennox, Windsor.

DELAWARE

Elmer Layfield, Dagsboro.
George I. Bendler, Delaware City.
William O. Martin, Lewes.
Edwin E. Shallcross, Middletown.
John E. Mayhew, Milford.
Florence H. Carey, Milton.
Cyrus E. Rittenhouse, Newark.
Joseph C. Slack, Newport.
Joseph H. Cox, Seaford.
Edna E. Conner, Townsend.
William H. Draper, Wyoming.

FLORIDA

Katherine S. Grey, Atlantic Beach.
Marshall C. Pitts, Okeechobee.

John Justin Schumann, Vero Beach.
Jerald W. Farr, Wauchula.

GEORGIA

Cleo H. Price, Adairsville.
George B. McIntyre, Ailey.
Roy R. Powell, Arlington.
Burgess Y. Dickey, Calhoun.
Robert R. Lee, Dallas.
William M. Denton, Dalton.
Nathaniel M. Hawley, Douglasville.
Verne J. Pickren, Folkston.
L'Bertie Rushing, Glennville.
Joseph T. Buhannon, Grantville.
Herman C. Fincher, La Grange.
Olin W. Patterson, Lumpkin.
George Welby Griffith, Manchester.
W. Brantley Daniel, Millen.
Hattie C. Williams, Pinehurst.
Mary H. Campbell, Plains.
William E. Wimberly, Rome.
James S. Alsobrook, Rossville.
Charles D. Bruce, Sea Island Beach.
Ferman F. Chapman, Summerville.
Nettie H. Woolard, Sylvester.
Cecil F. Aultman, Warwick.
DeWitt P. Trulock, Whigham.

HAWAII

James D. Lewis, Jr., Kaunakakai.
Kenichi Tomita, Puunene.

IDAHO

Thomas B. Hargis, Ashton.
Angus G. David, Bovill.
Joseph W. Tyler, Emmett.
Lowell H. Merriam, Grace.
Benjamin F. Shaw, Grangeville.
Edward T. Gilroy, Kooskia.
Fred Kling, Lewiston.
John B. Cato, Meridian.
Glenn H. Sanders, Moscow.
Clellan W. Bentley, Mullan.
Ambrose H. McGuire, Pocatello.
Henry G. Reiniger, Rathdrum.
Daisy P. Moody, Sandpoint.
Rose J. Hamacher, Spirit Lake.
Charles H. Hoag, Worley.

ILLINOIS

Gilbert C. Jones, Albion.
Joseph L. Lampert, Alton.
Harry C. Stephens, Ashley.
Samuel J. Schuman, Astoria.
George A. McFarland, Avon.
Emma J. Zinschlag, Beckemeyer.
Louise Rump, Beecher.
Louie E. Dixon, Biggsville.
Luella C. Biggs, Blandinsville.
Thomas Bernard Meehan, Bluffs.
Leslie O. Cain, Bowen.
Alice Dillon, Braidwood.
Erwin J. Mahlandt, Breese.
Ruth M. McElvain, Broughton.
Marvin G. Diveley, Brownstown.
Charles A. Etherton, Carbondale.
Clyde P. Stone, Carmi.
Joseph I. Kvidera, Cary.
Harvey F. Doerge, Chester.
Martin M. Dalrymple, Chrisman.
Dwight C. Bacon, Christopher.
Clason W. Black, Clay City.
John R. Reynolds, Colchester.
Charles J. Schneider, Columbia.
Harry O. Given, Crossville.
Vera E. Burrell, Cuba.
Budd L. Kellogg, Downers Grove.
Andrew J. Paul, Dupo.
Lee C. Vinyard, East Alton.
Eugene P. Kline, East St. Louis.
Fred A. McCarty, Edinburg.
Grover C. Norris, Effingham.
Joseph Kreeger, Elgin.
Edmund J. Coveny, Elizabeth.
Charles R. Bowers, Elmwood.
John J. McGuire, El Paso.
Eulalie E. Mase, Forreston.
George E. Brown, Franklin.
Edwin J. Heiligenstein, Freeburg.
Lawrence J. Kiernan, Genoa.
Ernest R. Lightbody, Glasford.
Roy R. Pattison, Godfrey.
Charles G. Sowell, Granite City.
William I. Tyler, Granville.
Arthur M. Hetherington, Harrisburg.
Melvin R. Begun, Hebron.
Orville W. Lyerla, Herrin.
Arthur H. Bartlett, Hillsboro.
Lyle O. Kistler, Joy.
Robert J. Wilson, Kewanee.
Richard L. Lauwerens, Kincaid.
Charles W. Farley, La Grange.
George H. Wales, Lanark.
Mary Reardon, La Salle.
Joseph E. Fitzgerald, Lockport.
John W. Hines, Lovington.
George K. Brenner, Madison.
Daisy Lindsey, Mahomet.
Nicholas A. Schilling, Mascoutah.
John A. Peters, Mason City.
Clyde E. Wilson, Melvin.
Hazel E. Davis, Minier.
Margaret M. Maue, Mokena.
Emil J. Johnson, Moline.
Lawrence E. Hodges, Mount Prospect.
Walter D. Wacaser, Mount Pulaski.
William Raymond Grigg, Mount Vernon.
Thomas J. Studley, Neponset.
John L. Mead, New Boston.
Paul B. Laugel, Newton.
Henry B. Shroyer, New Windsor.
George G. Martin, Noble.
William P. Carlton, Oblong.
Ralph Van Matre, Olney.
William Kehe, Jr., Palatine.
Walter Hill, Pana.
Michael E. Sullivan, Park Ridge.
Paul R. Smoot, Petersburg.
Martin J. Naylon, Polo.
Marguerite A. Lamb, Port Byron.
Harlow B. Brown, Princeton.
Homer J. Swope, Quincy.
Mary Convery, Raymond.
Ben W. Sharp, Reynolds.
Lorenz M. Lies, Riverside.
Floyd J. Tilton, Rochelle.
Robert E. Harper, Rock Falls.
Joseph L. Molidor, Round Lake.
Margaret Hawley, Sandoval.
Helen G. McCarthy, St. Charles.
Charles C. Wheeler, Sandwich.
Joseph M. Ward, Sterling.
Marie E. Holquist, Stillman Valley.
Marcus M. Wilber, Sorento.
James Wheeler Davis, Troy.
Grove Harrison, Viola.
Armand Rossi, Wilsonville.
Zeno G. Stoecklin, Wood River.
Croy Howard, Xenia.
Frances T. Johnson, Yates City.
Mervin N. Beecher, Yorkville.

INDIANA

Neil D. Thompson, Argos.
J. Russell Byrd, Bloomfield.
Richard A. Conn, Brook.
Edward M. Cripe, Camden.
Lowell B. Pontius, Claypool.
Grover C. Rainbolt, Corydon.
Oscar J. Sauerman, Crown Point.
Fletcher T. Strang, Culver.
Joseph J. Hartman, Earl Park.
Frank S. Dubczak, East Chicago.
James E. Freeman, Ellettsville.
Henry M. Mayer, Evansville.
Chester Wagoner, Flora.
Leo McGrath, Fowler.
Grace O. Welden, Francesville.
Charles H. Apple, French Lick.
William J. O'Donnell, Gary.
Orville Martin, Grand View.
Pearl E. Barnes, Hamlet.
John Victor Gidley, Hebron.
Joseph E. Mellon, Hobart.
Ivan Conder, Jasonville.
Carroll W. Cannon, Knox.
Ira J. Dye, Kouts.
Thomas S. Stephenson, Leavenworth.
Paul E. Byrum, Milltown.
Frank Chastain, Mitchell.
John H. Smith, Monon.
Charles A. Good, Monterey.
Galen Benjamin, Monticello.
George H. Clarkson, Morocco.
Albert M. Leis, Mount Saint Francis.
William S. Darneal, New Albany.
Charles A. Webster, North Vernon.
Harold C. Atkinson, Oxford.
John F. Boyle, San Pierre.
Harry E. Patterson, Thorntown.
James C. Talbott, Veterans' Administration Hospital.
Henry Backes, Washington.
Oscar M. Shively, Yorktown.

KANSAS

George E. Broadie, Ashland.
Sophia Kesselring, Atwood.
Irvin T. Hocker, Baxter Springs.
Charles Ward Smull, Bird City.
Orville E. Heath, Chetopa.
John J. Menard, Clyde.
Carl G. Eddy, Colby.
Eyman Phebus, Coldwater.
Nell C. Graves, Columbus.
Page Manley, Elk City.
Charles F. Mellenbruch, Fairview.
Elbert Holcomb, Fredonia.
Max Y. Sawyer, Galena.
Homer I. Shaw, Galesburg.
Charles H. Ryan, Girard.
Henry A. Mason, Gypsum.
Joseph B. Basgall, Hays.
David E. Walsh, Herndon.
William A. B. Murray, Holyrood.
William A. Harris, Le Roy.
Francis G. Burford, Longton.
Elizabeth Mansfield, Lucas.
Pearl W. Smith, Meade.
Robert E. Deveney, Meriden.
Grace E. Wilson, Milford.
Eunice E. Buche, Miltonvale.
Charles H. Wilson, Moline.
Mary M. Browne, Norton.
Charles Huffman, Norwich.
Noah D. Zeigler, Oakley.
John C. Carpenter, Oswego.
Edison Brack, Otis.
Ralph L. Hinnen, Potwin.
Vie Peacock, Protection.
Robert R. Morgan, Rexford.
Leigh D. Dowling, St. Francis.
Walter S. English, Scandia.
Esta S. Riseley, Stockton.
Margaret A. Schafer, Vermillion.
Paul L. Turgeon, Wilson.
James L. Morrissey, Woodston.

LOUISIANA

Winnie H. Arras, Gramercy.
Maurice Primeaux, Kaplan.
Oliver Dufour, Marrero.
Mary H. David, Pineville.
Isidore A. Currault, Westwego.
Robert E. Loudon, Zachary.

MAINE

Nelson A. Harnden, Belgrade Lakes.
Lloyd V. Cookson, Hartland.
Cyril Cyr, Jackman Station.
James A. McDonald, Machias.
Lillian L. Guptill, Newcastle.
Mary E. Donnelly, North Vassalboro.
Milton Edes, Sangerville.
Frank R. Madden, Skowhegan.

MARYLAND

William A. Strohm, Annapolis.
William B. Usilton, Chestertown.
Robert Conroy, Forest Glen.
Charles A. Bechtold, Fort George G. Meade.
Lillie M. Pierce, Glyndon.
Elizabeth H. S. Boss, Laurel.
Henry J. Paul, Linthicum Heights.
William F. Keys, Mount Rainier.
John E. Morris, Princess Anne.
Joseph Wilmer Baker, Union Bridge.

MASSACHUSETTS

George F. Cramer, Amherst.
Lauri O. Kauppinen, Baldwinsville.
John E. Mansfield, Bedford.
Henry J. Cottrell, Beverly.
Frances A. Rogers, Billerica.
Arthur A. Hendrick, Brockton.
John R. McManus, Concord.
Raymond W. Comiskey, Dover.
John J. Quinn, Jr., East Douglas.
Ellen M. O'Connor, East Taunton.
Edward C. Pelissier, Hadley.
Thomas V. Sweeney, Harding.
Mary E. Sheehan, Hatfield.
Josephine R. McLaughlin, Hathorne.
Catherine A. McCasland, Hinsdale.
Charles A. Cronin, Lawrence.
Thomas A. Wilkinson, Lynn.
Gladys V. Crane, Merrimac.
James F. McClusky, Middleboro.
James Sheehan, Millis.
William T. Martin, Monterey.
William F. Leonard, Nantasket Beach.
Ephrem J. Dion, Northbridge.
John E. Harrington, North Chelmsford.
Lawrence D. Quinlan, Northfield.
James B. Logan, North Wilbraham.
Alexander John MacQuade, Osterville.
Elizabeth C. Hall, Point Independence.
James G. Cassidy, Sheffield.
Charles A. McCarthy, Shirley.
George M. Lynch, Somerset.
William F. O'Toole, South Barre.
Alice C. Redlon, South Duxbury.
William J. Farley, South Hanson.
John F. Malone, Southwick.
Harvey E. Lenon, Swansea.

Arthur J. Fairgrieve, Tewksbury.
John J. Kent, Jr., West Bridgewater.
Margaret E. Coughlin, West Concord.
John H. Fletcher, Westford.
Raymond F. Gurney, Wilbraham.
Thaddeus F. Webber, Winchendon.
Philip J. Gallagher, Woburn.

MINNESOTA

Dean M. Alderman, Grey Eagle.
Arthur S. Peterson, Houston.
Lee L. Champlin, Mankato.
Chester J. Gay, Moose Lake.
Henry A. C. Saggau, Ceylon.
Gilbert P. Finnegan, Eveleth.
Catherine C. Burns, Glenwood.
Alphonse F. Scheibel, Mountain Lake.
Hjalmer A. Johnson, Soudan.
Teresa L. Wolf, Staples.
Paul J. Arndt, Stillwater.
Daniel M. Coughlin, Waseca.
Ernest F. Schroeder, Wells.

MISSISSIPPI

Lewis F. Henry, Carthage.
Grace B. McIntosh, Collins.
Ida F. Thompson, Dio.
Brooksie J. Holt, Duncan.
Emma D. Trim, Hermanville.
Ida E. Ormond, Forest.
Frances G. Wimberly, Jonestown.
Florence Churchwell, Leakesville.
William M. Alexander, Moss Point.
Clemmie A. McCoy, New Augusta.
William C. Mabry, Newton.
Carson Hughes, Oakland.
Lewis M. McClure, Ocean Springs.
Robert A. Dean, Okolona.
Viva H. McInnis, Rosedale.
James F. Howry, Sardis.
Hermine D. Lamar, Senatobia.
Ossie J. Page, Sumrall.
Alfis F. Holcomb, Waynesboro.
Beall A. Brock, West.
Buren Broadus, Wiggins.

MISSOURI

Sadie G. Morehead, Milan.

NEVADA

Anne M. Holcomb, Battle Mountain.
Pauline Hjul Hurley, Eureka.
Lem S. Allen, Fallon.
Frank F. Garside, Las Vegas.

NORTH CAROLINA

John F. Lynch, Erwin.
William S. Harris, Mebane.
John A. Williams, Oxford.
Basil D. Barr, West Jefferson.
Thomas D. Boswell, Yanceyville.

NORTH DAKOTA

William E. Ravely, Edgeley.
George W. McIntyre, Jr., Grafton.
Max A. Wipperman, Hankinson.
Richard J. Leahy, McHenry.
Wesley P. Josewski, Maxbass.
Anthony Hentges, Michigan.
Caroline Lipinski, Minto.
Louis J. Allmaras, New Rockford.
Charles K. Otto, Valley City.
Arthur W. Hendrickson, Walcott.
Coral R. Campion, Willow City.
Andrew D. Cochrane, York.

SOUTH DAKOTA

John Evans, Agar.
George E. Hagen, Armour.
Mary A. Hornstra, Avon.
George B. Brown, Clark.
Edward P. Amundson, Colton.
Harm P. Temple, Davis.
Lulu A. Turner, Ethan.
Edward L. Fisher, Eureka.
Mary A. Ralph, Henry.
Harold L. Fetherhuff, Herreid.
Edwin H. Bruemmer, Huron.
Clarence W. Richards, Kimball.
Ella M. Ottum, Mellette.
Josephine C. Eggerling, Orient.
George L. Egan, Parker.
Cleveland F. Brooks, Platte.
Ena C. Erling, Raymond.
Fae Thompson, St. Lawrence.
Philip A. McMahon, Salem.
James Gaynor, Springfield.
William P. Smith, Stickney.
Orville U. Melby, Summit.
Joseph S. Petrik, Tabor.
Oscar I. Ohman, Toronto.
Kathryn M. McCoy, Tulare.
Matt McCormick, Tyndall.

TENNESSEE

Mabel W. Hughes, Arlington.
Cyril W. Jones, Athens.
Donald B. Todd, Etowah.
Etoile Johnson, Doyle.
Pearl A. Russell, Ducktown.
Vola W. Mansfield, Dunlap.
LeRoy J. Eldredge, Hixson.
Albert A. Trusler, Jonesboro.
Thomas D. Walker, Kerrville.
Burleigh L. Day, Pressmen's Home.
Irene M. Cheairs, Spring Hill.
Ocie C. Hawkins, Stanton.
Clarence E. Kilgore, Tracy City.

TEXAS

Marguerite A. Mullen, Alice.
Charles Y. Shultz, Alvarado.
Andrew J. McDonald, Alvord.
Winnette D. DeGrassi, Amarillo.
Nat Shick, Big Spring.
Lee Brown, Blanco.
Paul V. Bryant, Canadian.
James R. Eanes, Comanche.
John M. O. Littlefield, Crosbyton.
Alva Spencer, Crowell.
Opal Farris, Daisetta.
Jack M. Wade, Dalhart.
Willie N. Cargill, Eddy.
A. Warren Dunn, Fort Stockton.
Sant M. Perry, Frankston.
Stephen S. Perry, Freeport.
Robert A. Lyons, Jr., Galveston.
John M. Sharpe, Georgetown.
William E. Porter, Glen Rose.
Tom S. Kent, Jr., Grapeland.
Allen A. Collet, Handley.
Leonard B. Baldwin, Huntsville.
Charles R. Conley, Iredell.
Henry W. Hoffer, Kaufman.
Charles D. Grady, Keene.
Gober L. Gibson, Kerrville.
Clyde E. Perkins, Kirkland.
George T. Elliott, Kress.
Russell B. Cope, Loraine.
Edward I. Pruett, Marfa.
Perry Hartgraves, Menard.
Glad C. Campbell, Mertzon.
Myrtle M. Hatch, Mission.
Oland A. Walls, Naples.
Effie Rasmussen, Needville.

William W. Spear, Nixon.
William A. Gillespie, Overton.
Benjamin F. Hobson, Paducah.
John W. Waide, Paint Rock.
Morris W. Collie, Pecos.
Mamie Milam, Prairie View.
Charles G. Conley, Quanah.
Otis T. Kellam, Robstown.
Claude F. Norman, Rule.
Ora L. Griggs, Sanatorium.
Ferdinand L. Hersik, Schulenburg.
Susie A. Cannon, Shelbyville.
Clarence Carter, Somerville.
Willie R. Goodwin, Stinnett.
Hugh D. Burleson, Streetman.
Charles H. Grounds, Talpa.
Thomas A. Bynum, Texas City.
Emory S. Sell, Texline.
Madeline G. McClellan, Waller.
Bobbie Avary, Wickett.
Mollie S. Berryman, Willis.
Paul E. Jette, Wink.
Lou A. Sioma, Yorktown.
Emilie K. Dew, Ysleta.

VERMONT

Ward L. Lyons, Bennington.
Earle J. Rogers, Cabot.
Hollis S. Johnson, Castleton.
Rutherford D. Pfenning, Forest Dale.
Frank J. Donahue, Middlebury.
Patrick J. Candon, Pittsford.
Mary F. Brown, Readsboro.
Herbert B. Butler, St. Albans.
Rosa M. Stewart, Tunbridge.
Timothy J. Murphy, Windsor.

HOUSE OF REPRESENTATIVES

WEDNESDAY, JUNE 8, 1938

The House met at 11 o'clock a. m.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Have mercy upon us, O God; accord unto us Thy loving kindness. According to the multitude of Thy tender mercies, blot out our transgressions. Create in us all clean hearts and renew within us a right spirit. Be with any who may be of a troubled heart or necessitous, or whose better natures tremble and are afraid. Let Thy arms be unto us as our earthly parents', sustaining and helping us as we walk the crowded ways of life. In our varied experiences, O Lord, with their breaking wonders and disappointments, may we labor steadily on in the fields of faith, bringing forth fruit that shall honor our generation. In our country's ebb and flow, may it always disclose the things that shall live and never die. In the name of our Redeemer. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed without amendment bills and joint resolutions of the House of the following titles:

H. R. 146. An act to require contractors on public-building projects to name their subcontractors, material men, and supply men, and for other purposes;

H. R. 1252. An act for the relief of Ellen Kline;

H. R. 1476. An act for the relief of Mrs. W. E. Bouchey;

H. R. 1737. An act for the relief of Marie Frantzen McDonald;

H. R. 1744. An act for the relief of Grant H. Pearson, G. W. Pearson, John C. Rumohr, and Wallace Anderson;

H. R. 2347. An act for the relief of Drs. M. H. DePass and John E. Maines, Jr., and the Alachua County Hospital;

H. R. 3313. An act for the relief of William A. Fleek;

H. R. 4033. An act for the relief of Antonio Masci;

H. R. 4232. An act for the relief of Barber-Hoppen Corporation;

H. R. 4304. An act for the relief of Hugh O'Farrell and the estate of Thomas Gaffney;

H. R. 4668. An act for the relief of James Shimkunas;

H. R. 5166. An act to relinquish the title or interest of the United States in certain lands in Houston (formerly Dale) County, Ala., in favor of Jesse G. Whitfield or other lawful owners thereof;

H. R. 5592. An act to amend an act entitled "An act extending the homestead laws and providing for right-of-way for railroads in the District of Alaska, and for other purposes", approved May 14, 1898 (30 Stat. 409, 414);

H. R. 5904. An act for the relief of L. P. McGown;

H. R. 5957. An act for the relief of LeRoy W Henry;

H. R. 6243. An act to authorize a survey of the old Indian trail and the highway known as "Oglethorpe Trail" with a view of constructing a national roadway on this route to be known as "The Oglethorpe National Trail and Parkway";

H. R. 6404. An act for the relief of Martin Bevilacque;

H. R. 6508. An act for the relief of Gladys Legrow.

H. R. 6646 An act for the relief of Dr. A. J. Cottrell;

H. R. 6689. An act for the relief of George Rendell, Alice Rendell, and Mabel Rendell;

H. R. 6847. An act for the relief of the Berkeley County Hospital and Dr J. N. Walsh;

H. R. 6936. An act for the relief of Joseph McDonnell;

H. R. 6950. An act for the relief of Andrew J. McGarraghy;

H. R. 7040. An act for the relief of Forest Lykins;

H. R. 7421. An act for the relief of E. D. Frye;

H. R. 7548. An act for the relief of J. Lafe Davis and the estate of Mrs. J. Lafe Davis;

H. R. 7590. An act to quiet title and possession to certain islands in the Tennessee River in the counties of Colbert and Lauderdale, Ala.;

H. R. 7639. An act for the relief of Al D. Romine and Ann Romine;

H. R. 7734. An act conferring jurisdiction upon the United States District Court for the Southern District of Ohio to hear, determine, and render judgment upon the claim of A. L. Eldridge;

H. R. 7761. An act for the relief of Sibbald Smith;

H. R. 7817. An act for the relief of C. G. Bretting Manufacturing Co.;

H. R. 7834. An act to amend the act entitled "An act to provide compensation for disability or death resulting from injuries to employees in certain employments in the District of Columbia, and for other purposes";

H. R. 7855. An act for the relief of Frieda White;

H. R. 7880. An act to amend the Veterans Regulation No. 10 pertaining to "line of duty" for peacetime veterans, their widows, and dependents, and for other purposes;

H. R. 7933. An act to facilitate the control of soil erosion and/or flood damage originating upon lands within the exterior boundaries of the San Bernardino and Cleveland National Forests in Riverside County, Calif.;

H. R. 7998. An act for the relief of the First National Bank & Trust Co. of Kalamazoo, Kalamazoo, Mich.;

H. R. 8134. An act to quiet title and possession to certain lands in the Tennessee River in the counties of Colbert and Lauderdale, Ala.;

H. R. 8192. An act for the relief of Herbert Joseph Dawson;

H. R. 8193. An act for the relief of the Long Bell Lumber Co.;

H. R. 8252. An act to quiet title and possession to a certain island in the Tennessee River in the county of Lauderdale, Ala.;

H. R. 8376. An act for the relief of James D. Larry, Sr.;

H. R. 8543. An act for the relief of Earl J. Lipscomb;

H. R. 8565. An act defining the compensation of persons holding positions as deputy clerks and commissioners of United States district courts, and for other purposes;

H. R. 8665. An act to amend section 3336 of the Revised Statutes, as amended, pertaining to brewers' bonds, and for other purposes;

H. R. 8729. An act granting pensions and increases of pensions to needy war veterans;

H. R. 8773. An act to authorize the Secretary of the Interior to dispose of surplus buffalo and elk of the Wind Cave National Park herd, and for other purposes;

H. R. 8794. An act to provide for holding terms of the District Court of the United States for the Eastern District of Virginia at Newport News, Va.;

H. R. 8835. An act for the relief of Fred H. Kocor;

H. R. 8916. An act for the relief of N. W. Ludowese;

H. R. 9200. An act for the relief of Filomeno Jiminez and Felicitas Dominguez;

H. R. 9201. An act for the relief of the Federal Land Bank of Berkeley, Calif., and A. E. Colby;

H. R. 9203. An act for the relief of certain postmasters and certain contract employees who conducted postal stations;

H. R. 9214. An act for the relief of C. O. Hall;

H. R. 9227. An act to amend an act entitled "An act to authorize boxing in the District of Columbia, and for other purposes";

H. R. 9287. An act to authorize the Cairo Bridge Commission, or the successors of said commission, to acquire by purchase, and to improve, maintain, and operate a toll bridge across the Mississippi River at or near Cairo, Ill.;

H. R. 9371. An act authorizing the grant of a patent for certain lands in New Mexico to Mitt Taylor;

H. R. 9374. An act for the relief of the Robert E. Lee Hotel;

H. R. 9404. An act to provide for the establishment of a commissary or vending stand in the Washington Asylum and Jail;

H. R. 9417. An act to amend the District of Columbia Alcoholic Beverage Control Act;

H. R. 9468. An act to amend the act of May 13, 1936, providing for terms of the United States district court at Wilkes-Barre, Pa.;

H. R. 9475. An act to create a commission to procure a design for a flag for the District of Columbia, and for other purposes;

H. R. 9523. An act to add certain lands to the Ochoco National Forest, Oreg.;

H. R. 9557. An act to authorize the Secretary of Commerce to dispose of material of the Bureau of Lighthouses to the sea scout department of the Boy Scouts of America;

H. R. 9611. An act to permit sales of surplus scrap materials of the Navy to certain institutions of learning;

H. R. 9683. An act to amend the act of June 25, 1910, relating to the construction of public buildings, and for other purposes;

H. R. 9707. An act to authorize the conveyance of the old lighthouse keeper's residence in Manitowoc, Wis., to the Otto Oas Post No. 659, Veterans of Foreign Wars of the United States, Manitowoc, Wis.;

H. R. 9848. An act to require that horses and mules belonging to the United States which have become unfit for service be destroyed or put to pasture;

H. R. 9933. An act to authorize the United States Golden Gate International Exposition Commission to produce and sell certain articles, and for other purposes;

H. R. 9975. An act to extend the times for commencing and completing the construction of a bridge over Lake Sabine at or near Port Arthur, Tex.;

H. R. 9983. An act authorizing the city of Greenville, Miss., and Washington County, Miss., singly or jointly, to construct, maintain, and operate a toll bridge across the Mississippi River from a point at or near the city of Greenville, Washington County, Miss., to a point at or near Lake Village, Chicot County, Ark.;

H. R. 10075. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Brownville, Nebr.;

H. R. 10154. An act to authorize the Secretary of War to lend War Department equipment for use at the 1938 National Encampment of Veterans of Foreign Wars of the United States to be held in Columbus, Ohio, from August 21 to August 26, 1938;

H. R. 10155. An act to permit articles imported from foreign countries for the purpose of exhibition at the Seventh World's Poultry Congress and Exposition, Cleveland, Ohio, 1939, to be admitted without payment of tariff, and for other purposes;

H. R. 10275. An act to extend the times for commencing and completing the construction of a bridge and causeway across the water between the mainland, at or near Cedar Point and Dauphin Island, Ala.;

H. R. 10297. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Rulo, Nebr.;

H. R. 10312. An act to amend section 3 of the act entitled "An act to protect the lives and health and morals of women and minor workers in the District of Columbia, and to establish a Minimum Wage Board, and to define its powers and duties, and to provide for the fixing of minimum wages for such workers and for other purposes", approved September 19, 1918 (40 Stat. 960, 65th Cong.);

H. R. 10455. An act to authorize the Secretary of War to proceed with the construction of certain public works in connection with the War Department in the District of Columbia;

H. R. 10462. An act to amend the act entitled "An act creating the Mount Rushmore National Memorial Commission and defining its purposes and powers", approved February 25, 1929, as amended;

H. R. 10488. An act to provide for allowing to the Gem Irrigation District and Ontario-Nyssa Irrigation District of the Owyhee project terms and payment dates for charges deferred under the Reclamation Moratorium Acts similar to those applicable to the deferred construction charges of other projects under said acts, and for other purposes;

H. R. 10530. An act to extend for 2 additional years the 3½-percent interest rate on certain Federal land-bank loans, and to provide for a 4-percent interest rate on land bank commissioner's loans until July 1, 1940.

H. R. 10611. An act to extend the times for commencing and completing the construction of a bridge across the Coosa River at or near Gilberts Ferry in Etowah County, Ala.;

H. R. 10643. An act to amend the act of August 9, 1935 (Public, No. 259, 74th Cong., 1st sess.);

H. R. 10652. An act to provide for the ratification of all joint resolutions of the Legislature of Puerto Rico and of the former legislative assembly;

H. R. 10673. An act to exempt the property of the Young Women's Christian Association in the District of Columbia from national and municipal taxation;

H. R. 10737. An act to authorize the Secretary of War to grant rights-of-way for highway purposes and necessary storm sewer and drainage ditches incident thereto upon and across Kelly Feld, a military reservation in the State of Texas; to authorize an appropriation for construction of the road, storm sewer, drainage ditches, and necessary fence lines;

H. J. Res. 582. Joint resolution supplementing and amending the act for the incorporation of Washington College of Law, organized under and by virtue of a certificate of incorporation pursuant to class 1, chapter 18, of the Revised Statutes of the United States relating to the District of Columbia;

H. J. Res. 631. Joint resolution to provide for the erection of a monument to the memory of Gen. Peter Gabriel Muhlenberg;

H. J. Res. 655. Joint resolution amending paragraph (4) of subsection (n) of section 12B of the Federal Reserve Act, as amended;

H. J. Res. 658. Joint resolution for the designation of a street or avenue to be known as "Maine Avenue"; and

H. J. Res. 672. Joint resolution for the designation of a street to be known as "Oregon Avenue", and for other purposes.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H. R. 738. An act for the relief of Asa C. Ketcham;

H. R. 1543. An act to amend section 24 of the Immigration Act of 1917, relating to the compensation of certain Immigration and Naturalization Service employees, and for other purposes;

H. R. 3610. An act to adjust the salaries of rural letter carriers;

H. R. 4258. An act for the relief of Barbara Jean Matthews, a minor;

H. R. 4285. An act to increase the salaries of letter carriers in the Village Delivery Service;

H. R. 5685. An act to facilitate the control of soil erosion and flood damage originating upon lands within the exterior boundaries of the Angeles National Forest in the State of California;

H. R. 5690. An act to amend the Longshoremen's and Harbor Workers' Compensation Act;

H. R. 6246. An act to provide for placing educational orders to familiarize private manufacturing establishments with the production of munitions of war of special or technical design, noncommercial in character;

H. R. 6586. An act to regulate the transportation and sale of natural gas in interstate commerce, and for other purposes;

H. R. 7759. An act for the relief of Susan Lawrence Davis;

H. R. 9610. An act to amend the National Firearms Act;

H. R. 9844. An act providing for the zoning of the District of Columbia and the regulation of the location, height, bulk, and uses of buildings and other structures and of the uses of land in the District of Columbia, and for other purposes;

H. R. 10261. An act authorizing the town of Friar Point, Miss., and Coahoma County, Miss., singly or jointly, to construct, maintain, and operate a toll bridge across the Mississippi River from a point at or near the town of Friar Point, Coahoma County, Miss., to a point at or near Helena, Phillips County, Ark.;

H. R. 10459. An act to amend certain provisions of law relative to the production of wines, brandy, and fruit spirits so as to remove therefrom certain unnecessary restrictions; to facilitate the collection of internal-revenue taxes thereupon; and to provide abatement of certain taxes upon wines, brandy, and fruit spirits where lost or evaporated while in the custody and under the control of the Government without any fault of the owner; and

H. R. 10650. An act to provide for a 5-year building program for the United States Bureau of Fisheries.

The message also announced that the Senate had passed bills and a joint resolution of the following titles, in which the concurrence of the House is requested:

S. 1542. An act to change the designations of the Abraham Lincoln National Park, in the State of Kentucky, and the Fort McHenry National Park, in the State of Maryland;

S. 2056. An act to increase the limitation of cost upon the construction of buildings in national parks;

S. 2412. An act for the relief of A. Pritzker & Sons, Inc.;

S. 2624. An act for the relief of Emmett Lee Payne;

S. 2651. An act to name the bridge to be erected over the Anacostia River in the District of Columbia after the late "March King," John Philip Sousa, composer of the Stars and Stripes Forever;

S. 2702. An act for the relief of James A. Ellsworth;

S. 2750. An act to amend the Packers and Stockyards Act, 1921;

S. 2792. An act to authorize the withdrawal of national-forest lands for the protection of watersheds from which water is obtained for municipalities, and for other purposes;

S. 2811. An act to amend the Judicial Code by adding thereto a new section, to be numbered 659 (1), relating to the certification, authentication, and use in evidence of documents of record or on file in public offices in the State of Vatican City;

S. 2844. An act relating to the disposition of certain funds held by the State of Mississippi on behalf of veterans of the Spanish-American War;

S. 2854. An act conferring jurisdiction upon the Court of Claims to hear and determine the claims of the Prairie Band or Tribe of Pottawatomie Indians of Kansas and Wisconsin against the United States;

S. 2927. An act to regulate the times and places of holding court in Oklahoma;

S. 3048. An act authorizing the Secretary of Commerce to convey a certain tract of land to the State of Oregon for use as a public park and recreational site;

S. 3062. An act for the relief of Thomas H. Eckfeldt;

S. 3132. An act granting to certain needy persons the right to obtain fuel from lands of the agricultural experiment station near Miles City, Mont.;

S. 3157. An act to empower the President of the United States to create new national forest units and make additions to existing national forests in the State of Montana;

S. 3203. An act to amend the act entitled "An act for the retirement of employees of the Alaska Railroad, Territory of Alaska, who are citizens of the United States," approved June 29, 1936, and for other purposes;

S. 3225. An act for the relief of Otto C. Asplund;

S. 3230. An act to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto;

S. 3251. An act for the relief of Alice Minnick;

S. 3265. An act for the relief of the officers of the Russian Railway Service Corps organized by the War Department under authority of the President of the United States for service during the war with Germany;

S. 3283. An act to authorize the Secretary of the Interior to place certain records of Indian tribes of Nebraska with the Nebraska State Historical Society, at Lincoln, Nebr., under rules and regulations to be prescribel by him;

S. 3286. An act to authorize the addition of certain lands to the Wenatchee National Forest;

S. 3292. An act to afford an opportunity of selection and promotion to certain officers of the United States Naval Academy, class of 1909;

S. 3318. An act to authorize certain payments to the American War Mothers, Inc., and others;

S. 3346. An act authorizing the Secretary of the Interior to pay salaries and expenses of the chairman, secretary, and interpreter of the Klamath General Council, members of the Klamath Business Committee, and other committees appointed by said Klamath General Council, and official delegates of the Klamath Tribe;

S. 3405. An act conferring jurisdiction upon the Court of Claims of the United States to hear, examine, adjudicate, and render judgment on the claim of the legal representative of the estate of Rexford M. Smith;

S. 3426. An act to authorize an appropriation for repayment to Middle Rio Grande Conservancy District, a subdivision of the State of New Mexico, of the share of the said district's construction and operation and maintenance costs applicable to certain properties owned by the United States, situate in Bernalillo County, N. Mex., within the exterior boundaries of the district; to authorize the Secretary of the Interior to contract with said district for future operation and maintenance charges against said lands; to authorize appropriation for extra construction work performed by said district for the special benefit of certain Pueblo Indian lands and to authorize appropriation for construction expenditures benefiting certain acquired lands of Pueblo Indians of the State of New Mexico;

S. 3493. An act providing for the suspension of annual assessment work on mining claims held by location in the United States;

S. 3503. An act to liberalize the laws providing pensions for veterans and the dependents of veterans of the Regular Establishment for disabilities or deaths incurred or aggravated in line of duty other than in wartime;

S. 3513. An act to authorize the Chief of Engineers of the Army to enter into agreements with local governments adjacent to the District of Columbia for the use of water for purposes of fire fighting only;

S. 3516. An act to alter the ratio of appropriations to be apportioned to the States for public employment officers affiliated with the United States Employment Service;

S. 3517. An act for the relief of David B. Monroe;

S. 3548. An act to amend section 9 of the Civil Service Retirement Act, approved May 29, 1930, as amended;

S. 3682. An act for the relief of Lofts & Son;

S. 3694. An act to provide for the issuance of a license to practice the healing art in the District of Columbia to Dr. Sigfried Speyer;

S. 3706. An act to establish and promote the use of standard methods of grading cottonseed, to provide for the collection and dissemination of information on prices and grades of cottonseed and cottonseed products, and for other purposes.

S. 3708. An act for the relief of Jack Lecel Haas;

S. 3745. An act to amend Public Law No. 383, Seventy-third Congress (48 Stat. L. 984), relating to Indians, by exempting from the provisions of such act any Indian tribe on the Standing Rock Reservation located in the States of North and South Dakota;

S. 3754. An act to amend sections 729 and 743 of the Code of Laws of the District of Columbia;

S. 3763. An act to increase the period for which leases may be made for grazing and agricultural purposes of public lands donated to the States of North Dakota, South Dakota, Montana, and Washington by the act of February 22, 1889, as amended;

S. 3787. An act awarding a Navy Cross to Hector Mercado;

S. 3798. An act to amend the act entitled "An act to establish a Civilian Conservation Corps, and for other purposes," approved June 28, 1937;

S. 3805. An act to adjust the lineal positions on the Navy list of certain officers of the Supply Corps of the United States Navy;

S. 3817. An act for the relief of John Haslam;

S. 3830. An act for the relief of William C. Willahan;

S. 3846. An act relating to the levying and collecting of taxes and assessments, and for other purposes;

S. 3886. An act for the relief of Otis M. Culver, Samuel E. Abbey, Robert E. Patterson, and Joseph Reger;

S. 3891. An act to provide for the reimbursement of certain enlisted men of the Navy for the value of personal effects lost in a fire at the naval air station, Hampton Roads, Va., May 15, 1936;

S. 3908. An act to authorize certain officers of the United States Army to accept such medals, orders, and decorations as have been tendered them by foreign governments in appreciation of services rendered;

S. 3916. An act for the relief of George Francis Burke;

S. 3921. An act for the relief of Remijio Ortiz;

S. 3929. An act to authorize the Legislature of Puerto Rico to create public corporate authorities to undertake slum clearance and projects, to provide dwelling accommodations for families of low income, and to issue bonds therefor; to authorize the legislature to provide for financial assistance to such authorities by the government of Puerto Rico and its municipalities, and for other purposes;

S. 3938. An act to authorize the transfer to the jurisdiction of the Secretary of the Treasury of portions of the property within the military reservation known as the Morehead City Target Range, N. C., for the construction of improvements thereon, and for other purposes;

S. 3969. An act to amend section 23 of the act of March 4, 1909, relating to copyrights;

S. 3986. An act to amend subsection (d) of section 202 of the Agricultural Adjustment Act of 1938, as amended;

S. 3989. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Arrow Rock, Mo.;

S. 3990. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Miami, Mo.;

S. 4000. An act to authorize appropriations for construction and rehabilitation at military posts, and for other purposes;

S. 4005. An act for the relief of Ida May Swartz;

S. 4007. An act authorizing the county of Lawrence, Ky., to construct, maintain, and operate a free highway bridge across the Big Sandy River at or near Louisa, Ky.;

S. 4011. An act to extend the time for completing the construction of a bridge across the Mississippi River at or near a point between Cherokee and Osage Streets, St. Louis, Mo.;

S. 4024. An act authorizing advancements from the Federal Emergency Administration of Public Works for the construction of certain municipal buildings in the District of Columbia, and for other purposes;

S. 4027. An act providing that excess-land provisions of Federal reclamation laws shall not apply to certain lands that will receive a supplemental water supply from the Colorado-Big Thompson project;

S. 4041. An act granting the consent of Congress to the State of New Jersey and the Commonwealth of Pennsylvania to enter into compacts or agreements with respect to constructing, maintaining, and operating a vehicular tunnel under the Delaware River;

S. 4048. An act to amend section 4197 of the Revised Statutes, as amended (46 U. S. C. 91), and section 4200 of the Revised Statutes (46 U. S. C. 92), and for other purposes;

S. 4050. An act to repeal section 2 of the act of June 16, 1936, authorizing the appointment of an additional district judge for the eastern district of Pennsylvania;

S. 4057. An act to amend the act entitled "An act authorizing an appropriation to effect a settlement of the remainder due on Pershing Hall, a memorial already erected in Paris, France, to the commander in chief, officers, and men of the Expeditionary Forces, and for other purposes," approved June 28, 1935;

S. 4069. An act to authorize the Secretary of War to lend certain property to the reunion committee of the United Confederate Veterans, to be used at their annual encampment to be held at Columbia, S. C., from August 30 to September 2, 1938;

S. 4070. An act to authorize the attendance of the Marine Band at the United Confederate Veterans' 1938 reunion, at Columbia, S. C., from August 30 to September 2, 1938, both dates inclusive;

S. 4076. An act to amend the Federal Crop Insurance Act;

S. 4090. An act to provide for the care and treatment of juvenile delinquents;

S. 4096. An act to authorize the erection within the Canal Zone of a suitable memorial to the builders of the Panama Canal and others whose distinguished services merit recognition by the Congress;

S. 4126. An act to amend the act authorizing the construction of a bridge at South Sioux City, Nebr.;

S. 4132. An act limiting the hours of labor of certain officers and seamen on certain vessels navigating the Great Lakes and adjacent waters;

S. 4144. An act to amend section 1 of an act entitled "An act granting the consent of Congress to the county of Pierce, a legal subdivision of the State of Washington, to construct, maintain, and operate a toll bridge across Puget Sound, State of Washington at or near a point commonly known as The Narrows, and to extend the times for commencing and completing the construction of such bridge; and

S. J. Res. 212. Joint resolution to investigate the claims against the United States of certain members of the Wisconsin Band of Pottawatomie Indians.

The message also announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 593. An act for the relief of the estate of W. K. Hyer;

S. 988. An act to amend an act entitled "An act to establish in the Bureau of Foreign and Domestic Commerce of the Department of Commerce a Foreign Commerce Service of the United States, and for other purposes," approved March 3, 1927, as amended;

S. 1274. An act for the relief of John H. Owens;

S. 1878. An act for the relief of Mary Way;

S. 2009. An act to authorize the payment of certain obligations contracted by the Perry's Victory Memorial Commission;

S. 2051. An act for the relief of John F. Fitzgerald;

S. 2208. An act for the relief of Bruce G. Cox and Harris A. Alister;

S. 2417. An act for the relief of Samuel L. Dwyer;

S. 2553. An act for the relief of E. E. Tillett;

S. 2566. An act for the relief of the Blue Rapids Gravel Co., of Blue Rapids, Kans.;

S. 2643. An act for the relief of Mr. and Mrs. James Crawford;

S. 2798. An act for the relief of Edith Jennings and Patsy Ruth Jennings, a minor;

S. 2802. An act for the relief of Carl Orr, a minor;

S. 3002. An act for the relief of the holders of the unpaid notes and warrants of the Verde River Irrigation and Power District, Arizona;

S. 3056. An act for the relief of Dorothy Anne Walker, a minor;

S. 3102. An act for the relief of the estate of Raquel Franco;

S. 3111. An act for the relief of the estate of Lillie Liston and Mr. and Mrs. B. W. Trent;

S. 3147. An act for the relief of Mr. and Mrs. S. A. Felsenthal, Mr. and Mrs. Sam Friedlander, and Mrs. Gus Levy;

S. 3215. An act for the relief of Griffith L. Owens;

S. 3300. An act for the relief of Pearl Bundy; and

S. 3836. An act relating to the manner of securing written consent for the reconcentration of cotton under section 383 (b) of the Agricultural Adjustment Act of 1938.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 7158) entitled "An act to except yachts, tugs, towboats, and unrigged vessels from certain provisions of the act of June 25, 1936, as amended."

The message also announced that the Senate disagrees to the amendment of the House to the bill (S. 1478) entitled "An act conferring jurisdiction on the Court of Claims to hear and determine the claims of the Choctaw Indians of the State of Mississippi," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. WHEELER, Mr. CHAVEZ, and Mr. FRAZIER to be the conferees on the part of the Senate.

The message also announced that the Senate had adopted the following order:

Ordered, That the Secretary be directed to request the House of Representatives to return to the Senate the bill (H. R. 146) to require contractors on public-building projects to name their subcontractors, materialmen, and supply men, and for other purposes.

LEAVE OF ABSENCE

Mr. ROBINSON of Utah. Mr. Speaker, I ask indefinite leave of absence for my colleague, Mr. MURDOCK, on account of sickness. He was operated on last night for appendicitis.

The SPEAKER. Is there objection?

There was no objection.

WYOMING CHEESE

Mr. GREEVER. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. GREEVER. Mr. Speaker, I take the floor for this brief period to make an announcement.

In the State of Wyoming, among many other beautiful places, there is situated on the western slope of the Rocky Mountains, at the extreme western edge of the State, a beautiful valley commonly referred to as the Star Valley and referred to quite often as the Switzerland of America. This latter appellation arises not only from the marvelous scenery which exists in this valley which is 50 miles long and entirely surrounded by mountains, but also from the fact that it is one of the great cheese-making centers in the United States. The valley is populated by a high class of thrifty citizens and the rich valley furnishes the grasses and feed which makes this industry possible. From this valley residents have sent to the Wyoming Congressional delegation an enormous Swiss cheese weighing 250 pounds. I have asked the House of Representatives dining room to serve this cheese to the Members at luncheon this noon. I see on the floor of this House Members who come from other dairying and cheese-making centers in the United States. Out in Wyoming we feel that the cheese made in this valley is the finest cheese made anywhere in the world and I cordially invite you all today to partake with me of this delicious product of our State. [Applause.]

EXTENSION OF REMARKS

Mr. ZIMMERMAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a statement made by the late Speaker, Mr. Champ Clark.

The SPEAKER. Is there objection?

There was no objection.

LEAVE TO SIT DURING SESSIONS OF HOUSE

Mr. CHAPMAN. Mr. Speaker, I ask unanimous consent that the various subcommittees of the Committee on Interstate and Foreign Commerce may sit during the session of the House today.

The SPEAKER. Is there objection?

Mr. CHURCH. Mr. Speaker, I object.

SECOND DEFICIENCY APPROPRIATION BILL, 1938

Mr. WOODRUM. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 10851) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1938, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1938, and June 30, 1939, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 10851, with Mr. MCREYNOLDS in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

THOMAS JEFFERSON MEMORIAL COMMISSION

For the purposes authorized under the provisions of the act entitled "An act to authorize the execution of plans for a permanent memorial to Thomas Jefferson," approved June 3, 1936 (49 Stat. 1397), including commencement of construction of such memorial, $500,000, to remain available until expended.

Mr. SCOTT. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. SCOTT: Page 7, line 7, strike out all of lines 7, 8, 9, 10, 11, 12, and 13.

Mr. SCOTT. Mr. Chairman, this is the amendment to strike out the recommendation of $500,000 for starting a memorial to Thomas Jefferson in the District of Columbia, the memorial to take the form, as was suggested by the architect, Mr. Pope, which would create another Hadrian's Tomb in the District of Columbia. The committee will, of course, understand the $500,000 is the initial appropriation. It is contemplated that the expenditure will run at least to $3,000,000 for this memorial. Nobody can say for sure that it will not be more than $3,000,000. Personally, I cannot recall any instance where an appropriation of this kind did not run into more than the amount that was contemplated.

Mr. CULKIN. Mr. Chairman, will the gentleman yield?

Mr. SCOTT. In a moment. When the work starts, something invariably happens to increase the expenditure, to increase the cost, of a thing of this kind. Even so, if the expenditure could be limited to $3,000,000, I do not believe that this is the proper time to call for an expenditure of $3,000,000 for a pile of marble. I yield to the gentleman from New York.

Mr. CULKIN. Mr. Chairman, the gentleman is making an unfair inference here and doing it very skillfully. The fact is that it will not cost to exceed $3,000,000, and the Commission's figures definitely assure us on that point. I know the gentleman wants to be fair.

Mr. SCOTT. I hope that I am being fair about it, but is there anyone right now who can give definite assurance to the House, to this Committee, that the memorial will not cost more than $3,000,000?

Mr. CULKIN. The Commission does give that assurance.

Mr. SCOTT. In what way?

Mr. CULKIN. And I say that the alternative plan will cost $14,000,000.

Mr. SCOTT. I have no alternative plan to suggest. I simply say that this is not the proper time to appropriate the beginning of $3,000,000 or more to build a memorial out of marble to Thomas Jefferson in the District of Columbia.

Mr. CULKIN. The gentleman has a right to take that position, but he is making an unfair inference when he suggests in a veiled way that it will cost more than $3,000,000, because I can assure him now that the Commission has approached this question carefully, and it will not cost $3,000,000.

Mr. SCOTT. Oh, I have heard statements of that kind before many times—"If you give this we won't ever ask for any more," and then next year, "This happened and we have to have some more."

Mr. CRAWFORD. Can the gentleman from California tell us about the date these estimated costs were prepared?

Mr. SCOTT. When was the Commission established?

Mr. CULKIN. Nineteen hundred and thirty-five; established by this Congress and given authority to go ahead.

Mr. CRAWFORD. This $3,000,000 cost, then, was calculated at that time by the architects and the contractors.

Mr. SCOTT. That is my understanding.

Mr. CULKIN. I do not like to take the gentleman's time, but——

Mr. SCOTT. That is all right; the question can be argued. When was the estimate of $3,000,000 made?

Mr. CULKIN. The figures are very recent, within 4 months, I may say to the gentleman.

Mr. CRAWFORD. I do not know what the gentleman has in mind. As a matter of fact, on this subject I am just about as ignorant as a white man could be, but I do know that when it comes to preparing estimates for buildings—I am now drawing from experience—an estimate made now that would purport to guarantee that this job would not cost over $3,000,000, would not be worth 3 cents, because we are doing everything possible to increase prices not only of labor but also of material, the cost of which is made up largely of labor.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. SCOTT. I yield.

Mr. RICH. Does not the gentleman feel strongly that a memorial to Thomas Jefferson in the form of an auditorium or some other worth-while thing would be more appropriate?

Mr. SCOTT. I think so.

Mr. Chairman, I ask that the amendment be adopted.

[Here the gavel fell.]

Mr. SNYDER of Pennsylvania. Mr. Chairman, I rise in opposition to the motion.

Mr. Chairman, Congress created this Commission headed by our loyal colleague, the gentleman from New York [Mr. BOYLAN]. I do not think that the Members of the House know that under the provisions creating this Commission it could have gone ahead and contracted for this monument and so tied the hands of Congress that we would have had to appropriate the money for it. These honest and honorable gentlemen did not do that. They come to Congress asking for the appropriation before they tie this up with a contract.

There has been a squabble for a number of years between the real-estate people in this city and the newspapers concerning the Thomas Jefferson memorial. Mr. Chairman, if there is one character in American history and among American statesmen who should have a monument built at this time it is Thomas Jefferson.

I just want to call your attention to the completion of the cross, which would be accomplished by the building of this monument. We have the Capitol at one end—the base—and two-thirds of the way down the Mall we have the Washington Monument, and another third of the way down the Mall we have the Lincoln Memorial. On the right arm of the cross is the White House. To complete the cross and furnish a left arm we would build the Jefferson memorial. Can you think of any memorial to a great institution—I will call Thomas Jefferson an institution—which would cost as little as $3,000,000?

Mr. CULKIN. Mr. Chairman, will the gentleman yield?

Mr. SNYDER of Pennsylvania. I yield.

Mr. CULKIN. The publicity on this matter has been for the purpose of compelling this Congress to build an auditorium for the benefit of the city of Washington.

Mr. SNYDER of Pennsylvania. That is right.

Mr. CULKIN. They are not concerned about the memorial to Jefferson, but they are concerned about getting an auditorium for nothing; and that is the crux of this whole thing. I hope that Congress will not be deceived, because that is the real issue.

Mr. SNYDER of Pennsylvania. That is true. I may also say that I personally think it would be a noble thing to stand by our colleague, the gentleman from New York [Mr. BOYLAN] and the other Members of Congress on this Commission and put this thing across at this opportune time.

Mr. CULKIN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, there has been so much fog, so many smoke screens, and so much misunderstanding thrown into this memorial situation that some of the members of the Commission—and I am one of those unfortunate persons—have remained more or less silent up to this time. As I said in the House yesterday, this monument, this site, the selection of the architect, and every phase of this proposition to memorialize so far as possible by mere marble the memory of Jefferson, has had back of it the best Jeffersonian students of America. Do not be misled by patter and loose discussion on this point.

Stewart McGibbony, the man who rescued Monticello from destruction, is a member of this Commission. Fiske Kimball, one of the outstanding architects of America, a close student of Jefferson's architecture, who wrote a splendid book on Jefferson in architecture, has been at all times present at these proceedings. Mr. Kimball has given unselfishly of his time and great talents to this problem. It has been a great pleasure to be associated with him and Mr. McGibbony. All the proprieties have been served. The Fine Arts Commission, week in and week out for 2 years,

attended our meetings. No steps were taken without its full concurrence. The man who now protests, the present Chairman of the Fine Arts Commission, sat in our meetings on several occasions and never raised a word of protest. He has now yielded to the limelight that surrounds this question.

Mr. Chairman, the issue is simply whether Congress will now honor this great American, the greatest exponent of popular rights in the history of free government, the man who gave the territory west of the Mississippi to the United States. I say that at this stage in our national career in these crucial times, a monument to Jefferson is timely. The money might better be spent in this way than in pouring sand down political ratholes or erecting marble pounds for dogs. The question is up to the House. The Commission brings this proposition back and presents it to you squarely. It represents the completed judgment of the best in Jeffersonia, the best in architecture. The Commission, I may say as a member of the Commission, and I have been fairly diligent in attending meetings, is content to leave this matter to the decision of the Congress. [Applause.]

Mr. WOODRUM. Mr. Chairman, I offer an amendment which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. WOODRUM: Page 7, line 12, after the word "Memorial", insert "under a design and on a site to be approved by the President of the United States."

Mr. WOODRUM. Mr. Chairman, whatever may be the decision of the Congress as to whether or not this Commission should be permitted to go ahead with this project, I believe it would be in the interest of expediting the proposition and of perhaps bringing a more orderly understanding out of this conflict, if the matter should be finally submitted to the President for his approval.

The amendment which I have offered is my own individual amendment, not a committee amendment. I have not had an opportunity to discuss the matter with the members of the committee after the thought occurred to me. Personally, I know there is a wide difference of opinion as to whether it ought to be this type or that type of memorial, but I believe the members of the Commission will not object to having the President approve its plans. I hope they will so indicate that they do not object.

Personally, and speaking entirely for myself, I do not like the design that has been adopted. One other design has been considered by the Commission and tentatively approved by the Fine Arts Commission that I think would be very much better than the one selected.

Mr. CULKIN. Will the gentleman yield?

Mr. WOODRUM. I yield to the gentleman from New York.

Mr. CULKIN. I may say to the gentleman on behalf of the chairman of the Commission that we have been in complete collaboration with the President at every stage of this matter and the gentleman's amendment is not only approved but is welcome. I may say to the gentleman further, that the memorial suggested as an alternate, to which the gentleman just referred, will cost, with its approaches, $14,000,000, I am advised.

Mr. WOODRUM. Not the revised one. Several designs were submitted. I am under the impression that if the authority to construct the memorial is given, and my amendment is agreed to, an agreement would be reached between the Fine Arts Commission and the Thomas Jefferson Memorial Commission. It is with that thought in mind that I offer the amendment.

Mr. BOYLAN of New York. Will the gentleman yield?

Mr. WOODRUM. I yield to the gentleman from New York.

Mr. BOYLAN of New York. I may say as chairman of the Thomas Jefferson Memorial Commission that the amendment is acceptable to the Commission.

Mr. WOODRUM. That is all I care to say.

Mr. JOHNSON of Oklahoma. Will the gentleman yield?

Mr. WOODRUM. I yield to the gentleman from Oklahoma.

Mr. JOHNSON of Oklahoma. Would the gentleman have any objection to having included also approval by the Fine Arts Commission?

Mr. WOODRUM. Yes; I would. If the gentleman will read the hearings he will see that there is much reason for the Commission saying that the Fine Arts Commission has approved it. The purpose of my amendment is to bring these two groups together. I may say to the Committee that I have discussed the matter with the President and I am confident, with this amendment in there, if the Congress should decide to let this proposition proceed, there will be an agreement between the Fine Arts Commission and the Memorial Commission.

Mr. JOHNSON of Oklahoma. Is it not a fact it was stated in committee that the chairman of the Fine Arts Commission was bitterly opposed to this plan and so stated to the committee?

Mr. WOODRUM. I understand the present chairman of the Fine Arts Commission is opposed to this design.

Mr. CULKIN. The gentleman heard my statement a moment ago that the present chairman of the Fine Arts Commission sat in our hearings on several occasions with Dr. Moore and never raised a voice in protest?

Mr. WOODRUM. That is shown in the hearings.

Mr. JOHNSON of Oklahoma. But it is the committee that is spending the money.

Mr. MAVERICK. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Virginia [Mr. WOODRUM].

WHY PUT ALL RESPONSIBILITY ON THE PRESIDENT?

Mr. Chairman, I believe the amendment offered by the gentleman from Virginia [Mr. WOODRUM] should be defeated for a very good reason. When we get into a jam around here somebody says, "Now, let us leave this up to the President," then we have no responsibility and we can wash our hands.

The Republicans can then feel vindictive because they can put the responsibility on the President, so they can abuse him.

We Democrats then feel self-righteous because we can bask in the self-glow of Presidential light, but nevertheless we have given up our responsibility.

Oh, this continuous idea, every time we get into a jam, of weeping on the shoulder of the President and passing the buck to him is wrong. The amendment should be defeated, and not only that, but I think the entire appropriation should be stricken.

Mr. SCOTT. Will the gentleman yield?

Mr. MAVERICK. I yield to the gentleman from California.

Mr. SCOTT. The amendment offered by the gentleman from Virginia [Mr. WOODRUM] has no effect on the question whether the memorial should be started by the appropriation of this $500,000?

JEFFERSON OUR GREATEST POLITICAL AND MORAL PHILOSOPHER

Mr. MAVERICK. Yes.

Mr. Chairman, I have a particular sentimental interest in Thomas Jefferson. One of my own ancesters, the Reverend James Maury, was his teacher. My grandfather, Jesse Maury, knew Thomas Jefferson. My people came from within 4 or 5 miles of Monticello. My mother was born there, and I spent many of my boyhood days there. I have read the writings of Thomas Jefferson and I love Thomas Jefferson. I believe Thomas Jefferson is the greatest American that ever lived and our greatest political philosopher and the greatest moral philosopher. He won by conscience and thought, by a love of liberty, and by blood and force.

I believe Thomas Jefferson ought to have an appropriate monument. I am interested in this matter, but I have never been able to get adequate information about it. I have never been able to understand this situation.

I have asked people to give me the details, to give me the plans, and to give me the pictures of this proposed memorial. It is all in the lap of the gods, and now we turn it over to Frankie.

TUBERCULOSIS, SYPHILIS, DWELLINGS, OUTRAGE OUR CAPITAL

What are we doing here? We have in this city the highest rate of tuberculosis of any city in the world except one. We have syphilis rampant in this town.

We have poverty here, and we have dwellings here that are an outrage to the capital of a civilized Nation. Despite that, we go ahead and spend money like this without plan, purpose.

Remember, when Jackson—I am not talking about Jefferson now—was about to die, some man got a Roman sarcophagus and sent it to him, saying, "We want to bury you in such a way that people will remember you."

Jackson sent back this word: "I do not want it. I want to be buried as the rest of the Americans are buried, in a pine coffin."

This memorial is nothing but a marble sarcophagus. It is cold marble. It does not show the warmth that was Jefferson's. It does not symbolize his soul.

But from a practical viewpoint it is something about which we know practically nothing, which ought to be enough to defeat it.

Now I yield to the gentleman from New York.

Mr. CULKIN. The gentleman is a deep student of Jefferson.

Mr. MAVERICK. I do not claim to be a deep student, but I read all I can.

Mr. CULKIN. On this Commission we had two men of the blood of Thomas Jefferson, Thomas Jefferson Coolidge and Hollins Randolph, and they are in favor of this monument.

Mr. MAVERICK. You can just forget from whom they are descended and from whom I am descended and say that this is not a practical proposition. There are hardly four men in the House who know anything about it.

Mr. CULKIN. It is their own fault.

Mr. MAVERICK. No; it is not. I have asked for information, and you men have been sitting around here dreaming.

Mr. CULKIN. The gentleman does not even read the RECORD.

Mr. MAVERICK. Nobody on earth reads it all, nor can. But the information on this monument has never been adequately presented.

Mr. TERRY. Mr. Chairman, will the gentleman yield?

Mr. MAVERICK. I yield to the gentleman from Arkansas.

Mr. TERRY. Does not the gentleman believe that in place of building a cold marble monument of this kind to Jefferson, it would be better to build a living memorial such as a hospital or something of that sort, as, for instance, endowing a course in government in some of the universities of this country like the University of Virginia, or George Washington University?

Mr. MAVERICK. Of course, we ought to do that. Jefferson was unpretentious, scholarly, shy—a lover of humanity and a believer in science. He wanted science to be developed—for humanity. So the suggestion of the gentleman is good.

Mr. TABER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the gentleman from Virginia has offered an amendment to the section relating to the Jefferson Memorial.

This amendment seeks to turn over the selection of the site of the memorial to the President of the United States. Congress has appointed a Commission to select and have charge of the construction of this memorial. This Commission has presented its plans to you, and here on the blackboard are the designs. I am going to talk about them in just a moment.

To my mind, it is up to Congress to say whether or not it wishes to build the memorial after the Commission has selected the site. For my own part, I am against this memorial, but I do not believe we ought to turn over the selection of the site to someone else after we have turned this problem over to a commission. I will tell you why I am against this memorial. The center section, as shown on the design before me, is just like the center section of the Mellon Art Gallery. There is a square center. On one side there is a circular dome, with columns and circles. The two designs do not go together. They are different types of architecture. The entire design is one I would not want to have, and I would not dare go into it.

The selected site is to be down on the Tidal Basin, on the south side of the Tidal Basin, over near the Fourteenth Street bridge. I would not be surprised if that were a good site if the foundations were good, but I do not believe at this time we ought to go into the construction of a memorial with two different kinds of architecture in it and at a time when conditions in the country are the way they are now.

I hope the Congress will vote down the Woodrum amendment and they will vote for the amendment to strike out the paragraph.

Mr. SMITH of Virginia. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. SMITH of Virginia. Mr. Chairman, would it be proper at this time to have a vote on the Woodrum amendment and then return to a discussion of the Scott amendment?

The CHAIRMAN. The Chair will state that a vote on the Woodrum amendment will come first, of course, but the Chair will recognize gentlemen for further discussion.

Mr. SMITH of Virginia. A further parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. SMITH of Virginia. After the Woodrum amendment is voted on, can there be further debate on the Scott amendment?

The CHAIRMAN. There can be.

Mr. SMITH of Virginia. I would like the Chair to recognize me.

Mr. WOODRUM. Mr. Chairman, I ask unanimous consent that all debate on the so-called Woodrum amendment do now close.

Mr. HOFFMAN. Mr. Chairman, I desire recognition on the Woodrum amendment.

Mr. WOODRUM. I withdraw the request, Mr. Chairman.

Mr. HOFFMAN. Mr. Chairman, I rise in opposition to the Woodrum amendment and move to strike out the last word.

Mr. Chairman, the gentleman from Texas [Mr. MAVERICK] not long ago on the floor here said that the House had become a door mat and that we should, if possible, make some effort to regain our self-respect. With that statement I fully agree and call the attention of the House to the fact that we never can regain our self-respect, regain the confidence of the people who sent us here, if we continue to shirk our duty and to give to the President, so that he may give to subordinates selected by him—not elected by the people—the authority to do the things which we are elected to do.

Again comes the gentleman from Virginia [Mr. WOODRUM] and offers an amendment which, if I understand it correctly, would leave it to the President to designate the site of this monument.

Mr. WOODRUM. No; merely to approve it.

Mr. HOFFMAN. They must put it where he wants them to put it?

Mr. SCOTT. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN. Or maybe that was not accurately stated—they cannot put it where he does not want it.

Mr. MAVERICK. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN. No; I have not time.

Mr. MAVERICK. Say it nicely.

Mr. HOFFMAN. Oh, I did not know it was the distinguished gentleman from Texas. Certainly, I yield to the gentleman.

Mr. MAVERICK. I want to say the amendment means it will be wholly up to the President with respect to location, art, and everything else.

Mr. HOFFMAN. And you still think we ought to make some effort to regain our self-respect?

Mr. MAVERICK. I think it would be a good idea.

Mr. HOFFMAN. If we continue on the course that appears to be advocated by the gentleman from Virginia, where are we going to stop?

Are we to continue, every time something is to be done by Congress, to throw that duty upon the shoulders of the President and have him pass it along down the line until someone without responsibility to anyone, without authority from anyone except from some executive superior, is charged with the performance of the duties which are properly ours?

Has it come to such a pass that Congress can no longer act for itself? So accustomed have we become to the domination of the executive department that soon we will be unable to eat, drink, or sleep without asking the President's opinion.

What about going down to the House Restaurant to get lunch? Are we going to leave it up to the President to say whether we shall go or not? Suppose we want to get a haircut or get our shoes shined out in this little room, back of the lobby, are we going to leave it to the President whether we get them shined in this little room upstairs or downstairs?

Have we come to such a pass that we cannot do anything, even put up a monument or a memorial in Washington, without leaving it to the gentleman in the White House to tell us where it should be erected? We do not leave it to him. No one contends we do; that is, no one who has a knowledge of the facts. We vote this money or this authority, and we say it is at the disposal of the President, but it is not. Harry Hopkins and Ickes, when he gets home, will tell where the money is to be spent and how it is to be spent, and the President may ask some friend where the memorial is to be built.

Regain our self-respect! How are we going to do it? We cannot do it unless we make a beginning, show some signs of initiative, some evidence of responsibility.

As I said, you do not give this authority to the President, you give it to the President to give to Harry and Tommy and all of the rest of the boys down there to spend the money to elect fellows who approve of the New Deal policies.

I know the gentleman from Virginia [Mr. WOODRUM] wants to practice economy. I suppose that because he believes people should be cared for, he will vote for this bill, and I am wondering now, I really am, whether or not the gentleman realizes that after this money has been placed at the disposal of the President and he has parceled it out to Hopkins and the rest of the crew, the day will come when the gentleman from Virginia and others on that side of the Chamber having opinions of their own will have the courage to vote them, as I am sure they will, and when that day comes, you will find the President or Hopkins or Ickes or someone else using the rope you are placing in their hands to hang you politically. That is what will happen.

Mr. WOODRUM. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN. Yes.

Mr. WOODRUM. The gentleman is making the speech that he made on the relief bill. This is not a relief bill.

Mr. HOFFMAN. Oh, this is a speech on the attempt of the gentleman from Texas [Mr. MAVERICK] to gain his self-respect.

In my judgment, we should all longer refuse to be a part of the door mat and, as Mr. MAVERICK so well said, to make an effort to regain our self-respect, to reestablish ourselves as being worthy of the confidence of those who sent us here, by exercising and voicing our independent judgment.

Mr. Chairman, I will now proceed to make a few remarks on the so-called relief bill, and may repeat the warning just uttered.

There are four main objections to the relief bill as it now stands.

First, and foremost, is the fact that it grants unnecessary power to the President, to be by him in turn given to subordinates;

Second, it permits the use of relief funds for political purposes;

Third, it places aliens unlawfully in the country on the relief rolls, in competition with our own citizens, to be supported by citizen workers; and

Fourth, it continues the policy of unnecessarily burdening the workers by granting to an ever-increasing number of those unable to obtain work or unwilling to work funds which enable many of them to enjoy a higher standard of living than do those who support them.

Everyone is willing to vote whatever funds may be necessary to assist those who are in need and to aid in restoring prosperity.

Each of us, if he lacks the courage to oppose the President in his wild, wasteful, corrupt spending, which, according to his own prophecy, will lead inevitably to national bankruptcy through continuing deficits and, as we all know, to the lowering of the moral standards of our people, should have sense enough to refuse to give the President a blank check to purchase the rope which he will use to hang us politically.

The President, time and time again, with the plea that an emergency existed, that we were confronted by a crisis, that our country could only be saved by granting him unlimited authority to spend billions of dollars, has fooled Congress into believing that it was aiding the unemployed, the unfortunate, by giving him a blank check.

Many of us have known for the last 2 or 3 years that the inner circle of the President's advisers were seeking, as Bainbridge Colby said way back in 1934, to prolong the depression, which—

> Will produce a better psychological background for the prosecution of their revolutionary designs.
>
> The overturn of our institutions, including the Constitution, is their avowed goal.

Today, the underground, treasonable activities of those ambitious individuals who have seized control of political power and would establish themselves as the rulers in our Nation, who, using the powers which, in 34 months, the President has said were returned to Washington, would "provide shackles for the liberties of the people," stand revealed in all their hideous nakedness.

That thing which the President said should not be—"playing politics with human misery"—is practiced by his advisers, his supporters, and his spokesmen.

No longer do they corrupt the voters secretly. Openly and brazenly they are using the funds which we here vote for relief to elect to office the candidates selected by them.

Doubtless every Congressman received that photostat showing the paper bag in which relief supplies were distributed, containing this endorsement:

> Paper bags
> Donated by ———, friend of
> Senator ALBEN W. BARKLEY

A bold, brazen, corrupt attempt to bribe the voters of Kentucky.

Note these two statements from personal friends of the President, New Dealers, both, in Monday's Washington News, a New Deal paper:

Raymond Clapper wrote:

> The fight against it (the Hatch amendment to the relief bill) was led by Senator BARKLEY, the administration's floor leader. The administration opposed even a gesture in the direction of keeping W. P. A. out of politics and voted it (the Hatch amendment) down in three separate roll calls. * * * Thus the New Deal leader of the Senate, the official floor spokesman for this administration, lays bare as cynical a picture of democracy as Hitler could paint, and makes a mockery out of 5 years of fireside chats. It was a disturbing speech, and those who will be most disturbed are the real friends of Roosevelt.

General Hugh Johnson wrote:

> No such ghoulish thing as this was ever before proposed. The cynical indifference of the benzine board (Cohen, Hopkins and company) to public protest springs from confidence that they can make it work. That reveals a ruthless political immorality on about the levels of the most carnal political purges and pogroms of Europe. It suggests that if they thought they could get away with it with machine guns rather than political poison, they would do that, too. That is just another way of playing politics with human misery and regardless of human rights.

The President stands convicted before the bar of public opinion, on the testimony given by his friends, of corruptly permitting the use of the money which belongs to the needy, to that one-third which he said was ill-housed, ill-clad, and ill-nourished, to oil and grease his political machine.

Let us vote relief funds, all that are needed, but retain control of the expenditure of those funds and see to it that they are expended for the purpose for which they are appropriated; provide for the protection of those funds from the greedy, grasping hands of the corrupt politicians. Apparently we lack the courage to do this.

Lacking the courage to protect our country, we should at least be farsighted and selfish enough to protect ourselves.

Long have public funds been used to defeat Republicans. For sometime under cover—now openly—the Public Treasury is being raided to defeat members of the President's own political party. No longer is the use of those funds confined to bringing about the political execution of Republicans.

Today the President is doublecrossing the members of his own party—those who nominated and elected him; those who through the years have given him loyal support.

The gentleman from Virginia [Mr. WOODRUM], who has been a loyal administration supporter in this House; the gentleman from Massachusetts [Mr. MCCORMACK], a Democrat tried and true; the gentleman from Virginia [Mr. BLAND]; the gentleman from Tennessee [Mr. MCREYNOLDS]—yes; a dozen others who might be named, the majority leader, the Speaker of the House—each and every one will find—and I make this prediction—that the moment they oppose the will of the President and publicly, no matter how conscientiously they may act, no matter how sound their judgment may be, act in defiance of his orders, or, worse yet, the orders of a Cohen, that their defeat will be decreed by Prince Jimmie, General Cohen, Harry Hopkins, Harold Ickes, or someone of those satellites, drunk with power, who thinks the world revolves around his activities.

I hope the day will never come—but I fear it is coming—when those whom I have named and dozens of others in like position will find the very funds which they are now voting to give the President to spend at his discretion, or other funds voted in like manner, being used to bring about their political funerals.

If we lack the courage to protect the people who sent us here by seeing to it that the funds voted for relief are used for that purpose instead of being used to bring political security to this little group of willful men who now rule in Washington, let us at least be interested in self-preservation to the extent of refusing to aid those who would destroy us.

I may be dumb, but, to paraphrase Harry Hopkins, I am not so "damned dumb" as to vote the money to buy the rope which will hang me.

The principal thought behind all spending should be the welfare of American citizens who, through no fault of their own, are unable to secure employment of the character which will enable them to maintain themselves on a self-respecting basis.

We would be disloyal to our trust were we to include as beneficiaries of this money the aliens in our midst.

We must not condemn those who are in America by lawful and honorable means, but we must be wary of extending benefits to those whose applications for citizenship have come only as a means to getting onto the W. P. A. or P. W. A. pay rolls.

That there is now in America an organized effort to aid those aliens is probably not well known. There has recently come into being an organization known as the American Committee for Protection of Foreign Born, with headquarters at 100 Fifth Avenue, New York City.

This committee sponsored a conference at the Hotel Pennsylvania in New York on January 9, 1938. At the conference were represented delegates from several trade-unions, including the radical Workers Alliance; delegates from organizations, including the International Labor Defense, the Friends of the Soviet Union, the Workers' Defense League, and in addition there were representatives of the Communist and Socialist Parties.

The meeting at New York was dedicated, according to Bernhard J. Stone:

> To the preservation of the democratic rights of the vast majority of the American people.

Surely Mr. Stone must have had someone else in mind, for this gathering had very little to do with, or say about, democratic rights of Americans, but it was expressly concerned with the rights, democratic and otherwise, of aliens in America.

Now, what right ought an alien have in America?

What rights have an American in alien lands?

Let us be fair and broad-minded in an examination of the record.

There are, it is said, more than 6,000,000 aliens now in the United States. Many have been here for more than 15 years and have not completed the process of becoming citizens.

In Los Angeles County, Calif., a survey made last September revealed that 5,091 alien families were on relief. Of this number, but 444 wished to return to their homeland; yet only 41 percent wished to become American citizens.

Is it fair to the taxpayers of America to ask them to shoulder this burden of supporting these aliens?

On August 27, last, Harry H. Halloran, W. P. A. director for the city of Philadelphia, announced the dismissal of 800 aliens from the W. P. A. rolls of that city. Halloran announced that those removed from the W. P. A. rolls would be aided by direct relief. In Philadelphia at that time, according to Saya L. Schwartz, chief statistician of the Philadelphia County Relief Board, there were 9,500 foreign-born families on the local relief rolls. Of this number probably 1,000 families are mixed—one of the family having been born in America.

No statistics are presently available as to the number of aliens on the public relief rolls or on the W. P. A. rolls.

There have been numerous surveys and statistical projects, both by W. P. A. and the Department of Labor, yet the alien and the problems he presents have been carefully avoided by this administration. Why?

The answer may be found in part, I believe, in the records of the conference at New York last January.

In opposing the bills introduced by Senator REYNOLDS and Representative STARNES, Dwight C. Morgan, secretary of the conference, objected to the provisions of the bill which would make it a deportable offense for an alien to be found carrying arms, or convicted of crime, or of picketing during a strike.

Now you can imagine what would happen to an American citizen caught carrying arms or inciting to labor troubles by appearing in a picket line in England, France, Germany, or Italy. Yet these things are condoned by the Committee for the Protection of the Foreign Born, especially the aliens, for the secretary says—

> You can understand how dangerous these provisions are to trade unions in Florida, California, and New Mexico, not to mention New Jersey and even New York City.

Is this an admission that certain labor unions are made up of aliens, or is it an admission that alien members of certain trade unions are agitators and gunmen?

This Committee for the Protection of the Foreign Born appears to be really organized for the protection of the aliens in America. Witness the following:

> Most of the 4,000,000 foreign-born in America came at a different time and under different immigration laws than those we have today. Many of them came before the literacy test in the immigration law of 1917 and have been unable to obtain sufficient education to pass the literacy test.

Twenty years in America should be long enough for a man to learn the rudiments of the American system of government and to read and write. It is easily understandable that there are thousands of "Chris Popoffs" in America today—men who have become labor agitators and strike leaders.

The alien in America is organizing to demand his rights, but he has no right to wreck our industries, live in idleness, and be supported by our taxpayers.

Now what course has an American except to protect his home, his country, and his customs against the corrosive contact of alien ideals which seek to end our democracy?

What right has an alien in America that is greater than the rights of an American citizen? What claim has an alien on our Nation except a claim upon our sympathy?

While I do not condemn those who are in our country by honorable means, I cannot sit quietly by without a word of protest against the indifference and inactivity of our Naturalization Bureau in the situation.

I am for fingerprinting, registering, and deporting all aliens who do not measure up to the requirements of America and American ideals.

I am of the opinion we should quickly purge our Nation of its undesirable alien element to provide opportunity for our own citizens.

No sane person would knowingly invite those with contagious diseases into their homes to live in intimate contact with the family.

Shall we knowingly allow those with corrosive alien ideas to come to and remain indefinitely in America where they may bore from within to undermine our social life, our society, and our political structure?

I am against all "isms" except Americanism. I am against anything and everything which is contrary to the principles of government laid down by our forefathers.

I am against appropriating money to provide relief for aliens who are unlawfully in this country, who do not believe in our form of government, who do not obey our laws, no matter who they are or where they may come from.

Another situation which arises in connection with the organization of relief clients and the demand for bigger W. P. A. checks has caused me to make some interesting comparisons of the wages paid in a number of industries as compared to the average cost of maintaining a "worker" on a so-called writers' or actors' project.

Quoting from page 253 of the hearings on this bill, I find the following:

> The present man-year cost for the Federal art projects which are known collectively as Federal project No. 1 is approximately $1,200, an absolute minimum figure below which, in the opinion of the administrators of these projects, it may become impossible to continue them.
>
> The recommendations made in the Byrnes committee report on unemployment to limit other than labor costs to $5 per month per man for each project is equally unreasonable.

Keeping in mind that writers and actors on relief projects are getting about $1,200 per year, let me give you some statistics compiled from reports of the Department of Commerce, showing the average annual wage of employees in over 25 lines of business and industry.

These statistics are compiled from the reports of more than 80,000 business concerns employing over 2,000,000 wage earners.

Industry	Number of employers reporting	Yearly average number wage earners	Average annual wage (cents omitted)
Artificial leather, oilcloth	33	3,648	$1,157
Blackings, stains, and dressings	167	1,498	979
Bread and other bakery products	19,068	218,423	1,137
Butter, cheese, condensed and evaporated milk	6,498	31,236	953
Cement	153	20,698	1,014
Cereal preparations	110	7,891	1,080
Food and kindred products	48,681	797,448	1,003
Electrical machinery and apparatus	1,303	179,641	1,102
Glass and glassware	213	67,138	1,064
Leather gloves and mittens	224	9,810	867
Ice cream	2,447	17,308	1,103
Machine tools	259	28,186	1,321
Machine tool accessories	731	23,135	1,487
Manufactured ice	3,595	19,043	1,084
Motor vehicles	121	146,951	1,476
Nonalcoholic beverages	3,175	16,778	1,033
Perfumes, cosmetics, etc	557	9,649	849
Radio apparatus and phonographs	195	44,792	957
Refrigerating apparatus, etc	273	37,146	1,090
Shoes and other footwear	1,024	202,113	847
Steel works, etc	396	359,546	1,222
Toys, games, and children's vehicles	439	20,293	812

Welfare workers on Federal project No. 1, paid average wage per year of about $1,200.

From the foregoing compilation it will be seen that the actors and the writers on Federal project No. 1 are drawing a higher yearly average wage than are the workers in 18 of the 22 industries referred to above.

As the workers who are employed in the foregoing industries must of necessity contribute toward the payment of these actors and writers, the injustice of such a procedure comes naturally to mind.

Should men who are working, many of them skilled, be required to contribute out of their earnings toward a fund used to pay a wage higher than that which the contributors themselves receive?

What justice is there in taking from the worker a part of the sum which he earns, and which is necessary for his own support and the maintenance of his family, to create jobs for the unemployed at a higher rate of compensation than that which the working contributor himself receives?

This brings me back to the question which I have asked so often. How long can this Government continue to assess and take from those who are working an ever-increasing amount to create work for, or bring relief to, an ever greater number of persons?

Surely we must realize that this process cannot continue indefinitely; that shortly we shall reach the point where the amount demanded for relief exceeds the amount which the workers may retain; where the number of the unemployed and those on relief and made work, will begin to approximate the number of workers.

The answer is that there must be an end to the system; that, while those in need must be cared for, waste must be avoided and those receiving relief must contribute to the extent of their ability toward their own maintenance by engaging in some occupation or some work which, through production, adds to the material wealth of the people as a whole.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. RICH. Mr. Chairman, I move to strike out the last word. At this time I am very much in sympathy with the statement made by the gentleman from Texas [Mr. MAVERICK] in reference to placing the authority for the design and location of this monument in the hands of the President. I believe that is the function of Congress. Why turn everything over to the President—that is rubber-stamping it. We have appointed a Commission, and if we have any faith in the Commission, then let us leave it to them. That is their responsibility and their duty and they ought to do the job just as well as the President or any member of the Department. It is necessary for them to have the approval of the Fine Arts Commission on anything they locate in the city of Washington, and I believe that the Members of Congress will not permit the location of this memorial at a place that will not be satisfactory to the city and to the Members of Congress. That is the first thing.

The second thing is in reference to the amendment to strike out the appropriation. We should do that. I quite agree with what has been said about Thomas Jefferson. I think he was one of the greatest Americans that ever lived. He was a constitutional Democrat. I do not say that he is the greatest of Americans, but he was one of them; but I say that he had a part in our national life that no other man did have, and he stood for all of those things that has made America what it is in the 150 years that it has existed, and with Lincoln and Washington, Jefferson stands out as one of the three greatest Americans. He certainly was not a new dealer. He believed in the Constitution and what it stood for.

Let us look at the memorial that is proposed. It is quite similar to the design commemorating Abraham Lincoln. I do not think we should build a monument similar to this design because it resembles too much Lincoln's monument. Under the conditions that exist I think we should construct something here that will stand for all of the high things

and Socialist Parties.

and be supported by our taxpayers.

that Jefferson stood for. I think we should find something similar to the auditorium that has been suggested and make it a beautiful structure, and let it cost, if it will, $30,000,000.

Mr. SABATH. Where would the gentleman get the money?

Mr. RICH. I do not know where you are going to get the money; but you can get $30,000,000 for something that is useful a whole lot more easily than you can spend $3,000,000 for something that will only be a lot of cold marble which will not mean a great deal; and you should build something for that great man, Thomas Jefferson, that will stand out in the lives of every man, woman, and child that comes to Washington and signify to the people in the future what a great man Jefferson was. To do that a great memorial should be constructed.

Mr. WOODRUM. Mr. Chairman, will the gentleman yield?

Mr. RICH. Yes.

Mr. WOODRUM. Does not the gentleman think it would help if he would go down there in that area and have the Rural Electrification put a lot of lights there and illuminate it and make it very beautiful?

Mr. RICH. Oh, the gentleman has brought Rural Electrification up a number of times, but I say that the money for Rural Electrification is something to be loaned, eventually to be paid back, and if the gentleman, who stood for economy a year ago, would have the intestinal fortitude and the backbone to stand up for it today and try to save some money, he would be a more valuable man in Congress, but if he is going to spend as he has been doing and asks to have everything spent, then his days of usefulness will not be as great as they have been. Mr. WOODRUM is one of the finest men in Congress and could help save the Nation from bankruptcy. Will he and other Members of Congress do their duty? Let us spend and build wisely and judiciously for the benefit of ourselves and posterity.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired. All time has expired on this amendment. The question is on agreeing to the amendment offered by the gentleman from Virginia [Mr. WOODRUM].

The question was taken, and the amendment was rejected.

Mr. TREADWAY. Mr. Chairman, I move to strike out the last two words. First, I think we ought to speak of the suitability of the location as recommended by the Commission. Congress, at its last session, voted down the recommendations of the Commission that this memorial should be located in the Tidal Basin. Now the Commission has seen fit to move the location a few hundred feet—two or three hundred feet—but it is practically in the same location that Congress voted down at the last session. At that time it was shown that to secure a suitable foundation for the structure would cost more than double the appropriation authorized by Congress of $3,000,000, and evidence has been submitted to the House that the situation has not changed a particle so far as the location that the Commission now recommends. This appropriation of $500,000 does not start the foundations in the place selected by the Commission.

Mr. MAVERICK. Mr. Chairman, will the gentleman yield?

Mr. TREADWAY. Yes.

Mr. MAVERICK. Does the gentleman know how much money it is going to take in the end? Has that been settled?

Mr. TREADWAY. There is no evidence before the committee as to that situation. Last year very definite evidence was presented to the Library Committee that the cost of the location in the Tidal Basin would be perfectly enormous.

Mr. WOODRUM. Of course the gentleman knows there is a definite limit placed in the authorization act of $3,000,000.

Mr. TREADWAY. Certainly I do, but it is evident to all persons of the House that it would never be completed on that site for anything like that price.

Mr. BOYLAN of New York. Mr. Chairman, will the gentleman yield?

Mr. TREADWAY. Yes.

Mr. BOYLAN of New York. If the gentleman would take the time to read the hearings he would find that estimates only 2 or 3 weeks old show that the entire memorial, together with the approaches necessary, could be built for $100,000 less than the authorization.

Mr. TREADWAY. I attended the hearings before the Committee on the Library last year. The expense of the foundation alone was excessive.

Mr. SNYDER of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. TREADWAY. I have not much time but, of course, I yield.

Mr. SNYDER of Pennsylvania. The site was moved from the place considered last year.

Mr. TREADWAY. Moved a very short distance. It is on the same general character of land and would take the same general type of foundation, which would require going down 50 to 75 feet.

Mr. SNYDER of Pennsylvania. If the gentleman will read the testimony given before our committee he will find that the committee was given an estimate showing that the foundation work will not cost nearly as much as it would to put it where they had originally intended.

Mr. TREADWAY. I hope not. It would have nearly exhausted the Treasury to have placed it in the other location. Most certainly it cannot cost as much as the other one if they are going to complete the memorial within $3,000,000.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. TREADWAY. I yield.

Mr. CRAWFORD. Would we not be faced with the same type of foundation trouble that was met in the case of the Washington Monument where they had to go down into the bowels of the earth and pour steel, masonry, concrete, and everything else there? This is on the same general type of land.

Mr. TREADWAY. This is made land where the Commission recommends to locate the memorial. Why do they not find a location where it will not be necessary to spend a fortune to provide a proper foundation? There are other locations and there are other ways of providing a suitable memorial to Thomas Jefferson. I have a bill before the House. I know it will not receive favorable consideration at this time, but it provides for rechristening the Library of Congress. The nucleus of the great collection of books in the great Congressional Library was the books bought from Thomas Jefferson. Certainly there could be no finer memorial to Thomas Jefferson than to name the Congressional Library the Jefferson Memorial Library.

There are other locations, there are other architects, there are other styles of construction. I thought this matter was settled yesterday. Let me read you what the gentleman from Virginia said yesterday. You will find this on page 8396. The gentleman from New York [Mr. SNELL] asked the gentleman from Virginia [Mr. WOODRUM] to yield, and the gentleman from Virginia yielded. The gentleman from New York [Mr. SNELL] asked:

> Does the gentleman himself, considering the economic condition of the country at the present time, think that Congress should borrow $500,000 to start the construction of this memorial or a memorial for any man, no matter how great he was?

I call attention particularly to the answer of the gentleman from Virginia. He said:

> The gentleman has asked me a very embarrassing question, but I will answer frankly, I think the Government should not do it.

[Here the gavel fell.]

Mr. TREADWAY. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

Mr. CULKIN. Mr. Chairman, I object.

Mr. TREADWAY. I have been liberal and yielded a great deal of my time. Will not the gentleman withdraw his objection?

Mr. CULKIN. Mr. Chairman, I object.

Mr. TREADWAY. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

Mr. CULKIN. Mr. Chairman, I object.

Mr. TREADWAY. That is very courteous of the gentleman. I thank the gentleman very much, indeed.

Mr. CULKIN. The gentleman is welcome. His Committee on the Library has been in this thing too much.

Mr. TREADWAY. The Committee on the Library has a right to be in it.

Mr. MAVERICK. Mr. Chairman, a point of order. Cannot the Chair make the few Republicans that are left in the United States get along with each other?

Mr. TREADWAY. Not under these circumstances, so far as I am concerned.

Mr. WOODRUM. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 20 minutes. We have had 45 minutes' debate on the subject already.

Mr. MICHENER. Mr. Chairman, reserving the right to object, I would like 5 minutes.

The CHAIRMAN. Under such a limitation, the Chairman cannot allow 5 minutes to each of the Members who have indicated a desire to speak on this paragraph. On other occasions, when time for debate has been limited, it has been divided into 3-minute intervals or even 2-minute intervals.

Mr. WOODRUM. Mr. Chairman, I modify my request and ask unanimous consent that the time be limited to 25 minutes.

The CHAIRMAN. Eight Members have indicated a desire to be heard on this paragraph. If agreeable, the Chair will divide the time equally, but the Chair will state that it would seem that a member of the Commission ought to have 5 minutes.

Is there objection to the request of the gentleman from Virginia?

Mr. BOILEAU. Mr. Chairman, reserving the right to object, are we operating under the 3-minute rule or the 5-minute rule?

The CHAIRMAN. Time has been divided this way before. The Chair hears no objection.

Mr. MICHENER. Mr. Chairman, reserving the right to object, will not the gentleman from Virginia modify his request and make the time 30 minutes?

The CHAIRMAN. Time has already been agreed upon. There was no objection to the request that debate be limited to 25 minutes.

Mr. MICHENER. Mr. Chairman, I reserved the right to object. If the Chair made an announcement, no one heard it.

The CHAIRMAN. The Chair will put the request again.

Mr. WOODRUM. Mr. Chairman, I modify the request, and ask unanimous consent that all debate on this paragraph and all amendments thereto close in 30 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Virginia [Mr. SMITH].

Mr. SMITH of Virginia. Mr. Chairman, I am a member of the Jefferson Memorial Commission, and I do not usually consume any time of the House in the discussion of matters.

This Commission has been in existence for 4 years. We have held innumerable meetings and hearings, the minutes of which are available to show of what the hearings consisted. I heard some of the debate yesterday on this matter, and I never saw so much misinformation gathered together under one head in so short a time in my life. The full information is available to anyone who wants it.

We all recognize that there are some folks who do not want to build a memorial to Thomas Jefferson. Regardless of what you do about it, somebody will always have a reason why some other kind of a memorial should be built or why it should be put at some other place. However, a final determination of the question had to be made.

This Congress authorized the creation of a Commission for this purpose and the members of that Commission were appointed. You may recall that when we first selected the site and started to do something, a great furor was raised about the cherry trees. That was simply a smoke screen. Some folks just did not want this memorial. Recently the cherry trees have not been as popular as they were awhile ago; therefore, that has been abandoned. Now it is a question of the nature of the memorial.

The truth about a lot of this controversy is there were some architects around here who wanted the opportunity to compete for the construction of this memorial. Your Commission thought that we were created for the purpose of getting the best architect we could find in the United States and that we were not appointed for the purpose of conducting an architectural contest between various and sundry architects in the country. We exercised this discretion and got Mr. John Russell Pope, who was considered one of the best architects in the United States.

The statement has been made here that no one knows what this memorial will cost, but that statement is completely without foundation. We have the estimates and I want to read to the committee today the action of the Library Committee that was referred to by the gentleman from Massachusetts, when he mentioned the hearings before the Library Committee.

Here is what the Congress itself has done about the memorial. In the first place, it acted by authorizing the appointment of a Commission, which Commission was appointed, and it acted. The Commission got together on the plans and on the site and agreed upon everything unanimously. We then came back to the Congress with our estimate and asked for an authorization of $3,000,000 for the purpose of building the memorial. That resolution went to the Library Committee and I have before me the report of the Library Committee, which is a standing committee of the House, in which it recommends the passage of the resolution authorizing this Commission to build the memorial. The report states:

> The stage of the work has so far proceeded the Commission is now ready to award contracts for the construction of the memorial. The lowest estimate was that of $3,000,000, for which sum authorization is requested.

Pursuant to that report Congress adopted the resolution authorizing the appropriation and authorizing the Commission to proceed.

Mr. Chairman, there is no doubt about the location. It has been agreed to by the whole Commission and has not been objected to by the Fine Arts Commission. It has been approved by the National Capital Park and Planning Commission. The only possible controversy about the matter now is in connection with the Fine Arts Commission, and I want to say something about that.

Mr. CULKIN. Will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from New York.

Mr. CULKIN. The President has been consulted on this matter and it has his approval, both as to site and the form of the monument?

Mr. SMITH of Virginia. The President has been consulted on innumerable occasions. I have been there myself when consultation was had with him, on two occasions.

The Fine Arts Commission for many years has been represented by Mr. Charles Moore, who was Chairman of that Commission, I think, for 25 years. The first act of our Commission was to take him into our confidence and we had him sit down at the table with our Commission. We worked with him as long as he was Chairman of the Commission and I never heard any complaint as to the type of memorial from Mr. Moore or from the Fine Arts Commission. We had his approval at every stage of the proceedings.

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Alabama [Mr. HOBBS].

Mr. HOBBS. Mr. Chairman, if there is to be this type of memorial to the memory of Thomas Jefferson, I believe sincerely that this great Commission and its collaborators,

Mr. TREADWAY. Yes.

sent to proceed for 2 additional minutes.

the Fine Arts Commission and the Park and Planning Board, have done a splendid job.

To my mind the most beautiful spot on earth, late at night, is that between the Lincoln Memorial and the Washington Monument overlooking the reflecting pool. Many a night after a hectic day, I take refuge in that solace. I stop there a while on my way home to drink in the beauty of that scene. I love to look into the face of Lincoln as he sits there majestically in his marble shrine, and while I regale myself with that surrounding beauty, I imbibe not only the peace which comes with quietude, but also the quiet strength that comes from meditation upon the power of that great personality. But I always feel the incongruity of that magnificent memorial.

Lincoln, like Jefferson, was a man of the common people. They were from different strata of humanity, it is true, but both had their hearts attuned to the mute cry of the downtrodden, and both loved their fellow men.

The architecture of the proposed memorial seems to me both beautiful and appropriate. But we should not be satisfied with useless beauty. My quarrel is with the concept, not with the architecture. Both Lincoln and Jefferson were architects and builders of temples of thought. They were the prophets of the unknown or forgotten man. They were dreamers of marvelous dreams, but they were doers as well, and labored practically and successfully to make their dreams reality. Each loathed pomp and panoply. Both believed passionately in combining beauty with utility. So, as splendid a beginning as this distinguished Commission has made, I beg of them that they expand their vision and broaden the scope of the memorial to make it harmonize with the mind and heart and life of Jefferson—the practical idealist.

Yesterday on this floor I offered the suggestion of a West Point, or Annapolis, for the civil service. I believe you can preserve the beauty of this memorial and combine it with the idea incorporated in WESLEY DISNEY'S bill for the creation of an academy to prepare choice youth for service in our Government at home and abroad—to supply the greatest need of our Nation, adequate leadership for a better government.

As I stated yesterday, we have two academies for Mars, why not one for Jupiter? I pray that this Commission may consider this suggestion and make this memorial living, not dead; serving, not served; an institution to take up Jefferson's work, not a monument to it as though it were finished. If Jefferson could speak to us today on this floor, he would make the plea of which mine is but a faint echo. But he is speaking. His life, his works, his words are still heard. Let those who have ears to hear, hear and heed. We all know that his three major emphases were freedom, representative democratic government, and education. Those were his grand passions. Why not preserve and revitalize them, and let his glorious spirit go marching on forever, serving this Government which he in large part created, and bettering for our generation, for our children, and for our children's children, the priceless heritage from him?

I bespeak of this Commission that consideration which they have been so glad to accord in all their 4 years of deliberation. The United States of America has a rendezvous with destiny. The world moves forward on the feet of youth. They cannot be trained too well. Let us widen the horizon of our thinking and prepare wisely to meet the challenge of the future, to the leadership of a wistful world. [Applause.]

[Here the gavel fell.]

Mr. MICHENER. Mr. Chairman, I yield to none in my respect and admiration for Thomas Jefferson, the citizen, the philosopher, the patriot, and the farseeing statesman. We can say or do nothing here today that will add to or subtract one jot or tittle from the memory of this illustrious man. In our early history there was a division of thought as to whether the strong centralized government philosophy of Alexander Hamilton or the local community responsibility and States' rights philosophy of Thomas Jefferson was more important in our system of government. Time has convinced all of us that both were right. We have the strong centralized Government envisioned by Hamilton. I am sure that for the time being at least the philosophy of Hamilton is being realized to the *n*th degree, and there was never greater need for practical application of the Thomas Jefferson theory of government than confronts us today. The experiences of the last 5 years must convince any of us of the truth of this assertion.

If Jefferson never contributed anything more to this Government than the part he played in having included in our Constitution the Bill of Rights, then a grateful country should not hesitate to be lavish, indeed, in the erecting of an eternal monument to his memory. The value of the guaranty in the Bill of Rights cannot be measured in dollars or by other physical yardsticks. The grandeur of the memorial, whether it be a pile of marble, an auditorium, a hospital, an endowed institution of learning, or any of the several things suggested in this debate, cannot be too impressive to do justice.

Almost all of this debate is aimed at the type of memorial and the location of the memorial to be erected. To me these two factors are beside the question because the main proposition is, Should the Congress appropriate money for the erection of any kind of a memorial at this particular time? Feeling as I do about the matter, it seems to me that we should not quibble about the amount of money, the kind of a foundation, whether or not the cherry trees will be injured, but should meet the issue squarely as to whether we can afford any kind of a memorial just now.

I am, therefore, fundamentally opposed to the part of this deficiency appropriation bill which provides for an appropriation of $500,000 at this time for the erection of a memorial to Thomas Jefferson or anyone else.

Mr. MAVERICK. If the gentleman will yield, aside from the fact that this is the wrong time, does the gentleman thoroughly understand how much money is going to be spent?

Mr. MICHENER. I have not got to that.

Mr. MAVERICK. That is the point.

Mr. MICHENER. As I understand, it is contemplated that the completed memorial is to cost not to exceed $3,000,000. Of course, no one here believes that this memorial, as outlined by the Commission in the location designated, can be completed for that amount of money. After the $3,000,000 is spent, of course the work will have to be completed and the Congress will be asked to appropriate the necessary amount to finish it. As I stated a moment ago, the amount is beside the question. The real issue is, can we afford this thing at this time?

The other day when a bill was brought up authorizing the painting of a picture by Howard Chandler Christy at a cost of $35,000, to hang on the wall of the Capitol, I made a speech in opposition to that measure and it expressed my views as to all unnecessary appropriations at this time, and what I said then holds good as to this memorial.

Time will prevent further discussion, but it seems to me that when we return to our homes at the close of this session, and are confronted with the awful and distressing conditions that we all realize exist in our respective districts, it will be very difficult for Members to explain an affirmative vote for this appropriation. Again I say, that which we all know and admit, if we do appropriate this $500,000, then we must borrow that $500,000, which means we must allow $500,000 less for necessary relief. Are we going to do this? For one, I am not. If this memorial could be submitted to a referendum vote of the people in any congressional district in the United States now, there would not be enough votes for it to count. If I am correct in this conclusion, why then should the Congress, directly representing the taxpayers and the people who are demanding relief, deal so lightly with such an important matter? There is no politics in this question. If any trifling with human misery is involved, it is

due to the fact that a listless and a reckless Congress votes money for luxuries and memorials that is required to prevent starvation and suffering.

It has been whispered about that the President wants this bill passed at this session. The House has just voted down an amendment offered by the gentleman from Virginia [Mr. WOODRUM], delegating to the President the right to approve the plans for the memorial and, in fact, select the site; that is, if that amendment had passed, no memorial and no site not acceptable to the President could be utilized. The House has just shown it does not desire to confer any such additional authority on the President, and may I hope that in the same spirit the House will adopt the amendment offered by the gentleman from California [Mr. SCOTT], and strike from this bill this unnecessary appropriation.

This is a deficiency bill. Certainly this item has nothing to do with any deficency. It is a new item authorizing the beginning of a new project. As stated by the gentleman from Oklahoma [Mr. JOHNSON], a member of the Appropriations Committee giving consideration to this matter, there is no contention that the erection of this memorial at this time will have any particular value so far as work relief is concerned. Why then the hurry?

In conclusion let me leave one thought. Assuming that Thomas Jefferson, the friend of the masses as we are wont to call him, were on earth and in this House today, and the Speaker of the House were to ask him whether he wanted the country to borrow $500,000 to begin the erection of a $3,000,000 marble statue to his memory, or whether he preferred to have this money appropriated to relieve the suffering of the unemployed, what do you think his answer would be?

All I ask of the Members before voting is that each decide for himself what the answer of Thomas Jefferson would be, and then vote as his conscience dictates. [Applause.]

[Here the gavel fell.]

Mr. O'CONNOR of New York. Mr. Chairman, I trust the Members on the Democratic side will not be influenced by the opposition, which comes chiefly from the Republican minority side. In my time I voted for many a monument to a distinguished Republican.

I have never felt the Jefferson Memorial ever got a square deal. I have felt there were a lot of selfish motives in the opposition to it. The opposition has come principally from the District of Columbia, which wants to dictate to Congress what we shall do within our own functions.

The opposition first took the form of saying the building of this memorial would destroy the cherry blossoms. I thought that was a deliberately manufactured emotional appeal. The businessmen of Washington alone profit by the cherry blossoms being there, yet they never contribute one penny toward their planting or their maintenance.

Then, when the tearful question of the sacred cherry blossoms was settled, the question of the design came up. Again opposition arose in the District of Columbia—ulterior as far as I could discern. In all the statements, editorially and otherwise, I have smelled an ulterior purpose.

Some in opposition to this project want an auditorium. If the District wants an auditorium, let it build one. The District will use it to take conventions away from all the other cities in the country. Some Members who are now arguing for the erection of an auditorium in Washington would probably be back here later opposing an auditorium at the behest of your own city organizations who want conventions to occur in their own city. The businessmen of Washington alone would profit by having an auditorium. They do not want a monument to Jefferson; they want an auditorium which they can rent out with its hot-dog stands, and so forth. They intend to attract conventions here for their own financial interest, but they have never made one suggestion of contributing anything toward the development of the National Capital by auditorium or otherwise.

When the question of design came up that was again objectionable to the artistic-minded residents of this paradise, although the design was created by an architect who has achieved an unequaled great name in our time. It is undisputably recognized that no greater architect has lived, in our time at least, than John Russell Pope.

Now, there has been talk here about building a monument and spending $500,000 on it now. Why, the building of a monument puts just as many men to work as the building of a business building or a post office. If you will trace back the sources of the materials, you will hire or employ just as many men as on any other building, and practically the entire cost, in the last analysis, goes in wages. This project will furnish employment just as much as a post office or a courthouse in the district of the gentleman from Michigan [Mr. MICHENER], who has been so patriotically opposed to this project.

To my mind, the real test here today is whether the Congress, through its representative, the distinguished Commission which has studied this matter for years, will insist on having something to say about what we shall do with our public buildings, paid for out of the Federal Treasury, or whether we must submit to those down here in this town to tell Congress what we shall do.

I hope this provision for the starting of the Thomas Jefferson Memorial will remain in the bill, so that we may start this great national project just as soon as possible. [Applause.]

Mr. REES of Kansas. Mr. Chairman, I must take issue with the gentleman from New York [Mr. O'CONNOR], who just left the floor and who had just stated that the opposition to this particular expenditure comes from this side of the House. If he has in mind that this is a political issue, I want to suggest to him that, so far as I am concerned, he is mistaken. This is not a partisan matter in any sense of the word.

It is time that opposition to at least part of these expenditures comes from somewhere. A great deal has been said on the floor about Thomas Jefferson. We are all in agreement that he was one of the greatest men this country ever produced. There is no doubt about that. Let me suggest to the Members on the other side of the aisle who have exalted him so greatly this afternoon that, in my judgment, if we would return in the direction of the policies and principles which were laid down by Thomas Jefferson, this country would get along a whole lot better. Certainly Thomas Jefferson was a truly great man.

That is not the question under discussion. The question is whether or not this Congress this afternoon wants to expend at least $3,000,000 for this memorial. Three million dollars that we do not have. Three million dollars that we will have to borrow. Five hundred thousand dollars of it is to be spent immediately. All this in face of the fact that our Nation is almost $40,000,000,000 in debt and with a Budget that is out of balance.

If this Congress has the reverence for Thomas Jefferson that it appears to have, it would follow the advice that Jefferson would give us this afternoon. We would not be spending $3,000,000 to build a monument for anyone. I believe it would be right and proper sometime in the future, when we have the money, to erect such a great monument for one of the greatest of all men, but at a time when we have more than 12,000,000 men out of employment, and a time when we have millions of people on relief, it does not seem logical that we should ask the overburdened taxpayers of this country to go further into debt for this purpose.

Furthermore, most of the discussion that has taken place is with reference to the kind of a monument that should be built, and the place where it should be located. Even those questions have not been determined. We do not know right now the location or kind of memorial which may be erected. We do not know that it can be built for $3,000,000. We know it will cost at least that amount. It might cost more.

Congress would do well to strike this appropriation from the bill. Let this appropriation go over for another year, or even 5 years, when, we hope, the country will be in better financial condition than it is today. More than 100 years have passed before consideration was given to the building of

a monument in honor of this great man who took a leading part in the laying of a foundation for this great democracy and whose contribution to the welfare of this Nation is priceless.

In the face of this, it is not the time now to make this appropriation. I ask you this afternoon to vote to save the taxpayers of this country a further expenditure of $3,000,000. This is a lot of money. We have to begin to save money somewhere. This is a good place to start. This is a place where no one will be injured and where some little assistance will be rendered to an already overtaxed public. [Applause.]

Mr. MAY. Mr. Chairman, as I travel around the streets of Washington I have often wondered why it was we find so many statues to the great soldiers and statesmen of our country and find none erected to Jefferson. I have been so impressed with this situation that I finally made up my mind that undoubtedly Jefferson had written his own memorial and that the world knew it.

I do not care to enter into any controversy with the gentlemen on the other side of the House about this matter so far as finances are concerned. I will answer all of their objections by saying that if the Congress of the United States today went out and borrowed and spent $25,000,000, not $3,000,000, on a memorial to Jefferson, it would be a good investment, as an inspiration to the youth of generations to come; but we can erect here in Washington to the memory of Thomas Jefferson a statue of marble and granite and we can allow it to stand here through the centuries, in defiance of the corroding touch of time, and yet it will be a feeble effort toward perpetuating the memory of Jefferson. Jefferson perpetuated his own memory in the hearts and minds not only of the people of this country but of the people of every country upon the face of the earth, and his three great monumental achievements that fell from a pen inspired by the heart and mind of the greatest genius of all time were the writing of the Virginia statutes of religious freedom, the writing of the Declaration of Independence, wherein he proclaimed the doctrine that all men are by nature created free and equal and have certain inherent and inalienable rights, among which is the right to life, liberty, and the pursuit of happiness, and the founding of the great Univerity of Virginia for the fashioning of culture and character in the youth of this country.

Jefferson stood out as the great leader of thought and was in his day not merely a crusader for some cause but he came upon the national stage at that vital time in our history when a great liberalist was most needed. When Jefferson emerged as statesman, scholar, diplomat, and world leader, we had just began to develop the spirit of liberty in the hearts and minds of the American colonists to the point where they were ready to follow their leader on to higher planes of independence. The people had for decades suffered deprivation of religious liberty, freedom of speech as the result of star-chamber proceedings of the British Crown. The great orator and patriot, Patrick Henry, had sounded the war cry in the Virginia Assembly, and Jefferson stood ready to enunciate the great slogan of liberty in the form of a written Declaration of Independence. Thus he demonstrated the great truth that the "pen is mightier than the sword." Author of the statutes of religious freedom, the Declaration of Independence, and founder of the University of Virginia. Those three achievements of Jefferson will stand out throughout the centuries to teach men for all time to come, but I want to see this memorial erected so that it may stand here as an inspiration to the youth of this country—that they may pass by it for generations and centuries and receive that inspiration. It will be an evidence of the fact that the greatest government on earth, virtually founded by Jefferson, recognizes his greatness and merit by establishing in the Nation's Capital a memorial appropriate and fitting to his great character.

Mr. PHILLIPS. Mr. Chairman, it was my privilege to speak for about a minute on this subject about 6:30 last night, and because so few Members were present at that time I now take the liberty of repeating in effect my remarks then delivered. I am in favor of a memorial to Jefferson, but I respectfully raise this question: Why do we not put up something of practical value and at the same time inspirational instead of just another pile of marble or stone? Specifically, I respectfully suggest to the Committee that we put up a planetarium, because it has been said that as long as men endure their interest in the stars and their courses will remain. Why can we not have here in Washington a beautiful building, a planetarium, erected to the memory of Thomas Jefferson?

Mr. CULKIN. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS. Yes.

Mr. CULKIN. Would it not be a highly commendable thing for the District of Columbia or some rich citizen who has been enriched by the buying power granted by Congress to donate one of these planetariums to the District of Columbia?

Mr. PHILLIPS. Perhaps the gentleman can suggest somebody.

Mr. CULKIN. Would not that be a commendable thing?

Mr. PHILLIPS. It has not been offered, so let us face the facts. I hope the Committee will consider a planetarium where young people can go and see over their heads the stars projected, as it were, in their courses, and receive information and education from this spectacle. I respectfully suggest that we erect such a Thomas Jefferson memorial planetarium.

Mr. PATRICK. Why not just adopt the stars as a memorial to Thomas Jefferson?

Mr. PHILLIPS. If we could be assured that the stars would be out every night and would pursue their courses at our command, that might be a good thing.

The CHAIRMAN. The time of the gentleman from Connecticut has expired.

Mr. SABATH. Mr. Chairman, I recognize that I have not the ability to eulogize the greatness of Thomas Jefferson, but I know that he would not have agreed with the gentleman who preceded me, because his interest was in the people on this earth and not anything away above us.

Mr. Chairman, I had the honor of being a Member of the House when the Lincoln Memorial was being considered. At that time the same objections were raised as to the foundation, because the place selected was a deep swamp or lake, and I recollect it very well because I lost a hat there one time during a storm. I regret exceedingly that the gentlemen on the left, the Republicans, who have so much to say about the Constitution whenever anything is being contemplated by the Democrats to bring home to the American people the teachings of Thomas Jefferson, continue to find fault and object. Unlike the gentleman from Texas [Mr. MAVERICK], my forefathers did not teach—they were not the teachers of Jefferson—but just like the gentleman from Texas, I have read and studied the great work of Jefferson.

I think the building of a monument to this great man has been delayed altogether too long. It is manifestly unfair on the part of any man to justify his excuse by saying that we will have to borrow the money. Gentlemen on the Republican side do not object to borrowing money to build armories or post offices in their districts, or help their farmers, but when we are trying to authorize the small sum of half a million dollars to begin a memorial to the greatest American, we find them jumping all over themselves with all kind of frivolous, cheap political arguments against the proposition. I hope that this appropriation will be agreed to and I hope that no honest Democrat or even an honest Republican, if there is any, will register his vote against it. I feel that Jefferson, Washington, Jackson, Lincoln, and within a few years when history is written, Wilson, and Franklin D. Roosevelt will be generally acclaimed the six greatest Presidents and Americans. [Applause.]

Mr. BOYLAN of New York. Mr. Chairman, of course, we expect differences of opinion in any great national undertaking. I find no fault with those who differ with me, but when they proceed upon erroneous information and make no

effort to correct previous statements, after the facts have been made known, it is quite irritating.

In the days when the location of the White House was under discussion there was a violent row in Washington as to where it should be placed. At the time of the location of the Smithsonian Institution there was a great difference of opinion as to the site and the design. In the location and building of the Washington Monument there was the same dispute, and in the matter of the beautiful Lincoln Memorial, Uncle Joe Cannon "raised the roof" in this Chamber in opposition to it. Yet who would say that a mistake was made? That beautiful monument to Abraham Lincoln is standing there as an inspiration to the manhood and womanhood of America.

The Thomas Jefferson Memorial Commission has tried to iron out every objection raised to the design and to the site. Last year there was a great hullabaloo raised over the charge that we were going to destroy the Japanese cherry trees. When that died down it was alleged that we were going to change the contour of the basin. We obviated that by moving the memorial back 450 feet to firm land, but now, lo and behold, a new issue is raised, the matter of a vista, a view. We looked into the "vista" and found only a railroad bridge. Thus the whole fabric of the opposition to our course was torn to shreds—exposed as shoddy material, unworthy of the attention of fair-minded people. The hope nearest my heart is that this session of Congress will not fail to approve this appropriation and thereby earn for it everlasting glory by enabling our Commission to begin the erection of this already too long deferred memorial to the memory of one of our country's greatest statesmen—Thomas Jefferson.

[Here the gavel fell.]

The CHAIRMAN. The time of the gentleman from New York has expired; all time has expired.

The question is on the amendment offered by the gentleman from California.

The question was taken; and on a division (demanded by Mr. SCOTT) there were—ayes 67, noes 121.

So the amendment was rejected.

The Clerk read as follows:

Miscellaneous court expenses: For an additional amount for such miscellaneous expenses as may be authorized by the Attorney General for the District Court of the United States for the District of Columbia and its officers, including the same objects specified under this head in the District of Columbia Appropriation Act, fiscal year 1938, $25,650.

Mr. CREAL. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, 14 States are interested in the little matter which I expect to address you about. On page 78 of this bill is an appropriation of $50,000,000 for the refund of processing taxes under the tobacco, cotton, and other bills. A short time ago, as some Members will remember, in this Well I made a speech on an amendment to refund tobacco-processing taxes. At that time it was held that the amendment was not germane. The amendment I shall offer today is germane.

The chairman of the Committee on Agriculture said that some arrangements had been made about this refund, that $15,000,000 had been set aside for this purpose, and I called his attention to the fact that the tobacco people had not gotten any of the money. I have a statement from Mr. Hutchinson to the effect that only $35,000 out of that $15,000,000 has gone to the tobacco people.

You who are not attorneys, are well acquainted with the steps taken in the matter of seeking refunds of processing taxes. Whether he is a miller or whoever he is, he files suit in court and every man's case has to stand alone. He has to show that he did not pass that processing tax on to another to avail himself under this $50,000,000 fund; but there is a class of people about whose case there is no dispute, that they paid the money and did not pass it on: The tobacco grower who hauls his tobacco to the warehouse. The warehouse took the 25 percent out of his check and gave him the remainder. He had no chance whatever to pass it on to the other man. That is indisputable.

Mr. MURDOCK of Arizona. Mr. Chairman, will the gentleman yield?

Mr. CREAL. I yield.

Mr. MURDOCK of Arizona. Does not that also apply to some of the other farm products such as cotton?

Mr. CREAL. Cotton is included in this.

Mr. MURDOCK of Arizona. I am sure it is.

Mr. CREAL. Cotton and tobacco are both included. I called your attention on a former occasion to how we could save money to these people and at the same time do them a favor—and there are approximately 75,000 people affected. The average claim is $60. What are they doing now? They are going into the State courts and filing in the State courts, filing in the county courts, in the circuit courts, in any court—which they have the right to do on payment of a $5 filing fee. They have to pay something to some attorney also. The United States attorney then moves to take these cases to the Federal court. By the time you take 20 percent attorney fee plus the $5 filing fee, you have taken about $20 out of the man's $60. What I propose to do is this: Not that we pay this $50,000,000 out to the big boys in chunks of the $5,000 or $10,000 each, but to do the greatest good for the greatest number. This would be to pay these 75,000 people, these 75,000 families—many of these people were taxed not because they were unwilling to sign up, but there are the cases of the men who had just bought a farm, who did not have any allotment, who could not raise 1 pound of tobacco without being taxed. A large part of these people are very poor people, some working for the W. P. A.; and, in my State, many of them are tenant farmers, share-croppers, and they have it coming to them on the 50–50 crop. I do not know of anything that could be done that would bring more happiness or more sunshine to so many homes—75,000 people would be affected—as the payment of these small amounts so indisputably due them, instead of forcing them to go to court.

The sum of $35,000 is all that has been paid. Let $4,400,000 out of the fifty million be set aside and earmarked and provide that it shall be paid to the tobacco growers. That will be my amendment when we reach the proper place.

[Here the gavel fell.]

Mr. STEFAN. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for 1 additional minute so that I may ask him a question.

The CHAIRMAN. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. STEFAN. Will the gentleman yield?

Mr. CREAL. I yield to the gentleman from Nebraska.

Mr. STEFAN. Under this processing-tax provision, will it be possible for hog farmers, many of whom have paid a processing tax illegally, to collect?

Mr. CREAL. That is a question of litigation in every case.

Mr. STEFAN. Will they be permitted to come into court and file a claim under the law?

Mr. CREAL. This bill specifically mentions the Cotton and Tobacco Acts and other related taxes. The provisions of the bill are such that if they can show to the Treasurer that they did not pass the tax on to another, they can come in.

Mr. STEFAN. Then the farmer who thinks he paid $2.20 a hundred on hogs as a processing tax would, if he could show he paid that tax, come under this bill?

Mr. CREAL. Yes; if he could show that.

Mr. STEFAN. There is a possibility he may take advantage of this provision?

It applies to any who have paid taxes afterward declared illegal, if he can show that he bore it himself and that he did not pass it on to another.

The Clerk read as follows:

PUBLIC WELFARE

Receiving home for children: For the maintenance, under the jurisdiction of the Board of Public Welfare, of a suitable place in a building entirely separate and apart from the house of detention

for the reception and detention of children under 17 years of age arrested by the police on charge of offense against any laws in force in the District of Columbia, or committed to the guardianship of the Board, or held as witnesses, or held temporarily, or pending hearing, or otherwise, including transportation, food, clothing, medicine, and medicinal supplies, rental, repair and upkeep of buildings, fuel, gas, electricity, ice, supplies and equipment, and other necessary expenses, including not to exceed $9,560 for personal services, fiscal year 1939 (January 1 to June 30, 1939, both dates inclusive), $19,000.

Mr. COLLINS. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. COLLINS: Page 14, line 2, strike out lines 2 to 15, inclusive, and insert the following:

"Board of Public Welfare: For an additional amount for personal services, including the same objects and under the same conditions and limitations applicable to the appropriation for this purpose in the District of Columbia Appropriation Act for the fiscal year 1939, $1,800.

"Board and care of children: For an additional amount for board and care of all children committed to the guardianship of said Board by the courts of the District, and for temporary care of children pending investigation, or while being transferred from place to place, including the same objects and under the same limitations and conditions applicable to the appropriation for this purpose in the District of Columbia Appropriation Act, fiscal year 1939, $6,000.

"Repairs and alterations, Receiving Home building: For repairs and alterations to premises 816 Potomac Avenue SE., to restore the premises to the same condition existing at the time of original leasing thereof by the District of Columbia for use as a receiving home for children, as provided by the lease, fiscal year 1939, $8,500."

Mr. COLLINS. Mr. Chairman, the amendment that has just been read is a verbatim copy of the estimate of the Budget Bureau to the Committee on Appropriations. In other words, the amendment I have offered is the Budget estimate in language and figures as it came to the Appropriations Committee.

The Receiving Home with which the amendment deals is a glorified jail where persons under 17 years of age are deposited when arrested for crime or picked up as witnesses and some of the real young ones are lost children. Any child under 17 years old that is picked up by the police is deposited in this jail, called a receiving home. They should be kept there on an average of about 12 hours, or until disposition is made of them. Many of these children go to institutions in the District of Columbia, such as the Industrial Training Schools for Girls and Boys. Others are placed in foster homes. If they are lost children they are taken as soon as possible to their parents. If they are witnesses they are held until they testify in court, then released. Pending all of this they are deposited in this jail for children, or Receiving Home.

The Subcommittee on the District of Columbia has given this institution and its disposition most careful consideration. The committee visited it and looked it over carefully from top to bottom. We found in it children from 17 years old down to 4 years old. We found children, old and young. We found some with social diseases and others free of them. We found them white and colored all intermingling in the same play rooms. We found a toilet in the front end of the play room that was to be used by those who were suffering from social diseases. In the rear end of the hall or corridor we found another toilet to be used by those who were without social diseases. A young tot would invariably, in our opinion, use the forward toilet because it was handier for use.

We are of the opinion that this place is a veritable disgrace and we undertook to close it. Of course, we had the opposition of Mr. Elwood Street, Director of Public Welfare, and some of his propagandists, who wanted to keep about 20 persons in jobs. We ignored their protests, as right-thinking persons should in this case; so we closed it, or thought we did. This subcommittee came along and now proposes to reopen it.

I think it is an outrage to decency to do it. Mr. CALDWELL, Mr. STARNES, Mr. ENGEL, and I, all members of the District of Columbia Subcommittee on Appropriations, visited it and proposed its closing and we thought it was closed. The Budget, acting upon its better judgment, sent the recommendation to this subcommittee the amendment I have offered to you today for your consideration.

The question will be asked, What are you going to do with these children if this jail is closed? Remember, they are kept in this jail now for a few hours, then the courts take action in the case of criminals, after which time they are sent to institutions where they are kept till their terms expire. They are not kept in this institution.

[Here the gavel fell.]

Mr. COLLINS. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. COLLINS. Mr. Chairman, under the proposal I have offered, they are to be deposited by the police in foster homes, if they are real young children. The District already has contracts with many of them now and hundreds of children are in them. If they are 16 or 17 years old and are of the criminal type, they can be sent to the Woman's Bureau. Upon arrest they can be sent originally to these homes and institutions pending court action, and it is better to do this than to intermingle them in one institution—the good with the bad.

In your own city the police pick up children on the street. The police do not deposit them in a glorified jail, as is done here. It is infinitely better for the children to be sent to foster homes and institutions where they can be temporarily kept than to congregate them, the diseased with the nondiseased, the old and the young, the whites and blacks as they are intermingling in the institution called here the Receiving Home.

I plead with you to carry out the wishes of the Subcommittee on the District of Columbia. This subcommittee went into this case carefully and painstakingly and spent much time in investigation. I appeal to you to vote for the Budget estimate and Budget language. That is the amendment I have offered.

Mr. WOODRUM. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. WOODRUM. Mr. Chairman, this item would not be in a deficiency bill, it has no place in a deficiency bill, and the deficiency subcommittee would not be called upon to deal with it except for the very unusual circumstances surrounding the situation in which it was left by the regular 1939 District appropriation bill.

May I say I appreciate the interest the gentleman from Mississippi [Mr. COLLINS] has in these matters. He is chairman of the Subcommittee on the District of Columbia Approporiations. He has a hard job, and he works diligently at it. He is interested in it. I thoroughly respect his sincerity and his industry, but in this instance I do not agree with his judgment.

This receiving home for delinquent children in the regular 1939 District of Columbia appropriation bill was provided enough funds to run it until December 31, 1938, and there it is left hanging in the air, with Congress not in session at that time and no provision whatever made in the regular appropriation bill to take care of these delinquent children after that time. A storm of protests arose from the Board of Public Welfare and civic associations to the effect that these children are left with absolutely no provision made for their care when they are taken into custody.

The Budget proposal presented for this deficiency bill was to provide for a social worker and to board these children in homes. It is the same as the amendment offered by the gentleman from Mississippi. The larger proportion of these children cannot immediately be put in boarding homes.

Many of them are held by the police after arrest for violation of the laws of the District. Many homes would not take some of the children that are picked up and held.

Let us see what the situation is today. We checked on it. There are 38 children down there today, all under 17 years of age. Nineteen of them are held for investigation by the police. You cannot send those children out and board them in homes. What home is going to take a child like that, who is held for investigation by the police?

Eight of them are held for placement in foster homes, and perhaps those eight can be boarded out, but they have to be held somewhere until a home is found. Six of them are held for the juvenile court for further hearing. Two of them are held as witnesses in the United States court. Three are held as dependent children, being taken from broken homes. None of the 38 shows a positive test for a social disease. However, the majority are delinquent children. The average period of detention in the receiving home is 4 days, and the maximum under the law is 1 week.

What the subcommittee has done is what it had to do. It merely extends the present arrangement by 6 months—from December 31, 1938, to June 30, 1939—in order that we may find some solution—whatever that solution may be—and bring it to the Congress to pass upon it.

Mr. BOILEAU. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM. I yield to the gentleman from Wisconsin.

Mr. BOILEAU. The gentleman from Mississippi disclosed rather bad sanitary and other conditions there. This does not seem to me, however, to justify discontinuing the institution, but it seems to me it should justify additional appropriations to make the place sanitary and put it in proper condition.

Mr. WOODRUM. There is no intermingling of white and colored except at play. The white and colored eat at separate tables; they have separate toilets, separate waiting rooms, and separate sleeping rooms. It is unquestionably true the conditions are not ideal down there, but you cannot leave the matter hanging in the air, I submit to the gentleman. You have to do something. The committee has done all that could be done to carry it on until the gentleman from Mississippi and his subcommittee can find the proper solution and bring it here in the regular bill.

Mr. COLLINS. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM. I yield to the gentleman from Mississippi.

Mr. COLLINS. The gentleman from Michigan [Mr. ENGEL], the gentleman from Florida [Mr. CALDWELL], and other members of the subcommittee went down to this home and inspected it. We found whites and colored, diseased and nondiseased, old and young, intermingled. We asked about the toilets, and they pointed out the front toilet as the one that was used by those who were suffering with social diseases and the one to the rear as the one to be used by those free of such diseases. The gentleman from Michigan and the gentleman from Florida are on the floor, and they can substantiate this statement.

Mr. WOODRUM. Why did not the gentleman's committee make some arrangements to remedy the situation?

Mr. COLLINS. We did. We closed the home.

Mr. WOODRUM. Is that an answer? If this condition is not satisfactory, you close it?

Mr. COLLINS. We gave them $6,000 and arranged for the children to be taken care of in foster homes.

Mr. WIGGLESWORTH. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM. I yield to the gentleman from Massachusetts.

Mr. WIGGLESWORTH. Is it not a fact that the action which the committee now recommends is in accord with the almost unanimous belief and request of those from the District who came before us, both officials and representatives of civic groups?

Mr. WOODRUM. Yes; the Board of Public Welfare and the leading citizens who are interested in social conditions in the District.

Mr. Chairman, I hope very much the amendment will be rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi [Mr. COLLINS].

The question was taken; and the Chair being in doubt, the Committee divided, and there were—ayes 10, noes 25.

So the amendment was rejected.

The Clerk read as follows:

National Training School for Girls: For personal services; groceries, provisions, light, fuel, clothing, shoes; forage and farm supplies; medicine and medical service (including not to exceed $2,000 for medical care and not to exceed $[illegible]00 for dental care); transportation; maintenance of non-passenger-carrying vehicles; equipment, fixtures, books, magazines, and other educational supplies; recreational equipment and supplies including rental of motion-picture films; stationery; postage; repairs; and other necessary items including expenses incident to securing suitable homes for paroled or discharged girls, fiscal year 1939, $50,000, of which sum not to exceed $33,000 may be expended for personal services including not to exceed $1,500 for additional services and labor on a per diem basis.

Mr. COLLINS. Mr. Chairman, I offer an amendment, which is at the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. COLLINS: Strike out lines 16 to 25, inclusive, and on page 15, strike out lines 1 to 4, inclusive, and insert in lieu thereof the following:

"Board of Public Welfare, salaries, District of Columbia: For an additional amount for personal services, including the same objects and under the same limitations and conditions applicable to the appropriation for this purpose in the District of Columbia Appropriation Act, fiscal year 1939, $5,400: *Provided*, That, notwithstanding any other provision of law, the juvenile court of the District of Columbia is hereby authorized to recommit to the care of the Board of Public Welfare such children as may be inmates of or parolees of the National Training School for Girls on June 30, 1938, $5,400.

"Industrial Home School for Colored Children, new construction, District of Columbia: For construction of a vocational building for girls, such work to be performed by day labor or otherwise in the discretion of the Commissioners, $15,000.

"Division of Child Welfare, board and care of children, District of Columbia: For an additional amount for board and care of all children committed to the guardianship of said Board by the courts of the District, and for the temporary care of children pending investigation or while being transferred from place to place, including the same objects and under the same limitations and conditions applicable to the appropriation for this purpose in the District of Columbia Appropriation Act, fiscal year 1939, $21,000."

Mr. WOODRUM. Mr. Chairman, I make a point of order against the amendment in that it changes existing law in providing a different method of commitment of delinquent children, as well as in other respects, although I could not follow the reading of the amendment closely.

Mr. COLLINS. Mr. Chairman, the proviso is, perhaps, subject to a point of order, but not the other part of the amendment, and I shall reoffer it.

Mr. WOODRUM. Mr. Chairman, I made the point of order against the whole amendment.

The CHAIRMAN. The Chair will rule on the amendment as offered, and the gentleman can offer a further amendment if he so desires.

The Chair is of the opinion that the amendment does change existing law, and the point of order is therefore sustained.

Mr. COLLINS. Mr. Chairman, I now offer the amendment with the elimination of the proviso in the former amendment.

The Clerk read as follows:

Amendment offered by Mr. COLLINS: Page 14, strike out lines 16 to 25, inclusive, and on page 15, strike out lines 1 to 4, inclusive, and insert in lieu thereof the following:

"Board of Public Welfare, salaries, District of Columbia: For an additional amount for personal services, including the same objects and under the same limitations and conditions applicable to the appropriation for this purpose in the District of Columbia Appropriation Act, fiscal year 1939, $5,400.

"Industrial Home School for Colored Children, new construction, District of Columbia: For construction of a vocational building

for girls, such work to be performed by day labor or otherwise in the discretion of the Commissioners, $15,000.

"Division of Child Welfare, board and care of children, District of Columbia: For an additional amount for board and care of all children committed to the guardianship of said Board by the courts of the District, and for temporary care of children pending investigation or while being transferred from place to place, including the same objects and under the same limitations and conditions applicable to the appropriation for this purpose in the District of Columbia Appropriation Act, fiscal year 1939, $21,000."

Mr. COLLINS. Mr. Chairman, the amendment I have offered is the Budget recommendation to the Deficiency Committee on Appropriations. It merely undertakes to take care of the children that are now at the National Training School for Girls by transferring them to a dormitory to be vacated by boys at Blue Plains, where is located the Industrial Home School for Colored. Both institutions are for delinquent children.

The District subcommittee found that the children at the National Training School for Girls, which is sought to be closed and which the District Subcommittee on Appropriations closed, were costing around $2,200 apiece, whereas at Blue Plains the cost of caring for children is about $350 apiece. This was the reason back of the action of the District subcommittee in closing this school.

The deficiency subcommittee by its action will open again this institution. It is not right to require taxpayers in the District or elsewhere to pay $2,200 per year to care for criminal Negro girls. And remember, too, the Federal Government pays part of this bill. If my amendment is adopted, this institution will close and these criminal girls will be placed in another institution of the same kind.

Mr. WOODRUM. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 3 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. WOODRUM. Mr. Chairman, the situation with reference to the National Training School for Girls, unfortunately, is practically the same as with the Receiving Home for Children. My good friend from Mississippi now undertakes to offer an amendment to try to do something with these girls.

The school has been in existence for many years. It recently was improved by the erection of a new building costing over $200,000. It houses colored girls committed there on order of the Juvenile Court. The 1939 regular District of Columbia appropriation bill carried no funds whatever for the maintenance of this home and made no other provision for the care of these girls. The situation is, that unless some suitable provision is made in this bill, these girls now at the institution and those on parole therefrom, will automatically be turned loose on July 1, 1938. A very high percentage of the girls has been infected with social diseases and they are held until they are 21 unless sooner released under their sentences. The amendment offered by the gentleman from Mississippi proposes to transfer these girls to the National Industrial Home School of the District, which is an institution for colored boys ranging up to 17 years of age. There are 180 boys in that institution and his amendment proposes to place enough of them in boarding homes to make room for these girls. The time is too short to take such action even if it were the proper thing to do. The statement has been made that the cost of maintenance of the girls in this training school was as high as $2,200 per girl a year.

A few years ago, due to the character of the management of the school, the judge of the juvenile court ceased to make commitments there and the population dropped down from nearly 100 to 25 and the per capita cost naturally went up. A new management has been provided and the policy of the court has changed and commitments are now made and have been made for some time, so that there are 65 inmates now and the per capita cost for March 1938 was $2 per day or $730 per annum. That is a more reasonable cost and will probably be lowered as the population increases. A statement is in the hearings showing the per capita cost for the past 10 years and it compares favorably, except for the period when the court did not make commitments, with costs in other similar institutions.

This bill proposes to continue the school for another year.

Again, this is not a situation that can be corrected permanently in the deficiency bill. It has to be settled in the subcommittee of my friend and his colleagues who know the situation and who are competent to do it. They will have to buckle down and wrestle with it and find the solution of the problem and bring their recommendation to the committee.

Mr. LUDLOW. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM. I yield.

Mr. LUDLOW. Is it not true that unless such provision is made for these girls they will be automatically released on the 1st of July and turned on the streets?

Mr. WOODRUM. The gentleman is correct.

Mr. MITCHELL of Illinois. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM. I yield.

Mr. MITCHELL of Illinois. I would like to make this observation. I have made a study of the school where they propose to transfer these girls. It is an institution that was planned primarily for boys, and there is absolutely no room and no facilities for taking care of these girls. Very fine work is already being done among the boys, but it is crowded to capacity by the boys they have there, and there is no room for any more, and, as I have said once before, to send 50 or 60 colored girls to this institution that was primarily planned for boys and has been maintained for boys, where there are no facilities for taking care of girls, would be one of the most disgraceful things this Congress could do.

Mr. WOODRUM. And I infer from what the gentleman has just said that he is in sympathy with what our committee has done in taking care of this situation.

Mr. MITCHELL of Illinois. Absolutely.

[Here the gavel fell.]

Mr. LUDLOW. Mr. Chairman, I ask unanimous consent that I may extend my remarks in the RECORD at this point.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. LUDLOW. Mr. Chairman, it is seldom that I disagree with the able Member from Mississippi [Mr. COLLINS], especially with reference to the complex affairs of the District of Columbia. His diligence, industry, and ability in the discharge of his duties as chairman of the Appropriations Subcommittee on District Affairs have given him a reputation for efficiency that any Member of Congress would be proud to possess.

I cannot escape the conclusion, nevertheless, that the abolishment of the National Training School for Girls involves a social problem of magnitude which should cause us to reflect seriously on the humane considerations that are involved.

These girls in the National Training School for Girls, the oldest of whom is 17, are entitled to our sympathetic consideration, because girls of that tender age are not beyond the pale of being reclaimed. If we abolish the National Training School and transfer these girls to Blue Plains we will throw them into the environment of 190 boys and all of the authorities who testified on the subject referred to this as a "bad mixture" that would inevitably create a distressing social condition.

All of the officials who are responsible for welfare work in the District of Columbia are dead opposed to this proposed arrangement. All are united in advocating the appropriation to continue the National Industrial Training School for Girls that is provided in this bill.

Elwood Street, Director of the Board of Public Welfare, testifying before the Senate subcommittee, of which Senator COPELAND is chairman, said concerning the problem of taking care of these girls:

The Board of Public Welfare would have nothing to suggest beyond its firm conviction that the National Training School for Girls should be continued and any other course of action until adequate facilities are provided would be a calamity. There is no other place now in which they can be put.

There are now 65 colored girls at the National Training School for Girls, sentenced there by the juvenile court. The net per capita cost for the month of March this year was $2 per day. That is at the rate of $730 a year. The per capita cost on the present basis is comparable with other similar institutions; in fact, it is below the average.

I agree with the summation of the Senate committee which investigated this matter, composed of Senators COPELAND, REYNOLDS, and CAPPER. Their conclusion recognizes the problem existing here and adds:

In the meantime, in our opinion, the Commissioners of the District should be requested to send forward to the Appropriations Committee a request for the funds needed to continue the Receiving Home and the National Training School for Girls during the next fiscal year. Before the next Budget is completed we hope we shall be in a better position to take wise action with reference to the child-caring institutions of the District.

Frederick W. McReynolds, chairman of the Board of Public Welfare, approves the conclusion of the Senate committee as "100 percent wise."

Who is better qualified to pass judgment on this proposition than the judge of the Juvenile Court, whose duty it is under the law to make commitments to the National Training School for Girls?

Because I wanted to be right in my conclusions in this matter I consulted Judge Fay L. Bentley of the Juvenile Court, whom I hold in high esteem. I think the entire city of Washington is pleased with the admirable and efficient services rendered by Judge Bentley in her important position so intimately related to juvenile welfare. And I wish, in conclusion, to present for the consideration of the House the reply I received from Judge Bentley. It is as follows:

JUVENILE COURT OF THE DISTRICT OF COLUMBIA,
Washington, May 31, 1938.

Hon. LOUIS LUDLOW,
House Office Building, Washington, D. C.

MY DEAR MR. LUDLOW: In response to your request for an expression of opinion from me relative to the National Training School situation, permit me to state that there is an existing need in the community for an institution to care for both white and colored girls requiring a long-time program of training for whom there is at the present time no community plan other than that institution. From the press, I am acquainted with the several proposals arising out of the emergency caused by the proposed discontinuance of funds for the school beginning July 1. I sincerely hope that it will be possible to follow the suggestion made by Senator COPELAND'S committee, namely, that the funds be allowed for the continuance of the school pending a thorough study by a competent authority of the entire question of institutional care in the District.

While it is true that the number of girls requiring institutional care of the nature of that given at the National Training School is comparatively small, nevertheless, they constitute a very serious problem, both in that of proper treatment for the individual concerned and for the protection of the public. In spite of the fact that there is question of the continuance of the school, it was necessary last week for this court to commit a girl to the National Training School as the only possible safeguard.

Respectfully yours,

FAY L. BENTLEY,
Judge of the Juvenile Court.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi.

The amendment was rejected.

The Clerk read as follows:

FOREST SERVICE

For the reconstruction or repair of roads, except those under State maintenance, trails, bridges, telephone lines, public campgrounds, and other improvements on the national forests in the State of California damaged or destroyed by floods, fiscal year 1938, $1,000,000, to remain available until September 30, 1938.

Mr. LUCKEY of Nebraska. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. LUCKEY of Nebraska: Page 21, after line 12, insert the following:

"Cooperative farm forestry: For carrying out the provisions of the Cooperative Farm Forestry Act (50 Stat. 188) approved May 18, 1937, $1,300,000, which amount shall be available for the employment of persons and means in the District of Columbia and elsewhere: *Provided*, That not more than 20 percent of this amount shall be expended on the Prairie States forestry project in the prairie plains region."

Mr. TABER. Mr. Chairman, I reserve the point of order on the amendment.

Mr. LUCKEY of Nebraska. Mr. Chairman, the amount in this amendment was originally in the Budget, but for some reason or other it was eliminated from the bill. We now propose to reinsert it in the bill. This amount provides for carrying on the farm cooperative forestry work. It is very essential that this amount be included at this time, because the work has been started, and if we stop it now it will destroy, retard, and hamper what has already been done. There is great need for the continuation of this program. The fund applies to the entire United States, but 20 percent of it goes to the Plains States, the Dakotas, Nebraska, Kansas, Oklahoma, and Texas. Even in the Southern States there is great need for this work. Extensive cutting of trees has been done there for the manufacturing of wood pulp, used in the paper industry. Replanting and reforestation is very important as proposed under the Norris-Doxey Act.

In the Great Plains section where a tree-planting program has been carried on, it has met with great success in spite of drought in some sections. It has been very helpful to the farmers in that it provides them with trees for their wood lots and windbreaks. This tree-planting program will do much in preventing soil erosion and aiding in flood control. Trees also have a great value in modifying climatic conditions. Trees around the farmstead will help the farmer in carrying on a more economical feeding program. Livestock will be protected from the cold winds in the winter. Shelter plantings will protect growing crops from hot winds and thus insure larger yields. The program ought to be continued. Trees are of great commercial value and the small sum that we are asking now will be returned in dividends more than a hundredfold in that it gives the farmer lumber, fence posts, firewood, shelter, and protection from winds.

So far as this amendment not being germane, I wish to state that the paragraph above deals with the Forest Service, so I contend that this amendment is germane. I hope the members of this Committee will vote for this amendment. This is not a waste of money but this program will be of great value to our farmers. The Forestry Department has done excellent work in advising the farmer as to proper methods of planting and caring for trees. The statement was made the other day on the floor of the House that in Cleveland, Ohio, they were spending $235,000 under the W. P. A. program for counting trees. Here we are suggesting something that is constructive and will yield returns manyfold. I hope my amendment will be adopted.

Mr. TABER. Mr. Chairman, I shall not make the point of order.

Mr. STEFAN rose.

Mr. WOODRUM. Mr. Chairman, I ask unanimous consent that all debate upon this amendment and all amendments thereto close in 12 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. STEFAN. Mr. Chairman, I rise in support of the amendment for the continuation of this farm-forestry program, because I feel it is necessary, especially in the States where we have very few trees. This item was taken out of the bill at the behest of private interests who believe that this is an encroachment on their business; that we are hurting their business by planting the trees, whereas, as a matter of fact, I have letters stating that it is helping their business.

Mr. BIERMANN. Will the gentleman please explain the amendment?

Mr. STEFAN. This is an extension of an appropriation for farm forestry in the entire country. Twenty percent of it is to be used in the Great Plains States. This work has been valuable to the farmers in the drought areas. The trees which have been planted in my district by this farm-forestry organization are growing 70 percent; that is, out of 100 trees planted 70 are growing. I wish I could take some of you gentlemen out there where these trees have been planted and show you their condition and how tree planting benefits the Prairie States. Nebraska is a great tree-planting State. We originated Arbor Day. We hope that day will become a national holiday. The committee, because of lobbying and high pressure, cut the approved amount in the Budget from $1,300,000 down to $100,000, and then took it out of this measure entirely, with the result that we have practically no real program for farm forestry. I have spoken too often on this subject to take your time today, but I do hope you provide something here for farmers.

Mr. MASSINGALE. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. Yes; I gladly yield.

Mr. MASSINGALE. Does the gentleman know of any project or undertaking in the Great Plains region which the people approve more thoroughly than they do this reforestation program?

Mr. STEFAN. The gentleman from Oklahoma and I, coming from States where we need trees so badly, realize the great value of this program to the farmer. I could go to great length now on how valuable trees are in Nebraska. The American Legion in my State and many other organizations are carrying on great tree-planting programs in our State. This program to be killed now, I fear, will injure this spirit of tree planting.

People who live in States where there are a lot of forests cannot realize what we are trying to do in Nebraska to bring back the trees. It takes many years to grow them. Here we spend thousands to count trees. We ask for a small appropriation to really plant and grow them.

Mr. MASSINGALE. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield.

Mr. MASSINGALE. Is it not true that the Budget approved an amount of $1,300,000 for this purpose?

Mr. STEFAN. Yes; the Budget approved $1,300,000 for this purpose. The committee eliminated it all.

Mr. BIERMANN. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield.

Mr. BIERMANN. What amount does this amendment offered by the gentleman from Nebraska provide?

Mr. STEFAN. It provides for $1,300,000. We could compromise.

Mr. LUCKEY of Nebraska. That was carried in the Budget estimate.

Mr. BIERMANN. How is this money to be expended?

Mr. LUCKEY of Nebraska. That is for the Bureau of Forestry to say.

Mr. BIERMANN. Will it be spent on private land?

Mr. STEFAN. Yes. Right on the farmers' own land with the farmers' cooperation and approval.

[Here the gavel fell.]

Mr. DIRKSEN. Mr. Chairman, to those Members who are particularly interested in this item I may say that this was considered at great length before the subcommittee handling Department of Agriculture appropriations. Here is what has happened, and the thing that has precipitated the great objection to this $1,300,000 item under the Norris-Doxey Act. If you were to go out to Lincoln, Nebr., you would still find the two upper floors of the First National Bank Building occupied by a group which carried on the so-called shelterbelt activities. In addition thereto you will find that they have been expanding and setting up nurseries at one point and another. It was only a little while until the Subcommittee on Agricultural Appropriations was fairly deluged by the private nurserymen of the country maintaining that there was an unfair kind of competition on the part of those who were trying to take Federal funds and carry on the shelterbelt activities in spite of the fact that Congress had theretofore turned thumbs down on that particular activity. We have gone into this matter at great length and heard considerable testimony from Members of the House as well as representatives of the Department and others interested in the maintenance of the program of propagation of trees, plants, and shrubs in the private nurseries of the country. With the finding of the Subcommittee on Agricultural Appropriations to guide us we have dealt with the matter. That bill is in conference at the present time. So there is no reason on earth why this item ought to be written into a deficiency bill this year. It is not a deficiency, for one thing; and, for a second thing, it has received all the consideration that it should have. It was the deliberate and considered opinion of the Subcommittee on Agricultural Appropriations that these activities ought to be curtailed. This is the whole story. This amendment, therefore, ought to be voted down.

Mr. MASSINGALE. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. With great pleasure.

Mr. MASSINGALE. Is it not true that if this amendment is not put in this bill, unless you bring in the other bill the gentleman mentioned providing a tree-planting schedule or scheme, that the Western States are not going to have any money to operate on at all?

Mr. DIRKSEN. Oh, no. My good friend from Oklahoma clearly mistakes the issue. That matter has been submitted to this House in the form of a provision in the Department of Agriculture appropriation bill. The House has spoken on the matter. It has gone to the Senate and the Senate has spoken. It is now in conference. I claim it has no place in a deficiency bill, for the matter has been considered heretofore and well considered in the appropriation bill.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. CASE of South Dakota. Would the gentleman have the House understand that when the agricultural bill comes back to this House from the conference committee that there will be anything in it for this item?

Mr. DIRKSEN. Not one bit. I am only trying to make plain to the House that we brought our case before the House, argued it on the floor, and the House very solemnly and formally spoke on the matter. This ought to dispose of it. We should not try to renew it in a deficiency bill.

Mr. LUCKEY of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. LUCKEY of Nebraska. The gentleman from Illinois refers to an act that was passed in 1924.

Mr. DIRKSEN. Oh, no. The gentleman from Illinois is referring to the Norris-Doxey Act, and that is the act the gentleman from Nebraska has in mind. The amendment ought to be voted down because this matter has been considered heretofore.

Mr. WOODRUM. Mr. Chairman, without regard to the merit or demerit of the farm forestry item, the fact remains, and the fact that influenced the committee in the matter was, that it was presented to the Appropriations Committees in both branches of Congress in the regular bill this year and turned down by both committees. If you are going to allow this sort of procedure of coming back on the deficiency bill, it simply means that the deficiency bill is going to be an appellate measure after the Congress has deliberately acted on an item.

I believe that neither the committee nor the Congress would want that sort of situation to prevail. I have the greatest sympathy for the sincerity and the interest that

these gentlemen display in this item. I do not mean in any way to pass on the merit or demerit of their contention. But the Subcommittee on Agricultural Appropriations of the Committee on Appropriations of the House turned it down, the House turned it down, and the agricultural subcommittee of the Senate Appropriations Committee turned it down.

Mr. Chairman, if it is to be tried again, go back to the regular appropriation bill next year and take the question up, but do not load down the deficiency bill with items of this kind which do not properly belong on it.

Mr. Chairman, I hope the amendment will not prevail.

[Here the gavel fell.]

The CHAIRMAN (Mr. WARREN). The question is on the amendment offered by the gentleman from Nebraska [Mr. LUCKEY].

The amendment was rejected.

The Clerk read as follows:

DEPARTMENT OF THE INTERIOR

UNITED STATES HOUSING AUTHORITY

Salaries and expenses: Such unexpended funds as remain, after completion of the housing or slum-clearance projects transferred from the Federal Emergency Administration of Public Works, from the funds authorized to be expended for such projects by the Federal Emergency Administration of Public Works under title II of the National Industrial Recovery Act and the Emergency Relief Appropriation Act of 1935 and transferred to the United States Housing Authority under Executive Order Numbered 7732 of October 27, 1937, as modified by Executive Order Numbered 7839 of March 12, 1938, are hereby reappropriated and made available for the purposes of the United States Housing Act of 1937, and of these funds and other funds of the Authority there is hereby made available during the fiscal year 1939 not to exceed $2,250,000 for administrative expenses of the Authority, in carrying out the United States Housing Act of 1937, including personal services and rent in the District of Columbia and elsewhere; traveling expenses; printing and binding; procurement of supplies, equipment, and services; reproducing, photographing, and labor-saving devices and office appliances, including their repair and exchange; payment, when specifically authorized by the Administrator, of actual transportation expenses and not to exceed $10 per diem in lieu of subsistence and other expenses to persons serving while away from their homes without other compensation from the United States, in an advisory capacity to the Authority; payment of the necessary traveling and other expenses of officers and employees of any agency of the Federal, State, or local Governments whose services are utilized in the work of the Authority; not to exceed $5,000 for the purchase and exchange of law books and other books of reference, periodicals, newspapers, and press clippings; not to exceed $2,500 for exchange, maintenance, repair, and operation of motor-propelled passenger-carrying vehicles, to be used only for official purposes; not to exceed $1,000 for expenses of attendance, when specifically authorized by the Administrator, at meetings or conventions concerned with the work of the Authority; not to exceed $10,000 for the preparation, mounting, shipping, and installation of exhibits; not to exceed $5,000 for employing persons or organizations, by contract or otherwise, for special reporting, engineering, technical, and other services determined necessary by the Administrator, without regard to section 3709 of the Revised Statutes (41 U. S. C. 5), and without regard to the civil-service laws and the Classification Act of 1923, as amended: *Provided*, That all necessary expenses in connection with the completion of contruction, development, management, and operation of projects transferred to the Authority by said Executive orders may be considered as nonadministrative expenses for the purposes hereof, and be paid from the funds allotted for or the rents from each project.

Mr. ANDERSON of Missouri. Mr. Chairman, I move to strike out the last word, and ask unanimous consent to proceed out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

NEEDS FOR VETERANS' HOSPITAL

Mr. ANDERSON of Missouri. Congress is frequently criticized for spending too much time in striving for the solution of idealistic or philosophical problems while existing and factual maladjustments are left unrectified. Much of such criticism emanates from sources that are entirely unfamiliar with the problems and duties of Congress or from quarters that seek to discredit our democratic processes of government.

However, I have often felt that we deal too much in futures while we overlook the necessity of providing remedial measures that common sense demands at the present moment.

This Congress has authorized the construction of the largest and most expensive Navy in the history of our country, and our military appropriations have set a new high record. Thus we are spending billions upon billions to provide machines and instruments for the destruction of life and property. But at the same time we are failing to provide proper and adequate facilities for the care of the veterans of our last war.

Thousands of men, broken in mind, body, and spirit, are awaiting the inevitable hour in overcrowded hospitals. Many are forced to forego hospital care until space is available or until death overtakes them. As a glaring example of this policy of neglect and indifference, I can cite for you the veterans' hospital at Jefferson Barracks, Mo., which happens to be in the district that I have the honor to represent in this House.

The Jefferson Barracks Veterans' Hospital No. 92 is supposed to service 58 counties of eastern Missouri and 49 counties of southern Illinois. In addition to the number of counties, it should be remembered that the great city of St. Louis and many smaller cities are within this hospital area. There are about 153,000 veterans in the area serviced by the Jefferson Barracks Facility of the Veterans' Administration.

My complaint is not that the area is too large, not that we have too many veterans in the area, but solely and simply that the hospital facilities provided are grossly inadequate. I repeat once more that there are 153,000 veterans in the Jefferson Barracks Hospital area. But we provide the grand total of 386 beds, with an expected increase to 514 when present alterations are completed.

The inadequacy of the present facilities, including the increase just mentioned, is still more amazing when we consider that in the United States as a whole there is provided an average of 1 bed for every 80 of veteran population. But in the Jefferson Barracks area less than one-third of the national average is maintained. In other words, we have exactly 1 bed for every 297 of veteran population in the Jefferson Barracks area.

In addition to this obvious and discriminatory inadequacy, the Jefferson Barracks Veterans' Hospital is classed as an emergency hospital, and hospital care is available there only to such veterans so dangerously ill or injured as to meet the requirements of an emergency case.

The big question that comes to mind now is, How many cases in the Jefferson Barracks area require hospitalization? We average 80 to 100 cases per month that do not fall within the emergency status, and consequently no care is provided at Jefferson Barracks for such cases.

The next question is, What happens to the veteran requiring hospital care in this area but who does not qualify as an emergency case? Here is the answer: He is sent to Wadsworth, Kans., or Excelsior Springs, Mo., or elsewhere away from his family and friends. However, the veteran's difficulties do not end here.

These latter hospitals in Kansas and elsewhere are and have been overcrowded for many months past and consequently a waiting list has been established. Thereby veterans in urgent need of hospital care are denied the use of proper facilities and the result has been undue mental and physical suffering to the patients.

Occasionally one of these veterans from the Jefferson Barracks area, not qualifying as an emergency but badly in need of hospital care, is lucky enough to be admitted to one of the hospitals in some other part of the country, but even then there has been an average delay of from 8 to 10 days in providing transportation.

Thus you can see how our section of the country has been neglected and is suffering from the lack of proper and adequate facilities for our veteran population. There has been an evident neglect and discrimination against the Jefferson Barracks area and I cannot permit this session to pass without calling your attention to the facts that confront the veterans in eastern Missouri and southern Illinois.

I propose to fight for my section of the country until we are put on a parity with the rest of the Nation with respect to hospitalization for our veterans. There is no justification for providing 1 bed per every 297 veterans in the Jefferson Barracks area when the Nation as a whole provides 1 bed for every 80 of veteran population.

What is the prospect for better conditions in the Jefferson Barracks area? Well, the Veterans' Administrator says he hopes to get some part of the billions we are providing for recovery. So you see, we are just hoping—we are not taking any specific and concrete action. We are going to leave it to the discretion of some administrator or some bureau to grant or deny, as he sees fit, funds to increase facilities to care for the needy veterans, while millions are poured into theoretical and dubious enterprises that are supposed to be a cure-all for the Nation's ills.

I realize that it is late in the session and that we all want to get home. But I urge you to remember the situation that confronts the veterans of eastern Missouri and southern Illinois.

These men who, today, beg us to provide adequate hospital care are the same men that Congress called upon just a few years back to leave their homes, their jobs, and their families to fight on foreign soil.

I was one of those men and there are thousands more in my district and in the Jefferson Barracks Hospital area. While I am here as their representative their plight will be made known—their fight will be carried on.

Mr. REILLY. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. REILLY: Page 25, line 17, strike out "$2,250,000" and insert in lieu thereof "$4,500,000."

Mr. REILLY. Mr. Chairman, my amendment is intended to restore to the pending bill the sum approved by the Budget—$4,500,000—as operating expenses for the United States Housing Authority for the fiscal year 1939.

The pending bill carries only $2,500,000 as operating expenses for the next fiscal year for the United States Housing Authority.

I know how difficult it is to increase appropriations carried in a bill reported to the House by a committee, but I feel that whether successful or not in getting the committee to adopt my amendment, that the situation that the Housing Authority will be in from an operating standpoint for the next fiscal year, if my amendment is not to be adopted, ought to be called to the attention of the committee no matter what the committee may see fit to do about it.

A year ago Congress established the United States Housing Authority and authorized the said Authority to use in slum clearance $500,000,000 covering the period up to July 1, 1939.

The Banking and Currency Committee of the House has reported out a bill increasing by $300,000,000 the sum made available for slum-clearance work in this country, and the House bill repeals the provision of the existing law that requires local housing authorities to provide 10 percent of the cost of a slum-clearing project and permits the United States Housing Authority to loan up to 100 percent of the cost of such projects.

The Senate recently passed a bill amending the present national housing law by increasing the funds available for the said Housing Authority by $300,000,000 and this Senate bill also provides that the local housing authority be given until the completion of the project in which to furnish the 10 percent of the total cost of a slum-clearance project required by law.

There can be no doubt at all but that the Senate bill will become a law this session of Congress and the result of the passing of the Senate bill will be to speed up the work of the United States Housing Authority in starting slum-clearance projects because it permits the starting of a slum-clearance project before the 10 percent required to be furnished by the local housing authority is furnished.

After the Senate bill becomes a law the allocating of funds for slum-clearance projects will proceed more rapidly, with the result that the United States Housing Authority, if it is to carry out the will of Congress, must speed up its work and necessarily increase largely its operating force.

The United States Housing Authority will have $500,000,000 to use in slum-clearance projects the coming fiscal year if the Senate bill becomes a law, and the sooner the Authority can allocate that much money in starting slum-clearance projects, the better it will be for our army of unemployed.

While the National Housing Act passed a year ago was a slum-clearance act, the act as it will be amended in this session of Congress is a relief act, an act to provide jobs for our unemployed.

The cutting down of the appropriation for operating the United States Housing Act in the next fiscal year by one-half can have but one result and that is to hamstring the Authority in carrying out the will of Congress to have slum-clearance projects speeded up so as to help relieve the unemployment situation.

I hope the committee may see fit to adopt my amendment.

Mr. WOODRUM. Mr. Chairman, I ask unanimuos consent that all debate on this paragraph and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. FORD of California. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I note in the report that in that provision where housing comes in there has been a general saving made of $3,153,000. That is not the exact amount but approximate. Of that amount $2,250,000 is taken fom one unit, the United States Housing Authority.

If that amount stands, I am informed by the Authority that it will be impossible for it to function properly throughout the year and bring to the United States such benefits, and I believe they are substantial benefits, as will accrue from the building of structures for the purpose of effecting slum clearance. I hope the amendment returning that appropriation to $4,500,000 will be adopted, and the reason for my hope is that we are just about to add, at the President's request, $300,000,000 to the sum they already have, making an $800,000,000 program. With that $800,000,000 program we cut their operating charges in half. I would not want to say it was done for the purpose of sabotaging the effectiveness of the Housing Authority, but I believe that will be the result.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. FORD of California. I yield to the gentleman from New York.

Mr. TABER. Does the gentleman know that the estimate this Authority sent up here called for an average salary of $3,600, more than double the average of almost any other agency of the Government?

Mr. FORD of California. I may say that the Budget took the estimates of the Authority and went over them, and allowed $4,500,000.

Mr. TABER. Yes, but an average salary of $3,600 is absolutely ridiculous.

Mr. FORD of California. They have to have a class of technicians who are of a higher type than the ordinary governmental functions call for. The Authority must have architects and other highly skilled persons who are familiar with these very intricate problems. For that reason, I hope the Committee will raise this appropriation to $4,500,000.

Mr. McKEOUGH. Mr. Chairman, will the gentleman yield?

Mr. FORD of California. I yield to the gentleman from Illinois.

Mr. McKEOUGH. In connection with the statement of the gentleman from New York concerning the $3,600 average

salary, the hearings indicate that when Mr. Straus testified he showed the average was $2,588 rather than $3,600.

Mr. FORD of California. I have not checked that up, so I cannot answer the question.

Mr. BIERMANN. Mr. Chairman, will the gentleman yield?

Mr. FORD of California. I yield to the gentleman from Iowa.

Mr. BIERMANN. This body has not passed any bill that would increase the amount from $500,000,000 to $800,000,000. Does the gentleman propose that the other body shall put that kind of legislation on the relief bill and that we shall accept it?

Mr. FORD of California. I, for one, am going to accept it.

Mr. WILLIAMS. Mr. Chairman, will the gentleman yield?

Mr. FORD of California. I yield to the gentleman from Missouri.

Mr. WILLIAMS. Does the gentleman know how many employees are now receiving this salary?

Mr. FORD of California. No; I do not know how many. I did not check that up.

Mr. WILLIAMS. Does not the gentleman know over 1,170 men and women are employed in the offices of the Authority at an average of over $2,500 a year? And, as far as I can see, they are doing absolutely nothing. So far they have approved only nine projects.

Mr. FORD of California. They have 48 States in which to operate, and they are just getting started on an increased appropriation. If we cut down their personnel so they cannot operate, the project will be sabotaged without our intending to do so.

Mr. DIRKSEN. Mr. Chairman, will the gentleman yield?

Mr. FORD of California. I yield to the gentleman from Illinois.

Mr. DIRKSEN. I wonder why it is they have half as many people employed in the Press Section, 83, as they have in the entire Construction and Review Section?

Mr. FORD of California. Perhaps there is a sound executive reason for that. I am not sufficiently informed to be able to discuss it.

Mr. DIRKSEN. It is disclosed in the hearings.

Mr. WIGGLESWORTH. Mr. Chairman, will the gentleman yield?

Mr. FORD of California. I yield to the gentleman from Massachusetts.

Mr. WIGGLESWORTH. Does the gentleman realize that this agency asked for over $229,000 for a press-relations service and for about $100,000 for the office of consultant on racial relations?

Mr. FORD of California. That is a very important department, involving very delicate and intricate problems that call for enlightened and sympathetic handling. For that reason, the character of the personnel should be of a very high order.

[Here the gavel fell.]

Mr. WOODRUM. Mr. Chairman, the statement filed with the committee by the United States Housing Authority discloses it to be, perhaps, the banner agency of the Government when it comes to the employment of personnel and the payment of unreasonable salaries. If they have accomplished nothing else, I believe certainly they have made a record on that. They are not doing any construction work, not a particle, except winding up, perhaps, some of the P. W. A. projects that were sent over to them when they came into being. All they are doing is supervising this housing program through loans and grants.

The increase which has been alluded to has not yet become law. If you will examine the record, and I wish I had enough of these green sheets to pass among you to let you see them, you will find they proposed 1,171 departmental people in Washington at an average salary of $2,588 each, which is very much above the average salary of departmental workers in any of the regularly established Departments. They have 209 proposed field personnel at an average salary of $3,650. Just listen to this for a moment:

Seventeen project planners at $5,600; 26 project managers at $5,200; 10 senior land appraisers at $4,600; 20 project planners at $4,600; 25 project planners at $4,600; and 16 project planners at $3,400.

Certainly there should be some planned construction with all of these project planners. There are 10 assistant project planners at $2,600, and 10 assistant project planners at $2,200, and then all the way through it is the same way. There is a large and expensive legal set-up. There just is no justification for it. The committee has given the Authority $2,250,000 for administrative expenses, which is ample, if they will adjust their personnel and adjust their salaries in accordance with what other Government Departments are paying.

Mr. KOPPLEMANN. What was their budget last year?

Mr. WOODRUM. I do not know what it was last year, but the gentleman knows, of course, they have not done anything so far, practically.

Mr. KOPPLEMANN. I would not say that altogether.

Mr. WOODRUM. The gentleman would have to come pretty nearly saying that, would he not?

Mr. KOPPLEMANN. No.

Mr. DIRKSEN. Do not the hearings show they have disbursed only $600,000?

Mr. WOODRUM. Yes; the hearings show that.

Mr. KOPPLEMANN. They have started a big job.

Mr. WOODRUM. That is true. I believe I did not vote for the act, but I am not trying to sabotage it. If the gentleman will examine the hearings he will find this expensive and unjustifiable personnel account.

Mr. KOPPLEMANN. Is this appropriation less than last year's, or not?

Mr. WOODRUM. They were not operating last year.

Mr. REES of Kansas. Who fixed those salaries and employed so many men?

Mr. WOODRUM. Congress passed a law authorizing the Authority to do that, that is the reason. It is because of the latitude we gave them.

Mr. REES of Kansas. It is all the fault of Congress, then?

Mr. WOODRUM. We passed the law.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin.

The amendment was rejected.

The Clerk read as follows:

Roads, Indian reservations: For an additional amount for the construction, improvement, repair, and maintenance of Indian reservation roads, fiscal year 1939, including the same purposes and subject to the limitations under this head in the Interior Department Appropriation Act, 1939, $2,000,000.

Mr. TABER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TABER: Page 36, line 7 through line 12, strike out the entire paragraph.

Mr. TABER. Mr. Chairman, I have made this motion to strike out the $2,000,000 for roads in Indian reservations because I believe the President, when he sent the budget message up here calling for a million dollars, had the picture pretty well in mind. I do not believe that within 30 days of the passage of a bill providing the regular annual appropriation we should go ahead and provide a deficiency of double the amount regularly carried in the bill.

If we are ever to begin to cut down on expenses in any way, we should begin here and cut out this $2,000,000. This $2,000,000 was authorized at the time the regular bill was here and it required no additional legislation to make it in order, and therefore it is highly improper and against good governmental practice to consider such a thing on a deficiency bill, and I hope the amendment will be adopted and we will save a couple million dollars.

Mr. JOHNSON of Oklahoma. Mr. Chairman, this is one of the most important items in the pending deficiency bill. This is a real emergency.

Some of you will recall that when the Interior Department appropriation bill was before this body that after conferring with members of my subcommittee I offered an amendment to increase the amount allowed by the committee for Indian roads and trails from $1,000,000 to $1,500,000. Our subcommittee had received a Budget estimate for only $1,000,000 for the entire Indian Service which was exactly one-third of the sum expended for roads on Indian reservations last year. We found also that 10,783 landless and homeless Indians were employed on these roads through Indian reservations during the past year. Our subcommittee attempted, in a measure, to meet the situation then by increasing the amount to $1,500,000 in order to build much-needed roads and at the same time put at least one-half the number of jobless Indians to work as were employed in road building last year. In the name of economy we were finally voted down in a very close vote. So, as the situation now stands, unless this item remains in the pending bill, only one-third of the amount urgently needed will be available for this purpose during the next year. If this $2,000,000 item should be eliminated several thousand Indians now engaged in road building will be thrown out of employment July 1.

Mr. GREEVER. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I will be glad to yield to the gentleman.

Mr. GREEVER. Is it not also true that aside from the relief-work features in these Indian reservations the roads in Indian reservations are generally much more important than the surrounding roads of a State highway system, which makes it very unhandy to go over the roads that connect up with the highway systems?

Mr. JOHNSON of Oklahoma. That is true. In many of the reservations highways have been constructed right up to the Indian reservation and then in some instances not even a trail through the reservation, which makes a very deplorable situation.

Now, as I understand, this item is one-half of the amount authorized in the 1939 appropriation, and if allowed, added to the $1,000,000 heretofore appropriated in the annual Interior bill, will make $3,000,000 for Indian roads, which is the same amount appropriated last year, is it not?

Mr. WOODRUM. That is right.

Mr. JOHNSON of Oklahoma. And this is simply an effort to speed up the road-building program through Indian reservations. This is the same thing we have done for everybody else, and there is no reason why we should make an exception in this case. I trust there will not be any votes at all against it and that the amendment offered by the gentleman from New York will be rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. TABER].

The amendment was rejected.

Mr. WOODRUM. Mr. Chairman, I ask unanimous consent to return to page 34, line 23, to correct a typographical error.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. WOODRUM. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Page 34, line 23, change the word "not" after the word "but" to the word "no."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. RICH. Mr. Chairman, I ask unanimous consent to return to page 35 for the purpose of offering an amendment.

The CHAIRMAN. Is there objection?

Mr. WOODRUM. Mr. Chairman, I will have to object to that.

The Clerk read as follows:

BUREAU OF RECLAMATION

The following sums are appropriated, out of the special fund in the Treasury of the United States created by the act of June 17, 1902 (43 U. S. C. 391, 411) and therein designated "the reclamation fund"; to remain available until June 30, 1939:

Salt River project, Arizona: For continuation of construction, $400,000;

Yuma project, Arizona-California: For operation and maintenance improvements and betterments, $100,000;

Klamath project, Oregon-California: For continuation of construction, $100,000;

Riverton project, Wyoming: For construction of a transmission line, $125,000;

In all, reclamation fund, special fund, $725,000.

Mr. RICH. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. RICH: Page 37, strike out lines 3 to 11, inclusive.

Mr. RICH. Mr. Chairman, I call attention to the fact that here are four or five requests for additional money for reclamation. It is all right to have reclamation, but just 2 or 3 weeks ago we passed the Interior appropriation bill and practically every recommendation that was made by the Bureau of the Budget was added to that bill. Since that time we have had Budget estimates in here for these several items, and I question whether those who are interested in these items were as much interested in securing all the money they could in the other bill, because they now seem to be trying to secure the money at this time to increase the amounts they wanted for reclamation when the Interior bill was under consideration. It does not seem right that we should be continually adding to these projects and that the membership of the House must always be requested in every deficiency bill that comes up to add items to the Interior appropriation bill, especially at this time, when we have no money in the Treasury, no income to speak of by the Government, business at a standstill. More land than the people can now cultivate. The Agriculture Department paying the farmers for not producing. Permitting importations of farm commodities from foreign countries. Oh, what foolish things you do. Do you know what you are doing? If you do you will stop wasting the taxpayers' money. I ask that the amendment be adopted.

Mr. WOODRUM. Mr. Chairman, I ask unanimous consent that all debate upon this amendment and all amendments thereto close in 3 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. WOODRUM. Mr. Chairman, these reclamation projects as shown in the hearings are among the very best reclamation projects under the Department of the Interior. Every one of them is well up with its payments in returning what has been advanced. For instance, there is the Salt River project, Arizona, $400,000. That amount is due to increased costs of construction, labor, and materials on the Bartlett Dam. Even with this amount the project will be finished within the estimated cost. The Department had no control over these increased prices. The Riverton project gets $100,000. That is for a transmission line that is made necessary by the shut-down of a private plant. That line will facilitate the sale of power and return the cost in 10 or 12 years. Every one of these projects is a paying project. This money will be repaid.

Mr. RICH. Let us refer for a moment to the rural electrification that the gentleman has made so much ado about. If you spend money in the Bureau of Reclamation, the money goes into that fund, and is continually used for that purpose, and you never get the money back in the Government Treasury, whereas if you apply it in the way of loans through the rural electrification matter, you will get the money paid back into the Treasury, and that is what the gentleman ought to be interested in.

Mr. WOODRUM. But this Riverton project should facilitate rural electrification.

Mr. RICH. But you are putting this into the reclamation fund and you will never get the money back in the Treasury of the United States.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania.

The amendment was rejected.

The Clerk read as follows:

Commission to investigate reclamation projects: Not to exceed $3,000 of the unexpended balance of the appropriation of $30,000 for the Commission to investigate reclamation projects contained in the Third Deficiency Appropriation Act, fiscal year 1937, approved August 25, 1937 (50 Stat. 764), is hereby continued available for the same purposes during the fiscal year 1939.

Mr. DEMPSEY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am taking a few minutes of the committee's time this afternoon to point out the elimination of an item which came about, I believe, because of a lack of information on the part of the committee. Knowing the ability of this committee, I am sure that was the reason for its action, rather than a desire to destroy a worthy project.

Last year the Congress authorized the construction of the Arch-Hurley irrigation district. The Secretary of the Interior caused an investigation to be made. Notwithstanding the farmers' desire to pay for the entire project, the Secretary of the Interior found that it was not feasible for the owners of the lands to reimburse the Treasury for the entire cost of the project. It so happens that this project is in the Dust Bowl, that part of our State where there are more unemployed than in any other. It has been found difficult, virtually impossible, to get sponsors' contributions in order to meet relief appropriations or relief allocations in that district. Under the terms of the bill as amended it permits not only the reimbursable funds to be used, but funds not reimbursable as well; in other words, we seek to use some of the relief-work moneys allocated to this district to build roads, dig ditches, and do things with a constructive, permanent economic value, rather than use the public funds to build golf courses, tennis courts, and things of that kind which would have no economic value in the future, measured in terms of employment and security for hundreds of needy families. The committee did not have all the information I think it should have had and which I had believed would be presented. The Director of Reclamation appeared before the committee and gave the Bureau of Reclamation's side of the picture, recommended the project, but pointed out that there would be a small amount of money necessary, which would not be reimbursable and of which he did not have information as to the source. At the same time the Works Progress Administration, which was allocating the money to this district, realized that it not only had the money to spend there but that it had the relief workers there to do the work, and unless the money was spent on projects of this kind there would be more or less waste.

This item of appropriation will serve a twofold purpose: First, it will provide a project which will give employment to more than 2,000 relief-roll workers for at least 2 years in an area where the recent unemployment census showed there were 6,442 persons listed as unemployed or on emergency relief work. Today that total, I am reliably informed, is approximately 7,500.

Second, it will provide irrigation for approximately 45,000 acres of land, affording a permanent livelihood for 1,000 families, nearly all of whom are now on the relief rolls or are suffering from privation and want.

This 45,000-acre irrigation district will be in the heart of the great Dust Bowl, where drought has been eating out the hearts of thousands of good, industrious American citizens for years; where many thousands of cattle have starved because there was no feed; where crops have failed year after year for the lack of but one thing—water. I know it is difficult for some Members to understand that, but it is tragically true. This project will insure that water, stop the ravages of drought and restore the prosperity, confidence, and courage of brave men and women who have battled on against the perversity of nature and the elements through long dust-choked years with the same fortitude that marked the lives and achievements of their pioneer forbears in the southwestern country.

This land was one of the finest livestock ranges in America. Unfortunately, during the World War, when there was a demand for every bushel of grain we could raise to feed our fighting men, much of the land in this and adjoining areas was put into cultivation. Afterward it was not reseeded and kept in production, with the result that what was once a marvelous grazing district in New Mexico now lies useless until we can bring water to it. Then our herds of livestock once more will be assured of feed.

There is more to this item than just the sound economics I have presented here. It seeks to have this Government put into effect the policies we have been enunciating in this Congress since 1933; policies which will help the American people to help themselves into positions of security. Every dollar of this appropriation will be reimbursed to the Government. There is not an irrigation or reclamation project in New Mexico which has not paid back in full every dollar of its obligations due to the United States. This one can do the same.

In brief, this item merely proposes that funds be made available so that money which is to be expended anyway by the Works Progress Administration in New Mexico can be utilized for something worth while. Inclusion of the item will not add one cent to the ultimate net outlay by the Federal Government in New Mexico over what is contemplated right now. This is one item that does not have to be written in red ink.

I sincerely trust that when this measure comes up in the Senate the error made by the House committee will be rectified. I am sure that, with the information I am giving that committee at this time, there should be no opposition to this project.

Some of the Members of the minority side have pointed out time and time again to Members of the House that the sponsors' contribution was largely inadequate to their way of thinking for many projects. Here is a project where the sponsors can meet 75 to 80 percent of the contribution. I submit that projects of this kind are the type we need in our State of New Mexico. [Applause.]

[Here the gavel fell.]

The Clerk read as follows:

General investigations: The unexpended balance of the appropriation of $200,000 to enable the Secretary of the Interior, through the Bureau of Reclamation, to carry on engineering and economic investigations of proposed Federal reclamation projects, surveys for reconstruction, rehabilitation, or extension of existing projects and studies of water conservation and development plans contained in the Interior Department Appropriation Act, fiscal year 1938, is hereby continued available for the same purposes for the fiscal year 1939.

Mr. TABER. Mr. Chairman, I make a point of order against the paragraph on the ground that it is not authorized by law. An appropriation for the purpose of such investigation is authorized out of the reclamation fund but not out of the general funds of the Treasury.

The CHAIRMAN. Does the gentleman from Virginia care to be heard on the point of order?

Mr. WOODRUM. I do not, Mr. Chairman.

The CHAIRMAN (Mr. WARREN). The Chair is ready to rule.

The Chair sustains the point of order on the ground that it is legislation on an appropriation bill.

The Clerk read as follows:

BUREAU OF MINES

Acquisition of helium properties: For acquirement, in accordance with the provisions of the act of September 1, 1937 (50 Stat. 885), from the Girdler Corporation of helium-producing properties at Thatcher, Colo., and at Dexter, Kans., including real estate, buildings, ground equipment, machinery and equipment, materials and supplies, pipe lines, gas wells, engineering and geological data, lease rights, and patent licenses, fiscal year 1939, $537,975.23.

Mr. TABER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TABER: On page 38, line 5, strike out the entire paragraph beginning in line 5 and ending in line 12.

Mr. TABER. Mr. Chairman, I have offered this amendment to strike out a provision calling for the purchase of a lot of land containing alleged helium gas. The helium business is practically dead. There is no use for helium except for scientific purposes, and we have plenty of helium lands already owned by the Government. We are just bailing out a group of people who had funds invested in helium gas lands scattered through different parts of the country from Kentucky, to Kansas, to Colorado, and whose business is obsolete. I cannot see why the Government at this time should put up $537,000 to buy more helium properties, buy them at a time when the helium business is completely obsolete and when we are not using it except to a very small degree.

I hope this amendment will be adopted.

Mr. MAY. Will the gentleman yield?

Mr. TABER. I yield to the gentleman from Kentucky.

Mr. MAY. For the information of the gentleman from New York, may I state that perhaps the Committee on Appropriations did not have available the information that our committee has on the subject of helium. When we had before the Committee on Military Affairs a bill to prohibit the exportation of helium, the private industry that is interested here and for whom this appropriation is being made, was the only private enterprise in this country engaged in the helium business. The facts show that they went into the business on the solicitation of the United States Navy with the assurance they would have a contract lasting for a long period of time, which would enable this concern to develop the business and make money. After they entered into the contract, made their investment, and developed the property, the Navy thereupon canceled the contract.

They were induced to go into the business by the Government, and our committee felt an injustice had been done them. We made provision in that act by which the Department of the Interior would be able to negotiate with them and take over all of their property.

Mr. TABER. Mr. Chairman, I am afraid my time will not permit me to yield further.

We have gone into that question in the Appropriations Committee in connection with the Navy bill a great many times. I do not feel that these people have anything which would justify the payment of a large sum of money to them. The whole situation is that they had these properties. There was not market enough for helium to enable them to operate their plant at a profit. They are flat and this is simply an attempt to bail them out. I do not see why we should put up this money.

[Here the gavel fell.]

Mr. O'NEAL of Kentucky. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from New York [Mr. TABER].

Mr. Chairman, it so happens that the Girdler Corporation is in my home city and I have had some familiarity with the subject of helium as it pertains to its business history. Knowing the gentleman from New York [Mr. TABER] as well as I do, and knowing his desire to be fair wherever the Government owes money justly, I am sure he does not know the facts with respect to this matter in their entirety. In the short time allotted me I will have to be brief, but I can say that when this corporation in perfectly good faith started in this interesting subject of the development of helium many years ago, the Navy Department was not in a position to go forward as to it.

A responsible officer of the Navy urged them, not only as a good business proposition but as a patriotic service, to go into the helium business and develop the properties in order to see what they could do to help the cause of national defense. These gentlemen, of course, had a selfish motive in doing that. They did develop the properties. They were pioneers and they did an excellent piece of work for the Government. Then the Government said, "You shall not sell any of the helium you have developed." The Government sold it, while it was forbidding private interests to sell it.

It came to the point where helium was finally nationalized and none could be sold. I am reliably informed that these men have spent considerably over a million dollars. They presented as actual expenses to Secretary Ickes an amount far in excess of the amount carried in the pending bill, but in order to close the matter, and recognizing that the Government should have a monopoly on helium, they signed this hard contract, as they looked upon it, this contract which was not equitable and did not reimburse them for the amount they put in. The amount set forth in this bill represents the agreement and, as I said, it was a hard agreement, and every dime of it should be paid.

Mr. MAY. Will the gentleman yield?

Mr. O'NEAL of Kentucky. I yield to the gentleman from Kentucky.

Mr. MAY. The hearings before our committee in reference to the helium bill showed they had something like $1,250,000 actually invested in this enterprise.

Mr. O'NEAL of Kentucky. Yes.

Mr. MAY. And that they engaged in this enterprise at the instance of the Government.

Mr. O'NEAL of Kentucky. That is right.

Mr. ROBSION of Kentucky. Will the gentleman yield?

Mr. O'NEAL of Kentucky. I yield to the gentleman from Kentucky.

Mr. ROBSION of Kentucky. Do I understand that the Government entered into a contract with these people and took over their properties?

Mr. O'NEAL of Kentucky. That is correct.

Mr. ROBSION of Kentucky. Did the Government agree to pay them the sum carried in this bill?

Mr. O'NEAL of Kentucky. That is correct.

Mr. ROBSION of Kentucky. And it has not been paid?

Mr. O'NEAL of Kentucky. That is correct.

Mr. Chairman, I hope the amendment offered by the gentleman from New York [Mr. TABER] will be rejected.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. TABER].

The amendment was rejected.

Mr. ROBINSON of Utah. Mr. Chairman, I offer an amendment which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. ROBINSON of Utah: Page 38, after line 12, insert a new paragraph: "University of Utah station: For the erection and equipment of a building or buildings on a site, to be donated to the United States, adjacent to the campus of the University of Utah at Salt Lake City, Utah, suitable for use by the Bureau of Mines for the mining experiment station authorized by the act approved February 25, 1938, including expenses in the District of Columbia and elsewhere for the preparation of plans and specifications, advertising, traveling expenses, and supervision of construction, fiscal year 1939, $300,000."

Mr. ROBINSON of Utah. Mr. Chairman, I think I hold a record in this House for going along with the committee. I try to support the work I know the committee has labored hard and diligently to bring before the House and I have no special criticism of the work of this committee at the present time.

I feel that the committee in this particular instance has not given this matter due consideration. A bill passed by this House authorized the amount set forth in my amendment to be expended for the purposes named. I feel the bill was so drawn that it is essential the money be appropriated out of the first appropriation bill that comes before the House and this is the first proper appropriation bill since the bill became a law.

The bill which you passed and which is law at the present time reads as follows:

That the Secretary of the Interior be and he is hereby authorized and directed to enter into a contract or contracts for the erection and equipment of a building or buildings on a site adjacent to the University of Utah.

In other words, you authorized and directed the Secretary of the Interior to enter into a contract for the construction of a building. You have directed him to do it. Now we come before you and ask you to appropriate the money for it. Your committee gives this as the only excuse for not appropriating that money. I quote from the report of the committee:

Also in connection with the Bureau of Mines, the committee has eliminated an estimate of $300,000 for the construction and equipment of a building at the University of Utah for use as a mining experimental station as authorized under the act of January 25, 1938. The committee has eliminated the amount without prejudice to the merits of the project on the ground that it presented no emergent characteristics.

The only point the committee makes is that this project presents no emergent characteristics; in other words, the only question involved here is whether this amount should be appropriated now or should be appropriated next January.

Considering the fact that you have directed the Secretary of the Interior to enter into this contract, is it not incumbent upon you at the present time to furnish the money so he can go ahead and do as you have directed him to do?

Not only that, but there appeared before this committee Dr. Finch, who testified that under the circumstances at the present time this was an emergent condition and that the university could not handle properly the work that was being done there. Therefore, it is necessary that they decentralize some of the work that is being done in Washington; that the nonferrous part of the work in the Bureau of Mines should be conducted at or near where the nonferrous mines are located, and that a central location is Salt Lake City. He said that under the present conditions the university could not proceed with the work it was doing and, therefore, it became necessary to call upon this committee at the present time to furnish the $300,000 so the Bureau of Mines could carry on its work.

Mr. Chairman, I realize how difficult it is to change the opinion of a committee, but I believe on this occasion you should carry out the mandate and the direction as you have indicated it should be carried out. [Applause.]

[Here the gavel fell.]

Mr. WOODRUM. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 3 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. WOODRUM. Mr. Chairman, this item is exactly like a number of other items that have arisen today. They are authorizations of Congress, but there is no reason for them to be in a deficiency bill. Under the plan of operation of the Committee on Appropriations, as you well know, we have the work of the committee divided among subcommittees. The members of the subcommittees are peculiarly well informed with reference to the activities of the departments that come under their jurisdiction. We try as far as it is possible to enforce the rule that regular items shall go to those subcommittees for consideration.

In this case the Bureau of Mines has for a number of years been occupying buildings at the University of Utah. Just a few months ago the Congress passed an authorization to construct a new building out there. There is no urgent reason for placing that amount in this deficiency bill.

Mr. ROBINSON of Utah. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM. I yield to the gentleman from Utah.

Mr. ROBINSON of Utah. Has there ever been an authorization bill where the Secretary of the Interior was directed to proceed with the work?

Mr. WOODRUM. Yes; they are all directed to proceed when you tell them to do something, but they do not do it until you give them the money.

Mr. ROBINSON of Utah. The gentleman is evading. This bill provides that the Secretary of the Interior is directed to enter into a contract. I ask the gentleman to be fair and tell the committee whether he knows of another authorization bill that had those words in it.

Mr. WOODRUM. I believe that does not change the situation at all.

Mr. ROBINSON of Utah. It seems to me it does.

Mr. WOODRUM. I believe the item can go to the regular subcommittee for the regular hearing and come in the regular bill, like many items in which my other colleagues are interested, just as our good friend, the gentleman from Utah, is so much interested in this item. However, there is no reason to put this item in this deficiency bill. There are numerous similar items that have been authorized that would have just as much claim to go in a deficiency bill as this one. They usually have to wait for the regular bills.

Mr. DIRKSEN. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM. I yield to the gentleman from Illinois.

Mr. DIRKSEN. I believe when that authorization bill came along it was not apparent to me at least that this operation was going to cost $50,000 a year, which was testified before the committee. Secondly, the language of the authorization does not state that the Secretary is to begin today or tomorrow, this year or next year. We should have some time to look into the matter.

Mr. ROBINSON of Utah. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM. I yield to the gentleman from Utah.

Mr. ROBINSON of Utah. The statement to which the gentleman refers was printed in the hearings. If the gentleman did not understand that it was because he had not read the hearings.

Mr. DIRKSEN. That is entirely possible, but it comes to our attention now through the hearings on this deficiency bill.

Mr. WOODRUM. Mr. Chairman, I hope the amendment will not be agreed to.

[Here the gavel fell.]

The CHAIRMAN (Mr. COOPER). The question is on the amendment offered by the gentleman from Utah.

The amendment was rejected.

The Clerk read as follows:

NATIONAL PARK SERVICE

Great Smoky Mountains National Park, N. C. and Tenn.: For the acquisition of the lands needed to complete the Great Smoky Mountains National Park, including expenses incidental thereto, in accordance with the authority contained in the act approved February 12, 1938 (Public, No. 428, 75th Cong.), $743,265.29, to remain available until expended.

Mr. RICH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RICH: Beginning on page 38, line 21, strike out the entire paragraph ending in line 3, on page 39.

Mr. RICH. Mr. Chairman, I want to call attention to the fact that the Smoky Mountains National Park now has an area of 463,083 acres of land. They are contemplating the purchase of 26,015 additional acres at the rate of $30 an acre.

It seems as though some years ago that great philanthropic gentleman from New York, John D. Rockefeller, gave to these States for the purchase of this park the grand sum of $10,000,000. This was also in contemplation of the fact that the States of Tennessee and North Carolina would pay $9,500,000 to help purchase the additional acreage. What have the States of North Carolina and Tennessee done in reference to this? They have fallen down on their proposition, and now they are expecting you who are from the other States of the Union to come in here and buy 26,000 acres of additional land in this great park at the price of $30 an acre, or $743,000. The park is now large enough, in my judgment.

This would not be so bad if we were spending this money to complete the park, but remember that the States not represented in this territory are spending their money now, under the C. C. C. camps, to develop this park, great sums

of Government money, and the States of North Carolina and Tennessee, where this land is located, have fallen down and have not done what they promised the American people they would do. Do you think for a minute that John D. Rockefeller would have given his $10,000,000 if he had thought that Tennessee and North Carolina would not fulfill their obligation? Remember, this administration has ruined all men with money to do such things in the future.

Mr. REECE of Tennessee. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from Pennsylvania yield to the gentleman from Tennessee?

Mr. RICH. I am making a pretty good oration now, and I cannot yield to these men from Tennessee and North Carolina, Mr. Chairman. [Laughter.]

Mr. REECE of Tennessee. But the gentleman is not stating the facts.

Mr. RICH. And I cannot let these gentlemen from North Carolina and Tennessee interrupt me right now, and I am stating facts and it does not sound good to them; it is not music to their ears.

Mr. REECE of Tennessee. It is an oration inconsistent with the facts, necessarily.

Mr. RICH. No; the boys from Tennessee and North Carolina do not like it and its facts and the truth or I would not make the statements.

Mr. REECE of Tennessee. Why does not the gentleman confine himself to the facts?

Mr. RICH. I will say to my colleague from Tennessee, I give you the facts. I am not trying to give the people anything in the way of facts like the States of North Carolina and Tennessee did when they promised to spend their good, hard-earned money to buy this park. This is what they should do and they should not fall down on their obligations and should not come in here and ask the people of my State of Pennsylvania to pay for this land at the rate of $30 an acre. It is not right, not just, and not necessary.

Mr. REECE of Tennessee. The Rockefeller Foundation gave $5,000,000 only—not $10,000,000, as the gentleman from Pennsylvania has in mind, although I understand that statement is printed in the report.

Mr. RICH. I quote from the record of the hearings at page 339, and it so states.

Mr. REECE of Tennessee. The gentleman does not have the original records.

Mr. RICH. The gentleman will see that on page 339 of the hearings it says that Mr. John D. Rockefeller has donated $10,000,000. That is the law, that is the fact, and now you cannot deny it, and I say to you that we should cut out this expenditure. [Applause.]

Mr. McREYNOLDS. Mr. Chairman, I rise in opposition to the amendment.

I hardly think it is necessary to reply to the second explosion that the gentleman has had in reference to this matter. When I say that I mean that when this bill was before the Public Lands Committee of the House it was reported unanimously and they had more than a quorum of the committee present. We then brought it before this House and it almost passed unanimously, and the gentleman exploded at that time.

Now, the gentleman says he is making a good oration. I am thoroughly satisfied for the House to vote right now on that oration.

The gentleman says, "Ten million dollars was donated, and that is the fact and that is the law." I do not know where he gets the law. I do not care anything about the record. I happen to know. I wrote the other report and it was $5,000,000 and they have made a mistake there, and I speak authoritatively. I saw that statement there, but it is not correct. They had it $10,000,000, but if you will get the other report you will find it was $5,000,000 donated by Mr. Rockefeller.

This matter has been approved by the President and by the Bureau of the Budget. The States of Tennessee and North Carolina have done their part and we are now only asking for the appropriation of what this House has already voted for and what the Senate has voted for and what has been thoroughly approved.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. McREYNOLDS. Certainly, I will yield.

Mr. RICH. I would ask the gentleman if the States of North Carolina and Tennessee have made a promise of payment of any sum to these parks and whether or not they have fulfilled all their obligations.

Mr. McREYNOLDS. The State of Tennessee and the State of North Carolina were unable to meet all of these requirements and then they secured Rockefeller to put in $5,000,000 and we also had various people who had agreed to make donations, but they were unable to do so.

This is the only way by which this park can be completed, and then it will not be local. It will be national. It will be as much for the gentleman's people and the people of the West as for the people of the South. It connects the great chain of national parks throughout this country. In beauty it is entirely different from that of the western parks. It has not yet been taken over by the Interior Department. And this is necessary in order that it be taken over and that proper improvements be made. More people visited this park by 100,000 than any other park in the United States this last year. I invite the gentleman from Pennsylvania [Mr. RICH] to come down and look at our beautiful mountains and the natural growth thereon, and I am sure if he does he will go back to Pennsylvania a better man and more calculated to keep to the facts.

Mr. BACON. Can the gentleman inform the Committee precisely the amount of money that the States of North Carolina and Tennessee have contributed to this project?

Mr. McREYNOLDS. I could not at this time.

Mr. BACON. Have they contributed anything?

Mr. McREYNOLDS. Oh, yes; millions of dollars.

Mr. BACON. Have they fallen down on any agreement they have made?

Mr. REECE of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. McREYNOLDS. Yes.

Mr. REECE of Tennessee. The report is all wrong.

Mr. BACON. How much have these States contributed to this project?

Mr. REECE of Tennessee. The two States have contributed slightly under $5,000,000.

Mr. BACON. Then the two States have contributed less than Mr. Rockefeller contributed?

Mr. REECE of Tennessee. The two States and their citizens.

Mr. REES of Kansas. How much is it to cost?

Mr. McREYNOLDS. I have not the figures, as I did not expect any question as to this appropriation. All of these matters were presented to the House heretofore.

Mr. REES of Kansas. And this is $5,000,000 more?

Mr. REECE of Tennessee. Oh, no.

Mr. McREYNOLDS. I had these facts before me when it was before the House for authorization, and I thought that after it had been finally passed on that no man on either side of the House would raise any objection to it.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. TAYLOR of Tennessee. Mr. Chairman, I had hoped that neither the gentleman from Pennsylvania [Mr. RICH] nor any other gentleman on this side of the Chamber would make objection to this item in the bill. No legitimate objection can be raised. On February 2 this House authorized the sum carried in this bill, and on the 12th it was signed by the President. I do not want to go into a discussion of the merits of the Great Smoky Mountains National Park. I have done that on two or three other occasions. While in its infancy, this great laboratory of natural grandeur has already taken front rank among similar national facilities in this country. The Rockefeller Foundation has put up $5,000,000. The States of Tennessee and North Carolina have

contributed practically the same amount. Due to the depression a great many of those who had made subscriptions were unable to meet them. That makes it necessary to come here for this balance to complete this project.

Mr. LAMBERTSON. And both sides of these State lines are solidly Republican today.

Mr. TAYLOR of Tennessee. Yes; they are Republican today and I hope will ever continue to be. And that is another argument in favor of this appropriation.

Mr. REECE of Tennessee. And furthermore, the legislation setting up the park under which the National Park Service has taken over this area for protection and development, cannot in fact establish the park until the entire area has been completed.

Mr. TAYLOR of Tennessee. That is correct.

Mr. REECE of Tennessee. It is necessary to complete the purchase of the land so as to make possible the actual creation of the park itself.

Mr. TAYLOR of Tennessee. That is correct.

Mr. CRAWFORD. According to the hearings and the statement of Mr. Demaray, this project is to cost approximately $21,800,000. Mr. Rockefeller and the States have finally put up $10,000,000.

Mr. TAYLOR of Tennessee. Oh, those figures are incorrect. That must mean $11,000,000.

Mr. CRAWFORD. These figures are quite elaborate, and, as a member of the Public Lands Committee, I am raising the question as to the reliability of the statement made by the Assistant Director of the National Parks. Have we come to a point where we cannot depend on testimony that is first submitted and then afterward corrected and submitted again?

Mr. TAYLOR of Tennessee. In spite of that, I can assure the gentleman that this is all that is necessary to complete the park.

Mr. CRAWFORD. Then these figures are incorrect?

Mr. TAYLOR of Tennessee. They are certainly inaccurate, due, perhaps, to inadvertence.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. REES of Kansas. Mr. Chairman, I move to strike out the last word.

Mr. WOODRUM. Mr. Chairman, I ask that all debate upon this paragraph and all amendments thereto close in 5 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. REES of Kansas. Mr. Chairman, we are going along here and not giving any particular attention to cutting down any of this expenditure at all. I do not blame these gentlemen from Tennessee and North Carolina for wanting these expenditures. If they can come in here and get additional money from the Treasury of the United States for their particular section of the country, very well, but look what we are doing.

You step right into spending millions of dollars. Somebody said the States are making some contribution. From all the information I have this contribution must be, comparatively speaking, exceedingly small. They did go along and get Mr. Rockefeller, it seems, to contribute some money for this project. That is good, but just look at these figures. The House I think should take the figures given to us by Mr. Demaray. He is the Assistant Director. He says this project will cost over $21,000,000. The statement has just been made that these two States are spending, or will eventually, when we get through with it, probably spend as much as $5,000,000.

It seems to me that in these strenuous times if we have this much money to spend after we get it borrowed, that there are a good many more important ways to spend it rather than continuing to acquire land and build highways for these particular States. They tell us, of course, that everybody will have a chance to use these highways.

Mr. REECE of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield.

Mr. REECE of Tennessee. This money is not to be used for highway purposes. As the gentleman from Tennessee said a moment ago, it is to complete the acquisition of the land.

Mr. REES of Kansas. That is right; to buy some land that is practically worthless and to build up a bigger bill for its maintenance.

Mr. REECE of Tennessee. Some of us who know something about what has been done down there know something about the facts and the figures.

Mr. REES of Kansas. We are taking the figures of the Department.

Mr. REECE of Tennessee. We are not taking anybody's figures; we are taking the facts.

Mr. STEFAN. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield.

Mr. STEFAN. I may say to my colleague from Kansas that the committee just a few moments ago refused a far lesser sum to do a much more needed job, that of tree-planting in the Midwest, yet they are asking us to vote for this $5,000,000 for a road for these two States that the other 46 States will be called upon to keep up. Just a little while ago, also, they turned down a proposition on farm-to-market roads.

Mr. REECE of Tennessee. This is not for roads, this is for acquisition of land.

Mr. REES of Kansas. For the acquisition of worthless land, more hills and mountains to add to a park. It just means additional expense in the matter of upkeep and the building of roads.

Mr. REECE of Tennessee. Why does not the gentleman be fair? Why does the gentleman say it is worthless land? The land is as good as much of the land out in Kansas.

Mr. REES of Kansas. The gentleman from Kentucky said that the land was being bought for somewhere between $3 and $4 per acre. I do not call that very good land.

Mr. REECE of Tennessee. What gentleman from Kentucky said that?

Mr. REES of Kansas. I do not remember. That was some time ago.

Mr. REECE of Tennessee. The gentleman is just as badly mistaken about that as he is about the whole proceeding.

Mr. REES of Kansas. This land is very unproductive.

Mr. CRAWFORD. This matter was all thrashed out in the committee. Where there are hills and mountains you get more land per acre. That is why they are buying this.

Mr. REES of Kansas. I cannot appreciate spending the taxpayers' money for a proposition of this kind when it is so badly needed for other purposes.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield.

Mr. RICH. I made the statement that the States of Tennessee and North Carolina did not fulfill their obligation; that men from those States were afraid to come out and say that they did not meet their obligations. I admit that I was wrong.

Mr. REECE of Tennessee. I am glad to hear the gentleman correct himself.

Mr. REES of Kansas. Mr. Chairman, this, in my judgment, is just another unnecessary expenditure of public funds. It is another example showing the attitude of this Congress toward the spending of the taxpayers' money; and when we talk about taxpayers, it means the money of everybody, because everyone pays taxes, either directly or indirectly.

You are about to spend $743,000 for a few thousand acres of land in the Great Smoky Mountains of North Carolina and Tennessee. No one on the floor this afternoon in support of this appropriation has been able to show that the purchase of this land is going to do anybody any good. It does not even provide employment. It is just another expensive luxury that is being unloaded on the Federal Government, which will not only cost the $743,000 that we are spending this afternoon but will require the further spending

of thousands of dollars in providing for its upkeep and maintenance.

If we are going to assume the responsibility that is ours, this is one case where we ought to sustain the amendment and knock this appropriation out of the bill. It just is not right. I know we will not get a handful of votes. The committee has recommended the bill, and there are not very many who are going to bother to vote against it. Within the next hour we will take up a further expenditure of money right in the same neighborhood. It is for approximately $2,000,000 to add to money already spent for improving the Natchez Trace Parkways, a beautiful mountain road that runs through the same States.

If we have $2,000,000 to spend for roads, let us use that money to build some useful farm-to-market roads out in the country where they are needed and where the people can really make use of them instead of spending it to build a superscenic highway for the comparatively small group of people who will have a chance to use it. And, by the way, this highway is being built almost all at the expense of the Government, and without the contributions that are required from States and counties where Federal funds are expended for highways.

This section should be stricken out. It would save another $2,000,000. Considering the attitude that Members of Congress have taken regarding other expenditures of this kind, I am afraid we will not agree to do it. If we want to do the thing that is for the best interests of this country we will vote against the expenditure of this money. The taxpayers just cannot afford it.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania.

The amendment was rejected.

The Clerk read as follows:

National Historical Parks and Monuments—National Military parks, battlefields, monuments, and cemeteries: The appropriation "Salaries and Expenses, Public Buildings Outside the District of Columbia, National Park Service, 1938" is hereby made available as of July 1, 1937, for expenditure during the fiscal year 1938 in an amount not to exceed $2,880 for maintenance of the museum building, Morristown National Historical Park, N. J., and in an amount not to exceed $12,735 for administration, protection, and maintenance of the Statute of Liberty National Monument, N. Y.

Mr. WADSWORTH. Mr. Chairman, I move to strike out the last word in order to call the attention of the chairman of the committee to the fact that there is no such structure as the Statute of Liberty. It might better be changed.

Mr. WOODRUM. Why does not the gentleman offer an amendment?

Mr. WADSWORTH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WADSWORTH: Page 39, line 13, strike out the word "Statute" and insert in lieu thereof the word "Statue."

The amendment was agreed to.

The Clerk read as follows:

Roads and trails, National Park Service: For an additional amount for the construction, reconstruction, and improvement of roads and trails, inclusive of necessary bridges, in the national parks, monuments, and other areas administered by the National Park Service, including the Boulder Dam Recreational Area, and other areas authorized to be established as national parks and monuments, and national park and monument approach roads authorized by the act of January 31, 1931 (46 Stat. 1053, 1054), as amended, including the roads from Glacier Park Station through the Blackfeet Indian Reservation to various points in the boundary line of the Glacier National Park and the international boundary, fiscal year 1939, $3,000,000, to remain available until expended: *Provided*, That not to exceed $10,000 of the amount herein appropriated may be expended for personal services in the District of Columbia during the fiscal year 1939.

Mr. RICH. Mr. Chairman, I offer an amendment which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. RICH: Page 40, line 23, strike out all of the paragraph down to and including line 15, page 41.

Mr. RICH. Mr. Chairman, I call attention to the fact that we considered the Interior appropriation bill here just about a month ago. At that time we appropriated $4,000,000 for roads and trails. It seems to me there is no earthly reason under the sun why anyone should come in here now and ask for an additional $3,000,000. If the Members will go back over the Interior Department appropriation bills and observe the amounts we have spent for this particular purpose in the last 5 years, it will astound them to see how much money is involved, millions of dollars.

What is the purpose of this appropriation? To build a lot of additional roads and trails in national parks. We have had the C. C. C. for 5 years in those parks and have spent millions of dollars on them. For the life of me I cannot see what in the world the Members of this Congress have in mind. If there is any project in the history of the Nation that needs chastisement it is this one.

The chairman of the Appropriations Committee stated some time ago that the Government was going to start economizing. Why does he not get up here and help me and other Members of this House who are trying to save a little bit of money, especially where we spend it foolishly? The spending of this money will only add to our national upkeep every year. Where are you going to get the money?

Mr. Chairman, we are in a sad plight. We are in a serious condition. I do not know what is going to happen to America. If any of you Members have children who are now going to high school or who are going to graduate soon, consider that they are going to assume this great financial burden we are placing upon them. Just remember the people in the future who will criticize this ruthless expenditure of money and every one of you gentlemen who voted for it will be responsible.

Mr. WOODRUM. Will the gentleman yield?

Mr. RICH. I yield for more rural electrification material. You will spend money there and get it back. You are not going to get it back by building parks unless you have the Secretary of the Interior increase his revenue from these parks.

Mr. PIERCE. Will the gentleman yield?

Mr. RICH. I yield to the gentleman from Oregon.

Mr. PIERCE. Has the gentleman been in any of the parks in the Rocky Mountain section of our country?

Mr. RICH. I have been in lots of parks, they are beautiful but we have enough for the present.

Mr. PIERCE. I mean those of the West.

Mr. RICH. You have wonderful parks out there, wonderful areas of land, you have something out there that will always be inviting to the American people; but do not try to do everything at one time. Do not burden your children, or the children of Oregon, with the debts we are piling up here day by day; have some consideration for our future.

Mr. PIERCE. I invite the gentleman to be my guest in Oregon and I will take him through those parks. It would astonish him to know the number of visitors that come out there from the East and visit those parks in the summer. This money is mighty well invested.

Mr. RICH. There is no man I think more of than I do the gentleman from Oregon, but we cannot do this all at one time. Let us stop some of this ruthless spending; be a little judicious. All we know is spend, spend, without any consideration as to who will pay the bill.

Mr. PIERCE. We are making available certain natural resources that our people have just discovered.

Mr. RICH. You have enough to show them now. Go slow, young man, go slow.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. RICH].

The amendment was rejected.

The Clerk read as follows:

Blue Ridge and Natchez Trace Parkways: For an additional amount for continuing the construction and maintenance, under the provisions of section 5 of the act of June 16, 1936 (49 Stat. 1519–1922), of the Blue Ridge and Natchez Trace Parkways, fiscal

year 1939, $2,000,000, to remain available until expended, of which amount not to exceed $10,000 shall be available for personal services in the District of Columbia during the fiscal year 1939.

Mr. LAMBERTSON. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. LAMBERTSON: Page 41, line 15, strike out lines 15 to 22 inclusive.

Mr. LAMBERTSON. Mr. Chairman, I realize the psychology is against taking anything out of this bill. If it were day before yesterday we could take anything out. We do things here occasionally by psychology, not by common sense, and that is what is ruling today.

I do not care much for all that is going on here today. It does not seem to be getting us anywhere. A great deal of it is not serious. We considered the Interior Department appropriation bill a month ago. The Budget had in there an estimate of $4,000,000 for these two items. The Senate raised it to $6,000,000. The House insisted on the Budget estimate. Then a compromise was reached on $5,000,000. A supplemental Budget estimate came up for an additional three before the bill was finally agreed to. That was the excuse for putting the one more million into the bill.

Now they come back here in a month with the other two. It was naturally supposed that these two would follow not sooner than next year at the earliest. I know there is no attention being paid to this. Few care about saving $2,000,000.

Mr. WOODRUM was resisting an amendment a few minutes ago by saying it should go to its regular subcommittee. Just as this $2,000,000 should. Let him be consistent. The hearings show, on page 346, about 4 inches of space given to these items. That is all. They did not have the face to give any reasons.

Nobody justified it and nobody urged it as an emergency. Two powerful men who sit across the aisle, one who is leading this committee and the other who is chairman of the Committee on Ways and Means, are the fathers of this proposition. This upper road goes through their districts. The cost will be about $40,000,000 for the upper one and about $30,000,000 for the lower one in Mississippi when these roads are completed, or a total of $70,000,000. Neither of the roads was authorized by Congress when they were started. They were begun with W. P. A. money from the President, and then they received a left-handed endorsement. They got $5,000,000 in the regular appropriation bill. There is no emergency involved in this so they should wait until next year, at least. However, the chairman of this committee is interested in them. The subcommittee would not even discuss the matter. The gentleman from Virginia asked them to put the item in for his sake. The gentleman from North Carolina [Mr. DOUGHTON] is here to help see that the item stays in the bill, because they named the parkway for him last year, 500 miles of scenic roadway that the United States is building for the first time as a 100-percent Federal proposition.

The cost will be $40,000,000 in the end, and it will not hook up with the Natchez Trace, which does not even touch it. The two parkways were put in the same amendment. The cost of both of them in the end will be $70,000,000. Two million dollars is put into this bill when there is no emergency, $5,000,000 has already been appropriated this year. Is there any sense in such a proposition when there is no justification in the hearings and not more than 4 inches of discussion of it? If you are reasonable, will you vote to keep in the bill a $2,000,000 item which nobody justifies? Nobody justified it in the hearings, but the chairman asked for it for himself. He had to have this $2,000,000, he told the subcommittee.

Mr. WOODRUM. Mr. Chairman, will the gentleman yield?

Mr. LAMBERTSON. No.

Mr. WOODRUM. The gentleman referred to me.

Mr. LAMBERTSON. The gentleman takes the floor often and has the temerity to tell us day after day and week after week how we are raiding the Treasury, yet he asks this Committee for his sake to put in the bill a $2,000,000 item, even though there are no hearings to justify it.

Mr. WOODRUM. Mr. Chairman, will the gentleman yield?

Mr. LAMBERTSON. My time is up.

[Here the gavel fell.]

Mr. WOODRUM. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 2 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. WOODRUM. May I say to the gentleman from Kansas that the statement he makes about the chairman of the committee asking that the item be put in the bill is absolutely and wholly false.

Mr. LAMBERTSON. The chairman of the subcommittee told me. The chairman of the subcommittee heard the gentleman say it.

Mr. WOODRUM. I am the acting chairman of the subcommittee and I did not tell the gentleman that, and I do not believe anybody else told him.

Mr. LAMBERTSON. A member of the committee.

The CHAIRMAN (Mr. MCREYNOLDS). The question is on the amendment offered by the gentleman from Kansas [Mr. LAMBERTSON].

The amendment was rejected.

The Clerk read as follows:

GOVERNMENT IN THE TERRITORIES

Government of the Virgin Islands: The President is hereby authorized to allocate from the appropriation contained in the Emergency Relief Appropriation Act of 1937 the sum of $1,102.47 as an additional amount to cover freight charges in carrying out a project for the improvement, rebuilding, and construction of roads in the Virgin Islands for which there was made available an allocation of funds from the appropriation contained in the Emergency Relief Appropriation Act of 1935.

Mr. RICH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RICH: On page 42, strike out the entire paragraph beginning in line 10 and ending in line 18.

Mr. RICH. Mr. Chairman, we again come back to the Virgin Islands. This administration thought it would make over the Virgin Islands and started out by buying a couple of old sugar plantations and a couple of distilleries. Then it bought thousands of acres of ground in the Virgin Islands and set up a great distilling plant under the Federal Government. The idea, so it was said, was that we were going to pay the expenses of the Virgin Islands and put its people on the map. You have been operating that rum plant for several years and have incorporated it for the sum of $30, with three shares at $10 a share and are going in the red on that capitalization. The Federal Government put into that plant over $2,500,000 and has lent the corporation $175,000 for working capital, and capitalized the corporation for $30. You have been making rum and expecting to sell it to the people of this country in competition with the brewers and distillers of America. Government trying to compete with its own people. Is that the right thing for the Federal Government to be doing? Now you come in here and ask for an additional sum to build roads. You cannot take care of the municipal government in the Virgin Islands, you cannot build the roads, and you are not doing anything you said you would do when you built that distilling plant there. Oh what a headache we get when the Government ruins its own people by direct competition. It is not right regardless of the nature of the business.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield to the gentleman from Michigan.

Mr. CRAWFORD. I have been informed by highly experienced sugar men in the islands that the contractors who rebuilt the rum and sugar mills were contractors who had never before had any experience in such work, and as a result of improper installation, inadequate machinery, and poor

design the whole thing is hooked up in such a manner that it is utterly impossible to process chemically a rum that is fit for consumption and sale on the market. I have also been informed this is one of the big reasons Government House rum is not moving into the channels of consumption. Has the gentleman any information on that point?

Mr. RICH. I have received letters from people who were working on this project and who have condemned it in no less degree than what the gentleman has stated.

Mr. STEFAN. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield to the gentleman from Nebraska.

Mr. STEFAN. The exploiters of this Government House rum opened many bottles of it at a banquet. Those who partook of the banquet and got the rum free of charge, in order to help the distributor a little bit and give it a little publicity, say it has an awful wallop. I do not believe the gentleman from Michigan knows what he is talking about.

Mr. RICH. I do not know whether if you were to go to the club and ask the people there whether or not the rum is good they would tell you it is, but I wonder whether the members of the club are interested in Government House rum. The members of the club want rum manufactured in America when they want rum. They are Americans. Real Americans do not want the Government in business, competing with its own citizens.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. RICH].

The amendment was rejected.

The Clerk read as follows:

FEDERAL BUREAU OF INVESTIGATION

Salaries and expenses: For an additional amount for salaries and expenses, Federal Bureau of Investigation, including the same objects specified under this head in the Department of Justice Appropriation Act, 1938, fiscal year 1938, $108,000.

Mr. WOODRUM and Mr. CRAWFORD rose.

Mr. WOODRUM. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WOODRUM: On page 45, line 9, strike "$108,000" and insert "$158,000."

Mr. WOODRUM. Mr. Chairman, the appropriation of $108,000 in this paragraph is a deficiency item for 1938. In addition to this, the Bureau of Investigation was given permission to use $65,000 of its 1939 funds in the fiscal year 1938, making a total deficiency this fiscal year of $173,000.

The amendment which I have offered adds $50,000 to this 1938 item. There is a Budget estimate for this amount which has been sent to the Senate and is now pending there for the inclusion in this bill on account of the operations of the Federal Bureau of Investigation in the Cash kidnaping case in Florida. The matter has not had official action by the subcommittee, but I have discussed it with gentlemen on the minority side, and we hope the amendment will be agreed to.

Mr. CRAWFORD. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I had sent to the Clerk's desk an amendment to increase the amount of $108,000 to $173,000.

This is a difference of $65,000 and the increase would take care of the $65,000 deficit which the F. B. I. was about to be forced to take out of next year's appropriation.

If you will refer to page 382 of the hearings you will find a statement of the chairman, Mr. WOODRUM, to this effect.

Let me say to this House that the country is aware of what is going on as between the Budget, the F. B. I., and the committee and the Members of this House. Yesterday, remarks were made with reference to $200,000 which was used for the purpose of increasing salaries. The employees in the F. B. I. during the current fiscal year have put in over 700,000 hours of overtime. That $200,000 is less than 30 cents per hour, and yet we stand up here and beat our breasts about what great friends we are of organized labor and refer to our work on the wage and hour bill and all that kind of hooey when it comes to a question like this.

Mr. MURDOCK of Arizona. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. In a moment.

These men work from 300 to 375 hours per month, seven days a week, including the holidays, and yet we come along here and try to convey to the country, as we did yesterday, the idea that full funds have been made available, when at this very hour these men are taking enforced vacations because this House and the Budget have refused to make proper appropriations heretofore.

Look what the Budget does, for instance. You can go back for 5 years and during that time the Budget has decreased the requests of the Bureau a little over $2,600,000. This is an average of more than $500,000 per year.

The chairman yesterday indicated that a reserve fund should be created. All right, let us create a reserve fund. The Attorney General has indicated that we should have from $200,000 to $300,000 as a reserve fund to meet these emergencies such as the Levine and the Cash kidnaping cases, and now we start fooling along here with a little $50,000 increase. The country knows we are wrong, the press knows it, and the people of this country have sense enough to know that when danger is lurking at their doors and when these kidnapings are taking place, we are not keeping faith when we come along here and refuse to implement this Bureau with the necessary funds.

Mr. Hoover also in his testimony showed that the $65,000 was taken out of next year's appropriation in order to try to fix up the situation for this year.

Another thing, within 3 years 99 trained men have been pulled out of this force by private parties. You have got to pay these men something to keep them on the F. B. I. pay roll with all of its hazards.

Did you know these men have to pay increased insurance rates because of the hazards of their game; cannot be retired until past 60 years of age; and that we have never made adequate provisions for their dependents, if their lives are snuffed out by some gangster. Why are we so parsimonious in granting the necessary operating funds to this Bureau? Why do we force it to go into its next year's appropriation?

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia.

The amendment was agreed to.

Mr. WOODRUM. Mr. Chairman, I offer another amendment.

The Clerk read as follows:

Amendment offered by Mr. WOODRUM: On page 45, after line 9, insert a new paragraph, as follows:

"Salaries and expenses: For an additional amount for salaries and expenses, fiscal year 1939, including the same purposes and under the same conditions specified under this head in the Department of Justice Appropriation Act, 1939, $150,000, to be held as a reserve for emergencies arising in connection with kidnaping and extortion cases and to be released for expenditure in such amounts and at such times as the President, upon recommendation of the Attorney General, may determine."

Mr. WOODRUM. Mr. Chairman, I have not had opportunity to discuss this amendment with gentlemen of the minority. The subject matter was discussed in the hearings, and, I think, perhaps informal discussion was had among members of the committee. The amendment undertakes to put at the disposal of the Attorney General and the President the sum of $150,000 which may be used in emergency kidnaping and extortion cases, and it is because of these emergency cases mainly that these difficulties in the appropriations for the Federal Bureau of Investigation have arisen. It has not been because of any disclination on the part of anybody to provide such funds as reasonably seem necessary at the time of making the appropriation; but we make the appropriations and along comes some emergency, some extortion or kidnaping case that would require a great concentration of force and unusual expenditures for travel and other purposes.

That is apt to cause a shortage of funds. So, it seems to me that putting at the disposal of the President, on the recommendation of the Attorney General, a reasonable amount of money would meet emergencies of that kind.

Mr. BACON. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM. Yes.

Mr. BACON. This is for the fiscal year 1939?

Mr. WOODRUM. Yes.

Mr. BACON. Of course, the gentleman is well aware that the deficiency for the F. B. I. for 1939 is going to be well over $350,000.

Mr. WOODRUM. We all understand that when Congress meets again in January we may have to recast and review the appropriations. This sets aside a special fund that the President may use in emergency over and above their regular operating appropriations.

Mr. BACON. And this will be used for emergencies between July 1, say, and when Congress meets next year.

Mr. WOODRUM. Yes; if the emergencies arise. I think with this money in reserve the Bureau is well fortified financially.

Mr. BACON. I am very glad the gentleman has offered the amendment, but I anticipate when the first deficiency appropriation comes up when we meet again we will have to carry an item of between $350,000 and $400,000 to meet the deficit in this Bureau.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM. Yes.

Mr. CRAWFORD. Do I understand now that one of the gentleman's amendments increases the $108,000 to $158,000?

Mr. WOODRUM. Yes. That puts in a $50,000 appropriation in the matter of the Cash kidnaping case for this fiscal year.

Mr. CRAWFORD. Then there is an additional amendment which the gentleman proposes to provide of $150,000 as a reserve fund?

Mr. WOODRUM. Yes.

Mr. CRAWFORD. I think that is fine. I have learned from the record that in practically every case the committee has always increased the amount over and above the amount the Budget has allowed. What I am interested in is in pulling together and keeping this F. B. I. in full force and effect.

Mr. BACON. It seems to me that the Bureau of the Budget has been negligent in studying the needs of the Federal Bureau of Investigation. Our subcommittee has always given that Bureau exactly what the Budget allowed during the last 4 years and in 3 of the last 4 years we have increased the estimate of the Bureau of the Budget. I serve notice now and here on the Director of the Bureau of the Budget that he must go into this question with a great deal more thoroughness and really understand the problem of the F. B. I. and not starve that Bureau as they have been starved in the past.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Virginia.

The amendment was agreed to.

The Clerk read as follows:

Salaries and expenses, case of Northern Pacific Railway Co. and others: For salaries and expenses incident to prosecution of the case of United States against Northern Pacific Railway Co. and others, equity No. 4389, United States District Court, Eastern District of Washington, including traveling and office expenses; law books; stenographic reporting services, by contract or otherwise, including notarial fees or like services, and stenographic work in taking depositions at such rates of compensation as may be authorized or approved by the Attorney General; fees of witnesses and appraisers; compensation of special master in accordance with order of the United States district court; printing and binding; the employment of experts at such rates of compensation as may be authorized or approved by the Attorney General; and personal services in the District of Columbia and elsewhere, fiscal year 1939, $55,000, together with the unexpended balances of the appropriations for this purpose for the fiscal years 1936–38.

Mr. McCORMACK. Mr. Chairman, I move to strike out the last word and ask unanimous consent to speak out of order for 5 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. McCORMACK. Mr. Chairman, my purpose in rising to speak out of order at this time is to call to the attention of the House the conference report upon the bill H. R. 10315, an act to amend the Marine Act of 1936, and so forth. As the bill passed the House, no provision was made for the establishment of a school for the training of licensed or unlicensed seamen. There was no provision in the bill in connection with the maintenance of a United States marine service as a sort of reserve. That amendment was put on in the Senate. I understand the matter was brought to the attention of the House committee at the recommendation of the United States Merchant Marine Commission, but that the House committee rejected it. The Senate amendment, according to the conference report, covers two different fields that it relates to. One is the maintaining of a school for the training of licensed and unlicensed personnel on American vessels, and I understand that the conferees have agreed that that matter should be further investigated and a report made to the Congress next year. Paragraph (b) and paragraph (c) of the Senate amendment provide for the establishment of a United States maritime service, and the conferees have provided that it be a voluntary organization, but it provides that ranks, grades, and ratings for the personnel of the service shall be the same as now or hereafter prescribed for the personnel of the Coast Guard.

That is nothing more nor less than a reserve along the lines of naval activity. It seems to me that the United States Maritime Commission is not the place to lodge this activity, the Commission being purely a civilian organization. Particularly is this so where commissions are given along the line of the Coast Guard commissions, ensign, lieutenant, lieutenant commander, up to admiral in the Naval Reserve if one is eligible and qualified for the rating.

I am very much interested in this. I see members of the Merchant Marine and Fisheries Committee here. I see the gentleman from New York [Mr. SIROVICH] who was a member of the conference committee. I ask him if he does not think this whole general subject should go over until next year for a study and that the result of the study should be submitted to the Congress so that the House originally may act upon this rather than have it thrust upon us as a Senate amendment?

Mr. SIROVICH. I want to call the attention of my distinguished friend to the fact that while I signed the conference report, at that time I did not realize that the unions of the country would now take the position that this maritime service might be used as a strike-breaking agency to put out of business thousands and thousands who are today unemployed, that it would create a great deal of discord. I think it should be arranged that this matter be considered the same as the other on January 20, 1939, when a comprehensive report should be submitted. This should receive study in conjunction with the other proposition.

Mr. McCORMACK. The gentleman realizes, does he not, that the only way that can be done is to send the bill back to conference?

Mr. SIROVICH. The conference report having been signed, what is the parliamentary situation?

Mr. McCORMACK. The only way it can be done is after the previous question is ordered to move to recommit the report to the committee on conference. Has the gentleman any observations to make in connection with the seriousness of this matter, its danger, and the fact that it should be studied further?

Mr. SIROVICH. In view of the fact that there is harmony, peace, and tranquility in the merchant marine around the Nation, that this is likely to bring back all the agitation, strife, and discord that existed in the past, we should be careful.

Mr. McCORMACK. Does the gentleman recognize the danger that I do?

Mr. SIROVICH. I do, and I am in full sympathy with the gentleman.

Mr. OLIVER. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. OLIVER. Does the gentleman from Massachusetts understand that the conference report sets up a mediation

board in the national administration of this act which probably will call for the expenditure of several hundreds of thousands of dollars during the next 2 years? This apparently is nothing except an authorization for them during the next 2 years to make a survey of conditions to report back in 1940 as to what the conditions are and what recommendations they make.

Mr. McCORMACK. I think a congressional committee is competent to do that. I have in mind investigations by other congressional committees.

[Here the gavel fell.]

Mr. McCORMACK. Mr. Chairman, I ask unanimous consent to proceed for 1 additional minute.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. McCORMACK. In conclusion, I rose simply to call this important matter to the attention of my colleagues so that between now and the time the conference report is called up for consideration they can be studying it.

I also call attention to the bill (H. R. 10594) which relates to the Navy Department. This bill is now before the Senate Committee on Naval Affairs. On page 28 of this bill is a provision for the establishment of the Merchant Marine Reserve. That is where it belongs, in my opinion, in the Navy Department, not in the Maritime Commission. [Applause.]

[Here the gavel fell.]

The Clerk read as follows:

BUREAU OF CONSTRUCTION AND REPAIR

Construction and repair: For an additional amount for designing naval vessels, etc., including the same objects specified under this head in the Naval Appropriation Act for the fiscal year 1939, $1,750,000.

Mr. SCOTT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SCOTT: On page 54, after line 5, insert:

"Bureau of Supplies and Accounts—Reenlistment allowances: For an additional amount for pay of naval personnel, etc., including payment of reenlistment allowances as prescribed by the act approved June 10, 1922, and including the same objects, specified under this head in the Naval Appropriation Act for the fiscal year 1939, $2,490,000."

Mr. SCOTT. Mr. Chairman, I hope close attention will be paid to the item on page 98, section 206, which is a reenactment of the ban against reenlistment allowances. I am fully convinced that section 206 is legislation and as such is subject to a point of order. I want to make this clear that when we reach section 206 I shall make a point of order against it, and I think the point of order will be upheld, because it has been in the past on the ground that it was legislation on an appropriation bill.

If section 206 should be knocked out of this bill on a point of order then reenlistment allowances would not be done away with this year, but would have to be paid. This particular ban has always appeared in the Treasury Post Office bill at the first of the session, but this year each appropriation bill has gone by without it, which means that under existing law passed in 1922, these reenlistment allowances have to be paid as a part of the pay to the reenlisted men in the Army, Navy, Marine Corps, and Coast Guard.

I was told each time in debate on the appropriation bills that it was unnecessary—get this, please—to put the amounts in those bills because these Departments were bound to pay the men whether the appropriation was in the bill or not. I was told that if we went through the entire session without repealing this ban on reenlistment allowances then it would be necessary for the deficiency appropriation bill to carry an amount sufficient to pay the reenlistment allowance. The amounts have not been put in the appropriation bills and if this ban is legislation on an appropriation bill and is stricken from the bill on a point of order, then there is nothing left for the House to do but put in the bill a provision carrying the money necessary to pay these reenlistment allowances. This is the first one for the Navy. It will be necessary to offer three more, one for the Marine Corps, one for the Coast Guard and one for the War Department.

If you do not provide this money in here, it will be necessary under the law for the Navy, the War Department, and Treasury Department to find the money some place else because the law says it has to be paid. The chairman of each subcommittee of the Appropriations Committee has borne out that contention, but each one of them said if this ban is not put in again until the end of the session then it must come in the deficiency appropriation bill.

I think section 206 will be stricken from the bill. Therefore I ask you to put in here the amount necessary to cover the reenlistment allowance. If you do not do that I do not know where the Navy Department is going to get the money to pay it, but it has to pay the money. If you put it in here and section 206 is not taken out of the bill on a point of order, then the Senate can very easily amend by taking out the appropriation for this. That is the legislative situation. We have authorized the payment, the Departments have to make it, but we have not provided the money. If the ban is not continued by this section 206 in the present bill, then we will be in a rather peculiar situation. It will be necessary to pay it, but there will be no money with which to pay it. I ask you to adopt this amendment providing this amount for the Navy Department, then continue by adopting an amendment for the Coast Guard, the Marine Corps, and the Army.

Mr. IZAC. Will the gentleman yield?

Mr. SCOTT. I yield to the gentleman from California.

Mr. IZAC. Is it not true that the representatives of all the armed services appeared before the subcommittee and stated they wanted this money provided in the present deficiency appropriation bill?

Mr. SCOTT. I do not know.

Mr. IZAC. It appears in the hearings.

Mr. SCOTT. I did not check on that. But they have always recommended it before, until the Budget did not recommend it last year, which precluded them from recommending it to the Appropriations Committee.

I do not believe it is necessary to argue the merit of reenlistment allowances. It was granted under the pay act of June 10, 1932, but in 1933, for economy purposes, it was eliminated for 1 year. The men in the service and the Members of this House were told that it would be only for 1 year. "If we can give it back next year," said the chairman of the Deficiency Appropriation Committee, "we will be glad to do it."

Mr. Chairman, do not say anything about the cost of this because if we can afford $3,000,000 for a pile of marble we can afford a million dollars for the people who are serving in the enlisted forces of the United States.

[Here the gavel fell.]

Mr. WOODRUM. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. WOODRUM. Mr. Chairman, this is a matter that the Congress has had up every year for the last 5 years. The last year this allowance was paid was in the fiscal year 1933.

Historically, this bonus was paid to men upon reenlistment in these four services, theoretically to encourage experienced men in the service to reenlist rather than get out of the service. We had each of these agencies that appeared before the committee furnish a statement showing on a percentage basis what the percentage of reenlistment was in order that the committee might form some idea of the effect the payment of a reenlistment allowance had on encouraging men to continue in the service.

The Navy Department told us, for instance, that in the year 1930 when they were paying a reenlistment allowance, 71.85 percent of the men whose services terminated reenlisted. In the year 1938 when the practice had been discontinued for 5 years, 72.54 percent of the men whose term of service ended reenlisted.

Mr. WADSWORTH. Will the gentleman yield?

Mr. WOODRUM. I yield to the gentleman from New York.

Mr. WADSWORTH. Does the gentleman mean to ask the House to compare conditions existing in 1930 with those existing in 1938 which the enlisted man had confronting him?

Mr. WOODRUM. That undoubtedly is a question that may enter into the equation, I will say to the gentleman. That was discussed in the hearings. Captain Wilkinson, of the Navy Department, said:

There has been no discernible trace of failure of men to come into the Navy as a result of the fact that under the appropriations they do not get these reenlistment allowances. We are holding up well on our original enlistments also.

Mr. Chairman, this amendment if adopted, is one of a series of amendments which will put into this bill some $6,065,000 for reenlistment allowances. Bear in mind, there is not a man in any of these services who can say that he enlisted in the service thinking, or having the right to think, that if he should want to reenlist he would get this reenlistment allowance, because it has not been paid and it was not paid when he enlisted.

Mr. SCOTT. Will the gentleman yield?

Mr. WOODRUM. I yield to the gentleman from California.

Mr. SCOTT. Has the gentleman not told them each year that, "We will do it next year. If we can give it back next year we will be glad to do so." So each year they have been led to believe they were going to get it back.

Mr. WOODRUM. We told them if we could give it back we would, but in my opinion, this is a very poor time to give it back.

Mr. SCOTT. If you can afford to give $3,000,000 to build a Jefferson Memorial, you ought to be able to afford to give $6,000,000 to the enlisted men of the service who will spend it immediately on things they need.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM. I yield to the gentleman from New York.

Mr. TABER. Is it possible that the W. P. A. is not competing with the Army and the Navy for enlistments?

Mr. WADSWORTH. I should be glad to answer that question, but I do not have the floor.

Mr. IZAC. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM. I yield to the gentleman from California.

Mr. IZAC. The records will show that only about 34 percent of the men this year are seeking reenlistment, and furthermore, the gentleman stated those men came in during a time when they knew they would not get a reenlistment allowance. I should like to draw the attention of the gentleman to the fact these men have been coming in for 15 to 20 years, long before this restriction was placed on the reenlistment allowance, and all of those who came in before the past 5 years are entitled to the enlistment allowance, even if those who came in during the past 5 years are not entitled to it, in the gentleman's opinion.

Mr. WOODRUM. This gratuity, this reenlistment allowance, was made not for services rendered but to induce men in the Navy to reenlist. It was held out as an additional bonus to induce a man to reenlist at the end of his service. When the necessity for such inducement has terminated I do not see how Congress or the Government can justify undertaking to hold out a financial inducement.

Mr. WADSWORTH. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM. I yield to the gentleman from New York.

Mr. WADSWORTH. I rather regret that I gave unanimous consent to confine this debate to 5 minutes. Without desiring to inject a personal note into the debate, I may say I happen to have been chairman of the joint committee of the Congress appointed in 1922 to redraft the entire pay schedule of the Army, Navy, and Marine Corps. The matter of reenlistment was not the only consideration which swayed that joint committee or the Congress of that day in providing for reenlistment allowances.

There are certain circumstances in the life of an enlisted man which we had under consideration and which this particular reenlistment allowance helps him to meet, and it is intended to do so. True, we did want to encourage reenlistment, but we felt that we might get the reenlistments perhaps without this allowance were it not for the fact that when a man's term of enlistment expires and he gives indication that he is willing to enlist he gets 2 months' leave of absence. In order to help that man pay his way during those 2 months and perhaps go back to his home all the way from the Philippines and then resume service with his regiment 2 months later, we believed this reenlistment allowance should be paid. There are a number of elements in this situation that the gentleman from Virginia has not touched upon, and this has been a contract.

Mr. WOODRUM. I have not had an opportunity to touch upon them. The gentleman has used all my time.

Mr. WADSWORTH. The gentleman had given what he regarded as his reasons, but he had not touched upon certain other elements.

[Here the gavel fell.]

Mrs. ROGERS of Massachusetts. A parliamentary inquiry, Mr. Chairman. Is there any way I can secure recognition to make a statement or ask a question of the chairman of the committee in connection with the pending amendment?

The CHAIRMAN. I do not see how the gentlewoman can now be recognized, as all time has expired.

Mrs. ROGERS of Massachusetts. It seems so cruel to give only a short time to discussing a matter that means so much to the men who are the first in the trenches or in the first line of defense.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. SCOTT].

The amendment was rejected.

The Clerk read as follows:

PUBLIC WORKS, BUREAU OF YARDS AND DOCKS

Public works, Bureau of Yards and Docks: Toward the following public works and public utilities projects at a cost not to exceed the amount stated for each project, respectively, $12,752,000, which amount, together with unexpended balances of appropriations heretofore made under this head, shall be disbursed and accounted for in accordance with existing law and shall constitute one fund.

Mr. TABER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TABER: On page 54, line 10, strike out "$12,752,000" and insert "$800,000."

Mr. TABER. Mr. Chairman, I offer this amendment in order to bring before the Congress the question of whether or not it should appropriate funds for the construction of facilities that are not justified by the hearings the committee has had. On page 520 of the hearings appears the following testimony:

Mr. UMSTEAD. May I ask one additional question of you, Admiral, about this public-works program which is submitted? With the exception of two items, in all of the list that you have presented to this committee, none was submitted to the Budget for the regular appropriation bill; that is, none but the two items?

Admiral MOREELL. I believe that is correct; yes, sir.

Mr. UMSTEAD. If they had been of an emergency character, necessarily they would have gone to the Budget, whether the Budget approved them or not, would they not?

Admiral MOREELL. If they had been of an emergency character?

Mr. UMSTEAD. Yes; they would have certainly been included in your estimates submitted to the Budget, at least, whether granted by the Budget or not. Of course, it may be that something has occurred since, bringing about a changed condition.

Admiral MOREELL. That is the statement that I was about to make, Mr. UMSTEAD, that the situation has changed since the submission of our regular budget.

Mr. UMSTEAD. Only insofar as affected by the increase of the Navy program, and you named the two items that would be affected by that increase of the Navy program.

With the exception of two items which you have mentioned, I believe one at Norfolk and one at some other point——

Admiral MOREELL. They are both at Norfolk, sir.

Mr. UMSTEAD. And with the exception of the sewerage project at San Diego, the rest of this program has not even a tint of an emergency character, has it?

Admiral MOREELL. I believe it has, Mr. UMSTEAD. I feel that when the Navy Department has determined from its studies that a situation requires immediate remedying, it behooves the Navy Department to proceed in the regular way to bring that to the attention of the Appropriations Committee.

With the exception of two items at Norfolk and $180,000 for a sewer system at San Diego there is nothing here that was considered of enough importance to send to the Budget when the Navy was submitting its budget to the Bureau of the Budget. Nothing of that kind was referred to when the Navy Department was before the Naval Subcommittee on Appropriations 3 months ago. It is perfectly apparent that the activities included in this item, involving, perhaps, an expenditure in the fiscal year 1939 of $12,752,000, do not require immediate attention or immediate construction, because the ship facilities that are asked in the Budget do not require anything like this amount of facilities. The whole picture is to set up a naval-construction program which will run into a peak and create a situation where we will have tremendous pressure put upon us to appropriate more and more money for ship construction. These things should go in an orderly way. The items should be submitted to the regular committees when the officials of the Navy Department come before us in connection with the regular appropriation bills, and they should not be placed in a deficiency bill.

Mr. Chairman, I hope this amendment will be adopted, because it allows plenty of money to go on with the activities that are really needed.

[Here the gavel fell.]

Mr. WOODRUM. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 3 minutes.

The CHAIRMAN (Mr. BLAND). Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. WOODRUM. Mr. Chairman, the amendment offered by the gentleman from New York, at page 54, line 10, to reduce from $12,752,000 to $800,000 the amount for public works, Bureau of Yards and Docks, would have the effect, if agreed to, of eliminating all of the items which follow on pages 54, 55, 56, and down to line 15 on page 57, because these enumerated items are parts of the amount proposed to be reduced and fix the total limit of cost on these improvements. The amount of money carried for all of these yard facilities and improvements is included in the sum of $12,752,000. The practical effect of the amendment of the gentleman from New York [Mr. TABER] is to strike out all of the improvements at all of the navy yards and stations.

The committee went over these items very carefully. It is true they were not sent up for the regular bill for the very good reason that the Navy expansion bill had not then been enacted.

The money proposed to be eliminated is for facilities at the various navy yards in order to expedite the new naval-construction program and put those yards in a position to build the ships which Congress has ordered, and do it more expeditiously, efficiently, and economically.

I think the committee has reduced some items which it felt were not especially of an emergency nature. It seems to me the items included here are important now and it would seriously cripple this program which Congress has laid out and for which it has provided funds to make any such reduction as the proposed amendment contemplates.

Mr. WIGGLESWORTH. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM. I yield.

Mr. WIGGLESWORTH. I call the gentleman's attention to the testimony of Admiral Moreell at page 513, in which he states that all the items in this list, in his opinion, are required for the shipbuilding program, with the possible exception of three.

Mr. WOODRUM. All of them except three?

Mr. WIGGLESWORTH. In other words, substantially all of these projects are considered essential in the opinion of the Navy Department for the program we have authorized.

Mr. WOODRUM. I understand, then, the gentleman is not in favor of the amendment of the gentleman from New York [Mr. TABER]?

Mr. WIGGLESWORTH. I am not.

Mr. WOODRUM. I thank the gentleman, and I hope the amendment will not be agreed to.

The amendment was rejected.

The Clerk read as follows:

Bureau of Aeronautics.

Mr. PHILLIPS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I appear before the Committee at this time, speaking under the rule on a pro forma amendment, to remind the Members of this House of the desirability of our building a dirigible. I had an opportunity last evening for about a minute on the floor of the House to speak on this subject. Thinking some Member of the House might like to ask questions on this subject, and I far from know it all or all of the answers, I take the floor at this time. I want to remind the Members of the House that at the close of the great war, when airplanes were not as far developed as they are now, the dirigible was much more developed than the airplane and more efficient comparatively, and I want to point out to the members of the committee that just about the close of the great war—and this seems inconceivable but I am informed it is so—the Germans had practically a production line and were turning out dirigibles or big Zeppelins, so to speak, at the rate of about one every 14 days.

I want to remind the Members of the House that in the Battle of Jutland there were about 10 dirigibles employed, 5 by day and 5 by night, and according to competent testimony the German fleet was saved as of that time by the activities and the observations of these Zeppelins.

I want to refer the Members of the House to an article in a newspaper of today. Here is tonight's Evening Star and here is the headline:

Navy ready to start building 50-ton, $3,000,000 war plane. Admiral Cook indicates range in excess of 5,000 miles—

And so on.

I am not opposing this, I am glad to see it, but, certainly, if we can spend $3,000,000 on one plane it seems, indeed, a tragedy that we cannot spend $3,000,000 to construct and further experiment with just one dirigible in the whole United States of America, particularly since the building of dirigibles has been allowed to get behind airplane construction.

Planes may be getting too big in size and too unwieldy for safe piloting.

Furthermore, Mr. Chairman, I wonder if it is realized that in America today there are only about 30 individuals alive who understand the operation of a rigid dirigible. Why can we not continue this art? The other day Dr. Eckener remarked, and, certainly, he knows the subject, that it is absolutely possible, in his opinion, to build dirigibles, with the experience we now have, that will stand up with the strains put upon them, and while it was unfortunate that we have had accidents and loss of life and money in the past, it was simply the growing pains, so to speak, of a new art eventually to benefit humanity.

Mr. BACON. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS. I yield.

Mr. BACON. If these dirigibles are so very important, can the gentleman explain why England, France, Germany, Italy, Japan, and all the other great powers are not building them today and do not have them?

Mr. PHILLIPS. To the best of my ability I will be glad to explain to the gentleman. For instance, taking Japan,

Japan has spent thousands of dollars to try to develop helium or some nonexplosive gas from volcanic gases, and if they could have a nonexplosive gas, which we practically have a monopoly of in the world, helium of course, according to the information I have they would be glad to build dirigibles. In the other countries of the world, like Italy, France, and England, the only experience they have had has been with second-hand, so to speak, German dirigibles or with second-hand adoption of German models, and with untrained or little-trained personnel operating them. Then, too, these dirigibles were filled with hydrogen and were thus terribly inflammable and thus unnecessarily dangerous.

Information seems to prove that had they helium so that those ships would not have been able to burn, they would have been glad to continue that experimentation.

Modern dirigibles can house and release and again recover in the skies a number of bombing planes. They can be armed and protected with cannon and able to aim them better than moving airplanes against them in attack. Modern dirigibles in war can hide in the clouds, suspending tiny observation cars below the clouds hundreds of feet below. They are an observatory adjunct to the battle fleet. They are a promising commercial possibility to build international goodwill.

I hope we build at least one test dirigible.

The CHAIRMAN. The time of the gentleman from Connecticut has expired.

The Clerk read as follows:

MARINE CORPS

General expenses: For additional amounts under each of the following subheads of the appropriation "General expenses, Marine Corps, 1938," including the same objects respectively specified under each of such subheads in the Naval Appropriation Act for the fiscal year 1938:

For clothing for enlisted men, $250,000;
For fuel, and so forth, $30,000;
For military supplies and equipment, and so forth, $50,000;
For repairs and improvements to barracks, and so forth, $70,000;
For miscellaneous supplies, and so forth, $165,000;
In all, $565,000.

Mr. SCOTT. Mr. Chairman, I offer the following amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. SCOTT: Page 59, after line 11, insert: "Pay, Marine Corps. Reenlistment allowances: For an additional amount for pay, Marine Corps, including payment of reenlistment allowances as prescribed by the act approved June 10, 1922, and including the same objects specified under this head, in the Naval Appropriation Act for the fiscal year 1939, $241,000."

Mr. SCOTT. Mr. Chairman, this is the same type of an amendment that I offered a while ago which was defeated. This provides for reenlistment allowances in the Marine Corps. The chairman of the Subcommittee on Deficiencies said that this matter comes up each year, and has for the last 5 years. I tell him right now that it will continue to come up each year for as many years as I continue to be here, until either one of two things is done. They can either put back into the appropriation bill the money that these men are entitled to under the pay bill of 1922, or they will have courage enough to bring in here a bill and repeal that part of the law; but as long as the law stands that after a man has served 3 years, if he reenlists he shall be paid $25 in the lower class times the number of years served, or $50 in the upper grade times the number of years served, I shall continue to try to put into the appropriation bill the money necessary to pay what the Government is obligated to pay. What is the idea of bringing the subject up in this way? If the law says that money should be paid, and the men are entitled to look on it as a part of their pay, why circumvent the law by refusing an appropriation and by sticking into the appropriation bill bans that exist for just 1 year? If it is the intention to give this money back, give these reenlistment allowances back to these men; now is the perfect time to do it. I can think of no better time to do it; but if the intention is to permanently deprive them of these reenlistment allowances, then I think the proper way to do it is to repeal that part of the law which grants them this money.

This has been called by the chairman of the Committee on Appropriations a reenlistment bonus. That is a coined phrase. It does not appear in the law at any place. When the law was passed it provided for reenlistment allowances and said that one of the reasons for granting the reenlistment allowance was to encourage men to reenlist. There are reasons now for encouraging men who have served their time to reenlist, but there were other reasons for this, and there are still other reasons for this. Do gentlemen know that when a man goes into the Navy for the first time he is provided with clothing, with his uniform, but that after he has served 3 years and then reenlists he has to buy his own clothing, and that practically all the time at the end of his 3-year term the clothing that he has on hand must be replaced? One of the reasons for adding this to his pay was to give him money with which to buy clothing.

In addition to that, if gentlemen would take the time to find out what we are paying enlisted men of the Army, Navy, and Marine Corps today and compare it with what they have to pay for rent and for food and for clothing for their families, then after that investigation I wish someone would get on the floor and tell me how they expect those men to get by on it. Somebody said a moment ago that the Navy was competing with the W. P. A. Do gentlemen know that men on W. P. A. today are getting more per month than we pay to the enlisted men of the Army and Navy and Marine Corps? A lot of you gentlemen get up here and complain and criticize the Works Progress Administration and the relief program by saying it is not enough, when it is more than you give to your soldiers and sailors.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. WOODRUM. Mr. Chairman, I ask unanimous consent that all debate upon this paragraph and all amendments thereto close in 12 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. WADSWORTH. Mr. Chairman, this is becoming an annual performance. It is about time it ceased, in the interest of fair play and decency to the enlisted men of the Army, Navy, and Marine Corps. A lot of these men have been in service antedating 1933 by many years. They went into the service with an implied contract. Indeed, when a man signs his name on the dotted line on the day of enlistment he signs a contract, and that contract, among other things, guarantees to the man certain pay and allowances, and amongst them is the reenlistment allowance. Thousands of men are in the Army, Navy, and Marine Corps today who went in before 1933 under that contract. Caught in the service in 1933, at the ages of 38 or 40 or 42, with prospect of a modest retirement awaiting them if they complete the requisite number of years, despite the fact that for the last 5 years the Government of the United States has reneged on its contract by refusing to appropriate money for the reenlistment allowances, they have stayed in the service.

Mr. BACON. Mr. Chairman, will the gentleman yield?

Mr. WADSWORTH. For a brief question.

Mr. BACON. It seems to me these enlisted men have an excellent case in the Court of Claims to recover from the Government on the contract.

Mr. WADSWORTH. I am not lawyer enough to know about that, but I know in the interest of fair play this practice should be stopped. I know it is not the disposition of the Committee on Naval Affairs to bring in a bill abolishing reenlistment allowances, yet year after year we find tucked away in the back of a deficiency appropriation bill a provision to the effect that no moneys appropriated in any act of Congress in this particular session shall be used to pay these men the money the law says they shall have.

What is the history of this thing? We went on the economy program in April and May of 1933. The so-called Economy Act was passed by Congress with the assurance from the President that economy would become the watchword of the administration. The civil employees of the

Government took a cut of 15 percent in their pay all up and down the line. Members of Congress took a cut in their pay. All the people employed by the Government took a cut. The men in the Army and the Navy took cuts also. The private in the Army was reduced to $17.80 a month. Think of it! And the reenlistment allowance was cut out. All of those cuts have been restored except one, and that is the reenlistment allowance for the enlisted men of the Army and the Navy. Today those men who concededly are the lowest-paid men in the Government service are the only ones who have not had their original and lawful pay restored. I know they do not vote. If they had hundreds of thousands of votes you would not see this done to them every year. My feeling is that this practice should stop because from the standpoint of the enlisted man, it is dirty business and it ought to stop. Do one thing or the other, as the gentleman from California says; give these men what the law says they shall have or repeal the law. You do not dare repeal the law. [Applause.]

[Here the gavel fell.]

Mrs. ROGERS of Massachusetts. Mr. Chairman, I rise in favor of the gentleman's amendment.

Mr. Chairman, I have been very much puzzled year after year that this thing should have been done, just as have other Members. In any difficulty that may beset this Nation the enlisted men of the Army and Navy and Marine Corps are expected to be in the midst of the difficulty, and they are. When they go into the service they go in willing to sacrifice their lives, willing to be disabled for life, possibly. They expect when they go into the service that they are going to receive their pay, their emoluments, just as we in Congress expect to receive our pay. How would we like it if our own salaries were cut without our vote?

I understand that this subject has been before the national bodies of some of the major veteran organizations, and the following have received mandates from their national encampments to seek from Congress fair play for the enlisted men of the uniformed services in the restoration of the reenlistment allowance. The organizations which have received these mandates from their national encampments are the Fleet Reserve Association, the Army and Navy Union, the Veterans of Foreign Wars, and the American Legion.

I read from page 597 of the committee hearings, a part of the statement of a representative of the Navy Department:

> Captain WILKINSON. There has been no discernible trace of failure of men to come into the Navy as a result of the fact that under the present appropriations they do not get these reenlistment allowances. We are holding up well on our original enlistments. The matter of reenlistments is falling off somewhat. It is hard to tell just what factors enter into reenlistments, because right now the country has been in a period of depression, there have been very few jobs, and a man with a good record in the Navy and an assurance of a job in the Navy is likely to reenlist to hold that job, even though he does not get what the basic law has hitherto given him as an increase of pay.
>
> But we feel the law has provided this for many years, in fact since 1855; and that the sailorman is low paid, and is fully entitled to such additional amounts over his pay proper, as have been provided for so many years by law. It has always been in a sense a part of his pay.
>
> The continued deprivation of this allowance is unfair to the men. It has been part of their pay for 80 years.

As you know, the Bureau of the Budget transmitted to the Committee on Appropriations a supplemental estimate for the restoration of the reenlistment allowance beginning in July 1938. The committee failed to provide the necessary funds as requested by the Budget and on its own initiative, contrary to the recommendations of the other departments involved and the Bureau of the Budget, proposed a further limitation that this pay be withheld from our soldiers and sailors during the fiscal year 1939. One vital question the men are asking on board the ships of the Navy and at Army posts is, "When are we going to get back our shipping-over money?"

They have asked this question for the last 5 years. Do not the Members of the House feel that these men in the Army and the Navy and the Marine Corps, the men who feel that they have no right to strike, the men who do not rebel or start a rebellion because they are in the service of their country and they love their country, do you not feel that these men have every right to be indignant with us, because they know that we have not lived up to our contract with them? The law provides for paying the service boys when they reenlist. If we vote against this appropriation it is the same thing as voting against paying a judgment against the Government.

Will not the Members join with us who are speaking today and give the men what they were promised, what they are entitled to? How do we feel when we employ people to do work, perhaps to build a house or something of that sort for us, and a contractor or a workman cheats us? That is exactly what we are doing to the enlisted personnel of our Army, our Navy, and our Marine Corps. We are not living up to our contract with them.

I wish I could remember the verses about Tommy Atkins, written by Rudyard Kipling, that was quoted so often during the war—"Tommy this and Tommy that," everything in the world for Tommy, our soldiers and our sailors, when we want them to fight.

Yet we do not do them justice in peacetime.

Mr. Chairman, I hope this pay allowance will be restored to the men.

Mr. WOODRUM. Mr. Chairman, this is the same matter the Committee acted on a few minutes ago. I want to reiterate what I said at that time, in reply to the gentleman from New York. This is in no sense of the word part of the pay of an enlisted man in the Marine Corps. If this is put in the bill, not a living human being will get a dollar of it at the end of his enlistment. He will leave without the Government promising to pay him anything unless he reenlists.

Mr. Chairman, this is simply a gratuity promised for reenlistment, not for services rendered. If this had been paid in the fiscal year 1937, only 1,100 men out of 17,000 in the Marine Corps would have received it, because only that many reenlisted.

The whole question is whether at a time when we are borrowing money, trying to give jobs to men who do not have jobs, we can afford to offer a gratuity or a bonus to men in order to get them to reenlist in the Marine Corps. The Marine Corps is getting an adequate personnel without the payment of any such gratuity.

Mrs. ROGERS of Massachusetts. Will the gentleman yield?

Mr. WOODRUM. I cannot yield.

Mr. Chairman, that is the whole proposition. The question is whether at a time when there are thousands of suffering and distressed persons, and we are borrowing way beyond our ability in order to try and feed and clothe them, we are going to offer a gratuity when it is not at all necessary to keep up the service.

Mr. BACON. Will the gentleman yield?

Mr. WOODRUM. I cannot yield.

Mr. Chairman, I hope the Committee will not adopt a policy here which will result in adding $6,065,000 to this bill for the next year. There is no reason for it and it cannot be justified, because all of the services now are able to get satisfactory enlistments without offering them this gratuity.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. SCOTT].

The question was taken; and on a division (demanded by Mr. SCOTT) there were—ayes 25, noes 28.

So the amendment was rejected.

The Clerk read as follows:

> Expenses Marine Band at observance of the seventy-fifth anniversary of the Battle of Gettysburg: For expenses of the United States Marine Band in attending the observance of the seventy-fifth anniversary of the Battle of Gettysburg, at Gettysburg, Pa., on July 1, 2, and 3, 1938, as authorized by the act approved May 9, 1938 (Public, No. 501, 75th Cong.), fiscal years 1938 and 1939, $1,560.

Mr. DOWELL. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. DOWELL: Page 59, line 19, insert the following:

"Expenses of Marine Band in attendance at the National Encampment of the Grand Army of the Republic at Des Moines, Iowa, on September 4 to 8, inclusive, $8,500."

Mr. WOODRUM. Mr. Chairman, I make a point of order against the amendment that it is not authorized by law.

Mr. DOWELL. Will the gentleman withhold his point of order?

Mr. WOODRUM. I reserve the point of order.

Mr. DOWELL. Mr. Chairman, this is the item that has been placed in this bill for the past quarter of a century. An authorization was passed by the House some days ago, but, as I understand, it has not as yet passed the other body. We only have a few days remaining in this session and it is very necessary that the item be placed in the bill at this time if the Marine Band is to serve the Grand Army, as it has served for nearly a quarter of a century. These men are now over 90 years of age and this is probably the last opportunity they will have of having the Marine Band come to their national encampment.

I hope under the circumstances the gentleman from Virginia will not press the point of order.

Mr. WOODRUM. Mr. Chairman, in reply to the gentleman, may I say that we have always required an authorization. Congress has not appropriated for these service bands to go anywhere until an authorization has been passed. I think it would be very dangerous and a very embarrassing precedent to establish in this House to provide money in a bill to send these service bands anywhere until there has been an authorization. It would be a precedent that would come back here to plague every Member of Congress, because every time there was a function of any kind they would call on you and say: "There was an instance in which you put money in before an authorization was passed."

The gentleman from Iowa has had the whole of this session of Congress to see this matter presented. I have no doubt but what there will be an authorization.

Mr. Chairman, I insist on the point of order.

The CHAIRMAN. Is there an authorization?

Mr. DOWELL. Mr. Chairman, I concede this is subject to a point of order.

The CHAIRMAN. The Chair sustains the point of order.

The Clerk read as follows:

Armor, armament, and ammunition: For an additional amount toward the armor, armament, and ammunition for vessels described in the preceding paragraph under the head "Construction and machinery," $1,550,000, to remain available until expended, including the same objects and under the same conditions and limitations prescribed under this head in the Naval Appropriation Act for the fiscal year 1939.

Mr. COLE of New York. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this opportunity to call the attention of the House to a situation which I believe to be most distressing and deplorable, and also to make good a prediction which a few of us made 3 or 4 months ago when the naval expansion bill was before the House. We said then that the three battleships authorized in that naval expansion bill were not needed, because there was then existing authority of law for construction of three battleships. Upon the assurance given us by the President of the United States, through the chairman of the Committee on Naval Affairs, it being said that funds for two of these new battleships would be requested as soon as the bill was passed, the bill was passed and the three new battleships were authorized. Where, Mr. Chairman, is the request for the funds for the three new battleships which were so urgently needed 3 or 4 months ago? Not one dollar is appropriated in this bill or has been appropriated for the construction of a single one of them since the bill was adopted by the Congress.

On yesterday I inquired of the chairman of the subcommittee in charge of this bill, the gentleman from Virginia, if the battleships, the appropriations for which are contained in this bill, are replacement ships under the Authorization Act of 1934 or the new ships authorized by the naval expansion bill of 1938. His reply was that they could be construed as either, and, of course, it really does not make much difference, for a battleship is a battleship whether for replacement or not. Upon following through the bill just now, I see the following wording at the bottom of page 59:

And for the commencement of the following vessels authorized by the act approved March 27, 1934, two battleships.

Probably the most cogent reason why the House adopted the naval-expansion bill, including especially the three big battleships, was the Presidential assurance that if there were given to him authority to construct these ships at least two would be commenced at once because of the great international emergency in which we then found ourselves. If they were needed 4 months ago, why is it that a request for funds for their construction is not contained in this bill?

Why do I say this situation is distressing and deplorable? Because it makes a difference whether the two battleships are replacement ships or new battleships? Not at all. That is insignificant when compared with the greater principle that apparently the American Congress cannot depend upon the word or rely upon the assurances or have faith in the promises of the Chief Executive of this country. What can the Government expect of business in view of its apparent reticence and hesitancy to expand since it cannot rely upon the statements made by its Government? We cannot blame business for not going ahead and putting men to work when it does not know what the Government is going to do to it tomorrow. The state of mind of our Government, its promises, policies, and assurances one day are altered or reversed on the succeeding day and are shifted to meet the varying winds of political fortune.

So I say it is most deplorable for the Government of the United States to set before our American citizens this example of inconsistency and of failure to keep its word. We certainly cannot expect our people themselves to be honorable, to be honest, to be truthful, to be consistent, or to possess all those virtues, characteristic of Americans, which bespeak their integrity, their character, and morality, when our public officials do not follow the same precepts, and it is indeed deplorable that apparently such a situation does exist. [Applause.]

Mr. RANDOLPH. Mr. Chairman, will the gentleman yield?

Mr. COLE of New York. I yield to the gentleman from West Virginia.

Mr. RANDOLPH. The gentleman knows I offered the amendment to strike out the item concerning the three battleships. The day of huge battleships is over. Certainly it is becoming increasingly apparent that wars are being fought in the air instead of on the sea. That is not the particular situation about which the gentleman speaks, but we find that increasingly in China the devastation and death, and the victory, for that matter, is being wrought from the sky and not by ships. There have been more than 3,500 killed and more than 5,000 wounded in air raids over Canton, China, in the past 12 days. In Spain we find a like picture.

Mr. COLE of New York. That is very true. Will the gentleman from West Virginia permit me to ask him a question? Is it not true that the President, through the chairman of the Committee on Naval Affairs, assured the Congress that two of these ships would be constructed if the authority were given?

Mr. RANDOLPH. I so understood.

[Here the gavel fell.]

Mr. IZAC. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, may I call to the attention of the gentleman from New York that if he will turn to the top of page

54 he will note under "Bureau of Construction and Repair" the following:

For an additional amount for designing naval vessels, etc., $1,750,000.

It is true you cannot build a battleship in the short space of 4 months, but we can make a start. I believe the President in his wisdom and the Committee on Naval Affairs in their wisdom saw fit to start the functioning of this most important work of the planning and designing section of the Navy, and this is the reason there is contained in this bill an appropriation for the limited amount of $1,750,000 instead of perhaps $50,000,000 or $100,000,000 for the laying down of the keels of these three new battleships.

Mr. COLE of New York. Mr. Chairman, will the gentleman yield?

Mr. IZAC. I yield to the gentleman from New York.

Mr. COLE of New York. The gentleman does not contend that the funds which are carried in this bill for the construction of two new ships are intended to be for two of the new ships authorized by the Naval Expansion Act of 1938?

Mr. IZAC. Oh, no; that was prior to this present program.

The pro forma amendments were withdrawn.

The Clerk read as follows:

For 1937, the sum of $44,000 is transferred from the appropriation "Foreign mail transportation, 1937."

Mr. RANDOLPH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RANDOLPH: On page 53, after line 14 insert a new paragraph:

"Not to exceed $100,000 of the appropriation 'Contract Air Mail Service, 1939', contained in the Post Office Department Appropriation Act, 1939, is hereby made available to provide for and supervise experimental services in connection with the transportation of mail by air, etc., as authorized by section 1 of the act approved April 15, 1938."

Mr. RANDOLPH. Mr. Chairman, I offer this amendment to carry out the provisions of the Experimental Air Mail Act which has passed both Houses of Congress and become a law through the signature of the President of the United States. Adoption of this amendment will add no additional sum of money. It simply allows discretionary power to rest with the Post Office Department to use up to $100,000 of the present air-mail appropriation for the purpose of experimental air-mail service in the United States. Certainly, it is absolutely necessary at the present time that the Post Office Department have the opportunity of going forward with experimental air-mail service to put into effect that which has been approved to the House and Senate Committees on the Post Office and Post Roads and to the Congress of the United States. Until the present time the Post Office Department has been concentrating its work upon trunk lines in this country. Today the Air Mail Service of the United States is entitled to this item being put into the present deficiency bill that a route or routes may be set up to establish this type of service which will prove of great value to the development of air-mail service in this Nation.

Mr. WOODRUM. Mr. Chairman, will the gentleman yield?

Mr. RANDOLPH. I yield to the gentleman from Virginia.

Mr. WOODRUM. As I understand the gentleman's amendment from hearing it read, it does not increase the total amount in the bill, but permits the department to use not exceeding $100,000 of its funds for this experimental work which has been authorized by Congress and for which there was a Budget estimate?

Mr. RANDOLPH. That is true.

Mr. WOODRUM. I will say to the gentleman that, of course, I cannot speak for the committee, but speaking for myself I have no objection, and I understand the gentleman from Indiana [Mr. LUDLOW], who is the chairman of the Subcommittee on the Post Office, feels there should be no objection to the gentleman's amendment.

Mr. RANDOLPH. I thank the gentleman.

Mr. SNYDER of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. RANDOLPH. I yield to the gentleman.

Mr. SNYDER of Pennsylvania. Do I understand that at the present time there is no money set aside for this purpose?

Mr. RANDOLPH. No; there is not.

Mr. SNYDER of Pennsylvania. May I say to the gentleman that I agree with the statement of the chairman of our subcommittee?

Mr. DOXEY. Mr. Chairman, will the gentleman yield?

Mr. RANDOLPH. I yield.

Mr. DOXEY. Is it not a fact that the Post Office Department is anxious to have this experimental work done?

Mr. RANDOLPH. Yes; they came before the Appropriations Committee and asked for it. Now is the time to begin this important program of extending to smaller cities the advantages of air-mail service.

Mr. JOHNSON of Oklahoma. Mr. Chairman, if the gentleman will yield for an observation, I think this is a very important amendment and one of vital interest to every section of the United States. It will prove of value by creating great feeders for the trunk air lines and I believe there should be no objection to it on the part of anyone. I want to congratulate the gentleman from West Virginia for his fine work along this line.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. RANDOLPH. Yes; I yield to the gentleman from New York.

Mr. TABER. What particular type of experimental operations does the gentleman have in mind?

Mr. RANDOLPH. I may say in answer to the gentleman's question that I am not interested in any special type of experimentation to the exclusion of any other. I do wish to say, however, that there are two types which perhaps stand out more than any others at the present time. First is the automatic device for pick-up and delivery of mail without the plane actually landing at the airport, and I may say to the gentlemen of this committee if we can perfect such an air-mail service we are going to save in the years to come millions and millions of dollars in this country. There are hundreds of small communities today that have no airports and they have no money to put in their construction and they could not keep them up after they were constructed. With the development of this type of air-mail service in the small communities, the planes could deliver and pick up air mail without actually landing at the airport and this would create a vast new field for air mail in this country.

There is also the autogiro. We recall the flights which were made during Air Mail Week, where the plane sort of flutters down on the top of a post-office building, and can land in a small area. In Chicago and Washington such tests were made. I am particularly interested in the automatic pick up and and delivery service because I have seen it in operation in my own State and I believe in it. The members of the Committee on the Post Office before they brought out the experimental air-mail bill saw it in operation successfully at College Park, Md., airport. A new day will dawn for the development of our air-mail system when it is proved that established routes with this device can be operated with practicability. Progress will surely be forthcoming and I feel we want today to lend our aid. [Applause.]

Mr. LUDLOW. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, if this amendment involved any increase of appropriation, then I should not be in favor of it. As chairman of the regular Subcommittee on Postal Appropriations, it was my thought that this was an item that could well go over until the regular bill, but I have conferred with officials of the Post Office Department within the last hour and they are quite anxious to go ahead with some experiments under this authorization.

The authorization bill passed on the 15th day of April and no funds have yet been made available for this purpose, and

this amendment would simply make a small part of the regular domestic air-mail appropriation for the fiscal year 1939 available for use in making these very promising experiments which give hope of some very valuable developments along the line of pick-up service and autogiro service.

I want to say a word about the gentleman from West Virginia. Aviation never had a better friend than the gentleman from West Virginia. [Applause.] The House and the country, I am sure, appreciate his splendid pioneering work along the line of experimental air-mail service. He is one of the most valuable Members of the House and I hope his district will keep him here a long time. I think under all the circumstances, since his amendment does not involve an increase of the appropriation by one dime, but simply makes a small amount available for these very interesting and promising experiments, the amendment should be adopted and I have no objection to it.

Mr. HAINES. Mr. Chairman, will the gentleman yield?

Mr. LUDLOW. I yield.

Mr. HAINES. I should like to say to the gentleman that the hearings before the committee of which I am a member revealed that it is the general opinion of men who ought to know something about this work and about these experiments that this will be a revenue-producing operation that will not cost the Government a penny; and, in addition to this, it will afford expeditious delivery of mail to towns of ten, twelve, or fifteen thousand population that now do not have the benefit of Air Mail Service.

Mr. LUDLOW. I am sure the Committee is very pleased to have that information from a distinguished member of the Committee on the Post Office and Post Roads, who has studied the subject, and I hope the Committee of the Whole House on the state of the Union will agree to the amendment of the gentleman from West Virginia.

Mr. TABER. Mr. Chairman, let us look at the situation. There is no question but that we appropriated more money than was needed for the Air Mail Service. There will be some return to the Treasury if we did not do something like this, but in order to absolutely protect the deficit, so that there will not be any money turned back under any circumstances, we have to do a lot of things like this. We had an authorization bill for the item which the gentleman from Utah offered, and we had a Budget estimate, and that bill did not take money out of the Treasury any more than this does. Yet the committee opposed it. I do not see how we can keep faith with the Treasury if we are going to go along with this kind of policy. Let us look at the merits of this thing. The Post Office Department can right now contract with air-mail carriers to have such a device as the gentleman from West Virginia [Mr. RANDOLPH] describes, if it is developed and good enough to use. We do not need to spend the money developing it if it is there. If somebody has a patent right which he desires to sell to the air mail carriers, if it is perfected, the Post Office Department can go ahead and contract for its use. If the autogiro can be of any use in carrying the mail over any particular route, the Post Office Department can now contract for it, and it can set up routes that do not exist where that might be used. I cannot see any sense in our adopting this proposition. It is entirely contrary to the policy of the committee. The committee after careful hearings struck it out when they wrote up the bill and it is in exactly the same position as the item presented to you by the gentleman from Utah [Mr. ROBINSON], and which the committee as a whole opposed, and which was thrown out by this Committee of the Whole. I ask, what do you want to do, what kind of policy you want to pursue?

The CHAIRMAN. The question is on the amendment offered by the gentleman from West Virginia.

The question was taken; and on a division (demanded by Mr. TABER) there were—ayes 62, noes 3.

So the amendment was agreed to.

The Clerk read as follows:

Tenth International Congress of Military Medicine and Pharmacy: For the expenses of organizing and holding the Tenth International Congress of Military Medicine and Pharmacy in the United States in 1939, including personal services in the District of Columbia and elsewhere, without regard to the civil-service laws and the Classification Act of 1923, as amended; communication services; stenographic reporting, translating, and other services by contract if deemed necessary, without regard to section 3709 of the Revised Statutes (41 U. S. C. 5); travel expenses; local transportation; hire of motor-propelled passenger-carrying vehicles; transportation of things; rent in the District of Columbia and elsewhere; printing and binding; including the payment of not to exceed $500 to the Association of Military Surgeons of the United States toward the cost of printing the report of the American Delegation to the Tenth Congress; entertainment; official cards; purchase of newspapers, periodicals, books, and documents; stationery; membership badges; expenses which may be actually and necessarily incurred by the Government of the United States by reason of observance of appropriate courtesies in connection therewith, and such other expenses as may be authorized by the Secretary of State, fiscal year 1939, $50,000, to remain available until January 31, 1940.

Mr. WOODRUM. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 69, in line 8, following the first comma in the line, insert the following: "including the reimbursement of other appropriations from which payment may have been made for any of the purposes herein specified during the fiscal year 1938."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The Clerk read as follows:

International Committee on Political Refugees: For the expenses of participation by the United States in the International Committee on Political Refugees, including personal services in the District of Columbia and elsewhere without regard to the civil-service laws and regulations or the Classification Act of 1923, as amended; stenographic reporting, translating, and other services by contract if deemed necessary, without regard to section 3709 of the Revised Statutes (41 U. S. C. 5); rent; traveling expenses; purchase of necessary books, documents, newspapers, and periodicals; stationery; equipment; official cards; printing and binding; entertainment; and such other expenses as may be authorized by the Secretary of State, including the reimbursement of other appropriations from which payments may have been made for any of the purposes herein specified, $50,000, to remain available until June 30, 1939: *Provided*, That no salary shall be paid hereunder at a rate in excess of $10,000 per annum.

Mr. STEFAN. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. STEFAN: Page 69, line 10, strike out all of line 10 down to and including line 2, on page 70.

Mr. STEFAN. Mr. Chairman, in my opinion this is the most dangerous piece of legislation that has been offered to us. I am opposed to it for many reasons. I call attention to Members of this House the title of this legislation, on page 69, line 10, in this bill: "International Committee on Political Refugees." That means you are here organizing a committee which will travel to foreign countries and mix up in foreign entanglements. You are opening another wedge for our country to become involved in foreign entanglements. You are sending representatives of this country to mix up with the affairs of people in foreign countries. I fear this committee is trying to replace the League of Nations, which has failed miserably to bring together the nations of the world. You are breaking down our immigration program, and I fear you will, through this legislation, make the United States the dumping ground for the political refugees of all nations. Of course, I sympathize with the suffering of any people anywhere. We do not have war in the United States, and I pray to God that we will never have war again, but with legislation such as this you will involve us in the boiling pots of Europe.

Think of it—we are told we have from 14,000,000 to 15,000,000 unemployed people in our own country. Let us tend to our own business. We have troubles of our own to straighten out in the United States without the need to mix up in the troubles of the foreign countries. You are going to send this expensive commission to Europe to help political refugees, with all the earmarks that this committee may in some way aid these foreigners to come to our country.

We may have foreign political refugees right here in our own midst who should be sent out of this country. Let us clean our own house before meddling in foreign affairs.

I wish every Member would right now read the hearings on this item. It is so significant that it is important that you read it if you love your country and if you want the United States to keep out of foreign entanglements. You are here setting up a new commisison to go to France to open an office to work for political refugees. For your information and enlightenment I wish you to know that from what information I get from the hearings that this is nothing but an effort to give the former chief of the Steel Trust a diplomatic job at $17,500 a year with office help and clerical assistance which will cost you $72,500 a year. This commission will set up an office in France. Think of it, a special law to give this former Steel Trust head a diplomatic job with the rank of Ambassador, to have headquarters in France, when at the same time we have an Ambassador in France who, with the aid of his efficient aides, can do this same work without this additional cost to our taxpayers. Why not let our normal Diplomatic Service, through the great efficiency of our State Department, do this work, if this work is necessary? Why organize a new political commission to meddle in foreign affairs?

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. Yes.

Mr. CRAWFORD. Do I understand that this provision of $50,000 in a way circumvents our keeping out of the League of Nations?

Mr. STEFAN. There is no question about that in my opinion.

Mr. CRAWFORD. In other words, this creates a department which will begin to function somewhat along the line of what the League of Nations would, insofar as getting us entangled in the political quarrels of western European countries.

Mr. STEFAN. That is the way I figure it.

Mr. CRAWFORD. Do I understand the gentleman to say that Myron Taylor, ex-chairman of the board, United States Steel Corporation, is to be given a diplomatic job under the provisions of this $50,000?

Mr. STEFAN. On page 698 of the hearings the gentleman will find that Myron C. Taylor, former chairman of the board of the United States Steel Corporation, is to be chairman of this organization, and on page 700 the gentleman will find a break-down of the estimated expenses, amounting to $72,000, not $50,000.

He will be given an ambassadorship and a large travel allowance. If you read this item in the bill you will see how dangerous it really is, because it sets up an international committee on political refugees.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield.

Mr. TABER. Is it not apt to result in letting down the bars on immigration?

Mr. STEFAN. I fear that will be the result.

Mr. TARVER. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield.

Mr. TARVER. If this appropriation is not authorized by law why did not the gentleman make a point of order against it and let it go out?

Mr. STEFAN. I think it was authorized. It is here. If the gentleman wants it out of the bill, let him support my amendment.

Mr. TARVER. I am in accord with the gentleman's position, but I wondered why he did not make a point of order against it.

Mr. STEFAN. Vote for my amendment. Let us eliminate the section.

Mr. Chairman, Members have asked me to give figures on the cost of this new commission. I give them here as they were furnished to the committee and as they appear in the hearings:

Distribution of estimate for International Committee on Political Refugees

Salaries:	
Salary for Mr. Taylor at $17,500 per annum, for 12 months	$17,500
Salaries for 4 clerks at average of $2,100, for 12 months	9,750
Total	27,250
Supplies and materials	1,000
Communication service	5,000
Travel expenses:	
Railroad fare in the United States (estimated)	100
Steamship fare from New York to Hamburg on *Manhattan*, a 9-day boat (since place has not been fixed, the maximum is estimated) for 2 round trips for Mr. Taylor and 1 officer, and 1 round trip each for 2 clerks to be assigned from the Department; total of 6 round trips at $446	2,676
Railroad fare in Europe for 4 people from United States and for officer and clerks to be assigned from abroad (estimated)	500
Per diem for the persons from the United States: 4 for 14 months, or 425 days each, a total of 1,700 days (6 round trips on steamer will take 18 days each, or 108 days in all, for sailing time), per diem for each round trip is estimated at $50; total for 6 round trips	800
For the 2 round trips for Mr. Taylor and 1 officer, 10 days each, are estimated in the United States, and for the 2 clerks, 2 days each, a total of 24 days in the United States, at $5	120
Per diem abroad for 4 persons for 1,568 days in all (1,700 days less 108 days' sailing time and less 24 days in the United States), at $6 per day	9,408
Per diem for the 3 persons assigned from abroad; 3 persons for 13 months, or 395 days, at $6 each	7,110
Miscellaneous items of travel, landing taxes, and local transportation	286
Total travel	20,500
Freight on furniture, drayage, etc	700
Printing necessary materials and reports (estimated)	2,500
Rent of office space (5 rooms, at $6 per day for 365 days)	10,950
Equipment for offices (purchase if necessary):	
7 desks, at $50 each	350
7 chairs, at $20 each	140
3 tables, at $20 each	60
8 side chairs, at $8 each	64
20 desk trays, at $1.25 each	25
3 costumers, at $5 each	15
2 file cases, at $30 each	60
1 bookcase	35
4 typewriters, at $70 each	280
2 rugs, at $150 each	300
7 lamps, at $5 each	35
Miscellaneous	136
Total	1,500
Special and miscellaneous expenses, entertainment, rent of motor vehicles, unforeseen items, rent of office machines, etc	3,100
Grand total	72,500

The CHAIRMAN. The question is on the amendment offered by the gentleman from Nebraska.

The question was taken; and on a division (demanded by Mr. WOODRUM) there were—ayes 31, noes 40.

So the amendment was rejected.

Mr. CASE of South Dakota. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CASE of South Dakota: On page 70, line 1, after the word "of", strike out "$10,000" and insert "$7,500."

Mr. CASE of South Dakota. Mr. Chairman, I call attention to the fact that this section proposes to pay a salary that amounts to 20 percent, or one-fifth of the entire appropriation. There can be only two justifications for this type of thing: First, that it is needed for the good it is to do. I doubt if any other appropriation has been made for the organization of a branch or division of government where the salary of the head of the division was fixed at one-fifth, or 20 percent, of the entire appropriation. It raises the question as to whether or not the purpose of this item is entirely that of affording relief to political refugees, or whether it is

not for the purpose of providing a $10,000 job for some individual.

I submit to the consideration of the committee every argument that has been advanced by the gentleman from Nebraska in his very pertinent comment upon this section is intensified when you examine the section and realize that $10,000 of the $50,000 is to go for the salary of one man. My amendment would limit the salary and reduce it to $7,500, thus saving $2,500 for the real purposes of the item.

[Here the gavel fell.]

Mr. WOODRUM. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 2 minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. WOODRUM. Mr. Chairman, the committee reduced the amount that might be used for salary from $17,500 to $10,000. I think it is not fair to say that the chairman of this commission is going to get $10,000. The proviso reads "at the rate of $10,000 a year." It is not contemplated that the commission is going to be in session for a year, so I think it is not fair to say that it is for the purpose of creating a $10,000 job. I think no one would seriously contend that the distinguished gentleman who is to act as chairman of this commission would be attracted to it because of the salary.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM. I yield.

Mr. CASE of South Dakota. Then there should be no objection to reducing the salary.

Mr. WOODRUM. Yes; there is. This is to be an international commission. A very distinguished gentleman is to head the American section. We placed the salary at $10,000. That is the salary of a minister, and the head of this commission should have high rank.

The CHAIRMAN. The question is on the amendment offered by the gentleman from South Dakota.

The amendment was rejected.

The Clerk read as follows:

Restoration, capital impairment, Commodity Credit Corporation: To enable the Secretary of the Treasury, on behalf of the United States, to restore the amount of the capital impairment of the Commodity Credit Corporation as of March 31, 1938, by a contribution to the Corporation as provided by the act approved March 8, 1938 (Public, No. 442, 75th Cong.), $94,285,404.73.

Mr. TABER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TABER: Page 72, beginning in line 22, strike out the entire paragraph ending in line 4 on page 73.

Mr. TABER. Mr. Chairman, this amendment proposes to knock out the provision for restoring the impaired capital stock of the Commodity Credit Corporation. The Commodity Credit Corporation has on its hands at the present time about 7,000,000 bales of cotton. About half of this is directly in its hands and the other half is under loans which the Corporation has guaranteed to back.

If this capital stock is restored, it means that 5,000,000 more bales of cotton will be taken over by the Commodity Credit Corporation. This will make 12,000,000 bales of cotton on hand. Just to show what kind of situation it is, the agricultural bill of 1938 provided that not to exceed 300,000 bales a year might be disposed of by the Government. That would mean 40 years to clear the books of this proposition.

During the last 5 years, as a result of the A. A. A. and its performances, the Brazilian cotton producers and other foreign producers have taken away from us the foreign market for approximately 5,000,000 bales of cotton which we used to export each year. They are going along, taking more and more each year. It is said their cost of production is a little lower than ours.

Our trouble is that we are getting into a terrible situation in which the Government is piling up tremendous quantities of cotton. The Government is going to pile up wheat in warehouses which will belong to the Government. This is not going to help the agricultural situation. Those warehoused crops will continue to be a menace to the establishment of a fair market for our farmers.

Why can we not stop before it is too late? Why can we not stop right now by refusing to restore this capital? If the capital is not restored they cannot go ahead with their program, which is absolutely dependent upon a decision of the President that they go ahead with it, so that there is no necessary requirement that we go ahead with this corporation.

Mr. THOMPSON of Illinois. Will the gentleman yield?

Mr. TABER. I yield to the gentleman from Illinois.

Mr. THOMPSON of Illinois. Will the gentleman tell the Committee what the authorized capital stock of the Commodity Credit Corporation is?

Mr. TABER. The authorized capital stock is $100,000,000 and they have lost $94,000,000. The actual capital is now down to $6,000,000 actually. Practically all of that is a cotton loss. We have great quantities of cotton out of the 1934 crop on hand and we are getting further and further into difficulties.

Mr. THOMPSON of Illinois. In other words, there is a 94 percent impairment of the capital stock?

Mr. TABER. Yes.

Mr. BACON. Will the gentleman yield?

Mr. TABER. I yield to the gentleman from New York.

Mr. BACON. That is probably due to gross mismanagement, is it not?

Mr. TABER. It is due to making loans on cotton at a high price. As I understand it, the loan value was 8½ cents on last year's crop and about 11 or 12 cents on the 1934 crop.

Mr. BACON. If this had happened in connection with a private corporation, the management would be in jail today if that corporation came within the jurisdiction of the Securities and Exchange Commission?

Mr. TABER. Surely. They would not be allowed to function.

Mr. CRAWFORD. Will the gentleman yield?

Mr. TABER. I yield to the gentleman from Michigan.

Mr. CRAWFORD. The gentleman spoke of a loss of $94,000,000. It seems to me that along early in the present calendar year this capital was replenished. The loss, to which the gentleman refers, has occurred in the last 2 or 3 months?

Mr. TABER. I understand the bill that was passed by the House from the Banking and Currency Committee was an authorization only.

[Here the gavel fell.]

Mr. WOODRUM. I ask unanimous consent, Mr. Chairman, that all debate on this paragraph and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. PACE. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from New York [Mr. TABER].

Mr. Chairman, the gentleman from New York made two statements that are startling, coming from a member of the subcommittee that considered this item. He made the statement that unless this impairment is taken care of, the corporation could not do any further business. I presume his hope is that the facilities of the Commodity Credit Corporation will be denied the farmers of this Nation. However, the gentleman is entirely mistaken.

Whether or not you restore this capital does not matter so far as their continuing in business is concerned. In March we passed an act demanding that the Commodity Credit Corporation appraise its assets as of March 31, 1938, considering values as of that date; and if the values on that date were less than the amount of the loans, the capitalization should be restored. Then we provided that if the price goes up the Commodity Credit Corporation shall turn the excess back into the Treasury.

The truth about the matter is that the gentleman from New York and unfortunately other gentlemen on this floor seem to delight in taking a crack at the cotton producers every time they have an opportunity. He has sought to lead you to believe this $94,000,000 impairment is due entirely to cotton. That is not the fact. There is also corn, wheat, and numerous other commodities that have fallen in value and which have helped create this impairment.

Let me say one word further. The losses on cotton, about which the gentleman is now complaining, have been there for 4 years. The impairment has not been created during the present year. That impairment, unfortunately, was created in 1934 when the Corporation made loans in excess of the market value. They made loans on the basis of 12 cents, and from that time almost continuously cotton has been dropping.

In the appraised value of March 31, 1938, they put cotton in at about 7¾ cents per pound. Whether you restore the capitalization does not matter. The Treasury has to lend the Corporation, according to an act that was signed in March, the sum of $500,000,000. This provision, as the chairman of the subcommittee will tell you, is simply to carry out a previous act of Congress in order to put the books of the Corporation on a business basis.

Mr. CRAWFORD. Will the gentleman yield?

Mr. PACE. I yield to the gentleman from Michigan.

Mr. CRAWFORD. Am I correct in assuming that the situation at the present time is such that the Treasury must automatically feed the necessary funds into this Commodity Credit Corporation?

Mr. PACE. It must, and I hand the gentleman a copy of the act passed by this Congress a short time ago and signed by the President on March 8, 1938.

Mr. BOILEAU. Will the gentleman yield?

Mr. PACE. I yield to the gentleman from Wisconsin.

Mr. BOILEAU. Is it not also a fact that in the farm bill we recently passed there is provision that the Commodity Credit Corporation must make loans on various commodities and they have to have sufficient funds to carry this through, regardless of whether we restore the capital of the Corporation or not?

Mr. PACE. The gentleman is correct. This is nothing more nor less than a bookkeeping transaction.

Mr. MEEKS. Mr. Chairman, will the gentleman yield?

Mr. PACE. I yield to the gentleman from Illinois.

Mr. MEEKS. If the impairment about which we are now talking is made good, it will constitute no greater burden or load upon the Treasury?

Mr. PACE. None whatsoever. It represents the losses calculated as of March 31 of this year, over a period of 5 years.

I wish the Members would make a thorough investigation of the functions and operations of the Commodity Credit Corporation, the great benefit it has been in the past to the farmers of this Nation and the real service it can be in the future. It should not be the subject of partisan politics, but should have the friendly and sympathetic support of every Member who wishes to see more prosperous conditions among those who till the soil.

And will you not approach in a more sympathetic attitude the problems and serious conditions which face the cotton farmers of the South?

Mr. DIRKSEN. Mr. Chairman, this would be an excellent opportunity to make a rousing speech on the rise and fall of the prune. I say that very advisedly because the Commodity Credit Corporation has lent money on cotton, on turpentine, on corn, on figs, on dates, on oats, on peanuts, and on prunes. The prune has suddenly come into position of glory in that no money has been lost on prunes, no money has been lost on peanuts, and no money has been lost on dates or figs. About $1,000,000 was lost on turpentine when the bottom dropped out of the market. Only $2,000 has been lost on that major cereal grain, corn. As to the rest of the losses, they have been sustained over a period of years on cotton.

I am opposed to the amendment of the gentleman from New York. I sympathize with what he has in mind, but it would be like locking the door after the horse is stolen. Congress has enacted a law as late as March 1938 providing that we must repair the capital structure, and whether or not we do it the losses have been incurred, so we might just as well follow out the mandate of that March legislation and repair the Commodity Credit Corporation capital of $100,000,000. The Corporation started with $100,000,000. The losses are aggregated at about $94,000,000, so the purpose of the amount recited in this bill is merely to repair its capital structure.

I believe it is only fair to point out at a time like this that if a great major cereal crop like corn, of which the new crop is coming on in the Central West at the present time, caused the Corporation to sustain a loss, according to its own balance sheet, of only a little over $2,000, most of the loss, of course, comes from cotton. Everybody recalls how that happened. The Corporation began stabilizing operations, taking cotton at a time when it was around 12 or 12½ cents and seeking to hold it off the market, because you would not dare feed that much cotton into the market without breaking the price; but the price did go down a little at a time, so the losses recorded by the Commodity Credit Corporation include among other things warehousing charges and insurance.

No good is to be accomplished by supporting the amendment of the gentleman from New York, but I do believe in all fairness to this kind of an operation that we ought to point out from time to time what is happening. When we do repair the capital structure, and we must do it because we are mandated——

Mr. TABER. If the gentleman will yield right there, we are only authorized to appropriate, and that is all. We are not required to appropriate.

Mr. DIRKSEN. I believe we are mandated under the March legislation.

Mr. TABER. Oh, no.

Mr. DIRKSEN. When we do repair the capital structure and we get into difficulties on cotton operations in the future there may be other losses, and this is what ought to be emphasized at a time like this. I have often wondered whether a great many Members of the House actually took the time to examine the implications of the act that was passed in March of this year. Perhaps not; but we are dealing with the effect of that act at the present time, so there is only one thing to do, and that is support the language carried in the bill and vote down the amendment of the gentleman from New York. But you can write it down in the little book that if we are going to have a huge cotton crop the chances are that there are going to be additional losses in the future to add to those that have been sustained up to the present time.

Now I wish to yield to the gentleman from Georgia if he cares to controvert the statement that most of this money was lost in cotton operations.

Mr. PACE. I cannot deny it.

Mr. DIRKSEN. That is the fact.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from Michigan.

Mr. CRAWFORD. I should like to ask the gentleman this question, because I value his opinion on such matters. Does the gentleman believe it is sound for a basic world commodity to be financed in such a manner as to hold it out of the channels of trade and consumption, continually piling up surplus after surplus?

Mr. DIRKSEN. I may say to the gentleman that if the Commodity Credit Corporation had not stepped in at the time it did and then gradually fed this cotton into the market, the price conceivably might have gone to 5 cents a pound. While there is a loss here, I do believe that when

you evaluate all of the cotton crop you will find the Corporation has performed a very useful service. However, we ought to make it plain to the Congress and to the people of the country that an operation of this kind is essentially in the nature of a subsidy, and you have to add it to the whole accumulation of subsidies that the Congress has voted from time to time.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. TABER].

The amendment was rejected.

The Clerk read as follows:

Refunds and payments of processing and related taxes: For refunds and payments of processing and related taxes as authorized by titles IV and VII, Revenue Act of 1936, for refunds of taxes erroneously, illegally, or otherwise wrongfully collected, under the Cotton Act of April 21, 1934, as amended (48 Stat. 598), the Tobacco Act of June 28, 1934, as amended (48 Stat. 1275), and the Potato Act of August 24, 1935 (49 Stat. 782); and for redemption of tax stamps purchased under the aforesaid Tobacco and Potato Acts, fiscal year 1939, $50,000,000, together with the unexpended balance of the funds made available to the Treasury Department for these purposes for the fiscal year 1938 by the Second Deficiency Appropriation Act, fiscal year 1937: *Provided*, That hereafter no refund shall be allowed of any amount paid or collected as tax under the aforesaid Cotton Act of April 21, 1934, as amended, and Tobacco Act of June 28, 1934, as amended, unless the person who paid such tax shall establish to the satisfaction of the Commissioner of Internal Revenue (a) that he bore the burden of the amount of tax for which refund is claimed, and did not shift it to any other person, or (b) if he shifted the burden of such tax to any other person, that he has repaid the tax to the person who bore the burden of the tax, or unless he files with the Commissioner written consent of the person who bore the burden of tax to the allowance of the refund.

Mr. TARVER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time in order to call to the attention of the House the fact that the language of the provision just read is deceptive in that it seems to provide for the refund of taxes paid under the Cotton, Potato, and Tobacco Acts, taxes which we all know were unlawfully collected, in that they were collected under legislation which was in violation of the Constitution of the United States, as was indicated by the Supreme Court, unanimously, in its divided opinion as to the constitutionality of the Agricultural Adjustment Act. While the Supreme Court divided 6 to 3 in its findings with regard to the constitutionality of that act, there was no member of the Court who indicated any opinion that legislation which proposed compulsory control of crop production could possibly be upheld.

The language contained in the provision of the bill which we are now considering refers to the refunding of taxes erroneously, illegally, or otherwise wrongfully collected under these various acts, but the Bureau of Internal Revenue in construing that language holds that it has reference only to erroneous administration of the act and that it is not authorized to provide for any refund, upon the theory that the collection of the tax itself was illegal or unconstitutional, and that fact is indicated in this bill because only $500 of this $50,000,000 item is provided, as shown by page 785 of the hearings, for the purpose of refunding during the period of the next fiscal year taxes illegally or wrongfully collected on cotton.

I take the position that it is immoral, or at least unmoral, that it is certainly lacking in the principles of fairness, that should distinguish decent government, for the Government of the United States to retain this $6,200,000, approximately, in the Treasury when every lawyer in the country recognizes and the United States Court of Appeals in the District of Columbia has held that the acts under which these taxes were collected were in violation of the Constitution of the United States.

If it were possible to do so I would offer at this time an amendment which would add the $6,200,000 necessary to this item and provide for the refunding of these taxes unlawfully collected and wrongfully withheld from those to whom they belong, but to do so would involve language having legislative effect, which would be subject to a point of order under the rules of the House.

I rise at this time in order to point out that an effort to insert such language will be made in the Senate, where it may be done under the rules prevailing in that body, and to direct the attention of the House to the matter so that if the amendatory language and the additional appropriation are provided in the Senate you may be considering whether or not you ought to agree to that amendment and to such a provision in the interest of plain justice.

We are providing here nearly $50,000,000 for the refund of the processing taxes paid by the cotton mills and other similar great processors of raw materials who have been able to get legislation to refund their taxes, while we are providing only $500 for the refund of gin taxes illegally collected from the cotton farmers of the country and have been unable to get the Committee on Agriculture to report legislation to refund the money unlawfully collected from the cotton farmers.

[Here the gavel fell.]

Mr. ROBSION of Kentucky. Mr. Chairman, on page 77 of this bill we find an appropriation for $50,000,000 as a refund of taxes illegally collected. I am advised, however, that no part of this sum can be applied as a refund of the $4,446,255.41 illegally collected from the tobacco growers under the Kerr-Smith Tobacco Act that was held to be unconstitutional by the Circuit Courts of Appeals for the Fourth and Sixth Circuits. The Supreme Court of the United States on March 28, 1938, denied the Government's petition for certiorari and thereby upheld the decision of the circuit courts of appeals. So that we may be certain about this matter, I should like to inquire of the chairman, Mr. WOODRUM, in charge of this bill, if any of the money carried in this deficiency appropriation bill can be applied as a refund of these taxes illegally collected under the Kerr-Smith Tobacco Act?

Mr. WOODRUM. I do not believe it covers that tax.

Mr. ROBSION of Kentucky. I do not mean any processing tax but the taxes collected from the tobacco growers at the warehouses.

Mr. GREEN. On the floor of the warehouse.

Mr. WARREN. Penalty tax.

Mr. ROBSION of Kentucky. Yes; I refer to the penalty tax collected illegally from the tobacco growers under the Kerr-Smith Tobacco Act.

Mr. PACE. I am very much interested in the same subject as the gentleman from Kentucky; and my investigation discloses that the $50,000,000 carried in this bill does not in any respect cover the $4,446,225.41 collected under the Kerr-Smith Tobacco Act. This $50,000,000, if the gentleman will permit, is to cover the processing tax paid by the millers and the processors.

Mr. ROBSION of Kentucky. That is my understanding.

Mr. PACE. Mr. Chairman, I have an amendment to offer to cover these penalty taxes.

Mr. GREEN. But we have been under the impression, or at least I have, that this bill had a provision in it to refund or make possible the refund of this floor penalty tax.

Mr. ROBSION of Kentucky. But we know, however, it is not contained in the bill according to the statement of Mr. WOODRUM and others.

Mr. GREEN. Then we should support the amendment of the gentleman from Georgia.

Mr. ROBSION of Kentucky. The tobacco growers who paid these taxes cannot receive any benefits under this bill. I, therefore, strongly favor the amendment proposed by the gentleman from Georgia. Some 60,000 tobacco growers paid these illegal taxes. Several thousand of these growers who paid these penalty tobacco taxes reside in Kentucky. Some of them reside in my congressional district.

Mr. PACE. Mr. Chairman, will the gentleman from Kentucky yield?

Mr. ROBSION of Kentucky. Yes.

Mr. PACE. The Senate has passed S. 2601, authorizing these refunds, to which the gentleman referred, but we have never been able to get it out of the Committee on Agriculture of the House.

Mr. ROBSION of Kentucky. From what I can learn, there is very little likelihood of the bill which passed the Senate being reported out for consideration by the House. This committee is evidently against this bill.

Mr. CREAL. I have an amendment to correct this situation, but it puts it up to the chairman of the committee not to make a point of order. It will relieve the tobacco grower. My idea is to earmark a certain amount of that $50,000,000.

Mr. ROBSION of Kentucky. It should be earmarked out of the $50,000,000 included in this bill.

Mr. CREAL. Yes.

Mr. ROBSION of Kentucky. If this can be accomplished, very well. If not then we should support the amendment of the gentleman from Georgia [Mr. PACE]. If points of order are made against these amendments I am afraid they will be sustained and then there will be no relief in sight unless and until the Committee on Agriculture of the House reports out S. 2601.

Mr. GREEN. In that connection I have a companion bill in the House to the Senate bill 2601, and I am therefore supporting the contention of the gentleman from Kentucky.

Mr. ROBSION of Kentucky. It is manifestly wrong for the Government to go out and collect these illegal taxes under an unconstitutional act from the tobacco growers and then refuse to refund them.

Mr. PACE. I think the time for filing the claims would likewise have to be extended.

Mr. ROBSION of Kentucky. That is my understanding.

Mr. TARVER. In the character of claims covered in this bill the claimants have until not later than February 10, 1940, in which to file claims, 4 years from date of payment, but which date cannot be more than 4 years from the time Congress repealed these three acts relating to tobacco, cotton, and potatoes, but there is no law under which provision is made for filing claims other than that, and Congress will have to pass some legislation of that kind before the matter can be dealt with.

Mr. ROBSION of Kentucky. As I understand it, if the amendment of the gentleman from Kentucky [Mr. CREAL] should prevail, it could not be paid out of the $50,000,000 without legislation.

Mr. TARVER. We would have to have legislation to do that and we cannot write legislation into this bill by an amendment in the House, as it is an appropriation bill.

Mr. ROBSION of Kentucky. Of course, if the administration desired to refund this money illegally taken from our citizens, the tobacco growers, it could be accomplished. I have the understanding that the administration is against refunding this money and because of this attitude no action was taken by the Committee on Agriculture of the House to bring S. 2601 out and give the House a chance to vote on it.

Mr. CREAL. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. CREAL: Page 78, line 3, after the word "refund", strike out the period and insert a semicolon and add the following words: "from the $50,000,000 herein appropriated the sum of $4,400,000 shall be set aside and made available to pay to the tobacco growers who paid the taxes under the Tobacco Act of June 28, 1934."

Mr. WOODRUM. Mr. Chairman, I make the point of order to the amendment that it is not authorized by law.

The CHAIRMAN. The point of order is sustained.

Mr. PACE. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Page 78, after line 3, add a new paragraph, as follows:

"For refunds and payments of amounts paid to or collected by the collector of internal revenue as tax under the Bankhead Cotton Act of 1934, (48 Stat. 598), as amended; the Kerr Tobacco Act (48 Stat. 1275), as amended; and under the Potato Act of 1935 (49 Stat. 750), $6,052,253.94."

Mr. WOODRUM. Mr. Chairman, I make a point of order against the amendment on the ground that it is not authorized by existing law.

Mr. PACE. Mr. Chairman, may I be heard on the point of order?

The CHAIRMAN. The Chair will hear the gentleman.

Mr. PACE. Mr. Chairman, the language of the present bill covers the refund and payment of processing and related taxes and for the refund of taxes erroneously, illegally, or otherwise wrongfully collected. It is admitted, Mr. Chairman, that the taxes covered by my amendment, under the Kerr Tobacco Act, under the Bankhead Cotton Act, and under the Potato Act, were wrongfully collected. It is not insisted that these taxes were erroneously collected. They were collected under a law; and while it is true, Mr. Chairman, that the law was not declared unconstitutional itself—the Bankhead law—yet the Triple A Act was declared unconstitutional and this House in hurried action repealed the Bankhead law before it could be declared unconstitutional by the courts.

If the Chair please, the $50,000,000 covered in the committee bill is for the benefit of the processors, the millers, the big operators, if I may use that term. The $6,000,000 covered in the amendment I offer is for the benefit of the men who bore the burden of the tax themselves, that is the individual farmers. I insist that under this state of facts, Mr. Chairman, the amendment is germane, covering a tax that was wrongfully collected. Certainly these farmers have as much and more moral and legal right to a refund of the tax they paid as have these millers and processors and big operators.

The CHAIRMAN. Can the gentleman from Georgia cite any specific authorization for this appropriation?

Mr. PACE. I cite the Chair the same authorities as contained in this bill. There is specific authority under titles IV and VII of the Revenue Act of 1936 for the collection of the taxes illegally collected under the Triple A Act. My amendment is supported, if the Chair please, by the same authority as supports this language:

Otherwise for refunds of taxes erroneously, illegally, or otherwise wrongfully collected.

The CHAIRMAN. Has such a bill passed the House?

Mr. PACE. Such a bill has been introduced in both the Senate and the House and passed the Senate.

The CHAIRMAN. But it has not passed the House. The Chair will have to sustain the point of order.

Mr. WOODRUM. Mr. Chairman, may I be heard on the point of order briefly, in view of what the gentleman from Georgia has said?

The CHAIRMAN. The Chair will hear the gentleman.

Mr. WOODRUM. I am sympathetic with the proposed amendment. I think these taxes should be returned and I entertain the hope that appropriate legislation will speedily be passed; but at the moment this refund is not authorized.

Mr. TARVER. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM. I yield.

Mr. TARVER. I apprehend from the gentleman's statement that if the Senate should add this language to the deficiency bill, as they can under their rules, the House conferees will agree to it.

Mr. WOODRUM. The matter would be given very careful consideration, I may say to the gentleman from Georgia.

The CHAIRMAN. The Chair sustains the point of order.

The Clerk read as follows:

COAST GUARD

Office of the Commandant: Not exceeding $5,000 of the amount appropriated for "Pay and allowances, Coast Guard," in the Treasury Department Appropriation Act, 1938, may be transferred to the appropriation for "Salaries, office of Coast Guard, 1938."

Mr. SCOTT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SCOTT: Page 78, after line 9, insert: "Pay and allowances (reenlistment allowances): For an additional amount for pay and allowances, Coast Guard, etc., including payment of reenlistment allowances as prescribed by the act approved June 10, 1922, and including the same objects specified under this head in the Treasury Department Appropriations Act, 1939, $259,000."

Mr. SCOTT. Mr. Chairman, this is a third amendment in a series of four. Another one will be offered when we come to the War Department. This would do the same thing for the Coast Guard that I attempted to do for the Navy and for the Marine Corps.

In view of the action taken on the other two amendments, I ask for a vote.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California.

The amendment was rejected.

The Clerk read as follows:

PROCUREMENT DIVISION, PUBLIC BUILDINGS BRANCH

War Department Building: For the acquisition of land as a site for buildings for the War Department, and for the construction of the first building unit, under the provisions of the Public Buildings Act approved May 25, 1926 (44 Stat. 630), as amended, including the extension of steam and water mains, removal or diversion of such sewers and utilities as may be necessary, and for administrative expenses in connection therewith, $3,000,000, within a total limit of cost of $10,815,000.

Mr. TABER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TABER: Page 79, beginning in line 23, strike out the paragraph ending on line 7, page 80.

Mr. TABER. Mr. Chairman, this proposition is to strike out $3,000,000 with which to start the construction of a new War Department building which will cost a total of $10,815,000. It seems to me in such times as these we can get along without this expenditure.

The Congress has refused to do this for the last 2 years and, in my opinion, if the War Department would reorganize the set-up in the Munitions Building, get the things out of there that have no relation to the War Department and its activities, they could yet take care of the pressure and get along for a long while without the construction of a new building.

I hope the committee will adopt this amendment, thereby saving this money for the Treasury in the situation we are now in.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. TABER].

The amendment was rejected.

The Clerk read as follows:

Social Security Board and Railroad Retirement Board Buildings: For the acquisition of the necessary land and the construction of buildings for the Social Security Board and the Railroad Retirement Board, under the provisions of the Public Buildings Act, approved May 25, 1926 (44 Stat. 630), as amended, including connecting tunnels, the extension of steam and water mains, removal or diversion of such sewers and utilities as may be necessary, and for administrative expenses in connection therewith, $3,000,000, within a total limit of cost of $14,250,000.

Mr. TABER. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. TABER: Page 80, beginning in line 8, strike out the paragraph ending in line 17.

Mr. TABER. Mr. Chairman, this amendment will save $3,000,000 in the coming fiscal year out of a total of $14,250,000. This situation is even worse than the War Department situation because it provides quarters for the Social Security Board.

At the present time this board is operating in such a way it is preventing the employment of our people. It unquestionably will have to be revised. It will unquestionably have to be cut down in very large measure. Why we should at this time speculate and attempt to go ahead with the construction of a great big building for that board is beyond me. In my opinion it is ridiculous.

Mr. Chairman, there is also an agitation for the organization of a Department of Welfare. This appeared in the alleged reorganization bill we considered some time back. It did not add to the attractiveness of that bill, but nevertheless the agitation is there and the administration wants it. The Social Security outfit should be in that department. If we go ahead and build the building we have got to go ahead and reorganize the department, and if a Department of Welfare is created we will have to build another building to house it together with a lot of other activities. It seems to me this is the most ridiculous thing that has ever been submitted to the Congress.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. TABER].

The question was taken; and on a division (demanded by Mr. TABER) there were—ayes 21, noes 53.

So the amendment was rejected.

The Clerk read as follows:

Military activities.

Mr. SCOTT. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. SCOTT: Page 81, line 16, insert: "Finance Department—pay of Army, reenlistment allowances: For an additional amount for pay of the Army, including payment of reenlistment allowances as prescribed by the act approved June 10, 1922, and including the same objects specified under this head in the Military Appropriation Act for the fiscal year 1939, $3,075,000."

Mr. SCOTT. Mr. Chairman, this is the fourth and last of a series of amendments to which I have heretofore referred. Because of what I said on the other amendment, do not get the idea I have given up on this thing or that I think it is not worth spending the effort and the time on it. I think that sooner or later the membership of the House is going to agree that the people it once told could have these reenlistment allowances are entitled to them, or if it does not agree to that, legislation will be brought in here to repeal the existing authorization rather than telling these fellows each year that what we are doing is a temporary abandonment of the principle of reenlistment allowance.

A moment ago a Member of the House came to me and said, "Why are you trying to get reenlistment allowances for the enlisted men of the Army, Navy, and Coast Guard? They cannot vote anyhow."

First, I want it to be known that there are a lot of enlisted men of the Navy who vote in my district and in other districts. The mere fact they may not be able to vote or that they cannot vote en masse is no reason why this House should single them out as the sole group of Government employees that are still affected by the Economy Act passed some years ago. You have repealed everything but this particular provision. The only provision of the Economy Act that is continued is that provision which affects those men you think cannot vote. That is a poor excuse.

I think some of you are going to find out sooner or later when the enlisted men know you think they do not or cannot vote they will be sure to register, then they will be able to vote in your district as well as in my district. I think they are entitled to the money that you promised them back in 1922 and did not take away from them until 1933, as well as the money you have been holding out on them, promising that in the future you may give it back.

Will those who are in favor of continuing this ban not bring in a piece of legislation to repeal that part of the pay act? Do not do it this way every year.

Mr. IZAC. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the law regarding reenlistment allowances goes back 83 years as far as the Navy is concerned, and over half a century as far as the Army is concerned. If we agree to this amendment and give the reenlistment allowance to all the enlisted men in all the armed services, it will cost the Government, in round figures, about $6,000,000.

A good many of the Members believe this means the Government will be out $6,000,000 and will get nothing in return. I want to disprove that theory. In the first place, when a young man enlists in the Army he is given a course of training, and also in the Navy. The cost of training a new recruit in the Navy for a period of 3 months is $100 for his clothing allowance and $150 for his education and training, or a total of $250. The reenlistment allowance covers certain grades of the Navy and the maximum payment is $100 per person in the lower grades and $200 in the upper grades, and this is as much as the men can get. In the Army the maximum is $75 for the lower grades and $150 for the upper grades.

You can readily see that when a man has served an enlistment of 4 years in the Navy or the Army he is a much more valuable man as far as national defense is concerned. If we train a man over two or three periods of enlistment he should be much more valuable to us than a raw recruit coming into the service. Therefore, I believe it stands to reason that the net cost to the Government is less in the case of men who have stayed in for one or more enlistments than it is when we take the young boys and train them to be soldiers and sailors. On that basis, if not on the basis of justice to these men to whom we have already promised this allowance, I believe we should vote up this amendment.

Further, I believe that when we come to section 206 it will be obvious that it must go out on a point of order, and then we will be in this position: Every Department of the Federal Government under which these men serve has authorized the payment to them of the reenlistment allowance. This is something you must not overlook. Every Department has authorized this payment. We have authorized it under bills already passed. The only thing remaining to be done is to appropriate the money. I do not believe it is the province of a subcommittee of the Committee on Appropriations to deny what we of the other committees of Congress have already accepted as the right of these men. We have given it to them by regular appropriations.

Mr. BACON. Mr. Chairman, will the gentleman yield?

Mr. IZAC. I yield to the gentleman from New York.

Mr. BACON. I quite agree with what the gentleman is saying, and I am convinced that the enlisted men of the Army, Navy, Marine Corps, and Coast Guard have grounds for a suit against the Government in the Court of Claims. I believe the four Departments so concede, and I hope the enlisted men bring that suit.

Mr. IZAC. I believe this will obviate such suits, and I believe, in justice to the men, we should vote up this amendment.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. IZAC. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. This amendment has the very strong endorsement of the Fleet Reserve Association, the Army and Navy Union, the Veterans of Foreign Wars, and the American Legion. Some people say there are no votes in a proposition of this kind. There certainly are votes in it, and, more than that, there is a feeling in these organizations that the men are discriminated against.

Mr. IZAC. I thank the gentlewoman from Massachusetts. I am sure all the men who have ever served in the Army, the Navy, the Marine Corps, the Coast Guard, or the Coast and Geodetic Survey feel it is no more than right that these men should be paid.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. SCOTT].

The question was taken; and on a division (demanded by Mr. SCOTT) there were—ayes 56, noes 48.

Mr. WOODRUM. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. SCOTT and Mr. WOODRUM.

The Committee again divided; and the tellers reported that there were—ayes 62, noes 54.

So the amendment was agreed to.

The Clerk read as follows:

SEC. 206. No part of any appropriation contained in this or any other act for the fiscal year ending June 30, 1939, shall be available for the payment of enlistment allowance to enlisted men for reenlistment within a period of 3 months from date of discharge as to reenlistments made during the fiscal year ending June 30, 1939, notwithstanding the applicable provisions of sections 9 and 10 of the act entitled "An act to readjust the pay and allowances of the commissioned and enlisted personnel of the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, and Public Health Service," approved June 10, 1922 (37 U. S. C. 13, 16).

Mr. BACON. Mr. Chairman, I make the point of order against the paragraph that it is legislation on an appropriation bill.

Mr. WOODRUM. Mr. Chairman, the point of order is good.

The CHAIRMAN. The Chair sustains the point of order.

Mr. SCOTT. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. SCOTT. Since the ban has been stricken out on a point of order, and since an amendment has been adopted to pay the reenlistment allowance to the enlisted men of the Army, would an amendment now be in order to create a new section providing for the payment of the reenlistment allowances to the enlisted men of the Navy, Marine Corps, and Coast Guard?

The CHAIRMAN. The Chair will pass upon whatever amendment may be offered.

The Clerk read as follows:

SEC. 207. No part of any appropriation contained in this act or authorized hereby to be expended shall be obligated during the fiscal year ending June 30, 1939, to pay the compensation of any officer or employee of the Government of the United States, or of any agency the majority of the stock of which is owned by the Government of the United States, whose post of duty is in continental United States unless such person is a citizen of the United States, or a person in the service of the United States on the date of the enactment of this act who being eligible for citizenship has filed a declaration of intention to become a citizen or who owes allegiance to the United States.

Mr. BARTON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BARTON: Page 98, after line 24, insert a new paragraph, as follows:

"SEC. 207A. *Be it further provided*, That it shall be unlawful for any part of any money herein appropriated or for benefits provided for in this act or in any other act heretofore or hereafter enacted by this Congress to be used by any person to influence or attempt to influence through promise, fear, intimidation, or coercion, the vote of any person employed by them, or of any person who is dependent on public funds, in connection with an election at which Presidential and Vice-Presidential electors, or a Senator or Representative in, or a Delegate or Resident Commissioner to, Congress are to be voted for, or in any other election, Federal, State, or local.

"It shall be unlawful for any person whose compensation, or any part thereof, is paid from funds appropriated by this act or from any other act heretofore or hereafter enacted by this Congress to use or threaten to use, directly or indirectly, his official authority or influence to interfere with, restrain, or coerce any individual in the free exercise of his right to vote as he may choose at any primary or other election.

"Any such person who violates any provision of this section shall upon conviction be punished by a fine of not more than $5,000 or by imprisonment for not more than 3 years or both, and any such person so convicted shall be barred from holding public office under any authority of the United States."

Mr. WOODRUM. Mr. Chairman, I make the point of order against the amendment that it is legislation on an appropriation bill. I recall the very eloquent speech the gentleman made on this subject a short time ago. I imagine the gentleman's sentiments are the same now.

The CHAIRMAN. The Chair sustains the point of order.

The Clerk concluded the reading of the bill.

Mr. WOODRUM. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recomendation that the amendments be agreed to and that the bill, as amended, do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. MCREYNOLDS, Chairman of the Committee of the Whole House on the state of the Union, reported

that that Committee, having had under consideration the bill H. R. 10851, the second deficiency appropriation bill, 1938, had directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. WOODRUM. Mr. Speaker, I move the previous question on the bill and all amendments thereto to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment?

Mr. WOODRUM. Mr. Speaker, I demand a separate vote on the amendment reinstating reenlistment pay in the Army, the Scott amendment.

The SPEAKER. Is a separate vote demanded on any other amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The Clerk will report the amendment on which a separate vote has been demanded.

The Clerk read as follows:

Amendment offered by Mr. SCOTT: On page 81, after line 16, insert a new paragraph:

"Finance Department, pay of Army (reenlistment allowances): For an additional amount for pay of the Army, and so forth, including payment of reenlistment allowances as prescribed by the act approved June 10, 1922, and including the same objects specified under this head in the Military Appropriation Act for the fiscal year 1939, $3,075,000."

The SPEAKER. The question is on agreeing to the amendment.

The question was taken; and on a division (demanded by Mr. SCOTT) there were—ayes 65, noes 96.

Mr. SCOTT. Mr. Speaker, I object to the vote on the ground a quorum is not present and make the point of order a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] Two hundred and seven Members are present, not a quorum.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 205, nays 121, not voting 101, as follows:

[Roll No. 99]

YEAS—205

Aleshire	Culkin	Imhoff	Mosier, Ohio
Allen, Ill.	DeMuth	Isac	Nichols
Allen, La.	Dirksen	Jenkins, Ohio	O'Brien, Ill.
Allen, Pa.	Dixon	Jenks, N. H.	O'Brien, Mich.
Amlie	Dondero	Johnson, Minn.	O'Connell, Mont.
Anderson, Mo.	Dorsey	Keller	O'Connor, N. Y.
Andresen, Minn.	Dowell	Kelly, Ill.	Oliver
Andrews	Dunn	Kelly, N. Y.	O'Malley
Arends	Eberharter	Kinzer	O'Neill, N. J.
Arnold	Eckert	Kirwan	O'Toole
Bacon	Edmiston	Knutson	Owen
Barton	Elliott	Kopplemann	Pace
Bates	Englebright	Kramer	Parsons
Beam	Fitzgerald	Kvale	Patrick
Bell	Fitzpatrick	Lambertson	Patterson
Bernard	Flaherty	Lanzetta	Patton
Bigelow	Flannery	Lea	Peterson, Fla.
Binderup	Forand	Lesinski	Pettengill
Bloom	Ford, Calif.	Lord	Phillips
Boileau	Fries, Ill.	Lucas	Plumley
Boren	Gamble, N. Y.	Luce	Powers
Boyer	Gavagan	Luckey, Nebr.	Randolph
Boykin	Gehrmann	Luecke, Mich.	Reece, Tenn.
Bradley	Gifford	McAndrews	Reed, Ill.
Brown	Gilchrist	McCormack	Rees, Kans.
Buck	Gildea	McFarlane	Reilly
Buckler, Minn.	Gingery	McGehee	Rigney
Cannon, Wis.	Green	McGranery	Robsion, Ky.
Carlson	Gwynne	McKeough	Rockefeller
Cartwright	Halleck	McLaughlin	Rogers, Mass.
Case, S. Dak.	Hamilton	McLean	Rogers, Okla.
Casey, Mass.	Hancock, N. Y.	McSweeney	Rutherford
Church	Hart	Maas	Ryan
Citron	Havenner	Magnuson	Sadowski
Clason	Healey	Mapes	Sauthoff
Claypool	Hendricks	Martin, Colo.	Scott
Coffee, Wash.	Hennings	Martin, Mass.	Secrest
Cole, N. Y.	Hill	Mason	Seger
Connery	Hoffman	Massingale	Shafer, Mich.
Costello	Holmes	Maverick	Shanley
Crawford	Hope	May	Sheppard
Creal	Houston	Mead	Short
Crosser	Hull	Meeks	Simpson
Crowther	Hunter	Millis	Smith, Conn.
Smith, Maine	Taber	Treadway	Wigglesworth
Snell	Taylor, Tenn.	Voorhis	Withrow
Sparkman	Teigan	Wadsworth	Wolfenden
Starnes	Thomas, N. J.	Walter	Wolverton
Stefan	Tinkham	Welch	Woodruff
Sutphin	Tobey	Wene	
Sweeney	Towey	Whelchel	
Swope	Transue	White, Ohio	

NAYS—121

Allen, Del.	Duncan	Kocialkowski	Robertson
Barden	Engel	Lambeth	Robinson, Utah
Barry	Evans	Larrabee	Romjue
Beiter	Ferguson	Leavy	Sabath
Bland	Fernandez	Lewis, Colo.	Sanders
Boland, Pa.	Flannagan	Ludlow	Satterfield
Brooks	Fletcher	McReynolds	Schulte
Burch	Ford, Miss.	Mahon, S. C.	Scrugham
Caldwell	Fuller	Mahon, Tex.	Shannon
Cannon, Mo.	Gambrill, Md.	Maloney	Smith, Va.
Celler	Garrett	Merritt	Smith, W. Va.
Chapman	Goldsborough	Michener	Snyder, Pa.
Cole, Md.	Gray, Ind.	Moser, Pa.	Somers, N. Y.
Collins	Greenwood	Murdock, Ariz.	South
Colmer	Greever	Nelson	Spence
Cooley	Gregory	O'Leary	Tarver
Cooper	Griffith	O'Neal, Ky.	Taylor, S. C.
Cox	Haines	Palmisano	Terry
Cravens	Harlan	Pearson	Thompson, Ill.
Crowe	Hobbs	Peterson, Ga.	Turner
Cullen	Honeyman	Pfeifer	Umstead
Cummings	Jacobsen	Pierce	Vincent, Ky.
Daly	Jarman	Poage	Waligren
Delaney	Johnson, Luther A.	Polk	West
Dempsey	Johnson, Okla.	Quinn	Whittington
Dies	Johnson, W. Va.	Rabaut	Wilcox
Disney	Kee	Ramspeck	Woodrum
Doxey	Keogh	Rankin	Zimmerman
Drew, Pa.	Kerr	Rayburn	
Drewry, Va.	Kitchens	Rich	
Driver	Kleberg	Richards	

NOT VOTING—101

Ashbrook	Doughton	Kennedy, N. Y.	Schneider, Wis.
Atkinson	Douglas	Kniffin	Scheutz
Biermann	Eaton	Lamneck	Sirovich
Boehne	Eicher	Lanham	Smith, Okla.
Boylan, N. Y.	Faddis	Lemke	Smith, Wash.
Brewster	Farley	Lewis, Md.	Stack
Buckley, N. Y.	Fish	Long	Steagall
Bulwinkle	Fleger	McClellan	Sullivan
Burdick	Frey, Pa.	McGrath	Sumners, Tex.
Byrne	Fulmer	McGroarty	Taylor, Colo.
Carter	Gasque	McMillan	Thom
Champion	Gearhart	Mansfield	Thomas, Tex.
Chandler	Gray, Pa.	Mitchell, Ill.	Thomason, Tex.
Clark, Idaho	Griswold	Mitchell, Tenn.	Thurston
Clark, N. C.	Guyer	Mott	Tolan
Cluett	Hancock, N. C.	Mouton	Vinson, Ga.
Cochran	Harrington	Murdock, Utah	Warren
Coffee, Nebr.	Harter	Norton	Wearin
Crosby	Hartley	O'Connell, R. I.	Weaver
Curley	Hildebrandt	O'Connor, Mont.	White, Idaho
Deen	Hook	O'Day	Williams
DeRouen	Jarrett	Patman	Wolcott
Dickstein	Jenckes, Ind.	Ramsay	Wood
Dingell	Johnson, Lyndon	Reed, N. Y.	
Ditter	Jones	Sacks	
Dockweiler	Kennedy, Md.	Schaefer, Ill.	

So the amendment was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Eaton (for) with Mr. Sullivan (against).
Mr. Ditter (for) with Mr. Kennedy of Maryland (against).
Mr. Thurston (for) with Mr. Farley (against).
Mr. Reed of New York (for) with Mr. Taylor of Colorado (against).
Mr. Douglas (for) with Mr. Boylan of New York (against).
Mr. Warren (for) with Mr. O'Connor of Montana (against).

General pairs:

Mr. Lanham with Mr. Wolcott.
Mr. Doughton with Mr. Fish.
Mr. Mansfield with Mr. Carter.
Mr. Weaver with Mr. Hartley.
Mr. Vinson of Georgia with Mr. Jarrett.
Mr. McClellan with Mr. Cluett.
Mr. Cochran with Mr. Brewster.
Mr. Kennedy of New York with Mr. Mott.
Mr. Fulmer with Mr. Gearhart.
Mr. Patman with Mr. Guyer.
Mr. Boehne with Mr. Lemke.
Mr. Griswold with Mr. Burdick.
Mr. Bulwinkle with Mr. Schneider of Wisconsin.
Mr. Clark of North Carolina with Mr. Smith of Washington.
Mr. Deen with Mr. Frey of Pennsylvania.
Mr. McMillan with Mrs. Norton.
Mr. Schaefer of Illinois with Mr. Harter.
Mr. Atkinson with Mr. Faddis.
Mr. Tolan with Mr. Williams.
Mrs. Jenckes of Indiana with Mr. Crosby.
Mr. Chandler with Mr. Gray of Pensylvania.

Mr. O'Connell of Rhode Island with Mr. Ashbrook.
Mrs. O'Day with Mr. Gasque.
Mr. Biermann with Mr. Buckley of New York.
Mr. Harrington with Mr. Schuetz.
Mr. Dingell with Mr. Mitchell of Tennessee.
Mr. Steagall with Mr. Sirovich.
Mr. Dickstein with Mr. Mitchell of Illinois.
Mr. Thomas of Texas with Mr. Ramsay.
Mr. Hancock of North Carolina with Mr. Coffee of Nebraska.
Mr. Wood with Mr. Fieger.
Mr. Byrne with Mr. Long.
Mr. Dockweiler with Mr. Thom.
Mr. Mouton with Mr. Clark of Idaho.
Mr. McGrath with Mr. DeRouen.
Mr. Sumners of Texas with Mr. Hildebrandt.
Mr. Smith of Oklahoma with Mr. Stack.
Mr. Jones with Mr. Lamneck.
Mr. Curley with Mr. Eicher.
Mr. McGroarty with Mr. Murdock of Utah.
Mr. Thomason of Texas with Mr. Hook.
Mr. Lewis of Maryland with Mr. Lyndon B. Johnson.
Mr. Sachs with Mr. Wearin.

The result of the vote was announced as above recorded.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE ACROSS MISSISSIPPI RIVER FROM A POINT NEAR FRIAR POINT, MISS., TO A POINT NEAR HELENA, ARK.

Mr. WHITTINGTON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 10261) authorizing the town of Friar Point, Miss., and Coahoma County, Miss., singly or jointly, to construct, maintain, and operate a toll bridge across the Mississippi River from a point at or near the town of Friar Point, Coahoma County, Miss., to a point at or near Helena, Phillips County, Ark., with a Senate amendment, and agree to the Senate amendment.

The Clerk read the title of the bill.

Mr. WHITTINGTON. Mr. Speaker, I have spoken to the minority leader and the other interested members on the committee, and the Senate amendment is agreeable.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert:

"That in order to facilitate interstate commerce, improve the postal service, and provide for military and other purposes, the Arkansas-Mississippi Bridge Commission (hereinafter created, and hereinafter referred to as the 'Commission') and its successors and assigns, be, and are hereby, authorized to construct, maintain, and operate a bridge and approaches thereto across the Mississippi River at or near the cities of Friar Point, Miss., and Helena, Ark., at a point suitable to the interest of navigation, in accordance with the provisions of the act entitled 'An act to regulate the construction of bridges over navigable waters,' approved March 23, 1906, subject to the conditions and limitations contained in this act.

"SEC. 2. There is hereby conferred upon the Commission and its successors and assigns the right and power to enter upon such lands and to acquire, condemn, occupy, possess, and use such real estate and other property in the State of Arkansas and the State of Mississippi, including real estate and other property acquired for or devoted to a public use or other purposes by the State of Arkansas or the State of Mississippi, or any governmental or political subdivisions thereof, as may be needed for the location, construction, operation, and maintenance of any such bridge and its approaches, upon making just compensation therefor, to be ascertained and paid according to the laws of the State in which such real estate or other property is situated, and the proceedings therefor shall be the same as in the condemnation of private property for public purposes in said State, respectively.

"SEC. 3. The Commission and its successors and assigns are hereby authorized to fix and charge tolls for transit over such bridge in accordance with the provisions of this act, subject to the approval of the Secretary of War, as provided by the act of Congress approved March 23, 1906.

"SEC. 4. The Commission and its successors and assigns are hereby authorized to provide for the payment of the cost of such bridge as may be constructed, as provided herein, and approaches (including the approach highways which, in the judgment of the Commission, it is necessary or advisable to construct or cause to be constructed to provide suitable and adequate connection with existing improved highways) and the necessary land, easements, and appurtenances thereto, by an issue or issues of negotiable bonds of the Commission, bearing interest at the rate or rates of not more than 6 percent per annum, the principal and interest of which bonds, and any premium to be paid for retirement thereof before maturity, shall be payable solely from the sinking fund provided in accordance with this act, and such payments may be further secured by a mortgage of the bridge. In like manner, bonds may be issued to pay the cost of improvements and permanent repairs to any bridge so constructed hereunder. All such bonds may be registerable as to principal alone, or both principal and interest, shall be in such form not inconsistent with this act, shall mature at such time or times not exceeding 25 years from their respective dates, shall be in such denominations, shall be executed in such manner, and shall be payable in such medium and at such place or places as the Commission may determine. The Commission may repurchase and may reserve the right to redeem all or any of said bonds before maturity in such manner and at such price or prices, not exceeding 105 and accrued interest, as may be fixed by the Commission prior to the issuance of the bonds. The Commission, when it deems it to be to the best interest of the Commission, may issue refunding bonds to repurchase and redeem any outstanding bonds before the maturity thereof: *Provided*, That the refunding bonds shall mature at such time or times, not exceeding 50 years from the date of approval of this act, as the Commission may determine. The Commission may enter into any agreement with any bank or trust company in the United States as trustee having the power to make such agreement, setting forth the duties of the Commission in respect to the purchase, construction, maintenance, operation, repair, and insurance of the bridge, the conservation and application of all funds, the security for payment of the bonds, the safeguarding of money on hand or on deposit, and the rights and remedies of said trustee and the holders of the bonds, restricting the individual right of action of the bondholders as is customary in trust agreements respecting bonds of corporations. Such trust agreement may contain such provisions for protecting and enforcing the rights and remedies of the trustee and the bondholders as may be reasonable and proper and not inconsistent with the law.

"The bridge constructed under the authority of this act shall be deemed to be a Federal instrumentality for interstate commerce, the Postal Service, and military and other purposes authorized by the Government of the United States, and said bridge and the bonds issued in connection therewith and the income derived therefrom shall be exempt from all Federal, State, municipal, and local taxation. Said bonds shall be sold in such manner and at such time or times and at such price as the Commission may determine, but no such sale shall be made at a price so low as to require the payment of more than 6-percent interest on the money received therefor, computed with relation to the absolute maturity of the bonds in accordance with standard tables of bond values, and the face amount thereof shall be so calculated as to produce, at the price of their sale, the cost of the bridge constructed, and approaches and the land, easements, and appurtenances, used in connection therewith when added to any other funds made available to the Commission for the use of said purpose. The cost of the bridge to be constructed as provided herein, together with approaches and approach highways, shall be deemed to include interest during construction of said bridge, and for 12 months thereafter, and all engineering, legal, architectural, traffic surveying, and other expense incident to the construction of the bridge and the acquisition of the necessary property, incident to the financing thereof, including cost of acquiring lands. If the proceeds of the bonds issued shall exceed the cost as finally determined, the excess shall be placed in the sinking fund hereinafter provided. Prior to the preparation of definite bonds the Commission may, under like restrictions, issue temporary bonds or interim certificates, with or without coupons, of any denomination whatsoever, exchangeable for definite bonds when such bonds that have been executed are available for delivery.

"SEC. 5. In fixing the rates of toll to be charged for the use of such bridge, in accordance with the act of Congress approved March 23, 1906, the same shall be so adjusted as to provide a fund sufficient to pay for the reasonable cost of maintaining, repairing, and operating the bridge and approaches under economical management, and to provide a sinking fund sufficient to pay the principal and interest of such bonds as the same shall fall due, and the redemption or repurchase price of all or any thereof redeemed or repurchased before maturity as herein provided. All tolls and other revenues from said bridge are hereby pledged to such uses and to the application thereof as hereinafter in this section required. After payment or provision for payment therefrom of all such cost of maintaining, repairing, and operating and the reservation of an amount of money estimated to be sufficient for the same purpose during an ensuing period of not more than 6 months, the remainder of tolls collected shall be placed in the sinking fund, at intervals to be determined by the Commission prior to the issuance of the bonds. An accurate record of the cost of the bridge and approaches; the expenditures for maintaining, repairing, and operating the same, and of the daily tolls collected, shall be kept and shall be available for the information of all persons interested. The Commission shall classify in a reasonable way all traffic over the bridge so that the tolls shall be so fixed and adjusted by it as to be uniform in the application thereof to all traffic falling within reasonable classes, regardless of the status or character of any person, firm, or corporation participating in such traffic, and shall prevent all use of such bridge for traffic except upon payment of tolls so fixed and adjusted. No toll shall be charged officials or employees of the Commission, nor shall toll be charged officials of the Government of the United States while in the discharge of duties incident to their office or employment, nor shall toll be charged

members of fire department or peace officers when engaged in the performance of their official duties.

"Within a reasonable time after the construction of the bridge the Commission shall file with the Bureau of Public Roads of the United States Department of Agriculture a sworn itemized statement, showing the cost of constructing the bridge and its approaches, the cost of acquiring any interest in real or other property necessary therefor, and the amount of bonds, debentures, or other evidence of indebtedness issued in connection with the construction of said bridge.

"SEC. 6. After payment of the bonds and interest, or after a sinking fund sufficient for such payments shall have been provided and shall be held for that purpose, the Commission shall deliver deeds or other suitable instruments of conveyance of the interest of the Commission in and to the bridge extending between the State of Arkansas and the State of Mississippi, that part of said bridge within Arkansas to the State of Arkansas, or any municipality or agency thereof as may be authorized by or pursuant to law to accept the same (hereafter referred to as the 'Arkansas interest') and that part of said bridge within Mississippi to the State of Mississippi or any municipality or agency thereof as may be authorized by or pursuant to law to accept the same (hereafter referred to as the 'Mississippi interest'), under the condition that the bridge shall thereafter be free of tolls and be properly maintained, operated, and repaired, by the Arkansas interest and the Mississippi interest as may be agreed upon; but if the Arkansas interest or the Mississippi interest, or any other interest hereinabove mentioned, shall not be authorized to accept or shall not accept the same under such conditions, then the bridge shall continue to be owned, maintained, operated, and repaired by the Commission, and the rates of tolls shall be so adjusted as to provide a fund of not to exceed the amount necessary for the maintenance, repair, and operation of the bridge and approaches under economical management, until such time as the Arkansas interest and the Mississippi interest, or any other interest hereinabove mentioned, shall be authorized to accept and shall accept such conveyance under such conditions.

"(a) Notwithstanding any restriction or limitation imposed by the act entitled 'An act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes,' approved July 11, 1916, or by the Federal Highway Act, or by an act amendatory of or supplemental to either thereof, the Secretary of Agriculture or any other Federal department or agency of the United States Government may extend Federal aid under such acts for the construction of said bridge out of any moneys allocated to the State of Arkansas with the consent of the State Highway Commission of said State, and out of moneys allocated to the State of Mississippi with the consent of the highway department of said State.

"SEC. 7. For the purpose of carrying into effect the objects stated in this act, there is hereby created the Arkansas-Mississippi Bridge Commission, and by that name, style, and title said body shall have perpetual succession, may contract and be contracted with, sue and be sued, implead, and be impleaded, complain and defend in all courts of law and equity; may make and have a common seal; may purchase or otherwise acquire and hold or dispose of real estate and other property; may accept and receive donations or gifts of money or property and apply the same to the purposes of this act; and shall have and possess all powers necessary, convenient, or proper, for carrying into effect the objects stated in this act.

"The Commission shall consist of J. F. Epes, F. F. Kitchens, and J. B. Lambert, of the State of Arkansas, and Marshall U. Bouldin, John M. Talbot, and Ed. C. Brewer, of the State of Mississippi; such Commission shall be a public body corporate and politic. Each member of the Commission shall qualify within 30 days after the approval of this act by filing in the office of the Secretary of Agriculture an oath that he will faithfully perform the duties imposed upon him by this act, and each person appointed to fill a vacancy shall file in like manner within 30 days after his appointment. Any vacancy occurring in said Commission by reason of failure to qualify as above provided, or by reason of death or resignation, shall be filled by the Secretary of Agriculture. Before the issuance of bonds, as hereinabove provided, each member of the Commission shall give such bond as may be fixed by the Chief of Bureau of Public Roads of the Department of Agriculture, conditioned upon the faithful performance of all duties required by this act. The cost of such surety prior to and during the construction of the bridge shall be paid or reimbursed from the bond proceeds and thereafter such cost shall be deemed an operating expense. The Commission shall elect a Chairman and a Vice Chairman from its members, and shall establish rules and regulations for the government of its own business. A majority of the members shall constitute a quorum for the transaction of business.

"SEC. 8. The Commission shall have no capital stock or shares of interest or participation, and all revenues and receipts thereof shall be applied to the purposes specified in this act. The members of the Commission shall be entitled to a per diem compensation for their services of $10 for each day actually spent in the business of the Commission, but the maximum compensation of the Chairman in any year shall not exceed $1,200, and of each other member shall not exceed $600. The members of the Commission shall also be entitled to receive traveling-expense allowance of 10 cents a mile for each mile actually traveled on the business of the Commission. The Commission may employ a secretary, treasurer, engineers, attorneys, and such other experts, assistants, and employees as they may deem necessary, who shall be entitled to receive such compensation as the Commission may determine. All salaries and expenses shall be paid solely from the funds provided under the authority of this act. After all bonds and interest thereon shall have been paid and all other obligations of the Commission paid or discharged or provision for all such payment shall have been made as hereinbefore provided, and after the bridge shall have been conveyed to the Arkansas interest and the Mississippi interest, as herein provided, or otherwise disposed of, as provided herein, the Commission shall be dissolved and shall cease to have further existence by an order of the Chief of the Bureau of Public Roads made upon his own initiative or upon application of the Commission or any member or members thereof, but only after a public hearing in the city of Helena, Ark., notice of time and place of which hearing and the purpose thereof shall have been published once, at least 30 days before the date thereof, in a newspaper published in the cities of Helena, Ark., and Clarksdale, Miss. At the time of such dissolution all moneys in the hands of or to the credit of the Commission shall be divided and distribution made between the interests of the States as may be determined by the Chief of the Bureau of Public Roads of the United States.

"SEC. 9. Notwithstanding any of the provisions of this act, the Commission shall have full power and authority to negotiate and enter into a contract or contracts with the State Highway Commission of Arkansas and the State Highway Commission of Mississippi, the cities of Helena, Ark., and Clarksdale, Miss., or any county or municipality in the State of Arkansas and State of Mississippi, whereby the Commission may receive financial aid in the construction or maintenance of the bridge and approaches thereto, and said Commission, in its discretion, may avail itself of all of the facilities of the State Highway Commissions of the State of Arkansas and the State of Mississippi with regard to the construction of said bridge, and the Commission may make and enter into any contract or contracts which it deems expedient and proper with the State Highway Commissions of Arkansas and Mississippi, whereby said highway departments, or either of them, may construct, operate, and maintain or participate with the Commission in the construction, operation, and maintenance of said bridge constructed hereunder and the approaches thereto. It is hereby declared to be the purpose of Congress to facilitate the construction of a bridge and proper approaches across the Mississippi River at or near Helena, Ark., and Friars Point, Miss., and to authorize the Commission to promote said object and purpose, with full power to contract with either the State Highway Commission of Arkansas or the State Highway Commission of Mississippi, or with any agency or department of the Federal Government, or both, in relation to the construction, operation, and maintenance of said bridge and approaches.

"SEC. 10. Nothing herein contained shall be construed to authorize or permit the Commission or any member thereof to create or obligate or incur any liability other than such obligations and liabilities as are dischargeable solely from funds contemplated to be provided by this act. No obligation created or liability incurred pursuant to this act shall be a personal obligation or liability of any member or members of the Commission, but shall be chargeable solely to the funds herein provided, nor shall any indebtedness created pursuant to this act be an indebtedness of the United States.

"SEC. 11. The design and construction of any bridge which may be built pursuant to this act shall be in accordance with the standard specifications for highway bridges adopted by the American Association of State Highway Officials.

"SEC. 12. The right to alter, amend, or repeal this act is hereby expressly reserved."

Amend the title so as to read: "An act creating the Arkansas-Mississippi Bridge Commission; defining the authority, power, and duties of said Commission; and authorizing said Commission and its successors and assigns to contruct, maintain, and operate a bridge across the Mississippi River at or near Friars Point, Miss., and Helena, Ark.; and for other purposes."

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

EDUCATIONAL ORDERS FOR MUNITIONS OF WAR

Mr. MAY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 6246) to provide for placing educational orders to familiarize private manufacturing establishments with the production of munitions of war of special or technical design, noncommercial in character, with a Senate amendment, disagree to the Senate amendment and ask for a conference.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky? [After a pause.] The Chair hears none and appoints the following conferees: Mr. MAY, Mr. THOMASON of Texas, Mr. HARTER, Mr. CLASON, and Mr. ARENDS.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. St. Claire, one of its clerks, announced that the Senate had passed without

amendment a concurrent resolution of the House of the following title: "House Concurrent Resolution 53 providing for the appointment of a committee of Senators and Representatives to participate in the one hundredth anniversary of the birth of the late John Hay, and for other purposes."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 2711) entitled "An act to create a Division of Water Pollution Control in the United States Public Health Service, and for other purposes."

The message also announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 865. An act for the relief of Alceo Govoni;

S. 2413. An act for the relief of the Boston City Hospital and others;

S. 2474. An act to provide a uniform method for examinations for promotion of warrant officers;

S. 2770. An act for the relief of Elizabeth F. Quinn and Sarah Ferguson;

S. 3373. An act to provide for holding terms of the district court of the United States at Hutchinson, Kans.; and

S. 3379. An act for the relief of Arthur T. Miller.

MEMORIAL TO THE LATE NEWTON D. BAKER

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent for the present consideration of House Joint Resolution 656, to provide for the erection of a memorial to the memory of Newton D. Baker.

The SPEAKER. The Clerk will report the title of the resolution.

The Clerk read the title of the resolution.

The SPEAKER. Is there objection?

Mr. MASON. Mr. Speaker, I object.

NATIONAL FIREARMS ACT

Mr. COOPER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 9610, to amend the National Firearms Act, with a Senate amendment thereto, and concur in the Senate amendment.

The SPEAKER. The Clerk will report the Senate amendment.

The Clerk read as follows:

Senate amendment: Strike out all after the enacting clause and insert:

"That the first sentence of section 2 (a) of the National Firearms Act is amended by striking out the period at the end thereof and inserting a colon and the following: '*Provided*, That manufacturers and dealers in guns with two attached barrels from which only a single discharge can be made from either barrel without manual reloading shall pay the following taxes: Manufacturers, $25 per year; dealers, $1 per year.'

"SEC. 2. The first sentence of section 3 (a) of such act is amended by striking out the period at the end thereof and inserting a colon and the following: '*Provided*, That the transfer tax on any gun with two attached barrels, 12 inches or more in length, from which only a single discharge can be made from either barrel without manual reloading, shall be at the rate of $1.'"

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The SPEAKER. The question is on agreeing to the Senate amendment.

The Senate amendment was agreed to, and a motion to reconsider the vote by which the Senate amendment was agreed to was laid on the table.

PRODUCTION OF WINES, BRANDY, ETC.

Mr. BUCK. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 10459, to amend certain provisions of law relative to the production of wines, brandy, and fruit spirits so as to remove therefrom certain unnecessary restrictions; to facilitate the collection of internal-revenue taxes thereupon; and to provide abatement of certain taxes upon wines, brandy, and fruit spirits where lost or evaporated while in the custody and under the control of the Government without any fault of the owner, with a Senate amendment thereto, and concur in the Senate amendment.

The SPEAKER. The gentleman from California asks unanimous consent to take from the Speaker's table the bill H. R. 10459 with a Senate amendment thereto and concur in the Senate amendment. The Clerk will report the Senate amendment.

The Clerk read as follows:

Page 8, after line 3, insert:

"SEC. 8. (a) The last paragraph of section 610 of the Revenue Act of 1918, as amended (U. S. C., 1934 ed., Supp. III, title 26, sec. 1310 (d)), is amended by inserting after the words 'apricot wines' a comma and the following: 'prune wines, plum wines, pear wines'; and by striking out 'or (6)' and inserting in lieu thereof the following: '(6) prunes, (7) plums, (8) pears, (9).'

"(b) Section 612 of the Revenue Act of 1918, as amended (U. S. C., 1934 ed., Supp. III, title 26, sec. 1301 (a), (b), (c), and (d)), is amended by inserting after the words 'apricot wines', wherever they appear, a comma and the following: 'prune wines, plum wines, pear wines'; and by inserting after the words 'apricot brandy', wherever they appear, a comma and the following: 'prune brandy, plum brandy, pear brandy.'

"(c) Section 613 of the Revenue Act of 1918, as amended (U. S. C., 1934 ed., Supp. III, title 26, sec. 1300 (a), (2)), is amended by inserting after the words 'apricot wine', wherever they appear, a comma and the following: 'prune wine, plum wine, pear wine'; and by inserting after the words 'apricot brandy', wherever they appear, a comma and the following: 'prune brandy, plum brandy, pear brandy.'

"(d) The last paragraph of section 42 of the act entitled 'An act to reduce the revenue and equalize duties on imports, and for other purposes', approved October 1, 1890, as amended (U. S. C., 1934 ed., Supp. III, title 26, sec. 1301 (e)), is amended by inserting after the words 'apricot brandy', where they first appear in such paragraph, a comma and the following: 'prune brandy, plum brandy, pear brandy'; by inserting after the words 'apricot wines' a comma and the following: 'prune wines, plum wines, pear wines'; and by striking out 'and (5)' and inserting in lieu thereof the following: '(5) no brandy other than prune brandy may be used in the fortification of prune wine and prune brandy may not be used for the fortification of any wine other than prune wine, (6) no brandy other than pear brandy may be used in the fortification of pear wine and pear brandy may not be used for the fortification of any wine other than prune wine, (7) no brandy other than plum brandy may be used in the fortification of plum wine and plum brandy may not be used for the fortification of any wine other than plum wine and (8).'

"(e) The first proviso of section 3255 of the Revised Statutes, as amended (U. S. C., 1934 ed., Supp. III, title 26, sec. 1176), is amended by inserting after the words 'apricot wine', wherever they appear, a comma and the following: 'prune wine, plum wine, pear wine'; and by inserting after the words 'apricot brandy' a comma and the following: 'prune brandy, plum brandy, pear brandy.'

"(f) Section 618 (b) of the Revenue Act of 1918, as amended (U. S. C., 1934 ed., Supp. III, sec. 1304), is amended by inserting after the words 'apricot wines' a comma and the following: 'prune wines, plum wines, pear wines.'"

The SPEAKER. The question is on agreeing to the Senate amendment.

The Senate amendment was agreed to; and a motion to reconsider the vote by which the Senate amendment was agreed to was laid on the table.

YACHTS, TUGS, AND TOWBOATS

Mr. BLAND. Mr. Speaker, I present a conference report and statement upon the bill (H. R. 7158) to except yachts, tugs, and towboats and unrigged vessels from certain provisions of the act of June 25, 1936, as amended, for printing under the rule.

AGRICULTURAL APPROPRIATION BILL

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent to have until midnight tonight to file a conference report upon the agricultural appropriation bill, 1939.

The SPEAKER. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mr. WELCH. Mr. Speaker, I ask unanimous consent to print in the RECORD a letter addressed to me by Admiral E. S. Land, Chairman of the United States Maritime Commission.

The SPEAKER. Is there objection?

There was no objection.

Mr. PLUMLEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting an address delivered by myself before the Republican Women's State Committee meeting held in Burlington, Vt., on May 11, 1938.

The SPEAKER. Is there objection?

There was no objection.

Mr. PLUMLEY. Mr. Speaker, I ask unanimous consent to extend my remarks by inserting an article by H. I. Phillips on Home Finances and the Government Plan.

The SPEAKER. Is there objection?

There was no objection.

Mr. COFFEE of Washington. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to insert an address delivered by W. E. Dodd.

The SPEAKER. Is there objection?

There was no objection.

Mr. SATTERFIELD. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting therein an address delivered by my colleague Hon. A. WILLIS ROBERTSON to the graduating class of Westhampton and the University of Richmond on Tuesday evening last.

The SPEAKER. Is there objection?

There was no objection.

Mr. MAVERICK. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include two letters, and also, to include an address delivered by the Hon. Aubrey Williams.

The SPEAKER. Is there objection?

There was no objection.

Mr. JENKINS of Ohio. Mr. Speaker, I ask unanimous consent to extend my remarks by inserting a short article on the W. P. A.

The SPEAKER. Is there objection?

There was no objection.

Mr. HALLECK. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including a newspaper story from the June 3 issue of the Wall Street Journal concerning Government finances.

The SPEAKER. Is there objection?

There was no objection.

MESSAGE FROM THE SENATE

The SPEAKER. The Clerk will report the following order.

The Clerk read as follows:

IN THE SENATE OF THE UNITED STATES,
June 6, 1938.

Ordered, That the Secretary be directed to request the House of Representatives to return to the Senate the bill (H. R. 146) to require contractors on public-building projects to name their subcontractors, materialmen, and supply men, and for other purposes.

The SPEAKER. Without objection, the request will be granted.

There was no objection.

EXTENSION OF REMARKS

Mr. WHITE of Ohio. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a compilation of veterans' legislation enacted during the Seventy-fifth Congress.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. O'MALLEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a speech I made over the radio on Philippine freedom.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a letter received by our colleague the gentleman from Georgia [Mr. RAMSPECK] from the Civil Service Commission in connection with a bill.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. JENKINS of Ohio. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a short article on Government finances.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD at this point.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. HOFFMAN. Mr. Speaker, Mr. J. Warren Madden, Chairman of the National Labor Relations Board, has much to say about the dilatory tactics used by employers seeking to protect what they claim their constitutional rights.

He told the Senate committee which conducted hearings on Senator WAGNER's bill, S. 3390, that "justice delayed is justice denied"—a true statement.

It is regrettable he does not practice what he preaches. Has any employer ever been as guilty of dilatory tactics as has the N. L. R. B.?

Has it not frequently, not only against employers but against employees, deprived them of the right of election guaranteed by the National Labor Relations Act? Has it not time and again by delay deprived employees of the right of collective bargaining through representatives of their own choosing by refusing to call an election?

Has it not time and again arbitrarily injured employers as well as employees by refusing to act when delay favored the C. I. O.?

Let me quote from a letter of June 3, 1938, written by Edward W. Hamilton, an attorney representing employees, to the N. L. R. B., which shows in detail the conduct of this Board where the rights of employees are at stake. I quote:

BUFFALO, N. Y., *June 3, 1938.*

Mr. NATHAN WITT,
Secretary, National Labor Relations Board, Washington, D. C.

Re: Calco Chemical Co., Inc.
Case No. C-468.

DEAR MR. WITT: The order of the Board in this case dated April 28, although directed only against the Calco Chemical Co., Inc., affects the Calcocraft directly and vitally. The right of the Calcocraft to be recognized as the collective bargaining agency for its members at least until it has been legally proved that it is not entitled to act as the sole and exclusive bargaining agency of all Calco employees, is a right guaranteed it by the National Labor Relations Act. There cannot be the slightest doubt that the Calcocraft is aggrieved by this order within the meaning of the National Labor Relations Act.

It is now over 6 weeks since the Supreme Court rendered its decision in *Morgan* v. *United States*, April 25, 1938—to the effect that such an order as yours of April 28 violates the due process provision of our Federal Constitution.

It will soon be 11 months since the Calcocraft presented certificates of membership signed by a great majority of the employees of the Calco Chemical Co., Inc., and petitioned your Board for a certificate of representation, July 13, 1937.

It is over 7 months since the Calcocraft filed a charge duly verified by it—October 23, 1937—against the Calco Chemical Co., Inc., for the commission of an unfair labor practice, which has been held up pending your determination of this case.

On October 8, 1937, Mrs. B. M. Stern, assistant secretary to the Board, advised me that the formal request of the Calcocraft dated October 4, 1937, to argue its case orally, would "be held in reserve"—pending your receipt of the intermediate report of the trial examiner—and assuring me "we shall communicate further with you regarding it." Although nearly 8 months have elapsed, I have received no communication from the Board on this subject.

The Calcocraft filed exceptions to the intermediate report of the trial examiner and record February 17, 1938; and I have your statement to the effect that the Board "does not consider that there remains any need for ruling on these exceptions" because of the "agreement of settlement" signed by the company with the A. F. of L. and the attorney for the Board.

I am satisfied from my examination of the law that the Calcocraft has 3 months from the service of the order of the Board on me—April 30, 1938—within which to appeal, and I have definitely decided to appeal from the order before my time expires, unless an election is ordered and held by the Board before that time and results favorably to the Calcocraft. I will not permit these delays, and what I regard as denials of justice, to prevent the Calcocraft from exercising the right it became entitled to when it filed its petition for a certificate of representation—at least without placing its case before the Circuit Court of Appeals.

However, for reasons I have given the Board in my letter of May 2 to Mrs. Stern and May 12 to you, and on the excellent opinion of Mr. Justice Roberts in "Ex parte N. L. R. B.," decided May 31, 1938, and *Morgan* v. *United States*, decided April 25, 1938, I submit that the order of April 28, should have been withdrawn long since, and the Calcocraft relieved of the effect of that order on it through the action of the company. I also submit that an election should be ordered without further delay in which the employees of the Calco Chemical Co. may express

their choice between the Calcocraft and Chemical Workers Local, No. 20923, as to the bargaining agency they desire.

If the Board is of the opinion that the Calcocraft should file another petition to permit its name to be placed on the ballot at an election, showing a new factual situation resulting from the election of new officers by the union last fall and their administration of it since, in order to warrant the Board to order and allow the election desired by it, I should be glad to submit such a petition to the Board for it. I shall also be glad to cooperate with the Board in any way I best can to settle this whole matter amicably and without further delay.

Very truly yours,

EDWARD W. HAMILTON.

Mr. Speaker, frequently on the floor of the House charges of bias and partisanship have been made against the National Labor Relations Board. That Board and its examiners, those conducting hearings throughout the country, have repeatedly been charged with unfairness, with so conducting themselves, their investigations, the hearings and subsequent proceedings, as to demonstrate that the effect of their activities was to assist the organizing campaigns of the C. I. O.

True, they have, on occasion, rendered decisions favorable to the A. F. of L., but, on the whole, they have indicated in no unmistakable fashion by their actions that they believe that employees should be forced to forsake membership in independent unions and in the A. F. of L. and to join the C. I. O. In fact, officers of the A. F. of L. have frequently and in language which could not be misunderstood charged the N. L. R. B. with unduly favoring the C. I. O.

Those attending hearings have been amazed and shocked at the utter disregard on many occasions of the ordinary principles of fair play.

One of the favorite methods used by the N. L. R. B. is, in those cases where it is apparent that opponents of the C. I. O. are in the majority among the employees, to delay either the holding of an election or the certifying of the collective-bargaining agent selected by the employees.

An illustration of this procedure I gave you in the case of Calco Chemical Co., Inc., Case No. C-468.

A case where another procedure of delay has resulted in a denial of justice to the employees is that entitled "In the Matter of Pacific Gas & Electric Co. and United Electrical and Radio Workers of America," known as Labor Board Case R-274.

C. I. O. asked to be certified as sole bargaining agent for the employees of that company. After a hearing, an election was ordered to determine whether the C. I. O. organization or the independent union, the California Gas and Electric Employees' Union, should be designated as the collective bargaining agent for the employees.

The intermediate report of the regional director of the twentieth region, Alice M. Rosseter, shows that, prior to the counting of the ballots, representatives of both unions signed a statement which acknowledged that the election, which was held during the period of December 6 to December 15, 1937, inclusive, was fair.

When the ballots were counted, it was found that the total number who voted was 5,930; for the C. I. O. affiliate, United Electrical and Radio Workers of America, 2,254; for the independent union, California Gas and Electric Employees' Union, 3,550. Those not desiring to be represented by either union numbered 126. There were 982 votes challenged, mainly by representatives of the C. I. O. union; and 10 ballots were declared void.

The regional director, under date of December 21, 1937, certified that the—

Secret ballot was fairly and impartially conducted and that the ballots cast were duly and fairly counted under her supervision.

Here is a case where it appears from the report of the N. L. R. B.'s own regional director that, after an election which was acknowledged by the C. I. O. affiliate to have been fairly held, the independent union was, under the Wagner Act, selected by a majority of the employees to represent them in collective bargaining.

Notwithstanding these facts, the Board has not yet declared the independent union to be the collective-bargaining agent. Why the delay? Says a representative of the Board because the C. I. O. has now challenged the validity of the election, although it previously admitted that it had been fairly conducted.

One of the grounds on which the election is now challenged is that the company had interfered with the election by dominating the independent union, this although the Board had in May 1937 dismissed a charge made by the C. I. O. that the company had sponsored and was dominating the California Gas & Electric Employees' Union.

When, subsequent to the election, the C. I. O. made its charge that the company had interfered with the election which it before had declared to have been fairly held, additional extensions of time were granted to the C. I. O. and the regional director recommended to the Board that a formal complaint be issued against the company. This was done.

Hearings on this complaint have been ordered, but, although 6 months have elapsed since December 15, 1937, when the election was held, those hearings have not yet been held.

Do you recall what J. Warren Madden, Chairman of the N. L. R. B., said—"Justice delayed is justice denied"?

Here is a delay on the part of the Board and its regional director which results in a denial of the right of collective bargaining—a right given by the Wagner Act—and, in the meantime—and here is the point—the C. I. O. is enabled to point with pride to the fact that it has prevented a majority of the employees in this industry from exercising their right of collective bargaining.

Nor should we lose sight of the fact that this delay on the part of the Board and its regional director enables the C. I. O. to continue its coercion, intimidation, and strong-arm methods of organizing.

This is just another illustration of one of the ways by which the Board can and does favor the C. I. O.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. BOEHNE, indefinitely, on account of important business.

To Mr. SCRUGHAM, for 1 week, on account of official business.

The SPEAKER. Under the previous order of the House the gentleman from California [Mr. VOORHIS] is recognized for 8 minutes.

THE FUTURE OF THE NEW DEAL

Mr. VOORHIS. Mr. Speaker, no nation has ever remained great unless its people had a deep, passionate faith in their nation's way of life. In all history we find such a faith existing only where nations have asked and the people have freely made some sacrifices of individual privilege for the sake of the common good. This has been quite as necessary in peacetime as in time of war.

Most Americans sincerely believe they are a deeply patriotic people. I wonder whether we are. For the test of our love of country comes not when that country is giving us a chance to become wealthy quickly and easily, but when it is asking us to do all things necessary, even at some cost to ourselves, to preserve the resources, the institutions, and the fundamental rather than the superficial human rights of our fellow citizens.

When people talk about preserving our democratic form of government I wonder how often they really mean what they say. Do they mean preserving the real fundamentals of democracy, which are free speech, freedom from arbitrary arrest, civil liberties, trial by jury, control of the purse strings by an elected legislature, and complete liberty of conscience and religion? Or do they mean preserving the license of monopolies to continually restrict the production of needed goods, of the stock exchanges to continue to fleece innocent investors, and of private finance to lead the very

sovereign government of the nation about by the nose? And when people talk about restoring opportunity to the people of America do they mean restoring the basic right to work and earn a living to 13,000,000 unemployed? Or do they mean removing the major portion of its taxes from a giant corporation even when it exercises the privilege of laying off 30,000 men at a moment when its treasury bulges with a surplus of over $300,000,000?

I have supported national-defense measures since I came to Congress. But I know that the defense of democracy in our country today does not rest on guns and battleships; it rests on the awakening of a militant faith on the part of the people of this Nation that democracy can and will solve the economic problem of unemployment and poverty in the midst of plenty with which it is now face to face. That faith can only be built on the evident demonstration that we are on our way toward that solution. Here primary responsibility rests on government. For the past 5 years faith in democracy on the part of the people of America has been bound up with the progress of the program known as the New Deal. The future of that New Deal will determine the fate of American democracy. The time has come for us to cease talking about emergencies and to cease expecting that a business boom is going to save us. We have new problems to meet and they can only be met by new measures. We have fundamental problems to solve, and they will not be solved merely by temporarily relieving 40 percent of the most extreme distress. I am convinced that even those who might not agree with all our measures would welcome a frank pronouncement on the part of the Government today that we are through with emergency measures and from now on will proceed with such legislation as attacks the causes of those conditions which today we choose to call emergencies, and which for generations have been called depressions. The democratic people of America have to feel that they are marching forward on a road that leads somewhere.

This session of Congress is virtually at an end. Another session will begin in January 1939. Before that time a campaign must be fought. For my part I shall make my campaign on a platform of five planks. And if I am returned to my seat in Congress by the people of my district I shall work primarily during my next term for the enactment of these five measures. I believe they constitute a forward-looking, hopeful program for our Nation and one whose enactment would not only bring relief but would actually correct in basic fashion some of the fundamental diseases from which our body politic now suffers.

THE FIVE ESSENTIAL MEASURES FOR THE NEXT CONGRESS

Those five measures are the following:

MONEY

First. Establishment of an effective Government control over and use of the money and credit system in order to restore to Congress its constitutional right to coin money and to make the credit of the Nation an instrument in the hands of government to be directly employed in breaking the existing credit monopoly, stabilizing the price level, and bringing the total consuming power of the people into line with their power to produce.

PENSIONS

Second. The establishment of a system of Federal old-age pensions paid as a matter of right and not of charity, and a broadening and improvement of the Social Security Act for all groups who cannot or should not be employed.

ABUNDANCE

Third. Legislation to bring about, through the cooperation of Government, business, and labor, a coordinated expansion of industrial production and an effective control over both monopoly price increases and monopolistic curtailment of production of needed goods and services.

FAIR FARM PRICES

Fourth. A simple agricultural bill to put a floor under the price of staple farm commodities, end gambling and speculation, and effectively assure the farmer cost of production for his crops.

PUBLIC WORKS

Fifth. A long-range flexible program of public works, set up by congressional enactment, made self-liquidating to the largest possible extent, capable of expansion and contraction in accordance with the needs of our people for employment and of our business for assistance in stabilizing its market, and aimed primarily to meet such outstanding national needs as slum elimination and low-cost housing and the need for conservation and development of natural resources.

To pursue resolutely that sort of program seems to me, from this moment forward, to be our evident duty. [Applause.]

The SPEAKER pro tempore (Mr. SCHULTE). Under the previous order of the House, the gentleman from Ohio [Mr. FLETCHER] is recognized for 10 minutes.

GOOD NEWS FOR REPUBLICANS

Mr. FLETCHER. Mr. Speaker, when we look for the bad in people, we are punished by finding it.

When we do the unusual and look for the good and the worth-while qualities in people, we are sure to be rewarded by finding what we are looking for.

So many outstanding Republican leaders have come out openly and frankly with admissions that they find much good in our foreign-trade-agreement program that I feel it is only fair to these forward-looking Republican statesmen that the stand they have taken should be properly appreciated by both Republicans and Democrats alike.

So with your permission, I should like to address the Members of this Congress today on the subject Good News for Republicans, which I trust will be equally good news for Democrats and good news for the rank and file of all political parties throughout the Nation.

THE FIRST PUBLIC MAN I EVER SAW OR HEARD

Recently I have been talking with one of the most cultured and scholarly gentlemen it has been my privilege to know since coming to Washington—your friend and mine, the distinguished William Tyler Page.

As you know, Mr. Page was here when William McKinley and William Jennings Bryan were Members of Congress. They were his friends; and in this House Mr. Page heard McKinley and Bryan deliver tariff speeches that made them famous.

My boyhood was spent on a farm not far from McKinley's home. He was the first noted man in public life I ever saw and the first political speaker I ever heard. The personality and the eloquence of the man held me spellbound. From that day until now McKinley has remained an inspiration to me. Among the heroes of my boyhood McKinley stands near the top of the list.

M'KINLEY'S FINANCIAL TRAGEDY

McKinley was a fine man of the highest character, but he was a poor businessman and lost all of his money. The McKinley tariff was supposed to bring prosperity. The tin-plate industry was protected by a tariff sky high.

McKinley advised one of his closest friends, Mr. Walker, to go into the high-tariff protected tin-plate manufacturing business. Mr. Walker took McKinley's advice.

Under the McKinley high tariff, Mr. Walker went broke, and Mr. McKinley, who had loaned him money, went broke with him.

PANICS IN THOSE DAYS WERE FINANCIAL EARTHQUAKES

Down in the country where we toiled, drudged, skimped, and saved on our mortgaged farms, we heard much about the McKinley tariff bringing prosperity and protection to everybody.

So naturally, we were greatly surprised to learn that under the McKinley protective tariff, Mr. McKinley, the author of the bill, and his high-tariff tin-plate friends had lost all their property.

When McKinley failed financially and lost everything he had, his friends came to his rescue, collected money and paid his debts. My father rode horseback over the county helping to collect dollar contributions for the McKinley fund.

Friends of William McKinley did me the honor on one occasion to invite me to deliver the annual McKinley memorial address, and for this privilege I shall ever be deeply grateful.

As history shows, some of our worst panics and financial depressions that have rocked the Nation have occurred under high-tariff protection that enriched the rich and impoverished the poor.

I am not a free trader, far from it. But when a tariff is manipulated by a few to rob the many, it becomes a menace.

WHAT I LEARNED AS A LABORER IN THE STEEL MILLS

At the time McKinley was murdered in Buffalo, I was a student working as a day laborer in the steel mills trying to get enough money ahead to continue in school.

The owners of the steel mills were protected by the high tariff against competition with foreign-made goods produced by what they called the pauper labor of Europe.

But those of us who were the laborers, working 12 long hours a day amid the dirt and grime of the steel mills, had no such protection. The mill owners brought carloads of the so-called pauper laborers of Europe over here and put them into the mills to compete with us and take our places.

The mills were packed with foreigners willing to work like slaves for almost nothing. These foreign laborers were brought over duty free to take our jobs.

But the politicians tried to fool us into thinking that the tariff protected our jobs which they took away from us and gave to imported foreigners, most of whom could not read or write.

PUBLISHED DAILY NEWSPAPER IN M'KINLEY'S CONGRESSIONAL DISTRICT

After leaving the steel mills I got a job as a newspaper reporter and later published a daily newspaper in McKinley's congressional district.

So having been brought up in an environment where the McKinley high tariff was a frequent topic of conversation and debate, I naturally became interested in the subject. At this session I have listened attentively to a number of my able colleagues discuss our foreign trade or tariff agreements.

MY NEWSPAPER CONDUCTED TARIFF SCHOOL

When I removed to Marion, Ohio, my present home, to engage in the newspaper publishing business there, I originated what we called a tariff school, or tariff forum. I brought to Marion as a special writer the well-known tariff authority, Lee Francis Lybarger, who wrote for us a series of tariff articles and conducted the tariff school or forum under the auspices of my newspaper.

The late President Warren G. Harding, who was my friendly neighbor and newspaper competitor in Marion, had not then been elected to the Presidency. Mr. Harding attended several sessions of our tariff school, which was held once each week.

At the conclusion of the series Mr. Harding wrote to me expressing his appreciation and telling me of the benefits which he felt all had gained from Mr. Lybarger's discussions of what he called the get and give of the tariff.

SPEECHES IN CONGRESS SEEM OUT OF HARMONY WITH THE NEWER VIEWPOINT

These facts I mention as a prelude to what I wish to say to those members of the party of McKinley and Harding, now in Congress, who have made speeches at this session on the tariff or foreign trade agreement program. If I have correctly understood them, their opinions seem out of harmony with the later views of McKinley and Harding and the more modern views of the Republican Party's progressive leaders of today.

As a matter of fact, most of the speeches and the extension of remarks appearing in the RECORD at this session, and sponsored by our friends across the aisle, appear to be out of harmony with what nearly three-fourths of the millions of the rank and file of Republicans throughout the Nation think and want, according to the American Institute of Public Opinion, or the so-called Gallup poll.

I refer you to the Gallup poll printed in the Washington Post, Wednesday, March 16, 1938.

"THEY NEVER SEEM TO LEARN," SAYS FRANKLYN WALTMAN

Of these unconvinced reactionaries, Mr. Franklyn Waltman, now the Republican publicity director, November 23, 1937, said:

They never seem to learn.

It will be good news to all thinking Republicans everywhere and to all progressive Democrats as well, to know that an able writer of Mr. Waltman's wide reputation has been chosen to aid in reeducating what would seem to be the misdirected thinking of these backward-looking gentlemen, who have expressed themselves in opposition to what the poll shows the rank and file of Republicans want.

AWAKENING THE RIP VAN WINKLES A NATIONAL PROBLEM

The Rip Van Winkles of all political parties are sound sleepers. To awaken them to the realities of changing conditions in a rapidly changing world is a consummation devoutly to be wished. In fact their awakening is a political and economic necessity.

If Mr. Waltman, Mr. Hamilton, Mr. Hoover, and Dr. Glenn Frank can achieve the awakening of the slumbering few in the G. O. P., and if men of similar ability can awake the Rip Van Winkles in the Democratic Party also, the accomplishment of these desirable objectives should bring rejoicing throughout the land.

Such an accomplishment would indicate a growing trend toward the liberalism essential to the solving of some of the challenging problems confronting the Nation today.

I suggest the rereading of President McKinley's last public utterance in which he said:

Reciprocity is the natural outgrowth of our wonderful industrial development under the domestic policy now firmly established.

His statement is doubly true today although some Republicans as well as Democrats have repudiated McKinley's position.

If he were living now, is there any doubt about his joining with Hughes, the younger Mr. Taft, of my home State, Ohio, in their advocacy of the principle underlying our foreign-trade program?

WHAT FRANKLYN WALTMAN SAYS

In the Washington Post November 23, 1937, Mr. Franklyn Waltman, the newly chosen publicity director for the Republican Party, wrote:

Few people, perhaps, will find any news in the statement that the Republicans never seem to learn. Yet their adherence to shibboleths and false issues is truly amazing. Because many years ago the Republicans managed to remain in power for a long period by thumping the full dinner pail, they apparently feel that they can make a winning issue of the present Democratic tariff policies.

After the country's reaction in last year's Presidential campaign to Governor Landon's babassu nuts and Cheddar cheese speech, one would imagine that Capital Republicans would shoot on sight anyone who suggested raising the question of the New Deal's reciprocal-tariff program. Instead, however, they rush in where the economists fear to tread, and they rush into a buzz saw in the person of Secretary of State Cordell Hull.

Thus wrote Mr. Franklyn Waltman who has been engaged to lend first aid in reeducating whatever reactionaries are open to persuasion.

WHAT THE MASSES THINK ON THIS SUBJECT

The Gallup poll research experts asked two questions. First, Do you approve of Secretary Hull's policy in seeking a reciprocal-trade agreement with Great Britain? Second, If Great Britain reduces tariffs on American goods should we reduce tariffs on British goods?

In publishing the results, the report stated:

The surveys also reveal the highly significant fact that a majority of the voters in the Republican Party, the party which has consistently favored high tariffs, today approve reciprocal tariff reductions with England, even though this policy is one fostered by a Democratic Secretary of State.

The revelations of a basic change in Republican sentiment may lead the party into a complete about-face in its historic attitude toward the tariff. * * *

The dramatic manner in which the reciprocal-trade issue cuts across party lines is indicated by the fact large majorities of Republican voters join the Democrats in voting "yes" to both questions.

GIVE CREDIT WHERE CREDIT IS DUE

Some of the opponents of the present reciprocity program have recently claimed that real reciprocity is a Republican doctrine.

Those who have sponsored the present Democratic program freely admit that it does have Republican antecedents; that both in its economic and legal aspects there has been a long line of Republican advocacy and legislation well justifying the present program.

For example, March 8–14, 1934, Secretary Hull said before the Committee on Ways and Means:

In the effort of our Government to offer leadership with a program calculated resolutely and as soon as possible to bring about these vast humanitarian accomplishments, there need be no occasion for partisan differences.

AGAIN I QUOTE PRESIDENT M'KINLEY

President McKinley had the welfare of every American citizen uppermost and exclusively in his mind when, in his last utterances, he said:

The period of exclusiveness is past. Commercial wars are unprofitable; reciprocity treaties are in harmony with the spirit of the times; measures of retaliation are not.

This broad utterance of a noble statesman was never more thoroughly vindicated than during the past 2 years and today.

PAY LIP SERVICE TO THE PRINCIPLE

In this speech I am having some of the greatest outstanding leaders in the Republican Party answer a number of points of criticism frequently made by the vociferous minority of their own party. At the outset it should be recognized that the opposition which attacks the general phases of the program are actually motivated by some specific action already taken or some future action which they fear may be taken under the program.

They do not dare come out in the open and say that absolutely no rates of duty should be lowered; that no reciprocal trade agreements should be made.

They pay lip service to the principle of reciprocity while lending their leadership or support to attacks on the procedure or policies of the present program.

These attacks, if successful, would, as they are only too well aware, so cripple and stultify the program as to make it impossible to conclude any worth-while trade agreements.

This is what they want, since it would satisfy the special interests that have for so many years enjoyed high-tariff subsidies at the expense of our exporters of farm products and manufacturers and of consumers generally.

They know that there can be no real reciprocity without some reductions in excessively high duties.

WHO STARTED THIS RECIPROCITY IDEA?

When the original Trade Agreement Act was being discussed a famous Republican, whose name has appeared among those mentioned as a possible candidate for President, spoke in favor of the trade-agreements program and justified his position by citing the Republican origin of reciprocity.

He said:

I am willing to stake my republicanism on the stand taken by that great Republican President, William McKinley, and from his speech in Buffalo I quote the following:

"A system which provides a mutual exchange of commodities is manifestly essential to the continued and helpful growth of our export trade. We must not repose in the fancied security that we can forever sell everything and buy little or nothing."

Remember, that quotation is what President McKinley said.

Then continuing, our Republican friend said:

Farther back in our tariff history, I point to Alexander Hamilton himself, and to James G. Blaine; to a line of legislation reaching as far back as 1794; all in support of trade agreements with foreign nations.

William McKinley did not pioneer when he pointed out the advisability of reciprocity and tariff. Neither was he the last of the Republicans to realize and state the necessity for using our tariffs to stimulate and promote our export trade, instead of mainly to foster monopolies of already overfed industries, and to build up certain industrial sections and industries at the expense of other sections and of agriculture.

It is a matter of regret to me that there are those who consider this a partisan measure but to anyone who may insist that the test of republicanism consists in opposing this measure, I will only say that to my mind the Republican tariff document of the future will be more nearly in line with the principle and objectives of this measure and that a Republican leadership which refuses to recognize the necessity of modifying the Republican tariff policy of recent years—that leadership is due for a downfall.

The old leadership will be replaced by a leadership which will pick up the tariff principles of Hamilton, of Blaine, of McKinley, aye, and of Taft.

And I would suggest to them that they face that fact and act accordingly. I say this as one who always has been a stanch supporter of the protective-tariff principle and who will continue to support it.

Thus spoke one of America's leading Republican statesmen.

WHAT OGDEN MILLS, REPUBLICAN SECRETARY OF TREASURY, SAID

At Topeka, Kans., Ogden Mills, Secretary of the Treasury, in the Hoover administration, and frequently mentioned as a Republican candidate for President, in his speech said:

We will have to abandon our present policy of isolation and intense nationalism and to some extent modify recent tariff practices.

This may sound strange, coming from an orthodox Republican, but I have never understood that a sound system of protection, based upon the cost of production at home and abroad, if intelligently applied, means the erection of impassable tariff barriers, the destruction of our commerce with the rest of the world, and the sacrifice of the efficient farmer to save the inefficient manufacturer.

It will be good news to millions of Republicans to know that Mr. Mills, one of the most brilliant and acknowledged to be one of the greatest Republican statesmen of his generation did not agree with the present Republican Members in Congress today who, at this session, have been making speeches against the Foreign Trade Agreements.

WHAT PRESIDENT HOOVER DID ABOUT SHOES

This principle objected to by some Republicans under a Democratic administration was the practice followed under the so-called flexible-tariff provisions of the Tariff Act of 1922.

The same equality of treatment policy was followed in the act of 1930.

One illustration, taken from the investigations carried out under the flexible provisions of the Tariff Act of 1930 should suffice to explain the actual working of equal treatment under Republican legislation.

The Tariff Commission carried on an investigation in 1931 relative to the cost of production of shoes at home and abroad. The chief supplier of turned shoes at that time was Czechoslovakia.

It was found, under the cost-of-production formula, that certain rates of duty might be lowered.

Strange as it may seem, Mr. Hoover placed in effect in January 1932 a lower rate of duty on such shoes.

This lower rate of duty was applied under the law, not only to imports of those shoes from Czechoslovakia, but also to similar shoes coming in from all other countries.

Actually, Switzerland, the United Kingdom, and France were about the only other countries interested in the trade in this particular type of shoe.

This general application of every rate of duty increased or decreased under the flexible provisions of the two acts was in line with the traditional policy of equality of treatment in tariff matters.

ENDORSED BY REPUBLICAN SECRETARY OF STATE STIMSON

Another illustrious Republican, Henry L. Stimson, former Secretary of State, went further than Mr. Mills, who sat in the Cabinet with him. Mr. Stimson, in addition to approving the objectives of this measure, endorsed the measure itself and urged that it be enacted into law.

Mr. Stimson takes the view that resumption of world trade through reciprocal-trade agreements is much preferable to the regimentation and Government control of industry that will be necessary if we are to continue our isolationist policy.

He doubts the practicability of arriving at these trade agreements through congressional action.

HUGHES WRITES TO LODGE

You will be interested in the letter to Senator Henry Cabot Lodge, March 13, 1924, from Charles Evans Hughes on the flexible provisions, or equality of treatment principle. (Reciprocity, William S. Culbertson, p. 102.)

Hughes wrote:

As we seek pledges from other foreign countries that they will refrain from practicing discrimination, we must be ready to give such pledges and history has shown that these pledges can be made adequate only in terms of unconditional most-favored-nation treatment. We should seek simplicity and good will as the fundamental conditions of international commerce.

WHAT PRESIDENT HARDING WROTE TO HUGHES

The letter of President Harding to Secretary of State Hughes February 27, 1923 (Reciprocity, William S. Culbertson, p. 259), will interest you.

Wrote President Harding:

I am well convinced that the adoption of unconditional most-favored-nation policy is the simpler way to maintain our tariff policy in accordance with the recently enacted law and is probably the surer way of effectively extending our trade abroad. If you are strongly of this opinion you may proceed with your negotiations upon the unconditional policy. If this commitment is not sufficient I shall be glad to have you take up the matter with me in a personal interview.

It may be recalled that the United States was receiving certain preferences from Brazil at the time of the passage of the Tariff Act of 1922.

These preferences we voluntarily gave up. Following are excerpts from official documents relating to this matter.

HOOVER'S LETTER TO HUGHES

The letter of Herbert Hoover, Secretary of Commerce, to the Secretary of State (Hughes), January 3, 1923 (Reciprocity, William S. Culbertson, p. 268), is revealing.

Hoover wrote:

I am inclined to agree with the policy suggested in your letter and would be in favor of confining representations on the part of the United States to a request for most-favored-nation treatment which would give us the advantages enjoyed by Belgium. I would suggest that such a request be made only after the expiration of the usual period for the issue of proclamation applying preferential treatment to the United States.

HUGHES SENDS A TELEGRAM

The telegram from the Secretary of State (Hughes) to American Embassy in Rio de Janeiro, January 6, 1923 (Reciprocity, William S. Culbertson, p. 274), is important.

Hughes wired:

In view of existing preferences granted by Brazil to certain products of Belgium, most-favored-nation treatment to the commerce of the United States would mean treatment equal to that now or hereafter accorded to Belgium or to any other nation the most favored. If Brazil should voluntarily renew the present preferences without suggestion by the Ambassador they would be accepted, but the Department of State considers that any suggestion of or request for them would be inconsistent with the policy embodied in section 317 of the new tariff act and further that this policy offers larger advantages of amity and trade in the long run.

WHAT REPUBLICANS PROMISED

It may be noted also that the Republican platform of 1932 carried the following under the section entitled "Friendship and Commerce:"

* * * The historic American policy known as the most-favored-nation principle has been our guiding program and we believe that policy to be the only one consistent with a full development of international trade, the only one suitable for a country having as wide and diverse a commerce as America and the one most appropriate for us in view of the great variety of our industrial, agricultural, and mineral products and the traditions of our people. * * *

WHAT ROBERT LINCOLN O'BRIEN DID

Mr. Robert Lincoln O'Brien, recent Republican Chairman of the Tariff Commission, attempted in 1936 to persuade his party to endorse the reciprocal trade-agreements program and the principle of equality of treatment. Do you recall the reciprocal tariff plank proposed by Robert Lincoln O'Brien, Republican Shift on Tariff Is Urged, New York Times, April 11, 1936?

"This method, if properly employed, has an advantage which the flexible-tariff law in itself did not possess in giving us a concession for our exports in exchange for any that we yield to the foreigner. By the application of the most-favored-nation principle we obtain from other countries all the advantages which they give to anybody in the way of access to their markets, while at the same time we accord them a similar relation to ours," said Mr. O'Brien.

WHERE HOOVER STANDS

Mr. Hoover recently reaffirmed his approval of the most-favored-nation principle in the following words: "The world needs tariffs which treat all nations alike." This was not just an isolated statement from his speech; he further stated that we need international economic cooperation and that—

The nations should be called again to organize a searching inquiry into the methods of reducing barriers and the making of currency stability.

SHOOT AT SIGHT

The point surely does not need to be further labored. As Franklyn Waltman, director of publicity of the Republican National Committee, has indicated, one would imagine that Capital Republicans would "shoot at sight" anyone who suggested raising again the question of the unconditional most-favored-nation principle which underlies the New Deal's reciprocal-tariff program.

RATIFICATION

From time to time opponents of the trade-agreements program claim that the Trade Agreements Act is not constitutional because the agreements are placed in effect without being ratified by the Senate.

The legal precedents for the act were the Tariff Acts of 1890 and 1897 and 1922 and 1930.

The courts passed upon the delegation of authority for making agreements without Senate ratification in cases arising from the first two acts and passed upon the provisions for a 50-percent change in the rates of duty in the latter two acts.

A majority of those who criticize trade agreements on this basis are not primarily concerned with the constitutional question.

Some of them frankly admit that they do not want anything done in the way of lower duties and realize that the requirement for Senate ratification would almost certainly kill any efforts at reciprocity.

HENRY L. STIMSON

The Honorable Henry L. Stimson, former Republican Secretary of State, in a radio speech (April 30, 1934) in support of the bill then being discussed, which later became the Trade Agreements Act, said:

I think that some such legislation should be promptly passed to meet the emergency which confronts us. I am not impressed with the objection that it would give undue or dictatorial powers to our Executive. It does not seem to me that such objections are well founded. The legislation is for the purpose of meeting temporarily an emergent situation. I see no reason to believe it will be abused. I do not think it impossible to enact such legislation in a shape which will conform to the limitations of our Constitution, and under which agreements can be negotiated without violating our present most-favored-nation treaties. * * *

WILLIAM S. CULBERTSON

The Honorable William S. Culbertson, former Ambassador to Chile and former Republican member of the Tariff Commission, where he thoroughly studied a better basis for an enlightened commercial policy, recently wrote a book largely in support of the present program. In that great book he claims Republican antecedents for almost every phase of the program. As respects the legal precedents he said in part:

* * * Congress has fixed tariff rates and limited the percentages of change which the Executive can make—not arbitrarily but in bargaining with another government to remove undue burdens on our trade.

Congress has denied to the Executive the right to change articles from the dutiable to the free list and vice versa.

A hearing is granted to interested parties. In judging the constitutionality of the act, I feel confident that the courts will give weight not only to these limitations but also to two general conditions.

The first is the fact that we are dealing in the Trade Agreements Act with a field in which the President has large powers of his own by virtue of the Constitution.

We see, in fact, in the Government process of the making of an agreement with foreign governments a commingling, as it were, of legislative and executive powers.

The second condition which will weigh is that the orderly processes of government must go on and they cannot go on without such an act.

Later he said before the Senate Finance Committee in testifying in favor of a 3-year extension of the Trade Agreements Act:

The Republicans themselves, in the Tariff Act of 1890 and the Tariff Act of 1897, established, so far as our commercial policy was concerned, the principle of systematic reciprocity; namely, a law in which Congress defines the principle on which reciprocity is to proceed and to develop, and then leaves it to the Executive to carry out the details.

RELATIONSHIP TO PEACE

Some critics of the trade-agreements program say that it has no relationship whatever to peace.

It seems odd, if these critics are right, that the National Council for the Prevention of War, the National League of Women Voters, and other organizations, such as church federations, would support the program if there were no element of peace in it.

Here, too, we can find expressions of progressive leaders in the Republican Party and of newspapers that support the program as an aid to peace as well as prosperity. Of course, no one holds that a pending war can be prevented by the making of a commercial trade agreement such as is envisioned by the Trade Agreements Act.

Those who advocate the measure as an aid to peace do so because they realize that increased trade, free of harmful discriminations, means less unemployment, less social unrest, less pressure in the direction of forceful acquisition of needed materials and markets.

Following are a few typical views concerning the peace aspect of the program.

I call your attention to James P. Warburg's letter to the Secretary of State, October 13, from J. P. Warburg Goes Back to Roosevelt, New York Times, October 18, 1936:

WHAT JAMES P. WARBURG SAYS

National self-sufficiency means a permanent Government-directed economy, and a permanent Government-directed economy means at length dictatorship; moreover, economic nationalism sooner or later means war; this has been and is your view, and those to whom the preservation of the American form of government and the American way of life is more than a mere phrase share your views and are happy to observe your successful efforts.

You have started the world on the way to peace for the first time since 1914. You have held fast to your beliefs and principles, and, thanks to your patience and perseverance in the face of frequent opposition within and without the administration, you have made progress.

YOU AND I—AND ROOSEVELT

Again I quote Mr. Waltman—see Politics and People, by Franklyn Waltman, the Washington Post, Washington, D. C., August 1, 1936:

Charles P. Taft, the head of the Landon personal research staff, in his recent book, You and I—And Roosevelt, asserts that "the present policy of bilateral trade agreements is sound, and the men at the State Department who are working on the problem are among the best in the administration"; and, he adds, "the only possible alternative for those who condemn the policy is economic isolation."

WHAT ROGER W. BABSON SAYS

Republican Roger Babson, in News-Times, South Bend, Ind., December 17, 1937, says:

The best protection for the American standard of living is to stimulate world commerce. Tariffs, quotas, and other trade barriers must be lowered if the world is to escape a complete economic and moral break-down. Hence, I believe that Secretary of State Hull's reciprocal-trade policy is the most encouraging development in world affairs.

WHAT THE WASHINGTON STAR SAYS

The Washington Evening Star, March 9, 1938, said:

The latest jewel in Mr. Hull's diadem of reciprocal agreements, the bargain just sealed with Czechoslovakia, typifies the ideal which motivates the Secretary of State's program of economic disarmament. It is a thoroughly 50–50 proposition. * * *

* * * * * * * *

The pact is important and valuable in itself. It is gratifying new evidence that, given the spirit of fair play and the square deal, trade reciprocity can be converted from an aspiration into a mutually profitable peace-breeding reality.

I REST MY CASE

Mr. Speaker, I am content to rest my case for reciprocity on the evidence of outstanding personalities of the Republican Party. They have spoken frequently and convincingly in favor of the principles.

In these quotations the case has been ably argued by Republicans. I have quoted only a few of them in these remarks. Other important Republicans such as Col. Frank Knox, Winthrop W. Aldrich, David Lawrence, Eliot Wadsworth, William Allen White, Harper Sibley, and Alfred P. Sloan may also be classed as supporters of the program. Editorials from Republican papers such as the Kansas City Star, the Washington Post, the Boston Herald, the Springfield Republican, and the Washington Evening Star might also be submitted in approval of the program.

THE VOTERS DECIDED THIS ISSUE IN 1936

According to Franklyn Waltman, reciprocity was passed upon by American voters in 1936. In this connection he said:

Contentions that in reelecting President Roosevelt, the electorate approved this or that New Deal measure undoubtedly will be the basis of dispute and controversy for many months to come. But it seems there can be no dispute that the country unequivocally placed its seal of approval on the Hull reciprocal-trade agreements.

MUSEUM OF ECONOMIC FOLLY

If it were not for the reactionary third in the G. O. P. which still reverts to the dim and distant past, possibly in terms of 1787, 1887, or even 1927, it would not be necessary for one to discuss this matter.

Unfortunately, there are those who still are living in the eighteenth and nineteenth centuries as well as in the "roaring twenties" of this century. They still believe that the sky-high tariff tax or what is known to many as the robber tariff tax is the pillar of prosperity.

Apparently these few who are out of step with the majority of their own party have learned nothing from our sad experience under the "robber tariff acts" of 1922 and 1930 which were supposed to bring us perpetual prosperity, but which helped to bring us heart-crushing disaster and financial wreckage.

The obsolete ideas of antiquated thinkers eventually will be relegated to the museum of economic folly or some other depository of things ancient and discarded.

The profound, yet obvious changes, caused by the great World War and subsequent developments apparently have made no impression on some minds that are handicapped by standpatism.

POLITICAL DINOSAURS

The dinosaurs could not adjust themselves to changed conditions. Their skeletons now repose in museums of natural history. Only a few Neanderthal stand-patters cling to the worn-out tariff shibboleths.

It can be said now as truthfully as when it was said by President McKinley that "Reciprocity treaties are in harmony with the spirit of the times."

If McKinley were alive today would he not join with Hughes, Waltman, Stimson, Knox, Mills, O'Brien, Babson, White, Taft, Culbertson, and other illustrious Republicans whose statements lend support to the Roosevelt New Deal program of Foreign Trade Agreements?

When will the few remaining die-hards ever learn that President McKinley spoke the truth when he said, "Reciprocity treaties are in harmony with the spirit of the times?"

The SPEAKER pro tempore. Under a previous special order of the House, the gentleman from Illinois [Mr. MASON] is recognized for 10 minutes.

UNCLE SAM'S EDUCATIONAL RESPONSIBILITY

Mr. MASON. Mr. Speaker, a little over a year and a half ago President Roosevelt appointed an Advisory Committee on Education to make a survey of the educational problems that confront this Nation; to study the needs of education; to determine just what part the Federal Government should take in providing support for education in the various States; and to recommend to the Congress, for consideration and action, a permanent program of Federal aid for education. This Advisory Committee on Education was composed of out-

standing leaders in the various fields of knowledge, including the educational field. The very character and standing of the members of the Committee guaranteed that the task assigned to them would be well done. That Committee has completed its work, and has made its report to the Congress. I say without hesitation that the report is one of the most comprehensive reports ever made in the field of education in the United States. It is a beacon light that marks the way we have come; it illuminates the serious situation that confronts American education today; and it points the way that education must travel if substantial progress is to be made. A bill based upon the recommendations in that report has been introduced into the Congress, and is now in committee awaiting consideration and action. In view of the recommendations made in that report, and the provisions of the bill now pending, I offer the following brief discussion of the subject:

Mr. Speaker, I begin my discussion by asking a question: What great American industry employs 1,000,000 workmen, has an annual pay roll of $3,000,000,000, and handles each year some 30,000,000 delicate, sensitive, complicated, impressionable, priceless pieces of machinery, no two of which are alike and no two of which can be treated alike? The only answer to that question is, "The American public-school system"; the greatest industry in the Nation today; the most important industry in the Nation today; the industry that has charge of, and is responsible for, the Nation's greatest asset, our boys and girls. This industry like all others has been hard hit by the so-called depression. It has suffered a 30-percent reduction in its pay roll, a reduction of nearly $1,000,000,000. Along with this pay-roll reduction, school terms have been shortened, school subjects have been eliminated, night schools have been closed, extension courses stopped, and many other curtailments in educational opportunities have been forced upon the school system of America. During this time of school distress, Uncle Sam has stood by with folded arms, has looked on, and has done nothing. Uncle Sam has taken the position that this was not his problem; that the education of his citizens, or the lack of it, was not his responsibility; that the responsibility for providing educational opportunities belonged entirely to the States.

However, during this same period, Uncle Sam did decide that he had a responsibility toward finance, toward labor, toward agriculture, toward industry, toward the unemployed, and he has advanced in loans and gifts to these various activities some $17,000,000,000. The only excuse offered for this action has been that the States have been unable to cope with the situation, so Uncle Sam had to step in to prevent ruin, suffering, and starvation. I am not criticizing, I am just stating facts.

Mr. Speaker, the best thought on the subject of relief has always been that relief is primarily and fundamentally a local responsibility; that each local community should first do its best to take care of its own needy people before calling upon the State for help; that each State should in turn be required to do its utmost to care for its own needy before calling upon the Federal Government for help. I have long advocated this principle as the only sound and sane one to apply to the problem of relief. I believe our greatest mistake in the handling of relief was made when the Federal Government assumed a large part of the relief load that rightfully and properly belongs to the States and local communities. I am convinced that when we place the duty and responsibility for relief back where it belongs, the problem of relief will be on its way to a proper solution.

But you ask, "What have the mistakes of Uncle Sam in the handling of relief got to do with education? What is the relation between the two problems?" My answer is, there is a very close parallel between the two problems.

In education, outside of a few advanced States, such as New York, North Carolina, California, and a few others, the local communities have been forced to carry 85 percent to 95 percent of the total educational load. The States have assumed the balance, and Uncle Sam has helped practically not at all. This is directly opposite to the way the relief load has been distributed. If we should apply the same principle of Government aid to each of these great national problems, relief and education, we would take from Uncle Sam that part of his relief load that properly belongs to the States and local communities, and take from the States and local communities that part of their educational load that properly belongs to the Federal Government.

The Harrison-Thomas-Fletcher bill now before the Congress provides a program of Federal aid for education that would establish the principle of Federal responsibility for public education. The passage of this bill would mean that the Federal Government at last has decided to assume its proper share of the financial support of our public schools.

Briefly, Mr. Speaker, the arguments in favor of Federal aid for education are as follows:

First. In theory this Nation is composed of 48 separate States united upon questions of general welfare. In fact, however, these 48 separate States have become a single unit socially, economically, and culturally. Modern transportation and communication have brought about this unity, this compactness, this interdependability. Because of this unity, if one State breeds ignorance, lawlessness, or vice, every other State is affected thereby because of the mobility of our people; and so education has become in reality a national responsibility, a national problem.

Second. There is no equality among the States in their ability to finance a proper educational program. Our States vary about as much in their ability to support education as the various communities within each State. When a community is unable to provide adequate educational opportunities for its children it becomes the duty of the State to help out. When the State is unable to shoulder the load the Federal Government must assume its responsibility and shoulder its part of the load.

Third. Educational responsibilities, expenditures, and demands have been materially increased through the action of our Federal Government. The child-labor clause of the N. R. A. prohibited the employment of boys and girls under 16 years of age. Other parts of the code made the employment in industry of boys and girls under 18 years of age practically impossible. The 40-hour week means more leisure time for millions of adults, and the problem of leisure time has become acute and must be solved. The New Deal program therefore has thrown an added burden upon our State school systems which they are unable to bear. These increased educational responsibilities and expenditures are the result of Federal action and logically should be accompanied by Federal aid.

Fourth. The Federal Government is the best agency for the collection of certain fruitful taxes. Certain sources of revenue are difficult to reach through State tax systems but comparatively easy to reach through a Federal tax system. The revenue from such Federal taxes, above the cost of collection, should be returned to the States for the support of education. Therefore our States are justified in asking the Federal Government to act as a tax-collecting agency for the support of education in the various States.

In conclusion, Mr. Speaker, if we are to survive and prosper as a Nation, we must see to it that educational opportunities are provided for all the children of America. If the child in Arkansas is to be given the same educational opportunity that the child in New York now enjoys, the Federal Government must become the equalizing agency to provide the necessary money. Uncle Sam should assume his part in the task of providing educational opportunities for all the children. He has neglected this responsibility altogether too long. Favorable action by Congress upon the Harrison-Thomas-Fletcher bill will make amends for Uncle Sam's long neglect.

SENATE BILLS REFERRED

Bills of the Senate of the following title were taken from the Speaker's table, and under the rule, referred as follows:

S. 2165. An act to amend the act entitled "An act to provide conditions for the purchase of supplies and the making

of contracts by the United States, and for other purposes; to the Committee on the Judiciary.

S. 3754. An act to amend sections 729 and 743 of the Code of Laws of the District of Columbia; to the Committee on the District of Columbia.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 9995. An act making appropriations for the Military Establishment for the fiscal year ending June 30, 1939, and for other purposes.

The SPEAKER announced his signature to enrolled bills and joint resolutions of the Senate of the following titles:

S. 593. An act for the relief of the estate of W. K. Hyer;

S. 821. An act for the relief of Lawson N. Dick;

S. 988. An act to amend an act entitled "An act to establish in the Bureau of Foreign and Domestic Commerce of the Department of Commerce a Foreign Commerce Service of the United States, and for other purposes," approved March 3, 1927, as amended;

S. 1220. An act for the relief of Josephine Russell;

S. 1274. An act for the relief of John H. Owens;

S. 1340. An act for the relief of A. D. Weikert;

S. 1694. An act authorizing the Secretary of War to convey to the town of Montgomery, W. Va., a certain tract of land;

S. 1878. An act for the relief of Mary Way;

S. 2009. An act to authorize the payment of certain obligations contracted by the Perry's Victory Memorial Commission;

S. 2023. An act for the relief of Charles A. Rife;

S. 2051. An act for the relief of John F. Fitzgerald;

S. 2208. An act for the relief of Bruce G. Cox and Harris A. Allister;

S. 2368. An act to provide funds for cooperation with school district No. 2, Mason County, State of Washington, in the construction of a public-school building to be available to both white and Indian children;

S. 2409. An act for the relief of certain officers of the United States Navy and the United States Marine Corps;

S. 2417. An act for the relief of Samuel L. Dwyer;

S. 2553. An act for the relief of E. E. Tillett;

S. 2566. An act for the relief of the Blue Rapids Gravel Co., of Blue Rapids, Kans.;

S. 2643. An act for the relief of Mr. and Mrs. James Crawford;

S. 2655. An act for the relief of Lt. T. L. Bartlett;

S. 2709. An act for the relief of Mr. and Mrs. Joseph Konderish;

S. 2742. An act for the relief of Mrs. C. Doorn;

S. 2798. An act for the relief of Edith Jennings and Patsy Ruth Jennings, a minor;

S. 2802. An act for the relief of Carl Orr, a minor;

S. 2956. An act for the relief of Orville D. Davis;

S. 2979. An act for the relief of Glenn Morrow;

S. 2985. An act for the relief of John F. Fahey, United States Marine Corps, retired;

S. 3002. An act for the relief of the holders of the unpaid notes and warrants of the Verde River irrigation and power district, Arizona;

S. 3040. An act for the relief of Herman F. Krafft;

S. 3056. An act for the relief of Dorothy Anne Walker, a minor;

S. 3095. An act authorizing the Secretary of War to grant to the Coos County Court of Coquille, Oreg., and the State of Oregon an easement with respect to certain lands for highway purposes;

S. 3102. An act for the relief of the estate of Raquel Franco;

S. 3111. An act for the relief of the estate of Lillie Liston, and Mr. and Mrs. B. W. Trent;

S. 3126. An act authorizing the Secretary of War to convey a certain parcel of land in Tillamook County, Oreg., to the State of Oregon to be used for highway purposes;

S. 3147. An act for the relief of Mr. and Mrs. S. A. Felsenthal, Mr. and Mrs. Sam Friedlander, and Mrs. Gus Levy;

S. 3166. An act to amend section 2139 of the Revised Statutes, as amended;

S. 3188. An act for the relief of the Ouachita National Bank, of Monroe, La.; the Milner-Fuller, Inc., Monroe, La.; estate of John C. Bass, of Lake Providence, La.; Richard Bell, of Lake Providence, La.; and Mrs. Cluren Surles, of Lake Providence, La.;

S. 3209. An act to authorize the Secretary of War to grant an easement to the city of Highwood, Lake County, Ill., in and over certain portions of the Fort Sheridan Military Reservation, for the purpose of constructing a waterworks system;

S. 3223. An act for the relief of the dependents of the late Lt. Robert E. Van Meter, United States Navy;

S. 3242. An act to aid in providing a permanent mooring for the battleship *Oregon;*

S. 3300. An act for the relief of Pearl Bundy;

S. 3365. An act for the relief of Joseph D. Schoolfield;

S. 3410. An act for the relief of Miles A. Barclay;

S. 3416. An act providing for the addition of certain lands to the Black Hills National Forest in the State of Wyoming;

S. 3417. An act for the relief of the State of Wyoming;

S. 3543. An act authorizing the Comptroller General of the United States to settle and adjust the claim of Earle Lindsey;

S. 3820. An act to authorize membership on behalf of the United States in the International Criminal Police Commission;

S. 3822. An act to authorize an increase in the basic allotment of enlisted men to the Air Corps within the total enlisted strength provided in appropriations for the Regular Army;

S. 3849. An act authorizing the Secretary of the Treasury to transfer on the books of the Treasury Department to the credit of the Chippewa Indians of Minnesota the proceeds of a certain judgment erroneously deposited in the Treasury of the United States as public money;

S. 3882. An act amending the act authorizing the collection and publication of cotton statistics by requiring a record to be kept of bales ginned by counties;

S. J. Res. 243. Joint resolution to provide for the transfer of the Cape Henry Memorial site in Fort Story, Va., to the Department of the Interior;

S. J. Res. 247. Joint resolution authorizing William Bowie, captain (retired), United States Coast and Geodetic Survey, Department of Commerce, to accept and wear decoration of the Order of Orange Nassau, bestowed by the Government of the Netherlands; and

S. J. Res. 289. Joint resolution to provide that the United States extend an invitation to the governments of the American republics, members of the Pan American Union, to hold the Eighth American Scientific Congress in the United States in 1940 on the occasion of the fiftieth anniversary of the founding of the Pan American Union; to invite these governments to participate in the proposed Congress; and to authorize an appropriation for the expenses thereof.

BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills and a joint resolution of the House of the following titles:

H. R. 9995. An act making appropriations for the Military Establishment for the fiscal year ending June 30, 1939, and for other purposes;

H. R. 9996. An act to authorize the registration of certain collective trade-marks;

H. R. 10291. An act making appropriations for the fiscal year ending June 30, 1939, for civil functions administered by the War Department, and for other purposes; and

H. J. Res. 667. Joint resolution to authorize an appropriation to aid in defraying the expenses of the observance of the seventy-fifth anniversary of the Battles of Chickamauga, Ga., Lookout Mountain, Tenn., and Missionary Ridge, Tenn.; and

commemorate the one hundredth anniversary of the removal from Tennessee of the Cherokee Indians, at Chattanooga, Tenn., and at Chickamauga, Ga., from September 18 to 24, 1938, inclusive; and for other purposes.

ADJOURNMENT

Mr. RAYBURN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 50 minutes p. m.) the House adjourned until tomorrow, Thursday, June 9, 1938, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON NAVAL AFFAIRS

There will be a full open hearing before the Committee on Naval Affairs at 10 a. m. Thursday, June 9, 1938, on S. 1131, a bill affecting the oil-shale reserves.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of a subcommittee of the Committee on Interstate and Foreign Commerce at 9 a. m., Friday, June 10, 1938, on H. R. 10726, relating to the Omaha-Council Bluffs Bridge over the Missouri River.

EXECUTIVE COMMUNICATIONS, ETC.

1420. Under clause 2 of rule XXIV a communication from the President of the United States, transmitting supplemental estimate for the Works Progress Administration in the amount of $175,000,000 (H. Doc. No. 703), was taken from the Speaker's table, referred to the Committee on Appropriations, and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. QUINN: Committee on Interstate and Foreign Commerce. S. 3756. An act to prohibit the use of communication facilities for criminal purposes; with amendment (Rept. No. 2656). Referred to the Committee of the Whole House on the state of the Union.

Mr. ROGERS of Oklahoma: Committee on Indian Affairs. S. 2827. An act to authorize the purchase of certain lands for the Apache Tribe of the Mescalero Reservation, N. Mex.; without amendment (Rept. No. 2657). Referred to the Committee of the Whole House on the state of the Union.

Mr. ROGERS of Oklahoma: Committee on Indian Affairs. S. 3415. An act to purchase certain private lands within the Shoshone (Wind River) Indian Reservation; without amendment (Rept. No. 2658). Referred to the Committee of the Whole House on the state of the Union.

Mr. DICKSTEIN: Committee on Immigration and Naturalization. House Joint Resolution 681. Joint resolution to amend the Naturalization Act of June 29, 1906 (34 Stat. 596), as amended; with amendment (Rept. No. 2659). Referred to the House Calendar.

Mr. DICKSTEIN: Committee on Immigration and Naturalization. House Joint Resolution 714. Joint resolution for the relief of certain aliens; without amendment (Rept. No. 2660). Referred to the Committee of the Whole House on the state of the Union.

Mr. KELLER: Committee on the Library. H. R. 10846. A bill to create the office of the Librarian Emeritus of the Library of Congress; without amendment (Rept. No. 2661). Referred to the Committee of the Whole House on the state of the Union.

Mr. PEARSON: Committee on Interstate and Foreign Commerce. S. 3. An act to regulate commerce in firearms; with amendment (Rept. No. 2663). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANDRESEN of Minnesota: A bill (H. R. 10866) authorizing the States of Minnesota and Wisconsin, jointly or separately, to construct, maintain, and operate a free highway bridge across the Mississippi River at or near Winona, Minn.; to the Committee on Interstate and Foreign Commerce.

By Mr. DISNEY: A bill (H. R. 10867) to provide a right-of-way; to the Committee on Military Affairs.

By Mr. MAY (by request): A bill (H. R. 10868) making inapplicable certain reversionary provisions in the act of March 4, 1923 (42 Stat. 1450), and a certain deed executed by the Secretary of War, in the matter of a lease to be entered into by the United States for the use of a part of the former Fort Armistead Military Reservation for air-navigation purposes; to the Committee on Military Affairs.

By Mr. PETERSON of Florida: A bill (H. R. 10869) to amend the Communications Act of 1934 so as to prevent monopolies and to prohibit excessive duplication of broadcast programs in any area; to the Committee on Interstate and Foreign Commerce.

By Mr. VOORHIS: A bill (H. R. 10870) to consolidate the United States Employment Service and the Bureau of Unemployment Compensation; to the Committee on Ways and Means.

Also, a bill (H. R. 10871) to amend the Social Security Act, and to amend the Federal retirement laws, and for other purposes; to the Committee on Ways and Means.

By Mr. BLAND: A bill (H. R. 10872) to authorize contingent expenditures, United State Coast Guard Academy; to the Committee on Merchant Marine and Fisheries.

By Mr. WHITTINGTON: A bill (H. R. 10873) to authorize the conveyance to the Arthur Alexander Post No. 68, American Legion, of Belzoni, Miss., of the improvements and site containing 18 acres of land, more or less, at lock and dam No. 1, on the Sunflower River, Miss.; to the Committee on Military Affairs.

By Mr. MAAS: A bill (H. R. 10874) to exempt resident inmates of the United States Soldiers' Home, Washington, D. C., and the Naval Home, Philadelphia, Pa., from pension reduction as prescribed by Veterans Regulation No. 6 Series; to the Committee on Pensions.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. GRAY of Pennsylvania: A bill (H. R. 10875) granting a pension to Cecilia Wank; to the Committee on Invalid Pensions.

By Mr. KNUTSON: A bill (H. R. 10876) granting a pension to Tillie D. Entrikin; to the Committee on Invalid Pensions.

By Mr. LORD: A bill (H. R. 10877) for the relief of Carmelo Leo; to the Committee on Immigration and Naturalization.

By Mr. SNYDER of Pennsylvania: A bill (H. R. 10878) granting an increase of pension to Annie M. Dill; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

5322. By Mr. HAVENNER: Resolution of the Board of Supervisors of the City and County of San Francisco, opposing the passage of Senate Joint Resolution 208, petroleum reserve, tidewater lands, as inimical to the interests of the said city and county, and of the State of California; to the Committee on the Judiciary.

5323. By Mr. KENNEDY of New York: Petition of the Transport Workers Union of Greater New York, urging passage of House bill 6449; to the Committee on the Judiciary.

5324. Also, petition of the National Maritime Union, requesting favorable action on House bill 6449; to the Committee on the Judiciary.

5325. Also, petition of the United Furniture Workers of America, New York City, concerning House bill 6449; to the Committee on the Judiciary.

5326. Also, petition of the National Agricultural Conference, that a new and permanent prosperity for agriculture,

labor, and business can be effected through the increase in agricultural cash income through such monetary legislation and the shifting of the burden of taxation and the elimination of the capital-gains tax; to the Committee on Ways and Means.

5327. By Mr. PLUMLEY: Resolutions adopted by the people of Rochester, Vt., at their town meeting, opposing the building of the flood-control dam at Gaysville, Vt., as proposed; to the Committee on Flood Control.

5328. By Mr. WADSWORTH: Petition of the citizens of the city of Rochester, N. Y., urging the enactment into law of House bill 1659 of the Seventy-fifth Congress; to the Committee on Banking and Currency.

SENATE

THURSDAY, JUNE 9, 1938

(Legislative day of Tuesday, June 7, 1938)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Wednesday, June 8, 1938, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. LEWIS. Mr. President, the pending motion requires the presence of a quorum. I note the absence of a quorum and suggest a roll call.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Dieterich	King	Norris
Andrews	Duffy	La Follette	O'Mahoney
Austin	Frazier	Lee	Overton
Bankhead	Gerry	Lewis	Pittman
Barkley	Gibson	Lodge	Pope
Berry	Glass	Logan	Reames
Bilbo	Green	Lonergan	Russell
Borah	Guffey	Lundeen	Schwartz
Bulow	Hale	McAdoo	Schwellenbach
Burke	Hatch	McGill	Sheppard
Byrd	Hayden	McKellar	Shipstead
Byrnes	Herring	McNary	Smith
Capper	Hill	Miller	Townsend
Caraway	Hitchcock	Milton	Truman
Connally	Hughes	Minton	Vandenberg
Copeland	Johnson, Calif.	Murray	Van Nuys
Davis	Johnson, Colo.	Neely	Wheeler

Mr. LEWIS. I announce that the Senator from Ohio [Mr. BULKLEY], the Senator from Missouri [Mr. CLARK], the Senator from Iowa [Mr. GILLETTE], the Senator from Connecticut [Mr. MALONEY], the Senator from Nevada [Mr. MCCARRAN], the Senator from New Jersey [Mr. SMATHERS], the Senator from Maryland [Mr. TYDINGS], and the Senator from Oklahoma [Mr. THOMAS] are detained from the Senate on important public business.

I ask that this announcement be recorded for the day.

Mr. AUSTIN. I announce that the Senator from New Hampshire [Mr. BRIDGES] is absent because of the death of his wife.

The VICE PRESIDENT. Sixty-eight Senators have answered to their names. A quorum is present.

PETITIONS

The VICE PRESIDENT laid before the Senate a letter in the nature of a petition from the Kings County Consolidated Civic League and the Sheepshead Bay Property Owners Association, of Brooklyn, N. Y., praying for the enactment of House bill 9059, to provide a 2-year moratorium on principal payments where home owners keep up interest and tax payments, and also other pending legislation in the interest of home owners, which was referred to the Committee on Banking and Currency.

He also laid before the Senate a resolution adopted by the Board of Supervisors of Mariposa County, Calif., favoring the enactment of House bill 4199, the so-called General Welfare Act, which was referred to the Committee on Finance.

Mr. BONE. I send to the desk 17 petitions signed by citizens of the State of Washington, which are a part of a large petition containing some 4,000,000 names, on a main petition asking Congress to keep the United States out of war. This is a part of the petition of the Veterans of Foreign Wars. I ask that these petitions be made of record and that an appropriate reference be made.

The VICE PRESIDENT. Without objection, the petitions will be received and referred to the Committee on Foreign Relations.

FLOOD-CONTROL DAMS—RESOLUTION OF CITIZENS OF ROCHESTER, VT.

Mr. GIBSON. Mr. President, I present and ask to have printed in the RECORD, and appropriately referred, a certified copy of a resolution adopted in town meeting by the citizens of Rochester, Vt., on March 2, 1937, relating to the proposed construction by the Federal Government of a flood-control dam at Gaysville.

There being no objection, the resolution was referred to the Committee on Commerce and ordered to be printed in the RECORD, as follows:

Whereas the people of Rochester are greatly alarmed over the possibility that the Federal Government may build a flood-control dam at Gaysville; and

Whereas if this dam is built 186 feet high, as proposed by engineers, it will flood some of our best agricultural land; and

Whereas the Federal Government has already optioned about 10,000 acres of land in this town for the Federal forest, which, with the land proposed to be flooded, would leave the town only a skeleton of a grand list on which to raise its tax; and

Whereas competent engineers agree that if the proposed dam at Gaysville is for flood control only, then the same results could be obtained by building smaller dams on the tributaries of the upper White River; and

Whereas the building of a dam at Gaysville, as proposed, would ruin the scenic attractions of this valley, and would tend to influence summer visitors, who have already begun to buy homes in the valley, to seek other places of rest and recreation: Therefore be it

Resolved by the voters in town meeting assembled, That we are opposed to the building of the flood-control dam at Gaysville, as proposed; be it further

Resolved, That a duly certified copy of these resolutions be placed in the hands of our town representative, for use in the general assembly, if and when a bill is introduced into that assembly, giving Vermont's consent to the building of the dam in question, another copy to be placed on file in the town clerk's office; be it further

Resolved, That if a bill is introduced into Congress to form a Connecticut river authority, that a certified copy of these resolutions be sent to the two Vermont Senators and our Representatives in Congress for their use before their respective bodies.

[Presented by Wallace H. Wing and adopted at town meeting March 2, 1937.]

I hereby certify that the above is a true copy of the resolution as presented and adopted March 2, 1937.

Attest:

M. J. POLLARD, *Town Clerk.*

REPORTS OF COMMITTEES

Mr. CAPPER, from the Committee on Claims, to which was referred the bill (S. 3957) for the relief of James Thow, Charles Thow, and David Thow, reported it with amendments and submitted a report (No. 2037) thereon.

He also, from the same committee, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H. R. 6374. A bill for the relief of Lena R. Burnett (Rept. No. 2038);

H. R. 8375. A bill for the relief of Roscoe B. Huston (Rept. No. 2039);

H. R. 8567. A bill for the relief of Margaret B. Nonnenberg (Rept. No. 2040);

H. R. 8683. A bill for the relief of Gus Vakas (Rept. No. 2041);

H. R. 8744. A bill for the relief of J. G. Bucklin (Rept. No. 2042); and

H. R. 9297. A bill for the relief of Dr. Samuel A. Riddick (Rept. No. 2043).

Mr. MILTON, from the Committee on Claims, to which was referred the bill (H. R. 1363) for the relief of the estate

of Milton L. Baxter, reported it without amendment and submitted a report (No. 2044) thereon.

Mr. BAILEY, from the Committee on Claims, to which was referred the bill (S. 3781) for the relief of the International Oil Co., of Minot, N. Dak., reported it without amendment and submitted a report (No. 2045) thereon.

Mr. BROWN of Michigan, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H. R. 1250. A bill for the relief of Emilie Dew, Jack Welsh, Mary Jane Bowden, and Henry U. Gaines, Jr. (Rept. No. 2046);

H. R. 2560. A bill for the relief of the State of New York Insurance Department as liquidator (Rept. No. 2047);

H. R. 3225. A bill for the relief of Roland Stafford (Rept. No. 2048);

H. R. 3655. A bill for the relief of Clarence D. Schiffman (Rept. No. 2049);

H. R. 4830. A bill for the relief of Mrs D. O. Benson (Rept. No. 2050);

H. R. 4864. A bill for the relief of Helen Rauch and Max Rauch (Rept. No. 2051);

H. R. 4941. A bill for the relief of Rogowski Bros. (Rept. No. 2052);

H. R. 5006. A bill for the relief of DeWitt F. McLaurine (Rept. No. 2053);

H. R. 6016. A bill for the relief of Lavina Karns (Rept. No. 2054);

H. R. 6296. A bill for the relief of Dr. A. C. Antony and others (Rept. No. 2055);

H. R. 6327. A bill for the relief of Edward J. Thompson (Rept. No. 2056);

H. R. 6846. A bill for the relief of Harvey and Carrie Robinson (Rept. No. 2057);

H. R. 7960. A bill for the relief of Wilma Artopoeus (Rept. No. 2058); and

H. R. 8391. A bill for the relief of Frances M. Heinzelmann (Rept. No. 2059).

Mr. PEPPER, from the Committee on Interoceanic Canals, to which was referred the bill (S. 3621) to provide for the recognition of the services of the civilian officials and employees, citizens of the United States, engaged in and about the construction of the Panama Canal, reported it without amendment and submitted a report (No. 2060) thereon.

Mr. LOGAN, from the Committee on Claims, to which was referred the bill (S. 3937) conferring jurisdiction upon the Court of Claims of the United States to hear, determine, and render judgment upon the claim of the Wisconsin Bridge & Iron Co., reported it without amendment and submitted a report (No. 2071) thereon.

He also (for Mr. SMATHERS), from the same committee, to which was referred the bill (S. 4087) to provide for the payment of compensation to the widow of William R. Ramsey, Jr., who was killed in the performance of his duty as a special agent of the Federal Bureau of Investigation, reported it with amendments and submitted a report (No. 2061) thereon.

He also (for Mr. SMATHERS), from the same committee, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H. R. 2358. A bill for the relief of Dwain D. Miles (Rept. No. 2062);

H. R. 2429. A bill for the relief of Eugene Nicholas (Rept. No. 2063); and

H. R. 5308. A bill for the relief of Anna Caporaso (Rept. No. 2064).

Mr. AUSTIN, from the Committee on the Judiciary, to which was referred the bill (S. 2783) to amend the China Trade Act, 1922, as to the duration of the China Trade Act corporations, reported it without amendment and submitted a report (No. 2065) thereon.

Mr. MILLER, from the Committee on Territories and Insular Affairs, to which was referred the bill (H. R. 10432) to amend an act approved June 14, 1906 (34 Stat. 263), entitled "An act to prevent aliens from fishing in the waters of Alaska," reported it with an amendment and submitted a report (No. 2066) thereon.

Mr. JOHNSON of California, from the Committee on Naval Affairs, to which was referred the bill (H. R. 9258) to authorize the Secretary of the Navy to accept on behalf of the United States certain land in the city of Los Angeles, Calif., with improvements thereon, reported it without amendment and submitted a report (No. 2067) thereon.

Mr. WALSH, from the Committee on Naval Affairs, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H. R. 7167. A bill to provide for the promotion on the retired list of the Navy of Fred G. Leith (Rept. No. 2068);

H. R. 7520. A bill for the relief of members of the Navy or Marine Corps who were discharged from the Navy or Marine Corps during the Spanish-American War, the Philippine Insurrection, and the Boxer uprising because of minority or misrepresentation of age (Rept. No. 2069); and

H. R. 8571. A bill granting 6 months' pay to Mrs. Vallie M. Current (Rept. No. 2070).

Mr. WALSH also, from the Committee on Naval Affairs, to which was referred the bill (H. R. 10594) to provide for the creation, organization, administration, and maintenance of a Naval Reserve and a Marine Corps Reserve, reported it with amendments and submitted a report (No. 2082) thereon.

Mr. DIETERICH, from the Committee on the Judiciary, to which was referred the bill (H. R. 6963) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto, reported it without amendment and submitted a report (No. 2073) thereon.

Mr. SCHWELLENBACH, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H. R. 2767. A bill for the relief of George L. Stone (Rept. No. 2074);

H. R. 4443. A bill for the relief of Meta De Rene McLoskey (Rept. No. 2075);

H. R. 5260. A bill for the relief of Col. William H. Noble (Rept. No. 2076);

H. R. 5615. A bill for the relief of Capt. B. B. Barbee (Rept. No. 2077);

H. R. 7344. A bill for the relief of Eddie Walker (Rept. No. 2078);

H. R. 8271. A bill to confer jurisdiction upon the Court of Claims of the United States to hear, determine, and render judgment upon the claims of the attorneys for the Russian Volunteer Fleet (Rept. No. 2079); and

H. R. 8643. A bill for the relief of Kate Durham Thomas (Rept. No. 2080).

He also, from the Committee on Military Affairs, to which was referred the bill (S. 3976) to authorize the appropriation of funds for the development of rotary-wing aircraft, reported it with amendments and submitted a report (No. 2081) thereon.

Mr. SHEPPARD, from the Committee on Military Affairs, to which was referred the bill (H. R. 7693) to authorize the Secretary of War to transfer to the Government of Puerto Rico certain real estate of the War Department, reported it without amendment and submitted a report (No. 2083) thereon.

MINORITY VIEWS ON INVESTIGATION OF THE AMERICAN COTTON COOPERATIVE ASSOCIATION (PT. 2 OF REPT. NO. 2030)

Mr. SMITH submitted minority views on the investigation by the Committee on Agriculture and Forestry pertaining to certain activities of the American Cotton Cooperative Association (under Senate Resolutions 137 and 205, 75th Cong.), which were ordered to be printed.

PRINTING OF EXCERPTS FROM CERTAIN CENSUSES FOR NEW MEXICO AND ARIZONA

Mr. HAYDEN, from the Committee on Printing, reported a resolution (S. Res. 293), which was considered by unanimous consent, read, and agreed to, as follows:

Resolved, That excerpts from the decennial Federal census of 1860 for the Territory of New Mexico, excerpts from the decennial Federal census of 1870 for the Territory of Arizona, together with excerpts from the special Territorial census of 1864 taken in Arizona under the authority of the act of September 9, 1850 (9 Stat. 448), be printed as a Senate document.

ENROLLED BILLS AND JOINT RESOLUTIONS PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that that committee presented to the President of the United States the following enrolled bills and joint resolutions:

On June 7, 1938:

S. 3113. An act for the relief of the Congress Construction Co.

On June 8, 1938:

S. 821. An act for the relief of Lawson N. Dick;

S. 1220. An act for the relief of Josephine Russell;

S. 1340. An act for the relief of A. D. Weikert;

S. 1694. An act authorizing the Secretary of War to convey to the town of Montgomery, W. Va., a certain tract of land;

S. 2023. An act for the relief of Charles A. Rife;

S. 2368. An act to provide funds for cooperation with School District No. 2, Mason County, State of Washington, in the construction of a public-school building to be available to both white and Indian children;

S. 2409. An act for the relief of certain officers of the United States Navy and the United States Marine Corps;

S. 2655. An act for the relief of Lt. T. L. Bartlett;

S. 2709. An act for the relief of Mr. and Mrs. Joseph Konderish;

S. 2742. An act for the relief of Mrs. C. Doorn;

S. 2956. An act for the relief of Orville D. Davis;

S. 2979. An act for the relief of Glenn Morrow;

S. 2985. An act for the relief of John F. Fahey, United States Marine Corps, retired;

S. 3040. An act for the relief of Herman F. Krafft;

S. 3095. An act authorizing the Secretary of War to grant to the Coos County Court of Coquille, Oreg., and the State of Oregon an easement with respect to certain lands for highway purposes;

S. 3126. An act authorizing the Secretary of War to convey a certain parcel of land in Tillamook County, Oreg., to the State of Oregon to be used for highway purposes;

S. 3166. An act to amend section 2139 of the Revised Statutes, as amended;

S. 3188. An act for the relief of the Ouachita National Bank of Monroe, La.; the Milner-Fuller, Inc., Monroe, La.; estate of John C. Bass, of Lake Providence, La.; Richard Bell, of Lake Providence, La.; and Mrs. Cluren Surles, of Lake Providence, La.;

S. 3209. An act to authorize the Secretary of War to grant an easement to the city of Highwood, Lake County, Ill., in and over certain portions of the Fort Sheridan Military Reservation, for the purpose of constructing a waterworks system;

S. 3223. An act for the relief of the dependents of the late Lt. Robert E. Van Meter, United States Navy;

S. 3242. An act to aid in providing a permanent mooring for the battleship *Oregon;*

S. 3365. An act for the relief of Joseph D. Schoolfield;

S. 3410. An act for the relief of Miles A. Barclay;

S. 3416. An act providing for the addition of certain lands to the Black Hills National Forest in the State of Wyoming;

S. 3417. An act for the relief of the State of Wyoming;

S. 3543. An act authorizing the Comptroller General of the United States to settle and adjust the claim of Earle Lindsey;

S. 3820. An act to authorize membership on behalf of the United States in the International Criminal Police Commission;

S. 3822. An act to authorize an increase in the basic allotment of enlisted men to the Air Corps within the total enlisted strength provided in appropriations for the Regular Army;

S. 3849. An act authorizing the Secretary of the Treasury to transfer on the books of the Treasury Department to the credit of the Chippewa Indians of Minnesota the proceeds of a certain judgment erroneously deposited in the Treasury of the United States as public money;

S. 3882. An act amending the act authorizing the collection and publication of cotton statistics by requiring a record to be kept of bales ginned by counties;

S. J. Res. 243. Joint resolution to provide for the transfer of the Cape Henry Memorial site in Fort Story, Va., to the Department of the Interior;

S. J. Res. 247. Joint resolution authorizing William Bowie, captain (retired), United States Coast and Geodetic Survey, Department of Commerce, to accept and wear decoration of the Order of Orange Nassau, bestowed by the Government of the Netherlands; and

S. J. Res. 289. Joint resolution to provide that the United States extend an invitation to the governments of the American republics, members of the Pan American Union, to hold the Eighth American Scientific Congress in the United States in 1940 on the occasion of the fiftieth anniversary of the founding of the Pan American Union; to invite these governments to participate in the proposed Congress; and to authorize an appropriation for the expenses thereof.

BILLS INTRODUCED

Bills were introduced read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LODGE:

A bill (S. 4161) for the relief of Walter G. McCormick; to the Committee on Claims.

By Mr. COPELAND:

A bill (S. 4162) making inapplicable certain reversionary provisions in the act of March 4, 1923 (42 Stat. 1450), and a certain deed executed by the Secretary of War, in the matter of a lease to be entered into by the United States for the use of a part of the former Fort Armistead Military Reservation for air-navigation purposes (with an accompanying paper); to the Committee on Commerce.

By Mr. BERRY:

A bill (S. 4163) granting a pension to Oscar K. Shell; to the Committee on Pensions.

By Mr. SHEPPARD:

A bill (S. 4164) granting a pension to Edward Wright; to the Committee on Pensions.

By Mr. PITTMAN:

A bill (S. 4165) to give effect to the international agreement between the United States and certain other countries for the regulation of whaling, signed at London, June 8, 1937; to the Committee on Foreign Relations.

REPORT OF COMMERCE COMMITTEE

Mr. COPELAND, from the Committee on Commerce, to which was referred the bill (S. 4162) making inapplicable certain reversionary provisions in the act of March 4, 1923 (42 Stat. 1450), and a certain deed executed by the Secretary of War, in the matter of a lease to be entered into by the United States for the use of a part of the former Fort Armistead Military Reservation for air-navigation purposes, reported it without amendment and submitted a report (No. 2072) thereon.

AMENDMENTS TO SECOND DEFICIENCY APPROPRIATION BILL

Mr. NORRIS submitted an amendment intended to be proposed by him to House bill 10851, the second deficiency appropriation bill, 1938, which was referred to the Committee on Appropriations and ordered to be printed, as follows:

On page 26, after line 20, to insert the following:

"MISCELLANEOUS

"Cooperative farm forestry: For carrying out the provisions of the Cooperative Farm Forestry Act (50 Stat. 188), approved May 18, 1937, $1,300,000, which amount shall be available for the employment of persons and means in the District of Columbia and elsewhere: *Provided*, That not more than 20 percent of this amount shall be expended on the Prairie States forestry project in the Prairie Plains region."

Mr. GUFFEY submitted an amendment intended to be proposed by him to House bill 10851, the second deficiency appropriation bill, 1938, which was referred to the Committee on Appropriations and ordered to be printed, as follows:

On page 53, line 17, to strike out "$30,000" and insert "$120,000."

Mr. BONE submitted an amendment intended to be proposed by him to House bill 10851, the second deficiency appropriation bill, 1938, which was referred to the Committee on Appropriations and ordered to be printed, as follows:

On page 22, after line 18, to insert the following section:

"BUREAU OF CHEMISTRY AND SOILS

"Food Research Division: For carrying on the work of the United States Frozen Pack Laboratory at Seattle, Wash., $25,000."

Mr. SHEPPARD submitted an amendment intended to be proposed by him to House bill 10851, the second deficiency appropriation bill, 1938, which was referred to the Committee on Appropriations and ordered to be printed, as follows:

At the proper place in title I—General Appropriations—Legislative, insert the following:

"Office of the Secretary of the Senate: To pay to the Librarian and First Assistant Librarian, respectively, an additional $1,140 and $1,000."

Mr. SHEPPARD also submitted an amendment intended to be proposed by him to House bill 10851, the second deficiency appropriation bill, 1938, which was referred to the Committee on Appropriations and ordered to be printed, as follows:

At the proper place in title I—War Department, insert the following:

"Army Medical Library and Museum Building, District of Columbia, as authorized by the act entitled 'An act to authorize the Secretary of War to proceed with the construction of certain public works in connection with the War Department in the District of Columbia,' $3,750,000."

INVESTIGATION OF TENNESSEE VALLEY AUTHORITY—LIMIT OF EXPENDITURES

Mr. SCHWARTZ (for Mr. DONAHEY) submitted the following concurrent resolution (S. Con. Res. 39), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved by the Senate (the House of Representatives concurring), That the limit of expenditures under the joint resolution entitled "Joint resolution creating a special joint congressional committee to make an investigation of the Tennessee Valley Authority," approved April 4, 1938, is hereby increased by the sum of $100,000, such additional sum to be paid one-half from the contingent fund of the Senate and one-half from the contingent fund of the House of Representatives upon vouchers approved by the chairman of the special joint congressional committee created by such joint resolution.

HEARINGS BEFORE COMMITTEE ON THE LIBRARY

Mr. BARKLEY. I ask that the resolution which I submit and send to the desk be referred to the Committee to Audit and Control the Contingent Expenses of the Senate. It affects the Library Committee.

There being no objection, the resolution (S. Res. 292) was referred to the Committee to Audit and Control the Contingent Expenses of the Senate, as follows:

Resolved, That the Committee on the Library, or any subcommittee thereof, hereby is authorized during the Seventy-fifth Congress to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had in connection with any subject which may be before said committee, the expense thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during the sessions or recesses of the Senate.

OPERATION OF RADIO BROADCAST STATIONS

Mr. WHEELER submitted a resolution (S. Res. 294), which was ordered to lie on the table, as follows:

Resolved, That it is the sense of the Senate of the United States of America that the operation of radio broadcast stations in the standard broadcast band (550 to 1600 kilocycles) with power in excess of 50 kilowatts is definitely against the public interest, in that such operation would tend to concentrate political, social, and economic power and influence in the hands of a very small group, and is against the public interest for the further reason that the operation of broadcast stations with power in excess of 50 kilowatts has been demonstrated to have adverse and injurious economic effects on other stations operating with less power, in depriving such stations of revenue and in limiting the ability of such stations to adequately or efficiently serve the social, religious, educational, civic, and other like organizations and institutions in the communities in which such stations are located and which must and do depend on such stations for the carrying on of community welfare work generally.

Resolved further, That it is, therefore, the sense of the Senate of the United States of America that the Federal Communications Commission should not adopt or promulgate rules to permit or otherwise allow any station operating on a frequency in the standard broadcast band (500 to 1600 kilocycles) to operate on a regular or other basis with power in excess of 50 kilowatts.

DEMOCRATIC PLATFORM PLEDGES AND THEIR FULFILLMENT—ADDRESS BY THE LATE SENATOR ROBINSON

[Mr. SCHWELLENBACH asked and obtained leave to have printed in the RECORD an address delivered in the Senate by the late Senator Robinson on June 20, 1936, on the subject of Democratic Platform Pledges and Their Fulfillment, which appears in the Appendix.]

RECIPROCAL-TRADE AGREEMENTS AFFECTING ZINC AND LEAD

[Mr. LEE asked and obtained leave to have printed in the RECORD a letter addressed by him to the President of the United States on the subject of the proposed reciprocal-trade agreement with Canada as affecting zinc and lead, which appears in the Appendix.]

ADDRESS BY SENATOR CHAVEZ AT CONVENTION OF LEAGUE OF UNITED LATIN AMERICAN CITIZENS

[Mr. HATCH asked and obtained leave to have printed in the RECORD an address delivered by Senator CHAVEZ at the convention of the League of United Latin American Citizens held at El Paso, Tex., June 4, 1938, which appears in the Appendix.]

THE ROOSEVELT ADMINISTRATION'S AGRICULTURAL PROGRAM

[Mr. MINTON asked and obtained leave to have printed in the RECORD a statement regarding the opposition of the Republican Party to the agricultural program of the Roosevelt administration, together with an address by Secretary of Agriculture Henry A. Wallace, on Thursday, May 12, 1938, on the subject The Corn Program and What It Means to Business, which appears in the Appendix.]

AN ERA OF POLITICAL CONFUSION—ADDRESS BY HON. ALFRED M. LANDON

[Mr. CAPPER asked and obtained leave to have printed in the RECORD an address on the subject An Era of Political Confusion, delivered by Hon. Alfred M. Landon at the convention of the New York State Young Republicans at Niagara Falls, N. Y., on May 28, 1938, which appears in the Appendix.]

THE AGRICULTURAL SITUATION—ADDRESS BY EDWARD E. KENNEDY

[Mr. LEE asked and obtained leave to have printed in the RECORD an address delivered by Edward E. Kennedy on the agricultural situation, which appears in the Appendix.]

WAGES OF W. P. A. WORKERS—LETTER AND EDITORIAL FROM UNITED GOVERNMENT EMPLOYEES, INC.

[Mr. LEE asked and obtained leave to have printed in the RECORD a letter from Edgar G. Brown, president, United Government Employees, Inc., together with an accompanying editorial from the Atlanta Daily World, Atlanta, Ga., of June 3, 1938, which appears in the Appendix.]

THE FARM PROBLEM AS RELATED TO BANKING—ADDRESS BY EARL C. SMITH

[Mr. POPE asked and obtained leave to have printed in the RECORD an address on the farm problem as related to banking, delivered by Earl C. Smith, president of the Illinois Agricultural Association, before the forty-eighth annual convention of the Illinois State Bankers' Association of Springfield, Ill., on May 24, 1938, which appears in the Appendix.]

MONETARY SOLUTION TO AGRICULTURAL PRICES—ADDRESS BY LOUIS B. WARD

[Mr. FRAZIER asked and obtained leave to have printed in the RECORD an address on the subject A Monetary Solution to Agricultural Prices, delivered by Louis B. Ward before the National Agricultural Conference at Washington, D. C., on June 2, 1938, which appears in the Appendix.]

ACTIVITIES OF RECONSTRUCTION FINANCE CORPORATION

[Mr. McADOO asked and obtained leave to have printed in the RECORD a statement concerning the operations of the Reconstruction Finance Corporation from March 4, 1933, through May 19, 1938, which appears in the Appendix.]

LETTER FROM SENATOR MINTON TO AMERICAN CIVIL LIBERTIES UNION RELATIVE TO INSPECTION OF INCOME-TAX RETURNS BY LOBBY COMMITTEE

Mr. MINTON. Mr. President, there has been some criticism of the Lobby Committee for the Executive order which was issued by the President authorizing the Lobby Committee to inspect certain income-tax returns. In the course of this criticism I received a letter from the American Civil Liberties Union. I ask that my reply thereto be printed in the RECORD as part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JUNE 7, 1938.

Mr. HARRY F. WARD,
Chairman, American Civil Liberties Union,
31 Union Square West, New York, N. Y.

DEAR MR. WARD: I have your letter of May 27, in which Messrs. Garfield, Hay, Baldwin, Holmes, and Fraenkel join in the comments on the activities of the Lobby Committee, of which I am chairman.

The burden of your letter appears to be a protest against the "use of information obtained other than by subpena." However, you note that this committee has met resistance to certain of its subpenas which, in your judgment, conform to established precedents.

The committee and its work is not engaged in lawsuits. No one's life, liberty, or property is in jeopardy. We are conducting an investigation to enlighten our judgment in matters pertaining to future legislative action. We frequently find in our investigations witnesses who testify falsely, are evasive, and have convenient lapses of memory and deliberately destroy their records.

When confronted with a situation of this kind and the Government has in its possession information by which it may check the activities of such witnesses and parties under investigation, why should not the Government resort to that source of information? We have never used and never have any intention of using any income-tax returns to coerce or intimidate anybody. We use them only to prevent others from imposing upon us.

You know that admissibility is the rule, and nonadmissibility is the exception, and existing law has made available to congressional committees the use of information contained in income-tax returns, which are public records and open to inspection to the congressional committees upon an order of the President. This is a limitation which Congress itself has placed upon its own activities; but when this limitation is overcome in accordance with the statute, I fail to see how anybody's legal or constitutional rights are in any way invaded.

You know that section 257 (a) of the Revenue Act of 1926 specifically provides that income-tax returns shall constitute public records, open to inspection upon an order of the President. I cannot assume that you are not familiar with this well-known provision of the law.

I am in hearty accord with the stated position of your organization to the effect that all citizens have the right to express themselves freely and fully on pending legislation, or to criticize to the utmost any policy or action of any administration. All that we ask is the right to determine from whence the opposition comes, who directs it, and who pays the bill.

You say that you have noted the resistance to this committee's efforts, which includes an effort to enlighten the people on the question of financial angles. I assume that you have also noted that the Reverend John Haynes Holmes, a cosigner to your letter, and Mr. Amos Pinchot, listed on your stationery as a member of your committee, are both listed as members of Frank E. Gannett's National Committee to Uphold Constitutional Government. I am assuming that you are aware of the fact that the only resistance this Senate committee has met recently has been that of the Gannett committee, whose resistance was to subpena, which you state conforms to the precedents.

Knowing of your very great interest in the protection of our civil liberties, I couldn't help but wonder where you were when the American Newspaper Publishers' Association brazenly proposed to censor free speech over the radio. I never heard a word out of your organization about this attack by the so-called free press upon free speech. I am sure your organization would not be intimidated by the so-called powerful free press of the country or lend yourself to the avowed purpose of the National Committee to Uphold Constitutional Government to discredit the lobby committee.

Yours very truly,

SHERMAN MINTON.

WATER-POLLUTION LEGISLATION

Mr. LONERGAN. Mr. President, on Wednesday, June 8, while I was temporarily absent from the Senate at a meeting of the Senate Finance Committee on a tax measure, the Senate adopted the conference report on the bill, H. R. 2711, to establish a division of water-pollution control in the Public Health Service.

The bill, as it was reported by the conference committee, contains many imperfections; so many, in fact, that the measure can hardly be regarded as more than a start in the way of obtaining desirable legislation on the subject. The measure contains inconsistencies which will make it difficult of administration.

It places broad powers in the Public Health Service without any provision for approval by the Secretary of War and the Chief of Engineers of any plan of pollution control which would affect flood control or navigation.

It lacks a provision to assure full cooperation with authorized representatives of interested industries.

It actually puts a premium on pollution by providing, in section 6, that a person—defined as an individual in the capacity of proprietor of an industrial enterprise, a partnership, a private corporation, an association, a joint-stock company, a trust, or an estate—is eligible for a grant in aid or a loan under the terms of the act, only when such person is discharging untreated or inadequately treated sewerage waste in character and quantity sufficient to be deleterious to the navigable waters of the United States or streams and tributaries thereto. No provision is made for such grants in aid or loans to new industries that may want to install control equipment in the beginning. The plant must first be constructed and the industry must first become a polluter before it is eligible.

The act gives complete authority to the State boards of health and the Public Health Service in Washington, without any recognition of other State agencies duly authorized and duly designated by law to deal with water pollution. The State Water Commission of Connecticut, which has done such remarkably splendid work in this field, and which operates under authority of State law, must, for the present at least, yield to other authority. Other State agencies throughout the country likewise are not recognized under this measure. I will state, however, that the Surgeon General was agreeable to an amendment which I presented to correct this situation, but the House conferees believed it could not be adopted under the rules.

However, the measure as passed by the Senate does include amendments previously adopted by the Senate providing for compacts between the States, and directing that the navigable waters of the United States be divided into watershed areas so that pollution abatement can be conducted by States in a cooperative way.

Of course, the main defect in the bill, in my opinion, is the absence of a Federal-control provision. More millions of dollars will be offered by the Federal Government for grants-in-aid and loans, without any provision for Federal enforcement, or Federal control, except of an administrative nature. For many years Congress has asserted a much broader authority over flood control. Flood control and water-pollution control are twins. In this time of heavy Federal spending there will be serious criticism in some quarters to the spending of this money without a greater measure of control by the Federal Government.

The omission by the conferees of any enforcement provision, of course, took the heart out of the bill, so much so that even its most ardent supporters questioned whether the conference report should be rejected. For more than 4 years various organizations have fought for the principle of Federal enforcement because they have learned from experience that it is futile to ask a polluter in one State to clean up his waters when a polluter in the neighboring State above continues to dump his pollutants into the stream. As this bill now stands, an industry in Connecticut may obligate itself for a loan from the Federal Government, and the Government may offer it a grant, to assist in abating pollution by that industry. A neighboring industry may not be interested in voluntarily obtaining such loans and grants

as provided in this measure. There are many such polluters who simply do not want to be bothered. They continue to regard waterways as open sewers.

What will be the attitude of the cooperating polluter when he learns that he has obligated himself for a Federal loan to install pollution-abatement equipment only to find that his efforts are nullified by pollution from the polluter upstream, who fails to cooperate? What will be the attitude of the taxpayers when they learn that Federal grants have been made with such futile results? Will they believe that they have been misled, and will they lose all of the great enthusiasm that has been built up for many years in this effort?

I want to make it clear here that the organizations supporting the principles of Federal assistance have been health organizations, as well as sportsmen's organizations and conservation organizations. I have previously placed in the RECORD (August 21, 1937) a complete statement on this enforcement principle and the organizations and individuals supporting it.

I want to state also that the Senate concurred with me and with these individuals in our views regarding enforcement and amended the House bill as I had suggested. The House disagreed to the enforcement provisions. The House conferees took the view that, because of objections from manufacturers and others, they could not get the measure through the House with enforcement provisions. They explained that they had difficulty getting the original bill through the House without the enforcement provision and were certain that they could not get it through the House with the enforcement provision. They expressed doubt as to whether they will be able to get the bill through at all, either with or without enforcement provisions, because of general misunderstanding on the part of many manufacturers regarding the effect of the measure. Several meetings were held by the conferees without an agreement.

Coming as I do from a manufacturing State, and having no desire to place any enforcement provision in this measure that would be injurious or unfair, I offered at least three modifications of the proposal. Other substitutes were offered by Dr. Parran, the Surgeon General, after consultation with the President, and there seemed to be thorough agreement all along the line, even among some of the House conferees, that an enforcement provision was desirable. However, upon continued insistence of House conferees that they could not make the House Members feel the same way about it, the question was whether the bill should be killed in conference or held over until the next session. This naturally brought up the question whether the conferees had better accept an imperfect bill than to have no bill at all, and it was with that thought in view, rather than a thought of throwing the enforcement provision overboard, that the Senate conferees finally yielded to the House conferees. Four of the Senate conferees, supporting the House conferees, did so because they honestly felt that it was better to get a start and then perfect the bill later.

Since the action by the Senate yesterday in agreeing to the conference report, I have been approached by many who believe that the bill is a delusion, and that it should be defeated. Although I could move to recall the measure, I will not do so, owing to the fact that all five House conferees were represented at the final conference and four of the Senate conferees were present in person when the report was adopted, and voted affirmatively. Also, before the report was presented, I talked with a number of Senators who believed that it would be futile at this late date to attempt to get the Senate to instruct its conferees to incorporate a Federal enforcement provision.

I am informed that some opposition to acceptance of the conference report will develop in the House. But whatever the outcome, I want to serve notice that in the next Congress I shall renew my efforts to have this bill perfected, and to have an enforcement provision adopted. A great principle, for which many individuals have sacrificed their time and energy for many years, has been temporarily deferred as a matter of expediency. No compromise has been made with the principle of Federal enforcement. I shall never agree to a compromise with a principle that I think is right. A right cannot be compromised with a wrong. And, as indicated by Wednesday's RECORD when the conference report was agreed to, in my absence, I am assured of the continued support of able Senators in having desirable amendments adopted.

The citizens of the State of Pennsylvania fought for more than 15 years for the principle of enforcement to prevent water pollution, and finally prevailed, last year, when a State control measure was adopted, which contained enforcement provisions. Whether the battle for Federal control and enforcement goes on for another year or 10 years before its friends are successful, in the end it will prevail, as right always prevails.

I wish to say, finally, that those who oppose the principle of Federal enforcement to a large extent represent vested interests or industries having unwarranted fears that they will be hurt. A great effort has been made to show them that there is no harm intended in the bill, but at this stage it seems that the few who regard our national waterways as open sewers and who do not want to be bothered by any Federal enforcement were able to make others fearful enough to oppose the principle of enforcement. This has called for a great campaign of education which, unfortunately, has not yet reached all of the objectors. Many of those who originally opposed the principle of enforcement have become its most ardent supporters, after finding that pollution control is actually an asset to their industry instead of a liability, because of the production of useful byproducts. Many others have yielded to reasoning and have agreed that adequate safeguards were offered to protect them against harmful Federal enforcement. But the handful of recalcitrants—which, I should say represent about 10 percent of legitimate industry—are the ones who have had sufficient power and money to forestall enforcement thus far. I was surprised to note how many of them actually got on the bandwagon to support a measure which would offer them loans and grants from the Federal Treasury, provided there was no Federal control or enforcement.

On the other side of the picture is that group of men who, like myself, have been fighting for a principle at personal expense to themselves, and at a great loss of time. Among these is Judge Grover C. Ladner, of Philadelphia, former deputy attorney general of that State; Dr. M. d'Arcy Magee, national vice president of the Izaak Walton League of America; Mr. Kenneth Reid, general manager, Izaak Walton League of America, and scores of officials and experts who have attended the various conferences in Washington and elsewhere to advance the Federal water pollution control legislation, with measures of enforcement. All of their time and contributions have been greatly appreciated and will not be futile. The public mind has been aroused by the urgent need for an effective water pollution control measure. Many Members of the House and some Members of the Senate have actually come to me with recommendations that a bill be introduced to provide for criminal punishment and fines for polluters who defile our Nation's waterways and endanger the public health. I have never agreed to go that far. I have felt that Federal enforcement to take care of the small handful of recalcitrant violators with adequate safeguards for the vast majority who want to cooperate would be sufficient. But I am not so sure what will happen if a few epidemics occur in this country. In the Ohio Valley and elsewhere the pollution load is so tremendously heavy that health authorities are obviously fearing what will happen. That is another reason why I hesitated to object to this conference report, despite its imperfect state. A few dollars of the Federal money, at least, will seep through to serve a useful purpose, and if a few lives are saved and a start is made, however inadequate it may be, the end may justify the means and form in which this measure was passed.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries.

INTERNATIONAL LABOR ORGANIZATION

The VICE PRESIDENT laid before the Senate a message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Foreign Relations, as follows:

To the Congress of the United States of America:

The Congress, by a joint resolution approved June 19, 1934, authorized me to accept membership for the Government of the United States in the International Labor Organization. Pursuant to that authorization I accepted such membership on behalf of the Government of the United States.

Representatives of this Government and of American employers and American labor attended the twenty-third session of the International Labor Conference held at Geneva, June 3 to 23, 1937.

That conference adopted four draft conventions and seven recommendations, to wit:

The recommendation (No. 50) concerning international cooperation in respect of public works.

The recommendation (No. 51) concerning the national planning of public works.

The draft convention (No. 59) fixing the minimum age for admission of children to industrial employment (revised 1927).

The draft convention (No. 60) concerning the age for admission of children to nonindustrial employment (revised 1937).

The recommendation (No. 52) concerning the minimum age for admission of children to employment in family undertakings.

The draft convention (No. 61) concerning the reduction of hours of work in the textile industry.

The draft convention (No. 62) concerning safety provisions in the building industry.

The recommendation (No. 53) concerning safety provisions in the building industry.

The recommendation (No. 54) concerning inspection in the building industry.

The recommendation (No. 55) concerning cooperation in accident prevention in the building industry.

The recommendation (No. 56) concerning vocational education for the building industry.

No action by the Congress appears necessary in connection with the recommendation (No. 50) concerning international cooperation in respect of public works. The United States Government already has indicated its readiness to cooperate in the work of an international committee and a representative of the Government will be appointed to attend its first sitting. The various branches of the Government will be prepared to communicate annually to such a committee statistical and other information concerning public works already undertaken or planned.

The United States Government has already endorsed the principle of stabilizing public works, contained in the recommendation (No. 51) concerning the national planning of public works, and is endeavoring to put that principle into practice. The terms of the recommendation embrace many proposals which the United States is already applying.

The standards stipulated in the draft convention (No. 59) fixing the minimum age for admission of children to industrial employment (revised 1937), the draft convention (No. 60) concerning the age for admission of children to nonindustrial employment, and the recommendation (No. 52) concerning the minimum age for admission of children to industrial employment in family undertakings are considerably below those generally prevailing in the United States.

The draft convention (No. 61) concerning the reduction of hours of work in the textile industry is the subject of a separate message which I am addressing to the Senate.

The principles set forth in the draft convention (No. 62) concerning safety provisions in the building industry, the recommendation (No. 53) concerning safety provisions in the building industry, the recommendation (No. 54) concerning inspection in the building industry, the recommendation (No. 55) concerning cooperation in accident prevention in the building industry, and the recommendation (No. 56) concerning vocational education for the building industry are presented for the consideration of the Congress in connection with its consideration of legislation now before it designed to promote safety in the building industry.

In becoming a member of the International Labor Organization and subscribing to its constitution this Government accepted the following undertaking in regard to such draft conventions and recommendations:

Each of the members undertakes that it will, within the period of one year at most from the closing of the session of the conference, or if it is impossible owing to exceptional circumstances to do so within the period of one year, then at the earliest practicable moment and in no case later than 18 months from the closing of the session of the conference bring the recommendation or draft convention before the authority or authorities within whose competence the matter lies, for the enactment of legislation or other action (art. 19 (405), par. 5, Constitution of the International Labor Organization).

In the case of a Federal State, the power of which to enter into conventions on labor matters is subject to limitations, it shall be in the discretion of that Government to treat a draft convention to which such limitations apply as a recommendation only, and the provisions of this article with respect to recommendations shall apply in such case (art. 19 (405), par. 9, Constitution of the International Labor Organization).

In accordance with the foregoing undertaking the abovenamed four draft conventions and seven recommendations are herewith submitted to the Congress with the accompanying report of the Secretary of State, and its enclosures, to which the attention of the Congress is invited.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 9, 1938.*

[Enclosures:

1. Report of the Secretary of State.
2. Authentic texts of the four draft conventions and seven recommendations adopted by the International Labor Conference at its twenty-third session.
3. Report of the Secretary of Labor.
4. Report of the Secretary of the Treasury.
5. Report of the Federal Emergency Administrator of Public Works.]

TEMPORARY NATIONAL ECONOMIC COMMITTEE

The Senate resumed the consideration of the joint resolution (S. J. Res. 300) to create a temporary national economic committee.

Mr. BARKLEY. Mr. President, when the Senate recessed yesterday afternoon we were about to vote on the committee amendment to Senate Joint Resolution 300, providing for the appointment of a special committee, and so on, to investigate monopolies. The amendment is on page 7 and affects the authority of the President in the allocation of the $400,000 authorized to be appropriated. I have no desire to consume any further time of the Senate on the subject. I think the matter has been thoroughly debated. We were about to vote when the Senate concluded its business yesterday. I therefore hope we may now vote on the amendment, and I trust it will be defeated.

Mr. NORRIS. Mr. President, we have not voted on the other section, have we?

Mr. BARKLEY. Yes; we have voted on that.

Mr. NORRIS. That was voted out?

Mr. BARKLEY. This is a different amendment. We voted out paragraph (c), section 3, and then adopted the amendment as amended.

Mr. NORRIS. Yes; I recall we did that yesterday.

Mr. BARKLEY. The pending amendment is the $400,000 allocation.

Mr. NORRIS. I think the only issue involved—as the Senator says, it has been well discussed—is whether or not the committee amendment shall be agreed to.

Mr. BARKLEY. That is correct.

Mr. NORRIS. If we vote for the committee amendment, then the President, in order to get any money for the departments, must get it after it has been applied for by the committee. If the committee amendment is voted down, then the part of the appropriation going to the President will go to him direct without any action on the part of the committee.

Mr. BARKLEY. That is correct.

Mr. NORRIS. So we understand it. On that amendment, Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The VICE PRESIDENT. The question is on the committee amendment on page 7, line 10, which will be stated.

The CHIEF CLERK. On page 7, line 10, it is proposed to insert "on application by the committee for allocation."

The VICE PRESIDENT. On the amendment the yeas and nays are demanded.

The yeas and nays were ordered.

Mr. DAVIS. I ask to have the pending amendment stated.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. On page 7, at the beginning of line 10, it is proposed to insert "on application by the committee for allocation."

The VICE PRESIDENT. The yeas and nays having been ordered, the clerk will call the roll.

The Chief Clerk called the roll.

Mr. LEWIS. I announce that on this question the Senator from Oklahoma [Mr. THOMAS] is paired with the Senator from Maryland [Mr. TYDINGS]. If these Senators were present and voting, the Senator from Maryland would vote "yea," and the Senator from Oklahoma would vote "nay."

Mr. BARKLEY. The Senator from Maryland [Mr. RADCLIFFE] is detained from the Senate on important public business. I am advised that if present and voting he would vote "nay."

Mr. McNARY (after having voted in the affirmative). I transfer my pair with the Senator from Mississippi [Mr. HARRISON] to the Senator from Maine [Mr. WHITE], and will let my vote stand.

Mr. AUSTIN. I have been requested to announce the following general pairs:

The Senator from New Hampshire [Mr. BRIDGES] with the Senator from North Carolina [Mr. REYNOLDS]; and

The Senator from North Dakota [Mr. NYE] with the Senator from Ohio [Mr. BULKLEY].

Mr. LEWIS. I further announce that the Senator from North Carolina [Mr. BAILEY], the Senator from Ohio [Mr. BULKLEY], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Missouri [Mr. CLARK], the Senator from Iowa [Mr. GILLETTE], the Senator from Connecticut [Mr. MALONEY], the Senator from Nevada [Mr. MCCARRAN], the Senator from New Jersey [Mr. SMATHERS], the Senator from Oklahoma [Mr. THOMAS], the Senator from Maryland [Mr. TYDINGS], and the Senator from New York [Mr. WAGNER] are detained from the Senate on important public business.

The Senator from West Virginia [Mr. HOLT] and the Senator from North Carolina [Mr. REYNOLDS] are unavoidably detained.

I further announce that the Senator from Ohio [Mr. DONAHEY] and the Senator from New Hampshire [Mr. BROWN] are detained in a meeting of the Tennessee Valley Authority Investigating Committee.

The Senator from Arizona [Mr. ASHURST], the Senator from Washington [Mr. BONE], the Senator from Michigan [Mr. BROWN], the Senator from Georgia [Mr. GEORGE], and the Senator from Mississippi [Mr. HARRISON] are detained in committee meetings.

The Senator from Louisiana [Mr. ELLENDER], the Senator from Florida [Mr. PEPPER], the Senator from Utah [Mr. THOMAS], and the Senator from Massachusetts [Mr. WALSH] are detained in a conference on the wage and hour bill.

The result was announced—yeas 28, nays 40, as follows:

YEAS—28

Andrews	Copeland	Hatch	O'Mahoney
Austin	Davis	Johnson, Calif.	Pittman
Borah	Frazier	King	Shipstead
Burke	Gerry	Lodge	Smith
Byrd	Gibson	Lonergan	Townsend
Byrnes	Glass	McNary	Vandenberg
Capper	Hale	Miller	Van Nuys

NAYS—40

Adams	Green	Lewis	Norris
Bankhead	Guffey	Logan	Overton
Barkley	Hayden	Lundeen	Pope
Berry	Herring	McAdoo	Reames
Bilbo	Hill	McGill	Russell
Bulow	Hitchcock	McKellar	Schwartz
Caraway	Hughes	Milton	Schwellenbach
Connally	Johnson, Colo.	Minton	Sheppard
Dieterich	La Follette	Murray	Truman
Duffy	Lee	Neely	Wheeler

NOT VOTING—28

Ashurst	Chavez	Holt	Smathers
Bailey	Clark	McCarran	Thomas, Okla.
Bone	Donahey	Maloney	Thomas, Utah
Bridges	Ellender	Nye	Tydings
Brown, Mich.	George	Pepper	Wagner
Brown, N. H.	Gillette	Radcliffe	Walsh
Bulkley	Harrison	Reynolds	White

So the amendment of the committee was rejected.

The PRESIDENT pro tempore. The committee amendments following the one last voted on will be stated.

The CHIEF CLERK. On page 7, line 10, before the words "the President", it is proposed to strike out "as" and insert "by."

The amendment was rejected.

The CHIEF CLERK. On page 7, line 11, after the word "President", it is proposed to strike out "shall direct."

The amendment was rejected.

The CHIEF CLERK. On page 7, line 11, after the word "agencies", it is proposed to strike out "represented on the committee" and insert "of the Government."

The amendment was rejected.

Mr. O'MAHONEY. Mr. President, I ask that the Senate now recur to the committee amendment on page 2, line 2, which was passed over at the request of the Senator from Kentucky [Mr. BARKLEY].

The PRESIDENT pro tempore. The amendment passed over will be stated.

The CHIEF CLERK. On page 2, line 2, after the word "Treasury", it is proposed to strike out "Department of Labor" and insert "Department of Commerce."

Mr. BARKLEY. Mr. President, that amendment went over at my request. I have nothing further to say about it. So far as I am concerned the Senate may vote on the amendment.

Mr. NORRIS. Mr. President, the effect of the pending amendment is to strike out the "Department of Labor" and to insert in lieu thereof the "Department of Commerce."

It seems to me that the Department of Labor by all means ought to be included. I have no objection to including the Department of Commerce. If the amendment were defeated, it would be in order to offer an amendment including the Department of Commerce, to which, so far as I am concerned, I would have no objection whatever. But the effect of agreeing to the committee amendment would be to strike out the Department of Labor.

Mr. President, it seems to me that all Senators should realize that on the particular question which the committee is to investigate the Department of Labor is as important as any other department of the Government, unless it be the Department of Justice, which I concede would be more important in this matter. But we are going to investigate something in which the Department of Labor has an active interest.

I cannot understand why anyone should desire to strike out the Department of Labor. In the debate which occurred yesterday the only reference to striking the Department of

Labor out was by the Senator from Wyoming [Mr. O'MAHONEY], who said that as the joint resolution was originally drawn the Department of Commerce was left out, but that Department, backed up by an unnamed committee of businessmen, was anxious to be included, and in order to do it the committee struck out the Department of Labor.

It seems to me it would be proper to include both Departments. The effect, of course, would be to increase the membership on the committee by one. I can see no possible harm to come from that, although personally I am opposed to a very large committee. But there would be 11 in one case and 12 in the other. The difference between 11 and 12 is practically of no consequence. But those who favor putting in the Department of Commerce, and who want to take out the Department of Labor in order to accomplish that, base their argument entirely, as I understand, on the ground that if the number were left at 12 there would be 6 Members of Congress and 6 members from the various departments, making a tie as between those two groups.

Mr. President, I submit that there is practically no danger of such a tie taking place. There is no more danger of the representatives of the departments lining up on one side and the representatives of Congress on the other than there is of having Members of the House line up on one side and Members of the Senate on the other, which in my opinion will never occur on this committee. The members of the committee will all be anxious to make the investigation. Very important contributions to the investigation will come from the Department of Labor. I do not believe any contribution, with one possible exception, will be of greater importance than that which will come from the Department of Labor. There is no idea anywhere that the departments are going to line up on one side of the line and Congress on the other. If there is such a possibility, then we never ought to have this double-headed committee. If there is such danger, one or the other group ought to be stricken out entirely. There is no indication, so far as I can see, that there will be any possibility of such a thing occurring.

Suppose such a thing should occur; what about it? Who would be hurt? Suppose there were a tie vote in this committee; that would not be vital; it would not kill anybody; it would not be detrimental to the investigation; it would not be harmful. If there should be a tie vote as compared with a 5 to 6 vote, there would be practically no difference in effect. That would probably never occur, but if it did, it would not do any harm.

Mr. POPE. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from Idaho?

Mr. NORRIS. I yield.

Mr. POPE. I call the attention of the Senator to the fact that in the statement of the purposes and duties of the committee one is to make an investigation of "the effect of the existing price system and the price policies of industry upon the general level of trade, upon employment, upon long-term profits, and upon consumption." It seems to me the facilities of the Department of Labor for studying unemployment and the effect of Government policies on unemployment would make the Department of Labor of peculiar value in the investigation.

Mr. NORRIS. It would be of greater value than any other department. It is true the information could be obtained if all the departments were left out, but if this joint resolution is to be passed on the theory that the departments which have to do with this question most vitally should be represented on the committee, we cannot leave out the Department of Labor. No one has asked to leave it off the committee. So far as I know, no one contends that it should be left off. But some Senators are afraid of a tie vote occurring in the proceedings of the committee. As I have said, that probably would never occur, but it would not do any harm if it should occur. There is likely to be an absentee among the membership of the committee when a vote is taken, and a tie vote would occur anyway. I do not think that will happen, but it will not do any harm if it shall happen. Members of the Senate are not always lined up so that a tie vote may not occur. It is probably just as likely to occur without the Department of Labor being represented as if the Department of Labor were represented.

Undoubtedly it will be found that on some questions there will be an honest disagreement among the members of the committee from the Senate; there may be an honest disagreement among the members of the committee from the House; there may be an honest disagreement among the members of the committee from the departments. We have to expect that. In an honest investigation, no one can object to such a condition. It is likely to occur in the case of any committee. It is likely to occur any day in the Senate, or in the House of Representatives, or in any committee of the House or of the Senate. It is not harmful; it is not detrimental. But if there are to be included on the proposed committee representatives from different departments, the one which is probably as important as any department of the Government in respect to this investigation should not be omitted.

Mr. President, the Department of Labor has statistics, as the Senator from Idaho has said, on the unemployment situation and on other situations which are extremely valuable. They had to do a great deal of work in order to get those statistics. On tables furnished by that Department, Congrsss bases fundamental legislation.

Mr. WHEELER. Mr. President, will the Senator yield?

Mr. NORRIS. I yield.

Mr. WHEELER. I think we are setting a very foolish precedent in having the different departments included at all. I think the investigation should be made either by the Senate or by the departments, and we should not have a joint committee. But if we are to have the departments represented and take part in the investigation, then certainly the Department of Labor should be included. I think it is a very unwise policy to have such a joint investigation, and I think we are setting a precedent so that in the future when an investigation is started by the Congress in order to decide what legislation it should pass and what it should not pass, the departments are going to want to be a part of the investigation. In my judgment, that would hurt any investigation. But if we are to include the departments, certainly the Department of Labor should be included.

Mr. NORRIS. I agree with every word the Senator has said. I made the same statement yesterday, in effect. I think it was a mistake to provide for this kind of a committee. There is no reason why we should not have a committee of investigation, as I stated yesterday, composed only of Senators. There is no reason why the House of Representatives should not have its own committee of investigation. If it is thought advisable to join the two, although I think that is a mistake, all well and good. But if we do join the two, I think it is still another mistake to include on the committee outsiders, representatives of departments.

In my opinion, we ought to appropriate money directly to be used by the departments, to be handled as the President may see fit, and appropriate money to a departmental committee, if we decide that such a committee should undertake an investigation. There is no reason why the investigation should not be made in both ways. I believe, as does the Senator from Montana, that it is wrong to join the two methods. But that is water over the mill, and since we are to have the investigation, then we should not exclude from the departments taking part the most important department of all when it comes to this particular line of investigation.

Mr. O'MAHONEY. Mr. President, it would be difficult for me to make any argument against that of the Senator from Nebraska with respect to the Department of Labor and with regard to the importance of that Department in an investigation or study of the kind proposed. The Senator will recall that this resolution as I originally introduced it gave this Department representation on the proposed committee. My original measure named the three agencies mentioned by the President in his message—Justice, Securi-

ties and Exchange Commission, and the Federal Trade Commission. The revision which I introduced here, and which Representative SUMNERS introduced in the House, added the Treasury Department and the Department of Labor. The Judiciary Committee substituted Commerce for Labor so as not to make the new body unduly large.

It was the view of the Committee on the Judiciary that if we are to have this most important study it should not be conducted by a convention; it ought to be conducted by a small body which, by reason of its size, can work efficiently.

The reason why the Department of Commerce was given a place was because it was recognized by the committee members that the Department of Commerce had been making a serious and sincere effort to bring about a better understanding between business and government.

Mr. President, we might as well be frank about this discussion. The air in Washington is full of rumors and reports of what the Government is planning to undertake. Those rumors I hear are without basis. Any person who has read the President's message knows that it is his object to have a factual, scientific study of this, the most important problem before the people of America.

PROTECTION OF PRIVATE ENTERPRISE

Let me call the attention of the Senator to one or two of the concluding paragraphs of the President's memorable message of April 29. After outlining the sort of an investigation which should be made, and the subjects which he thought ought to be covered, the President said:

> No man of good faith will misinterpret these proposals. They derive from the oldest American traditions. Concentration of economic power in the few and the resulting unemployment of labor and capital are inescapable problems for a modern "private enterprise" democracy. I do not believe that we are so lacking in stability that we will lose faith in our own way of living just because we seek to find out how to make that way of living work more effectively.

The propaganda has gone forth from Washington that the purpose of the Senator from Idaho [Mr. BORAH] and my own purpose in introducing the licensing bill was to throttle private enterprise. The propaganda goes forth that the purpose of the President and the purpose of the executive departments is to overthrow private enterprise. It seemed to me, and I think it seemed to the other members of the Committee on the Judiciary, that it was of the utmost importance in such a situation for us to make at least this gesture toward business and put the Department of Commerce in the joint resolution.

The Department of Labor was left out, not to deprive labor of a part in the investigation, but because it was felt that all the facilities of that Department would be available anyway.

On page 5, beginning in line 13, is found this specific statement:

> The committee is authorized to utilize the services, information, facilities, and personnel of the Departments and agencies of the Government.

The new committee will use the Department of Labor. It will use its personnel, it will use its statistics, it will use all of its facilities.

Mr. SHIPSTEAD. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. SHIPSTEAD. If that is true, why name any Department?

Mr. O'MAHONEY. Because we are setting up a joint committee composed of Members of Congress and the heads of five executive branches, three of them Departments and two of them Federal agencies, with the thought of obtaining the coordinated work of both the legislative and executive branches of the Government. There is not a more important question before the people of America than that which is dealt with by the joint resolution. The procedure is not a new one. The Senator from Montana [Mr. WHEELER] indicated that belief a moment ago. We have had this procedure before, notably in the case of the Monetary Commission and the Industrial Commission.

Mr. SHIPSTEAD. I have no objection, but if the Senator will permit me, I want to say that if there is monopoly, as I think there is, no one suffers from it more than the farmer and the laborer.

Mr. O'MAHONEY. The Senator is quite right.

Mr. SHIPSTEAD. Therefore, if any Departments should be involved in the investigation and should be represented, they are the Department of Agriculture and the Department of Labor.

Mr. O'MAHONEY. We will use the facilities of all the Departments.

Mr. President, I hope the committee amendment will be agreed to.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. NORRIS. Would it not be just as reasonable to use the same argument that the Senator has now used against placing the Department of Commerce in the joint resolution because the facilities and personnel of that Department can be used?

Mr. O'MAHONEY. It would be, of course.

Mr. NORRIS. Then what is the difference between the two Departments? Why did the committee provide that the Department of Labor should be stricken out and that the Department of Commerce should be placed in the joint resolution?

Mr. O'MAHONEY. There is no difference between the Departments except that they have different functions. It was the judgment of the committee that as between the two, however, representation on the joint committee should be accorded to the Department dealing with business.

Mr. NORRIS. The Senator believes, after all, does he not, that the real reason for making this change is to prevent setting up a committee of 12 instead of a committee of 11?

Mr. O'MAHONEY. Of course.

Mr. NORRIS. The Senator said—and I agree with him—that it is not desirable to have a whole legislature on the committee, that it would become almost a mob, and function as the Senate does, perhaps, once in a while, because there are too many Members. Then, in the Senator's mind, the dividing line between a mob and a committee is the difference between 11 and 12, is it?

Mr. O'MAHONEY. Of course, the Senator is one of the most skillful debaters who ever trod the floor of this Chamber, and I should be very loath to engage with him in any controversy, but, if I may say so, I think he is just quibbling a little bit upon that issue.

I hope the amendment of the committee will be adopted.

Mr. HATCH. Mr. President, when the previous committee amendment was submitted to a yea-and-nay vote, before the vote was commenced I sought to obtain recognition from the Chair. I wanted to explain my position on that amendment, and the explanation I would have made then applies to the pending amendment as well. It is simply this: Those of us who served on the Committee on the Judiciary had several matters to contend with in our efforts to have the joint resolution favorably reported to the Senate. I believe if we had not entered into certain compromises—represented by the amendment which was rejected and the pending amendment—we might not have before us any joint resolution to be considered at this time. Having given some thought to arranging this compromise and to having the joint resolution reported to the Senate, I felt as a member of the committee that it was my duty and obligation to support the committee's recommendations. For that reason I voted as I did on the preceding amendment.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. HATCH. I yield.

Mr. NORRIS. I fully understand the Senator's statement that he feels bound to support the committee amendment because it was agreed upon in the committee.

Mr. HATCH. And because I myself took part in bringing about a favorable report by the committee of the joint resolution.

Mr. NORRIS. I was on the committee, and was present during the discussion, but I do not feel the way the Senator feels with respect to the matter. I do not feel that I am taking a dishonorable course when I oppose the action of the committee. I do not care to bring that point into the discussion. I want to ask the Senator if his argument does not come down to this, that he thinks the amendment should be defeated, but he is going to support it because he had part in having certain compromise amendments placed in the joint resolution?

Mr. HATCH. Mr. President, as the Senator from Nebraska was propounding his question, I could not help but recall what the Senator from Wyoming just said concerning the skillfulness in debate of the Senator from Nebraska. His question would put me in a position which is not my position. I merely rose to say what I have said about the action taken in the committee, and my action on the floor. I may also say that the position of the Senator from Nebraska on the floor of the Senate is absolutely consistent with his position in the committee, as I recall it. Certainly nothing I say may be construed as a charge or insinuation of any dishonorable conduct on the part of any Senators who have made up their minds with respect to the pending matter. What I say applies to myself alone. But I feel that the committee amendment now under discussion should receive my support, and I shall vote for it.

Mr. KING. Mr. President, for a number of years there have been requests made of the legislative branch of the Government for a comprehensive study of the question of trusts and monopolies, and I share the view now that such a study should be made. I believe that such study should be made by the Committees on the Judiciary of the House and Senate, or by a special committee authorized by Congress and empowered to enter upon this important task. I repeat that the task is a legislative one and that only by legislation may such evils as are found to exist by reason of monopolistic control of any part of our industrial and economic life be corrected. Unfortunately there has been a tendency upon the part of the executive branch of the Government to enter upon fields which belong exclusively, under our form of government, to the legislative branch of the Government, and undoubtedly efforts have been made to subordinate the legislative branch of the Government to executive agencies, departments, bureaus, and other instrumentalities.

That efforts have been made from time to time to increase the power of the executive department must be admitted by all. Certainly efforts have been made to have executive agencies take over functions which belong to the Congress. I might add that that view is regnant in many parts of the world today, and legislatures are being reduced to mere shadowy forms. In most of the countries of the world today a disposition is manifested to strengthen the hands of the central government, to build up powerful and almost unlimited executive authority, and to place in the hands of one person, or a limited number, dictatorial authority. Certainly this is true in Germany, Russia, Italy, and in China, and in other countries with which Senators are familiar. I believe that a candid study of the present and of the future, by those familiar with world conditions today, will support the view that legislative branches of government are being weakened, if not destroyed, and the executive branches are assuming almost unlimited authority. Under a democratic form of government such a situation is intolerable. Certainly in this Republic which, as we contend, presents a constitutional form of government, so long as the letter and the spirit of the Constitution are observed, the enumerated powers in the Constitution must be respected, and the authority of the legislative branch of the Government must not be interfered with or in the slightest degree impinged upon.

If the balance of power is disturbed, then our form of government will be jeopardized. The executive department has certain functions; the judicial department of the Government has definite and prescribed authority; and the legislative department of the Government has conferred upon it duties and responsibilities and authority of which it cannot be deprived if, to repeat, our Government and democratic institutions are to be preserved. Undoubtedly there are some who are determined to weaken the judicial department and to strip the legislative branch of the Government of authority and power which it possesses and which it must possess if the liberties of the American people are to be preserved.

It is regrettable that some agencies of the Government, bureaus and executive organizations are greedy for power and seek to intrude into fields which are denied them under the Constitution. Frequently criticisms are made by Senators and by persons in private life of the arrogance of executive agencies, of bureaus, and petty representatives of executive departments. There seems to be a growing feeling that the Government is in their hands and that the legislative department exists only to vote appropriations at their behest and demand.

With reference to the question of monopolies, I have believed for a number of years that the Sherman antitrust law, the Clayton Act, and other provisions aimed against monopolies and trusts should be strengthened. If the Senate will pardon a personal allusion, may I say that I have introduced in the Senate during the past 10 or 15 years measures calling for an investigation of the operation of the antitrust laws with a view to determining what amendments should be made in order to strengthen them and make them more effective. Undoubtedly there have been monopolistic activities harmful to legitimate business and injurious to many of our people. In nearly every branch of trade, industry, and commerce there are evidences of efforts to build up monopolies and to control production and the channels of trade and commerce.

In 1924 I was a member of the platform and resolutions committee of the Democratic Party in its national convention at New York. I drew the plank which is found in the Democratic platform of that year in which monopolies were denounced and the Democratic Party pledged to make such laws as were necessary to strengthen the antitrust laws in order to protect the competitive system and to prevent monopolistic control of our industrial and economic life. As stated, upon various occasions since I have offered resolutions in the Senate calling for the appointment of committees to investigate our economic situation and to formulate measures to strengthen the antitrust laws now upon the statute books. Unfortunately, I have found but little support for the resolutions which I have offered.

I think the wise course to pursue—and that seemed to be the thesis of my friend from Nebraska [Mr. NORRIS] yesterday—is for the Congress of the United States, the legislative branch of the Government, which is charged with the duty and responsibility of enacting laws to control monopolies, to take charge of a committee, or an organization, or an investigation of monopolies, with a view to making a thorough study and recommending legislation dealing with monopolistic practices.

I do not think the executive department is charged with the duty of legislation. It may make recommendations for legislation, but the duty to legislate rests upon the Congress of the United States. The President may make recommendations pursuant to his duty under the Constitution of the United States; but the executive departments of the Government do not constitute the legislative branch of the Government. Congress should make a study of monopolies and trusts. That duty rests upon the Congress and not upon the executive department. I am opposed to the theory that all legislation must originate with the executive department, the subbureaus, agencies, and instrumentalities which owe their existence to laws passed by the Congress.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. KING. I yield.

Mr. HATCH. I believe in the separation of the different Departments of the Government, and that each Department should perform its separate constitutional function.

Mr. KING. I am glad the Senator makes that statement, because so many Democrats no longer believe in that theory.

Mr. HATCH. The Senator has referred to the duty of the executive branch of the Government to send messages to the Congress recommending legislation. What harm is there in the executive branch of the Government conducting an investigation of monopolistic practices in order that the executive department may perform its constitutional function and obtain necessary information to make recommendations to the Congress?

Mr. KING. Mr. President, the Senator from New Mexico will soon be in the same category as the able Senator from Nebraska [Mr. NORRIS], who is so skillful, so adroit, and so subtle.

Mr. HATCH. The Senator pays me a very high compliment.

Mr. KING. The Senator from New Mexico is entitled to many compliments; more, perhaps, than I have paid him in the past but not as many as I should like to pay him.

It is the prerogative of the President to make recommendations to the Congress for legislation. However, an investigation is proposed by the pending measure. I think the Congress of the United States, the legislative branch of the Government, should make the investigation.

Mr. HATCH. If the Senator will yield once more, I promise not to interrupt him again.

Mr. KING. Certainly.

Mr. HATCH. The thought which I had throughout the hearings is that the different Departments of the Government are separate, but I see no reason why they should not cooperate and work together at times. Certainly the doctrine of separability of power does not include the doctrine of antagonism.

Mr. KING. I agree with the Senator; but the point I am trying to emphasize is that the responsibility rests upon Congress to make such investigations as it may deem proper to enable it to legislate. I feel that it might be a mistake to yoke the executive departments and the Congress together in the investigation to which reference has been made. However, that course has been agreed upon, and I shall not cover the ground which has been discussed. However, in view of the fact that the investigation is to be made by two Departments, I think that the legislative branch of the Government should be in control in making the investigation.

There is much to be said in support of the position taken by my friend from Nebraska [Mr. NORRIS]. Personally, I do not care whether it is the Department of Labor or the Department of Commerce which is to be included. I am opposed to giving control of the membership of the committee to the executive department. I think the legislative branch, the Senate and the House, should have control of the membership. However, as between the two Departments which have been mentioned, I have very little choice, although it seems to me there is much to be said in support of the view that the Department of Commerce is perhaps in a position to furnish us more information respecting trade and commerce, domestic and foreign, than is the Department of Labor. Therefore, I shall vote to sustain the committee.

Mr. LA FOLLETTE. Mr. President, since I am not a member of the Judiciary Committee, I have not participated in framing the joint resolution. Therefore I shall not waste any of the time of the Senate in debating the advisability of the proposal which has been recommended for a joint committee made up of Members of the Senate and House of Representatives of the executive departments, since that policy has already been determined. I understand there is no effort to alter the character and composition of the committee.

However, since this method of procedure is to be followed, and since this type of organization is to be set up to make the investigation, it seems to me that it would be a great mistake for the Senate to strike out, as is recommended by the committee, the Department of Labor, and substitute therefor the Department of Commerce. The Senator from Wyoming [Mr. O'MAHONEY] acknowledged that no other group in the country is more interested in the question of monopoly, and no other group feels the impact of monopoly more, than the wage earners of the United States; and yet it is proposed by the committee itself to strike out the Department which represents——

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. O'MAHONEY. There is a great difference between saying that the wage earners are to be represented and saying that a representative of the Department of Labor should be on the committee.

Mr. LA FOLLETTE. If the Senator had permitted me to finish my sentence he would not have interrupted me. The Department of Labor was set up to represent the interests and the point of view of labor, and the wage earners of the United States. The only representation of labor's point of view which labor will have will be through the Department of Labor if the committee amendment is rejected.

Mr. President, I do not believe that a majority of the Senate will take the position that the Department of government which was created to represent the viewpoint of the wage earners of the United States and which has reflected it through its long record shall be stricken from this committee, and that the Department of Commerce shall be substituted therefor.

Mr. DAVIS. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield to the Senator from Pennsylvania.

Mr. DAVIS. What reasons did the committee assign for striking out the Department of Labor and substituting the Department of Commerce?

Mr. LA FOLLETTE. The only thing I heard from the Senator from Wyoming which sounded to my ears like an argument was the fact that some rumors had been floating around Washington, and that the committee had a tough time reporting the joint resolution, and that for some reason or other the committee recommendation is to carry out some kind of compromise within the Judiciary Committee, and to allay the rumors which have been floating around the Capital City.

Mr. O'MAHONEY. Mr. President, the Senator from Wisconsin will do me greater justice than to say that that was my argument.

Mr. LA FOLLETTE. I said that was the only portion of the Senator's argument which sounded to my ears like an argument.

Mr. O'MAHONEY. That was the only portion of the argument to which the Senator paid any attention.

Mr. LA FOLLETTE. The rest of the Senator's argument, if I may be permitted to say so facetiously, seemed to me to cover up the kernel which I have mentioned.

Mr. O'MAHONEY. I do not wish to interrupt the Senator, except to say that the object of the committee amendment is to indicate to the great commercial interests of the country that the purpose of the study is not punitive. In view of the great problem which confronts us, I think that is an important consideration.

Mr. LA FOLLETTE. Mr. President, if the only reason for the elimination of the Department of Labor and the substitution of the Department of Commerce is to allay the fears of some unknown, undesignated group in the United States that is apprehensive as to the character of the investigation which may be conducted, then I may say that the amendment proposed is futile on its face. That which will convince any persons in the United States who have any apprehension about the purpose of the inquiry and the investigation authorized by the joint resolution will be the type of inquiry and investigation which is made after the committee is set up. The protestations from Senators and technical amendments to the resolution will not accomplish anything in advance of the committee beginning its work.

I sum up by saying that I think it would be a very bad policy for the Senate of the United States to eliminate the Department of Labor and substitute therefor the Department of Commerce, in view of the acknowledged impact of

monopoly and monopolistic practices upon the toiling masses of the country.

Mr. POPE. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I have concluded, but I am glad to yield.

Mr. POPE. I merely wish to call the attention of the Senate to the fact that in the President's message throughout—I have taken the trouble in the last few minutes to read it—labor and capital are mentioned as the two elements to be studied particularly by this committee. For instance, in the very opening part of his message he refers to the necessity for employment, and the very last sentence is:

> For idle factories and idle workers profit no man.

As I have examined the President's message, capital and labor are the two elements to which the President referred oftener than to anything else. His message is shot through and through with references to the part that labor has in such an investigation.

Mr. LA FOLLETTE. The Senator is absolutely correct about that.

Mr. O'MAHONEY. Mr. President, will the Senator from Wisconsin yield to me?

Mr. LA FOLLETTE. I yield.

Mr. O'MAHONEY. I yield to no Member on this floor in my devotion to the interests of the wage earners. I yield to no Member of the Congress in my desire and effort to achieve social justice for the workers of the country. But I feel that the argument which is being made here is not being made upon a sound basis.

Let me call the attention of the Senator from Idaho and the Senator from Wisconsin to the recommendation which the President made. This is to be found on page 7 of Senate Document No. 173. His recommendation was:

> I recommend an appropriation of not less than $500,000 for the conduct of such comprehensive study by——

Then he names three agencies—

> the Federal Trade Commission, the Department of Justice, the Securities and Exchange Commission, and such other agencies of Government as have special experience in various phases of the inquiry.

The Department of Labor was not mentioned by the President. Into the pending joint resolution has been written the provision as clear as language can make it that this committee shall have the power to use the personnel and the facilities of every Department of the Government. That includes, of course, the Department of Labor, and it will be the intention of the committee to use it.

Mr. LA FOLLETTE. Mr. President, I am not questioning the Senator's record nor his interest in the problems of the wage earners, but I am saying, the Department of Labor having been incorporated as one of the agencies to participate in the investigation in the joint resolution when it was introduced, it would be a serious mistake for the Senate to take it out and to substitute for it the Department of Commerce, on the theory that such action might allay the alleged fears of some persons. I maintain that the Senate should not eliminate from this committee the Department of Labor which represents the point of view of the wage earner in the United States. I hope the committee amendment will be rejected.

The PRESIDING OFFICER (Mr. SCHWARTZ in the chair). The question is on the amendment reported by the committee.

Mr. NORRIS. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. The yeas and nays are demanded. Is the demand seconded?

Mr. NORRIS. I withdraw the request temporarily.

The PRESIDING OFFICER. The question is on the amendment of the committee.

The amendment was rejected.

Mr. O'MAHONEY. Mr. President, I now move, after the words "Department of Labor", that the words "Department of Commerce" be inserted in line 2, page 2.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Wyoming [Mr. O'MAHONEY].

The amendment was agreed to.

Mr. O'MAHONEY. Mr. President, after the joint resolution was reported from the committee the legislative drafting service called my attention to an apparent source of misinterpretation in section 5. This section is one which gives the committee the power to summon witnesses and compel testimony, and so forth. The language in lines 16, 17, and 18 apparently confers this power "with respect to studies and investigations conducted pursuant to the act of August 26, 1935," that being the Public Utilities Act. Of course, it is not the purpose to restrict the investigation to the purposes of that act, but that the investigation shall be made for all the purposes of this joint resolution, I therefore send the following amendment to the desk and move its adoption.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 6 it is proposed to strike out all of section 5 and, in lieu thereof, to insert the following:

> SEC. 5. For the purpose of this joint resolution, the committee, or any subcommittee designated by it, shall be entitled to exercise the same powers and rights as are conferred upon the Securities and Exchange Commission by such subsection (c) of section 18 of the act of August 26, 1935 (49 Stat. 831); and the provisions of subsections (d) and (e) of such section shall be applicable to all persons summoned by subpena or otherwise to attend and testify or to produce books, papers, correspondence, memoranda, contracts, agreements, or other records and documents before the committee.

Mr. AUSTIN obtained the floor.

Mr. NORRIS. Mr. President, I wish to call the attention of the Senator from Wyoming to page 4.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. NORRIS. Yes.

Mr. O'MAHONEY. There is an amendment pending.

Mr. NORRIS. I was not aware of that.

Mr. AUSTIN. Mr. President, I am certainly willing to give up the floor to the Senator from Nebraska.

Mr. NORRIS. I did not know the Senator from Vermont had the floor.

Mr. AUSTIN. I understood I had the floor.

Mr. NORRIS. Very well.

Mr. AUSTIN. But I will yield to the Senator from Nebraska.

Mr. NORRIS. All I want to do is to suggest a perfecting amendment that, on account of the rejection of the committee amendment, ought necessarily to be agreed to.

Mr. AUSTIN. Very well; I yield to the Senator.

Mr. NORRIS. On page 4, commencing with line 17, subsection (b), the committee amendment already agreed to name the Departments of Government except the Department of Labor. That committee amendment has already been agreed to. I ask unanimous consent that the vote by which the amendment was agreed to may be reconsidered.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the vote by which the committee amendment was agreed to is reconsidered.

Mr. NORRIS. Now, Mr. President, I move to insert after the word "Treasury"—it could come in anywhere, I presume—in line 18, the words "Department of Labor."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Nebraska to the amendment reported by the committee.

The amendment to the amendment was agreed to.

The amendment, as amended, was agreed to.

Mr. NORRIS. I thank the Senator from Vermont. I was not aware when I addressed the Chair that the Senator from Vermont had the floor.

Mr. AUSTIN. Mr. President, I should like to ask the Senator from Wyoming for an explanation of a certain characteristic of the amendment now being considered. As I study it, the effect of it upon section 5, on page 6 of the joint resolution, is to strike out any reference to the courts of the United States which appears in that section.

Mr. O'MAHONEY. No; the Senator from Nebraska [Mr. NORRIS] just asked me the same question, but not on the floor. That is only the apparent effect. The courts are not named in the joint resolution, but they are named in the paragraph of the act which is adopted; so that the courts have exactly the same powers which were granted in the joint resolution as reported.

Mr. AUSTIN. The reference to the act of August 26, 1935, is a reference to a certain section and subsections relating to investigations by the Securities and Exchange Commission, injunctions, enforcement of title, and prosecution of offenses.

Mr. O'MAHONEY. Will the Senator look at subdivision (d)?

Mr. AUSTIN. Yes, Mr. President; I am looking at it. I did not quite understand why the Senator from Wyoming wanted, in effect, to strike out the words "and the courts of the United States", and again to strike out "and upon such courts with respect to studies and investigations conducted pursuant to the act of August 26, 1935."

Mr. O'MAHONEY. I did not want to strike them out in the sense of depriving the courts of any power which was granted in the original joint resolution, and no change is made in that respect by this amendment. As I indicated to the Senator when I called the matter to his attention earlier in the day, this is a draft which was handed to me by the legislative counsel for the Senate; and the only effect of the amendment is to eliminate the source of misinterpretation which is to be found in lines 16, 17, and 18, whereby the power granted is apparently tied to the studies and investigations conducted pursuant to the act of August 26, 1935. With the elimination of that language and the redraft, we have everything in the world that we had before, but we eliminate any possibility of misunderstanding.

Mr. AUSTIN. Does the Senator regard it as a judicious grant of power to give to any one person designated by the committee all of the powers which are contained in the act referred to with reference to subpena, punishment for contempt, and so forth?

Mr. O'MAHONEY. Mr. President, I see nothing wrong in that. It is to be presumed that the committee will act with the entire scope of the joint resolution in mind, and will not in any sense abuse its power. Of course, if this work is to be done, it is to be done during the recess of Congress; and the authority to appoint subcommittees was agreed to by the Senate committee.

Mr. AUSTIN. Mr. President, I should not have so much doubt about the wisdom of that if this were purely a legislative committee; but, having spread it out as we have, I have grave doubt of the wisdom of it. In no way, however, do I intend to vote for the joint resolution. Therefore, I shall not impede its progress.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. AUSTIN. Yes.

Mr. O'MAHONEY. In order to meet the suggestion of the Senator, I modify my amendment by striking out the word "person", the twelfth word in the amendment, and substituting in lieu thereof the word "subcommittee", so that the power is extended to the full committee or any subcommittee appointed by it.

Mr. AUSTIN. Mr. President, I thank the Senator for that change. I think it is a good change.

I probably shall not have an opportunity again to express my general views about the joint resolution. I desire to say that I am persuaded by the amendments which have been made on the floor of the Senate to vote against the joint resolution. I should have voted for it had it not been changed into the condition in which it now is.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Wyoming, as modified.

The amendment, as modified, was agreed to.

Mr. LOGAN. Mr. President, I desire to offer an amendment to the pending joint resolution; and, since it is a little difficult to read what I have written, if there is no objection, I will read it.

At the end of line 5, on page 3, I move to insert the following:

Shall investigate the subject of governmental adjustment of the purchasing power of the dollar so as to attain 1926 commodity price levels; and.

I offer that amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Kentucky.

Mr. O'MAHONEY. Mr. President, the Senator's amendment is taking us rather far afield, and is inserting something which was not included within the President's message; but I shall be very glad at least to take the amendment to conference.

Mr. LOGAN. That is very kind of the Senator; but I may say to him that if he will investigate his own joint resolution he will find that it nibbles all around this subject.

Mr. O'MAHONEY. All around it, but without biting it.

Mr. LOGAN. I thank the Senator, however, for his willingness to accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Kentucky.

The amendment was agreed to.

Mr. O'MAHONEY. If there be no further amendments, I ask that the question be put on the passage of the joint resolution.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. O'MAHONEY subsequently said: Mr. President, shortly after the passage of the joint resolution creating a temporary national economic committee to study the problem of monopoly I discussed the subject matter of the joint resolution over the radio, at the invitation of the Columbia Broadcasting System. I ask unanimous consent that this talk may be printed in the RECORD as part of my remarks at the conclusion of the debate.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Wyoming? The Chair hears none, and it is so ordered.

The address is as follows:

THE PROPOSED MONOPOLY STUDY

In a memorable message addressed to the Congress on April 29, President Roosevelt recommended "a thorough study of the concentration of economic power in American industry and the effect of that concentration upon the decline of competition." Today, the United States Senate adopted and sent to the House a resolution authorizing that study. If the resolution is finally enacted and the study is actually completed, it may easily be that the message of April 29 will go down in history as the most significant Presidential utterance of a generation, for it deals with a fundamental problem which affects the whole world—not America alone, but the whole world. More than that, it affects the very philosophy of government itself; and on the manner in which it is settled depends the answer to the question now being propounded wherever men consider the appalling disorders that beset mankind, "Can democratic government endure?"

The proposed study has been popularly called "the monopoly investigation" and it has been represented in some of the reports which have gone out of Washington as a sort of punitive political expedition of the New Deal designed to harass and upset business. Some commentators have professed to see in it a movement inimical to private enterprise and even to our form of government itself.

PROTECTION OF FREE ENTERPRISE

Let me say, therefore, at the outset, that no one can read the President's message with a calm mind and entertain such a belief. "No man of good faith will misinterpret these proposals," the President told us in making his recommendation. "They derive from the oldest American traditions. Concentration of economic power in the few and the resulting unemployment of labor and capital are inescapable problems for a modern 'private enterprise' democracy. I do not believe that we are so lacking in stability that we will lose faith in our own way of living just because we seek to find out how to make that way of living work more effectively." That is precisely the purpose of the President's proposal and the objective of my resolution, to find the way to make our democratic system of free private enterprise work so as to afford employment and plenty for every citizen. "It is a program," again in the words of the President, "to preserve private enterprise for profit by keeping it free enough to be able to utilize all our resources of capital and labor at a profit."

There can be no misunderstanding, therefore, of the purpose of this study. It is to maintain private enterprise, to preserve the profit system, and to protect the democratic form of government. Here is no plan to establish big government at the expense of our traditional institutions. Here is only a plan to find the way whereby the combined concentration of economic power and wealth can be prevented from destroying both economic freedom and political liberty. It can be laid down as an axiom of human existence that political liberty cannot long endure when economic freedom is lost. It is the loss of economic freedom which has been the most baleful result of our failure to restrain the concentration of economic power. The millions of American citizens now idle and dependent upon the Government for a miserable subsistence are not economically free, for they cannot support themselves in our highly organized, machine-made civilization, by their own unaided efforts.

This is a condition which was foreseen some 50 years ago when the leaders of American political thought began to turn their thoughts toward what has been called "antitrust" legislation. The Sherman law, enacted by Congress in 1890, was a prohibition by the Federal Government against combinations in restraint of trade—that is to say, mergers by which free competition among men was suppressed.

Before 1890, and even then, the problem was not very acute because business was essentially local and any man who was willing to exert himself was able to support himself. With the progress of invention, however, as electricity began to reduce the significance of time and space, business began to spread beyond State lines and, more important, the control of this spreading business began to concentrate in fewer and fewer hands. Today, it may almost be said that practically all the business that matters is national in its scope and that very little of this is susceptible of regulation by the States. The business organization has become more important than the States and a larger and larger proportion of our people have become absolutely dependent upon these organizations for their existence.

Because we had no national rule by which this national business could regulate itself, no national rule to preserve economic freedom, the demand for intervention by the Federal Government began to grow, and this intervention always took the form of discretionary regulation, which was frequently resented as interference.

DICTATORSHIP THE PRODUCT OF CONCENTRATION

The significant thing is that big business gave birth to big government. Concentrated economic control produced concentrated political control. What the result of that may be we can see by looking back into the Old World. The President pointed it out in his monopoly message:

"The liberty of a democracy is not safe," he declared, "if the people tolerate the growth of private power to a point where it becomes stronger than their democratic state itself. That, in its essence, is fascism—ownership of government by any individual, by a group, or by any other controlling private power."

That's what the President said. No one can dispute it. The dictatorships of modern Europe are the product of economic concentration. The way to prevent dictatorships, either private or public, is to maintain the economic freedom of the people.

My resolution is intended to help the President to find the way to do that. It creates a temporary national economic committee. I called it a "temporary" committee just to emphasize the necessity for early action. This committee is to consist of six Members of the Congress and five representatives of the executive Departments and agencies. Three of the Members from the Congress are to be Senators, appointed by the Vice President, and three are to be Members of the House of Representatives, to be appointed by the Speaker. The purpose of having Members of Congress on the committee is to enable Members of the National Legislature, which will have to pass any law that may be necessary, to have first-hand knowledge of the whole study.

The executive branches named in the resolution are the Department of Justice, the Department of the Treasury, the Department of Labor, the Department of Commerce, the Securities and Exchange Commission, and the Federal Trade Commission. Each of these Departments or agencies deals intimately with various phases of the national business machine.

Justice is charged with the enforcement of the antitrust laws. Treasury, through the Procurement Division, purchases all the vast amount of supplies needed by the Government in all its ordinary and emergency activities. It also collects the revenues.

Commerce is the Department through which annually huge sums are expended to encourage business. The Bureau of Foreign and Domestic Commerce alone has agents all over the globe seeking to aid American businessmen.

The Department of Labor, as everyone knows, was created for the purpose of giving special recognition in the Government establishment to wage earners in commerce and industry. One of the most important objectives of the resolution is to seek the cause and the cure of unemployment and it was believed that the special facilities of this Department would be made particularly effective by representation on the committee.

The Securities and Exchange Commission, created by this administration, has done a splendid piece of work for the protection of the American investor. It is equipped with special knowledge with respect to the structure and powers of corporations, the artificial agencies through which the national business is carried on.

Finally, there is the Federal Trade Commission. This body, created during the administration of Woodrow Wilson, is familiar with unfair trade practices. It has conducted many investigations into various phases of business and knows the methods which have been used to fix prices and suppress competition.

Thus we have a joint legislative and executive committee which, in the opinion of Representative HATTON W. SUMNERS, of Texas, chairman of the House Committee on the Judiciary (who cooperated in the drafting of the resolution and introduced it in the House) and myself, is ideally suited to conduct the broad study here required. The structure of the committee affords an opportunity for close cooperation between the lawmaking and the law-enforcing branches of the Government and the development of sound, well-considered recommendations.

It is made the duty of this group to go fully into all the subjects mentioned in the President's message—monopoly, concentration of economic power, control over production and distribution, the effect of price policies, tax, patent, and other Government policies upon competition, unemployment, profits, and consumption. To make this study, the committee is authorized to utilize the services, information facilities, and personnel of all the Departments and agencies of the Government, whether or not represented on the committee.

It is provided that at the beginning of the next session of Congress, that is to say in January 1939, the committee is to make a report to the President and the Congress. This report is to cover recommendations for legislation on all the matters of inquiry, recommendations for improvement of antitrust policy and procedure, and for the establishment of national standards for corporations engaged in interstate and foreign commerce. The committee is given all the powers necessary for developing the facts and an appropriation of $500,000 is authorized to enable the committee to carry out its functions.

OPPORTUNITY FOR CONSTRUCTIVE REFORM

Thus is created an instrumentality, equipped to gather and coordinate the factual information necessary to a constructive solution of our economic problems. Speaking for myself, I am not at all concerned in anything that has transpired in the past save as it may be a guide to the future. I am not concerned even with violations of law that may have been committed. I know that there is more profit to be made in the future and by more people than was ever accumulated in the past. Our only task is to find the formula by which artificial restraints of all kinds can be removed and the enterprise of all our people released.

To bring prosperity to all the people, it is not necessary to take it away from any of them. To secure a better distribution of wealth, it is not necessary to deprive any person of what he has already accumulated. All the wealth that really matters is yet to be made. It is the wealth that is to be produced by free men from whom opportunity is not wrongfully or stupidly withheld by other men.

The anomalous fact that stares us all in the face is that the world produces more than enough to enable everybody to enjoy plenty, but millions, through no fault of their own, are in want and misery. The whole economic system has broken down because we have permitted it to be privately controlled for the advantage of those exercising the control instead of seeing to it that it is publicly controlled for the benefit of all.

To achieve that public control for the benefit of all is the object of this study. It is a task to be performed in a spirit of tolerance and understanding by men of good will.

Let me send you a copy of the President's message and of this resolution.

INVESTIGATION OF AIR- AND OCEAN-MAIL CONTRACTS

Mr. KING. Mr. President, some time ago—it seems a century ago—a committee was created known as the Black Investigating Committee of which the Senator from Vermont and the Senator from Maine and myself were members. We have concluded our labors. We have a large number of files containing testimony. I desire to submit a resolution.

Mr. LA FOLLETTE. Mr. President, I may say that a Senator who is now absent from the floor indicated some interest in this matter, and I shall have to object.

Mr. KING. Was it the Senator from Maine [Mr. WHITE]?

Mr. LA FOLLETTE. No; another Senator. I shall have to object to the resolution being submitted at this time.

Mr. KING. I will introduce it and——

Mr. LA FOLLETTE. No; I object to its being introduced, Mr. President.

Mr. KING. I present it, and ask that it lie on the table.

Mr. LA FOLLETTE. It cannot be submitted except in the morning hour unless unanimous consent is granted.

The PRESIDING OFFICER. Objection is made.

AMENDMENT TO WALSH-HEALEY PUBLIC CONTRACTS ACT—RECONSIDERATION

Mr. KING. Mr. President, when the calendar was called on Tuesday last I had intended to move a reconsideration, in order to secure a further explanation, of Senate bill

2165, to amend the act entitled "An act to provide conditions for the purchase of supplies and the making of contracts by the United States and for other purposes." In the haste, I omitted to carry out my intention. I now move that the House of Representatives be requested to return the bill to the Senate.

The PRESIDING OFFICER. The question is on the motion of the Senator from Utah.

The motion was agreed to.

The PRESIDING OFFICER. The House will be requested to return the bill to the Senate.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, returned to the Senate, in compliance with its request, the bill (H. R. 146) to require contractors on public-building projects to name their subcontractors, material men, and supply men, and for other purposes.

The message announced that the House had agreed to the amendment of the Senate to the bill (H. R. 9610) to amend the National Firearms Act.

The message also announced that the House had agreed to the amendments of the Senate to each of the following bills of the House:

H. R. 10261. An act authorizing the town of Friar Point, Miss., and Coahoma County, Miss., singly or jointly, to construct, maintain, and operate a toll bridge across the Mississippi River from a point at or near the town of Friar Point, Coahoma County, Miss., to a point at or near Helena, Phillips County, Ark.; and

H. R. 10459. An act to amend certain provisions of law relative to the production of wines, brandy, and fruit spirits so as to remove therefrom certain unnecessary restrictions; to facilitate the collection of internal-revenue taxes thereupon; and to provide abatement of certain taxes upon wines, brandy, and fruit spirits where lost or evaporated while in the custody and under the control of the Government without any fault of the owner.

The message further announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 6246) to provide for placing educational orders to familiarize private manufacturing establishments with the production of munitions of war of special or technical design, noncommercial in character, asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. MAY, Mr. THOMASON of Texas, Mr. HARTER, Mr. CLASON, and Mr. ARENDS were appointed managers on the part of the House at the conference.

The message also announced that the House had passed a bill (H. R. 10851) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1938, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1938, and June 30, 1939, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message also further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 593. An act for the relief of the estate of W. K. Hyer;

S. 988. An act to amend an act entitled "An act to establish in the Bureau of Foreign and Domestic Commerce of the Department of Commerce a Foreign Commerce Service of the United States, and for other purposes", approved March 3, 1927, as amended;

S. 1274. An act for the relief of John H. Owens;

S. 1878. An act for the relief of Mary Way;

S. 2009. An act to authorize the payment of certain obligations contracted by the Perry's Victory Memorial Commission;

S. 2051. An act for the relief of John F. Fitzgerald;

S. 2208. An act for the relief of Bruce G. Cox and Harris A. Alister;

S. 2417. An act for the relief of Samuel L. Dwyer;

S. 2553. An act for the relief of E. E. Tillett;

S. 2566. An act for the relief of the Blue Rapids Gravel Co., of Blue Rapids, Kans.;

S. 2643. An act for the relief of Mr. and Mrs. James Crawford;

S. 2798. An act for the relief of Edith Jennings and Patsy Ruth Jennings, a minor;

S. 2802. An act for the relief of Carl Orr, a minor;

S. 3002. An act for the relief of the holders of the unpaid notes and warrants of the Verde River irrigation and power district, Arizona;

S. 3056. An act for the relief of Dorothy Anne Walker, a minor;

S. 3102. An act for the relief of the estate of Raquel Franco;

S. 3111. An act for the relief of the estate of Lillie Liston, and Mr. and Mrs. B. W. Trent;

S. 3147. An act for the relief of Mr. and Mrs. S. A. Felsenthal, Mr. and Mrs. Sam Friedlander, and Mrs. Gus Levy; and

S. 3300. An act for the relief of Pearl Bundy.

HOUSE BILL REFERRED

The bill (H. R. 10851) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1938, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1938, and June 30, 1939, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

MARK H. DOTY

The PRESIDING OFFICER (Mr. SCHWARTZ in the chair) laid before the Senate the amendments of the House of Representatives to the bill (S. 2876) for the relief of Mark H. Doty, which were, on page 1, line 4, to strike out all after "Treasury" down to and including "Corps" in line 6, and insert "not otherwise appropriated"; and on the same page, line 8, to strike out all after the word "States" down to and including "(2)" in line 9.

Mr. SMITH. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

INVESTIGATION OF THE W. P. A.

Mr. KING. Mr. President, a few days ago I submitted Senate Resolution 284, calling for an investigation of the Works Progress Administration. I find that the resolution must go to the Committee to Audit and Control the Contingent Expenses of the Senate. At the outset I did not understand that that was required under the rule.

I therefore ask to take the resolution from the table and, with one modification which I shall make before it is transmitted, changing "$10,000" to "$25,000", that it be referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

The PRESIDING OFFICER. Without objection, the resolution will be modified in accordance with the request of the Senator from Utah and referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

FLOOR-STOCK TAX ON DISTILLED SPIRITS, EXCEPT BRANDY

Mr. BARKLEY. Mr. President, I move that the Senate proceed to the consideration of House Joint Resolution 683, Calendar No. 2145.

The PRESIDING OFFICER. The question is on the motion of the Senator from Kentucky.

The motion was agreed to; and the Senate proceeded to consider the joint resolution (H. J. Res. 683) to provide for a floor-stock tax on distilled spirits, except brandy.

Mr. BARKLEY. Mr. President, if any Senator desires an explanation of this measure, I am prepared to make it; but, if no one does, I hope we may vote on the joint resolution. It has been reported without amendment from the Committee on Finance, and takes care of a situation made necessary by the increase in the tax on distilled spirits carried in the revenue bill recently passed.

The House put an additional 25-cent tax on distilled spirits. The Senate committee and the Senate eliminated that tax, but when the measure went to conference the tax was retained. In order to avoid an unusual number of withdrawals between now and July 1, when the increased tax takes effect—which would have two effects, one to deprive the Government of nineteen to twenty million dollars of revenue, and the other to bring about some chaos in the business by unusual withdrawals in order to avoid the tax—this joint resolution has been passed by the House, providing for a floor tax on distilled spirits except brandy, which is not included in the increased tax of 25 cents.

So far as I know, there is no opposition to the joint resolution, and I hope it will be passed.

The PRESIDING OFFICER. The question is on the third reading and passage of the joint resolution.

The joint resolution was ordered to a third reading, read the third time, and passed, as follows:

Resolved, etc., That there shall be levied, assessed, collected, and paid a floor tax of 25 cents on each proof-gallon and a proportionate tax at a like rate on all fractional parts of such proof-gallon upon all distilled spirits, except brandy, produced in or imported into the United States upon which the internal-revenue tax imposed by law has been paid and which, on July 1, 1938, are held by a retail dealer in liquors in a quantity in excess of 250 wine-gallons in the aggregate or by any other person, corporation, partnership, or association in any quantity and which are intended for sale for beverage purposes or for use in the manufacture or production of any article intended for sale for beverage purposes.

Each retail dealer in liquors and each person required hereunder to pay the floor tax shall within 30 days after July 1, 1938, make return under oath in such form and under such regulations as the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, shall prescribe. Payment of the tax shown to be due may be extended to a date not exceeding 7 months after July 1, 1938, upon the filing of a bond for payment in such form and amount and with such surety or sureties as the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, may prescribe.

All provisions of law, including penalties, applicable in respect of internal-revenue taxes on distilled spirits shall, insofar as applicable and not inconsistent with this section, be applicable in respect of the floor tax imposed hereunder.

AUTHORIZATION OF FLOOD-CONTROL PROJECTS

Mr. COPELAND. Mr. President, I move that the Senate proceed to consider House bill 10618, Calendar No. 1967, the flood-control bill.

The PRESIDING OFFICER. The question is on the motion of the Senator from New York.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 10618) authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes, which had been reported from the Committee on Commerce with amendments.

Mr. COPELAND. Mr. President, I ask unanimous consent that the formal reading of the bill be dispensed with, that it be read for amendment, and that the amendments of the committee be first considered.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. BARKLEY. Mr. President, there should be a quorum present when this bill is considered, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Caraway	Harrison	Lundeen
Andrews	Chavez	Hatch	McAdoo
Ashurst	Connally	Hayden	McGill
Austin	Copeland	Herring	McKellar
Bankhead	Davis	Hill	McNary
Barkley	Dieterich	Hitchcock	Miller
Berry	Donahey	Holt	Milton
Bilbo	Duffy	Hughes	Minton
Bone	Ellender	Johnson, Calif.	Murray
Borah	Frazier	Johnson, Colo.	Neely
Brown, Mich.	George	King	Norris
Brown, N. H.	Gerry	La Follette	O'Mahoney
Bulow	Gibson	Lee	Overton
Burke	Glass	Lewis	Pepper
Byrd	Green	Lodge	Pittman
Byrnes	Guffey	Logan	Pope
Capper	Hale	Lonergan	Radcliffe
Reames	Schwellenbach	Thomas, Utah	Van Nuys
Reynolds	Sheppard	Townsend	Wagner
Russell	Shipstead	Truman	Walsh
Schwartz	Smith	Vandenberg	Wheeler

The PRESIDING OFFICER (Mr. HATCH in the chair). Eighty-four Senators having answered to their names, a quorum is present.

BRIDGE ACROSS NIAGARA RIVER, NIAGARA FALLS, N. Y.

Mr. COPELAND. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside, so that I may request the immediate consideration of House Joint Resolution 688, Calendar No. 2136. The joint resolution would create the Niagara Falls Bridge Commission, and authorize it to operate a bridge across the Niagara River between our country and Canada. The joint resolution has been passed by the House.

The PRESIDING OFFICER. Is there objection to the unfinished business being temporarily laid aside for the consideration of the joint resolution referred to by him?

There being no objection, the joint resolution (H. J. Res. 688) creating the Niagara Falls Bridge Commission, and authorizing said commission and its successors to construct, maintain, and operate a bridge across the Niagara River at or near the city of Niagara Falls, N. Y., was considered, ordered to a third reading, read the third time, and passed.

CONVEYANCE OF LAND TO LANE S. ANDERSON POST, NO. 297, VETERANS OF FOREIGN WARS

Mr. NEELY. Mr. President, I ask unanimous consent for the present consideration of House bill 9014, Calendar No. 2148, which provides for the conveyance of a parcel of land by the United States to the Lane S. Anderson Post, No. 297, Veterans of Foreign Wars.

The sole purpose of the bill is to authorize the Government to convey 0.74 of an acre of land, situated in South Charleston, W. Va., which it does not need, to the Veterans of Foreign Wars for the sum of $2,250. The War Department does not object to the passage of the bill.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia?

There being no objection, the bill (H. R. 9014) to authorize the conveyance to the Lane S. Anderson Post, No. 297, Veterans of Foreign Wars of the United States, of a parcel of land at lock No. 6, Kanawha River, South Charleston, W. Va., was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of War is authorized and directed to convey by quitclaim deed to the Lane S. Anderson Post, No. 297, Veterans of Foreign Wars of the United States, South Charleston, W. Va., for the sum of $2,250, a tract of land, together with the improvements thereon, situated on the left or south bank of the Kanawha River at lock No. 6, city of South Charleston, Kanawha County, W. Va., and more specifically described as follows:

Beginning at a stone monument at the southwestern corner of the tract of land, said point of beginning also being the intersection of the northeastern boundary line of F Street and the northwestern boundary line of Eleventh Avenue of said city; thence from the said point of beginning along the said F Street boundary line north 22°45′ west 312 feet to a point in the shore line of the Kanawha River; thence upstream along the shore line approximately 102 feet; thence south 23°30′ east exactly 312 feet to a point in the aforesaid northwestern boundary line of Eleventh Avenue; thence along this boundary line south 66°30′ west 104.8 feet to the point of beginning; containing 0.74 acre, more or less, subject to the perpetual right of the United States of America to flood such part of said land as may be necessary from time to time in the interest of navigation or flood control.

The land hereinbefore described was acquired by the United States of America by condemnation, recorded in the Kanawha County Circuit Court record book No. 4, pages 300 and 509, of the records of said county.

SEC. 2. The deed of conveyance of the property shall contain the following conditions:

"That in the event the grantee shall cease to use the property for the purposes of the organization, or shall alienate or attempt to alienate such property, title thereto shall revert to the United States.

"That the grantee shall at its own expense provide sewer connections with the municipal sewer system.

"That the grantee shall bear any expenses (other than the preparation of the deed of conveyance) necessary to accomplish the conveyance."

AUTHORIZATION OF FLOOD-CONTROL PROJECTS

The Senate resumed the consideration of the bill (H. R. 10618) authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes.

Mr. COPELAND. Mr. President, in accordance with the unanimous-consent agreement, I ask for the consideration of the committee amendments first, including a number which I propose on behalf of the committee.

The PRESIDING OFFICER. The clerk will state the first committee amendment.

The first amendment of the Committee on Commerce was, on page 4, after line 5, to insert:

MERRIMACK RIVER BASIN

The general comprehensive plan for flood control and other purposes, as approved by the Chief of Engineers pursuant to preliminary examinations and surveys authorized by the act of June 22, 1936, is approved and the project for flood control in the Merrimack River Basin, as authorized by the Flood-Control Act, approved June 22, 1936, is modified to provide, in addition to the construction of a system of flood-control reservoirs, related flood-control works which may be found justified by the Chief of Engineers.

The amendment was agreed to.

The next amendment proposed by Mr. COPELAND on behalf of the committee was, on page 5, after line 8, to insert:

MARSHY HOPE CREEK, MD.

The protection of the city of Federalsburg, Md., by a system of levees and flood walls in combination with channel improvement, in accordance with the report of the Chief of Engineers dated June 7, 1938, made pursuant to a preliminary examination and survey authorized by the act of June 22, 1936 (Public, No. 738, 74th Cong.), is hereby authorized at an estimated cost of $220,000.

The amendment was agreed to.

Mr. COPELAND. I think the amendment just agreed to is the one in which the Senator from Maryland [Mr. RADCLIFFE] is interested. I make the statement merely for the RECORD.

The PRESIDING OFFICER. The next amendment will be stated.

The next amendment proposed by Mr. COPELAND on behalf of the committee was, under the heading "Ohio River Basin", on page 6, line 6, after the word "further", to strike out the remainder of the proviso in the committee amendment and insert the following:

That the Secretary of War is hereby authorized and directed to reimburse the Muskingum Conservancy District in Ohio a sum not to exceed 70 percent of the actual expenditures made by it in acquiring lands, easements, and rights-of-way for reservoirs in the Muskingum River Valley, but such reimbursement shall not exceed $4,500,000, nor include any expenditures for lands, easements, and rights-of-way heretofore or hereafter purchased from said district by the United States.

The amendment was agreed to.

The next amendment proposed by Mr. COPELAND on behalf of the Committee on Commerce was, on page 8, after line 9, to insert:

For the purposes of preventing or controlling floods, and of facilitating navigation on the Ouachita River in Arkansas and Louisiana, authority is hereby conferred on the Secretary of War under the supervision of the Chief of Engineers to participate on behalf of the United States in the cost of construction of a multiple-use reservoir at the Blakely Mountain site on the Ouachita River in Arkansas, according to plans and estimates duly approved by the Secretary of War and the Chief of Engineers, pursuant to a resolution of the Committee on Flood Control of the House of Representatives, adopted May 11, 1938: *Provided*, That the sum of money expended in said participation shall not exceed a just and reasonable proportion of the total cost of the multiple-use reservoir as allocated according to the proportionate storage capacity reserved or utilized for flood-control purposes, nor exceed the estimated value of the flood control to be achieved, nor in any event to exceed the sum of $2,000,000: *Provided further*, That the Secretary of War is authorized to pay for said participation in said multiple-use reservoir out of any funds authorized for flood control when the flood-control portion of the project is completed: *Provided further*, That the Federal Power Commission is hereby authorized and directed to retain and exercise the authority heretofore conferred on it by law with respect to that portion of the project constructed and operated for power purposes: *Provided further*, That the improvements shall be operated and maintained at the expense of the private parties constructing said project in accordance with regulations approved by the Secretary of War and the Chief of Engineers with respect to navigation and flood control and by the Federal Power Commission with respect to the operations for power.

The amendment was agreed to.

The next amendment was, under the heading "Red River Basin", on page 9, line 2, after the words "value of", to strike out "the $62,000 excess value over charges" and insert "one-half of the $404,310 average annual profit from the sale of power as"; and in line 4, after the word "page", to strike out "63" and insert "94", so as to read:

The Denison Reservoir on Red River in Texas and Oklahoma for flood control and other purposes as described in House Document No. 541, Seventy-fifth Congress, third session, with such modifications thereof as in the discretion of the Secretary of War and the Chief of Engineers may be advisable, is adopted and authorized at an estimated cost of $54,000,000: *Provided*, That, because of the power features of this project, all lands, easements, and rights-of-way for the project shall be acquired by the United States and the local contribution for the flood-control portion of the project shall be in the form of a direct monetary contribution from States or political subdivisions: *Provided further*, That this contribution shall be a sum equivalent to 30 percent of the estimated value of the lands, easements, and rights-of-way assignable to the flood-control portion of the project, less the capitalized value of one-half of the $404,310 average annual profit from the sale of power as given on page 94 of House Document No. 541, Seventy-fifth Congress, third session, all as estimated by the Chief of Engineers: *And provided further*, That in the consideration of benefits in connection with the Denison Reservoir all benefits that can be assigned to the proposed Altus project and other such projects in Oklahoma shall be reserved for said projects.

The amendment was agreed to.

The next amendment was, also under the heading "Red River Basin", on page 10, after line 2, to insert:

The construction of a reservoir and other control works, in accordance with plans in the Office of the Chief of Engineers, in lieu of the construction of a floodway for the diversion of Bayou Bodcau and Cypress Bayou to improve flood protection, as authorized in section 5 of the Flood Control Act approved June 22, 1936, provided that the total estimated cost shall not be increased, is approved.

The amendment was agreed to.

The next amendment was, under the heading "Lower Mississippi River", on page 14, line 14, after the word "the", to insert "act of May 15, 1928, as amended by the", so as to read:

Except as herein amended, the act of May 15, 1928, as amended by the act of June 15, 1936, as amended, shall remain in full force and effect.

The amendment was agreed to.

The next amendment was, on page 19, line 1, after the name "Madison", to strike out "Texas" and insert "Tensas", so as to read:

Tensas River, Franklin, Madison, Tensas, East Carroll, Concordia, and Catahoula Parishes, La.

The amendment was agreed to.

The next amendment proposed by Mr. COPELAND on behalf of the committee was, on page 19, after line 13, to insert:

Pecos River and tributaries, Texas and New Mexico.

The amendment was agreed to.

The next amendment was, on page 19, after line 13, after the amendment heretofore agreed to, to insert:

Lavaca River, Tex.

The amendment was agreed to.

The next amendment was, on page 19, after line 20, to insert:

Ouachita River near Calion, Ark.

The amendment was agreed to.

The next amendment was, on page 19, after line 23, to insert:

Black River, Mo. and Ark.

The amendment was agreed to.

The next amendment was, on page 20, after line 3, to insert:

Chariton River, Mo.

The amendment was agreed to.

The next amendment proposed by Mr. COPELAND on behalf of the committee was, on page 20, after line 9, to insert:

Embarrass River, Ill.

The amendment was agreed to.

The next amendment proposed by Mr. COPELAND on behalf of the committee was, on page 20, after line 25, to insert:

Cowan Creek, Ohio.

The amendment was agreed to.

The next amendment was, on page 21, after line 14, to insert:

Clear Water River, Minn.

The amendment was agreed to.

The next amendment was, on page 22, after line 3, to insert:

Flathead River and tributaries in Flathead County, Mont.

The amendment was agreed to.

The next amendment proposed by Mr. COPELAND on behalf of the committee was, on page 22, after line 5, to insert:

Rio Grande and tributaries, Colorado, above the Colorado-New Mexico boundary line.
La Plata River, Colo.
Paonia (North Fork of Gunnison River), Colo.
West Divide, Colo.
Mancos River, Colo.
Yampa River, Colo.
Montezuma River, Colo.
Kremmling, Troublesome River, Colo.
Apishapa River, Colo.
Longs Canyon, Colo.
Wray, Colo.
Fountaine Qui Bouille River, Colo.

The amendment was agreed to.

The next amendment proposed by Mr. COPELAND on behalf of the committee was, on page 22, after line 10, to insert:

Humboldt River and tributaries, in Nevada.
Virginia River and tributaries, in Nevada, Arizona, and Utah.
Owyhee River and tributaries, in Nevada.

The amendment was agreed to.

The next amendment proposed by Mr. COPELAND on behalf of the committee was, on page 24, line 1, after the figures "$10,000,000", to strike out "to be expended at the rate of $2,000,000 per annum."

The amendment was agreed to.

The next amendment proposed by Mr. COPELAND on behalf of the committee was, on page 21, line 16, after the name "New Mexico", to insert a colon, and the following proviso:

Provided, That such works and measures which are herein authorized to be prosecuted by the Department of Agriculture may be carried out on the watersheds of the Rio Grande and Pecos River subject to the proviso in section 2 of the said act of June 22, 1936.

Mr. COPELAND. This is an amendment offered by the Senators from New Mexico [Mr. HATCH and Mr. CHAVEZ].

The amendment was agreed to.

The PRESIDING OFFICER (Mr. LEE in the chair). The next amendment will be stated.

The next amendment proposed by Mr. COPELAND on behalf of the committee was, on page 23, line 10, after the word "in", to srike out "sections 1 and 2 of."

The amendment was agreed to.

Mr. CONNALLY. Mr. President, is that the amendment offered by the Senator from New Mexico?

The PRESIDING OFFICER. The Senator from New York offered the amendment.

Mr. CONNALLY. That was the one affecting the Rio Grande and the Pecos River? I heard it read a moment ago.

Mr. HATCH. Does the Senator refer to the amendment offered in behalf of the Senators from New Mexico?

Mr. CONNALLY. Yes.

Mr. HATCH. Yes. That amendment, as I understand, has been agreed to. I will ask the Senator from New York whether I am correct in that statement?

Mr. COPELAND. The amendment was offered at the instance of the Senators from New Mexico.

Mr. CONNALLY. May I inquire of the Senator from New Mexico what the effect of the amendment is?

Mr. HATCH. The effect of it is merely to authorize the Department of Agriculture to construct such projects as a survey heretofore authorized may develop to be necessary.

Mr. CONNALLY. On the Rio Grande and the Pecos River?

Mr. HATCH. That is correct.

Mr. CONNALLY. It has no relationship to the controversy now existing respecting the diversion of water to New Mexico and Texas?

Mr. HATCH. It has absolutely no relationship to that.

Mr. CONNALLY. It has no effect on that?

Mr. HATCH. None whatever.

The PRESIDING OFFICER (Mr. TRUMAN in the chair). The next amendment of the committee will be stated.

The next amendment was, on page 23, line 11, before the word "and", to insert "as amended."

The amendment was agreed to.

Mr. COPELAND. Mr. President, so far as I know we have acted on all the committee amendments. I think there are some amendments to be offered from the floor.

The PRESIDING OFFICER. The bill is still before the Senate and open to further amendment.

Mr. OVERTON. Mr. President, the chairman of the committee was authorized by the committee to introduce certain other amendments which I have not yet heard presented. I offer certain amendments, which I ask to have stated, and agreed to.

The PRESIDING OFFICER. The clerk will state the first amendment offered by the Senator from Louisiana.

The CHIEF CLERK. On page 11, line 3, after the word "all", it is proposed to strike out the word "flowage".

The amendment was agreed to.

The CHIEF CLERK. On page 11, line 3, after the word "easements", it is proposed to insert the following:

needed and of the character considered advisable.

The amendment was agreed to.

The CHIEF CLERK. On page 11, line 4, after the word "floodways", it is proposed to strike out the word "the" and all of lines 5, 6, and 7 down to and including the word "easements" in line 7.

The amendment was agreed to.

Mr. McNARY. Mr. President, may we have an explanation of the purport and purpose of the amendment offered by the Senator from Louisiana?

Mr. OVERTON. I shall be glad to explain it. The committee authorized the amendments to be offered from the floor after the bill had been reported. The amendment which has not yet been read is an amendment which was suggested by the Bureau of the Budget and which provides for reimbursing the States and local subdivisions for taxes on lands that have been or may hereafter be acquired under the provisions of this measure.

The bill as passed by the House and as reported by the Senate Commerce Committee provides for reimbursement of the States and local subdivisions for the taxes of which they have been deprived. The Bureau of the Budget has suggested another amendment in lieu thereof, and that is that the reimbursement shall be to the extent only of 25 percent of the revenues derived from leasing the property.

The other amendments relate to the acquisition of flowage easements in the Morganza floodway in lieu of titles in fee simple. Those amendments meet with the approval of the Chief of Engineers. That is the purpose of the amendments which are now being considered.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Louisiana [Mr. OVERTON], on page 11, line 7.

The amendment was agreed to.

Mr. OVERTON. Mr. President, I offer another amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 14, line 3, after the word "lands", it is proposed to strike out:

Provided, That in the event the United States retains the ownership of such property, the United States shall annually pay to the States and local taxing subdivisions and authorities thereof a sum equivalent to the revenue that would be derived annually by such States and local taxing subdivisions and authorities, based on the assessed value at the time of taking of the properties so acquired and retained in ownership.

And to insert in lieu thereof the following:

Provided, That 25 percent of all moneys received and deposited in the Treasury of the United States during any fiscal year on account of such leases shall be paid, at the end of such year, by the Secretary of the Treasury to the State in which such property is situated, to be expended as the State legislature may prescribe for the benefit of the public schools and public roads of the county or counties in which such property is situated: *Provided further*, That when such property is situated in more than one State or county the distributive share to each from the proceeds of such property shall be proportional to its area therein.

The amendment was agreed to.

MRS. G. R. SYTH

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 2532) for the relief of Mrs. G. R. Syth, which were, on page 1, line 5, to strike out all after "Treasury" down to and including "Syth", in line 6, and insert "not otherwise appropriated, to Mr. and Mrs. Guy R. Syth"; on page 1, line 7, strike out "her claim" and insert "all claims"; on page 1, line 9, after "River", to insert "Montana"; on page 1, line 9, to strike out all after "which" down to and including "Government", in line 10, and insert "they sold to the Federal Emergency Relief Administration, now represented by the Resettlement Administration"; on page 1, line 11, to strike out "by the Resettlement Administration in its" and insert "in the"; on page 2, line 1, to strike out "taken on such land" and insert "on such land which was accepted by the Government December 31, 1934"; and to amend the title so as to read: "An act for the relief of Mr. and Mrs. Guy R. Syth."

Mr. WHEELER. I move that the Senate concur in the House amendments.

The motion was agreed to.

GEORGE W. BRECKENRIDGE

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 3079) for the relief of George W. Breckenridge, which was, on page 1, lines 6 and 7, to strike out "representing the amount of his claim" and to insert "in full satisfaction of his claim against the United States."

Mr. WHEELER. I move that the Senate concur in the House amendment.

The motion was agreed to.

AUTHORIZATION OF FLOOD-CONTROL PROJECTS

The Senate resumed the consideration of the bill (H. R. 10618) authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes.

The PRESIDING OFFICER. The bill is still before the Senate and open to further amendment.

Mr. LEE. Mr. President, on behalf of my colleague [Mr. THOMAS of Oklahoma], I send to the desk an amendment, and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. At the proper place in the bill, it is proposed to insert the following:

The Government of the United States acknowledges the right of the States of Oklahoma and Texas to continue to exercise all existing proprietary or other rights of supervision of and jurisdiction over the waters of all tributaries of Red River within their borders above Denison Dam site and above said dam, if and when constructed, in the same manner and to the same extent as is now or may hereafter be provided by the laws of said States, respectively, and all of said laws as they now exist or as same may be hereafter amended or enacted and all rights thereunder, including the rights to impound or authorize the retardation or impounding thereof for flood control above the said Denison Dam and to divert the same for municipal purposes, domestic uses, and for irrigation, power generation, and other beneficial uses, shall be and remain unaffected by or as a result hereof. All such rights are hereby saved and reserved for and to the said States and the people and the municipalities thereof, and the impounding of any such waters for any and all beneficial uses by said States or under their authority may be as freely done after the passage hereof as the same may now be done.

Mr. LEE. Mr. President, the purpose of the amendment which I offer on behalf of my colleague [Mr. THOMAS of Oklahoma] is to protect the water rights upstream. In future times we may want to use some of that water for irrigation or some other purpose. The language was drawn by the legislative counsel after consultation with the Corps of Engineers of the Army.

Mr. COPELAND. Mr. President, I know how eager the Senator from Oklahoma [Mr. LEE] and his colleague [Mr. THOMAS] are to have this amendment adopted. I wish to say frankly to the Senate that, in the opinion of the committee, the laws already protect every idea contained in the amendment. Of course, there is involved a subject which is very close to the heart of the Chief Executive.

I have stated the matter to the Senate. So far as the committee is concerned, it has no objection; but I wish the Senate to be put on notice.

Mr. BARKLEY. What is the amendment which is under consideration?

Mr. LEE. Mr. President, if the Senator will permit me to answer, there is at present considerable worry and concern on the part of the people in my State, at the source of some of the streams, that if the water should ever be used for power purposes downstream, a similar amount could not later be used for other purposes upstream. There is considerable difference of opinion as to whether or not the situation is properly protected.

After discussing the matter with the legal authorities and the Engineering Staff of the Army, this amendment was drawn. It could not possibly do any harm, and would protect the rights which have been referred to.

Mr. McNARY. Mr. President, will the Senator yield?

Mr. LEE. I yield.

Mr. McNARY. Was the matter presented to the Senate Committee on Commerce when the bill was under consideration by the committee?

Mr. LEE. I must turn to the chairman of the committee for the answer to that question.

Mr. COPELAND. No; it was not considered.

Mr. McNARY. Was it considered by the House committee?

Mr. COPELAND. I could not answer that question.

Mr. McNARY. What is the view of the chairman?

Mr. COPELAND. The position I take with respect to the amendment is that personally I have no objection to it. I do not think the Senate would have any objection. I call attention to the language in the early part of the amendment:

The Government of the United States acknowledges the right of the States of Oklahoma and Texas to continue to exercise all existing proprietary or other rights of supervision of, and jurisdiction over, the waters of all tributaries of the Red River within their borders above Denison Dam site—

And so forth. Of course, that is a matter which we have not considered. I think perhaps the amendment might go to conference and there be determined. However, there are questions involved which may be far-reaching. I think there would be no objection to the amendment going to conference.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oklahoma [Mr. LEE] on behalf of his colleague [Mr. THOMAS].

The amendment was agreed to.

Mr. LEE. Mr. President, on behalf of my colleague [Mr. THOMAS] I offer another amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 9, after line 10, it is proposed to insert the following:

The Lugert-Altus Flood Control and Reclamation Reservoir, located on the North Fork of the Red River in Oklahoma, is hereby authorized for construction at an estimated cost of $2,497,000, on the following basis as to a division of the cost of construction:

(a) The Chief of Engineers shall report to the President on or before August 1, 1938, the value of said Lugert Reservoir as a flood-control works, and the value so reported shall be the amount herein authorized to be appropriated as a charge against any funds appropriated and available for the construction of flood-control projects.

(b) The remainder of the estimated cost of such Lugert Reservoir, namely, the estimated total cost of the reservoir, less the amount reported by the Chief of Engineers as the value of said reservoir as a flood-control project, is hereby authorized to be appropriated for the construction of said Lugert Reservoir for reclamation and irrigation as reported in Senate Document No. 153, Seventy-fifth Congress, third session, and as further authorized by the last paragraph on page 37, of Public Act No. 497, Seventy-fifth Congress, third session, providing that the construction of said Lugert Reservoir and Altus reclamation project shall not be undertaken until the Chief of Engineers and the Secretary of the Interior join in an agreement as to the division of cost of the construction of the said reservoir as provided herein.

Mr. COPELAND. Mr. President, I wish to state frankly that we have had no report from the Army engineers on this project. In the second place, it is largely a reclamation project and perhaps belongs in some other bill. This project would considerably increase the cost of the flood-control bill. However, the question is for the Senate to decide.

Mr. VANDENBERG. Mr. President, may I ask the Senator whether there are any other projects in the bill which are not approved by the Board of Engineers for Rivers and Harbors?

Mr. COPELAND. There are no others.

Mr. VANDENBERG. Obviously we should be consistent in adhering to the rule.

Mr. HATCH. Mr. President, I am more or less familiar with this particular project. Although it does not happen to be in my State, it happens to be in a county in Oklahoma where I formerly resided. It also happens that the chief sponsor of the project and the man who has done the most work in bringing it about, Mr. W. C. Austin, of Altus, Okla., is a former law partner of mine. I have had many conferences with him about this particular project and I know its merit and its worth.

As I understand, it is not altogether an irrigation and reclamation project, as the Senator says. It also involves the principles of flood control, which are very necessary for the protection of the State of Oklahoma. The project happens to be in one of the southwestern counties of Oklahoma, which at one time was one of the finest agricultural sections in the State and the chief cotton-producing county of Oklahoma. Due to drought and various disasters the people in that locality have had a great deal of difficulty.

I have talked with Mr. Austin about the project. He is the type of man who would not sponsor it unless it was meritorious in every way. The project has been repeatedly considered by various Departments of the Government, and I understand that the general plan has been approved. I do not know about the Army engineers.

Mr. LEE. Mr. President, the general plan has been approved, and it is a flood-control project. The mere fact that there is a possibility later of irrigation by the present impounding of the water as a flood-control measure should not militate against the project.

I ask the Senate not to reject the amendment simply because there is a possibility of using the water that is impounded to irrigate an area that will, by the payment of water rights, ultimately return something to the Government.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. LEE. I yield.

Mr. HATCH. I wish to ask if it is not true that if the Senate rejects this amendment now because it involves the idea of reclamation, could it not just as wisely reject an amendment involving an irrigation project because it would include flood control?

Mr. LEE. That is true.

Mr. HATCH. If it should be disapproved in the one case it would be disapproved in the other?

Mr. LEE. This item, of course, affects Oklahoma only but it does not enlarge, as I understand, the appropriation or the total cost. This is a flood-control bill. I know the situation and I know how much could be accomplished on the Red River by preventing floods nearer to the source, and I also know the possibilities that might develop later by taking some of the water that is impounded and using it for irrigation projects. Therefore, I ask the Senate not to turn down the amendment, because it is not a new project at all; it has been before the Army engineers and has been approved by them and also by the Interior Department.

Mr. VANDENBERG. Mr. President, I should not think that it was at all persuasive against the amendment that it happens to include irrigation or reclamation, but I would think it was completely conclusive if it is not a project approved by the Board of Rivers and Harbors Engineers. The Senator from Oklahoma says it is approved while the chairman of the committee says it is not. Which statement is correct?

Mr. LEE. So far as the Department is concerned, Secretary Ickes told me it was approved from the irrigation and reclamation standpoint. I cannot quote anyone as to it being otherwise approved except my colleague [Mr. THOMAS], who said it was approved by the Army engineers. As to the Board on Flood Control, I cannot speak, but, no doubt, the chairman of the committee is speaking correctly in that regard.

Mr. VANDENBERG. Here are conflicting statements made regarding the status of approval. Let me ask again, is this project approved by the Board of Rivers and Harbors Engineers or is it not?

Mr. COPELAND. Mr. President, this project is not approved by the Board of Engineers. It is a matter that they are working on, but they are a long way off from a final conclusion.

Mr. VANDENBERG. The Commerce Committee has consistently followed a rule—and it is an essential rule—that only approved projects shall be reported. The moment we depart from that rule the bars are down. This is primarily an engineering responsibility. For days I have heard the Board of Rivers and Harbors Engineers eulogized on the floor of the Senate during the past week. This is a place where certainly we should not depart from the only protection we have against a general "pork barrel" bill. I am not asserting that the Senator's amendment falls in that category; I am explicitly not saying that; but I am saying that the moment we depart from the rule which the Commerce Committee follows we are opening "pork barrel" possibilities.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. HATCH. This particular project merely happens to be in an unfortunate class. Although I am not familiar with the details, I can readily see how the Army engineers could not approve it as a flood-control project solely. But the Department of the Interior has approved it as an irrigation and reclamation project. It has no effect as a flood-control measure. It merely happens to be a combination of the two, which makes it a difficult situation. I am inclined to ask, then, if the Senator from New York would not agree to take it to conference and get the opinion of the Army engineers as to the combination of the two purposes—reclamation and flood control together? Viewed from that standpoint, I am inclined to think we might get approval from the Board.

Mr. VANDENBERG. I do not see how the chairman of the committee or any responsible member of the committee

can depart from the rule which we have faithfully and consistently followed, to protect these bills against any projects not officially approved by the Board of Rivers and Harbors Engineers.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. McKELLAR. I have to attend a conference, and I ask the Senator from New York if he will not accept an amendment to the provision in line 6 on page 21 which reads as follows:

Chattanooga, Tenn., and Rossville, Ga.

I wish to have inserted as an amendment a semicolon and the words—

but no recommendation shall be made which will in any way interfere with improvements made or proposed by the Tennessee Valley Authority.

Mr. COPELAND. Mr. President, I am very confident that what the Senator from Tennessee desires will be carried out. However, I have no objection at all to the inclusion of the language he proposes.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Tennessee.

The amendment was agreed to.

Mr. OVERTON. Mr. President, will the Senator from Michigan yield to me?

Mr. VANDENBERG. I yield the floor to the Senator.

Mr. OVERTON. Mr. President, I wish to say that I am in hearty accord with the statements made by the Senator from Michigan [Mr. VANDENBERG]. It has been absolutely necessary for us to adopt the policy of not undertaking to authorize a project until that project has met with the approval of the Board of Engineers for Rivers and Harbors. The Senate Commerce Committee has adhered to that policy ever since I have been a member of the committee; I do not recall that there has been any exception. It is utterly impossible for Members of the Senate to pass upon the advisability or the economical justification of a project upon the floor of the Senate. In order to determine whether a project is of value as a flood-control measure, it should be submitted first to the judgment of experts, and the chosen and recognized experts upon this question are the Army engineers. If we are to load down upon the floor of the Senate a flood-control bill, after it has been reported, with projects upon the ipse dixit of a Senator, however plausible the argument may be, but yet upon the ex parte statements of a Senator who is in favor of a project, then there will be no end to the projects to be authorized by the Congress of the United States. I think there is only one course to pursue, and that is to adhere to the rule to which we have heretofore adhered, and that is not to authorize projects unless they have met with the approval of the Chief of Engineers.

It has been said that this project includes not only flood control but also reclamation. It was not presented to the Senate Commerce Committee; I do not know anything about its value as a reclamation project, but if it is going into a flood-control bill it certainly must be justified as a flood-control project, and it has not yet been justified as a flood-control project. If it is a reclamation project, it ought, in all probability, to go in some other bill; it ought not to appear in the flood-control bill.

I therefore suggest, Mr. President, that the amendment be not agreed to.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Oklahoma [Mr. LEE].

The amendment was rejected.

Mr. CAPPER. Mr. President, I offer an amendment which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. It is proposed to insert at the proper place in the bill the following:

That from appropriations hereafter made for river and harbor improvements, the Secretary of War is hereby authorized to reimburse the city of Leavenworth, Kans., in the amount of $36,000 for damages to the city waterworks caused by improvements in the Missouri River.

Mr. CAPPER. Mr. President, pursuant to a resolution from the Rivers and Harbors Committee the Army engineers, local and district, made reports to the Board. The divisional engineer at Kansas City recommended $36,000. That is the amount provided by the amendment which I have offered.

Mr. HATCH. Mr. President, there is so much disorder I did not hear the amendment. I should like to be assured that the Board of Army Engineers has approved it.

Mr. COPELAND. Mr. President, this amendment has been approved by the Army Engineers. I have no objection to it.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Kansas [Mr. CAPPER].

The amendment was agreed to.

Mr. BARKLEY. Mr. President, I offer an amendment to come in on page 2, after the word "damages," in line 13.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 2, line 13, after the word "damages", it is proposed to insert:

Provided, That lands, easements, and rights-of-way shall include lands on which dams or other flood-control works are located, lands or flowage rights in reservoirs, and highway, railway, and utility relocations.

Mr. BARKLEY. Mr. President, in the House bill there is a provision, which has not been amended by the committee, reading as follows:

That States or political subdivisions shall be granted and reimbursed, from flood-control appropriations by the United States, sums equivalent to 70 percent of the actual expenditures made by them in acquiring lands, easements, and rights-of-way for any dam and reservoir herein authorized or heretofore authorized by the act of June 22, 1936 (Public, No. 738, 74th Cong.), as amended, and by the act of June 15, 1936 (Public, No. 678, 74th Cong.), as amended—

And so forth. In the report made by the Committee on Flood Control in the House, the following statement is made:

Under the act of June 22, 1936, and under all existing local flood-control legislation along the Mississippi River and other rivers in the United States the local interests are required to furnish the lands, easements, and rights-of-way for flood walls and for levees, as well as for reservoirs. The term "lands, easements, and rights-of-way" embraces lands on which dams are located, lands or flowage rights in the reservoirs and highway, railway, and utility relocations.

The amendment which I have offered simply incorporates in the bill itself the language of the House report which attempts to interpret the term "lands, easements, and rights-of-way"; but that interpretation is not at present written into the bill itself.

I have in mind a situation where the Federal Government has appropriated money, not to build a dam, but to dig a ditch in order to divert water from one stream to another to protect cities against floods. The community was required to furnish the rights-of-way; that is, to buy the land over which this flood-protection device was and is being built. As a result of that, there has been made necessary the relocation of highways and streets and the building of bridges which the local community itself is not in a position to undertake.

In the appropriation provided by Congress there are sufficient funds to reimburse the community entirely for the relocation of the highways and streets and the building over the stream of bridges which must be constructed in order to protect the community from the floods which frequently recur there.

I am only seeking now to write into the bill itself the House committee's interpretation of what is meant by "lands, easements, and rights-of-way"; and I think it is only a just consideration.

The Senator from Louisiana [Mr. OVERTON], the Senator from New York [Mr. COPELAND], and other Senators know what my position has been all along on these flood-control problems. I have always believed, and I now believe, that flood control is primarily a national obligation. It ought to be undertaken by the Nation; and especially is that true of rivers whose waters flow in from a number of States, where the surface waters are gathered from a wide area and come down upon a community not by reason of any responsibility of its own. Because of the limitations which are imposed by the constitutions of nearly all the States upon local communities in matters of taxation and bond issues, the result is that some of the most deserving localities, some of the communities which need flood protection the most, are unable to get it because of the requirement that they must furnish the lands, easements, and rights-of-way, and in addition to that undergo the additional expense of building bridges and relocating highways and streets made necessary either by building dams or digging ditches which, according to the Army engineers, are necessary in order to provide flood protection.

I think that in the provision in the House bill for a 70-percent reimbursement of local communities for lands, easements, and rights-of-way, there ought also to be taken into account the relocation of streets, the relocation of bridges, the relocation of utility facilities, and even railroad bridges made necessary by the construction of work inaugurated by the Government; and it seems to me there ought not to be any objection to writing into the bill the interpretation which the House committee themselves have placed upon the language.

Mr. COPELAND. Mr. President, it is the view of the committee that exactly what the Senator from Kentucky wishes to accomplish is already in the law. However, to make it clear, we have no objection to the amendment.

Mr. OVERTON. Mr. President, will the Senator from Kentucky yield? I wish to ask him a question for information.

Mr. BARKLEY. I yield to the Senator from Louisiana.

Mr. OVERTON. Does the Senator's amendment relate to rights-of-way and easements for levee foundations or only to easements for dams and reservoirs?

Mr. BARKLEY. It relates to rights-of-way; and I am going to offer another amendment to the text of the bill which will include in the definition of the bill any flood-control device, whether it is a dam or a levee or a ditch, so that it will be all-inclusive.

Mr. OVERTON. Mr. President, in that connection, I wish to say that we began the flood-control work in the lower Mississippi Valley. The local interests supply at their own cost the rights-of-way for levee foundations; and when a levee is relocated, as it frequently is, the State has to provide for the cost of alteration of the highways resulting from the relocation of the levee. Furthermore, when a levee is set back the Federal Government does not reimburse the property owner for the property which is thrown out between the levee and the river. As a result, the State of Louisiana has expended millions of dollars in relocating its highways where the levee lines have been set back, and thousands upon thousands of acres have been thrown out by relocation of the levee lines, and no reimbursement has been made to the property owners.

The amendment would not have any retroactive effect, as I understand.

Mr. BARKLEY. No; it would not.

Mr. OVERTON. Because of what I have stated, I asked the Senator whether the amendment would apply only to dams and reservoirs or whether it would apply to levees in the future.

Mr. BARKLEY. We all understand the circumstances under which the levee system was inaugurated in the Mississippi Valley by the creation of levee districts, and by the levy of taxes upon the land to be protected from floods, and all that. That has been under way for many years, and it is not now the purpose to go back and re-do all of that which has been done. It seems to me, however, we have come upon an era when, in the protection of communities from constantly recurring floods, if we are ever to have a completed, synchronized, integrated system of flood-protection in this country, we must take into consideration not only the communities which are financially able to meet the requirements of purchase of easements and lands and rights-of-way and to undergo the expense of reconstruction incident to these flood-control projects, but we must take into consideration the entire situation in the valley of any great stream in the United States.

If we are willing to build flood-control devices only in communities which are financially able to buy lands and rebuild streets and highways and bridges and other things which are of a public nature, we shall never have a completed, integrated system of flood protection in the United States, and it will result in the denial of protection to many of the most deserving communities throughout the country.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. BARKLEY. I will yield in a moment.

I have in mind a community of 60,000 persons which, in the Ohio River flood of 1937, was completely inundated. All of the suburban communities were inundated. Property worth hundreds of millions of dollars was destroyed, and all of that; and yet, under the constitutional inhibitions of the State under which the community is incorporated, it cannot go into debt to the extent of another dollar in order to raise the money necessary to buy rights-of-way and easements and rebuild streets and highways and bridges or other things. Yet, unless that sort of community is protected from floods, slight protection can be given to many communities in the same section of the country, because the lack of protection at one place may be equivalent to a lack of protection at another place, although there may be in the community either above or below it some sort of local flood-control device which presumably would protect the immediate community from flood.

I now yield to the Senator from New Mexico.

Mr. HATCH. Mr. President, as the Senator was discussing the question, a situation came to my mind which may not be any contribution at all to what he has in mind, but I know this condition exists in one of the Western States:

The waters of a stream flow down through this particular State without doing any particular damage to the locality where they rise; but they are carried on down into another State, where they join floodwaters, and there take on flood proportions. The site for the dam or reservoir is located within the State where no damage is done. That State would have no reason to pay a vast sum of money for the purchase of a site and other things to protect another State below it.

Mr. BARKLEY. That is true. I thank the Senator for his contribution.

I have in mind another community for which Congress appropriated $536,000 to protect it from frequent floods, on the Cumberland River, in the State of Kentucky. I refer to the city of Middlesboro, in eastern Kentucky. Congress appropriated $536,000 to protect that city, and the project was recommended by the engineers after a very careful survey.

Under the law the city was required to purchase the lands, easements, and rights-of-way, which cost about $60,000, and which it has undertaken to do. In letting the contract for this flood-control work, instead of the contract costing $536,000, which we appropriated, it has been possible, by letting it to the lowest bidder, to obtain the construction of this flood-control project by a contractor at a little more than $300,000, which means a saving of something like $200,000 to the Government. But it develops that in the relocation of the streets, in the building of bridges across the ditch which it is necessary to dig to divert the water from one stream to another, and in the relocation of highways, there will be an expenditure of something like $90,000 in order to obtain the benefits of the flood-control device. That community exhausted its power, its credit, and its taxing facilities, and its ability to raise money by bond issues, when it bought the

rights-of-way and the easements. It is not in a financial position to pay out an additional $90,000 in order that it may build bridges and relocate streets and highways.

Out of the $536,000 which was available, under the amendment which I have offered, the Federal Government could reimburse that community, under the language of the bill, up to 70 percent of the amount necessary to relocate the streets and highways and build the necessary bridges.

Mr. MILLER. Mr. President, I had intended to ask the Senator a question, but he has practically answered what I had in mind in his last statement. The amendment does not interfere at all with the 70-percent contribution.

Mr. BARKLEY. The amendment does not. There is another amendment which I shall offer later, the same amendment the Senate adopted a year or two ago, but which was modified in conference. But this amendment does not affect the 70 percent.

Mr. MILLER. The Senator has reference particularly to the provision in the House report on page 4, I believe, the language found in next to the last paragraph.

Mr. BARKLEY. That is correct.

Mr. MILLER. Referring to local cooperation, where the term "lands, easements, and rights-of-way" is defined.

Mr. BARKLEY. Yes; I am trying to write the interpretation into the statute itself. The Senator from New York has indicated that he has no objection.

Mr. COPELAND. Mr. President, I have since read the amendment, and if the Senator who has quoted from the House report will modify the phraseology of his amendment and use the language in the House report, "'lands, easements, and rights-of-way' embraces lands on which dams are located, lands or flowage rights in the reservoirs and highway, railway, and utility relocations," I shall be happy to accept the amendment.

Mr. BARKLEY. What is the difference between that and the amendment I offered?

Mr. COPELAND. The Senator has in the amendment which he offered "lands on which dams or other flood-control works are located."

Mr. BARKLEY. Mr. President, it would simply mean that where a ditch was being dug as a flood-control project instead of a dam being built, it would apply to that. In the case where, in order to protect a city from floods, instead of a dam being constructed, a ditch is dug which diverts the water so that a dam is unnecessary, I do not see why there should be any difference. There are not very many such instances, but there are a few.

Mr. COPELAND. Mr. President, I wish to quote from a letter written by the President of the United States, which I hold in my hand, dated April 28, 1937, addressed to Judge Whittington, chairman of the Flood Control Committee of the House. The President had discussed the matter of flood control in a very comprehensive and wise statement, and then he said:

> One other subject remains—the participation of State and local authorities in the cost of any of these projects. It is my belief that, for many reasons, the Federal Government should not be charged with the cost of the land necessary for levees, dams, and reservoirs. This policy was adopted by the Congress last year in connection with the projects in the Connecticut River Valley. In that case—well, no work has yet been started—it is my understanding that the States of Vermont, New Hampshire, Massachusetts, and Connecticut are substantially in agreement in regard to the purchase of the necessary land. It should be made clear, however, that if any electric power results from the erection of dams and reservoirs, the Federal Government alone should have complete authority over the sale of this power.

That is the paragraph to which I wish to call attention. The President states as his conviction that for many reasons the Federal Government should not be charged with the cost of the land necessary for levees, dams, and reservoirs. That was a policy which was laid down last year and 2 years ago in the flood-control bill.

It is the view of the committees of both Houses that so far as lands, easements, and rights-of-way which have to do with flowage rights in connection with reservoirs and highway, railway and utility relocations are concerned, this is what we desire to do.

Mr. BARKLEY. Mr. President, in that connection I will say that I agree with the suggestion of the President with reference to the ownership of the title to dams and reservoirs. I think it ought to be in the Federal Government, and an amendment will be offered so as to clear that up.

The Senate will recall that during the consideration of the last Flood Control Act I offered an amendment authorizing the President, whenever he found that any community which needed flood control was unable financially to meet the cost of local contribution, to waive that requirement entirely. The bill went to conference, and that authority was reduced to 50 percent; in other words, it was provided that the President might waive one-half of the cost of local rights-of-way, easements, and so forth. In the bill as it passed the House there is an attempt to waive all of that except 30 percent; in other words, a community may be reimbursed up to 70 percent of the requirement for local contribution.

All I am trying to do in the amendment is to provide that if a project is not a dam or a reservoir, but on the contrary happens to be a ditch which the engineers have recommended as the thing necessary to protect a city from floods the same right shall apply to that as would apply if it were a dam or a reservoir. I myself do not see any injustice in it. It is a Federal project, paid for by the Federal Government, recommended by the engineers, and the only difference is that instead of piling dirt up on top of the ground they are taking it out of the ground in order to afford a new channel for the water to flow by a community so as not to overflow it.

I am afraid that unless the language which I have in my amendment shall be agreed to the provision will not be interpreted to apply to the sort of project I have in mind, which does not happen to be a dam, and does not happen to be a reservoir, of the kind we are discussing when we talk about flood control, which constructions are very large and expensive, and cover much acreage. I hope the Senator from New York will accept the amendment as I have proposed it.

Mr. McNARY. Mr. President, I am not wholly conversant with the substance and purport of the amendment offered by the leader on the Democratic side. I assume, however, from the little knowledge I have of it, that it attempts to exempt States and subdivisions thereof from the payment for rights-of-way and reservoir sites, and to cast the responsibility for payment largely upon the Federal Government.

Mr. BARKLEY. If the Senator will permit me, that is already covered in the measure up to 70 percent, that is, the Government may reimburse any community up to 70 percent, under the bill as it passed the House, for all the things of which I am speaking, lands, easements, and rights-of-way. What I am seeking to do is to provide the same sort of reimbursement to that extent as to any Federal project which does not constitute a dam or a reservoir, but may be a ditch or some other sort of flood-control device recommended by the engineers. I am seeking to make that sort of flood-control construction subject to the same reimbursement that applies to dams and reservoirs.

Mr. McNARY. Mr. President, in view of the explanation of the Senator from Kentucky, I apprehend that what I have in mind is not altogether applicable. I can see that under the bill, as passed by the House and reported by the Commerce Committee, 70 percent of the cost of easements, rights-of-way, reservoirs, and dam sites shall be paid by the Federal Government, and 30 percent by the States, the subdivisions of States, and parties benefited who live in the localities near the dam sites, reservoirs, and so forth.

Mr. President, that is not fair. The difficulty I have is not with respect to the easements for reservoir sites and dam sites and sites for utilities, but concerning the relocation of highways and railroad tracks. That is one of the largest factors embraced in any effort to bring about an

equitable adjustment of the costs between the States, the subdivisions, the people benefited, and the Federal Government.

I recall what was done by the Tennessee Valley Authority. The entire cost of highway relocations, and relocations of towns, and the acquirement of reservoir sites, was paid for by the Tennessee Valley Authority. I have no quarrel with that, because I have always supported the T. V. A. To assure myself of that situation I wrote to the Tennessee Valley Authority a few days before June 4 and received this statement:

> The Tennessee Valley Authority makes no provision for charging any of the costs of acquiring lands, easements, and rights-of-way to States, political subdivisions, or individuals, and the Authority has accordingly borne all such costs.

If that is the yardstick, as I knew it to be, and stated heretofore on the floor of the Senate, the same yardstick must apply to other sections of the country if I have my way. I am sure other Senators feel as I do in that respect.

Mr. President, I am willing to observe the general principle that there should be some local contribution, whether it be from a State, a subdivision of a State, or a small community thereof. I am not asking that the cost fall on the Federal Government. I am willing to sustain the principle and policy of contributions, but the heaviest factor I want taken out of the charge against the localities benefited is the cost of reconstruction of highways, and the removal and reconstruction of railroad tracks.

The principle which is embodied in the pending bill, which was fashioned in the House, will be maintained if the locality benefited shall pay for the easements for dam sites, utility sites, and highways. But to throw 30 percent of the whole cost on the people benefited is too large a burden, and does not conform at all to the policy we set forth some years ago in the Tennessee Valley Authority Act. So in the amendment I have proposed, I am leaving the 30 percent of all costs incident to the dam sites and reservoir sites to be paid by the States and subdivisions, but when it comes to relocating or reconstructing a highway or a railroad, I am proposing to cast that liability, that responsibility, and that cost, upon the Federal Government. It can adjust those matters with the States so far as they affect an interstate highway or a railroad track.

Mr. MILLER. Mr. President, will the Senator yield?

Mr. McNARY. I yield.

Mr. MILLER. At what point in the bill does the Senator propose to insert his amendment?

Mr. McNARY. The amendment I shall offer is on page 2, line 13. After the colon I propose to insert:

> *Provided*, That the costs of relocation and reconstruction of highways, railroads, and other utilities located on or traversing lands necessary for the construction of projects authorized by such act of June 22, 1936, as amended, such act of June 15, 1936, as amended, or this act, shall be considered part of the construction costs of such projects and money appropriated under the authority of such acts shall be available for the payment thereof or for reimbursement of States or political subdivisions which have paid such costs.

Mr. MILLER. Mr. President, will the Senator yield further?

Mr. McNARY. I yield.

Mr. MILLER. I heartily approve of the Senator's amendment. I should be willing to go further than that, but I doubt the advisability of doing so at this time. We are making a great deal of progress. As the Senator pointed out, some improvements in this country are being made wholly at the expense of the Government. The reservoirs on the Yazoo River in Mississippi are being constructed entirely at the expense of the Government at this time.

I call the Senator's attention to the fact that the statement made by the House Committee on page 5 of the report, certainly coincides with what the able Senator from Oregon has said.

The PRESIDING OFFICER (Mr. DUFFY in the chair). Will the Senator from Oregon advise the Chair whether he has offered his amendment?

Mr. McNARY. No. Another amendment is pending. In order that I may give parallel consideration to and point out the differences between the amendment offered by the able Senator from Kentucky and my amendment, I am discussing the amendment in its general application. There is a policy involved which affects the legislation at this particular time. I presented this idea to the committee. The Senator from Missouri [Mr. CLARK] and the Senator from Mississippi [Mr. BILBO] did not think I went far enough. The able Senator from New York, the chairman of the committee, was fearful that if the amendment were incorporated in the bill it might bring about a veto.

Mr. President, I am in this attitude. I do not want to ask the Senate to engraft upon the bill an amendment which will assure a veto. I do not want to assume that responsibility. I do not want to impose the amendment on the bill if it is thought that there is a likelihood of anything of that kind happening. But I wish to give the warning that, if the amendment is not agreed to, I shall present a bill which will work out equitably in all the sections of the country; the Tennessee Valley, the valley of the Arkansas, the valley of the Columbia, the Willamette Valley, the Red River Valley, and wherever flood-control projects are located.

I want a principle of general application, and if the amendment should not be written into the pending bill, then at some future time, at as early a date as possible, I intend to present a bill embodying a rule of general application throughout the country. No one will contend that it is fair that we should have one rule in the Tennessee Valley and another rule applying generally throughout the country.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. McNARY. I yield.

Mr. JOHNSON of Colorado. In case the amendment the Senator is discussing shall be defeated, will the legislation he has in mind be more or less retroactive in its application to projects which have been undertaken under a different program or under a different policy?

Mr. McNARY. I can see no legal difficulty involved in that suggestion.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. McNARY. I yield.

Mr. BARKLEY. The bill we are considering now not only applies to new projects which will be considered under it, but it applies also to those which have already been begun or inaugurated, or for which surveys have been made under both acts of 1936. It would be retroactive to that extent.

Mr. McNARY. Mr. President, I call attention to a condition with which I am familiar. In the far-off State of Oregon, in the upper reaches of the Willamette Valley, there is a narrow defile through which run a highway and a transcontinental railroad which connect two valleys. To control the upper reaches of the river it would be necessary to relocate that highway and the railroad. If 30 percent of that burden should be cast upon the settlers, the people living in the cities and the farmers living in the section affected, that development work could never proceed, and that river for all time would run wild to the ocean, destroying from year to year in its highest flood stages property and human lives.

I say it is extremely unfair that a bill should contain provisions having application to a particular project which will result in depriving the people of the country of the advantages of legislation which should be national in character, so far as the general principle involved is concerned. It is unfair that in some sections a great portion of the burden should be cast upon a small number of people, whereas in other sections the Government should take up the entire burden.

I have not made up my mind what I shall do, but I am very clear as to what should be done, even if it is not done in the pending bill. As I stated a moment ago, and I shall restate, I do not want to bring the matter before the Senate and write it into the pending measure, if it will challenge a Presidential veto, or offend the able chairman of the com-

mittee or the committee members. If that should result, I would regret my intrusion. But I shall, at some time, if it is thought best, attempt to write and present to the Senate an outline of principle which will be a guide in all legislation of universal application to the country.

Mr. BARKLEY. Mr. President, as I understand the Senator's amendment, it does not affect the present provision of the bill relating to the 70 percent reimbursement for the actual outright purchase of lands, easements, and rights-of-way.

Mr. McNARY. That is correct.

Mr. BARKLEY. But it does provide for complete reimbursement for the reconstruction of bridges, relocation of highways, and other things made necessary by the flood-control device, whatever it is.

Mr. McNARY. Exactly.

Mr. BARKLEY. I am very much in sympathy with the Senator's amendment, and I should vote for it if it were offered. I have no authority to predict whether or not it would result in a veto. I do not know. I have not discussed the matter with the President. I do know that he feels, as we all do, that there ought to be some local contribution to the purchase of the actual property over which the flood-control device is to be constructed; and yet I have taken the position, as the Senator knows, that many communities in the country, which are a part of the system as a whole, are not financially able to contribute. I think the President ought to be given the right completely to waive the requirement with respect to such communities as he finds cannot meet it, in order to have a completed system of flood control in any river valley in the United States. However, that has nothing to do with the question under discussion.

Mr. McNARY. I appreciate the gracious attitude of the Senator.

Mr. GUFFEY. Mr. President, I am entirely in sympathy with the objects and aims of the amendment offered by the Senator from Oregon [Mr. McNARY]. I hope he will offer it. If it is offered, I shall take great pleasure in voting for it. It would meet the situation in Pennsylvania, where we have had great difficulty in connection with a joint dam which we tried to build between New York and Pennsylvania.

Mr. BARKLEY. If the Senator from Oregon will yield further, I will say that his amendment is not in conflict with mine. His amendment goes even further. What I am seeking to do is to include reimbursement to communities which have bought lands, easements, and rights-of-way for the construction of some sort of flood-control device other than a dam or reservoir. I think there should be equality of treatment in both instances.

Mr. McNARY. Does the Senator believe that the amendment which I have just discussed, but have not offered, is comprehended within his amendment?

Mr. BARKLEY. It is, to the extent of 70 percent.

Mr. McNARY. However, in the matter of relocation of highways, the Senator's amendment does not go so far as mine.

Mr. BARKLEY. It does not go so far. The amendment of the Senator authorizes complete payment for such things by the Federal Government, whereas the amendment I have offered provides for reimbursement up to 70 percent, according to the terms of the bill.

Mr. McADOO. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. McADOO. I ask the Senator from Kentucky whether his amendment, which I have not seen, and have not been able to read, provides for a situation in which a stream is deflected from its normal course and crosses a highway, so that it is necessary to place in the highway a bridge over the stream. Does the Senator's amendment cover the cost of erecting such a bridge?

Mr. BARKLEY. Yes; it covers that precise situation. It does so by providing that 70 percent of the cost may be reimbursed to the community which has already bought the right-of-way at its own expense.

For example, if a railroad crosses a ditch, the railroad itself ought not to be required to rebuild its bridge. The flood-control project may be of no benefit at all to the railroad. The community may not be in a position to rebuild the bridge. My amendment provides that there shall be reimbursement up to 70 percent of such extraordinary costs beyond the purchase of rights-of-way, lands, and easements, which are made necessary by the project which is undertaken by the Government.

Mr. McADOO. It is clear to me that that is the just and proper thing to do. However, the reimbursement goes only to the extent of 70 percent.

Mr. BARKLEY. That is true.

Mr. McADOO. If a community is required to furnish rights-of-way and easements, and does furnish the rights-of-way and easements necessary for diversions, or for any other use to which they may be put as a part of the flood-control system, is the community required, under the provisions of the bill, to clear the land? If there are old buildings or other impediments on the lands, is the community required to remove them or to clear the right-of-way? Is not that a necessary part of the flood-control construction? If not, does not the Senator think it should be?

Mr. BARKLEY. When the Government goes into a rural section and takes timberland, let us say, which may not be in cultivation, and may not even be occupied by any population to speak of, and over a wide stretch of land creates a reservoir for flood-control purposes below the reservoir and below the river at that point, I think certainly there ought not to be any local contribution. There could not be any local contribution. How could we compel a farmer 20 miles from any community or from any flood that ever occurred to contribute in order to build a reservoir on land adjacent to his to protect people 50, 75, or 100 miles down the river?

Mr. McADOO. Of course, we could not do so.

Mr. BARKLEY. I do not think it is the spirit of the bill to require local contributions for vast reservoirs which are constructed as a part of a national policy in order to hold back the floodwaters of a river for a season for the purpose of protecting people far beyond the confines of the reservoir itself.

Mr. McADOO. I understand that; but I do not think the Senator caught the point of my inquiry. Perhaps I did not clearly express it. If an easement is provided for the necessary rights-of-way and there are obstructions on the land which is the subject of the easement which must be removed before the ditch can be dug to divert the water from the stream—using that merely as an illustration—do the provisions of the bill require the communities which furnish the easements and rights-of-way to clear the rights-of-way of such obstructions?

Mr. BARKLEY. I do not think so.

Mr. COPELAND. If the Senator will permit me, as a part of the construction cost the Federal Government would cut down trees, tear down barns, and clear the land. There would be no charge upon the community.

Mr. SHIPSTEAD. Mr. President, what was the concluding sentence of the Senator's statement?

Mr. COPELAND. In reply to the question of the Senator from California [Mr. McADOO], who wanted to know whether the cost of clearing land, cutting down forests, and removing old buildings would be a charge on the locality, the answer is that it would not be. That is part of the construction cost.

Mr. McNARY. In preparing the amendment, which I have had printed, but have not yet offered, I tried to preserve inviolate the principle and policy that there should be local contribution, which I think is the essence of the letter of the President, with the modification only that so far as highways and railroads are relocated, that cost should be a charge upon the Government.

When we deal with a highway or a railroad, we have a different problem than we have when we deal with a man's

farm or a forested area, as suggested by the Senator from Kentucky [Mr. BARKLEY]. Highways are interstate in character. They are supported in part by the Government. They are constructed to meet the specifications of highway engineers and the needs of the public generally. If an effort is being made, with the aid of the Government, to impound the waters of the rivers to provide flood control, to protect the people from floods, and to aid in navigation, there should be some effort upon the part of the Federal Government to pay the costs of changing great highways of commerce, which to a very large extent carry interstate commerce. That cost should not fall on the communities.

Mr. President, I now make the prediction that if the charge for reconstructing highways and railroads, which in large part do an interstate business, is to fall upon the localities benefited, this bill will not amount to a hill of beans so far as the actual protection of the public from the angry rivers of the country is concerned.

We must meet the issue. The Tennessee Valley Authority met the issue in the Tennessee Valley, and in no case have the people or the State benefited been charged for any of these factors.

I am in accord with that principle. I want that principle extended to every locality in the country. However, in order to preserve the principle of local contribution, I am willing that contributions be exacted from the public so far as sites for reservoirs and easements generally are concerned. I am only asking a modification to cover the two elements which I have discussed.

I have not offered my amendment. I have made this statement in order to ascertain from the Senator from Kentucky [Mr. BARKLEY] whether my amendment is included within his own. In addition, I desire to obtain a statement of policy from the able chairman of the committee, the Senator from New York [Mr. COPELAND]. I do not want to have it said that I offered an amendment which defeated the bill, even though I think it is a very meritorious amendment. I can accomplish my purpose subsequently, if necessary. However, if my amendment meets with the approval of the President, the committee, and the chairman of the committee, I should like to see it written into the bill.

I always expect, and always receive, a frank answer from the able Senator from New York.

Mr. COPELAND. Mr. President, will the Senator yield?

Mr. McNARY. I yield the floor.

Mr. COPELAND. A little while ago the very able and always kindly Senator from Oregon said that he would not do anything which would offend the chairman of the committee or the committee. I can conceive of no undertaking in which the Senator from Oregon would voluntarily take part which could possibly be offensive—certainly not to me. However, frankness compels me to say that the Senator from Oregon offered his amendment in the committee as an addition to the pending bill. It received the consideration of the committee and was defeated. I do not remember the vote, but I think it was 9 to 5. So it was not approved by the committee.

Mr. President, as to the other question suggested by the Senator as to whether or not it would bring a veto, I suppose that no Member of the Senate is better qualified to know what the President would do than is the Senator speaking; the President, of course, would consult me about it, but all I know is what the President has said. I read to the Senate the language of the President:

> It is my belief that, for many reasons, the Federal Government should not be charged with the cost of the land necessary for levees, dams, and reservoirs.

Mr. McNARY. Mr. President, my attention was distracted for a moment. May I ask the Senator to repeat his statement?

Mr. COPELAND. The President in his letter said to Judge Whittington—I will read it again—after discussing a general subject, then said:

> One other subject remains—the participation of State and local authorities in the cost of any of these projects. It is my belief—

The President says—

> that, for many reasons, the Federal Government should not be charged with the cost of the land necessary for levees, dams, and reservoirs.

I have understood from rather authoritative sources if the Congress should determine to place 100 percent of the cost of the construction of these works upon the Federal Government that the bill would bring a veto. I am not speaking authoritatively, but I am reciting to the Senate the statement made to me by a Member of the House of Representatives who was very active in connection with the bill.

Mr. LOGAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Kentucky?

Mr. COPELAND. I yield.

Mr. LOGAN. I merely wish to suggest that, so far as most of us are concerned, the bill had just as well be vetoed as not to have in it the provision to which the Senator objects.

Mr. COPELAND. I have not fully expressed my own view about the pending question. Perhaps the Senator will be better pleased with my remarks after he hears my completed statement. I utterly disapprove of the amendment offered by the senior Senator from Kentucky [Mr. BARKLEY] in the form in which he offers it. Personally, I would have no objection to placing upon the Government—and I think that is what the bill does—the cost for lands on which dams are to be located and "lands or flowage rights in reservoirs, and highway, railway, and utility relocations." If we are to take an amendment to conference on this subject, I say, with all respect to my beloved leader, that I would prefer the language offered by the Senator from Oregon [Mr. McNARY]. I think, in some degree, at least, it covers what the Senator from Kentucky wants—

> That the costs of relocation and reconstruction of highways railroads, and other utilities located on or traversing lands necessary for the construction of projects * * * shall be considered part of the construction costs of such projects.

To do that would cost $20,000,000. I suppose such a sum as $20,000,000 in these days does not mean much. It seems to be a great deal in my personal life, but does not seem much when it comes to Government expenditures. But I think it is a wrong policy. It is a new policy. It has not been considered by any committee of the Congress. It has never been studied with a view to recommendation. It makes a great change in our national policy.

On the lower Mississippi are miles of levees built by persons ill able to make the contribution. If we are now to enter upon a new policy and to assume all the cost—100 percent of the cost—of flood-control projects, what can we say to the people down there? They could very justly come to us and say, "Well, we spent millions of dollars to acquire land, and so forth; we should have our money back."

I know how embarrassing it is, how trying it is, and how almost impossible it is—indeed, the junior Senator from Kentucky said it was utterly impossible—for localities in certain sections of the country to bear the cost.

The senior Senator from Kentucky last year offered an amendment—I have forgotten whether it was to the flood-control bill or to the relief bill.

Mr. BARKLEY. It was to the flood-control measure.

Mr. COPELAND. And it provided, as I recall, in the event it was found that a community could not contribute funds that the money might be taken out of the relief appropriation. Was that it?

Mr. BARKLEY. No; but that the President might waive the requirement for local contributions, and the amount would be taken out of the appropriations for flood control.

Mr. COPELAND. What was the ultimate fate of that amendment?

Mr. BARKLEY. The ultimate fate of it was that in conference the President was authorized to waive 50 percent of the local contribution instead of all of it. The President has exercised that authority in one or two places by waiving 40 percent of the cost of local land easements and rights-of-

way; but I do not think in any case he waived it up to the 50 percent.

Mr. COPELAND. I know—and candor compels me to say—that there can be no complete system of flood control in this country until we have a unified, a universal system. That is particularly true of the Ohio River Valley and the Mississippi River Valley. It would be a futile omission to leave out any part. But I can only express to the Senate what I believe to be a well-founded fear that if a hundred percent of the cost of these projects were placed upon the Federal Government, the bill would be vetoed. Perhaps that ought not to be a consideration with us; perhaps we should exercise our own best judgment; but I have tried to answer the Senator from Oregon that, in my opinion, it would bring a veto. However, he can speak much more authoritatively as to that than can I.

Mr. BARKLEY. Mr. President, just a word. I do not wish to detain the Senate. The Senator from New York says he is willing to accept the amendment I have offered if it is limited to dams and reservoirs. In other words, he is willing to accept an amendment and provide for a 70-percent reimbursement for the relocation of highways and utilities and bridges made necessary by the construction of a dam. But, of course, a bridge would not be necessary if a dam were built; it would not be necessary if a reservoir were built. Nobody would build a bridge across a reservoir of any size. All my amendment does is to seek to provide that the Government shall reimburse the community up to 70 percent if the development happens to be a ditch instead of a dam and will require the relocation of a street or highway or the building of a bridge. It seems to me there is no difference in principle.

I have no authority, of course, to say what the President would do about it; but it is inconceivable to me that the President would veto a bill simply because it provided that if a ditch happens to be constructed instead of a dam, and a bridge is necessary over a highway, or a street, or a railroad, out of the appropriation for the construction of the project itself such necessary costs may be paid up to the extent of 70 percent. I repeat, there is no difference in principle; and it seems to me to be a rather rank discrimination to say to a community, "If you can be protected from flood by a dam, we will reimburse you for all the expense up to 70 percent; but if a ditch is constructed instead of a dam, we will not do anything about it." The chances are that the expenses made necessary by the construction of a ditch on account of highway bridges and the relocation of streets would be greater than in the case of a dam. A road may be built over a dam and the other side reached, but a ditch cannot be crossed without a bridge.

Mr. NORRIS. That depends on the size of the ditch.

Mr. BARKLEY. If it were large enough to protect from flood, of course, a bridge would be necessary. One could jump across a very small ditch, but one could not jump across one large enough to protect a city of ten or fifteen thousand people from flood.

Mr. NORRIS. Mr. President, I have not read or heard read the amendment offered by the Senator from Kentucky [Mr. BARKLEY], which is now pending. I was out of the Chamber when it was offered; but I am moved to take the floor to say a few words about the general subject which is under discussion.

I think a very important principle is involved. I am not thinking of this amendment. I am thinking of any amendment which may be offered, or any principle which may be put into law or attempted to be put into law by Congress, in the enactment of this bill or any other bill. Whether the Government of the United States should bear all the expense or only a portion of it is a question of considerable importance.

Speaking in a general way, and admitting that there may be exceptions to the rule, I think the principle may be safely and logically laid down that any expenditure made necessary by building a dam for flood control which has a direct legal relation to it ought to be borne 100 percent by the Government of the United States. The idea of asking a community where a reservoir, for instance, is located to make a contribution for the purchase of the land which is going to be overflowed, it seems to me, is not only illogical but preposterous and, in the ultimate end, impossible.

A reservoir is constructed to hold back floodwaters which, if not held back, would do damage farther down—perhaps 5 miles, perhaps 10 miles, perhaps a thousand miles farther down. In theory, the people who are going to be benefited by it are all the people below the reservoir to the mouth of the stream, or until the water reaches the Atlantic Ocean or the Pacific Ocean or the Gulf of Mexico. It is impossible to find out who they are, impossible to differentiate between them, impossible to allocate the benefit.

Flood control is a national problem. It belongs to the Nation, just as the cost of building levees and dikes along the lower Mississippi is a matter which belonged to the Nation; and yet the water which caused the damage and made the levees and dikes necessary or advisable may have come a thousand miles down the Mississippi River or down the Missouri River from the Rocky Mountains, and part of it down the Ohio River from the Allegheny Mountains.

It is a national problem. I think there is no other way to solve it. The people living in the immediate vicinity of the reservoir where the floodwaters are held back have no interest in the reservoir. They have no property there which is going to be damaged. They would not be injured a cent's worth by the nonbuilding of the dam which created the reservoir. Even though they owned the land on which the dam was located, they probably would be in no danger of a flood. They might even be distant from the river. That condition exists all over the country.

I can conceive of a condition in which a local community would have to protect itself, whether or not a dam were built, by building a levee or a dike. Very seldom, however, I think, could such a possibility exist.

The Senator from Oregon [Mr. MCNARY] referred with approval to the method pursued by the Tennessee Valley Authority, and that is a good example. In the development of the Tennessee River—which, I think, stands out as the most scientific development of any stream in the United States—there has never been, so far as I know, a single instance in which a local community was asked to contribute any part of the cost of construction of a dam; and the communities should not be asked to do so. I think that act is based on the right principle. Senators who have always voted against the development of the Tennessee River, who have always opposed it for one reason or another, who have often stood like a solid phalanx against anything that could be done in the development of the Tennessee River by the T. V. A., now can realize that the principle embodied in that act and carried out by that Authority ought to apply to the whole United States. If that were done, we should not have the present difficulty.

Mr. President, there is not any possibility of Congress controlling the floods of the various streams of the United States and making the local communities pay any material part of the expense. They will not do it. They cannot do it. In all the cases about which I know, it is not right that they should do it. Often they would be bankrupted if we should require them to do it; and I believe that under the Constitution any law we might pass requiring them to do it would be held unconstitutional by the Supreme Court, and very properly so.

I know that I was called upon to attend a conference, at which there were present Army engineers and others, in regard to a certain reservoir in the West; and the statement was made to the people in that locality, "You cannot have this reservoir unless you at least pay for the land which will be covered by water if the dam is built"; yet not a single property owner would sustain one cent's worth of damage if the reservoir was not built. They were out of the zone of damage. They never had been damaged by a flood in that vicinity;

yet the people for more than 200 miles down the stream proper, and then a long distance down the Missouri, and then a long distance down the Mississippi, would be benefited by the holding back of every gallon held back by the dam, making that much less the floods which came to the part of the valley where they lived.

When we build a reservoir like the Fort Peck Reservoir on the Missouri River up in Montana, would it be possible to say who is going to be benefited from Fort Peck clear down to New Orleans? Senators, it is foolish to think we could collect the benefits, and yet the construction of that reservoir is a very material benefit to all those people. Standing alone, it would not be enough to save them from damage, but if the same thing were done on the Ohio River and on some of the streams in Arkansas and Missouri the damage would be greatly alleviated. If all the streams that flow into the Mississippi were thus regulated by high dams the height of the Mississippi River would be almost the same the year around.

It is impossible to say just who will be benefited by the construction of the Fort Peck Dam. We know that as a national matter it will save a large part of the Nation millions of dollars in damage that otherwise would be suffered. If on each of the streams that converge into the great Mississippi River between the Alleghenies and the Rockies we should perform the same operation that is being performed today on the Tennessee River we should not have any damage at New Orleans. We should have a stream that would be normal the year around. It would be higher in time of low water and lower in time of high water than it now is; and the same thing would be true, in a degree at least, of all the streams that flow into the Mississippi. It is only when the streams are in high water, as a result of heavy rains in the Rocky Mountains and the Allegheny Mountains, when the waters happen to come together in the Mississippi River, that uncontrollable floods result. We have spent hundreds of millions of dollars to build dikes and to clean out the bed of the Mississippi River, all to no end.

We are now engaged, and this bill undertakes, to some extent, to provide for the Government engaging, in the building of dams on tributaries of the great Mississippi River which shall hold back floods and let them out moderately at a time when the waters will do no damage. That is a national undertaking. It is going to cost hundreds of millions of dollars. I regret that it will cost so much, but I know of no way of avoiding it. We cannot charge up a part to a man living on the Mississippi, another part to a man living on the Tennessee, and another part to a man living in the vicinity where a reservoir is being built. We cannot do that. It is impossible, in the first place; it is unjust, in the second place. We cannot allocate the damages.

I think Senators and, indeed, the country, ought to realize that the great question of flood control will never be properly solved until we approach it scientifically. When we develop a river, as was provided by the Tennessee Valley Act in the case of the Tennessee River, we should develop it as a whole and build all the dams in reference to all other dams. Where we are going to build a reservoir we must built a dam at the opening of the reservoir. God made the reservoir just as He sends the rain. We cannot provide reservoirs everywhere. When we get lower down on some of the streams we cannot have any reservoirs, and we have to take care of the floods farther up.

We provided in the Tennessee Valley Act for the development of one river in the United States—just one—in a scientific way. All we have to do is to develop every other river in the same way. We would have them greatly developed, we would have had the Tennessee River developed much further than it is developed at this time, if it had not been for one selfish interest—just one—namely, power. In the proper development of these streams we will often find, though not always, that the higher dams, built at the mouths of the reservoirs, will also generate electricity. Instead of being sorry for that, we ought to rejoice in it, because it will bring electricity into the homes of America at a price lower than has ever been had before. We ought to be glad that in the development of any river on a scientific basis some power will be developed.

In connection with the bill now before us, providing for flood control, we have heard the leader very properly call attention to the Tennessee Valley Act as a model which we ought to follow.

Mr. President, Senators have been talking about a possible veto. I will tell them what may bring on a veto, if one is coming. I do not anticipate that there will be a veto, but if there shall be a veto it will not be in connection with the question we are now discussing; it will be because when the bill reaches the President it will contain stipulations and provisions which will prevent development for the benefit of the people of the power which may come from the development of the proposed dams, prevent the proper handling of erosion which occurs away back on the farms and in the communities, and prevent the proper control of little streams, the proper control of reforestation where that can be handled; or the bill will be vetoed for the reason that it will attempt to turn over to the Corps of Engineers of the United States Army the entire planning, investigation, and development of this problem of natural resources and their preservation.

I am going to take the time of the Senate, although it may be tedious, to read a joint resolution which Congress passed which brought forth a veto, and Senators can judge for themselves what kind of legislative action may bring another one.

On August 2, 1937, Senate Joint Resolution 57 was passed. It passed the Senate and the House and was sent to the President and was vetoed. If Senators are interested in the talk about a veto, let them hear me now, as I read the text of the joint resolution which did meet a veto. This is the language:

That the Secretary of War is authorized and directed to submit to Congress with reasonable expedition a full report or a series of reports embodying a comprehensive national program and plan for the control of floods of all the major rivers of the United States and its Territories and their principal tributaries.

That is the text of the joint resolution. We said in Congress that the Secretary of War should report and plan.

The Chief of Army Engineers, under the direction or the Secretary of War, is authorized and directed to conduct necessary surveys, assemble information, and prepare such a comprehensive plan, which shall include provisions for the construction of levees, spillways, diversion channels, channel rectification, reservoirs, and all works necessary for an effective and adequate system of flood control for all such rivers. Such plan and the report or reports to Congress shall list specific projects and set forth estimates of cost (including the expense of acquiring land and easements and payments of property damage) of carrying out the projects, and shall set forth the values of such projects for hydroelectric development and other conservation purposes. And the appropriate bureaus of the Department of Agriculture, under the direction of the Secretary of Agriculture, be, and they are hereby, authorized and directed to cause a preliminary examination, survey, and report or reports, to be made for run-off and water-flow retardation and soil-erosion prevention on the watersheds of said waterways, with a view to controlling said floods, in accordance with the provisions of the Flood Control Act approved June 22, 1936. Such plan and report or reports shall take into consideration flood-control projects now under construction or heretofore authorized by acts of Congress, and shall include provisions for the construction of levees, spillways, diversion channels, channel rectification, reservoirs, and utilization of water resources through the building of power dams or a combination of power, reclamation, conservation, and flood-control dams, and all works necessary for an effective soil and water conservation for all such rivers and their watersheds. Any plans or reports which include or recommend projects for reclamation shall be prepared in conjunction with the Department of the Interior.

SEC. 2. There is hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this resolution, to be paid from appropriations heretofore or hereafter made for such purposes.

Mr. President, that was the joint resolution we passed.

Mr. COPELAND. What was the date?

Mr. NORRIS. August 2, 1937.

Mr. COPELAND. Has the Senator the veto message?

Mr. NORRIS. I intend to read it now. President Roosevelt's veto message on Senate Joint Resolution 57, dated August 13, 1937, is as follows:

To the Senate:

I return herewith, without my approval, Senate Joint Resolution No. 57, entitled "Joint resolution to authorize the submission to Congress of a comprehensive national plan for the prevention and control of floods of all the major rivers of the United States, development of hydroelectric-power resources, water and soil conservation, and for other purposes."

In my message of June 3, 1937, I proposed for the consideration of Congress a thoroughly democratic process of national planning of the conservation and utilization of the water, and related land, resources of our country. I expressed the belief that such a process of national planning should start at the bottom through the initiation of planning work in the State and local units, and that it should contemplate the formulation of programs on a regional basis, the integration of fiscal and conservation policies on a national basis, and the submission of a comprehensive development program to the Congress by the President.

The reverse of such a process of national planning is prescribed in Senate Joint Resolution No. 57. By this resolution the War Department would become the national planning agency, not alone for flood control but for all the other multiple uses of water. Although the Department of Agriculture would prepare reports on run-off retardation and soil-erosion prevention, and the Department of the Interior be consulted on reclamation projects, the War Department would report for these coordinate agencies directly to Congress, instead of to the Chief Executive. The local and regional basis of planning would be ignored, and there would be no review of the whole program prior to its presentation to Congress from the standpoints of national budgetary considerations and national conservation policies.

The Corps of Army Engineers has had wide experience in the building of flood-control projects and has executed the projects entrusted to it with great skill and ability. Its experience and background is not alone sufficient, however, for the planning of a comprehensive program for the development of the vast water and related resources of the Nation.

The planning of the use and control of water and related resources is distributed by law among numerous governmental agencies, such as the Departments of Agriculture and Interior, the Federal Power Commission, the United States Public Health Service, the International Boundary Commission, and the Tennessee Valley Authority. The joint resolution encroaches upon the functions of these agencies, and ignores and duplicates the coordinated planning work already in progress under the general guidance of the National Resources Committee.

I find it impossible to subscribe, therefore, to the proposal that has been embodied in this joint resolution.

Mr. President, if the pending bill shall be enacted into law, and if it shall be vetoed, the veto will come, in my opinion, because of the refusal of Congress to place in the bill amendments which will make it possible to preserve, in the way the President has outlined, the natural resources of the United States, and not turn them all over to the Corps of Army Engineers, able and competent though they may be. It would be for that reason that the bill would be vetoed, if it should be vetoed. I think it is well for us to consider this matter, not particularly because we are afraid of a Presidential veto, and are trying to guard against it, although I confess that is a proper matter for consideration, but because, in my judgment, it is right that the plan which, for instance, is approved by the leader on the Republican side, and which is embodied in the Tennessee Valley Authority Act, should be followed with respect to legislation dealing with projects all over the Nation. I believe we should include in the pending bill some of the principles which we previously announced in the Tennessee Valley Authority Act. That act is working to perfection so far as I can see, and is now commended in the Senate by some who have always heretofore opposed it, and have tried to defeat some of its objects.

Certain amendments are going to be proposed by various Senators. The Senator from Kentucky [Mr. BARKLEY] and the Senator from Alabama [Mr. HILL], who sits at my right, and other Senators, will present amendments, the effect of which, as I understand, will be to make it impossible for us to go so far in the pending legislation as to nullify the act which we have passed before, and to repeat the mistake we made when we passed Senate Joint Resolution 57.

If we make that same mistake again, then, in my judgment, the President, if he takes the same stand he previously took, would be justified in vetoing the bill. That is the only fear I have in respect to the pending bill. It can be amended. The Senator from Kentucky is going to offer certain amendments, and other Senators are going to offer amendments which will perfect the bill, and, in my judgment, protect us against the possibility of a Presidential veto.

Mr. COPELAND. Mr. President——

The PRESIDING OFFICER (Mr. BERRY in the chair). Does the Senator from Nebraska yield to the Senator from New York?

Mr. NORRIS. I yield.

Mr. COPELAND. Does the Senator think that on the floor of the Senate we could consider and adopt amendments in order that the bill could be so formulated as to receive the approval of the President?

Mr. NORRIS. I am not sure but that the President would approve it just as it is. I am not authorized to speak for the President; I have not talked with him about it; I have not heard from him about it; but I have read the joint resolution previously passed, and the veto message on it. The joint resolution established the policy of turning over everything to the War Department. There is a great deal of the same kind of doctrine in the pending bill. I am opposed to it, not because I am afraid of a presidential veto, or care anything about a veto. That is something in respect to which the President can do as he pleases. In my opinion, however, we would make a mistake if we should put anything in the pending bill which would make it impossible in the future for us to carry out the principles established by law in the Tennessee Valley Authority Act.

Mr. COPELAND. Mr. President, will the Senator yield?

Mr. NORRIS. I yield.

Mr. COPELAND. Of course, I realize, from what the Senator says, that he cannot speak for the President, and I am quite sure I cannot; but if I understand the veto message, and having some knowledge of the President's ambition regarding the National Resources Board, I am not confident that we could go far enough in the pending legislation to meet the objections expressed in the veto message. I want the Senator to know, as he probably does, that personally I believe in the National Resources Board. I do not think I helped its cause any, and I do not think I hurt it any, by urging that the amount of money allocated to it in the relief bill be increased from $250,000 to $750,000. I think there should be a great planning board. I think one of the mistakes our country makes is that it does not, as a thrifty man does in his business, make plans for the future.

Even though we do not adopt the amendments which the Senator has in mind, I cannot see that there is anything in the bill which would stand in the way of the ultimate ideal in the Senator's mind, and an ideal which I have in my mind. Every one of these dams and reservoirs constructed, where there is a possibility of power development, is to be provided with a pen stock. In many instances these reservoirs and dams, in order to be valuable as agencies of power development, would have to be built higher. I can see nothing in the bill which would interfere with the ultimate perfection of the thought which the Senator has.

Mr. NORRIS. Will the Senator pause at that point to let me comment on his remarks?

Mr. COPELAND. Certainly.

Mr. NORRIS. The Senator very properly says that he can see that some of these dams for flood control and power ought to be built higher, and that pen stocks are going to be put in them so that in the future that may be done. I may have something to say about that when amendments are offered by other Senators, but at this time I do not want to be led into a discussion of matters which may be offered later.

The comment which the Senator from New York just made is a very proper one. What I am saying is in no sense a criticism of what may be done, but is a criticism of the pending bill. If in the construction of a dam, for instance, the question should arise, "Will water power be provided by this dam or will it not?" there may be doubt in the minds of scientific men. If we are to provide for the production of water power in a flood-control dam we will have to make the

dam a little higher, so as to make it efficient both for flood control and power. Someone may say, "Let us not do it now. Let it be for the future. Let the Corps of Army Engineers decide whether or not they will do it now. Let them decide in the case of a given dam whether they will put in pen stocks, or whether they will actually install the water-power facilities."

I do not believe we ought to leave that question to the Corps of Engineers. They can construct the dam in either way. If it is to be 200 feet high they will have to have a different foundation for it than if it were only to be 100 feet high. Hence they ought to know before they begin the construction of the dam whether they are to build it to its greatest height, or whether they are going to leave that matter for future decision.

Instead of putting in a pen stock, if it has been decided by the proper authorities that power should be installed at once, then we want power installed at once. We will cheapen the project in each instance if we decide what shall be done to begin with.

My objection to the bill, in a general way, is that it does not decide that question. It leaves it to the Secretary of War. As the President says in his message, in his judgment that is not the proper place to lodge the authority. In my judgment it is not the proper place, and I do not believe in the mind of any Senator it is the proper place to lodge the authority for planning and deciding whether a dam shall be 100 feet high or 200 feet high. If we now build a dam 100 feet high, and make the foundation accordingly, we cannot go back a year from now, after the dam shall have been finished, and construct it 100 feet higher, if the reservoir and the abutments are such as to permit it, without enormous expense in going down to the foundation and making a broader and perhaps deeper foundation than we had already made. In such an instance we should be taking action which would make it impossible, because of the original mistake, for us to bring about the full culmination of the proper protection of the resources of the country.

I think the decision in such matters ought not to be left to the engineers. It might be left to the Federal Power Commission, whose business it is to study the question, and who now know, from studies which have already been made, what is proper, and whether or not power ought to be developed, or whether there is only a possibility that power may be developed in the dim future, in which event they would do as the Senator says—put in a penstock and wait for time to determine whether or not they ought to make a further improvement.

Mr. COPELAND. Mr. President, will the Senator yield?

Mr. NORRIS. I yield.

Mr. COPELAND. I thought I was correct in my recollection, and I have just refreshed it. As a matter of fact, in building all such dams and reservoirs the Army engineers consult with the Federal Power Commission, the Reclamation Service, and other agencies of the Government, to determine what other uses than flood control can be made of the completed project. In every instance in which a dam is built primarily with authorization for flood control, the Army engineers build a foundation sufficient to carry a superstructure which ultimately might impound enough water to be used for power purposes.

Furthermore, in connection with such conferences, the determination is made, for example, that project No. 2001, or whatever it may be, has in it power possibilities. In every such instance, as provided by law in most cases, the penstock is installed.

If the Senator will bear with me just a moment—because I wish to get a full answer from him—there is great danger, which we must recognize here and elsewhere, in the use primarily for flood control of a dam or a reservoir which is essential to carrying out the complete reconstruction of our country with reference to the conservation of our natural resources. The danger is that there is always the temptation to keep the reservoir so filled with water that when a flood comes there is no room for the additional water. We must not overlook that fact.

Mr. NORRIS. Will the Senator pause at that point in order to permit me to comment on his statement before he goes so far that I forget some of the questions which his remarks have suggested to me?

Mr. COPELAND. Certainly.

Mr. NORRIS. There is considerable misunderstanding with respect to dams to be used for both flood-control and power purposes.

The assertion is often wildly and erroneously made by power men that a dam constructed for flood control is of no value whatever as a power dam, and that if a dam is used entirely as a power dam it is of no value for flood control. There are instances in which that statement is absolutely true. In such instances power must take a place secondary to flood control, which is the most important. I concede that.

In cases in which it is possible to use a dam for both purposes—and I shall cite such cases in a moment—in my opinion it is a national sin not to utilize the power possibilities in addition to the flood-control benefits. If we do not provide now for such double use, if we build dams without any possibility of providing power in places where the natural advantages are favorable to power production, in future years our descendants now unborn will raise their hands in perfect horror and condemnation in criticism of our action.

I can best illustrate the power problem, as I see it, by taking an actual case. I shall take the Norris Dam in Tennessee only as an example. The Norris Dam is used both for flood control and for power. The reason why the public ought to own it, and not private parties, is that the only object of private owners—a perfectly honorable object, with which I am not finding fault—would be to make money and produce as large a financial return as possible. The owners would fill the reservoir to the top of the dam, and keep the water level at that point. If they did, they would develop a large amount of power which is not now developed, because the T. V. A. recognizes that the most important function of Norris Dam is flood control. The reservoir is never filled to the top of the dam.

Take the case of a given reservoir, such as that behind Norris Dam, capable of holding 3,500,000 acre-feet of water. A study has been made, over a great many years, of the history of rainfall and the height of water in that territory. Rain-measuring gages were installed all over the watershed in addition to some which were already installed, and the gages were connected to telephones, so that when a rain occurs 100 miles away, notice is had of such an occurrence within 5 minutes. Notice is had when the rain ceases and the amount of water which has fallen is known. The reports come in from all over the watershed, and within 15 minutes after a flood rain has taken place on the slopes of the Alleghenies, the authorities at Norris Dam know just how much water has fallen from the measurements coming from different places over the area. The authorities at Norris Dam know whether the rainfall has been general or local in character. They know what to prepare for, and they get ready for it. The rain which falls requires a couple of days to reach Norris Dam. If there were any doubt about the matter, and if any appreciable amount of water were held behind the dam, the water would be let out at once, to run down the Tennessee River before the flood came. Then the gates of the dam would be closed.

As the Senator from New York [Mr. COPELAND] well said the other day on the floor of the Senate, a year ago last January, on the western slope of the Allegheny Mountains, where the Ohio and the Tennessee Rivers rise side by side, one of the greatest floods known to history occurred. When that flood reached Norris Dam the gates were closed and not a gallon of water went out of the reservoir. What happened to the power? The power had to cease. It was secondary to flood control. There was no power. The result was that the flood which came down did not fill the reservoir.

When a dam is built, the amount of water it will hold is computed. The history of the rainfall within the watershed

is studied, if there is a history. Usually, there is a history. If there is not one at present, a history is soon built up as the result of the experience from year to year. The amount of water necessary to fill the reservoir is computed, and the necessary amount of space is held in readiness for a flood. Hence, the full amount of power which might be developed is not being developed at the dam.

Norris Dam is on the Clinch River, a tributary of the Tennessee River. The Clinch River has a great many tributaries, coming down from the mountains over a large area. The combined water from all those tributaries has never yet, in all history, been sufficient to fill to its capacity the Norris Dam. So that the water can be kept at a certain level and still there is space enough to hold the largest flood that nature has ever brought about. I think the capacity of the dam has been pretty nearly doubled so as to be safe and sure, and, as time goes on, and the information is obtained the level will probably be somewhat raised.

In addition to that, when telephone communication with the sides of the mountains informs those in control of the dam that a terrible flood is on the way, they can let all the water out before the flood arrives and have practically an empty reservoir ready to hold it.

That is a place where power and flood control are combined. Suppose that reservoir were sufficient only to hold the floods that come, then the power would be much less valuable; it would be necessary to empty it, and when that was done there would be no power. That is what its opponents always say about it, namely, that when the reservoir is emptied there can be no power, which is perfectly true. But a reservoir that is sufficiently large to hold all the floods, and indeed, to hold twice the amount of any flood that history has ever recorded is capable of producing an immense amount of power at the same time.

That is what I should like to see done, I will say to the Senator, in connection with all these dams. Flood control is the first demand; flood control is the main object; flood control must not be given up for any other purpose; it is the dominating objective; it is the reason why we appropriate the public money to prevent damage not in one little locality alone but all over the United States. Power, not in all but in many cases, is a byproduct, as it were, and we ought not to throw away that valuable byproduct. In my opinion, if it had not been, from the very beginning of the fight in regard to T. V. A. that has been going on for 20 years, for the opposition of the private power companies we would have now a combination of flood control and power over a large portion of the United States.

Mr. COPELAND. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from New York?

Mr. NORRIS. I yield.

Mr. COPELAND. I think the Senator has made a very powerful argument in favor of constructing these great projects in such a way as to bring about a combination of power and flood control. He has made a powerful argument that there must be such control as to prevent selfish, grasping private organizations from keeping water in reservoirs for the sake of developing hydroelectric power. I think that argument is unanswerable; I think I can approve that contention. But I should like to say, Mr. President, that, in spite of the very wise statement made by the Senator from Nebraska, who knows more about this project than anybody else in the Chamber, I think he overlooks the fact that what we are proposing in this bill will ultimately accomplish exactly what he has in mind. I do not think a single dam or reservoir will be built which does not have in it a penstock and the apparatus for emptying the dam and creating hydroelectric power or for emptying the reservoir for the sake of having a greater capacity for flood waters. I do not think he need fear that at all. I believe it to be true that where hydroelectric power or water for reclamation and irrigation may be needed, every one of these projects will be planned and built with a view to doing exactly what the Senator from Nebraska desires.

So, if we cannot get all we want, we, at least, can formulate this bill in such a way that the worthy objectives of the Senator from Nebraska shall not be defeated. I believe, with all my soul, that there is nothing in the bill which contemplates any such construction as will defeat what the Senator has in mind.

Mr. NORRIS. Mr. President, I do not desire to be understood as questioning the sincerity of the Senator from New York; I know he will not hold any such thought in mind. There may be a disagreement and difference of opinion; but, to take an imaginary case, where there happens to be a reservoir site near the city of A, we will say, capable of holding a large amount of flood water, and a dam is constructed there by the Army engineers—and I have no fault to find with them; I am not objecting to having them construct the dam; I do not think they are the only engineers who construct good dams but they do construct good dams, and I do not want to be one and am not one who complains about their work—the question arises, should power facilities be installed now or should we just put in a penstock and wait 10 years. Who is going to pass on it? If the Army engineers are going to pass on it, probably it will have something to do with the kind of dam that is going to be constructed. Probably, as the Senator said a while ago, in case the dam is to serve a double purpose it would be higher than it would be in the other case; and, speaking in a general way, where God has made it possible to construct a high dam, with some exceptions, it is true, because of cost, and so forth, the dam ought to be constructed just as high as it can be constructed to afford all the flood control and all the power that is possible. Probably it is not always best to do that; but I do not think the Army engineers ought to decide the question.

Mr. COPELAND. Mr. President, will the Senator permit me?

Mr. NORRIS. Let me finish some further comments.

Mr. COPELAND. Very well.

Mr. NORRIS. This bill leaves it with the Army engineers. The Secretary of War is the head of it. As President Roosevelt said in his veto message of Joint Resolution 57, he is opposed to the Secretary of War and the Army engineers, able as they are, fixing the policy of the Government in relation to various matters; and I will say, so far as my opinion goes, they should not fix the policy as to the development of hydroelectric power.

I am aware that I may be criticized by many honest people when I say that the Army engineers have never shown any great love for hydroelectric power development. I do not want to be understood as criticizing them for that. They have a perfect right to the attitude which they take, if they desire to take it, and I can see how they would be inclined to take it. Their whole professional career has been connected with other interests than the development of power for the poor and needy of God's country; they are sincere in their belief; I do not question that; but they have associated with a higher class of people than would be benefited, as a rule, by the development and distribution and transmission of hydroelectric power that might be developed by some of these dams. Hence they do not look at it from a sympathetic viewpoint; they are inclined to be the other way. So, if we leave it to them, if there is any doubt about it, there will be no power development provided. Without criticizing them, without finding fault with the viewpoint of anybody, I believe that the right to say what should be done and when it should be done should be left, as the President says in his veto message, with some other administrative officials of the Government of the United States.

Mr. MILLER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Arkansas?

Mr. NORRIS. I yield.

Mr. MILLER. In connection with what the Senator is saying as to determining the question whether or not the installation of penstocks should be provided for at the time

plans are made for a dam, I find myself in agreement with the Senator on that contention; but I am wondering about another aspect of the situation. The Water Power Act, with which I know the Senator is very familiar, provides that the Federal Power Commission, in determining the feasibility and in determining upon plans for the construction of a dam, shall consult three agencies of the Government; the engineers of the Agricultural Department, the engineers of the Interior Department, and the Army engineers. In addition to that, the Federal Power Commission, as I understand, has a corps of its own engineers.

Mr. NORRIS. It has, and I think a very high-class organization it is.

Mr. MILLER. Those four agencies might, with a great deal of propriety, be named in the subsection of this bill dealing with penstocks, and I think all interests would thereby be protected.

Mr. NORRIS. I think so. I am not contending, I will say to the Senator, for any specific thing. A bill is pending in the Committee on Agriculture and Forestry which has had favorable consideration by the subcommittee to which it was referred more than a year ago. I have not read the bill since that date, but, as I recall it—and I myself drew the bill—it provides, that when there is any dispute between the engineers of any of the departments as to just exactly what should be done in the way of putting in power or not the question shall be ultimately decided by the President of the United States.

I remember that I asked the Senator the other day, in a conversation with him at a conference we held on this subject, to look up that matter. I ask the Senator now if he did so.

Mr. MILLER. I think the best thing to do would be to provide for a consultation with the Federal Power Commission, with its facilities, to determine that question.

Mr. NORRIS. I think they are by far better qualified to decide the question of policy than are the Army engineers.

Mr. MILLER. I mean, the determination of the question with regard to the installation of penstocks. I think that would serve the purpose.

Mr. NORRIS. That would be a great improvement, I think. The question of putting in a penstock does not settle the whole matter, however, when a dam is being built.

I do not remember just how far I had gone when I was interrupted.

I was giving an imaginary illustration, and was about to call the attention of the Senate to a case in which the question for decision would be, Shall we put a penstock in this dam near the city, or shall we install water-power facilities? That means building a powerhouse in addition to the dam. Putting in a penstock would not have anything to do with the powerhouse. All the machinery is there. Everything is there. Shall we build it now, or shall we move away and come back in 10 years, go to the extra expense of moving out and moving in, and then build it?

If the dam were established in a community where there was use for electric power, or where people were paying an exorbitant price for electric power, or in a locality within transmission distance of cities and towns, the probabilities are that a man who believed in the development of electricity and its distribution at a reasonable price to the people would put in the powerhouse then.

He could do it much cheaper then than it could be done later. In the meantime, it would do some good to the people, and it would bring in an income which would go far toward paying for the improvement and the expenditure of money by the United States.

Mr. President, I did not intend to go into these various power questions. I probably shall not be here when all the amendments are offered. I think I have said all I care to say now on the general principle which is involved and which will be involved in the amendments which are to be offered.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Kentucky [Mr. BARKLEY].

Mr. COPELAND. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Davis	Johnson, Calif.	Overton
Andrews	Dieterich	Johnson, Colo.	Pepper
Ashurst	Donahey	King	Pittman
Austin	Duffy	La Follette	Pope
Bankhead	Ellender	Lee	Radcliffe
Barkley	Frazier	Lewis	Reames
Berry	George	Lodge	Reynolds
Bilbo	Gerry	Logan	Russell
Bone	Gibson	Lonergan	Schwartz
Borah	Glass	Lundeen	Schwellenbach
Brown, Mich.	Green	McAdoo	Sheppard
Brown, N. H.	Guffey	McGill	Shipstead
Bulow	Hale	McKellar	Smith
Burke	Harrison	McNary	Thomas, Utah
Byrd	Hatch	Miller	Townsend
Byrnes	Hayden	Milton	Truman
Capper	Herring	Minton	Vandenberg
Caraway	Hill	Murray	Van Nuys
Chaves	Hitchcock	Neely	Wagner
Connally	Holt	Norris	Walsh
Copeland	Hughes	O'Mahoney	Wheeler

The PRESIDING OFFICER. Eighty-four Senators having answered to their names, a quorum is present.

PLACEMENT OF EDUCATIONAL MUNITIONS ORDERS

The PRESIDING OFFICER (Mr. BERRY in the chair) laid before the Senate the action of the House of Representatives disagreeing to the amendment of the Senate to the bill (H. R. 6246) to provide for placing educational orders to familiarize private manufacturing establishments with the production of munitions of war of special or technical design, noncommercial in character, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. SHEPPARD. I move that the Senate insist upon its amendment, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. JOHNSON of Colorado, Mr. HILL, and Mr. LODGE conferees on the part of the Senate.

AUTHORIZATION OF FLOOD-CONTROL PROJECTS

The Senate resumed the consideration of the bill (H. R. 10618) authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the senior Senator from Kentucky [Mr. BARKLEY].

Mr. COPELAND. Mr. President, I hope Senators who are now in the Chamber will remain, because there is pending an amendment which is fundamental, which would change the policy of the Government, which would set up a new system. I think Senators should share the responsibility of determining whether or not it is wise. I intend to ask for a roll call on the amendment, and I hope I can have one, because we ought to know where we stand when a new policy is proposed.

Mr. BARKLEY. Mr. President, I do not understand the basis of the contention of the Senator from New York that this would establish a new precedent, because it would not. It would put all flood-control projects on the same basis.

Under the bill, local communities may be reimbursed up to 70 percent of the cost of lands, easements, and rights-of-way necessary in the construction of dams and reservoirs. My amendment provides that not only for the purchase of lands and easements and rights-of-way necessary for the construction of a dam shall there be reimbursement, but if, instead of a dam, the improvement is a ditch which has been authorized by Congress, the same rule shall apply. A dam or a reservoir cannot be construed to be a ditch; yet there are some flood-control projects which involve the digging of ditches in order to divert water around a whole city, for instance, in order that the water may empty into a river at another place so as to protect the city from floods. The

amendment merely puts that sort of a project on the same basis with a dam or a reservoir. It also provides that the community may be reimbursed up to 70 percent for any necessary relocations of streets or highways or the construction of bridges over the ditch which are made necessary by the diversion of the water. No new principle is involved. It merely puts all projects on the same basis.

Mr. NEELY. Mr. President, will the Senator inform us to what extent local communities may be reimbursed under existing law?

Mr. BARKLEY. Under existing law the President has the authority to waive 50 percent of the requirement for local contributions for the purchase of lands, easements, and rights-of-way. He has exercised that authority in a case or two. Under the bill as it came to us from the House, these communities may be reimbursed up to 70 percent instead of 50 percent, and it is not for the President to determine; it is provided in the law itself that the communities may be reimbursed.

All my amendment does is to reimburse the communities up to 70 percent for the purchase of rights-of-way, easements, and lands necessary for the digging of a ditch which has been authorized by Congress to protect a city against a flood, just as if it were a dam, and if in the construction of the improvement it is necessary to relocate a road or a street or build a bridge, the community shall be reimbursed up to 70 percent of the cost. That is all there is to it. No new principle is involved. It merely makes all flood-control projects stand on the same basis. I hope the amendment will be agreed to.

Mr. OVERTON. Mr. President, I think the observation ought to be made, in reference to the amendment suggested by the Senator from Kentucky, that a distinction has been made between local contributions in reference, on the one hand, to rights-of-way for levees and levee foundations and for such flood-control works as floodwalls, and, on the other hand, to reservoirs and dams.

The argument can be very forcibly made, and it has been made, and this bill supports the contention, that the local contributions for reservoirs and dams ought to be on a different basis from the local contributions for levees and floodwalls. The dams and reservoirs are frequently of no local benefit at all. They are constructed for the purpose of benefiting people who reside far away from the dams or the reservoirs. On the other hand, it can be said that almost without exception, and probably without any exception at all, a levee or a floodwall is constructed solely for the benefit of the local community, and therefore the contribution of the States and their local subdivisions ought to be much greater in reference to levees and floodwalls than in the case of dams or reservoirs; and that policy has been carried out.

In the Mississippi Valley we have contributed the rights-of-way for levees and levee foundations. We have always been doing that, and we have never sought to resist the demand for local contributions. Under the Senator's amendment, as I interpret it, we will continue to have to make those contributions, because I think his amendment will cover levees and floodwalls outside of the Mississippi Valley. In other words, his amendment applies to the act of June 22, 1936, instead of the act of May 15, 1928, as amended by the act of June 15, 1936, which are the flood-control acts relating to the lower Mississippi Valley.

Mr. VANDENBERG. The Senator is very familiar with all phases of this subject, and I should like to ask him a question. Would the adoption of this amendment set a precedent which would justify a claim for reimbursement for work previously done on a different basis of contribution?

Mr. OVERTON. I do not think it would. That is, I do not think that the amendment, if adopted, would be the basis for a claim for reimbursement. That is merely an offhand opinion, because I have had no opportunity to study the amendment. I have simply heard it read from the desk.

But I think that the main purpose of this amendment is to relieve the local interests from contributing for rights-of-way for levee foundations beyond the 30 percent that is provided for local contribution for dams and reservoirs. I thoroughly agree with the Senator from Kentucky that where a ditch or some diversion channel is to be constructed by the Federal Government, the Federal Government then should bear the costs of the rights-of-way necessary in order to construct that new channel through an area. But I cannot find myself in agreement with the Senator from Kentucky when he says that there ought not to be any local contribution at all, or only 30 percent local contribution in reference to rights-of-way for levees, the purposes of which are to protect people locally, and the benefits of which are local in character.

I think it is proper that there should be a different and lesser local contribution for dams and for reservoirs, because the dams and the reservoirs are for the most part of little or no local advantage, and benefit people in remote sections, way down in the valley of the tributaries or of the main river into which the tributaries may empty.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. OVERTON. I yield.

Mr. BARKLEY. It seems to me that there would be no possibility of levying local contributions for the construction of a vast reservoir that might be miles long and remote from any city or thickly populated community. There would be no way by which a local contribution could be levied, because the local contribution would have to be assessed against abutting property owners, because their property would abut the lake which would be created by the reservoir.

Mr. OVERTON. I may say to the Senator that what we understand by "local contributions" is not contributions by abutting property owners, but contributions by States and local subdivisions of States.

Mr. BARKLEY. Let us take a vast reservoir which might be 40 miles long and 20 miles wide, impounding the waters of some river, so as to hold them back during flood seasons. There is no municipality which is interested in that reservoir except one down the river; in that situation I think the Federal Government ought to bear all the cost. In the construction of a dam for the purpose of creating a reservoir I think the Government ought to bear the entire expense. But the amendment I have offered applies to local flood-control works, such as levees or flood walls or channels for diversion with respect to which we have already authorized the President to waive 50 percent of the local cost, and the House bill waives all except 30 percent of the cost.

Mr. OVERTON. I should find myself in agreement with the Senator, if he would confine the effect of his amendment to dams, reservoirs, and channel improvements.

Mr. BARKLEY. I have an amendment which I intend to offer, if the pending amendment shall be adopted, which changes the language so as to make it apply to dams, reservoirs, and other flood-control projects, which would include flood walls and levees, channels, or diversions.

Mr. MILLER. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. MILLER. I may suggest that the objection advanced by the Senator from Louisiana can be met by removing from the proposed amendment offered by the Senator from Kentucky the words "or other flood-control projects."

Mr. BARKLEY. If that language were removed from the amendment the amendment would be destroyed.

Mr. MILLER. I do not think it would. The amendment mentions "ditch," and it mentions "diversion channel." What I have suggested would simply remove the levees and sea walls.

Mr. COPELAND. Mr. President, will the Senator from Louisiana yield?

Mr. OVERTON. I yield the floor.

Mr. COPELAND. I wish to follow up what the Senator from Arkansas has said. I ask the Senator from Kentucky what the language of his amendment is, which was referred to by the Senator from Arkansas.

Mr. BARKLEY. The language is:

Provided, That lands, easements, and rights-of-way shall include lands on which dams or other flood-control works are located.

Mr. COPELAND. Very well. If the Senator will strike out "or other flood-control works" and insert in lieu thereof "or channel improvements", he will get what he wants, and the murder of the Government will not be quite so violent.

Mr. OVERTON. I think that would be a satisfactory change.

Mr. BARKLEY. I had intended to offer an amendment of that nature at another place, so it would harmonize with the pending amendment. I had intended to offer an amendment, in line 7, on page 2, after the words "for any dam, reservoir", so the language would read "for any dam, reservoir, or other flood-control project." I can change that to "channel", so as to limit it.

Mr. COPELAND. The Senator ought to begin his harmonizing now by striking out the words "or other flood-control projects" and inserting in lieu thereof "or channel improvements."

Mr. MILLER. "Or diversion channels."

Mr. COPELAND. "Or diversion channels"; yes.

Mr. BARKLEY. The word "reservoir" should be in the amendment, because it is in the text. The language of the text is "dams, reservoirs."

Mr. President, I have modified the first part of my amendment to read:

Provided, That lands, easements, and rights-of-way shall include lands on which dams, reservoirs, or channel improvements are located * * *.

Mr. MILLER. That is satisfactory.

Mr. COPELAND. That is all right.

Mr. President, I wish to say that personally I am opposed to the amendment. It changes the whole policy. However, if the Senate cares to adopt the amendment, the amendment is in the least poisonous dose that I can think of.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Kentucky.

The amendment was agreed to.

Mr. BARKLEY. In order to conform the language of the bill to the amendment just agreed to, I offer an amendment, on page 2, line 7, after the word "dam", to strike out the "and", and after the word "reservoir" insert "or channel improvements."

Mr. COPELAND. All right.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Kentucky.

The amendment was agreed to.

Mr. McNARY. I offer an amendment which I ask to have stated.

The PRESIDENT pro tempore. The amendment will be stated.

The CHIEF CLERK. On page 2, line 13, after the colon, it is proposed to insert the following:

Provided further, That the costs of relocation and reconstruction of highways, railroads, and other utilities located on or traversing lands necessary for the construction of projects authorized by such act of June 22, 1936, as amended, such act of June 15, 1936, as amended, or this act, shall be considered part of the construction costs of such projects and money appropriated under the authority of such acts shall be available for the payment thereof or for reimbursement of States or political subdivisions which have paid such costs."

Mr. COPELAND. Mr. President, having agreed to the amendments offered by the Senator from Kentucky, there is no logical reason why the Senate should not adopt the amendment proposed by the Senator from Oregon. All it does is to add $20,000,000 to the bill, and take $20,000,000 out of the Treasury, which is already depleted. All these amendments will invite a Presidential veto.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Oregon [Mr. McNARY].

The amendment was agreed to.

Mr. LEE. Mr. President, I ask unanimous consent for the consideration of an amendment offered by the senior Senator from Oklahoma [Mr. THOMAS] with respect to the Lugert-Altus Flood Control and Reclamation Reservoir.

The PRESIDENT pro tempore. The junior Senator from Oklahoma [Mr. LEE] asks that the amendment proposed by the senior Senator from Oklahoma [Mr. THOMAS] be considered. The amendment will be stated.

The CHIEF CLERK. On page 9, after line 10, it is proposed to insert the following:

The Lugert-Altus Flood Control and Reclamation Reservoir, located on the North Fork of the Red River in Oklahoma, is hereby authorized for construction at an estimated cost of $2,497,000, on the following basis as to a division of the cost of construction:

(a) The Chief of Engineers shall report to the President on or before August 1, 1938, the value of said Lugert Reservoir as a flood-control works, and the value so reported shall be the amount herein authorized to be appropriated as a charge against any funds appropriated and available for the construction of flood-control projects.

(b) The remainder of the estimated cost of such Lugert Reservoir, namely, the estimated total cost of the reservoir, less the amount reported by the Chief of Engineers as the value of said reservoir as a flood-control project, is hereby authorized to be appropriated for the construction of said Lugert Reservoir for reclamation and irrigation as reported in Senate Document No. 153, Seventy-fifth Congress, third session, and as further authorized by the last paragraph on page 37 of Public Act No. 497, Seventy-fifth Congress, third session, providing that the construction of said Lugert Reservoir and Altus reclamation project shall not be undertaken until the Chief of Engineers and the Secretary of the Interior join in an agreement as to the division of cost of the construction of the said reservoir as provided herein.

Mr. LEE. Mr. President, the reason why I ask for a reconsideration of the amendment is because I have checked back with the Corps of Engineers of the Army. The Senator from Michigan [Mr. VANDENBERG] asked about seemingly conflicting reports. This project is part reclamation and part flood-control, so both of us were right. So far as reclamation is concerned, it was approved to a certain extent, but we could not obtain any appropriation, because it was also part flood-control. Our trouble for 4 years has been that it is part of both.

The project is a little like a mermaid—too much woman to eat, and too much fish to hug. [Laughter.] We cannot get the reclamation folks to help us, because they say it is part flood control. We cannot get the flood-control folks to help us, because they say it is part reclamation. As a matter of fact, it is partly both. However, the amendment provides that only that part which the Chief of Engineers of the Army determines to be flood control shall be authorized under the bill.

I think that is a fair statement.

Mr. COPELAND. Mr. President, will the Senator yield?

Mr. LEE. I yield.

Mr. COPELAND. If the Senator will refrain from offering his next amendment, so far as I am concerned, I am willing to have this one go to conference. Is that agreeable to the Senator?

Mr. LEE. That is agreeable to me.

The PRESIDENT pro tempore. The Senator from Oklahoma [Mr. LEE] asks unanimous consent for the reconsideration of this amendment, which has once been rejected. Is there objection to the reconsideration of the vote by which the amendment was rejected? The Chair hears none, and the vote is reconsidered.

The question is on agreeing to the amendment offered by the Senator from Oklahoma [Mr. LEE] on behalf of his colleague [Mr. THOMAS].

The amendment was agreed to.

The PRESIDENT pro tempore. The bill is still before the Senate and open to amendment. Are there any further amendments?

Mr. BARKLEY. Mr. President, on page 1, I move to strike out section 1. My reason for moving to strike out section 1 is that in the Flood Control Act of 1936, section 2 provided:

That, hereafter, Federal investigations and improvements of rivers and other waterways for flood control and allied purposes shall be under the jurisdiction of and shall be prosecuted by the War Department under the direction of the Secretary of War and supervision of the Chief of Engineers, and Federal investigations of watersheds and measures for run-off and waterflow retardation and soil-erosion prevention on watersheds shall be under the jurisdiction of and shall be prosecuted by the Department of Agriculture under the direction of the Secretary of Agriculture, except as otherwise provided by act of Congress.

Inasmuch as that provision was made permanent law in the Flood Control Act of 1936, it seems to me that there is no need to write into the pending bill a separate provision which deletes a considerable part of the law with respect to soil erosion. I therefore move to strike out section 1, lines 3 to 9, inclusive, on page 1.

Mr. COPELAND. Mr. President, I suppose there is not any use in making an argument. I do not say that to be offensive to the Senator from Kentucky or any other Senator. We are seeking to establish a new governmental policy. We have not considered it. It has not been studied by any committee of the Congress. To my mind, the whole thing is unstatesmanlike. I say that without desiring to be offensive. It is not the way to deal with a great problem of our national life.

There is nothing in the first section of the bill which could possibly interfere with any other plans which we might make. I am perfectly willing to have the language changed so as to be identical with the language which we adopted yesterday in the river and harbor bill.

Mr. BARKLEY. Will the Senator accept an amendment substituting the present law in the Flood Control Act of 1936 for the language in section 1?

Mr. COPELAND. What language is that?

Mr. BARKLEY. The language from the beginning of section 2 of the act of June 22, 1936, down to the words "act of Congress", about midway in the section.

Mr. COPELAND. Yes; I shall be glad to accept that amendment.

Mr. BARKLEY. I move, then, to strike out section 1 of the bill and substitute for it the language which I send to the desk, which is marked, and which the Senator from New York has just read.

The PRESIDENT pro tempore. The modified amendment offered by the Senator from Kentucky [Mr. BARKLEY] will be stated.

The CHIEF CLERK. On page 1, after line 2, it is proposed to strike out:

That hereafter Federal investigation, planning, and prosecution of improvements of rivers and harbors for flood-control and allied purposes shall be a function of and under the jurisdiction of the Corps of Engineers of the United States Army under the direction of the Secretary of War and the supervision of the Chief of Engineers, except as otherwise specifically provided by act of Congress.

And to insert:

That, hereafter, Federal investigations and improvements of rivers and other waterways for flood-control and allied purposes shall be under the jurisdiction of and shall be prosecuted by the War Department under the direction of the Secretary of War and supervision of the Chief of Engineers, and Federal investigations of watersheds and measures for run-off and water-flow retardation and soil-erosion prevention on watersheds shall be under the jurisdiction of and shall be prosecuted by the Department of Agriculture under the direction of the Secretary of Agriculture, except as otherwise provided by act of Congress.

Mr. COPELAND. Mr. President, I am willing to accept that language, because we studied it and worked it out in the committee. It is entirely satisfactory so far as I am concerned.

Mr. BARKLEY. I do not care to discuss the matter any further.

The PRESIDENT pro tempore. The question is on agreeing to the modified amendment offered by the Senator from Kentucky [Mr. BARKLEY].

The amendment, as modified, was agreed to.

Mr. BARKLEY. Mr. President, I offer another amendment which I send to the desk and ask to have stated.

The PRESIDENT pro tempore. The amendment will be stated.

The CHIEF CLERK. On page 4, beginning with line 1, it is proposed to strike out:

Provided, That pen stocks or other similar facilities adapted to possible future use in the development of hydroelectric power may be installed in any dam herein authorized when approved by the Secretary of War upon the recommendation of the Chief of Engineers.

And to insert in lieu thereof the following:

Provided, That upon recommendation of the Federal Power Commission in accordance with plans approved by the Chief of Engineers and the Secretary of War, any dam heretofore or herein authorized shall be so designed and constructed, and shall include penstocks or such other facilities, as will enable it to be used for the development of hydroelectric power in addition to flood control.

Mr. McKELLAR. Mr. President, will that amendment in any way affect the dams of the T. V. A. on the Tennessee River?

Mr. BARKLEY. No. The bill does not affect the Tennessee Valley in any way.

Mr. COPELAND. Mr. President, I am frank to say that I think the amendment is a rather gratuitous reflection on the Army engineers. I see no reason in the world why the provision should not be that the Chief of Engineers and the Secretary of War, after consultation with—and perhaps the approval of—the Power Commission may do so and so.

Mr. VANDENBERG. Mr. President, may I ask the Senator from New York whether any of these amendments ever came to the Commerce Committee in connection with the consideration of the bill?

Mr. COPELAND. They never did.

Mr. VANDENBERG. Just what are Senate committees for?

Mr. COPELAND. I cannot answer that question. I am not omniscient.

Mr. BARKLEY. If the function of the Senate of the United States is to accept without change the work of any committee, then there is no need for us to sit here in session. I did not submit these amendments to the committee, but I have the right to offer them on the floor of the Senate.

All the pending amendment does is to provide:

That upon recommendation of the Federal Power Commission in accordance with plans approved by the Chief of Engineers and the Secretary of War, any dam heretofore or herein authorized shall be so designed and constructed, and shall include penstocks or such other facilities, as will enable it to be used for the development of hydroelectric power in addition to flood control.

The amendment is offered upon the recommendation of the Power Commission—which under the law is charged with the duty of supervising, in some respects, the control of power in this country—that in accordance with plans made by the Chief of Engineers and the Secretary of War, these dams shall be equipped with pen stocks. That is a simple matter, in order that the dam may be utilized, if necessary, for the generation of power. I do not see that there is any reflection on the Secretary of War or the Chief of Engineers, because it is done under the supervision and upon recommendation of the Federal Power Commission. It seems to me to be a compliment to the Chief of Engineers and the Secretary of War rather than a reflection.

Mr. COPELAND. Mr. President, if the Senator desires to make it certain that the Federal Power Commission shall be consulted, why not put it the other way around:

The Chief of Engineers and the Secretary of War, after consultation with the Federal Power Commission—

And so forth. Why not do it in that way?

Mr. BARKLEY. Mr. President, my attention was diverted for a moment, and I did not understand the Senator's suggestion.

Mr. COPELAND. I want to put the horse in front of the carriage. Of course, I realize that the matter is going to be sent to conference, but I should like to have it sent to conference in a form which would justify the conferees in accepting it.

I do not like this provision. I think it is a reflection on the Army engineers, whether or not it is intended to be. As a matter of fact, as I have already stated this afternoon, there is not a single one of these projects in which there is not consultation with the Federal Power Commission, the Reclamation Service, the Irrigation Service, and all the other departments of Government.

I do not think the amendment ought to be accepted.

Mr. BARKLEY. Mr. President, I do not see any objection to putting it in the law.

Mr. HILL. Mr. President, will the Senator yield to me?

Mr. BARKLEY. I yield to the Senator from Alabama.

Mr. HILL. Let me say to the Senator from Kentucky, if I may, that his amendment certainly is no reflection whatever on the capabilities or efficiency of the Corps of Engineers. The truth is, the Senator's amendment merely follows the policy which the Congress of the United States adopted away back in 1925, when it provided for an examination and a survey of practically all the first-class rivers, so to speak, in the whole United States.

The Senator from Kentucky will recall that the Rivers and Harbors Act approved March 3, 1925, included a section known as section 3, which read as follows:

SEC. 3. The Secretary of War, through the Corps of Engineers of the United States Army, and the Federal Power Commission, are jointly hereby authorized and directed to prepare and submit to Congress an estimate of the cost of making such examinations, surveys, or other investigations as, in their opinion, may be required of those navigable streams of the United States, and their tributaries, whereon power development appears feasible and practicable, with a view to the formulation of general plans for the most effective improvement of such streams for the purposes of navigation and the prosecution of such improvement in combination with the most efficient development of the potential water power, the control of floods, and the needs of irrigation.

The duty of surveying these rivers, and of working out a plan and a program, was placed by the Congress jointly on the Federal Power Commission and the Corps of United States Engineers. All that the amendment of the Senator from Kentucky does is to continue that policy and that joint responsibility on both the Federal Power Commission and the Army engineers. Through the passage of this bill we are starting some ninety-odd projects which will cost an amount running into the millions and doubtless the hundreds of millions of dollars. Why should we not have the advice, the knowledge, and the information of the Federal Power Commission in carrying out this great program? That is all that the amendment of the Senator from Kentucky provides.

Mr. SHIPSTEAD. Mr. President, will the Senator yield to me?

Mr. HILL. I really have not the floor. The Senator from Kentucky has the floor.

Mr. SHIPSTEAD. I thought the amendment had been agreed to.

Mr. HILL. No; I understand that this particular amendment has not been agreed to.

In that connection, while I do not want to trespass too much on the time of the Senator from Kentucky——

Mr. BARKLEY. That is all right.

Mr. HILL. The Senator knows that the Federal Power Act, which creates the Federal Power Commission, was written after not merely many months but many years of study and effort on the part of some of the best minds and the most distinguished Members the Congress of the United States has ever had. They worked diligently for years to work out a power policy, and to draft a power act to carry out that policy for the United States.

In that act they set up the Federal Power Commission, and they vested the Federal Power Commission with the duty and the responsibility of doing the very things which the Flood Control Act now provides—making investigations, collecting and recording data concerning the utilization of the water resources of any region to be developed, the water-power industry, and all kindred and allied subjects and purposes. All that we are doing by the amendment of the Senator from Kentucky is to carry out the policy which the Congress, after many years of thought and effort and consideration, laid down.

The amendment should be agreed to.

Mr. BARKLEY. Mr. President, after conferring with the Senator from New York [Mr. COPELAND], I think a modification of the amendment may accomplish the same purpose.

In line 3, on page 4 of the bill, I move to strike out the word "may" and insert the word "shall."

The PRESIDENT pro tempore. Without objection, the amendment is agreed to.

Mr. BARKLEY. In lines 3 and 4, page 4, I move to strike out "when approved by the Secretary of War upon the recommendation of" and insert the word "by"; and after the word "Engineers" in line 5, I move to insert the words "when approved by the Federal Power Commission", so that the proviso will read:

That penstocks or other similar facilities adapted to possible future use in the development of hydroelectric power shall be installed in any dam herein authorized by the Chief of Engineers when approved by the Federal Power Commission.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Kentucky.

The amendment was agreed to.

Mr. BARKLEY. On page 24, in line 22, after the word "Agriculture", I wish to insert "and the Federal Power Commission", so as to read:

And the sum of $10,000,000 is authorized to be appropriated and expended in equal amounts by the Departments of War and Agriculture and the Federal Power Commission for carrying out any examinations and surveys provided for in this act and other acts of Congress.

Mr. COPELAND. Mr. President, I suggest to the Senator that he make that amount of money $15,000,000 instead of $10,000,000.

Mr. BARKLEY. Yes; that is entirely satisfactory. In line 20, page 24, I move to strike out "$10,000,000" and insert "$15,000,000."

The PRESIDENT pro tempore. Without objection, the amendment is agreed to.

Mr. BARKLEY. And, as I have just suggested, after the word "Agriculture", in line 22, I move to insert "and the Federal Power Commission."

The PRESIDENT pro tempore. Without objection, the amendment is agreed to.

Mr. BARKLEY. Now, Mr. President, the amendment which I offered a while ago at the wrong place I wish to offer for insertion at the bottom of page 2. It is the amendment providing for the acquisition of title by the Federal Government with respect to dams and rights-of-way, and so forth.

The PRESIDENT pro tempore. The amendment offered by the Senator from Kentucky will be stated.

The CHIEF CLERK. On page 2, after line 25, it is proposed to insert:

That in case of any dam and reservoir project herein authorized or heretofore authorized by the act of June 22, 1936 (Public, No. 738, 74th Cong.), as amended, and by the act of June 15, 1936 (Public, No. 678, 74th Cong.), as amended, title to all lands, easements, and rights-of-way for such project shall be acquired by the United States or by local agencies and conveyed to the United States, and provisions (a), (b), and (c) of section 3 of said act of June 22, 1936, shall not apply thereto. Notwithstanding any restrictions, limitations, or requirement of prior consent provided by any other act, the Secretary of War is hereby authorized and directed to acquire in the name of the United States title to all lands, easements, and rights-of-way necessary for any dam and reservoir project with funds heretofore or hereafter appropriated or made available for such projects, and States or political subdivisions shall be granted and reimbursed, from such funds, sums equivalent to actual expenditures made by them in acquiring lands, easements, and rights-of-way for any dam and reservoir project heretofore or herein authorized: *Provided*, That no reimbursement shall be made for any indirect or speculative damages.

Mr. COPELAND. Mr. President, I ask that the memorandum I send to the desk be inserted in the RECORD in opposition to the amendment offered by the Senator from Kentucky, which I had anticipated would be offered.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

The Power Commission flood-control amendments tend to deflect the objectives and to alter the entire philosophy of and the approach to the functions and responsibilities of the Federal Government in dealing with the problem of controlling floods.

1. By the language of the proposed amendments to section 2, the Federal Government would assume title and ownership of all projects, dams, reservoirs, etc., undertaken in joint participation by the Federal and the local governments. This position is supported by the fact of the major—70 percent—contribution by the Federal Treasury to the purchase of sites, easements, and the like plus the 100-percent Federal contribution to actual construction. It is evident that for the concession of Federal ownership, advocates of this amendment would be willing to increase the Federal appropriation for lands from 70 percent to 100 percent.

This point is politically difficult to oppose because of the natural pressure upon localities to avoid assumption of financial obligations which the Federal Government seems ready and willing to assume. Yet surrender of local obligations is naturally followed by surrender of local autonomy in the direction of policy. Objectives of the current Federal administration would become paramount regardless of local requirements. This need not be a fatal weakness but for the fact that in most instances flood control is patently incompatible with power development. Yet the present administration seems determined to reconcile these conflicting objectives in all flood-control projects contrary to recommendations of distinguished Army and private engineers.

The measure of protection afforded by a flood-control dam which is also used for power development is materially less than provided by dams wholly devoted to control of floods. Thus there is a real danger of developing a wholly false sense of security among the downstream communities supposedly guarded from dangerous floods.

2. Wholly in line with the policy of attempting to combine flood control and power is the substitution of the Federal Power Commission for the Corps of Engineers of the United States Army as the agency to determine the wisdom of installation of power facilities at flood-control dams, the second amendment to section 4, proposed by the Federal Power Commission.

This amendment clearly implies that the Corps of Engineers does not—from the standpoint of feasibility, efficiency, engineering, economy, and achievement of the true and legal objective of flood control—go along with the powers that be on the question of combining the two objectives of flood control and power development in the same project.

The rub lies in the question of the legality of Federal development of hydroelectric power per se. Under all rulings the courts have held that improvement of navigation is a constitutional Federal function—and the language of this bill follows the rulings of the courts. It follows then that the control of floods should be a Federal function, although this principle has been belatedly accepted only in recent years. Hence, flood control is the first-cousin-at-law of the constitutional improvement of navigation. And if, according to the courts, in the course of improvement of navigation by means of control of floods, there should occur a byproduct of value in the form of hydroelectric power, then it would be a waste of a valuable Federal property not to make use of and to sell to the highest purchaser the result of that byproduct, electric energy. Hence, power development is a legal first-cousin-at-law-once-removed from the constitutional functions of the Federal Government—improvement of navigation.

Thus has evolved a wholly hypocritical policy of snatching at the realistic necessity of the control of floods for the purpose of carrying out the objective of public ownership of electric utilities. That policy may or may not be wise, expedient, socially needful, but if it is not constitutional as such, it should under our Democratic processes, be submitted to the people by means of a constitutional amendment. It should not be accomplished by means of evasion and avoidance which hang upon the necks of flood control and navigation, the millstone of public power ownership. The Federal Government should not give surreptitious support to an objective which, standing alone, is admittedly without legal standing.

The present procedure is a slyly cunning scheme to outwit the Constitution. As such it constitutes a form of public immorality that deserves condemnation from all who seek the preservation of democratic institutions and processes.

It is suggested that as an alternative to this proposal, the issue might well be placed squarely and honestly before the people in the form of a constitutional amendment empowering the Federal Government to engage in the business of generating and selling electric power.

Meantime, this flood-control bill is not an appropriation, only the authorization of an appropriation. Since the defeat of the Copeland amendment to the relief appropriation which would have earmarked a considerable sum for flood-control projects, there is no assurance that Federal moneys herein authorized will be expended before a regular appropriation next year.

Hence, there is no immediate necessity for the adoption, at the last minute, of amendments which would sweepingly alter the purpose and philosophy of the measure. On the other hand there is every legislative precedent that these controversial amendments be laid aside for this session and that when Congress convenes next year there be full and open hearings on this phase of the Federal power program. If at that time, after full hearings, the Congress should adopt these amendments, then no loss of time would have been incurred and they would have a standing of the fully expressed will of Congress.

However, there is some reason to believe that these amendments are now belatedly proposed wholly for the purpose of justifying a Presidential veto if they are not accepted. The motive behind a Presidential veto is the unremitting effort finally to secure passage of the so-called seven T. V. A. bill. Adoption of the present flood-control bill would virtually preclude revival of the seven T. V. A. bill. This flood-control bill reiterates the congressional policy for the control of our streams as laid down in the flood-control bill of 1936. Its enactment would leave no room for a second and diametrically opposed stream-control policy. Hence there is ground to believe that this proposal is not in good faith, is made wholly as a means of securing grounds for a Presidential veto.

The strategy of such a plan is of doubtful political wisdom. Veto of this bill for any reason would be most unpopular. The pressure for a national flood-control program is tremendous. There is insufficient justification for a veto, since the amendments can be acted upon separately at the next session, and since the enactment of the statute in its present form does not irrevocably preclude further consideration of a phase which at best is a minor one from the standpoint of bona fide flood control. Moreover, it is extremely doubtful if this strategy will succeed in forcing the seven T. V. A. bill through Congress. That measure was introduced on June 3 a year ago after preliminary publicity growing out of the great Ohio River flood of the winter of 1937. Subjected to literally months of hearings by the House Rivers and Harbors Committee it was finally scrapped after a series of emasculating modifications had failed to overcome the overwhelming objections of most of the House leaders. It has never been reported out of the Senate Committee on Agriculture and Forestry.

It would appear to be a politically dangerous move to veto this bill merely because of omission of these amendments. But if that were done the objective of enacting the seven T. V. A. bill very likely would fail and the present bill, perhaps in slightly different form, would be enacted next year.

Conclusion: Very properly the position could now be taken:

1. That these amendments are far reaching in their implications as to the functions and objectives of the Federal Government.
2. That they have received scant attention in hearings or in the House debate.
3. That this last-minute attempt to force them into the bill is bad public policy, hasty, and ill conceived.
4. And therefore, the bill in its present form should be enacted now, leaving these controversial amendments to public hearings and debate at the next session.

Mr. AUSTIN. Mr. President, if I understand the amendment, it is a proposal to take over the real estate of citizens of a State such as the State of Vermont, where reservoirs on small tributaries of the Connecticut River are contemplated, in connection with flood control, in the valley of the Connecticut River. If that is so, I wish to register my determined opposition to it. I have heretofore said all I care to say on the subject. This represents a violent conflict between Federal and State authority. In my opinion, this is a violation of the relationship set up by our forefathers between the Central Government and local governments, and I think that from the point of view of policy alone it is very unwise for the States of the Union to surrender their natural resources to the Federal Government in this manner. I doubt not only the wisdom of the amendment, but I doubt its validity, and I shall vote against it.

I ask that there be printed in the RECORD at this point a statement prepared by Mr. Walter S. Fenton, a member of the Vermont Flood Control Compact Commission, explaining the New England flood-control compacts.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

THE NEW ENGLAND FLOOD CONTROL COMPACTS—ARE INTERSTATE COMPACTS AS A MEANS OF SOLVING REGIONAL PROBLEMS DOOMED TO FAILURE?

(By Walter S. Fenton, member of Vermont Flood Control Compact Commission)

For many years there has been growing in this country a very considerable public opinion that interstate compacts provide the most satisfactory and effective means of meeting and solving many of the important questions involving groups of States having a community of interest, where the problems are purely regional. This view has been well stated by Prof. Felix Frankfurter and Mr. James M. Landis in the following language:

"* * * the compact idea should add considerably to resources available to statesmen in the solution of problems presented by

the growing interdependence, social and economic, of groups of States forming distinct regions."

Whether this beneficent policy, which has attracted the favorable consideration of so many students of government, and of which so much has been anticipated in the way of benefit to States seeking to take advantage of it, shall hereafter be generally adopted and utilized by the States, or whether it will be discarded as a means of settling regional problems concerning flood control as a futile and useless gesture, will depend very largely upon the action taken by Congress concerning the New England flood-control compacts now pending on favorable reports in both Senate and House of Representatives. Hence the widespread interest in the fate of these compacts, and the necessity of a complete understanding of the question involved.

On the afternoon of July 6, 1937, in the office of the Governor of the great Commonwealth of Massachusetts, the authorized representatives of four sovereign States met for the purpose of executing on behalf of their respective States compacts providing for the control of destructive flood waters of two of the largest river systems of the New England States. Massachusetts, Connecticut, New Hampshire, and Vermont had reached a satisfactory agreement respecting the basin of the Connecticut River, a problem common to the four States; while Massachusetts and New Hampshire, who, for geographical reasons, were the only States interested, had similarly solved the question of flood control on the Merrimack.

Except for the difference in the description of reservoir locations and the apportionment of cost between the States, the compacts were identical in form, scope and content, and what would affect one would similarly affect the other, so that for the purposes of this discussion we may very properly refer to them as the New England flood-control compacts.

It was in many respects a historic occasion. Four highly individualistic States, each justly jealous of its own sovereignty, had, nevertheless, composed any differences of opinion which might otherwise have been fatal to such a program, and the way was clear, but for the mere matter of approval by Congress, for immediate construction of the projects comprehended in the initial plans for flood control.

On July 10, 1937, the eight Senators representing the four interested States jointly introduced in the Senate a bill granting the consent of Congress to the compacts (S. J. Res. 177), with the expectation that it would be promptly passed and the compacts thereby become finally and fully effective.

Similar resolutions were introduced in the House of Representatives by Congressman CLASON of Massachusetts (H. J. Res. 435) concerning the Connecticut River compact, and by Congressman TOBEY of New Hampshire (H. J. Res. 436) and Congresswoman ROGERS of Massachusetts (H. J. Res. 430) relating to the Merrimack River compact.

Notwithstanding these compacts had been public documents for months before the ratifying resolutions were introduced in Congress, notwithstanding they had received wide publicity in the press, notwithstanding their terms were well known or could have been well known by anyone having any interest in the subject, notwithstanding they had received the unqualified and wholehearted public approval of the Secretary of War in a public address delivered more than 2 months previously, not a suggestion of criticism was heard concerning them from any source until about the time the ratifying resolutions were introduced in Congress.

Without any warning, the compacts were suddenly subjected to an attack from the Federal Power Commission, actively supported by the Chief Executive, and instead of being promptly ratified as the people of New England had every reason to anticipate, their present consideration was prevented and further action indefinitely, if not permanently, postponed.

The development of this opposition, the reasoning advanced, and the proposed legislation advocated by and with the approval of the Federal Power Commission and others holding high places in the administration at Washington, in an effort to defeat ratification of the compacts, provide an interesting revelation of what may happen to thwart the will of the people of sovereign States, as declared by their legislatures, anxious to take action for their own protection against the ravages of destructive floods—sincerely seeking to comply with every requirement of the law to make such action effective—carrying out to the last detail the policy laid down by Congress in the enactment of the law, as interpreted and promulgated by the department of Government to whom Congress delegated its administration, when that policy comes into conflict with what some other department of Government would apparently like to have declared as a policy, but which has not, as yet, sufficiently appealed to Congress as one desirable to adopt.

The first criticism of the compacts appeared in an opinion prepared by an attorney of the Federal Power Commission, excerpts from which were published in the Hartford (Conn.) Courant of June 27, 1937. Singularly enough he concluded that the compact varied only in slight details from the Flood Control Act, which variance would seem immaterial if the Secretary of War did not object to the slight encroachments upon his prerogative. His study was more particularly directed to a criticism of the Flood Control Act and the policy permitted under it and carried out by the compact, which might preclude the plan of eight little T. V. A.'s for the Nation. Among other things he is quoted as saying:

"The ratification of the present compact will be a precedent which other sections will seize upon, and the pressure will be difficult for Congress to resist."

In other words, the method of solving interstate flood control provided in and by this compact was sufficiently meritorious to commend it as a model to be generally followed throughout the country, and, therefore, it was argued that Congress should not give its approval to a plan which other groups of States, desiring to preserve to themselves a measure of State control over flood-control activities within their own borders, would not only welcome but enthusiastically embrace. However, the Power Commission was evidently gifted with second sight, for upon the introduction of the ratifying resolutions it discovered that while conforming to the Congressional policy laid down in the Flood Control Act, insofar as flood control was concerned, the reservation in article VIII of the conservation and power values at the reservoir sites beyond what was necessary for the primary purpose of the flood control, was in direct conflict with the established policy of Congress under the Federal Water Power Act of 1920, as amended, and would divest the Federal Government of its present control over the power resources of these regions and involve a surrender of the Federal interest in these streams asserted in the Water Power Act. Therefore, such provision was neither authorized nor contemplated by the Flood Control Act of 1936.

When on August 11, 1937, the Power Commission filed with the House Committee on Flood Control its report and recommendation on House Joint Resolution 482 (the Brown-Casey bill hereafter referred to), it had finally come to the conclusion that the compacts were fatally defective because title to the lands, easements, and rights-of-way requisite to the projects was not conveyed to the United States.

If these progressively developing objections are sound, it seems somewhat strange to an interested observer why it appeared necessary for the introduction of legislation amending the Flood Control Act in such vital respects as to impose upon the New England States a rule directly contrary to that laid down in the Flood Control Act as applicable to the rest of the country. Although unqualifiedly recommended favorably and urged upon the House Flood Control Committee by the then Chairman of the Federal Power Commission, his familiarity with the provisions of the Brown-Casey bill was so limited that he could not express an opinion as to whether or not it did amend the Flood Control Act, as applied solely to New England, in permitting Federal condemnation of lands, easements, and rights-of-way without the consent of the State in which they were located.

The Brown-Casey bill has been so well characterized by Governor Cross, of Connecticut, that it can now be dismissed from further consideration with a short quotation of his views:

"This bill bearing the name of two of the five men who are its sponsors * * * has the distinction of being so loosely drawn that it could not be made the basis of any intelligent compact whatever. The bill provides that if Massachusetts and Connecticut should agree upon a compact, then the Secretary of War would be authorized to go into Vermont and New Hampshire and just take any lands he likes for flood-control reservoirs. It seems to have been forgotten that the people of New England are all kin in whichever State they may live. Neither the Governor of the Commonwealth of Massachusetts nor the Governor of the State of Connecticut could be counted upon to submit to his legislature a compact involving the rape of two sister States. Despite all their faults, there still survive in these Governors, I trust, some traces of honor."

The bill attracted so little support that apparently it has been abandoned and in its place there has now been put forward the McCormack amendment to the Flood Control Act of 1936, backed by the same interests which supported the Brown-Casey bill and opposed the compacts. This amendment, if adopted, would completely reverse the whole fundamental policy upon which the Flood Control Act is bottomed, establishing in its place a policy diametrically opposed to it. Under this amendment State participation in flood control by means of dams and reservoirs is entirely eliminated and the Federal Government is authorized to go into any State to acquire, at its sole expense, the lands, easements, and rights-of-way essential to any such project, a policy which was definitely rejected by the Senate Commerce Committee when the Flood Control Act was under consideration in 1936.

If this bill is adopted, all remaining vestiges of State sovereignty would be practically swept away. While Massachusetts and Connecticut would receive flood protection without cost, New Hampshire and Vermont would suffer untold direct damage for which they could never be compensated, and the indirect damage would be beyond calculation.

Despoiled of their natural resources, vast amounts of taxable values eliminated as sources of revenue, their economic future seriously impaired, their scenic attractions, on which they must rely as their chief remaining asset, marred by indiscriminate location of flood control reservoirs without regard to the wishes and desires of their people, the situation of Vermont and New Hampshire would indeed be cause for serious alarm.

Again it seems pertinent to inquire, if the objections to the compact are sound, why is it necessary to rewrite the Flood Control Act and establish a new policy in order to prevent ratification of the compacts as drawn?

The plain fact of the matter is that the compacts are not in conflict with the Flood Control Act but on the contrary are in exact accord with its terms.

To clearly understand the utter lack of foundation, both in fact and in law, of the objections which have been raised to the passage by Congress of the resolutions consenting to the compacts, as drawn, adopted and ratified by the States, a brief discussion of the Flood Control Act of 1936 and a short recital of events leading up to the drafting of the compacts and their contents is essential.

The subject matter of flood control is one that has been engaging the consideration of thoughtful minds in the country for some years. Until comparatively recently, however, active attack on the problem has been confined more or less to the Mississippi River Basin, and to some extent to the Ohio River Basin.

Disastrous floods began to increase in frequence and in destructive damage, and in 1935 legislation was introduced in Congress looking to a definite policy of flood control, in which the Federal Government should participate. The spring of 1936 saw widespread disaster from floodwaters all over the eastern part of the United States, particularly in the lower Connecticut and Merrimack Rivers in New England, and in western Pennsylvania and the Ohio Valley. The demand for action became acute and resulted in the passage by Congress of the Copeland or Omnibus Flood Control Act. While it was under consideration in the Senate Commerce Committee, a resolution was introduced by a Connecticut Congressman providing for interstate compacts concerning this subject and allied problems between and among the New England States and New York. Representatives of the New England States appeared before the House Judiciary Committee in support of this legislation, and the resolution, enlarged to include the same authority to the Ohio River Valley States, was adopted.

The Omnibus Flood Control Act approved June 22, 1936, laid down as a declaration of policy in the first section a recognition by Congress of a Federal interest in the subject of flood control, sufficient to warrant participation by the Federal Government "in cooperation with the States * * * for flood-control purposes."

Section 3 of the act prescribed the "cooperation" required from the "States, political subdivisions thereof, or other responsible local agencies" as a condition precedent to participation by the Federal Government. Specific assurances were demanded, applicable to all projects which did not fall within certain exceptions or contingencies later defined in the same section. Inasmuch as the projects contemplated in the compacts under consideration come within the general rule, and not within any of the exceptions, this discussion is confined to the requirements under the general rule. The share of the "States, political subdivisions thereof, or other responsible local agencies" is clearly and definitely set forth in the following language: "That they will (a) provide without cost to the United States all lands, easements, and rights-of-way necessary for the construction of the project, except as otherwise provided herein; (b) hold and save the United States free from damages due to the construction works; (c) maintain and operate all the works after completion in accordance with regulations prescribed by the Secretary of War."

It was further provided "that whenever expenditures for lands, easements, and rights-of-way by States, political subdivisions thereof, or responsible local agencies for any individual project or useful part thereof, shall have exceeded the present estimated construction cost thereof, the local agency concerned may be reimbursed one-half of its excess expenditures over said estimated construction cost." In other words, provision was made that the cost of the State's participation in the project should not in any event exceed the cost of participation by the Federal Government.

Under section 5 the act defined the participation by the Federal Government in these flood-control projects, viz, the construction by the Government of certain specific flood-control projects described in that section.

Congress recognized that the flood-control works on various of the river systems specified in the act would involve more than one State, and that in order to comply with the requirements of the act, and to effectuate it's purposes, the interested States would have to enter into agreements concerning the terms and conditions upon which they might act jointly in giving the assurances required under section 3, and provide the necessary funds to carry out their part of the enterprise.

In the report of the Senate Committee on Commerce, accompanying H. R. 8455, the Flood Control Act, it was specifically stated:

"The committee has realized the difficulties which must accompany the execution of a flood-control project involving several States in securing proportionate cooperation from the States. But it has held that general legislation providing for Federal participation in flood-control projects should include a requirement for a substantial measure of local contribution in view of the local benefits which arise from the completed projects and to insure that no measure is undertaken without the full cooperation of local interests."

The House Judiciary Committee, reporting on the separate compact resolution (H. J. Res. 377), said:

"The testimony before the committee showed that one State alone could not arrange for a system of flood prevention or elimination of pollution of the Connecticut River, one of the three rivers. There will have to be a series of compacts or agreements to consider this subject, and possibly one or more commissions to comprehensively study and prepare solutions and control and govern the improvements after they are completed."

And further:

"House Joint Resolution 377 grants the consent of Congress for the States, or any two of them, to negotiate and enter into agreements or compacts for regulating the flow, lessening flood damage, removing sources of pollution, and making other improvements on any streams.

"Such consent of Congress at this time is an expression of its interest in the subject matter, and is an invitation to the States to avail themselves of this constitutional method of settling interstate problems pertaining to flood control and elimination of pollution. In recent years Congress has passed many resolutions authorizing interstate compacts."

The Flood Control Act provided in section 4 for such interstate compacts as follows:

"The consent of Congress is hereby given to any two or more States to enter into compacts or agreements in connection with any project or operation authorized by this act for flood control or the prevention of damage to life or property by reason of floods upon any stream or streams and their tributaries which lie in two or more such States, for the purpose of providing, in such manner and such proportion as may be agreed upon by such States and approved by the Secretary of War, funds for construction and maintenance, for the payment of damages, and for the purchase of rights-of-way, lands, and easements in connection with such project or operation. No such compact or agreement shall become effective without the further consent or ratification of Congress, except"—

Under conditions which have no application here, or would be considered by the States here involved.

The question of development of power by the United States, at the site of any of the projects defined in the act, or the expenditure by the United States of any money for that purpose, under the provisions of the act, was specifically excluded from its terms. The Senate Commerce Committee definitely foreclosed any possible controversy on that subject, when it said in its report:

"The committee found it advisable to exclude from the bill certain reservoirs included in H. R. 8455, most of which are associated with power development, since the inclusion of such reservoirs in a bill devoted to flood-control measures would not appear appropriate."

Although the sentiment in Vermont was not particularly favorable to any plan which would make the eastern part of the State a series of mere catch basins for the floodwaters of the Connecticut River drainage area, that would disrupt and in many instances dislocate our highway and transportation system, that would take some of the best of our agricultural lands for reservoirs and compel removal of villages, transplanting of our people, and the resulting economic loss to many communities, our relations with our sister States to the south were of the most friendly character. We were cognizant of the damage done to them by the drainage from our mountain sides and realized that if they were to get any measure of protection it must result from the detention of floodwaters within our borders and those of New Hampshire. As good neighbors, we were desirous of doing whatever lay in our power to assist them if it could be done without too great a sacrifice of our own interests, and if we might have some measure of control as to where these reservoirs should be located.

The interstate compact provided an ideal method for an attempt to solve this common problem. Consequently, upon the enactment of the Flood Control Act, commissioners were appointed by each of the four States to study the situation and negotiate a compact if a satisfactory solution could be worked out. The joint commission labored diligently through the summer and fall of 1936 but without tangible result. These discussions finally culminated in a conference between the Governors of the four States referred to and their representatives and the Secretary of War and his assistants and advisers at Hartford, Conn., on March 8, 1937. The conference was brought about at the suggestion of the Secretary of War, who advised that the President was deeply interested in the necessary agreement between the States and the Federal Government being effected at an early date. The whole subject matter was exhaustively discussed and explored, with particular reference to the policy of the United States as to the type, character, and utilization of dam and reservoir structures for which any appropriation to carry out the terms of the Flood Control Act on the part of the United States could be expended. The Secretary of War and his Chief of Engineers laid down and approved the policy subsequently incorporated in the compact and which would satisfy the requirements of the Federal Government.

Not only was this policy strictly in accord with the terms of the Flood Control Act, but it was the only practical, common-sense way to meet the situation. Unless the conservation and power values in these reservoir sites could be preserved and developed by the States or some agency designated by them, they would be gone forever. Once dams designed solely for flood-control purposes were erected, with no provision made for their further adaptation for conservation purposes, the entire value of potential power development vanished.

With this determination and declaration of policy, in the first instance by Congress as indicated in the Flood Control Act and

the report of the Senate Commerce Committee accompanying it, and the amendment hereafter referred to, and secondly, by the Secretary of War and the Chief of Engineers, the States had no part. They were invited by the terms of the Flood Control Act itself and urgently solicited by the President, the Secretary of War, and the Chief of Engineers to enter into a compact for the purpose of carrying out the Flood Control Act according to its terms and upon the conditions outlined therein, and by the further declaration of policy as expounded by the War Department, to whom Congress had delegated the administration and supervision of the law.

In absolute good faith they accepted this invitation. The representatives of the four States labored diligently for long hours, aided by the engineering and legal representatives of the War Department, to formulate a basis upon which they could mutually agree to recommend to their respective principals. The fact that four such individualistic States as those involved in this compact could reconcile their differences and arrive at a common basis for agreement, successfully negotiating what at times seemed almost insurmountable obstacles, and eventually unanimously propose a form of compact acceptable to the several legislatures of the respective States would seem to be sufficient evidence of their good faith, the sincerity of their intentions, and the conciliatory attitude with which they mutually approached such a difficult task.

With four States involved it was apparent that they could not act individually, but must operate through a common agency, which should be empowered to give the assurances required by the Flood Control Act, to acquire and hold the lands, easements, and rights-of-way necessary for the flood-control projects contemplated under the compact, to hold and save the United States free from damages due to the construction works, and to maintain and operate the works after completion, in accordance with regulations prescribed by the Secretary of War, and to accept moneys and funds contributed by the signatory States or any other source for the purpose of carrying out the terms of the compact.

Such an agency was created in the form of an interstate corporation, known as the Connecticut River Valley Flood Control Commission. Its organization, functions, powers, and duties were carefully set forth in detail; an initial plan for 8 of 11 designated flood-control reservoirs was promulgated and the type of development specified. The method of acquisition of lands, easements, and rights-of-way was provided, namely, by the State, through its own agencies and under its own laws, upon the requisition of the commission, payment to be made by the commission from funds contributed by the four signatory States. The items constituting "cost of acquisition" were carefully defined, and it was provided that upon the lands, easements, and rights-of-way being acquired, the State so acquiring them should convey the same by perpetual lease (999 years) to the commission for the purpose of flood control and for no other purpose, subject to certain conditions assuring reimbursement to the town wherein the lands were located for the tax loss occasioned by the taking, and the preservation of the esthetic conditions in the reservoir basins when drained. The apportionment of acquisition cost and annual maintenance and operation charges, including reimbursement for tax loss, was agreed upon and set forth, with a specific limitation of the maximum cost of acquisition for the initial plan, as well as of the long-range, comprehensive program of development contemplated under the compact. Various other details incidental to the functioning of the commission and its rights, duties, and liabilities were incorporated and having been completed in its final form and submitted to and final approval given by the War Department, the compact was then presented to the respective legislatures for action. With practical unanimity the members of the respective legislatures adopted and the Governors approved the compact as drafted and presented by the commissioners.

That the compact and all of its provisions were in exact accord with the Flood Control Act and with the then policy of the national administration as laid down by the Secretary of War and his Chief of Engineers, whom Congress, in accordance with its time-honored policy, had selected for that purpose when it committed Federal participation in these projects to their hands, let the Secretary of War himself be the witness. Having in mind that his representatives, legal and engineering, were present at every session during which the compact was being written; that they assisted in its preparation; that he was kept constantly informed of its progress; that before it was submitted to any of the four legislatures it was first approved by his Department; that the principal objections of the Federal Power Commission, which wrecked the realization of immediate flood control so much desired by the southern New England States, are that the States reserved to themselves the benefit of water conservation and power development, beyond what was required for flood control, and retained the title to the lands where are located the proposed reservoirs—the testimony of the Secretary of War is a valuable contribution to the subject matter of the controversy.

In a public address delivered at Washington on April 26, 1937, more than 2 weeks after Vermont had ratified the compact, enacted the necessary legislation to carry out its terms, appropriated the funds to comply on its part with its requirements, and had adjourned, referring to the Flood Control Act and the New England compacts, the Secretary said:

"Under the existing legislation the rights-of-way are furnished by the State or subdivisions thereof and remain the property of the State. In return the States should reserve for future development the conservation values of the individual reservoirs. The flood-control program thus becomes a coordinate and comprehensive one for general conservation which will not only reduce the annual losses now sustained from floods, but will also return direct benefits to the areas in which the reservoirs are located.

"The War Department is gratified with the prompt action of the four New England States of Connecticut, Vermont, New Hampshire, and Massachusetts in agreeing to an interstate compact, which will permit their compliance with the requirements of local cooperation established in the Flood Control Act, and at the same time will reserve for the States the right to develop the reservoirs in the future for other and additional purposes, and which is now being submitted to the legislatures of the respective States for approval. This compact, if adopted by the States and approved by Congress, will point the way to a closer cooperation between the States and Federal Government in the execution of measures for the conservation and utilization of our natural water resources. These States desire to retain a measure of State control in reservoirs provided within their jurisdiction, as do the States of Pennsylvania and New York, who have already enacted legislation to provide for full cooperation with the Federal Government."

In the light of this plain and forthright declaration, so commendatory of the accomplishment of these four States, it is not particularly surprising that the people of New England were profoundly surprised and shocked when they learned of the objections interposed by a commission upon whom Congress had not imposed any duty concerning the Flood Control Act or its administration—objections which, when examined, prove to be without substance.

One of the most commonly asserted objections to these compacts, repeatedly reiterated, without semblance of foundation in fact is that they are power and not flood-control compacts. In no sense of the word are they power compacts. They do not undertake to provide for the production of power. They merely reserve to the States wherein the sites are located, the right, under certain conditions, to make available storage or power values, if any such there be after the primary purpose of flood control has been fully satisfied, and at the sole expense of the State or its agency. It must be remembered that the States, other than the one where is located the site, have no interest beyond flood control. Yet, under the agreement, they provide a portion of the acquisition cost and annual operating and maintenance expense for providing flood control at that particular site. The common agency of the four States is charged with the management, operation, and conduct of the flood-control enterprise. It holds title by perpetual lease to such of the lands, easements, and rights-of-way as are necessary for that purpose. It was imperative that it clearly appear that as to all other uses or purposes, in which no other State had any interest, the State where the lands were located retained to itself such values, to be utilized in such manner as lawfully might be, without interference from any other State or from the common agency. For that reason the much criticized article VIII was inserted in the compact.

It was recognized that at this state of our development there might be sites that would not be considered economically feasible for power development, but this compact was practically perpetual, and conditions might arise when power projects not now feasible would sometime be considered in a different light. Hence, after providing for notice to the United States, through its War Department before construction work started at any site contemplated, of a desire to utilize the conservation or power values, provision was made that the State might, at any time, avail itself of the reserved right, upon compliance with certain conditions as to payment of the added cost and expense, in accordance with plans approved by the Secretary of War. Then there was added a clause which removed all doubt as to the basis upon which the State could make these rights available. It was specifically provided:

"The terms and conditions under which any such signatory State shall make available the rights of water conservation, power storage, or power development herein reserved shall be determined by separate agreement or arrangement between such State and the United States."

It thus appears that whenever a State shall desire to develop power or utilize a site for the conservation of water, it must first go to the United States, through its proper agency, and agree upon the terms and conditions under which such action may be taken.

Although the then Chairman of the Federal Power Commission in the hearing before the House Flood Control Committee was not prepared to say that in his opinion the compacts had the effect of ousting the Federal Power Commission of its jurisdiction to license power projects at the sites designated in the compacts, the proponents of the compacts did not hesitate to state to the committee that there was no intent to deprive the Commission of that power, if it existed. In other words, if the Federal Power Commission, under existing law, had jurisdiction over these mountain streams there was absolutely nothing in the compacts which deprived the Commission of that jurisdiction.

Nor did the proponents of the compacts interpose the slightest objection to amending the ratification resolution, either as proposed by the War Department, which had previously placed its stamp of approval on the compact as written, or by committee members who desired to have it clearly appear that ratification of the compacts would not be deemed to waive, diminish, impair, or in any way affect the provisions of any existing Federal law, par-

ticularly the Federal Water Power Act of 1920, and the jurisdiction of the Federal Power Commission thereunder. To the contrary, they expressed entire approval of the addition of such clarifying amendment.

The Federal Power Commission and its representatives were not only unwilling to accept the assurance of the proponents of the compacts that there was no intent, because of any language in the compacts, to oust the Federal Power Commission of any jurisdiction which it had, but they declined to withdraw its opposition and accept the amendment proposed by the committee.

In view of the constant reiteration by members of the Commission and its counsel, concerning the "long declared policy set forth in the Federal Water Power Act of 1920" for the utilization of water resources on navigable streams in every part of the country, it might be pertinent to inquire in how many instances since 1920 the Commission has issued licenses for power projects on the main Connecticut River. It is believed that the records of the Commission will fail to disclose a single occasion where such a license was required, but the record will definitely show that in at least two instances the Commission has found that the river was not navigable, within the definition of the Federal Water Power Act, that its obstruction by dams would not in any way affect interstate or foreign commerce, and that licenses were not required.

If the obstruction of the main Connecticut River by the dam structure at Fifteen Miles Falls, which is infinitely larger than several of these compact dams put together, does not in any way adversely affect interstate or foreign commerce, how can the "long declared policy" of the Federal Government be seriously upset by the building of power dams on small mountain streams, some of which are twice removed as tributaries of the Connecticut River?

However, granting that it could be found that dams on these streams would affect interstate or foreign commerce, and that the Federal Power Commission's jurisdiction was unquestioned, then under the law, both with the compacts as written and with the ratification resolution as amended by the committee, licenses would be required from the Power Commission in the event the State or any other agency should desire to avail themselves of the reserved power, conservation, or storage rights. It is difficult to see how any State or group of States could, by any compact or legislative act, deprive the Power Commission of that right and authority.

As stated before, it is the reservation to the States, contained in article VIII of the power and conservation values in these sites beyond what was required for the primary purpose of flood control, that has occasioned the greater part of the opposition from the Power Commission. However, will anyone deny that under the Federal Water Power Act of 1920, as amended, a State has the right and authority to acquire the necessary lands and easements and construct a power development upon a stream to which the jurisdiction of the Power Commission extends, upon compliance with the terms of the act? The act specifically contemplates such action. Indeed, the Commission is bound to give preference to the States and municipalities in such development. Yet because this compact reserves to the States only a part of the right and authority which they would otherwise have, merely the opportunity to avail themselves at their own expense of the potential values remaining after the primary purpose of flood control has been fully preserved and satisfied, this materially impaired right to be exercised in exact conformity to the provisions of the Water Power Act, if applicable, the opponents of the compact argue that thereby the long-established Federal policy is violated and the Federal Water Power Act of 1920 is practically rendered nugatory. The mere statement of the proposition demonstrates its fallaciousness.

Notwithstanding the many loose statements so frequently and repeatedly made by some of those opposed to the ratification of the compacts by Congress, that they deprive the Federal Government of its long-established right to develop the potential power at these sites, no inelligent, honest-minded person, who is at all familiar with existing Federal legislation, will assume to assert that the Federal Government has authority under any existing law to develop a kilowatt of electricity at any one of the sites contemplated by these compacts. The Flood Control Act excludes such authority, as well as the expenditure of any funds of the United States for that purpose, and the Federal statutes will be searched in vain to find it elsewhere.

No more complete and authoritative statement of this proposition could be conceived or desired than the opinion of the general counsel of the Federal Power Commission, given on February 3, 1938, in response to the request of Congressman McCORMACK concerning the right of the Government to use these dams and reservoirs for the generation of power, in the event his bill (H. R. 8997) amending the Flood Control Act should become a law. Among other things, the following quotation from the opinion is particularly pertinent:

"There is no doubt in my mind that in the event this bill becomes law, none of the dams or reservoirs constructed under the Flood Control Act of 1936 as so amended could be utilized by the Federal Government, or by any agency or instrumentality thereof, for the generation and sale of power without further legislation by the Congress specifically authorizing such power development and sale."

Pointing out that clear congressional intent was revealed by the language of the act and by its legislative history, that such projects, so far as the Federal Government was concerned, were for flood-control purposes only, but that no further legislation was necessary to permit States, or their political subdivisions or even private persons to install and operate facilities for such development of power, upon compliance with the provisions of the Federal Power Act, he concluded:

"For the foregoing reasons, I am of the opinion that although the development of power at any of these dams constructed under the Flood Control Act of 1936 by States, their political subdivisions or private agencies, is authorized by existing Federal law, it would be necessary to enact further legislation to permit any agency of the Federal Government to use such dams for the generation and sale of power."

It would have been difficult for the most enthusiastic proponent of the compacts to have set forth in stronger or more concise and persuasive language than the statement above quoted the fundamental necessity for the inclusion of article VIII of the compact, reserving to the State, or such agency as it might designate, the right, at its own expense, to avail itself of the conservation, storage, or power development values in these sites, remaining after the requirements for flood control had been fully satisfied, and thereby preserve that which otherwise would be irrevocably destroyed and forever lost.

Nowhere in the Flood Control Act can there be found a suggestion or intimation that the States, political subdivisions, or local agencies are called upon to provide, "without cost to the United States, lands, easements, or rights-of-way" to enable the Federal Government to build for itself power or storage reservoirs or to enable it to develop power at any of these sites. On the other hand, it is clear from the act that Congress did not intend that these values should be lost, for it provided in section 5 that "pen stocks or other similar facilities adapted to possible future use in the development of adequate electric power may be installed in any dam herein authorized when approved by the Secretary of War upon the recommendation of the Chief of Engineers."

The Federal Government, being without power or authority to build other than flood-control structures and having no existing right to develop power at these sites, this provision could only have been inserted for the benefit of the States, political subdivisions or responsible local agencies, who retained whatever values there were beyond what was essential for flood control, when such development should be "approved by the Secretary of War upon the recommendation of the Chief of Engineers." This construction is made certain when the amendment of July 19, 1937, to the Flood Control Act (No. 208—75th Cong.; c. 511, sec. 1, 50 Stat. 515) is considered. Therein it is provided:

"* * * the plan for any reservoir project may, in the discretion of the Secretary of War, on recommendation of the Chief of Engineers, be modified to provide additional storage capacity for domestic water supply or other conservation storage, on condition that the cost of such increased storage capacity is contributed by local agencies and that the local agencies agree to utilize such additional storage capacity in a manner consistent with Federal uses and purposes."

It is repeatedly stated by those opposing the compact that, had the States acted in conformity with section 4 of the Flood Control Act and drawn such a compact as was there contemplated, it would not have required the further consent or ratification of Congress. Nothing could be further from the fact. After granting consent to the States to enter into compacts to carry out the purposes of the act, it is specifically provided:

"No such compact or agreement shall become effective without the further consent or ratification of Congress, except a compact or agreement which provides that all money to be expended pursuant thereto and all work to be performed thereunder shall be expended and performed by the Department of War. * * *"

The general rule laid down therein specifically requires the "further consent or ratification of Congress." The exception to the general rule does not, and by the very nature of things cannot, apply here. Providing for the construction of an initial plan of eight reservoirs, this compact contemplates a long-range, comprehensive program for flood control on the Connecticut River and its tributaries and the enlargement and expansion of such projects to an ultimate control of approximately 21 percent of the drainage area. The operation and maintenance of the system of flood control is under the jurisdiction of the common agency of the four States, who share the annual cost. The Commission created under the compact as the common agency is required to make studies, in cooperation with the War Department, for the development of such comprehensive plan and to report and make recommendations from time to time to the signatory States.

Prior to the passage of the Flood Control Act of 1936, three flood-control reservoirs had been constructed or were under construction in the Winooski River Basin in Vermont, under contract between the State and the Government. The provisions for State and Federal participation were substantially identical with the language of the Flood Control Act. The State provided the lands, easements, and rights-of-way; the Government constructed the dam; and upon completion the State was obligated to take over and operate them at its own expense. In every instance the title was taken and is now held in the name of the State. No suggestion or intimation was ever made by anyone that the title should be in the United States.

At the hearings before the House Flood Control Committee, the unequivocal statement was made by a member of the committee,

and nowhere controverted, that in every instance, covering some 40 projects in which allotments had been made under the Flood Control Act, including reservoirs in several States, the States were taking title to the lands. Yet it is urged that a different rule should be applied to the New England States.

Up to now the Federal Government has followed a policy of aid to the States in matters in which they may be said to have a common interest, among which may be included flood control. Under this new dispensation advocated by the opponents of the compact, we are told that the States are to be permitted to contribute to the aid of Federal projects, for which, when completed, the States must assume the entire burden. Under this theory we have a Federal project to which the States have contributed the lands, paid all damages due to the construction work and for the operation of which, when completed, the Federal Government declines all responsibility. At least it has the dubious merit of being a somewhat novel departure from precedent.

But, of course, no such construction is permissible under any recognized rules of statutory construction. Nevertheless, it is interesting to note that for some unexplained cause the War Department has modified the policy which it promulgated at Hartford on March 8, 1937, and which its legal and engineering representatives assisted in writing into the compact with its unqualified approval, for on August 30, 1937, it issued an order that where authorized projects were for dams and reservoirs having potential power, the States' political subdivisions or local agencies would be "required to convey to the United States a clear and unencumbered fee simple title to the lands required for the dam structures and such contiguous land as may be necessary for the eventual construction of powerhouses, switching stations, and other appurtenances."

They are also required to convey by the same kind of title the lands for the reservoirs unless the Department, after investigation, determines to accept a perpetual flowage easement without any limitation or restriction whatever on the purpose for which the water is to be stored. It is intimated that if no potential power exists, such conveyance of title will not be required, and at this moment there are under construction in western Pennsylvania two flood-control reservoirs, built under the Flood Control Act, the title to which rests in the name of the State or its own agency.

Nowithstanding Congress has definitely stated in the Flood Control Act that the States are to provide, without cost to the United States, only such lands, easements, and rights-of-way as are necessary for flood control, and have excluded therefrom all power development, under this regulation, to avail themselves of the benefits of flood control, the States are compelled to turn over to the United States lands, easements, and rights-of-way greatly in excess of what is required for that purpose, at a vastly increased cost to the States, from which the States are not only to get no benefit, but will suffer serious detriment, and which under any existing Federal law the United States is powerless to utilize. It is respectfully submitted that there is a total lack of any legal basis for such construction of the act. Nor is there any language anywhere in the act which permits a distinction between project sites having potential power values and those which do not have such possibilities. Projects are not differentiated in any respect in connection with this subject. The same rule, in the same language, which applies to one applies to all, and this attempted distinction has no valid foundation.

That Congress may amend the Flood Control Act, completely reverse the policy so clearly adopted by its enactment, and eliminate every vestige of State participation in these projects, leaving the economic future of the States concerning their own natural resources subject to absolute domination by the Federal Government, is a possibility with which the country may be confronted. If so, interstate compacts as a method of solving regional problems will have become but a memory. Welcomed as a substantial contribution to the practical solution of the complex problems arising from what is left of our dual form of government, it will have proven to be only a delusion.

Meanwhile the ratifying resolutions, favorably reported by the Senate Commerce Committee, and by the House Flood Control Committee, which recommended a clarifying amendment reserving every jurisdiction, right, and duty which the Federal Government or any agency thereof had under any existing laws with respect to the subject matter, and of which no one interested in the drafting and adoption of the compacts ever had the slightest idea, intention, or desire to deprive it, lie dormant on the calendars of both Houses, their consideration successfully prevented, while the people of New England are no nearer to safety from destructive floods than when the Flood Control Act was passed 2 years ago. Still exposed to the ravages of floodwaters, such as engulfed them in the spring of 1936, with not a shovelful of earth yet turned for their protection, notwithstanding they have promptly and effectively met every requirement on their part to be performed, they will know where rests the responsibility for their unfortunate situation should another such disastrous calamity overwhelm them.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Kentucky [Mr. BARKLEY].

The amendment was agreed to.

Mr. CONNALLY. Mr. President, I desire to call the attention of the senior Senator from New Mexico to a matter. Earlier in the day the Senator offered an amendment, which was adopted, authorizing the Secretary of Agriculture to construct certain flood works on the Rio Grande and the Pecos River with a fund he already has. At the moment the amendment was called up I interrogated the Senator from New Mexico briefly, but I am constrained to move to reconsider the vote by which the amendment was agreed to unless I have assurances from the Senator that it will not interfere with the normal water supply of the Pecos River to points below the point which he has in mind.

Mr. HATCH. Mr. President, I am not an engineer——

Mr. CONNALLY. The Senator is a pretty good engineer, I think.

Mr. HATCH. But I have assurances that the normal supply of water will not be interfered with by any work contemplated under this particular project. At the time the Senator interrogated me this morning I did not know what project he had in mind, but I now recall what it is, and I make this suggestion to the Senator from Texas. We know the value of water to both of our States. If any conflict shall arise in the construction of the proposed project, due to the distribution of water, I will join the Senator from Texas in requesting a full and complete hearing before the Department so that the matter may be adjusted fairly.

Mr. CONNALLY. Mr. President, I thank the Senator from New Mexico for his assurance that in the event, during the process of the surveys and proposed projects on the Rio Grande and the Pecos Rivers, there should be a protest by interests in my State at points lower than where these projects are to be located, he will join me in asking the Secretary of Agriculture for a hearing and a development of the facts before the work on the projects shall be begun.

Mr. COPELAND. Unless the Senator is speaking directly to the bill——

Mr. CONNALLY. I am speaking directly to the bill.

Mr. COPELAND. I am very eager to get the bill passed tonight, because a conference will be necessary tomorrow.

Mr. CONNALLY. This is an amendment which has already been agreed to, and I am prepared to move to reconsider the vote by which it was agreed to unless I have assurances, from the Senator from New York also, that we will have a fair hearing before the Secretary of Agriculture regarding these projects.

Mr. COPELAND. What is the matter to which the Senator refers?

Mr. CONNALLY. I am referring to an amendment which the Senator from New York stated was a committee amendment which had been offered at the suggestion of the Senator from New Mexico [Mr. HATCH]. We do not want our rights to water foreclosed in the lower reaches of the valley by giving the Secretary of Agriculture power to erect the contemplated works before we have even had a survey, and know what the works are to be.

Mr. CHAVEZ. Mr. President, will the Senator from Texas yield?

Mr. CONNALLY. I yield.

Mr. CHAVEZ. The amendment was offered at the instance of the senior Senator from New Mexico [Mr. HATCH] and myself. The authority for the surveys is contained in a bill passed at the last session of Congress, which was sponsored by me, authorizing surveys of this type both on the Rio Grande and the Pecos. It was under that authority that the amendment was suggested, and I join my colleague in assuring the Senator from Texas that, inasmuch as we want Texas to get all the water from the Rio Grande and from the Pecos to which it is entitled, we will go with him to the Department of Agriculture, or to any other department here, to get the assurance that it will not interfere with any water supply to which Texas may be entitled.

Mr. CONNALLY. I thank the Senator.

Mr. SHIPSTEAD. Mr. President, I should like to have the attention of the chairman of the Committee on Commerce.

Mr. COPELAND. Just one moment, if the Senator will permit me. I am assured by the representative of the Army engineers that the thing the Senator from Texas fears will not be realized.

Mr. CONNALLY. The trouble is that under the amendment the Army engineers will not have anything to do with the matter, but the Secretary of Agriculture will have control. Has the Senator any assurance from the Secretary of Agriculture?

Mr. COPELAND. I have not any assurance from that source.

Mr. CONNALLY. I merely wish to say that if they start anything there will be a big fight.

Mr. SHIPSTEAD. Mr. President, if I may have the attention of the chairman of the Committee on Commerce, I find that while I was out of the Chamber an amendment was adopted on page 2, line 7, providing for payments to the extent of 70 percent in the case of certain structures, and that after the word "reservoir" the words "or channel improvements" have been added. What improvement of a channel would there be under flood control?

Mr. COPELAND. I suppose that would apply all through the Ohio Valley and the Mississippi Valley.

Mr. SHIPSTEAD. We improve a channel for the purpose of improving navigation, and I am wondering whether this amendment should not have appeared in the river and harbor bill, since it relates not to flood control but to navigation.

Mr. COPELAND. If the Senator will yield to me, I may say that I do not know what it means——

Mr. BARKLEY. The Senator suggested the language.

Mr. COPELAND. I know the limitation of it, but just exactly how far it will be carried out I do not know.

Mr. SHIPSTEAD. I wish to say a few words about the amendment. I doubt very much whether such an amendment should be adopted on the floor of the Senate at this time.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. SHIPSTEAD. Just allow me to complete my statement. There is involved here an age-long policy of the Congress.

Mr. COPELAND. Mr. President, will the Senator yield?

Mr. SHIPSTEAD. I yield.

Mr. COPELAND. It has no reference to the channel of a river.

Mr. SHIPSTEAD. What is it for, if it does not apply to channels of rivers?

Mr. COPELAND. It refers to diversion ditches in connection with flood-control work. I think I am speaking by the card when I say that it has no possible relationship to anything in which the Senator is particularly interested.

Mr. SHIPSTEAD. I want the RECORD to show that this shall not include relief from liability where structures are in the bed of a river below the high-water mark and property is held on revocable permits without a vested interest. Suits are now pending, and have been pending for years, in which liability on the part of the Government to the extent of millions of dollars is being claimed by owners of structures in the beds of rivers, where they are by sufferance of the Federal Government.

If structures owned by private parties or corporations who have a right-of-way, who have title, are to be moved, they ought to be paid, but when they have no title, when they are there by sufferance of the Government, as they are in the beds of rivers, would such a provision relieve them from moving their structures when they are requested to move them and the permits are revoked?

Mr. COPELAND. Mr. President, I assure the Senator, and I have the word of the Army engineers for it, that the matter the Senator has in mind relates to navigation. The measure before us relates to flood control, and there is no relation between what the Senator from Kentucky succeeded in putting into the bill and the matter the Senator has in mind.

Mr. SHIPSTEAD. I want it made clear if the Congress intends at any time to change the old policy which is now in effect, which is that the Government has the right to occupy the beds of its rivers at any time, without liability to any persons who occupy them.

If it is the intention to change that policy, we ought to know it. With the assurance that there is no such intention with respect to the pending measure, and that the bill does not change that age-long policy of the Government, I shall not ask for reconsideration of the amendment.

Mr. McKELLAR. I call the attention of the Senator from New York [Mr. COPELAND] to page 21, line 6:

Chattanooga, Tenn., and Rossville, Ga.

An amendment offered in that line was agreed to today. I am informed that the sections involved are in the territory of the Chickamauga Dam, which is now being constructed under the Tennessee Valley Authority. I offer an amendment, to strike out the language in line 6, page 21, as follows:

Chattanooga, Tenn., and Rossville, Ga.

Including the amendment in that line which was agreed to earlier today.

Mr. COPELAND. I have no objection.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Tennessee.

The amendment was agreed to.

Mr. BILBO. At the request of and on behalf of the Senator from Georgia [Mr. GEORGE] I send to the desk an amendment which I ask to have stated. I understand that the chairman of the committee has agreed to accept the amendment and let it go to conference.

The PRESIDENT pro tempore. The amendment will be stated.

The CHIEF CLERK. On page 23, after line 8, it is proposed to insert the following:

Clarks Hill Reservoir on the Savannah River in South Carolina: Estimated cost of land necessary for the construction of the project, including easements, rights-of-way, dam and reservoir sites, $1,700,000.

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. OVERTON. Mr. President, I offer an amendment, on page 2, line 8, after the word "by" to insert the words "the act of May 15, 1928, and."

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Louisiana.

The amendment was agreed to.

The PRESIDENT pro tempore. If there be no further amendments, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill (H. R. 10618) was read the third time, and passed.

Mr. COPELAND. Mr. President, I move that the Senate insist upon its amendments, ask for a conference with the House thereon, and that the Chair appoint conferees on the part of the Senate.

The motion was agreed to; and the President pro tempore appointed Mr. COPELAND, Mr. SHEPPARD, Mrs. CARAWAY, Mr. JOHNSON of California, and Mr. GIBSON conferees on the part of the Senate.

Mr. COPELAND. Mr. President, in order to insure the Executive approval of the bill, and to keep it from a veto, I express the urgent hope that the bill will be vetoed in view of the amendments we have put on it today.

Mr. BARKLEY. Mr. President, I understand the Senator from New York to make the statement that if the amendments which the Senate has adopted shall remain in the bill he hopes the President will veto it. That is a rather unusual statement to be made by a Senate conferee.

Mr. COPELAND. Mr. President, I do not think I said quite that. I did ask that a statement about an amendment be inserted after the amendment of the Senator from Kentucky was offered.

Mr. BARKLEY. Yes.

Mr. COPELAND. Then I said, entirely independent of that, and speaking of the bill in its entirety as passed, that according to the statement of the President, as I understand his statement, the bill will be vetoed. I said further that in order that I might help keep it from being vetoed, for the sake of my friends, I would express the ardent desire that it should be vetoed.

Mr. BARKLEY. Mr. President, I did not want to misunderstand the Senator, but I got the impression that he said that he hoped it would be vetoed if certain amendments adopted by the Senate this afternoon were kept in the bill. If I misunderstood the Senator I, of course, apologize. It struck me as a rather unusual statement for one of the conferees to announce in advance that he would at least try to keep the Senate amendments from remaining in the bill, and that if they remained in it he hoped the President would veto it.

Mr. COPELAND. I will try to do the best I can as a conferee. I shall ask that the Senate insist on its amendments. I will do the best I can to keep the amendments in the bill. But I express the hope that if the amendments remain in the bill, the bill, with the amendments, will be vetoed.

Mr. BARKLEY. I do not have any authority to express any hope or opinion about it, except I hope that the amendments we have agreed to will be retained in the bill.

Mr. COPELAND. I will say this to my leader: If there is in the mind of the Senator from Kentucky any thought that I will not do my part, I shall ask to be relieved from service on the committee.

Mr. BARKLEY. No; I would not think of it. But the Senator's remark with respect to the amendments, showing his disapproval to the extent that he hoped the President would veto the bill if the amendments were kept in it, led me to make the reply which I did make. If I misunderstood the Senator, of course, I apologize.

AMENDMENT OF CIVIL-SERVICE RETIREMENT ACT

Mr. NEELY. Mr. President, I ask unanimous consent that after the reading of the Journal tomorrow the Senate proceed to the consideration of Senate bill 457, which has been on the Senate calendar since the 25th day of April. It is a bill to amend the Civil Service Retirement Act. It is of great importance to the Government and 500,000 civil-service employees. So far as I know only one Member of the Senate is opposed to this measure.

Mr. BARKLEY. Mr. President, I dislike to have to object to the request made by the Senator; but I have assured him time and again that I shall cooperate with him in an effort to obtain consideration of his bill. I hope it may be considered tomorrow. However, the program tomorrow is to proceed to consider the bankruptcy bill, which has passed the House, and must pass the Senate and go to conference.

The bill which the Senator has in mind has not passed the House. I have heretofore announced that we should give preference to bills which have passed the House so that they may go to conference and obtain consideration. I shall help the Senator to secure consideration of his bill tomorrow but I do not like now to make it the unfinished business ahead of the bankruptcy bill, which I do not think will take long.

I hope the Senator will not press his request. I desire to cooperate with him. I am for his bill, but it seems to me it is not quite the thing at this time to make it the unfinished business. I assure the Senator that I think his bill will be considered.

Mr. NEELY. Would the Senator object to a request for unanimous consent that the Senate proceed to the consideration of the bill immediately after the disposition of the bankruptcy bill?

Mr. BARKLEY. I have no objection to that procedure, so far as I can control it. I assure the Senator that he will be recognized to make a motion to do so. However, I think to give unanimous consent at this time would set a precedent which ought not to be set at this stage of the session. I assure the Senator that his bill will be given consideration, and I have no doubt it will be considered tomorrow.

Mr. NEELY. Mr. President, if the Senator from Kentucky objects, I shall be compelled to continue to wait, just as I have patiently waited for 6 weeks for a time when the Senate could, without friction, be induced to consider the bill.

Ninety percent of the Members desire to translate the bill into law. I sincerely hope that their desire may be gratified before the end of another day. In any event, I purpose to oppose to the limit of my capacity any motion for a sine die adjournment that may be made before this bill has been considered and an opportunity to vote for it has been afforded the 90 percent who are supporting it.

Mr. BARKLEY. I belong to that 90 percent, Mr. President.

MR. AND MRS. CHESTER A. SMITH

The PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the bill (S. 3227) for the relief of Mr. and Mrs. Chester A. Smith, which were, on page 1, line 5, to strike out "$5,000" and insert "$3,000"; on page 1, line 7, to strike out "parents and guardians of Melford Smith"; on page 1, line 9, to strike out "who died"; on page 1, line 10, after "officer", to insert "while effecting his arrest"; and on page 1, line 11, after "1931", to insert ", at Englewood, Colo."

Mr. JOHNSON of Colorado. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

ELIZABETH CORY

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 3512) for the relief of Elizabeth Cory, which was, on page 1, line 10, to strike out "bearing Army No. 24101" and insert "at the intersection of College Avenue and United States Highway No. 1, College Park, Md."

Mr. BARKLEY. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

INVESTIGATION OF AIR- AND OCEAN-MAIL CONTRACTS

Mr. AUSTIN. From the Special Committee to Investigate Air Mail and Ocean Mail Contracts, I ask unanimous consent to report a resolution. Because of the brevity of time in which to consider the resolution, I should like to have it printed in the RECORD and referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

There being no objection, the resolution (S. Res. 295) was referred to the Committee to Audit and Control the Contingent Expenses, as follows:

Resolved, That in addition to the authority conferred upon the special committee of the Senate to investigate air-mail and ocean-mail contracts, created under Senate Resolution 349, Seventy-second Congress, second session, agreed to February 25, 1933, supplemented by Senate Resolution 94, Seventy-third Congress, first session, agreed to June 10, 1933, supplemented by Senate Resolution 143, Seventy-third Congress, second session, agreed to January 24, 1934, supplemented by Senate Resolution 259, Seventy-third Congress, second session, agreed to June 13, 1934, the committee shall have authority and is directed to preserve all of the records, papers, exhibits, documents, returns, reports, testimony, memoranda, accounts, figures, writings, books, correspondence, files, and all other property in its possession, acquired by it in pursuance of said resolution; and that said committee shall have authority and is directed to impound the same with the Sergeant at Arms of the Senate, who is directed to receive and keep the same for the use of the Senate, and of the departments of Government in the presence of the custodian, and for other uses only in compliance with subpena duces tecum issued as provided for by law; and be it further

Resolved, That the expense incurred in carrying out this resolution shall be paid from the unexpended balance of funds authorized to be expended by Senate Resolution 259, Seventy-third Con-

gress, second session, agreed to June 13, 1934, on vouchers approved by the Sergeant at Arms of the Senate.

ANGELES NATIONAL FOREST

Mr. McADOO. Mr. President, I move that the Senate reconsider the vote by which House Bill 5685, relating to the Angeles National Forest, Calif., was passed, today being the last day on which such a motion may be made. I do not ask for consideration of the motion at the moment.

The PRESIDENT pro tempore. The Chair will state to the Senator from California that if the House has possession of the bill to which he refers, a request to have it returned to the Senate by the House will be necessary.

Mr. McADOO. I so move, Mr. President.

The motion was agreed to.

AMENDMENT OF TARIFF ACT OF 1930—CONFERENCE REPORT

Mr. WALSH submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8099) to amend certain administrative provisions of the Tariff Act of 1930, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 6, 26, 29, 44, 45, and 71.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 7, 8, 9, 11, 14, 15, 16, 17, 18, 19, 20, 21, 22, 24, 25, 37, 38, 39, 41, 42, 48, 50, 52, 61, 68, 69, 72, 74, and 75; and agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment as follows:

On page 2 of the Senate engrossed amendments, line 4, strike out "reasonably"; and the Senate agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with the following amendment: Retain the matter proposed to be inserted by the Senate amendment, and on page 5, line 4, of the House bill strike out "(E),"; and the Senate agree to the same.

Amendment numbered 23: That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with the following amendments: On page 3 of the Senate engrossed amendments, line 20, strike out "continuous customs custody", and in lieu thereof insert the following: "bonded warehouses, bonded manufacturing warehouses, or continuous customs custody elsewhere than in a bonded warehouse"; on page 4 of the Senate engrossed amendments, lines 15 and 16, strike out "continuous customs custody", and in lieu thereof insert the following: "bonded warehouses, bonded manufacturing warehouses, or continuous customs custody elsewhere than in a bonded warehouse"; on page 5 of the Senate engrossed amendments, line 9, after "Secretary of Commerce", insert the following: "that he has found"; and on page 5 of the Senate engrossed amendments, line 13, after "Treasury", insert the following: "that he has found"; and the Senate agree to the same.

Amendment numbered 33: That the House recede from its disagreement to the amendment of the Senate numbered 33, and agree to the same with the following amendment: On page 11 of the Senate engrossed amendments, line 3, strike out "14", and in lieu thereof insert "13"; and the Senate agree to the same.

Amendment numbered 55: That the House recede from its disagreement to the amendment of the Senate numbered 55, and agree to the same with the following amendment: On page 14 of the Senate engrossed amendments, line 18, strike out "27", and in lieu thereof insert "25"; and the Senate agree to the same.

Amendment numbered 62: That the House recede from its disagreement to the amendment of the Senate numbered 62, and agree to the same with the following amendment: On page 15 of the Senate engrossed amendments, line 17, strike out "33", and in lieu thereof insert "31"; and the Senate agree to the same.

Amendment numbered 63: That the House recede from its disagreement to the amendment of the Senate numbered 63, and agree to the same with the following amendments: On page 16 of the Senate engrossed amendments, line 2, strike out "34", and in lieu thereof insert "32"; and on page 16 of the Senate engrossed amendments, line 5, strike out "thirty", and in lieu thereof insert "fifteen"; and the Senate agree to the same.

Amendments numbered 65 and 66: That the House recede from its disagreement to the amendments of the Senate numbered 65 and 66, and agree to the same with the following amendment:

Beginning with the word "but" in line 17, page 33, of the House bill, strike out all down to and including "articles," on page 34, line 2, and insert in lieu thereof the following: "but such duties shall not be levied or collected on any merchandise (except white soft wastes, white threads and noils, which shall be dutiable at seven-eighths of such regular duties when used or transferred for use otherwise than in the manufacture of the enumerated articles) resulting in the usual course of manufacture of such enumerated manufactured articles which cannot be used (with or without further preparation) in the usual course of the manufacture of such enumerated articles, or which is exported or destroyed"; and the Senate agree to the same.

Amendment numbered 76: That the House recede from its disagreement to the amendment of the Senate numbered 76 and agree to the same with the following amendment:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "That (a) in the case of articles acquired in any country other than a contiguous country which maintains a free zone or free port, the exemption authorized by the preceding proviso shall apply only to articles so acquired by a returning resident who has remained beyond the territorial limits of the United States for a period of not less than forty-eight hours and (b) in the case of articles acquired in a contiguous country which maintains a free zone or free port, the Secretary of the Treasury shall by special regulation or instruction, the application of which may be restricted to one or more individual ports of entry, provide that the exemption authorized by the preceding proviso shall be applied only to articles acquired abroad by a returning resident who has remained beyond the territorial limits of the United States for not less than such period (which period shall not exceed twenty-four hours) as the Secretary may deem necessary in the public interest or to facilitate enforcement at the specified port or ports of the requirement that the exemption shall apply only to articles acquired as an incident of the foreign journey: *Provided further*, That the exemption authorized by the second preceding proviso shall apply only to articles declared in accordance with regulations to be prescribed by the Secretary of the Treasury by a returning resident who has not taken advantage of the said exemption within the thirty-day period immediately preceding his return to the United States: *Provided further*, That no such special regulation or instruction shall take effect until the lapse of ninety days after the date of such special regulation or instruction"; and the Senate agree to the same.

Amendment numbered 77: That the House recede from its disagreement to the amendment of the Senate numbered 77 and agree to the same with the following amendment: On page 39 of the House bill, strike out lines 17 to 19, inclusive, and insert in lieu thereof the following:

"SEC. 37. Sections 31 and 34 of this Act shall take effect on the date of enactment of this Act. Except as otherwise especially provided in this Act, the remainder of this Act shall take effect on the thirtieth day following the date of its enactment."

And the Senate agree to the same.

Amendments numbered 27, 28, 30, 31, 32, 34, 35, 36, 40, 43, 46, 47, 49, 51, 53, 54, 56, 57, 58, 59, 60, 64, 67, 70, and 73:

That the House recede from its disagreement to the amendments of the Senate numbered 27, 28, 30, 31, 32, 34, 35, 36, 40, 43, 46, 47, 49, 51, 53, 54, 56, 57, 58, 59, 60, 64, 67, 70, and 73, and agree to the same with amendments, as follows:

In lieu of the matter proposed to be inserted by the Senate amendments, insert 8, 9, 10, 11, 12, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 26, 27, 28, 29, 30, 33, 34, 35, and 36, respectively; and the Senate agree to the same.

The committee of conference have not agreed on amendment numbered 12.

DAVID I. WALSH,
TOM CONNALLY,
JOSIAH W. BAILEY,
BENNETT CHAMP CLARK,
A. H. VANDENBERG,
Managers on the part of the Senate.

THOMAS H. CULLEN,
MORGAN G. SANDERS,
JOHN W. McCORMACK,
HAROLD KNUTSON,
Managers on the part of the House.

The report was agreed to.

PROGRAM COMMEMORATING THREE HUNDREDTH ANNIVERSARY OF FIRST PERMANENT SETTLEMENT OF DELAWARE VALLEY

Mr. LUNDEEN. Mr. President, there is a great deal of interest in the program commemorating the three hundredth anniversary of the first permanent settlements of the Delaware Valley, to be celebrated on June 27 to 30, 1938. The program is as follows:

COMMEMORATIVE SERVICES AT THE ROCKS

The climax of the commemoration of the three hundredth anniversary of the first permanent settlement of Delaware Valley by Sweden will be the dedicatory services at 11 a. m., Eastern Standard time, on June 27 at The Rocks, Wilmington, Del., where the Swedes first landed. Here stood Fort Christina, in the shadow of Old Swedes Church.

His Royal Highness the Crown Prince of Sweden and Her Royal Highness the Crown Princess and the official Swedish delegation will arrive at The Rocks by water on the *Kungsholm* and will be met by President Roosevelt and the official United States delegation.

REPRODUCTION OF THE SWEDISH "MAYFLOWER"

A monument of black marble containing a reproduction of the *Kalmar Nyckel*, the Swedish *"Mayflower,"* under full sail, the gift of the Swedish people to the United States, will be unveiled by the Crown Prince of Sweden. This unique and artistic statue is the work of the famous sculptor, Carl Milles.

PRESIDENT ROOSEVELT WILL ACCEPT STATUE

The President of the United States, Franklin Delano Roosevelt, will accept the statue on behalf of the American people and will present the monument to the State of Delaware. The United States Delaware Valley Tercentenary Commission will represent the Congress of the United States.

The President of the United States will greet the Swedish delegation.

The Crown Prince and the Crown Princess will represent the Swedish Government.

Wilmington, Del., program, June 27.

Philadelphia, Pa., program, June 28 and 29.

There is much interest in the personnel and their descendants of these various expeditions. We are just beginning to discover their great contribution to American liberty. America will gather at Wilmington and Philadelphia in person and in spirit in these days of June 1938, 300 years after their landing on the Delaware to found permanent settlements, courts, churches, schools, and forts. These shrines now belong to all our people—with Jamestown, Plymouth Rock, and New Amsterdam and all the shrines of French and Spanish settlers in the Western Hemisphere.

WILMINGTON THE CRADLE OF CIVILIZATION IN DELAWARE VALLEY

It is indeed fitting that this commemoration should have its climax at The Rocks, where these courageous pioneers first landed on American soil on March 29, 1638, after a perilous and stormy voyage across the Atlantic. They were the vanguard of 11 subsequent expeditions from the mother country to New Sweden. It is here that they built the first permanent settlement at Fort Christina and erected the first house of worship on the Delaware. The first church, or Old Swedes Church, still stands on the brow of a nearby hill and is still in continuous use as a place of religious service.

IN THE SHADOW OF OLD SWEDES CHURCH

The monument will stand in the shadow of the church, symbolic of the deeply spiritual and religious character of these intrepid pioneers. The interior of the church still retains the decorative religious symbols, beautifully carved by the skilled hands of the devoted members of the congregation.

It is fitting, too, that the highest representatives of the nation of their forefathers will be present to represent the Government of Sweden and to personally present to our country the artistic gift of the people of Sweden.

DELAWARE FIRST TO ADOPT THE CONSTITUTION

It is equally fitting that the Chief Executive of the United States should be present to accept this gift on behalf of our citizens, who are the beneficiaries of this pioneer civilization in the Delaware Valley. Delaware is indeed hallowed ground and it was the descendents of these people who were the first to adhere to the American Constitution and who proudly proclaim that they will be the last to desert the Constitution. The star of Delaware first pierced the blue in the American flag.

TENTATIVE PROGRAM—NEW SWEDEN TERCENTENARY CELEBRATION—JUNE 27–30

The following is the tentative program for the commemoration of the Delaware Valley Tercentenary, June 27–30, 1938:

JUNE 27—WILMINGTON, DEL.

11 a. m. eastern standard time: His Royal Highness the Crown Prince of Sweden, the Crown Princess, and the Swedish official delegation will arrive at The Rocks, at Wilmington, Del., where they will be met by President Roosevelt and an official United States delegation. The Kalmar Nyckel Monument will be unveiled and presented by the Crown Prince as a gift from the people of Sweden to the people of the United States. President Roosevelt will make the speech of acceptance and present the monument to the State of Delaware. It will be accepted by Gov. McMullen, of Delaware. After the ceremony there will be an opportunity for all to view the monument.

Religious services at Old Swedes Church

12 noon, eastern standard time: Following the unveiling ceremonies there will be a brief religious service in the Old Swedes Church at Wilmington, the royal party will attend. Amplifiers will carry this service to those outside the church.

1 p. m., eastern standard time: Luncheon for the official delegation at the Dupont Hotel, and a state luncheon for the Swedish visitors at the armory.

3:30 p. m., eastern standard time: Exercises in Rodney Square, Wilmington; addresses by the Crown Prince, Secretary of State Hull, and the Governor of Delaware, followed by parade and historical floats.

In the evening: The State of Delaware will give a lawn party to the Swedish guests at Longwood.

JUNE 28—PHILADELPHIA, PA.

7 a. m.: Yacht squadron of Pennsylvania Three Hundredth Anniversary Commission meets the *Kungsholm* in the Delaware River off Wilmington to escort official delegations and visitors to League Island Navy Yard.

10 a. m.: Reception to official delegations at League Island Navy Yard by Governor Earle and the Commonwealth officials and the Pennsylvania Three Hundredth Anniversary Commission, with military and naval detachments and navy-yard officials cooperating. Leave 11:05 a. m.

10 a. m.: Swedish organizations in America form at Broad Street and Oregon Avenue for parade to entrance to navy yard to welcome official delegations as they pass out of navy yard on way to American Swedish Historical Museum. They will form lines on Broad and Nineteenth Streets, through which the Swedish and Finnish delegations and escorts will pass. Parade sponsored by the Swedish American Tercentenary Association.

Dedication of American Swedish Museum

11:15 a. m.: At American Swedish Historical Museum, Nineteenth Street and Pattison Avenue, for dedication of the museum, with official delegations cooperating with the American Swedish Historical Foundation. Leave 12:30 p. m.

12:45 p. m.: Leader of official delegation arrives at home of Mrs. George H. Earle, Sr., Nineteenth and Rittenhouse Square. Leave 1:20 p. m.

12:45 p. m.: Official delegations arrive at Bellevue-Stratford Hotel for refreshment. Leave 1:20 p. m.

Swedish Colonial Society luncheon

1:30 p. m.: At Penn A. C. for luncheon to official delegations, tendered by the Swedish Colonial Society and by the Pennsylvania Historical Society. Leave 3 p. m.

1:30 p. m.: Luncheon to Swedish visitors by the Pennsylvania Three Hundredth Anniversary Commission. Leave 3 p. m.

3:15 p. m.: Leader of official delegations call upon mayor of Philadelphia at city hall. Leave 3:25.

3:15 p. m.: Mrs. Earle and wife of leader of official Swedish delegation return to home of Mrs. Earle, Sr. Leave 3:45.

3:55 p. m.: Leader of official Swedish delegation returns to home of Mrs. Earle, Sr. Leave 3:45.

Services at Gloria Dei (Old Swedes) Church

4 p. m.: Leader of official Swedish delegation and the delegation arrive at Gloria Dei (Old Swedes) Church at Water and Swanson Streets, where Archbishop of Upsala will deliver address with choir in attendance. Leave 4:15.

4:45 p. m.: Official delegations at American Swedish Historical Museum, Nineteenth and Pattison Avenue, for reception and tea tendered by Swedish American Tercentenary Association. Leave 5:30.

5:15 p. m.: Archbishop of Upsala visits Christ Church, Bridgeport, Pa., for exercises similar to those at Gloria Dei. Leave 5:45.

5:45 p. m. (optional): Leader of official Swedish delegation at Penn A. C. for informal swim and relaxation as guest of Commissioner John B. Kelly, while other members of the official delegation proceed to the various homes of their hosts for refreshment. Leave 6:30 p. m.

6:35 p. m.: Leader of official delegation arrives at home of Mrs. Earle, Sr. Leaves 7:05 p. m.

Augustana-Lutheran Convention

7:15 p. m.: Leader of official delegation arrives at convention hall to open Augustana-Lutheran Convention. Leave 7:40 p. m.

7:55 p. m.: Banquet to official delegations by the Commonwealth of Pennsylvania with the leader of the official delegation escorted to Mrs. Earle, Sr.'s home at its conclusion.

JUNE 29—PHILADELPHIA, PA.

Dedication of Governor Printz Park

9:30 a. m.: Dedication of Governor Printz Park at Tinicum Island with official delegations in attendance as park is officially presented to the Commonwealth of Pennsylvania by the Swedish Colonial Society with formal acceptance on behalf of the Commonwealth by Governor Earle. Brief address by leader of the official Swedish delegation and inspection of excavations on the island and colonial relics in the museum of the Corinthian Yacht Club. Leave 10:30 a. m.

Visit to John Morton House

10:35 a. m.: Inspection of the John Morton House by the official delegations and Swedish visitors. Leave 10:45 a. m.

11 a. m.: Leader of the official delegation received by the may of Chester at City Hall, Chester, Pa. Leave 11:15 a. m.

11:20 a. m.: Official delegations and Swedish visitors proceed to Westinghouse Lester plant. Leave 12 noon.

12:15 p. m.: Official delegations visit St. James Church, Kingsessing, with address by Archbishop of Upsala, with choir in attendance. Leave 12:30 p. m.

Swedish delegation at home of Mrs. Earle, Sr.

12:45 p. m.: Leader of official delegation arrives at home of Mrs. Earle, Sr., where the First Troop, Philadelphia City Cavalry, and Governor's Troop, Pennsylvania National Guard, report as military escort. Leave 1:05 p. m.

1:20 p. m.: Leader of official delegation with suite, escorted by Cavalry troops, arrive at Pennsylvania Museum of Art for luncheon at 1:30 p. m. Visitors and delegations participate in buffet luncheon. Leader of delegations and suite, with the Pennsylvania Three Hundredth Anniversary Commission will be served luncheon Leave 2:15 p. m.

Swedish and Finnish diplomats and scholars decorated

2:15 p. m.: Luncheon concludes and official delegations and luncheon guests assemble in museum as Temple University confers degrees on the leader of the Swedish delegation: Dr. E. Rudolf W. Holsti, Finnish Minister of Foreign Affairs; Mr. Vaijo P. Hakkila, Speaker of Parliament in Finland; and Mr. Erro Jarnfelt, Minister of Finland to the United States. Leave 2:30 p. m.

Exhibition of Swedish art

2:35 p. m.: Leader of official Swedish delegation opens exhibition of Swedish art in the museum. Escorted from museum by Cavalry troops. Leave 3:20 p. m.

3:30 p. m.: Official delegations arrive at University of Pennsylvania to be received by a guard of honor composed of Boy and Girl Scouts on the steps of the Archeological Museum.

Honor Swedish delegation and Swedish Minister

3:45 p. m.: Conferring of degrees on the leader of the official Swedish delegation, J. Sigfrid Edstrom, chairman of the Royal Swedish New Sweden Commission, and Wollmar Filip Bostrom, Swedish Minister to the United States, by the University of Pennsylvania, at Irvine Auditorium, at Thirty-fourth and Spruce Streets.

4:15 p. m.: Reception and tea at the Archeological Museum at the University of Pennsylvania to the official delegations, tendered by the Pennsylvania Three Hundredth Anniversary Commission, the Swedish Colonial Society, the Pennsylvania Federation of Historical Societies, and the Society of Colonial Wars. Escorted by troops. Leave 5:45 p. m.

6 p. m.: Leader of official Swedish delegation arrives at home of Mrs. Earle, Sr., where military escort is dismissed. The ensuing period can be used for relaxation or an optional visit and swim at Penn A. C. Delegation members go to hosts' homes. Leave 7:35 p. m.

7:45 p. m.: Dinner at Convention Hall for the official delegations tendered by the Swedish-American Tercentenary Association, with musical program to follow dinner.

JUNE 30

Celebration and commemorative services at Salem, N. J.

JULY 1, 2, AND 3

The royal party and official delegations will attend official functions in Washington, including visit to Mount Vernon, luncheons and dinners at the Swedish and Finnish Legations, and attendance at religious services.

PHILADELPHIA—CRADLE OF LIBERTY

The Nation is proud to join with Pennsylvania in this tercentenary commemoration of the founding of the Keystone State. In so doing, the Nation quickly recalls the high place which Pennsylvania holds in the roster of the Original States. It has been aptly stated that the United States was born on Pennsylvania soil.

The Articles of Confederation were adopted in Philadelphia, the Declaration of Independence was written and signed in that city, the treaty of peace that terminated the Revolutionary War was ratified there, and the Constitution of the United States was formulated in the city of Philadelphia.

FIRST SCHOOLS, FIRST CHURCHES, FIRST LAW COURTS

It is also recalled that the pioneer settlers of New Sweden established there the first schools, the first churches, and the first law courts and firmly erected a new civilization in the Delaware Valley and founded a culture which was supplemented in later years by the Dutch and William Penn. Sweden may therefore be proud that it was her sons that placed two new stars in the American flag—Delaware and Pennsylvania—and aided in fixing two other stars in the firmament of the American Union—New Jersey and Maryland.

JOHN MORTON AND JOHN HANSON

Memory also calls to mind the fact that a direct descendant of one of the pioneer colonists, John Morton, cast the deciding vote for the Declaration of Independence and that John Hanson, also a direct descendent of one of these settlers, was the first President of the United States under the Articles of Confederation, our first written Constitution, and that he led a long and determined fight in the Continental Congress which resulted in ceding to the Union the western domain, which now includes the States of Ohio, Indiana, Michigan, Illinois, Wisconsin, and Minnesota.

Philadelphia holds that beautful shrine of worship, Gloria Dei, "Old Swedes Church." This church was an old landmark in Philadelphia when the founding fathers met to adopt the Declaration of Independence.

FIRST FAMILIES OF PENNSYLVANIA AND DELAWARE

It is interesting not only to genealogists but to students of history also to record the names of the heads of families in New Sweden. History should not obscure the founders of a state and of a nation. The names should be recited so that posterity may have occasion to call the roster of those who carved a civilization out of a wilderness and established a culture of which we are the fortunate beneficiaries.

NAMES PRESERVED BY THE SWEDISH CHURCH

The record of the Swedish Church in the Delaware Valley has been preserved by the historians of the church. It is to these records, particularly the record of Citizen Rudman, that we are indebted for the following list of Swedish families which resided in New Sweden in the year 1693. The list states the names of the heads of the families with the number of individuals in each family. It may be assumed that the members listed were communicants of the Swedish Church.

FIRST FAMILIES OF NEW SWEDEN (DELAWARE AND PENNSYLVANIA)—PIONEERS IN THE NEW WORLD

Heads of families:	Persons
Peter Rambo, Sr	2
Peter Rambo, Jr	6
John Rambo	6
Anders Rambo	9
Gunnar Rambo	6
Capt. Lars Cock	11
Eric Cock	9
Mans Cock	8
Johan Cock	7
Gabriel Cock	7
Anders Bengston	9
Anders Bonde	11
Sven Bonde	5
Johan Svenson	9
Gunnar Svenson	5
Michel Nielson	11
Anders Nielson	3
Brita Gostasson	6
Gosta Gostasson	8
Jonas Nielson	4
Niels Jonason	6
Mans Jonason	3
Anders Jonason	4
Jon Jonason	2
Hans Jonason	11
Mans Staake	1
Peter Staake	3
Marten Martenson, Sr	3
Marten Martenson, Jr	10
Mats Martenson	4
Otto Ernest Cock	5
Anders Persson Longacker	7
Peter Jockom	9
Johan Bonde	1
Johan Schute	4
Mats Hollsten	7
Johan Stille	8
Anders Wihler	4
Mans Goetasson	2
Niels Larian	5
Eric Mollica	8
Jonas Kyn, or Keen	8
Mats Kyn	3
Bengt Bengtson	2
Christian Clason	7
Nels Gastonberg	3

Heads of families—Continued.	Persons
Eric Gastonberg	7
Lars Bure	6
Lars Johanson	6
Dirich Johanson	5
John Johnson	2
Peter Stelman	4
Frederick Konigh	6
Elias Toy	4
Jons Stelman	4
Casper Fisck	10
Stapham Ekhorn	5
Peter Dalbo	9
Otto Dalbo	7
Johan Matson	11
Antony Long	3
Nels Matson	3
Israel Helm	5
Anders Homman	9
Olle Dirickson	7
Anders Lock	1
Mans Lock	1
Hans Petterson	7
Hindrich Collman	1
Jons Gostasson	3
Johan Hoppman	7
Frederick Hoppman	7
Anders Hoppman	7
Nicolas Hoppman	5
Mans Holiton	9
Johan Anderson	9
Olle Pehrsson	6
Lars Pehrsson	1
Hans Olofson	5
William Tally	7
Morten Knutsson	6
Nils Trende's widow	7
Anders Trende	4
Reiner Peterson	2
Anders Hindrickson	4
Johan Von Culen	5
Hindrick Faske	5
Johan Hindricsson	5
Johan Arian	6
William Cobb	6
Hans Keen's widow	5
Chriestin Stalcop	3
Lucas Stedham	7
Lyloff Stedham	9
Asmund Stedham	5
Adam Stedham	8
Benjamin Stedham	7
Brita Petterson	8
Joran Anderson	5
Broor Seneka	7
Jesper Wallraven	7
Jonas Wallraven	1
Conrad Constantine	6
Olle Thomasson	9
Peter Polsson	5
Johan Ommerson	5
Matthias De Foss	6
Christian Joransson	1
Carl Springer	5
Johan Anderson	7
Hindric Jacobson	4
Jacob Van Der Weer	7
Cornelius Van Der Weer	7
William Van Der Weer	1
Jacob Van Der Weer	3
Hans Petterson	5
Paul Petterson	3
Peter Petterson	3
Peter Manson	3
Johan Manson	5
Hendric Tossa	5
Johan Tossa	4
Thomas Jonson	1
Jacob Clemson	1
Olle Rosse	5
Jacob Classon	6
Hendric Anderson	5
Hendrick Iwarson	9
John Skrika	1
Mats Skrika	3
Olle Paulsson	9
John Stelman	5
Hendric Parchon	4
Simon Johanson	10
Johan Grantom	3
Bengt Paulsson	5
Lasse Kempe	6
Gostaf Paulsson	6
Hans Gostasson	7
Peter Stalcop	6

Heads of families—Continued.	Persons
Joran Bagman	3
Eric Joranson	2
Joran Joranson	1
Lorentz Osterson	2
Johan Hindricson	6
David Hindricson	7
Carl Petterson	5
Isaac Savoy	6
Olle Fransson	7
Lars Petterson	1
Mats Repott	3
Olle Stobe	3
Mats Stork	3
Johan Stalcop	6
Israil Stork	1
Paul Mink	5
Johan Schrage	6
Nils Repott	3
Hindrick Jacob	1
Mats Jacob	1
Anders Sinnika	5
Johan Hinderson, Jr	3
Anders Weinom	4
Lars Larson	1
Hindric Danielson	5
Olle Thorson	4
Jonas Skagge's widow	6
Lars Tossa	1
Mats Tossa	1
Staphan Joranson	5
Lars Larsson	7
Joran Ericson	1
Jacob Hindricson	5
Peter Lucason	1
Lucas Lucason	1
Hans Lucason	1
Olle Kuckow	6
Hindrich Slobey	2
Christopher Meyer	7
Hindrick Larsson	6
Mats Ericson	3
Eric Ericson	1
Thomas Dennis	6
Anders Robertson	3
Robert Longhorn	4
Anders Didricsson	1
Christiern Thomas's widow	6
Paul Sahlunge	3
Lars Halling, or Huling	1

Making 139 families, 939 individuals.

Of the foregoing list 39 were native Swedes, of whom Peter Rambo and Andrew Bonde had been in this country 54 years.

TRANSFORMATION OF NAMES

It will be noted how much the orthography of many of the above names has changed in the progress of time. Bengsten is now Bankson; Bonde has become Boon; Svenson, Swanson; Cock, Cox; Gostasson, Justis; Jonasson, Johnson; Jocom, Yocum; Hollsten, Holstein; Kyn, Keen; Hoppman, Hoffman; Von Culen, Culin; Halling, Huling or Hewlings; Wihler, Wheeler; Hinder, Hinderson, Henderson; Mortenson, Morton, and so forth. Many of the names still retain their original spelling without any variation, and some have been only slightly changed by omitting one letter or adding one. Some of the families by 1693 had moved to Maryland, New Jersey, and Virginia. The names, almost without exception, are truly Swedish.

As to Christian names: Anders is now Andrew; Johan, John; Matts, Matthias; Carl, Charles; Bengt, Benedict; Nils, Nicholas; Staphan, Stephen; Wilhelm, William, and so forth.

SWEDISH COLONIAL SOCIETY

It would be highly interesting to trace the descendants of the above-named settlers and, of course, geneologists have traced many of them. The Swedish Colonial Society of Philadelphia, whose membership is composed of descendants of the settlers of New Sweden, has accomplished considerable in this direction in connection with the membership of their society. It is, of course, impractical in a general outline to make special reference to these descendants, however, it is appropriate to discuss the career of one of the most outstanding of these descendants and one whose labors contributed in a very unusual manner to the establishment of our Government. I refer to a famous descendant of a first family of New Sweden, John Morton, a Member of

the Stamp Act Congress in New York in 1765, a Member of the Continental Congress, a signer of the Declaration of Independence, and who, history records, cast the deciding vote for that Declaration.

JOHN MORTON, MEMBER OF THE FIRST CONTINENTAL CONGRESS; SIGNER OF THE DECLARATION OF INDEPENDENCE

MORTON CASTS THE DECIDING VOTE FOR THE DECLARATION OF INDEPENDENCE

John Morton by his action in casting the deciding vote for the Declaration of Independence in the Pennsylvania delegation gave substance to the title which has been conferred upon the State of Pennsylvania, namely the "Keystone State." Morton by his action placed the keystone in the arch of liberty.

Morton was one of the earliest advocates for independence in the State of Pennsylvania, and his early revolutionary activities obliged him to sacrifice political office because originally the sentiment for independence in Pennsylvania, particularly among the political leaders of that time, was divided. He never wavered or faltered in his adherence to his principles.

MORTON SUPPORTED UNPOPULAR CAUSE

Morton's actions were later applauded by his colleagues. It required personal sacrifice on the part of Morton to advocate revolutionary action because he was at that time a man of wealth and position so that if the revolutionary cause should have failed he would have been obliged to sacrifice all of the material things which he had acquired in a lifetime of labor.

His position also was indicative of an almost stubborn adherence to principles because prior to 1670 his views were shared by a small minority of the intellectual and political leaders of Pennsylvania.

HEREDITY OF JOHN MORTON

Morton Mortenson, the great grandfather of John Morton, sailed from Sweden on the ship *Orn* which left Gothenburg on February 2, 1654. There were other distinguished passengers on this ship including Pehr Lindestrom, the famous engineer and cartographer. Lindestrom has written a very interesting account of the colony. Another distinguished passenger was the Reverend Mathias Nertunius who later became the pastor at Upland, now Chester in Pennsylvania.

A STORMY VOYAGE

The ship *Orn* had a very stormy and adventurous voyage and many members of the crew died during the voyage because of tropical diseases. Rising, who was the leader of the expedition which sailed on the *Orn* and who later became Governor, attacked Fort Casimir on the western shore of the Delaware on the voyage to Fort Christina.

After capturing the fort, the *Orn* proceeded to Christina, where it arrived on the 22d of May 1654. It will be seen that Morton's first American ancestor was a hardy individual to have survived the experiences of the voyage and the subsequent trials and tribulations as a pioneer colonist on a new frontier.

BIRTH OF JOHN MORTON

John Morton was born in 1724, after the death of his father, in a log house near the old Morris Ferry—now the Darby Creek Bridge about one-half mile north of Essington railroad station in Delaware County, Pa. This log house was built in 1694. He was the son of John Morton and Mary Archer. Morton's father was a landowner and left his widow a fairly substantial dower and his son a modest patrimony.

History records that Morton's early schooling was very brief; in fact, his formal education covered a period of about 3 months. However, he was a prodigious reader and a man of an inquiring mind, and his knowledge of statecraft, engineering, and law was acquired by experience and self-education.

MORTON'S SWEDISH CHARACTERISTICS

Morton received some tutoring in surveying from his stepfather, John Sketchley, who followed that profession. Sketchley was an educated man and no doubt aided in the direction of Morton's scholarly pursuits. It is reported that Morton had the Swedish characteristics of a fondness for precision and an inquiring disposition.

He was a forceful speaker and it is said that he spoke equally well in both the American and Swedish tongues. It will be recalled that a large element of the people at that time still spoke the Swedish language and many of the customs of their native land were still prevalent.

HE BECOMES A SURVEYOR

Morton's first occupation was that of a surveyor—a profession of high standing. He acquired the knowledge of mathematics, which was essential to surveying, by self-education. The land records of Delaware County, Pa., and the contiguous territory disclose that he surveyed many tracts of land, including land on Tinicum Island. He did not remain in this profession for long because he was soon called to one public office after another.

THE BEGINNING OF A PUBLIC CAREER

In 1757 he became a justice of the peace. He was elected high sheriff of Chester County in 1766. He served continuously as a delegate in the Pennsylvania Assembly from 1756–66, defeated in 1767 because of his opposition to the British Crown, but was reelected in 1769, and again served continuously for seven terms, and was ultimately elected speaker of that assembly on March 15, 1775. The minutes of the assembly show that he served on many of the important committees of that body.

He was appointed a judge in 1770 and served as President Judge of the Court of General Sessions and Common Pleas of the County and in April 1774 he was appointed as Associate Justice of the Supreme Court of Appeals of Pennsylvania. It will be observed that he held two or more offices concurrently.

DELEGATE TO THE STAMP ACT CONGRESS

The public activities of John Morton led to his election as a delegate to the Stamp Act Congress in New York. History records that public sentiment at the time of this congress was greatly divided and apparently a majority of the political leaders of Pennsylvania at that time were opposed to the congress or at least opposed to the action which that congress ultimately took. The result was that the congress invoked a great deal of debate and bitter controversy and Morton at this time acquired the enemity and in some instances the active hostility of those who were loyal to the British Crown. This feeling among the Tory element in Pennsylvania resulted in Morton's temporary removal as a public officer. However, he acquired a very stanch friend in Benjamin Franklin who, upon hearing of Morton's dismissal, communicated with John Ross, in part, as follows:

> The hasty setting aside of such magistrates merely for their political opinions is unfortunate. Please present my hearty respects to our friends Potts, Pawlin, and Morton. They do not, I dare say, sleep a jot the worse for this dismissal.

MORTON'S EXPERIENCE VALUABLE TO THE CAUSE

When the inevitable conflict with the British Crown reached its climax, Morton brought to the cause a mind skilled and sharpened by many parliamentary battles in the Pennsylvania Assembly. His service as a member of the assembly and subsequently as a speaker had developed a knowledge of parliamentary debate and his administration of his various political offices gave him a sound basis for his further participation in that struggle. There was no man among the founders and the signers of the Declaration of Independence, who had had more mature experience than that which John Morton had acquired during his public life.

THE CONTINENTAL CONGRESS

Morton was elected a Member of the first Continental Congress in 1774 and he was elected to the Second Continental Congress in 1775. The records of these Congresses disclose that his ability was recognized by his colleagues, as evidenced by his selection to fulfill many important assignments in that body. He was chairman of the Committee of the Whole on the adoption of a plan of confederation.

The Pennsylvania Assembly on June 16, 1776, instructed the delegates from that assembly to the Continental Congress, including John Morton, not to vote for a complete severance of the ties with the British Crown which was then under discussion. The delegates included Benjamin Franklin, James Wilson, John Morton, Thomas Willing, Charles Humphrey, John Dickinson, Robert Morris, Edward Biddle, and Andrew Allen. John Morton was the speaker of the assembly at the time these instructions were placed on the delegates, and he was opposed to those instructions. However, he felt that these instructions were not binding on the delegates, but were merely the expression of an opinion or sentiment on the part of the assembly.

PENNSYLVANIA DELEGATION IS SPLIT

Morton took the position that the delegates were free to vote their conscience. A test vote was had on the 1st of July 1776, and a majority of the delegates voted in accordance with the sentiment expressed by the assembly, but John Morton stubbornly insisted upon voting for independence. It appears, however, that Edward Biddle and Andrew Allen had resigned prior to the second vote on the resolution, and that John Dickinson and Robert Morris were absent from the session at the time the final vote was taken. It is intimated that John Dickinson and Robert Morris, feeling that the time was not ripe for a critical step, remained away from the session rather than to be recorded as being against the resolution for independence. It is possible that they may have felt that they were obliged to vote the sentiment expressed by the assembly; in any event the historians have agreed that Dickinson and Morris were absent either by reason of necessity or because they did not desire to record their vote at that particular time.

MORTON CASTS DECIDING VOTE IN DELEGATION

When the final vote was taken in the Pennsylvania delegation on the question of adopting the Declaration of Independence there were two votes in favor of adopting the Declaration—Benjamin Franklin and James Wilson—and there were two votes against the adoption, Thomas Willing and Charles Humphrey. Morton was chairman of the delegation and cast his vote along with that of Franklin and Wilson in favor of the adoption of the Declaration of Independence.

PENNSYLVANIA CASTS DECIDING VOTE IN CONGRESS

It will be recalled that the vote in the Congress on the question of the adoption of the Declaration was also evenly balanced and the vote of Pennsylvania was the deciding factor in the final vote. It was therefore John Morton's vote in the closely contested Pennsylvania delegation that not only decided the tie vote in that delegation, but it was the vote of Pennsylvania in the Congress that determined the final results on the question of the adoption.

The vote in Congress by States was 6 for adoption and 6 against, and John Morton, by casting the vote of Pennsylvania for adoption, broke the tie in the Congress.

MORTON AROSE FROM SICKBED TO VOTE

History records that John Morton, against the advice of his physician and family, arose from a sickbed to attend this critical meeting. It is recorded in history that he was at that time a very ill man.

When Morton returned from that session of the Congress the Tories were bitter because of his action, and they charged him with failing to follow the instructions of the assembly which elected him a delegate to the Congress. He also incurred the enemity of some of the moderate element who were not convinced of the necessity of a complete break with the British Crown at that time. Many of his friends and associates abandoned him because of his uncompromising attitude on the question of independence and because of his political beliefs.

MORTON'S PROPHECY

Morton had an abiding faith in the wisdom of his action, and while he did not live to see the ultimate result of his labors, yet it is apparent that he had no doubts about the final victory. John Morton died in April 1777. On his deathbed he uttered a prophecy that has since been revealed in a brilliant light. These prophetic words, spoken by one who had devoted all his ability and energy to the cause, are written in immortal letters among the historical archives of our history. Morton's prophecy was "that posterity would proclaim his labors for secession the crowning glory of his life."

While Morton was born in the log cabin, near the old Morris Ferry, which was built by his grandfather in 1694, he subsequently erected a more pretentious home for his family. This excellent example of early colonial architecture was built in 1764 and stands in Ridley Park, Delaware County, Pa.

ANN JUSTICE, MORTON'S WIFE OF SWEDISH DESCENT

John Morton married Ann Justice who was also a descendent of one of the early Swedish colonists, named Gostosson. Morton was 26 years old at the time of his marriage to Ann Justice and 8 children were born to this union, 3 sons and 5 daughters. Two of his sons took an active part in the activities of the colonial government in the Revolutionary War, and many of the descendants have achieved distinction in many walks of life.

John Morton is buried in St. Paul's graveyard which is located on Third Street between Market and Welsh Streets, Chester, Pa. St. Paul's graveyard is a burial place for many of the pioneer Swedish colonists who settled in Upland. The church was erected on a plot of ground which was dedicated to the church by Armegot Printz, the daughter of Governor Printz.

MONUMENT TO MORTON

Morton's grave is identified by a marble monument of obelisk shape, 9 feet high. The four sides of this form the points of the compass. The west side contains the following inscription:

Dedicated to the memory of John Morton, a Member of the First American Congress from the State of Penn., assembled in New York in 1765 and of the next Congress assembled in Philadelphia in 1774. Born A. D. 1724. Died April 1777.

On the east side of the shaft is the following inscription:

In voting by States upon the question of the independence of the American Colonies, there was a tie until the vote of Penn. was given, two members of which voted in the affirmative and two in the negative. The tie continued until the vote of the last member, John Morton, decided the promulgation of the glorious diploma of American freedom.

The south side bears these words:

In 1775, while a speaker of the Assembly of Penn., John Morton was elected a Member of Congress, and in the ever memorable session of 1776 he attended that august body for the last time, establishing his name in grateful remembrance of the American people by signing the Declaration of Independence.

On the north side is cut the following sentence:

John Morton, being censured by his friends for his casting vote for the Declaration of Independence, his prophetic spirit dictated from his deathbed the following message to them: "Tell them they shall live to see the hour when they shall acknowledge it to have been the most glorious service I ever rendered to my country."

OLD SETTLERS

It will be recalled that the Morton family were among the oldest settlers of Philadelphia at the time of the Revolution. His family had been in this country for four generations. They were a part of that hardy group of pioneers who had carved out a new civilization in a hazardous frontier. As time is considered in a country as young as ours, Philadelphia was an old city even in those days.

Gloria Dei Church which is now commonly called the Old Swedes Church was considered a landmark of Philadelphia when the founders of the new Republic met to frame the Declaration of Independence in Independence Hall.

Members of the Congress which met to adopt the Declaration attended Gloria Dei Church. It was not only the oldest church in Philadelphia at that time but it was the most distinguished congregation, and its membership included the old families of Philadelphia.

GLORIA DEI "OLD SWEDES CHURCH"—OLDEST CHURCH IN PHILADELPHIA

Gloria Dei Church is a successor of the first place of worship by the Swedes in Philadelphia. Its immediate predecessor was a blockhouse which had been used for a place of worship. The bell for the Gloria Dei Church was made from the old bell of its predecessor which was cast in 1643. When the Archbishop of Upsala delivers the sermon at this church at 4 p. m. June 28, he will commemorate 300 years of religious worship in the Delaware Valley; 300 years of education which had its inception with the Swedish pastors who were the first schoolmasters in the Delaware Valley; and 300 years of culture and of progress. What finer tribute can be paid to those stalwart pioneers who carved an empire out of a wilderness?

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ENCOURAGEMENT OF TRAVEL TO AND WITHIN THE UNITED STATES

Mr. COPELAND. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Senate bill 3635, Calendar No. 1739.

Yesterday, or day before, the able Senator now occupying the chair [the President pro tempore] objected to the bill. After consultation with him, certain amendments have been made to the bill which I think make it acceptable.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from New York?

There being no objection, the Senate proceeded to consider the bill (S. 3635) to encourage travel to and within the United States, and for other purposes.

Mr. COPELAND. Mr. President, I offer certain amendments, which I ask to have stated.

The PRESIDENT pro tempore. The amendments will be stated.

The amendments were, on page 1, beginning in line 3, to strike out: "That the Secretary of Commerce is authorized and directed, through the Bureau of Foreign and Domestic Commerce, to encourage, promote, and develop travel to the United States, and the use of American registered ships and of interstate transportation facilities for such purposes"; in line 8, to strike out "Sec. 2"; on page 2, line 1, after the word "travel", to strike out "to and"; in line 6, to change the number of the section from 3 to 2; in line 7, after the word "agencies", to strike out "domestic and foreign"; in line 23, to change the number of the section from 4 to 3; and on page 3, after line 12, to strike out:

SEC. 5. The Secretary of State and the Secretary of Commerce are authorized and directed to cooperate with the Secretary of the Interior in carrying out the provisions and purposes of this act. To this end the Secretary of Commerce is authorized and directed to extend the facilities of the Foreign Commerce Service to assist in the promotion of travel by the nationals of foreign countries to and within the United States, any additional expense incurred thereby to be reimbursed from funds made available for the purpose of this act. The amount of such funds to be allocated to the Department of Commerce for the succeeding fiscal year shall be agreed upon by the Secretary of the Interior, the Secretary of State, and the Secretary of Commerce and submitted to the Budget Bureau and to Congress in order that the necessary funds may be made available for carrying on the work abroad.

So as to make the bill read:

Be it enacted, etc., That the Secretary of the Interior (hereinafter referred to as the "Secretary"), through the National Park Service, is hereby authorized and directed to take such action as he may deem necessary to encourage, promote, and develop tourist travel within the United States, including its Territories and possessions. The Secretary is authorized to make such rules and regulations as he may deem necessary in carrying out the functions vested in the Department of the Interior by this act.

SEC. 2. The Secretary may cooperate with public and private tourist, travel, and other agencies in the display of exhibits and in the collection, publication, and dissemination of informative materials furnished the Department by appropriate agencies with respect to places of interest, routes, transportation facilities, accommodations, and such other data as he deems advisable and advantageous for the purposes of encouraging travel.

The provisions of the act of July 10, 1935 (49 Stat. 477), are hereby extended so as to permit the expenditure of the receipts from the sale of publications obtained under any funds donated for the purposes of this act subject to the condition that such receipts shall continue to be available for the printing of further publications. The Secretary may employ such technical assistants or experts, without regard to the civil-service laws, as may be necessary in the execution of this act.

SEC. 3. The Secretary is authorized to create an advisory board to be known as the United States Travel Board, composed of representatives of public and private agencies, or having other interest in the promotion of tourist travel. The membership of the board shall consist of a representative from each of the Departments of State, Interior, and Commerce, as may be designated by the respective Secretaries thereof, and such other members as may be appointed by the Secretary of the Interior to serve at his pleasure. Meetings of the board shall be held at the request of the Secretary for the purposes of making recommendation concerning the promotion of tourist travel under the provisions hereof. The members of such board shall receive no salary, but they may be paid expenses incidental to travel when engaged in discharging their duties as such members.

The amendments were agreed to.

Mr. BURKE. Mr. President, I do not like to have this bill taken up at this time. It was reached the other day on the Calendar. I did not object to it, but there was objection by Members who are not now present. At this late hour of the day it does not seem to me proper to bring up a bill and pass it when Senators who previously objected are not present.

Mr. COPELAND. Is the Senator referring to the bill which I have just discussed?

Mr. BURKE. Yes.

Mr. COPELAND. The bill has been very radically amended.

Mr. BURKE. We have not had an opportunity to study the modifications or amendments offered.

Mr. COPELAND. If the Senator desires, I have no objection to the bill going over.

Mr. BURKE. I should like to have it go over until we have an opportunity to look at it.

Mr. COPELAND. I have no objection to that course.

The PRESIDENT pro tempore. Without objection, the bill will be passed over.

HELEN MAHAR JOHNSON

Mr. COPELAND. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of House bill 4571, Calendar No. 2112.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from New York?

There being no objection, the Senate proceeded to consider the bill (H. R. 4571) for the relief of Helen Mahar Johnson, which had been reported from the Committee on Claims with an amendment, to strike out all after the enacting clause and insert:

That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Wilber National Bank, of Oneonta, N. Y., administrator of the estate of James Patrick Mahar, late of the city of Oneonta, Otsego County, N. Y., deceased, the sum

of $5,000, in full satisfaction of any and all claims of the estate of James Patrick Mahar for the United States Government life-insurance benefits under policy No. K-812772, the same to be distributed among the heirs-at-law and next of kin of the said James Patrick Mahar, a deceased soldier, according to the statute of descent and distribution of the State of New York.

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

The title was amended so as to read: "An act for the relief of the widow and children of James Patrick Mahar."

PROGRAM OF THE SESSION

Mr. BARKLEY. Mr. President, for the benefit of the Members of the Senate I think it may be proper to announce that it is contemplated that on the resumption of the session of the Senate tomorrow the bankruptcy bill, in charge of the Senator from Wyoming [Mr. O'MAHONEY], will be taken up for consideration. In fact, it is entirely agreeable, if the Senator desires, to make it the unfinished business now.

REVISION OF BANKRUPTCY ACT

Mr. O'MAHONEY. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of House bill No. 8046, Calendar No. 2022, the bankruptcy bill, so that it may become the unfinished business of the Senate.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Wyoming?

There being no objection, the Senate proceeded to consider the bill (H. R. 8046) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto; and to repeal section 76 thereof and all acts and parts of acts inconsistent therewith, which had been reported from the Committee on the Judiciary with amendments.

AMENDMENT OF CIVIL-SEVICE RETIREMENT ACT

Mr. BARKLEY. Mr. President, following the consideration of the bankruptcy bill it is hoped that the bill referred to a while ago by the Senator from West Virginia [Mr. NEELY], the civil-service retirement bill, may be taken up for consideration.

I also wish to advise the Senate that if we finish with the business which should be transacted tomorrow, in order that the conference committees which are now busy may have an extra day in which to concentrate their attention upon their work, it is the purpose to take a recess from tomorrow until Monday. It is now obvious that we cannot finish the work of the Senate this week so as to adjourn Saturday. In order that conference committees may work during the recess without having to attend the sessions of the Senate, it is my purpose to move a recess from tomorrow until Monday.

LOS ANGELES NAVAL RESERVE ARMORY

Mr. McADOO. Mr. President, the Senator from Massachusetts [Mr. WALSH] reported favorably today from the Committee on Naval Affairs, and authorized me to ask to have considered, a bill to accept a Naval Reserve armory which has been built by the municipality of Los Angeles at a cost of $1,000,000. The bill does not involve any expenditure on the part of the Government. It merely provides that the Government shall take over and use the armory and maintain it at a small cost per annum, probably five or six thousand dollars per year.

I ask for the present consideration and passage of the bill.

The PRESIDENT pro tempore. What is the number of the bill?

Mr. McADOO. We have been trying to get it here. It does not seem to be on the desk; but I have stated all that is in it, and I ask the Senate if they will be willing to consider the bill at this time. I repeat, it does not involve any cost on the part of the Government.

Mr. LA FOLLETTE. Mr. President, I should have to object to such an irregular procedure as that.

Mr. McADOO. The bill may be here in just a second. It has been sent for.

Mr. NORRIS. Mr. President, can we not pass the bill in its absence? We could do a great deal of business in that way. That would be a fine way to do. [Laughter.]

Mr. McADOO. I submit to the implied point of order.

NATIONAL AUDITORIUM

Mr. CONNALLY. Mr. President, I am interested in having an opportunity to move the consideration of the Senate bill establishing a national auditorium. Would it be possible to make it the pending business?

Mr. BARKLEY. The Senator from Wyoming [Mr. O'MAHONEY] has already made the bankruptcy bill the unfinished business. I am in thorough sympathy with the desire of the Senator from Texas, and I will cooperate with him and try to have considered tomorrow the bill to which he refers.

Mr. CONNALLY. Then, Mr. President, I give notice that at the conclusion of the consideration of the bankruptcy measure I shall endeavor to obtain the floor and move that the Senate proceed to the consideration of the national auditorium bill.

MESSAGE FROM THE HOUSE—ENROLLED BILL SIGNED

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, announced that the Speaker had affixed his signature to the enrolled bill (H. R. 10462) to amend the act entitled "An act creating the Mount Rushmore National Memorial Commission and defining its purposes and powers," approved February 25, 1929, as amended, and it was signed by the President pro tempore.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations and a draft convention, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

Mr. SHEPPARD, from the Committee on Military Affairs, reported favorably the nominations of several officers for appointment to temporary rank in the Air Corps, and also the nominations of sundry officers for promotion, and an officer for appointment, by transfer, to the Air Corps, all in the Regular Army.

The PRESIDENT pro tempore, from the Committee on Foreign Relations, reported favorably, without reservation, Executive H, Seventy-fifth Congress, third session, a North American regional broadcasting agreement between the United States, Canada, Cuba, Mexico, the Dominican Republic, and Haiti, signed at Habana on December 13, 1937, and submitted a report (Ex. Rept. No. 15) thereon.

He also, from the same committee, reported favorably, without reservation, Executive I, Seventy-fifth Congress, third session, an inter-American radio-communications convention between the United States of America, Brazil, Canada, Colombia, Cuba, Chile, the Dominican Republic, Guatemala, Haiti, Mexico, Nicaragua, Panama, Peru, Uruguay, and Venezuela, signed at Habana on December 13, 1937, and submitted a report (Ex. Rept. No. 16) thereon.

Mr. BURKE, from the Committee on the Judiciary, reported favorably the nomination of Angel R. de Jesus of San Juan, P. R., to be an Associate Justice of the Supreme Court of Puerto Rico, vice Felix Cordova Davila, resigned.

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

He also, from the same committee, reported adversely the nominations of several postmasters.

The PRESIDENT pro tempore. The reports will be placed on the Executive Calendar.

POSTMASTER AT ETOWAH, TENN.—RECOMMITTAL

Mr. McKELLAR. Mr. President, yesterday the nominations of a large number of postmasters were confirmed, and they were confirmed without being placed on the calendar, with the statement made by me that if there was objection by any Senator the nomination objected to should be withdrawn. My colleague [Mr. BERRY] has asked that the nomination of Donald B. Todd to be postmaster at Etowah, Tenn., be withdrawn and recommitted to the Committee on Post Offices and Post Roads.

I move to reconsider the vote by which advice and consent was given on yesterday to the nomination of Donald B. Todd to be postmaster at Etowah, Tenn.

The motion was agreed to.

Mr. McKELLAR. I ask that the nomination be recommitted to the Committee on Post Offices and Post Roads. I will say that there will be a hearing in that committee tomorrow on the nomination in question.

The PRESIDENT pro tempore. Without objection, it is so ordered.

There being no further reports of committees, the clerk will state the nominations on the calendar.

THE JUDICIARY

The legislative clerk read the nomination of Charles E. Dierker to be United States attorney for the western district of Oklahoma.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Anton J. Lukaszewicz to be United States marshal for the eastern district of Wisconsin.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

That completes the calendar.

LEGISLATIVE SESSION

Mr. BARKLEY. I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed legislative session.

LOS ANGELES NAVAL RESERVE ARMORY

Mr. BARKLEY. Has the absent bill appeared to which the Senator from California referred?

Mr. McADOO. Mr. President, I withdraw the request about the Naval Reserve armory bill. I understood that the bill was on the desk. We will take it up tomorrow; and for the present I withdraw the request.

RECESS

Mr. BARKLEY. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 44 minutes p. m.) the Senate took a recess until tomorrow, Friday, June 10, 1938, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 9 (legislative day of June 7), 1938

DIPLOMATIC AND FOREIGN SERVICE

William P. Blocker, of Texas, now a Foreign Service officer of class 3 and a secretary in the Diplomatic Service, to be also a consul general of the United States of America.

The following-named persons for promotion in the Foreign Service of the United States, to be effective June 16, 1938, as follows:

From Foreign Service officer of class 4 to Foreign Service officer of class 3:

James Hugh Keeley, Jr., of the District of Columbia.

George R. Merrell, of Missouri.

Hugh Millard, of Nebraska.

Orsen N. Nielsen, of Wisconsin.

Harold Shantz, of New York.

Harold S. Tewell, of North Dakota.

From Foreign Service officer of class 5 to Foreign Service officer of class 4:

Ellis O. Briggs, of Maine.

Edward S. Crocker, of Massachusetts.

Samuel J. Fletcher, of Maine.

Walter A. Foote, of Texas.

Waldemar J. Gallman, of New York.

C. Porter Kuykendall, of Pennsylvania.

Alfred T. Nester, of New York.

Sydney B. Redecker, of New York.

Rollin R. Winslow, of Michigan.

From Foreign Service officer of class 6 to Foreign Service officer of class 5:

Clayson W. Aldridge, of New York.

William H. Beach, of Virginia.

Leo J. Callanan, of Massachusetts.

C. Paul Fletcher, of Tennessee.

Julian F. Harrington, of Massachusetts.

Eugene M. Hinkle, of New York.

David McK. Key, of Tennessee.

Edward P. Lawton, of Georgia.

Warwick Perkins, of Maryland.

George Tait, of Virginia.

UNITED STATES TARIFF COMMISSION

Edgar Bernard Brossard, of Utah, to be a member of the United States Tariff Commission for the term expiring June 16, 1944. (Reappointment.)

FEDERAL EMERGENCY ADMINISTRATION OF PUBLIC WORKS

Kenneth A. Godwin, of California, to be regional director, region 6, Federal Emergency Administration of Public Works.

UNITED STATES CIRCUIT JUDGE

Hon. Leon McCord, of Alabama, to be a United States circuit judge, fifth circuit, to fill an existing vacancy.

UNITED STATES DISTRICT JUDGE

Hon. Francis J. W. Ford, of Massachusetts, to be a judge of the United States District Court for the District of Massachusetts to fill an existing vacancy.

JUDGES OF THE CIRCUIT COURTS OF HAWAII

Hon. Harold E. Stafford, of Hawaii, to be third judge of the first circuit, circuit courts, Territory of Hawaii. (Judge Stafford is now serving in this post under an appointment which expires June 18, 1938.)

Hon. John A. Matthewman to be fifth judge of the first circuit, circuit courts, Territory of Hawaii.

Hon. James Wesley Thompson, of Hawaii, to be judge of the third circuit, circuit courts, Territory of Hawaii. (Judge Thompson is now serving in this post under an appointment which expires June 18, 1938.)

Hon. Delbert E. Metzger, of Hawaii, to be judge of the fourth circuit, circuit courts, Territory of Hawaii. (Judge Metzger is now serving in this post under an appointment which expires June 18, 1938.)

Hon. Carrick H. Buck, of Hawaii, to be judge of the fifth circuit, circuit courts, Territory of Hawaii. (Judge Buck is now serving in this post under an appointment which expires June 18, 1938.)

ASSOCIATE JUSTICE, SUPREME COURT OF PUERTO RICO

Hon. Angel R. de Jesus, of San Juan, P. R., to be an associate justice of the Supreme Court of Puerto Rico, vice Hon. Felix Cordova Davila, resigned.

UNITED STATES ATTORNEYS

George Philip to be United States attorney for the district of South Dakota. (Mr. Philip is now serving in this office under an appointment which expires June 15, 1938.)

Douglas W. McGregor, of Texas, to be United States attorney for the southern district of Texas. (Mr. McGregor is now serving in this office under an appointment which expires July 1, 1938.)

UNITED STATES MARSHAL

Charles W. Robertson to be United States marshal for the district of South Dakota. (Mr. Robertson is now serving in this office under an appointment which expires June 15, 1938.)

APPOINTMENTS, BY TRANSFER, IN THE REGULAR ARMY

TO QUARTERMASTER CORPS

Capt. John Salisbury Fisher, Infantry, with rank from August 1, 1935.

TO COAST ARTILLERY CORPS

First Lt. Gwinn Ulm Porter, Infantry, with rank from June 13, 1936, effective August 11, 1938.

PROMOTIONS IN THE NAVY

MARINE CORPS

Lt. Col. Harry Schmidt to be a colonel in the Marine Corps from the 1st day of May 1938.

Lt. Col. Miles R. Thacher to be a colonel in the Marine Corps from the 2d day of June 1938.

Maj. Maurice C. Gregory to be a lieutenant colonel in the Marine Corps from the 2d day of June 1938.

Maj. Andrew E. Creesy to be a lieutenant colonel in the Marine Corps from the 2d day of June 1938.

The following-named captains to be majors in the Marine Corps from the 2d day of June 1938:

Ralph D. Leach	Stanley E. Ridderhof
George W. McHenry	Morris L. Shively
William L. McKittrick	

The following-named first lieutenants to be captains in the Marine Corps from the 2d day of June 1938:

Wayne H. Adams	John A. White
John H. Cook, Jr.	Edward J. Dillon
Edward H. Forney, Jr.	Harold I. Larson

CONFIRMATIONS

Executive nominations confirmed by the Senate June 9 (legislative day of June 7), 1938

UNITED STATES ATTORNEY

Charles E. Dierker to be United States attorney for the western district of Oklahoma.

UNITED STATES MARSHAL

Anton J. Lukaszewicz to be United States marshal for the eastern district of Wisconsin.

HOUSE OF REPRESENTATIVES

THURSDAY, JUNE 9, 1938

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

According to Thy name, O God, so is Thy praise unto the ends of the earth; Thy right hand is full of righteousness. Thou art our Good forever and ever, and will be our guide even unto death. Oh, that men would praise the Lord for His goodness and for His wonderful works toward the children of men.

O gracious Father of mankind, help us to interpret aright the constant revelation of Thy love and mercy manifested toward us. We pray Thee to make this day rich in satisfaction which comes from upright living. Let our best impulses find expression in the spirit of helpful justice couched in all hearts. We thank Thee that wherever there is a listening soul, there Thou art, and wherever Thou art, the shadows dissolve in the beams of Thy unclouded truth. In our Savior's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Latta, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and joint resolutions of the House of the following titles:

On June 1, 1938:

H. R. 1486. An act to amend section 30 of the act of March 2, 1917, entitled "An act to provide a civil government for Porto Rico, and for other purposes";

H. R. 4276. An act to amend an act entitled "An act to create a juvenile court in and for the District of Columbia," and for other purposes;

H. R. 4852. An act to provide for the creation of the Saratoga National Historical Park in the State of New York, and for other purposes;

H. R. 5974. An act to authorize payments in lieu of allotments to certain Indians of the Klamath Indian Reservation in the State of Oregon, and to regulate inheritance of restricted property within the Klamath Reservation;

H. R. 8008. An act to provide for the purchase of public lands for home and other sites;

H. R. 8373. An act for the relief of List & Clark Construction Co.;

H. R. 8487. An act confirming to Louis Labeaume, or his legal representatives, title to a certain tract of land located in St. Charles County, in the State of Missouri;

H. R. 9577. An act to amend section 402 of the Merchant Marine Act, 1936, to further provide for the settlement of ocean mail contract claims;

H. R. 9722. An act to amend section 5 of an act entitled "An act to provide for the construction and maintenance of roads, the establishment and maintenance of schools and the care and support of insane persons in the District of Alaska, and for other purposes," approved January 27, 1905 (33 Stat. 616); and

H. J. Res. 622. Joint resolution authorizing the President of the United States of America to proclaim October 11, 1938, General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski.

On June 3, 1938:

H. J. Res. 693. Joint resolution making an appropriation to aid in defraying expenses of the observance of the seventy-fifth anniversary of the Battle of Gettysburg.

On June 7, 1938:

H. R. 6869. An act to provide for the examination and licensing of those engaging in the practice of cosmetology in the District of Columbia;

H. R. 7085. An act to regulate barbers in the District of Columbia, and for other purposes; and

H. J. Res. 687. Joint resolution to amend title VI of the District of Columbia Revenue Act of 1937.

On June 8, 1938:

H. R. 1591. An act to require the registration of certain persons employed by agencies to disseminate propaganda in the United States, and for other purposes; and

H. R. 10140. An act to amend the Federal Aid Road Act, approved July 11, 1916, as amended and supplemented, and for other purposes.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed without amendment bills and joint resolutions of the House of the following titles:

H. R. 7560. An act to authorize alterations and repairs to certain naval vessels, and for other purposes;

H. R. 8673. An act for the relief of certain persons at certain projects of the Farm Security Administration, United States of Department of Agriculture;

H. R. 9014. An act to authorize the conveyance to the Lane S. Anderson Post, No. 297, Veterans of Foreign Wars of the United States, of a parcel of land at lock No. 6, Kanawha River, South Charleston, W. Va.;

H. R. 10076. An act to create the White County Bridge Commission; defining the authority, power, and duties of

said commission; and authorizing said commission and its successors and assigns to purchase, maintain, and operate a bridge across the Wabash River at or near New Harmony, Ind.;

H. R. 10722. An act to authorize the attendance of the Marine Band at the national encampment of the Grand Army of the Republic to be held at Des Moines, Iowa, September 4 to 8, inclusive, 1938;

H. J. Res. 683. Joint resolution to provide for a floor-stock tax on distilled spirits, except brandy; and

H. J. Res. 688. Joint resolution creating the Niagara Falls Bridge Commission and authorizing said commission and its successors to construct, maintain, and operate a bridge across the Niagara River at or near the city of Niagara Falls, N. Y.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9721) entitled "An act authorizing the disbursement of funds appropriated for compensation of help for care of material, animals, armament, and equipment in the hands of the National Guard of the several States, Territories, and the District of Columbia, and for other purposes."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10238) entitled "An act making appropriations for the Department of Agriculture and for the Farm Credit Administration for the fiscal year ending June 30, 1939, and for other purposes."

The message also announced that the Senate had passed, with an amendment, in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 10298. An act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H. R. 1872) entitled "An act for the relief of Martin Bridges," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. BAILEY, Mr. BROWN of Michigan, and Mr. CAPPER to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendments to the bill (H. R. 5743) entitled "An act for the relief of Haffenreffer & Co., Inc.," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. BURKE, Mr. SCHWELLENBACH, and Mr. CAPPER to be the conferees on the part of the Senate.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 1294. An act to amend the act entitled "An act to authorize the President to provide housing for war needs," approved May 16, 1918, as amended; and

S. 3337. An act to amend section 2 of the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1919, and for other purposes," approved July 1, 1918, to increase the authorized percentage of privates, first class, in the Marine Corps, from 25 to 40 percent of the whole number of privates.

The message also announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 546. An act for the relief of Annie Mary Wilmuth;

S. 1788. An act for the relief of William J. Schwarze;

S. 2532. An act for the relief of Mr. and Mrs. Guy R. Syth;

S. 2876. An act for the relief of Mark H. Doty; and

S. 3079. An act for the relief of George W. Breckenridge.

The message also announced that the Senate had adopted the following order:

Ordered, That the Secretary be directed to request the House of Representatives to return to the Senate the bill (S. 2165) to amend the act entitled "An act to provide conditions for the purchase of supplies and the making of contracts by the United States, and for other purposes."

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House:

JUNE 9, 1938.

The Honorable WILLIAM B. BANKHEAD,
Speaker of the House of Representatives.

SIR: From the State Board of Election Commissioners of the Commonwealth of Kentucky, I have received the certificate of election of Hon. JOE B. BATES as a Representative-elect to the Seventy-fifth Congress from the Eighth Congressional District of that State, to fill the unexpired term caused by the resignation of Hon. Fred M. Vinson.

Very truly yours,

SOUTH TRIMBLE,
Clerk of the House of Representatives.

SWEARING IN OF A MEMBER

Mr. BATES of Kentucky appeared at the bar of the House and took the oath of office.

INVESTIGATION OF UN-AMERICAN ACTIVITIES

Mr. WARREN. Mr. Speaker, I offer a privileged resolution from the Committee on Accounts and ask for its immediate consideration.

The Clerk read the resolution, as follows:

House Resolution 510

Resolved, That the expenses of conducting the investigation authorized by House Resolution 282, incurred by the special committee appointed to investigate un-American propaganda in the United States and related questions, acting as a whole or by subcommittee, not to exceed $100,000, including expenditures for the employment of experts, and clerical, stenographic, and other assistants, shall be paid out of the contingent fund of the House on vouchers authorized by such committee, signed by the chairman thereof and approved by the Committee on Accounts; and the head of each executive department is hereby requested to detail to said special committee such number of legal and expert assistants and investigators as said committee may from time to time deem necessary.

With the following committee amendments:

In line 5, strike out the figure "$100,000" and insert in lieu thereof the figure "$25,000."

After the first section, add the following:

"SEC. 2. That the official committee reporters may be used at all hearings held in the District of Columbia if not otherwise officially engaged."

Mr. WARREN. Mr. Speaker, my personal views about this matter are at variance with the action of the House in ordering this investigation. This is the third investigation of this nature in recent years, and I personally believe it is all a lot of hullabaloo about nothing. Certainly it is, as far as my State is concerned. However, the House has spoken and it is incumbent upon the committee to bring in funds. This investigation has been limited by the express order of Congress to January 3, 1939, which is sufficient time to investigate any subject. The Speaker has appointed an exceptionally able committee. Certainly, it is not incumbent upon me even to make a suggestion to that committee, but there is no need for the committee to take on some of the usual hangers-on and camp followers who attach themselves to a committee just as soon as the House sets it up. The gentlemen who have been selected by the Speaker are able lawyers, able cross examiners, and able investigators, and should they wish to go as far as to conduct an inquisition they are fully capable of doing that, too. We believe we have given them sufficient money to make this investigation and to close it up and bring a report here on January 3.

Mark my word when I say to the House no matter how diligent the members of this committee are, when they come back here with their report it will be embalmed in the archives of Congress and nothing whatever will be done about it. We have sufficient laws on the statute books today to take care of most of the conditions complained of. The late McCormack committee came in here with recommendations, and half of the committee's recommendations were not even considered by either House of Congress.

In giving this committee $25,000, I may say we have exhausted every single copper cent in the contingent fund for investigations at this session of Congress. It is only fair to say not only to this committee, but to all other special committees that may be set up, that they need not come back to the Committee on Accounts and ask that a deficit be made good. That has been done to my knowledge only once in the last 12 years. We are not going to approve a voucher for 1 cent over the appropriation. It is neither morally right nor legal for a committee to exceed its appropriation and come back here and expect us to make up the deficit.

Mr. O'CONNOR of New York. Mr. Speaker, will the gentleman yield?

Mr. WARREN. I yield to the gentleman from New York.

Mr. O'CONNOR of New York. There is a very good likelihood of several other committees being set up before we adjourn at this session. What can be done to take care of those committees?

Mr. WARREN. As the gentleman knows, that is beyond the Committee on Accounts and would be up to the Committee on Appropriations. I understand, and in fact I know, that a request was made to the Committee on Appropriations for additional funds in the event of an emergency such as the gentleman speaks of. For some reason that appropriation was not made. If any other investigations are set up, the Committee on Accounts will not be in a position to approve a request for one dollar, or even bring in a resolution, unless the Committee on Appropriations should make an appropriation for that purpose.

Mr. O'CONNOR of New York. Of course, we hope before we are through here to set up committees to investigate forestry, monopolies, radio, and perhaps some other matters. They will all be important investigations. Of course, one way to defeat an investigation is not to give it any money, so if these investigating committees cannot get any money they will be practically defunct.

Mr. WARREN. I am sure the gentleman agrees that we would have no right to bring in a resolution when we have no appropriation, as that is beyond the Committee on Accounts.

Mr. O'CONNOR of New York. I appreciate that.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. WARREN. I yield to the gentleman from Pennsylvania.

Mr. RICH. I believe the gentleman from North Carolina is about the best versed man on conditions around the Capitol, and I believe he said one of the most sensible things any man could in giving advice to a committee when he spoke of the fact that there are a lot of hangers-on around this Capitol who are trying to become secretaries of these investigating committees, the committee, if it wishes to do a good job, should beware of some of these professional secretaries. There are a lot of them around here who are not worth the powder to blow them up, and I hope, when this committee selects its secretary, they will select a good one.

There is another thing I would like to say to the gentleman while I am on my feet. Yesterday we authorized $50,000 to investigate the reindeer industry in Alaska. That is about as senseless a thing as I know of, because such an investigation can be accomplished for one-third of $50,000 if it is handled under the Interior Department, and sometimes we give too much money for some of these investigating committees, as this would indicate.

The gentleman from New York [Mr. O'CONNOR] said a few moments ago that we are going to have four or five investigating committees. I wonder if they are not going to have an investigation of this $3,300,000,000 that the President is going to have to spend to elect a Congress. I think we ought to have an investigation of that and I believe if you men on that side of the House are interested in trying to keep this Government from getting into the hands of a political dictator you will earmark all relief funds and stop playing politics with human misery.

Mr. WARREN. Mr. Speaker, I move the previous question on the resolution and the amendments.

The previous question was ordered.

The amendments were agreed to.

The resolution, as amended, was agreed to, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. MAVERICK. Mr. Speaker, yesterday I asked unanimous consent to insert a speech in the RECORD. I now have an estimate from the Printer and I again ask unanimous consent to insert it.

Mr. RICH. Mr. Speaker, reserving the right to object, what is the estimate from the Printer?

Mr. MAVERICK. The estimate is it runs $58 over the amount you are permitted to put in. You are given two pages.

Mr. RICH. What is the total amount?

Mr. MAVERICK. One hundred and fifty-eight dollars.

Mr. RICH. Does not the gentleman know that all this is an expense that the taxpayers back in your district and in mine have to pay?

Mr. MAVERICK. I would not ask for this unless I thought it was good for my taxpayers and yours, too.

Mr. RICH. But the trouble with the gentleman is he gets too much in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

RIVER AND HARBOR AUTHORIZATION BILL

Mr. MANSFIELD. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 10298) authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes, with Senate amendments, and concur in the Senate amendments.

The Clerk read the title of the bill.

Mr. SNELL. What is the request, Mr. Speaker?

The SPEAKER. The gentleman from Texas has asked unanimous consent to take the bill from the Speaker's table and concur in the Senate amendments.

Mr. TABER. Mr. Speaker, may the Senate amendments be reported?

The Clerk read the Senate amendments, as follows:

Page 1, line 9, strike out all after "document" down to and including "conservation" in line 7, page 8, and insert "and that hereafter Federal investigations and improvements of rivers, harbors, and other waterways shall be under the jurisdiction of and shall be prosecuted by the War Department under the direction of the Secretary of War and the supervision of the Chief of Engineers, except as otherwise specifically provided by act of Congress, which said investigations and improvements shall include a due regard for wildlife conservation."

Page 2, after line 11, insert:

"Westport River, Mass.; House Document No. 692, Seventy-fifth Congress."

Page 2, after line 13, insert:

"Flushing Bay and Creek, N. Y.; Senate Committee on Commerce document, Seventy-fifth Congress."

Page 2 after line 13 insert:

"Huntington Harbor, N. Y.; House Document No. 638, Seventy-fifth Congress."

Page 3, after line 10, insert:

"Roanoke River, N. C.; House Document No. 694, Seventy-fifth Congress."

Page 3, after line 10, insert:

"New River Inlet, N. C.; House Document No. 691, Seventy-fifth Congress."

Page 3, after line 12, insert:

"Belhaven Harbor, N. C.; House Document No. 693, Seventy-fifth Congress."

Page 3, after line 15, insert:

"Waterway between Beaufort, S. C., and St. Johns River, Fla.; House Document No. 618, Seventy-fifth Congress."

Page 3, after line 15, insert:

"Terry Creek and Back River, Ga.: House Document No. 690, Seventy-fifth Congress."

Page 4, after line 4, insert:

"Palm Beach, Fla.; Side channel and basin in accordance with report on file in the Office of the Chief of Engineers."

Page 4, after line 4, insert:

"Tampa and Hillsboro Bays, Fla.; Senate Commerce Committee document, Seventy-fifth Congress."

Page 4, after line 6, insert:

"Biloxi Harbor, Miss.; House Document No. 639, Seventy-fifth Congress."

Page 4, lines 18 and 19, strike out "Document No. 564" and insert "Documents Nos. 564, 640, 641, 642, and 643."

Page 5, after line 2, insert:

"Bodega Bay, Calif.; House Document No. 619, Seventy-fifth Congress."

Page 5, after line 2, insert:

"San Pablo Bay and Mare Island Strait, Calif.; House Document No. 644, Seventy-fifth Congress."

Page 5, after line 17, insert:

"SEC. 2. That in any case in which it may be necessary or advisable in the execution of an authorized work of river and harbor improvement to exchange land or other property of the Government for private lands or property required for such project, the Secretary of War may, upon the recommendation of the Chief of Engineers, authorize such exchange upon terms and conditions deemed appropriate by him, and any conveyance of Government land or interests therein necessary to effect such exchange may be executed by the Secretary of War: *Provided further*, That the authority hereby granted to the Secretary of War shall not extend to or include lands held or acquired by the Tennessee Valley Authority pursuant to the terms of the Tennessee Valley Authority Act. This section shall apply to any exchanges heretofore deemed advisable in connection with the construction of the Bonneville Dam in the Columbia River."

Page 5, after line 17, insert:

"SEC. 3. To provide suitable office quarters for the district engineer in charge of maintenance and operation of the Washington Aqueduct and of river and harbor improvements in the Washington district, the Secretary of War is authorized to alter and remodel the pumping station building at McMillan Park in accordance with plans approved by the Chief of Engineers, the cost of such alteration and remodeling to be paid from appropriations heretofore or hereafter made by Congress for maintenance and improvement of existing river and harbor works."

Page 5, after line 17, insert:

"SEC. 4. That any amounts collected from any person, persons, or corporations as a reimbursement for lost, stolen, or damaged property, purchased in connection with river and harbor or flood control work prosecuted under the direction of the Secretary of War and the supervision of the Chief of Engineers, whether collected in cash or by deduction from amounts otherwise due such person, persons, or corporations, hereafter shall be credited in each case to the appropriation that bore the cost of purchase, repair, or replacement of the lost, stolen, or damaged property."

Page 5, after line 17, insert:

"SEC. 5. That the provisions of section 204 of part II of the Legislative Appropriation Act, fiscal year 1933, shall not be so construed as to prevent the employment by the Chief of Engineers under agreement as authorized by section 6 of the River and Harbor Act of July 3, 1930, of any retired civilian employee whose expert assistance may be needed in connection with the prosecution of river and harbor or flood control works: *Provided*, That during the period of such employment a sum equal to the retired pay of the employee shall be deducted from the compensation agreed upon."

Page 5, after line 17, insert:

"SEC. 6. That the conditions of local cooperation applicable to the improvement of the Illinois waterway (Calumet-Sag route) printed in House Document 180, Seventy-third Congress, second session, are hereby modified by eliminating therefrom the requirement that local interests will furnish 'evidence satisfactory to the Secretary of War that the 20 movable bridges across the Sanitary Canal will be placed in operating condition or otherwise satisfactorily altered': *Provided*, That local interests will install operating machinery and place in operating condition the three drawbridges across the Chicago Sanitary and Ship Canal between its junction with the Calumet-Sag Channel and Lockport when directed by the Secretary of War: *Provided further*, That this resolution shall not be construed as modifying the provisions of section 18 of the River and Harbor Act of March 3, 1899 (30 Stat. 1153)."

Page 5, after line 17, insert:

"SEC. 7. That section 14 of Public Law No. 585, Sixty-eighth Congress, approved March 3, 1925, is hereby amended by striking out the word 'Locust' and inserting in lieu thereof the word 'Sipsey', so that said section 14, as amended, will read as follows:

" 'SEC. 14. That the portion of Black Warrior River between Dam No. 17 and the junction of Sipsey and Mulberry Forks, in the State of Alabama, shall hereafter be known as "Lake Bankhead." ' "

Page 5, line 18, strike out "2" and insert "8."

Page 5, line 21, after "appropriations", insert "heretofore or."

Page 6, after line 7, insert "South side of the channel, South Harpswell, Maine."

Page 6, lines 10 and 11, strike out "; also with a view to the prevention of pollution."

Page 6, after line 11, insert "Manchester Harbor, Mass., with a view to constructing a breakwater between Magnolia Point and Kettle Island."

Page 6, after line 18, insert "Bay Shore Harbor, N. Y."

Page 6, after line 23, insert "Indian River, Del."

Page 7, after line 1, insert "Macum Creek, at the mouth of the Chester River, Queen Annes County, Md."

Page 7, after line 1, insert "Oyster Creek, Anne Arundel County, Md."

Page 7, after line 2, insert "South Creek and West River, Anne Arundel County, Md."

Page 7, after line 3, insert "Scott's Creek, Va."

Page 7, after line 5, insert "Channel from Manteo, via Broad Creek, to Oregon Inlet, N. C."

Page 7, after line 12, insert "Intracoastal Waterway from Jacksonville, Fla., to Miami, Fla."

Page 7, after line 14, insert "Bayou Grande, Fla."

Page 7, after line 14, insert "New Pass, Fla., connecting Sarasota Bay with the Gulf of Mexico."

Page 7, after line 14, insert "Waterway from Punta Rasa, Fla., by way of Caloosahatchee River and Canal, Lake Okeechobee, and St. Lucie Canal and River, to Fort Pierce."

Page 7, after line 14, insert "Watson Bayou, Panama City, Fla., from deep water in St. Andrews Bay to the head of navigation."

Page 7, after line 23, insert "Teche-Vermillion waterway, La., with a view to improvement in the interest of navigation, flood control, and other water uses."

Page 8, after line 9, insert:

"Survey of channel for the purposes of navigation, flood control, power, and irrigation from Jefferson, Tex., to Shreveport, La., by way of Jefferson-Shreveport Waterway, thence by way of Red River to mouth of Red River in the Mississippi River, including advisability of water-supply reservoirs in Cypress River and Black Cypress River above head of navigation."

Page 8, after line 9, insert:

"Sulphur River, Tex. and Ark., with the view to improvement for navigation, flood control, and water power."

Page 8, after line 9, insert:

"San Antonio River, Tex., with a view to its improvement for navigation, flood control, power, and for the prevention of erosion."

Page 8, after line 14, insert:

"Kawkawlin River, Mich., with a view to dredging the outlet, with a view to its improvement in the interests of navigation and flood control."

Page 8, after line 16, insert:

"Yacht Basin and Harbor at Menominee, Mich."

Page 8, after line 16, insert:

"Collinsville Cut, Solano County, Calif."

Page 8, after line 24, insert:

"Umpqua River, Oreg., with a view to determining the advisability of providing for navigation, in connection with power development, control of floods, and the needs of irrigation."

Page 8, after line 24, insert:

"Bay Center Channel, Willapa Harbor, Wash., extending from Palix River to Bay Center Dock."

Page 9, line 1, strike out "3" and insert "9."

Page 9, line 12, strike out "4" and insert "10."

Page 10, line 4, after "hereof", insert ": *Provided further*, That the authority hereby granted to the Secretary of War shall not extend to or include lands held or acquired by the Tennessee Valley Authority pursuant to the terms of the Tennessee Valley Authority Act."

Page 10, line 5, strike out "5" and insert "11."

Page 10, after line 11, insert:

"SEC. 12. That the Secretary of War is hereby authorized to continue the gathering of hydrological data, concerning the proposed Nicaragua Canal, by personnel operating continuously in Nicaragua under the supervision of the Chief of Engineers, as recommended in House Document No. 139, Seventy-second Congress, first session; the cost of this work, and such incidental expenses as may be necessary in connection therewith, to be paid from appropriations hereafter made for examinations, surveys, and contingencies of Rivers and Harbors."

Mr. DONDERO (interrupting the reading of the Senate amendments). Mr. Speaker, I ask unanimous consent that the further reading of the amendments may be dispensed with.

Mr. SNELL. Mr. Speaker, I think we ought to have a little explanation of this matter. I do not know but what it is all right, but we ought to be informed about what is in the bill.

Mr. MANSFIELD. We will be pleased to answer any questions.

Mr. SNELL. I think the gentleman ought to explain the changes.

The Clerk resumed the reading of the Senate amendments.

Mr. SNELL. Mr. Speaker, as far as reading these individual projects is concerned, that is not necessary. The thing I have in mind is that there is a large amount of new material in here and I think the chairman of the committee should explain to the House what these long amendments in the latter part of the bill mean.

The SPEAKER. Without objection the further reading of the Senate amendments will be dispensed with and the amendments printed in the RECORD.

There was no objection.

Mr. MANSFIELD. Mr. Speaker, I may state that when the bill passed the House on April 26 it embraced 39 projects of improvements, authorizing a total expenditure of $33,903,850. The Senate has added 14 additional projects of improvements, with total authorizations for these 14 projects of $3,200,500, making the total in the bill $37,104,350.

I may state that every project in the bill has had the approval of the Chief and Board of Engineers of the War Department.

The bill as it passed the House was confined and limited to that character of project, and the Senate Committee on Commerce adopted the same rule and would not permit anything to go into the bill that did not have their approval.

Quite a number of surveys have been added. Of course, as you understand, they are added at the request of anybody who wants them, as a general proposition, as they involve little or no expense unless found to be meritorious.

Mr. SNELL. I understand that. What I had in mind was a statement with respect to these long amendments in the bill that have something to do with the administration of general matters. I think the House should understand just what you mean.

Mr. MANSFIELD. They are urgent matters, as I understand, and in the Senate report on the bill they are all described by letters from the War Department.

Mr. SNELL. I think the gentleman should take up these individual amendments and tell us briefly what is intended. For instance, there is an amendment on page 2, and I do not know whether that is an important amendment or not. It does not look very important.

Mr. MANSFIELD. The first amendment is on pages 1 and 2.

Mr. SNELL. There is another amendment on page 2.

Mr. MOTT. Mr. Speaker, will the gentleman yield for a preliminary question?

Mr. MANSFIELD. Yes.

Mr. MOTT. And that is as to whether any changes or alterations whatever in the jurisdiction of the Army engineers, as provided in the House bill, were made in the Senate?

Mr. MANSFIELD. None whatever. As to the first amendment, as we had the bill in the House, we embraced a provision which we had never heretofore embraced, by placing in the engineers of the War Department the function of planning. That we had never done before. That was thoroughly discussed in the Senate yesterday, and finally stricken out, and Senator COPELAND, in charge of the bill, finally accepted the amendment offered, and reinserted the same language that had heretofore appeared in all river and harbor bills.

Mr. SNELL. I thought the engineers always had charge of planning.

Mr. MANSFIELD. Not of planning. They report their plans to Congress.

Mr. SNELL. And who did have charge of planning?

Mr. MANSFIELD. Congress.

Mr. SNELL. But Congress did not do it individually. Some board did it for Congress.

Mr. MANSFIELD. We authorize the surveys, of course.

Mr. SNELL. And the Army engineers made those surveys?

Mr. MANSFIELD. Yes; and they reported the plans back to Congress, and in these river and harbor bills we adopt or reject them.

Mr. SNELL. Evidently the committee endeavored to do something else by its original language, and then went back to the old plan.

Mr. MANSFIELD. Yes.

Mr. SNELL. What was it that the committee tried to do?

Mr. MANSFIELD. There has been a good deal of talk about planning, and now we have the National Resources Board.

Mr. SNELL. How does this get rid of the National Resources Board, or give them more power?

Mr. MANSFIELD. It does not concern them in any way. They have never been recognized by Congress, as I understand.

Mr. SNELL. And you did not do it here?

Mr. MANSFIELD. No.

Mr. SNELL. The individual amendments where something is added do not amount to very much; but will the gentleman please start with amendment numbered 16 and tell us something about that and the amendments that follow—Nos. 16, 17, 18, and 19? There is where the real changes in law evidently begin.

Mr. MANSFIELD. Is that the Bonneville Dam?

Mr. TABER. Yes.

Mr. MANSFIELD. It became necessary there to relocate some railroads that were being submerged. This is what the War Department says:

> When the construction of the Bonneville Dam was undertaken, it became necessary to relocate the railroads on each side of the river at the dam site and for several miles of stream to make way for the Government construction operations. This relocation was undertaken by the Department under agreements with the railroads concerned. These agreements contemplate exchange of the new trackage and right-of-way for a flowage easement over the old right-of-way of the railroads. The work has been accomplished, but a question has arisen as to the Secretary of War's authority to execute the necessary conveyances to complete the exchange.

This gives them that authority. They had to relocate these lines.

Mr. SNELL. That is all that is in No. 16?

Mr. MANSFIELD. Yes.

Mr. SNELL. What is No. 17?

Mr. MANSFIELD. The gentleman understands that the War Department has charge of the waterworks here. The district engineer in charge of the Washington district is also in charge of the maintenance and operation of the Washington Aqueduct. At present he occupies office space in the Navy Building at Washington. He has been requested to vacate this space to accommodate activities of the Navy Department.

After a thorough study of the requirements of the District engineer, taking into account the desirability of his office being situated near the McMillan Park Reservoir and the pumping works at those points, it is believed that the most satisfactory solution is to alter and remodel the pumping station built at the McMillan Park, at a cost of approximately $100,000, to provide adequate space for the District engineer. They believe that that will be the cheapest and best way to remedy the matter.

Mr. SNELL. Tell us in general what these other amendments are.

Mr. MANSFIELD. Amendment No. 18 provides—

> SEC. 4. That any amounts collected from any person, persons, or corporations as a reimbursement for lost, stolen, or damaged property, purchased in connection with river and harbor or flood control work prosecuted under the direction of the Secretary of War and the supervision of the Chief of Engineers, whether collected in cash or by deduction from amounts otherwise due such person, persons, or corporations, hereafter shall be credited in each case to the appropriation that bore the cost of purchase, repair, or replacement of the lost, stolen, or damaged property.

Mr. SNELL. I do not think that amounts to very much.

Mr. MANSFIELD. No. I do not think that No. 19 amounts to much. It is something frequently done before in authorizing the Engineers to reemploy retired men who are experts in certain lines of work.

Mr. SNELL. No. 20 is relative to the Illinois waterway. That seems to be quite a long amendment.

Mr. MANSFIELD. The Illinois waterway extends through a large portion of the business section of the city of Chicago, and they have what they call the Sag Canal connecting with the Sanitary Canal. In this waterway there were certain local conditions requiring the local interests to relocate or recondition or reconstruct 20 highway bridges.

Mr. SNELL. But there is nothing in this amendment that will in any way affect the amount of water to be drawn out of this drainage canal?

Mr. MANSFIELD. No; it does not affect anything except what the engineers recommend in regard to the cost of local cooperation in the reconditioning of bridges; that is all. The other bill the gentleman probably has in mind has never been reported by the committee; it is pending.

Mr. TABER. Will the gentleman tell us about the amendment on page 17, authorizing certain matters in connection with the Nicaraguan canal? Why do we need to get into such a thing? It seems to me we could leave that out.

Mr. MANSFIELD. The Nicaraguan canal matter is in charge of our officers now. Colonel Sultan, who was here as one of the District Commissioners for many years, was located down there for several years. If that work is to be carried on, which Congress has already authorized, they say this will be absolutely necessary.

Mr. TABER. Could they not get along without it just as well?

Mr. MANSFIELD. I never have felt much interest in it myself. I do not know.

Mr. TABER. If we get into that, we are letting ourselves in for a big expenditure.

Mr. MANSFIELD. We are already in it.

Mr. CULKIN. Mr. Speaker, will the gentleman yield?

Mr. MANSFIELD. I yield.

Mr. CULKIN. The House bill originally contained nothing that was not approved by the Army engineers.

Mr. MANSFIELD. Nothing whatever; neither does the Senate additions.

Mr. CULKIN. Is that true of the Senate amendments?

Mr. MANSFIELD. That is absolutely true of the Senate amendments.

Mr. CULKIN. They have not put anything in the bill that was not approved by the Army engineers?

Mr. MANSFIELD. For general information I may say that these project amendments were reported on after the bill had passed the House, and that is the reason they were not embraced in the bill originally.

Mr. CULKIN. But everything in the bill has been passed on favorably by the engineers of the Army?

Mr. MANSFIELD. Everything; and the Committee on Rivers and Harbors met this morning and approved these amendments.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. MANSFIELD. I yield.

Mr. RICH. I have listened to the gentleman with great concern. I know he gives much attention to river and harbor matters. The gentleman is asking now to spend $37,104,350. Has the chairman of the Committee on Rivers and Harbors given any thought to the question of where we are going to get the money to pay for these things?

Mr. MANSFIELD. We will put that up to the gentleman hereafter. There will be no expenditures this year. This is authorization for future appropriations.

Mr. RICH. This year they have spent more money than any session of Congress since the New Deal came into power. They have spent over $13,000,000,000. Now, where are you going to get all this money? We are going in the red from $2,000,000,000 to $5,000,000,000 or $6,000,000,000 a year. It is just about breaking the camel's back.

Mr. MANSFIELD. I want to compliment the gentleman from Pennsylvania for his efforts to reduce Government expenditures. I hope to lend him my assistance whenever possible.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Senate amendments were agreed to, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. LARRABEE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a report from the Department of Agriculture.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

COMMITTEE ON RULES

Mr. O'CONNOR of New York. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain reports.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

DISABILITY PAY OF CERTAIN WORLD WAR OFFICERS

Mr. LEWIS of Colorado, from the Committee on Rules, submitted the following privileged resolution for printing under the rule:

House Resolution 521 (Rept. No. 2669)

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 8176, a bill providing for continuing retirement pay, under certain conditions, of officers and former officers of the Army, Navy, and Marine Corps of the United States, other than officers of the Regular Army, Navy, or Marine Corps, who incurred physical disability while in the service of the United States during the World War, and for other purposes. That after general debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Military Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

DISTRICT OF COLUMBIA AIRPORT

Mr. GREENWOOD, from the Committee on Rules, submitted the following privileged resolution for printing under the rule:

House Resolution 522 (Rept. No. 2670)

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of S. 2838, an act to establish a public airport in the vicinity of the National Capital, and all points of order against said act are hereby waived. That after general debate, which shall be confined to the act and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Military Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the act for amendment the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the act and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

DEVELOPMENT OF ROTARY-WINGED AIRCRAFT

Mr. O'CONNOR, from the Committee on Rules, submitted the following privileged resolution for printing under the rule:

House Resolution 523 (Rept. No. 2671)

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 10605, a bill to authorize the appropriation of funds for the development of rotary-winged aircraft, and all points of order against said bill are hereby waived. That after general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Military Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER. The Chair will recognize the gentleman from North Carolina [Mr. KERR].

CALL OF THE HOUSE

Mr. SNELL. Mr. Speaker, inasmuch as we have an important matter coming up for consideration, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. RAYBURN. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 100]

Ashbrook	Dockweiler	Kelly, N. Y.	Quinn
Atkinson	Doughton	Kennedy, N. Y.	Randolph
Barden	Douglas	Kleberg	Reed, N. Y.
Binderup	Drewry, Va.	Koppleмann	Richards
Boehne	Eicher	Lea	Sabath
Brewster	Elliott	Lemke	Sadowski
Buck	Evans	McAndrews	Scrugham
Buckley, N. Y.	Fish	McClellan	Smith, Okla.
Bulwinkle	Fitzgerald	McGranery	Smith, Va.
Byrne	Fitzpatrick	McGroarty	South
Caldwell	Fries, Ill.	McMillan	Stack
Cannon, Wis.	Gambrill, Md.	Mahon, Tex.	Starnes
Champion	Gasque	Mead	Steagall
Citron	Gilchrist	Mitchell, Tenn.	Sumners, Tex.
Clark, Idaho	Gray, Pa.	Mouton	Taylor, Colo.
Clark, N. C.	Green	Norton	Thurston
Cochran	Griswold	O'Connor, Mont.	Tolan
Coffee, Nebr.	Harter	O'Day	Wearin
Cole, Md.	Hartley	O'Leary	Weaver
Costello	Hennings	Owen	Whelchel
Curley	Hook	Parsons	White, Idaho
Deen	Hunter	Patterson	Wood
Disney	Imhoff	Pettengill	
Ditter	Keller	Pierce	

The SPEAKER. Three hundred and thirty-five Members have answered to their names. A quorum is present.

On motion of Mr. RAYBURN, further proceedings under the call were dispensed with.

PERMISSION TO ADDRESS THE HOUSE

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent to proceed for one-half minute.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. RAMSPECK. Mr. Speaker, in connection with the conference report on the bill H. R. 1531, a great many Members have asked me about the procedure to be followed if that conference report is adopted by the Congress. I have a letter written to me by the Chairman of the Civil Service Commission which explains the procedure that will be followed should the conference report be adopted and the act become law.

The letter is as follows:

UNITED STATES CIVIL SERVICE COMMISSION,
Washington, D. C., June 9, 1938.

Hon. ROBERT RAMSPECK,
Chairman, Committee on the Civil Service,
House of Representatives.

DEAR MR. RAMSPECK: In response to your telephone inquiry, I would advise you that if the Congress approves the conferees' report on H. R. 1531, relating to positions of Presidential postmaster as quoted on page 10981 of the CONGRESSIONAL RECORD of June 7, 1938, the regular provisions of the civil-service rules would apply whereby the names of the highest three eligibles would be certified.

There would be no change in the procedure the Commission has followed under all Executive orders relating to these positions of certifying through the office of the Postmaster General to the President.

Your third inquiry may be answered by the statement that this bill, if it becomes law, would supersede the Executive order of July 20, 1936, and there would be a reexamination in every case where an examination has already been held but no appointment made, provided, of course, the position was not filled by the reappointment of the incumbent or by the promotion of a classified employee from within the Postal Service.

The normal construction of the first part of section 2 of H. R. 1531, as recommended by the conferees, namely, "appointments to positions of postmaster at first-, second-, and third-class post offices shall be made by the reappointment and classification, noncompetitively, of the incumbent postmaster, * * *" would be to authorize such reappointment upon a showing that the incumbent postmaster possessed the requisite qualifications for retention in the classified service. This would involve principally the consideration of his record during the period of his service as postmaster.

Very sincerely yours,

HARRY B. MITCHELL, *President.*

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD and to include therein the letter from the President of the Civil Service Commission.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

EXTENSION OF REMARKS

Mr. WHITTINGTON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an address I delivered on June 6 at Mississippi College.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

CONTESTED ELECTION CASE OF ALPHONSE ROY *v.* ARTHUR B. JENKS

Mr. KERR. Mr. Speaker, I call up House Resolution 482.

The Clerk read the resolution, as follows:

House Resolution 482

Resolved, That Arthur B. Jenks is not entitled to a seat in the House of Representatives in the Seventy-fifth Congress from the First Congressional District of the State of New Hampshire; and be it further

Resolved, That Alphonse Roy is entitled to a seat in the House of Representatives in the Seventy-fifth Congress from the First Congressional District of the State of New Hampshire.

Mr. KERR. Mr. Speaker, I ask unanimous consent that general debate on this resolution may continue for 3 hours, one-half of the time to be in the control of the gentleman from Massachusetts [Mr. GIFFORD], and one-half by myself, at the end of which time the previous question shall be considered as ordered.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. KERR. Mr. Speaker, I should regret very much if any Member of this House thought for a moment that the majority's conception of this case was prompted by any political motives or by any political prejudice. This committee has no such record, Mr. Speaker, and when you turn back the pages of history to learn something about this committee and the Members of the House who have served on the committee, you will see that it well deserves its reputation for fairness and nonpartisanship. I think it may be said that this committee has been fair and just and has never been governed by political prejudice when a matter of the contest for a seat in this House was involved.

This committee has been assigned for 15 years to try every contested election case which had to be determined by a vote of the House in those years. There once served on this committee such men as Macon, Clay, Filmore, Blackburn; in more recent years, De Armond, Mann, Dalzell, Crisp, and Kitchin, and within the recollection of some of us who are here now, those great lawyers and fine fellows, several of them being dead now, who served with distinction and credit on this committee in recent years. I refer to John Fredericks, of California; Dick Elliott, who is present Comptroller General of the United States; Judge Sears, of Nebraska; Federal Judge John McDuffie, of Alabama; Quinn Williams, of Texas; Federal Judge Hartsell Ragan; and Randolph Perkins. It may not be out of place for me to make this observation. In the time I have served here, in my opinion, no better lawyer was ever in this House than our late lamented friend Randolph Perkins.

I want to take a few moments to state as succinctly as I can the facts involved in this contest. I am sure I will stand on safe ground and shall quote nothing except which the record will bear out.

At the general election held on the 3d day of November 1936, in the First Congressional District of New Hampshire, a district in which there were 129 precincts, the election officers who held the election certified that Mr. Arthur B. Jenks had received 51,920 votes and that Mr. Alphonse Roy had received 51,370 votes, making a majority, based upon the returns of the election officers, of 550 votes in favor of the contestee in this case, Mr. Jenks.

Under the statute of the State of New Hampshire it is mandatory when either candidate desires to have a recount by the secretary of state to request the secretary of state to make the recount and he has no other alternative than to make the recount. Immediately Mr. Roy asked for a recount by the secretary of state, who was constituted un-

der the law to make the recount. He could not deny an application for a recount.

Upon a recount before the secretary of state at which all the interested parties were present, including the attorneys for both the contestant and the contestee and anybody else who wanted to be there, the secretary of state found that Mr. Jenks had lost 241 votes and that Mr. Roy had gained 309 votes. This finding changed the result by 550 votes, and there then was a tie between the gentlemen, both of them receiving 51,679 votes. The only thing to do then was to do what the law required, so both parties, Mr. Jenks and Mr. Roy, petitioned the Ballot Law Commission of the State of New Hampshire to recount the votes. Everybody wanted it done. It may be assumed, and I believe the parties interested hoped, that the recount would determine who was really elected to Congress. The statute provided that this recount and the determination of the ballot law commission should be final in respect of who was elected.

When this matter came up before the Ballot Law Commission of the State of New Hampshire, it appeared to the commission that the count of the secretary of state had been so complete and apparently so well done that the commission sought to find out how many votes were contested. It was determined there and then by both parties that the count was all right except as to 108 ballots which had been contested in the count before the secretary of state, and these ballots the commission decided to recount and these only, and accept as correct the count of the secretary of state in respect to all the other ballots cast in the district. In other words, when this matter was brought to the ballot law commission for a first hearing, a few days after the count was made by the secretary of state, it was admitted by all parties that there were in controversy in that recount only 108 votes.

Let me read you the record in respect of the finding of the ballot law commission with regard to the votes when this count was made. This is found on pages 81 and 82 of the record in this case.

> It appearing that both the contestants were represented by competent counsel at the recount of ballots by the secretary of state and that the count of the secretary of state was not questioned by either contestant except as to relatively few ballots, and that upon each protest of his count of a ballot the secretary of state thereupon attached to the protested ballot a memorandum showing how it was counted by him and by whom his count was protested, it appears unreasonable to the commission at this time to undertake to reinspect and recount all of the ballots cast.
>
> The commission therefore rules that at the hearing upon the merits of the petitions of Mr. Roy and Mr. Jenks now pending, it will accept the count of ballots made by the secretary of state at the recount except only as to such ballots as were protested at the recount by one or the other contestant, and the hearing will be limited to consideration of the ballots so protested.

The ballot-law commission took these 108 votes and gave to each contestant his number of the votes.

When the commission had recounted the votes, this is the report it made:

> That of the ballots cast for Representative in Congress for the First Congressional District on the 3d day of November 1936, Mr. Roy received 51,695, Mr. Jenks received 51,678, and Mr. Roy having the highest number of ballots cast was duly elected.
>
> The commission, therefore, finds and rules that Alphonse Roy having received the largest number of votes at the biennial election November 3, 1936, for Representative in Congress from the First New Hampshire District, he is hereby declared to have been duly elected to that office and entitled to a certificate of election.

This was the finding made by this final tribunal, which had a right to determine how many votes were cast in that election for the contestant and the contestee in this action.

I want you to remember that 10 days had elapsed after that finding and the order that the certificate be turned over to Roy when the contestee in this action, Mr. Jenks, notified the Governor not to issue the certificate, stating that he had found he had received 34 votes in Newton precinct that had not been counted for him. Remember that when this vote was counted by the secretary of state no question was raised before him of 34 votes being cast in Newton precinct for Mr. Jenks that he did not get. When these ballots were counted a second time by the Ballot Law Commission of New Hampshire, no question was raised about the 34 votes.

All the ballots were there, and no one contended that Mr. Jenks had received 34 more votes in Newton precinct than the ballots disclosed, both parties and their representatives were present, and no such contention was made by anyone.

Listen to this: The Governor's Council of State, the then Governor being the present United States Senator from New Hampshire, turned this matter over, pursuant to the request of Mr. Jenks, to the ballot-box commission again to see what they could do with it. The commission had found that Roy had received in that election a majority of 17 votes and asked that a certificate be given him. At the suggestion of the Governor they again took this matter up and for 3 days the members of that ballot-box commission, according to the record, turned the matter over in their minds and tried to find out something about these 34 ballots. They were not in the box. They had never been there and, according to this record, it was impossible for anybody to take them out. They discussed the matter in order to determine whether or not they should count them and, finally, decided they would not decide the matter as to these alleged missing ballots. I take it this was their conclusion. This commission was not a Democratic commission. This commission had two Republicans and one Democrat on it, and they would not find then that the 34 ballots were cast, which was the only question before them at this time, but rather—they decided that they would themselves recount all the ballots cast in the district for the respective candidates.

So what did they do? They called the same crowd together again, Mr. Jenks and his attorneys, Mr. Roy and his attorneys, and anybody that wanted to look on, and for 3 days they counted these ballots, and after they counted the ballots they determined that Roy was entitled to seven more votes than the commission had given him heretofore, and increased his majority from 17 to 24.

Then, when they found that the ballots could not elect Jenks—you listen to this, gentlemen of the House—they decided that there were 34 votes put in this ballot box at Newton that were never counted for him. They want this House to believe that all these 34 ballots were cast for Mr. Jenks and they want this House to guess who took them out, and they have offered not one scintilla of evidence with respect to either one of these questions, and they are coming here and asking you to make a guess about it and let Mr. Jenks retain his seat in this House based on pure speculation and a guess.

I take it we want to do the proper thing. I think we are not involved in any political matter here at all and therefore they will not be able to do that.

Let me now talk for a minute or two about these 129 precincts and some of the election officers; and, mind you, the election officers in the town of Newton consisted of two Democrats and seven Republicans, who were looking after that vote.

If you forget everything else I say here, I want to write indelibly upon your recollection this fact. These votes were never left one minute in the custody of a Democrat. They were left, first, in the custody of the town clerk of Newton, who was a Republican. Then they were left in the custody of the secretary of state, who was a Republican. They had them and every single officer, or judge of election, or any other person who had his hands on them, or knew about them, states that they were held inviolate, and that all the ballots cast were put in receptacles and were taken out and counted the several times they were required to count them, and there was no appearance whatsoever which indicated that any of them had been molested in the least.

When the precinct votes were counted by the secretary of state of the 129 precincts in this congressional district there were mistakes and discrepancies in 114 of them. When they checked the vote—when the ballot-box commission and the secretary of state checked the vote—they found that the

election officers in that district had made mistakes in 114 of the election precincts out of a total of 129.

Mr. DINGELL. In favor of whom?

Mr. KERR. I have just said whom they were in favor of when I said that Mr. Roy got enough votes to have the ballot-law commission declare he was elected.

There is another thing I think is significant that I want to call to your attention, and I want this House to remember this. There were two women running for Congress in this district. There were four candidates altogether for Congress.

These precinct election officers returned that Alice Flynn and Annie Rudd received 529 votes, one running on the Labor ticket and the other on the Farmer-Labor ticket, I think, when in fact when they were counted from the ballot box they received 972 votes. In other words, when you come to consider the votes for these women, they gave them just about one-half of what were cast for them. Yet they ask you to seat the contestee on a record of that kind, made by the election officers in this district, which record was not confirmed by the ballots placed in the ballot box by the voters.

I think I have stated the facts about this election. This is the first time in the history of this Government that a Congressman was ever attempted to be seated on a tally sheet. The ballots do not verify the tally sheets. Their integrity has not been impeached. They were kept inviolate and kept by a Republican, and yet they come in here and say you ought to ignore the ballot box, you ought to ignore the fact that they, the friends of the contestee, had the ballots; that you ought to ignore everything and seat the contestee because they have a tally sheet in one precinct which shows that he got more votes than were counted from the ballot box. Is not that remarkable? That would be ridiculous if it were not so serious. And I think most of the membership of the House feel that way about it. These ballots were put in the ballot box by the friends of the contestee [Mr. Jenks]. They were taken out of the ballot box by the friends of Mr. Jenks. They were kept in the custody of friends of Mr. Jenks, and yet they say they want this House to believe that there were 34 votes put in there for Jenks that were not counted for him, and they want us to find they were his votes, and they want us to say that somebody took them out. That is the proposition. There has never been one single solitary iota of evidence to impeach the integrity of these ballots. What did the committee do? It examined every one of the poll holders in Newton precinct. The thing narrows itself down to a question of whether he really got 34 votes or did not in Newton Township. They asked every election officer who held the polls in Newton precinct, What did you do about it? They said they counted the ballots out, and they say, every one of them, that they took every ballot that was counted in Newton precinct and put it into a container and signed and sealed it and sent them to the secretary of state, where they ought to have gone.

Not one of them says that every ballot cast was not put into the container but asserts that they were. Then what did the secretary of state do? He had every box from the district examined as it came into his office and checked every one of these containers. He looked at the Newton precinct. It was intact. It was signed and sealed and in proper condition. No one has ever contended otherwise.

There is some rule of law that covers these cases, and to that I shall call attention for a moment or two. It has been universally held, and has never been held otherwise, that the best evidence always as to how many ballots were cast are the ballots themselves, when they have been kept inviolate. There is not a witness that ever came before any hearing in respect to this matter who ever impeached at any time the fact that these ballots were held inviolate. The counsel for the contestee says that nothing happened to them when the secretary of state had them, and I have quoted both of them in this brief. There are the election officers who took the ballots and put them into the box, and they said nothing happened to them in Newton. That is the evidence on the question. There is not a scintilla of evidence here that these ballots were ever kept anywhere by anyone that was hostile to this contestee, Mr. Jenks. I repeat that on all occasions they have always been in the keeping of people who were friends or presumed to be friends of the contestee.

This principle of law has been established in this House, and it has been established in every court of common jurisdiction in this Nation. It was held in Butler against Leham, when a case of this kind arose in the Thirty-seventh Congress, that where the ballot boxes were produced by the official custodians, sealed, and in the same apparent condition as when deposited with them, then under these circumstances the burden of proof that they had been tampered with is upon the contestee.

It was intimated here the last time this matter was debated that the burden of proof is upon the contestant but that is not so. Under the circumstances related the burden shifted to the contestee. There was no proof in this case to render it probable that they had been tampered with. Further quoting from the opinion in the case:

> There was no proof in this case to render it probable. The contestee called the election officers to swear that their returns were correct, but in the opinion of the committee this testimony neither impairs the case of the contestant nor strengthens that of the respondents. Officers who had declared upon their official oaths that the returns made by them were true would not be likely to come into court afterward and swear that they were false. It was not necessary to determine whether the incorrectness of the returns was due to fraud or mistake; the committee was convinced that the recount represented the true state of the vote.

That is what this Congress has said. It has said it time and again, and it is not necessary for me to quote but one other authority, and that is to quote Payne on Elections.

In this he says that when the statute expressly provides for the preservation of the ballots by a particular officer or for the specific purpose of determining the right to public office the ballots are the highest and best evidence for that purpose and, if preserved as the law required, are the only conclusive evidence of the result of the election. The certified statement and declaration of the officer of election are only prima facie evidence. That is what the able writer has said. That is what this Congress has said; and if you had time to read the case of Haley against Reidelverger, if you had time to read the case of Roberts against Drake, and if you had time to read the case of Srum against Slankard, and many other cases from almost every State of the Union, you would find that it has been always held that when the ballots are preserved inviolate they are to be accepted and are to determine the election.

This House, Mr. Speaker, was exceedingly kind to the contestee in this election. It did him an unusual favor and offered him an unusual opportunity to prove that he received 34 votes that were not counted for him. When it sent this committee to Newton, N. H., to procure evidence which would throw some light upon this contest, I was unfortunately unable to be present myself. I was sick and had to go home. Six or seven members of the committee were present. When they went up to Newton in pursuance to a resolution of this House to get evidence and to determine who was fairly elected and who was entitled to a seat in this body, what did my friends, the Republican Members, do in respect to it? They denied the right of the committee to ask these voters who came there how they voted. Most of them said they voted, and that was all they were allowed to state. Three did say they did not. I will not discuss that, for other Members who went up there will discuss it. They denied the Democratic members of this committee who were present the right to ask these citizens whether they voted for Congressmen or not and for what Congressman they did vote. This was the very question this Congress wanted to know.

Mr. Speaker, this matter could have been cleared up if these gentlemen had gone up there at that time, called the voters, taken a pencil, and as they were called up asked whom

they voted for and counted them. They had volunteered to come there. They were not ordered there by the mandate of a court. You could ask them any question you wanted; and I assert that those who were interested in the gentleman from New Hampshire, Mr. Jenks, could have cleared this matter up by asking these people whom they voted for; but they were not allowed to ask any question except: "Did you vote?" Why! Sixty-two of them did not vote for either Congressman.

Mr. BIERMANN. Mr. Speaker, will the gentleman yield?

Mr. KERR. I yield.

Mr. BIERMANN. On the recount there were 98 who did not vote.

Mr. KERR. Yes, the difference was 98. Ninety-eight people did not vote for either Congressman; yet they want us to take a guess and say there were 34 votes put in there, take a guess and say they were all put in there for Jenks; take a guess and say who took them out. That is what they want us to do. It is ridiculous on the face of it.

Mr. Speaker, they would not allow us to ask how they voted. I was not there, but members of the committee who were there can and will throw some light on this subject; but to show you how far they went, they did not even dare let us ask even the Democratic moderator at the town election whom he voted for.

Mr. DINGELL. Mr. Speaker, will the gentleman yield?

Mr. KERR. I yield.

Mr. DINGELL. Why did not the majority of the committee insist that the House mandated the gentleman's committee to find that out? I voted to recommit the resolution at the last session in order to determine that. That is the information I sought. The majority of the committee should have insisted, should have overridden the minority.

Mr. KERR. The Democratic members of the committee were not in the majority for the simple reason that one of the members voted with the Republicans in respect to whether this question could be asked.

Mr. WADSWORTH. The gentleman wants to be correct, I know. There were two Democratic members who voted with the Republicans.

Mr. KERR. Two?

Mr. WADSWORTH. Yes.

Mr. CRAVENS. The statement of the gentleman from New York needs explanation.

Mr. KERR. The gentleman from Arkansas will be able to take care of that situation.

Mr. TOBEY. Mr. Speaker, will the gentleman yield?

Mr. KERR. I do not care to yield further. I have taken more time than I intended. Mr. Speaker, I have tried to submit this case fairly, I have stated the facts borne out by the evidence, and the rule of law long held to apply in such cases. [Applause.]

The SPEAKER. The gentleman from North Carolina has consumed 33 minutes.

Mr. GIFFORD. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, I am pleased to state that the issue in this case is very simple and plainly understood. On August 19 of last year this matter was so thoroughly discussed that there was but one issue left to be decided in the mind of anyone. I read to you the words of the chairman of the committee himself on that date:

> Before the argument on this case is closed, you will find that the decision in this election contest will be determined on a matter of 34 votes which the contestee received in Newton precinct.

That is the issue, stripped of any other confusing arguments and should be kept in mind as the real solution to be sought by this House.

A motion was made and carried by the House, which reads as follows:

> That this resolution be recommitted to the committee; that the committee be and is hereby authorized, empowered, and directed to take or cause to be taken the testimony of the 458 Newton residents shown by the town election records to have voted there in person on November 3, 1936; and such further testimony as the committee may consider relevant to better enable it to determine the issue raised by this case.

Mr. Speaker, there the matter rested. The chairman states that he was taken ill and could not go to Newton, which was very unfortunate; however, seven members of the committee promptly proceeded to carry out the instructions of the House.

The gentleman from New York [Mr. O'CONNOR] in closing the debate on August 19, 1937, declared:

> Everybody knows what happens in small election districts. The election officials vote many persons who never go to the polls, but few will admit they did not go.

I refer to this because I do not want during the last minute in debate here today any statements of such prejudicial nature injected into this discussion. The last speaker on this subject today might indulge in such and we must forestall that sort of argument by an appeal to fairness and reason.

Let me read another injection by the same speaker at that time.

> Surely no one on this side of the aisle who is a real Democrat could lend himself as a tool to the partisan, conscienceless Republican minority.

What an unfair, ridiculous statement. The chairman of our committee has just told you that contests before his committee have been settled without prejudice or partisanship. Our committee has proceeded in that manner heretofore. But, Mr. Speaker, I have been astounded at the attitude displayed from the beginning in this case. Outside influences seemed to be permeating, designed to affect the decision. It was indeed disturbing that such influences were openly at work and recognized. I do hope that prejudice will not enter into this case, but very adroitly the previous speaker has led you back over the whole proceedings from the beginning and seemed rather to avoid the real and only issue to be considered. We acknowledge practically all the historical events he recited. As he stated, Mr. Jenks was at first elected by 550 votes. At the recount there were found discrepancies and errors in many precincts. But the ballots were always there to determine, explain, and correct the discrepancies by comparisons and investigation.

Mr. CRAVENS. That included the township of Newton?

Mr. GIFFORD. That included the township of Newton, but the missing votes of Newton were not available for such determinations.

Mr. DINGELL. The seal was not broken?

Mr. GIFFORD. That matter will be discussed later.

Mr. DINGELL. Was the seal broken?

Mr. GIFFORD. The seal was not kept, according to the law of New Hampshire.

Mr. NICHOLS. That is not so.

Mr. GIFFORD. I decline to yield. I am here for a brief few minutes to open this case in a general way and will be followed by the gentleman from New York [Mr. WADSWORTH] who has been assigned this particular portion of the argument.

I read from a statement made by the gentleman from North Carolina last year:

> In the consideration of the case a majority of the committee recognizes that this House has all the functions of a court of law and we want to make secure the intention of the voters.

He comes before you this afternoon and tries even to disfranchise voters. He is not only unwilling to consider the intent of the voters of that town, but he desires to disfranchise many of the voters. He stated to you that the ballot boxes in Newton had never been impeached. Why, Mr. Speaker, nine sworn election officers certified that 458 actual votes were deposited in the box and that it was sealed by them. There was sworn evidence that the ballots were placed in that box. The gentleman actually declared that the 34 lost ballots were never in the box, did he not?

If you were entrusted with a thousand dollars of my money and nine persons saw that money put into a package, signed, sealed, and delivered, certainly when the package is opened

and $100 is missing, you would be expected to produce that $100, to which I would plainly be entitled.

Mr. Speaker, we dislike to make suggestions that might arouse prejudice in the minds of any Members. But the opportunity for tampering with those boxes existed. Read the minority report made last year. We called the secretary of state before us in Newton, and he told us that two officials and several janitors had keys to the vault where the ballots were deposited. It was stated further that at the recount the boxes were hurriedly brought in, dumped on tables, and seals and wrapping removed, without particularly noticing the condition of the boxes. Then, in spite of the law of New Hampshire, the seal was not preserved for investigation. Many word pictures have been drawn of the proceedings at these recounts. Orderly procedure may exist in North Carolina where less than 40,000 might be counted. But here 103,000 ballots were dumped on these tables amid much confusion.

Mr. PHILLIPS. Will the gentleman yield for a brief question?

Mr. GIFFORD. I cannot yield.

The counters had been working up to midnight the night before on another recount, and must have been very weary before the final count in this case was concluded. At the time the Newton ballots were being counted, practically all the counters were out to supper, leaving behind only those who were counting those particular ballots. The officials were off duty at that moment.

Mr. BURDICK. Mr. Speaker, will the gentleman yield?

Mr. GIFFORD. I yield to the gentleman from North Dakota.

Mr. BURDICK. The certificate of the officer showed how many ballots in the box?

Mr. GIFFORD. There were 34 missing, 34 less than certified by the election officials of that town.

Mr. BURDICK. When the ballots were opened and recounted by the officials there were missing ballots?

Mr. GIFFORD. They were always missing during or at the first recount.

Mr. PHILLIPS. Mr. Speaker, will the gentleman yield?

Mr. GIFFORD. I yield to the gentleman from Connecticut.

Mr. PHILLIPS. Are the 34 ballots the question at issue?

Mr. GIFFORD. Entirely. That is the whole question.

Mr. PHILLIPS. What testimony has shown that those 34 ballots which the gentleman says were cast were cast for Mr. Jenks?

Mr. GIFFORD. The sworn returns of nine election officers. When a voter came into the enclosure he first gave his name. He was recognized and checked by the inspectors, one Republican and one Democrat.

Mr. PHILLIPS. Yes; but my question is, What testimony is there that those 34 ballots were cast for Mr. Jenks?

Mr. GIFFORD. I repeat, by the sworn returns of the sworn election officers, which return must be accepted in lieu of the missing ballots.

Mr. PHILLIPS. That shows only that these people voted, not that they voted for Mr. Jenks.

Mr. GIFFORD. No; those returns showed that there were 196 votes for Mr. Jenks and 100 for Mr. Roy. They found Mr. Roy's 100 at the recount, but 34 votes that were cast for Mr. Jenks were missing. This is now fully understood, I am sure. We acknowledged the historical facts as presented, but take exception to such statements that the ballots were never in the box, after being certified by those sworn officials. The ballots were counted and placed in piles of 25. If one package of 25 had been missing, a little imagination might possibly be indulged in.

I desire to draw to your attention the fact that this case was fully debated last August, and that the only issue is the missing 34 Newton votes. The chairman of this committee impeaches the action of his own members who went to Newton. He even says we should have asked them "how" they voted. Did you instruct us to do that? That would have been a violation of the secrecy of the ballot and of course we should not have asked a citizen how he voted. We were to determine only that 458 ballots were cast. It was agreed by the committee that we should not inquire for whom they voted. The 458 persons whose names were on the check list as having voted, were fully accounted for. As to the nine people who were deceased, the gentleman's own committee joined with the minority in deciding that if two persons would swear they saw them deposit their ballots, such testimony would be sufficient. Those nine were easily accounted for by that method. The sick people were interviewed and sworn by members of our committee.

Of course, we thought the committee were fully satisfied with the results of our investigation at Newton. But after 8 months, when this session was nearly over, to our utter amazement we of the minority were notified that this visit amounted to nothing in the minds of the majority, and that the whole case was to be brought up again and an attempt made to unseat Mr. Jenks, whom the State of New Hampshire, after long and full consideration, had determined to be elected, even by unanimous vote of the ballot-law commission, consisting of two Republicans and one Democrat. I hope the attempt to overturn the final decision of the State of New Hampshire will not prevail.

I am extremely grateful for the fairness exhibited by the Members of the House in this whole matter up to the present time. [Applause.]

Mr. Speaker, I yield 30 minutes to the gentleman from New York [Mr. WADSWORTH].

Mr. BOILEAU. Mr. Speaker, I make the point of order there is not a quorum present.

The SPEAKER pro tempore (Mr. PATMAN). The Chair will count. [After counting.] Two hundred and twenty Members are present, a quorum.

Mr. WADSWORTH. Mr. Speaker, I need not remind the Members of the House that this is a very unusual and extraordinary, as well as interesting case. I am not a veteran of this body, and my examination of the cases of the past has not been very extensive, but I doubt if there has ever been one on all fours with this one.

The chairman of the committee has recited accurately the story of the various recounts, beginning in the secretary of state's office, and also the examination into the case made by the Ballot Law Commission of New Hampshire, its examination of the 108 contested ballots, its final recount of the whole situation, with its decision, as at first rendered, that Mr. Roy had been elected by 17 votes. I think he has rather attempted to persuade you it was by intention that the situation at Newton was brought to the attention of the ballot law commission or the Governor and his council very late in the proceedings. It is true attention was brought to it late, and this is the reason: A man named Estabrook in the town of Newton, reading of the proceedings at Concord and looking over a summation of the returns from the various precincts in this congressional district, noticed that Newton was credited only with having had 424 ballots in its box, and he remembered that 458 people had voted in Newton. So, if my recollection is correct, he telephoned either to Mr. Jenks or one of his representatives that there was something wrong about that Newton figure; and the ballot law commission, on the request of the Governor, decided to reopen the case insofar as Newton was concerned. In doing so the commission got the records from the Newton election district with the check list and the tally sheet, and made up its mind that these records were so well kept, including the check lists and the tally sheet, together with other evidence, as to support their final conclusion that 34 ballots actually were missing out of the Newton box somehow—no one has ever said exactly how—and upon that basis and in all good faith they received their opinion unanimously and declared that Mr. Jenks had been elected by 10 majority.

Now, this brings it to the House of Representatives, first to the committee and then to the House, with this question of the 34 missing ballots.

Let me trace briefly, if I can, what happened in this connection. Under the law of New Hampshire it is the duty of the secretary of state to send to every precinct in the State a certain number of days before election a number of ballots sufficient for the carrying on of the election, and the number is fixed by law. Seven hundred and twenty ballots were sent to Newton by the secretary of state. This is in the sworn testimony, and the sworn testimony shows that 720 ballots were received at Newton by the town clerk, Mrs. Hayford. Under the law, at the conclusion of the election, the count having been completed by the election officers at Newton, it was the duty of those officers to put into that ballot box not only the used ballots but the spoiled and unused ballots; in fact, all the ballots that had been sent to Newton must be sent back to Concord. They swore that they put in the 720. When the ballot box was opened at Concord there were only 686—34 ballots missing. Now, this is substantiating evidence that 34 ballots disappeared. It is not conclusive evidence.

Now, as to the question asked by the gentleman from Connecticut [Mr. PHILLIPS], the returns from the town of Newton as announced by the election board gave Jenks 296 votes and gave Roy 100 votes. When the box was opened at Concord and recounted, Roy still had his 100 votes and Jenks had 262—34 votes were lost by Jenks. No one on the Democratic ticket lost a single vote. Roy did not lose a vote in that recount. Not only did Jenks lose 34 votes, but all other Republican candidates on the ticket running in that town lost 34, 33, or 32.

Mr. PHILLIPS. Mr. Speaker, will the gentleman yield there?

Mr. WADSWORTH. I yield.

Mr. PHILLIPS. In other words, putting it another way, as I get the picture from the gentleman who has just spoken, all these ballots were put into a box, as the gentleman has just outlined, and there was a tally of the votes given to Jenks and a tally of the votes given to Roy.

Mr. WADSWORTH. Yes.

Mr. PHILLIPS. And that tally was sent to a higher authority in the State?

Mr. WADSWORTH. Yes.

Mr. PHILLIPS. And then the ballots were put in a box and the box was sealed and sent to Concord?

Mr. WADSWORTH. Yes.

Mr. PHILLIPS. And when the box was opened the ballots did not check with the tally?

Mr. WADSWORTH. They did not, they were 34 short, and the whole shortness was at Jenks' expense.

Mr. PHILLIPS. May I ask just one other question? It is not quite clear to me now why with other irregularities in other towns, you are centering on Newton.

Mr. WADSWORTH. The discrepancy in Newton is the only discrepancy that stands out at all. The House of Representatives decided by vote here last August that this whole thing rested upon the Newton situation.

Mr. LAMNECK. Mr. Speaker, will the gentleman yield?

Mr. WADSWORTH. Yes.

Mr. LAMNECK. I agree with the gentleman that this whole proposition centers around the situation at Newton.

Mr. WADSWORTH. Yes.

Mr. LAMNECK. There were 458 votes cast. The tally sheet shows that.

Mr. WADSWORTH. Yes.

Mr. LAMNECK. And when this committee of ours went to Newton they found that the same number of people voted that the tally sheet showed.

Mr. WADSWORTH. Yes. I shall come to that now.

Mr. PHILLIPS. Just one other question.

Mr. WADSWORTH. Yes.

Mr. PHILLIPS. Did both contestants agree to forget everything but the town of Newton?

Mr. WADSWORTH. Oh, no, Mr. Roy's attorney never agreed to that, but the House of Representatives settled that. The committee went to Newton under the order of the House to find out how many people voted in Newton—not how they voted. The tally sheet showed how they voted, if we could demonstrate they voted, in accordance with the number on the check list.

Mr. BIERMANN. Mr. Speaker, will the gentleman yield?

Mr. WADSWORTH. I shall probably reach the gentleman's question. Seven of the committee went to Newton. The chairman, as he said, did not go. Neither did Mr. THOMAS of Texas. Mr. CRAVENS acted as the chairman of the committee. We got there on Wednesday, four of us. They were Mr. MOSIER of Ohio, Mr. BEITER, Mr. WOLVERTON, and myself. We arrived at Manchester and hurried to Newton, which is 40 miles away. We found this little New England village. We located the town officials and told them that the full committee would meet the next day and to go to work and send for all of the voters in Newton who were on that check list. They offered to cooperate, and they did so with extraordinary cheerfulness and effectiveness. We sent out notices and got our postal notices into three or four rural post offices that night, to notify all of the qualified voters of Newton that the committee had arrived as the result of the order of the House of Representatives to find out whether or not they had voted. They came in automobiles and on foot. They were willing to testify. I have never seen a more cheerful cooperation, and, incidentally, I think I am not wrong in saying that perhaps they rather entertained the feeling that we had come up there to find whether they knew how to run an election honestly. Little old ladies would get on the stand and on being asked whether they were present on November 3, 1936, and "Did you vote?" would turn and reply, "I suttenly did." On Thursday, Friday, Saturday, and the following Monday men and women took the stand, took the oath, and swore that he or she had voted on November 3, 1936. Four hundred and thirty-six of them appeared in person. The chairman of the committee says that the ballot box at Concord has not been impeached. There were 424 ballots in the box at Concord. When we found the four hundred and twenty-fifth voter in Newton, that ballot box was impeached. Four hundred and thirty-six appeared in person. Nine had died. As has been said, the committee agreed unanimously that if two persons would testify under oath as to each one of the deceased, that they had seen that person vote, we would accept that as conclusive testimony. Four hundred and thirty-six plus nine makes four hundred and forty-five. Six persons were so ill they could not come. Mr. MOSIER of Ohio and I were named a subcommittee to visit them at their bedsides with a notary public and put them under oath and have them sign an affidavit that they had voted. That makes 451. On Monday, when the proceedings ended, seven persons had still not appeared. They were so far away they could not be reached, and it was agreed by the committee that instead of waiting around to find the remaining seven, a subcommittee of two or three would be appointed to reach them sometime before the Congress convened in extra session.

That committee was appointed, but it never served. The gentleman from Oklahoma [Mr. NICHOLS] was its chairman, but for some reason or other the committee did not call on those seven persons at that time. Now we have gone up to 451. Your ballot box is impeached. However, when the minority members of this committee ascertained last April—and mind you all of these months had gone by—that the majority was insistent upon unseating Mr. Jenks, it was then agreed that two persons of the committee would go back to New Hampshire and try to find those seven absent people.

The gentleman from New Jersey [Mr. WOLVERTON] went, and the gentleman from New York [Mr. BEITER] intended to go but at the last moment found it impossible; but the gentleman from New Jersey had departed. Mr. WOLVERTON found a notary public and traced down all seven of those people and got sworn affidavits that they had voted. This made the 458. There can be no collusion in it. These people all knew each other. You cannot fool one of them in Newton. The committee accomplished the task that the House of Representatives set it to do.

Mr. BIERMANN. Mr. Speaker, will the gentleman yield?

Mr. WADSWORTH. I yield.

Mr. BIERMANN. There is nothing in the resolution this Congress adopted at the last session, and for which I voted, that restricted this committee merely to finding out how many votes were cast. According to the gentleman's statement, while 296 votes were cast for Jenks and 100 for Roy on the official returns, that leaves a balance of 62 votes unaccounted for by the second recount, and the ballot box shows that there were 96 votes unaccounted for; that is, I mean to say that none of them voted for either candidate for Congress; 62 in one instance and 96 in the second instance. What I want to know is why the committee assumed that none of those 96, none of those 62, could have possibly been for Mr. Jenks. They assume that if there is any discrepancy every single vote was for Mr. Jenks?

Mr. WADSWORTH. Because it was Jenks alone who lost 34 votes. Nobody else lost 34 votes, none of his opponents.

Mr. BIERMANN. How could the gentleman assume that none of these 62 could not have accounted for some of the 34?

Mr. WADSWORTH. Perhaps they did, no one can tell. We know, however, that Jenks had 296 on those returns and that Roy had 100 and that on the recount Roy still had his 100 and Jenks lost 34. So if ballots were taken from that box, obviously they were Jenks' ballots.

Mr. McKEOUGH. Mr. Speaker, will the gentleman yield?

Mr. WADSWORTH. I yield.

Mr. McKEOUGH. After the counting, how many of the Democratic representatives of the election board signed the tally sheets showing Mr. Jenks got 296?

Mr. WADSWORTH. I do not remember, but I do know that the law was strictly adhered to and that it was subscribed by all the members of the election board.

Mr. McKEOUGH. All of them subscribed?

Mr. WADSWORTH. Nine of them, Democrats and Republicans swore to it.

Mr. KITCHENS. Mr. Speaker, will the gentleman yield?

Mr. WADSWORTH. I yield.

Mr. KITCHENS. Let us admit—and it appears that 458 ballots were placed in the box—that everything was honest, that there was no conspiracy, no fraud, that everybody acted honestly in this matter. These ballots were sent to the secretary of state. There was a great, large number of ballots from 14 different counties. The attorney for the contestant and the attorney for the contestee were there, they were examining these boxes to see that they were intact, to see that the seals had not been broken. Those ballots were all placed along those tables. Suppose that the 34 ballots to which the gentleman refers became mixed with some of the other ballots. The secretary of state, Mr. Fuller, says that if those 34 ballots did become separated there in that large number of ballots along those tables, that those 34 ballots were counted for Mr. Jenks already. What does the gentleman say about that?

Mr. WADSWORTH. We had no such testimony that I recollect.

Mr. KITCHENS. Mr. Fuller said that if they became separated there at those tables that then those ballots must have been counted for Mr. Jenks along with the others.

Mr. WADSWORTH. The gentleman is assuming something that has not been proved or even suggested seriously to our committee. All I can say about the ballot box is this: It is a fact that eight people had keys to the storeroom in which the ballot boxes were kept. It further is the fact that after counting all day the counters, the people counting under the direction of the secretary of state, adjourned for supper, and while they had adjourned for supper the Newton ballot box was left in that room.

Mr. GIFFORD. Mr. Speaker, will the gentleman yield?

Mr. WADSWORTH. I yield.

Mr. GIFFORD. Relating to such a discrepancy I want to say to the gentleman that that discrepancy if found in another batch of ballots would have been so great that it would have been noted in another count on another tally.

Mr. PALMISANO. Mr. Speaker, will the gentleman yield?

Mr. WADSWORTH. Not for the moment, if the gentleman will pardon me.

I want to make it perfectly clear, Mr. Speaker, if I can, what the duty of this committee was. It was to go there and find out how many of those people voted. I am not alone in this interpretation of the mission of the committee.

On page 54 of the testimony taken at Newton, the gentleman from Oklahoma [Mr. NICHOLS] made this statement:

> If this committee is able to ascertain whether or not there were 458 ballots cast in this election and for the sake of argument, say, that they found to their complete satisfaction that 458 were cast, then the committee must immediately conclude, must it not, that there were 34 ballots put in that box at some time or another which are not there now; that much is right, is it not?

That is what the gentleman from Oklahoma said up in New Hampshire. Again on page 56 he stated:

> My idea was that the purpose of this committee in coming to Newton was to ascertain by interrogating the voters of the town of Newton whether or not there had been 34 ballots cast in this election which after they had been cast had in some manner or another disappeared. I thought that was what we came here for.

Yet the gentleman signed the majority report.

Mr. NICHOLS. Will the gentleman yield?

Mr. WADSWORTH. I yield to the gentleman from Oklahoma.

Mr. NICHOLS. Would the gentleman mind reading some of the rest of my statement, stating to the House what it was that led up to this discussion? The gentleman has quoted those statements in the minority report.

Mr. WADSWORTH. Yes.

Mr. NICHOLS. As a matter of fact, there was a discussion between Mr. Wyman and myself, Mr. Wyman being attorney for Mr. Jenks. The first quotation was from page 54?

Mr. WADSWORTH. Yes.

Mr. NICHOLS. Now, then, following that immediately is Mr. Wyman's statement:

> I should say, that is, may I add, if I understand your question, that 34 ballots were duly put into the box by qualified voters in the town of Newton. I do not want any misunderstanding about that.
>
> Mr. NICHOLS. Make it as strong as you like. According to the returns by the election officials of the town of Newton 458 ballots were cast. Of that 458 ballots only 396 were cast for a candidate for Congress in this town. That is correct, is it not?
>
> Mr. WADSWORTH. One minute. Two or three independent candidates for Governor got two or three votes.

I am not going to take any more of the gentleman's time, but in my time I will read the rest of that debate or discussion between Mr. Wyman and myself, because the gentleman's statement is very misleading.

Mr. WADSWORTH. I did not intend it to be. All of our conversations were up at Newton. I remember many of them.

Mr. NICHOLS. I do not remember all of them, but the record will show.

Mr. WADSWORTH. Mr. Speaker, I cannot reconcile the action of the majority in view of what we found at Newton.

The House sent the committee up there to do a job. We have done it. We have demonstrated under sworn testimony that all the people alleged to have voted in the town of Newton, according to the returns given from that town, did actually vote. That being the case, the controlling evidence is the tally sheet as to how many votes Mr. Jenks got. You cannot get away from it. We have impeached the ballot box at Concord.

That is all I have to say and I yield back the balance of my time.

Mr. KERR. Mr. Speaker, I yield 10 minutes to the gentleman from Massachusetts [Mr. McCORMACK].

Mr. ANDREWS. Will the gentleman yield? Is the gentleman a member of the committee?

Mr. McCORMACK. Mr. Speaker, the gentleman from New York [Mr. WADSWORTH] who has just concluded states that the controlling evidence is the tally sheet. The tally sheet has never been the controlling evidence in any contested-election case, in the absence of fraud. The tally sheet of itself is not evidence. The evidence is the ballot itself and in the absence of fraud connected with some one of the parties to a contested-election case, the tally sheet has never been considered as evidence in a contested-election case. To do so would mean that every man who is in a close district, Republican or Democrat, will face the future probability or the future possibility of having a mere tally sheet control the election. That is the dangerous situation which the election committees of the past have recognized and properly so, in the absence of fraud, remember, on the part of one of the parties, insofar as the acceptance of a tally sheet, a mere tally sheet, as conclusive evidence is concerned.

In this case there is no evidence of fraud. No evidence of fraud is charged against anyone. It is simply a question of the strange 34 ballots. No one accuses the secretary of state, nobody accuses anyone of fraud, and certainly Mr. Roy, the Democratic nominee in this contest, at no time during these hearings or the evidence in relation thereto, has been to the slightest extent accused of fraud.

The gentleman from New York [Mr. WADSWORTH] says that the integrity of the ballot box has been impugned. If the integrity of the ballot box has been impugned, that is evidence detrimental to Mr. Jenks. It is evidence in favor of Mr. Roy, because this committee when it went up there would have to find everything perfectly in order to sustain the contention of Mr. Jenks in relation to the 34 ballots that are missing; and nobody knows how those 34 persons voted, and if in fact they did vote, if they were cast for the Republican candidate for Congress.

Mr. GOLDSBOROUGH. Will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Maryland.

Mr. GOLDSBOROUGH. If the House is bound to assume the truth of the statement of the various voters that they did vote, why would we not be equally bound to assume the truth of their statement as to who they voted for? In other words, why should they not also have been allowed to state how they voted?

Mr. McCORMACK. The gentleman from Iowa [Mr. BIERMANN] asked that question of the gentleman from New York [Mr. WADSWORTH]. The gentleman from New York in response to that stated they went up there to inquire who voted, not how they voted.

The gentleman from Iowa was correct when he said that when he voted for the motion to recommit he gave the committee complete authority to enter into all the aspects of the case in connection with the Newton vote. The gentleman from New York says the committee did its duty. The three Republicans on the committee voted against inquiring of any of the witnesses how they voted and if they voted for the office of Representative in Congress.

Mr. TOBEY. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I hesitate to decline to yield, but I have only 10 minutes.

Mr. TOBEY. I want to correct a misstatement.

Mr. McCORMACK. Does the gentleman accuse me of making a misstatement?

Mr. TOBEY. No; I do not.

Mr. McCORMACK. I like the gentleman, but I cannot yield.

Mr. TOBEY. It will not take me 30 seconds to clear it up.

Mr. McCORMACK. The language of the motion to recommit is plain. The motion to recommit states:

> Directed to take or cause to be taken the testimony of the 458 Newton residents shown by the town election records to have voted there in person on November 9, 1936, and such further evidence as the committee may consider relevant to better enable it to determine the issue raised by this case, that the committee be authorized to expend such sums—

And so forth.

This shows that the committee had unlimited authority to go into all aspects of this matter in connection with the Newton vote and report back to the House, but when they went up there the three Republican members voted against asking any of those who appeared, for whom they voted, or even if they voted for a candidate for Congress, yet the record shows that there were 62 ballots out of the 424 or 458, whichever was cast, wherein the voter did not vote for a candidate for Congress. One-seventh of the voters casting a vote there, or approximately 14 percent, did not vote for a candidate for Congress in a hotly contested congressional fight. You and I know from our experience in our own districts that the percentage of those who do not vote for a candidate for Congress, even where there is no contest, nowhere nearly approximates 14 percent.

Mr. GAVAGAN. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I am sorry, I cannot yield.

The gentleman from New York [Mr. WADSWORTH], if I understood him correctly, has stated that the first time they knew of the 34 missing ballots was when Mr. Jenks in December received a wire from Mr. Estabrook. I know the gentleman from New York states what he understands to be the evidence, but we have evidence here under oath of an incident that happened in November 1936. The telegram mentioned by the gentleman from New York was sent in December to Mr. Jenks, after the ballot-law commission had decided that Mr. Roy had been elected. On November 24 the recount took place before the secretary of state, and Mr. Fuller, secretary of state, under oath, as will be found on page 95 of the hearings, testified that the discrepancy between the tally sheets and the ballots of 34 votes was noticed and known at the time the ballot boxes were opened, and that the attorneys on both sides were aware that there was a discrepancy of 34 ballots.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I cannot yield. My time is very limited. I have declined to yield to two other gentlemen.

At the time of the recount the 34 ballots were never disputed. If you had an opponent and that situation confronted you, would you not expect your attorney or his attorney to claim then that there was something irregular about that, and an opponent did not claim it then, would you not say he had waived it? Would you not say he was estopped from later asserting it?

Let us go further. The ballot law commission decided that Roy was elected by 17 votes. The ballot law commission knew of this discrepancy. The attorneys for both sides knew of it, but they never raised a question about it. Mr. Jenks knew that when he went down South. Then, later, when Mr. Estabrook sent him the telegram and he saw the opportunity that was presented, he sent a telegram back, as a result of which the ballot law commission took its second action, after the Governor had refused to issue the certificate of election to the Democrat for 10 days, during which time Roy, the Democrat, was trying to get his certificate of election. If the then Governor of New Hampshire had issued the certificate of election as he should have, instead of waiting 10 days, Roy would be sitting here today and not Jenks. Jenks would be fighting this case, and Roy would have been the sitting Member during the last 2 years. But the Governor declined to issue the certificate of election after the ballot law commission had determined that Roy, the Democrat, had been elected. Then, when a telegram was received, a rehearing was held and the whole number of votes cast recounted. Then Roy's attorneys appeared before the ballot law commission and claimed that it should determine what action should be taken with reference to the 34 ballots before the votes were counted, which was being done a second time, the first time by the secretary of state. The first hearing of the ballot law commission passed upon 101 disputed or contested ballots, and after considering these ballots declared Roy elected by 17 votes.

I repeat, the first time they only passed upon the 101 contested ballots, protested at the time of the recount of the secretary of state, but the second time they counted all the

ballots and they had reserved decision on 34 until the end. If the Democrats had lost by the 34 they would have thrown them out of the window, or if the Republicans had won they would not have passed upon them, but after the recount Roy was 24 votes ahead, but Roy could be defeated if these 34 votes were counted for the Republicans. With no question of fraud involved, with no question of larceny attaching to anyone, they arbitrarily said that these 34 persons, and nobody knew who they were, nor how they voted, voted for the Republican candidate. How could anybody determine this, and yet in 114 precincts out of 129 precincts errors were ascertained in that particular congressional district.

Mr. Speaker, I submit in conclusion, as the dean of the New England Democratic delegation, speaking as I am in that capacity and as a Member of the House, the evidence shows that Roy was elected and that he should be seated. [Applause.]

Mr. GIFFORD. Mr. Speaker, I yield 5 minutes to the gentleman from New Hampshire, Mr. Jenks.

Mr. JENKS of New Hampshire. Mr. Speaker, the only reason I am taking the floor—and I had not intended to—is because of the letter that you all received from Mr. Roy, and there is something in the second paragraph of that letter than I want to make clear to you.

Mr. DINGELL. Mr. Speaker, will the gentleman yield there? We received one from you, too, did we not?

Mr. JENKS of New Hampshire. Oh, yes; certainly.

The language I refer to in that paragraph reads as follows:

> Mr. Jenks on the floor of the House last July stated, "I never before in my life have run for a political office. I do not know anything about politics." The truth is that Mr. Jenks in 1934 ran for Congress against William N. Rogers.

This statement evidently is correct. I have not looked at the record, but I am taking it that this is correct where he quotes that I said I never before in my life had run for a political office. What I meant to have said was that I never before ran for—well, what do I want to say? [Laughter.] That is all right, gentleman, you can laugh if you want to—that I never ran for any other political office. That is what I meant to say. I left out the word "other," and I want you men to know I am not standing on this floor to try to defend the truthfulness of myself. I think I have been in this Congress long enough and I have served on committees in this Congress long enough for at least all of the members on those committees to know that I must be somewhere near an honest man. [Applause.]

Mr. NICHOLS. Mr. Speaker, will the gentleman yield?

Mr. JENKS of New Hampshire. Yes.

Mr. NICHOLS. Of course, the gentleman does not mean to state that Mr. Roy in his letter is stating an untruth, either?

Mr. JENKS of New Hampshire. No.

Mr. NICHOLS. He is speaking from the record.

Mr. JENKS of New Hampshire. He quoted me correctly. I made a mistake in not saying I never before ran for any other office than for Congress.

Mr. CRAVENS. Mr. Speaker, will the gentleman yield?

Mr. JENKS of New Hampshire. Yes.

Mr. CRAVENS. You had an opportunity, did you not, to make this correction in the bound volume of the RECORD?

Mr. JENKS of New Hampshire. I presume I did.

Mr. CRAVENS. Did you make the same correction there that you are making here? I call your attention to the bound volume of the CONGRESSIONAL RECORD of August 19, in which you use this language:

> I do not know anything about politics, but I do know that I feel it a wonderful honor to be a Member of this splendid body of men and women.

You did not make the same correction there that you are making today, that you had run for no other political office.

Mr. JENKS of New Hampshire. I do not get what you are trying to bring out.

Mr. CRAVENS. The gentleman said instead of making the statement that he never ran for political office, he meant to say that he had never run——

Mr. JENKS of New Hampshire. For any other political office save Congress. Mr. Speaker, I do not yield further. I simply come here to stand before you gentlemen and say if you got a wrong impression from that letter, that is, the impression that I deliberately stood on the floor of the House and tried to make you believe I had never run for any office before, I was just trying to correct that impression, and that is all. [Applause.]

The SPEAKER pro tempore. The time of the gentleman from New Hampshire has expired.

Mr. GIFFORD. Mr. Speaker, I yield the gentleman 3 minutes more.

Mr. JENKS of New Hampshire. Mr. Speaker, as long as I am on my feet I just want to say this. You men and women in this House sent this committee to the town of Newton, because I pleaded with you to do it, and I think by the result of that investigation that I and you have been vindicated. This committee went up there, and they got the sworn testimony of every man and woman in that town who went to the polls and voted—458, with the exception of those people who had died in the meantime. The press of the country commented—and you read it in your own local papers here in Washington—on the fact and the honesty and fairness of the overwhelming majority of Democrats in the House, and stated that when they voted to send that committee up there they had acted fairly, and I think you did, and I want to thank you again for doing it.

I have just this to say in closing: The Chaplain this morning in his prayer said something about sincerity and conscience, and there was one other word I would like to say, but I do not remember what it was. All I ask of you men is to weigh the evidence that has been presented here today. I do not believe you want to say to the people in the town of Newton that this great House of Representatives sent a committee up there and that that committee came back here and said to its members, "We do not believe the people in Newton under oath." I do not believe you want to have the people of New Hampshire feel that this House is going to say that there are 458 people in that State that this great House of Representatives will not believe under oath, and I do not believe you want it to go back to your districts, and spread wide over the country, that this Congress will not take the sworn testimony of 458 people in the State of New Hampshire. [Applause.]

The SPEAKER pro tempore. The time of the gentleman from New Hampshire has again expired.

Mr. KERR. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. O'CONNOR].

Mr. O'CONNOR of New York. Mr. Speaker, I have been interested in this election contest from the beginning, because it was only a few days after the election that Mr. Roy and his counsel came to me, and I have been advising with them ever since. I cannot recall any election contest in this House up to this moment where any injustice has been done to a Member. There is nothing more important to a man than to have the seat to which he was elected, even though it means the unseating of a man who has been here, who was not duly elected. We all feel hesitant about unseating a colleague, but we must consider the man who was duly elected. Let us put ourselves in his shoes, and many might be in those same shoes next fall. Others may be here with an election contest in the next Congress. I do not believe that anybody would consciously, from a partisan standpoint, vote to unseat a man if in his heart he felt the man was entitled to his seat.

But you recall when the motion was under consideration to recommit this matter to the Committee on Elections and send this committee to New Hampshire that I opposed it and said it was a most outrageous procedure, that it was an innovation in an election contest. However, all that is past. Permit me, however, to point out this to the Democrats. There was a difference of opinion upon the Democratic side in the last session. It was an honest difference of opinion. Many Democratic Members felt there was a real issue here, and that the Elections Committee should look

into the matter further; that possibly Mr. Jenks was entitled to the seat. The significant thing was that while there was a difference of opinion on the Democratic side of the aisle there was no difference of opinion whatsoever on the Republican side of the aisle. Every single, solitary Republican Member stood up and voted for Mr. Jenks. It is beyond comprehension that Members on the Democratic side should have an honest difference of opinion, and that such a division of minds should not affect even one Member on the Republican side of the aisle.

The issue in this contest comes down to the 34 votes in Everett—votes that nobody ever saw, votes concerning which nobody ever cast suspicion of their being lost, stolen, or of their flying out of the ballot box. Everyone who handled the votes in that district, seven Republicans and two Democrats, says that every ballot cast was put into the ballot box and the box was duly sealed and was sent to the secretary of state, a Republican. The seals were never broken. The box then went to the board of election appeals consisting of two Republicans and one Democrat.

Mark this significant feature. On election night Mr. ROY, a distinguished citizen of New Hampshire who has held high public office in that State, was reported to have been defeated by some 500 votes. That was the first count reported. Thereafter discrepancies in 114 of the 129 districts appeared. Of course you have not heard any talk about that around here. So, as an afterthought, after they had tossed Mr. ROY around, the Republicans could not count him out when all the ballots were laid out and counted and recounted, so then as an afterthought these "missing" 34 ballots were brought up as an issue by Mr. Jenks.

Mr. CREAL. Mr. Speaker, will the gentleman yield?

Mr. O'CONNOR of New York. Yes.

Mr. CREAL. In these 114 precincts, was there a single precinct where the discrepancy was made in favor of a democrat?

Mr. O'CONNOR of New York. No; I understand not. All the discrepancies had favored the Republican. And as I said, when the committee went up to Everett to take testimony, they never had a chance of getting those Republicans to go on the stand in front of the entire Republican State officials and local officials and even intimate in any way by any possibility they had voted the Democratic ticket. Such an admission would have subjected those citizens for all time to public oppression.

The distinguished gentleman from Iowa [Mr. BIERMANN] today made a significant contribution to this debate in referring to the 62 votes that were not cast for any Congressman at all.

Mr. BATES of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. O'CONNOR of New York. I yield.

Mr. BATES of Massachusetts. What does the gentleman think would happen if the committee asked any of those people how they voted?

Mr. O'CONNOR of New York. I would think that would be the most disgraceful, un-American procedure we could have followed, I know what they would have said there in public in front of the Republican officials, they would have said they voted for Mr. Jenks, and Mr. Roy would not have gotten any votes at all from that district on such oral testimony.

Mr. BATES of Massachusetts. I do not think that would have happened.

Mr. O'CONNOR of New York. I am sure it would have happened. Oh, no; those citizens would not be telling an untruth; they would merely be protecting themselves against future sabotage. Maybe they were even looking for "relief." [Laughter.]

[Here the gavel fell.]

Mr. KERR. Mr. Speaker, I yield 2 additional minutes to the gentleman from New York.

Mr. O'CONNOR of New York. From 30 years' experience with elections, serving as counsel in election contests in city and rural communities, let me tell you the only deducible conclusion in this case. You cannot always get absolute proof, but you can put two and two together. You Members from the rural communities, and you other Members who have had experience in election cases, follow this, please. Here is what happened: The check list was handled in the back room of the polling place. The ballots were also in that back room. The lists were checked in the back room where the ballots were, and there were 34 ballots marked for Mr. Jenks that were intended to be put in the ballot box; but something happened. The industrious markers just never were able to put those 34 ballots in the ballot box before the polls closed or the count was taken. You cannot arrive at any other practical conclusion if you know anything about the conduct of elections with paper ballots in a rural community. As to the unused ballots all being accounted for, as stressed by the distinguished gentleman from New York, that is easily accounted for. Those 34 ballots marked for Mr. Jenks which chance prevented being stuffed into the ballot box were easily erased and restored to their virginity of unused ballots. [Applause.]

Mr. GIFFORD. Mr. Speaker, I yield 5 minutes to the gentleman from Wisconsin [Mr. BOILEAU].

Mr. BOILEAU. Mr. Speaker, we are about to perform one of the most important functions in a democracy; that is, to be sure that the people have their choice of officers in the respective offices, and particularly in the Congress of the United States.

The distinguished gentleman from New York who just left the floor tried to inject politics into this matter. I want to say to you that there are no politics and there should be no politics in a contest for a seat in this House. He pointed out that, although some of you Democrats were divided in your opinions on this matter, every Republican was on one side. I come before you today as one who is far removed from partisan interest in this matter. I am neither a Republican nor a Democrat. We Farmer-Laborites and we Progressives in this House are trying our very best to decide this matter on its merits. We feel that partisanship has no consideration in it.

Mr. BIERMANN. Mr. Speaker——

Mr. BOILEAU. Mr. Speaker, I decline to yield. The gentleman from New York tried to bring in the issue of partisan politics, but I say to you that we Farmer-Laborites and Progressives consider this matter on its merits. I may state that every single one of them in this House, the 12 Farmer-Laborites and Progressives, will vote to seat Mr. Jenks because we believe he was duly elected to this House. [Applause.]

Two distinguished Members of this House have talked, the gentleman from Massachusetts [Mr. MCCORMACK] and the gentleman from New York [Mr. O'CONNOR], and both tried to make a big point of the fact that there were only 396 votes cast. Well, you know and I know that there never is an election where all the people vote all the way down the line for every office. You know and I know that in each election there are many people who will vote for the top of the ticket who will not vote for the other officers down the line. They may think it is too much out of proportion, I do not know; but that is the fact. I have not had a chance to study the record, but the testimony is that there were 296 votes for Jenks and 100 votes for Roy; and do not forget that there were candidates in the office, not two. Some of the other 62 ballots may have been cast for one or both of the ladies who were running. I do not know, for I have not got the record.

Mr. NICHOLS. Mr. Speaker, will the gentleman yield?

Mr. BOILEAU. I yield.

Mr. NICHOLS. According to the testimony, two votes were cast for one woman and one for the other.

Mr. BOILEAU. That accounts for three. That is a few, at least. If ballot boxes had been stuffed for Jenks, there would have been 634 more.

When the people went to vote, one man checked off on the list and the man checked off 458 voters. Then the voters cast their ballots.

As they put every ballot in the box, the vote was checked. They checked 458. Both of those were separate checks.

There were 458 ballots. Then immediately after the polls were closed, the ballots were still folded and the first thing they did before they started tabulating the votes for the various candidates was to count the number of ballots, put them in piles of 25 to see whether or not the actual number of ballots compared with the number of people who were purported to have voted and who were recorded by the checkers. They counted, not 424 but 458.

Mr. KERR. Will the gentleman yield?

Mr. BOILEAU. I yield to the gentleman on that point.

Mr. KERR. The gentleman seems to be defending the election officers up there.

Mr. BOILEAU. I do not yield on that.

Mr. KERR. I call the gentleman's attention to the fact that those election officers only returned 332 votes for the Farmer-Labor candidate, when in actual truth he received 720.

Mr. BOILEAU. I do not know anything about that.

Mr. KERR. I am quoting from the record, that is all.

Mr. BOILEAU. I do not know anything about that.

[Here the gavel fell.]

Mr. GIFFORD. Mr. Speaker, I yield the gentleman 4 additional minutes.

Mr. BOILEAU. Mr. Speaker, I know nothing about that particular matter. We are judging here a contest as between the gentleman from New Hampshire [Mr. Jenks] and Mr. Roy. I submit that those people counting the ballots counted 458 actual ballots that were cast at that time, so that there can be no question about that. If there were 458 ballots cast in the first place, and when they had the recount it showed only 424, there were 34 ballots missing. I call your attention to the fact that those 34 ballots that were missing were straight Republican votes and there is no way to get around that, because each and every one of the Republican candidates lost between 32 and 34 votes on the recount and that was true all the way down the line. Thirty-four votes were lost on the recount by all the Republican candidates, so they must have been straight Republican ballots.

The only question for us to determine here is whether or not there were 424 ballots cast or 458 ballots cast. We had this matter up in the House during the last session of the Congress and it was the opinion of the majority of the membership of the House that the question to determine was how many people voted. Were the checkers right? Were those who counted the ballots right? Were those who made the tabulations right when they said that 458 people had cast their ballots?

Mr. Speaker, we sent our committee up there to make an investigation. The committee acted diligently and it found those people had voted. They accounted for all but five. All but 5 of the 458 people either testified under oath that they had voted or else other people testified that they had voted, because the particular people involved were either away or had died. This committee showed conclusively that there were more than 424 ballots cast and that the figure of 458 was either accurate or approximately so. There can be no question about that. We must accept that.

Mr. Speaker, we have to accept our responsibility here today and vote in accordance with the kind of evidence that should convince you and I whether or not Mr. Jenks or Mr. Roy is entitled to a seat in this House.

Mr. HOUSTON. Will the gentleman yield?

Mr. BOILEAU. I yield to the gentleman from Kansas.

Mr. HOUSTON. What was the vote, 296 to 100?

Mr. BOILEAU. Yes.

Mr. HOUSTON. Why not divide the 34 then in the same ratio then as between Mr. Jenks and Mr. Roy?

Mr. BOILEAU. The gentleman refers to the 34 votes that were taken out between the time they were put in the ballot box and the recount and asks, if the 34 votes were removed, lost, or stolen, why give them all to one man? Because the recount shows that every single one of the Republicans lost from 32 to 34 votes, so that they were Republican votes that were taken out. That is why. It is as clear as the nose on the gentleman's face. That is just exactly the situation and it is just as simple as that. May I ask the gentleman from Massachusetts if I have not properly stated the situation?

Mr. GIFFORD. The gentleman is speaking to that side of the House and I could not hear him.

Mr. BOILEAU. I say every Republican in the recount lost from 32 to 34 votes.

Mr. GIFFORD. That is right.

Mr. BOILEAU. I ask the gentleman from Oklahoma if that is not right?

Mr. NICHOLS. What is that?

Mr. BOILEAU. On the recount as compared with the original certification of the ballot clerks, each Republican lost approximately 32 to 34 votes; is that not true?

Mr. NICHOLS. I do not know.

Mr. BOILEAU. Did not every one of the Republicans lose from 32 to 34 votes?

Mr. NICHOLS. I do not know.

Mr. BOILEAU. The gentleman should know that. It is in the report.

Mr. NICHOLS. Well, show it to me.

Mr. BOILEAU. I am asking the gentleman, in all fairness.

Mr. NICHOLS. I do not know. You will have more time to show it.

Mr. BOILEAU. Mr. Speaker, I challenge any Member on the Democratic side to dispute the statement I have just made—that when it came to the recount it showed that every Republican lost between 32 and 34 votes. I defy any Member to deny that statement.

[Here the gavel fell.]

Mr. KERR. Mr. Speaker, I yield 10 minutes to the gentleman from Arkansas [Mr. CRAVENS].

Mr. CRAVENS. Mr. Speaker, I cannot subscribe to the statement made by the gentleman from New York that our committee accomplished the purpose for which it went to Newton. I wish to read again the resolution sending the committee there:

That the committee be, and hereby is, authorized, empowered, and directed to take or cause to be taken the testimony of the 458 Newton residents.

The part of the resolution to which I direct your special attention is this:

And such further testimony as the committee may consider relevant to better enable it to determine the issues raised by this case.

The issue raised by this case, as I understand it, is who was elected to Congress from the First District of New Hampshire in the 1936 general election.

I was the acting chairman of the committee that held these hearings at Newton, and I want to call your attention to the things that transpired immediately before we went there to hold the hearings. At a meeting of the committee held in this building on the 26th day of August 1937 the following proceedings were had:

The Committee on Elections No. 3 met in the Capitol Building today at 12 m. with the following members present: Mr. CRAVENS, Mr. BEITER, Mr. WADSWORTH, Mr. WOLVERTON, Mr. THOMAS of Texas, Mr. NICHOLS, Mr. MOSIER of Ohio.

The committee was advised that the chairman, Mr. KERR, was ill and would be unable to go on the investigation in the case of *Roy v. Jenks*. Mr. CRAVENS read a telegram from the chairman in which he advised the committee of his inability to participate in the investigation and stating that the investigation would proceed with Mr. CRAVENS as acting chairman.

I wish to call your particular attention to the following as the only authority given to the two gentlemen who were sent to New Hampshire preceding the meeting of the committee there. We knew that arrangements had to be made for a place for the committee to stay, a building in which to hold the hearings, and a stenographer to take the testimony. Therefore these proceedings were had:

The committee authorized Mr. BEITER and Mr. WADSWORTH to leave Washington on Monday, August 23, for Newton, N. H., and to make necessary preliminary arrangements—

What were they?—

such as securing the services of a stenographer, hotel accommodations, quarters for conducting the investigation.

That was the authority given the gentlemen from New York [Mr. WADSWORTH and Mr. BEITER].

When the committee assembled at Newton I was astounded to learn that these two gentlemen had assumed the authority of directing and determining the policy of our investigation. I am going to read you a card the committee upon arrival at Newton, N. H., found had been out:

NOTICE TO APPEAR

The Committee on Elections appointed by the House of Representatives to inquire as to the number and identity of the persons who voted in the town of Newton at the general election held November 3, 1936, will be present at the town hall at Newton on Thursday, August 26, 1937, between the hours of 1 p. m. and 5 p. m.; Friday, August 27, 1937, from 9:30 a. m. to 12 o'clock noon, 1 p. m. to 5 p. m., and from 6:30 p. m. to 9 p. m.; Saturday morning at 9:30 a. m. and throughout the day until 5 p. m.

I wish to call your special attention to the following:

You as one of the qualified voters at said general election are hereby notified to appear in person to answer the question, "Did you vote at said election?" No questions as to how you voted will be asked.

If you need conveyance it will be arranged for you upon your giving notice to the town officials.

By order of committee:

BEN CRAVENS, M. C.,
Chairman of Committee.

The first intimation I had of this card having been sent out was after the committee arrived at Newton.

Mr. WADSWORTH. Mr. Speaker, will the gentleman yield?

Mr. CRAVENS. I yield to the gentleman from New York.

Mr. WADSWORTH. To make the story complete, and I am sure the gentleman wants to do so, the gentleman should remind the House that the gentleman from New York [Mr. BEITER] and I were joined by the gentleman from Ohio [Mr. MOSIER] and the gentleman from New Jersey [Mr. WOLVERTON], and that four members of the committee are responsible jointly for that notice.

Mr. CRAVENS. I do not understand they had anything to do with the cards being sent out.

Mr. TAYLOR of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. CRAVENS. I yield to the gentleman from Tennessee.

Mr. TAYLOR of Tennessee. When the gentleman learned that such a card had been sent out, did he make any complaint?

Mr. CRAVENS. Absolutely.

Mr. TAYLOR of Tennessee. To whom?

Mr. CRAVENS. To the entire committee. I will go into detail and state what I did. I said to the gentleman from New York, "Mr. BEITER, by what authority did you send out this card?" He said, "I was advised by Mr. WADSWORTH it was the proper thing to do." I said, "Did you agree that the only question that should be asked was 'Did you vote at said election?'" He said, "I did; after Mr. WADSWORTH told me that was the only question we could legally ask. I asked him, 'Can we not ask them this question without stating who they voted for, "Did you vote for a candidate for Congress?"' and Mr. WADSWORTH said that would be illegal."

Mr. WADSWORTH. Mr. Speaker, will the gentleman yield? The gentleman has referred to me.

Mr. CRAVENS. In the greatest of kindliness.

Mr. BEITER. Mr. Speaker, will the gentleman yield?

Mr. CRAVENS. I yield to the gentleman from New York.

Mr. BEITER. In order to correct the record, the gentleman from New York [Mr. WADSWORTH] did not say it would be illegal, but said it would be unconstitutional. [Laughter.]

Mr. CRAVENS. I accept the correction.

Now, does the gentleman from New York [Mr. WADSWORTH] want to ask me a question?

Mr. WADSWORTH. The gentleman from Arkansas knows my devotion to the Constitution, and I am glad to be corrected.

Mr. CRAVENS. But I think the gentleman is misinformed as to the Constitution, no matter how fond he is of it.

Mr. WADSWORTH. As a matter of fact, I have no recollection of this conversation.

Mr. COLE of New York. Mr. Speaker, will the gentleman yield?

Mr. CRAVENS. I yield.

Mr. COLE of New York. After this notice had come to the attention of the full committee upon their arrival at Newton, was any action taken by the full committee either to endorse and approve this notice or to countermand and withdraw it?

Mr. CRAVENS. Action was taken at the first opportunity. As I recall, when the first witness appeared Mr. NICHOLS and I attempted to ask the witness whether he voted for a candidate for Congress.

[Here the gavel fell.]

Mr. KERR. Mr. Speaker, I yield the gentleman 5 additional minutes.

Mr. GIFFORD. Mr. Speaker, will the gentleman yield?

Mr. CRAVENS. I cannot yield any further at this time.

The committee then held an executive session and the matter was argued pro and con and a vote taken as to whether or not we should ask any question other than the one printed on the card. Mr. NICHOLS and I argued for, and voted for, authority to ask the further question, Did you vote for a candidate for Congress? We were overruled by the committee and abided by the decision of the majority. This answers your question, I think.

Mr. COLE of New York. Mr. Speaker, will the gentleman yield further for a brief question?

Mr. CRAVENS. I am sorry I cannot, as my time has once expired.

I want to call attention to some things that were developed in the hearings. They have a peculiar law in New Hampshire. If a man once lives in a township or town, as they call it, and gets on the list of registered voters, he may, upon moving away, retain his voting rights in that town by serving written notice upon the town clerk—I think it is the town clerk, or some other town official. It was developed in the hearing at Newton that five persons who had moved away from Newton, without having given this notice, some of whom had lived in other States for years, were permitted to come back to Newton and vote in this election in 1936. It further developed that on the tally sheet three were listed who came before the committee and positively swore they never voted at that election in Newton. Now, there are eight discrepancies unanswerable and not explained. Five voted who were illegal voters and three were listed as voting who testified they never voted.

Mr. CHURCH. Mr. Speaker, will the gentleman yield?

Mr. CRAVENS. I yield.

Mr. CHURCH. Has the gentleman any authority whatever that states that those five persons, although they had gone away, perhaps temporarily, had no right to vote? Is the gentleman familiar with the East St. Louis case that holds that you can move out of a place temporarily and come back and vote?

Mr. CRAVENS. New Hampshire has its own laws.

Mr. CHURCH. Certainly.

Mr. CRAVENS. Every State can determine about its own voters and determine their qualifications.

Mr. CHURCH. Just like we can come here to Washington and then go back home and vote.

Mr. CRAVENS. They were permitted to vote, and some of them testified on the stand they had lived away from there for years, having moved to other States.

Now, as to these mythical votes, the attorneys for Mr. Jenks both made the statement that they did not believe these 34 votes, if they ever existed, ever reached Concord, N. H., that if they were lost, strayed, or stolen, it occurred at Newton, yet the nine officials holding the election at Newton testified positively and unequivocally that every ballot

cast, every ballot counted, was replaced in the container, signed and sealed, and sent to Concord. [Applause.]

[Here the gavel fell.]

Mr. GIFFORD. Mr. Speaker, I yield 3 minutes to the gentlewoman from Indiana [Mrs. JENCKES].

Mrs. JENCKES of Indiana. Mr. Speaker, last year in August I took the floor and added my plea to that of some of our other Members that this House of Representatives send to this little town of Newton the committee which went there. We were expecting to base our report this session on the findings of that committee.

I rise now to express my gratification over the fact that our plea to the membership of this House of Representatives last August was not in vain, and to say now that, in my opinion, the findings of the congressional investigating committee we sent to Newton, N. H., have completely vindicated the vote of the majority of the House.

The House of Representatives is the sole judge of the qualifications of its membership, and when a case like the one under discussion comes before us, it must be decided solely on the facts rather than on the basis of partisanship or mere weight of numbers if the integrity of the House of Representatives is to be maintained.

I have carefully studied the majority and minority reports on this case, and I feel confident that every Member who has done likewise is convinced that equity is on the side of the contestee, Mr. Jenks, of New Hampshire, and that on the basis of the findings of the investigating committee he should be permitted to retain his seat. [Applause.]

As a loyal member of the Democratic majority, I hope our overwhelming numbers will uphold the honor and dignity of this House of Representatives by voting to preserve justice and the protection of the minority.

Fair play goes further than partisanship; and so that the ends of justice may be served, I again appeal to the House to decide this case on its factual merits. [Applause.]

Mr. GIFFORD. Mr. Speaker, I yield 30 minutes to the gentleman from New Jersey [Mr. WOLVERTON], and I understand that at the conclusion of that time I shall have 3 minutes remaining.

The SPEAKER pro tempore. The gentleman from New Jersey is recognized for 30 minutes. The gentleman from Massachusetts will then have 3 minutes remaining.

Mr. WOLVERTON. Mr. Speaker and Members of the House, the decision of the question now before us involves the honor and dignity of the House.

In deciding matters of legislation the viewpoint of the individual Members may differ on questions of policy. Frequently this difference of opinion is based upon differing party policies. Consequently, in such cases the vote of the House is divided, more or less, along strictly party lines. Partisanship under such circumstances is natural. It is neither improper nor unexpected. It is the fulfillment of party pledges and we recognize it as a party obligation upon our part. To do so in no way destroys or undermines the obligations we assume under our oath as Members of the House.

The question now before the House, however, is not one of this character. It does not have within it any party issue based upon differing policies of government. While partisanship may properly control our decision on matters of legislation there can be no proper place for it, as a controlling factor, in deciding the question of the right of an individual to sit as a Member of this House.

The Constitution lays down in plain and unmistakable language the basis upon which a question of this character is to be decided. It does not contemplate a decision based upon partisanship. Article I, section 5, of the Constitution, sets forth:

> Each House shall be judge of the elections, returns, and qualifications of its own Members.

The underlying thought from the use of this language would seem to be that the House is expected to be judicial in the consideration and decision it shall give in such a highly important matter that involves, not only the individuals directly concerned, but also the three-hundred-and-odd-thousand people residing within the particular congressional district.

I therefore appeal to you to give a judicial consideration to the facts presented in this case and eliminate any thought of partisanship that under other circumstances might be entirely proper and commendable.

The history of the House of Representatives, from its earliest days until the present, gives unmistakable evidence that throughout its entire existence the attitude of a judge, rendering an impartial and in every sense a judicial decision has prevailed. To the credit of the House it can be said that in practically all cases this principle has prevailed. The exceptions have been very, very few in number. Nor can any one political party claim all the virtue in this respect. It has been characteristic of all.

I was greatly surprised, when this case was before the House in August last, to hear one of our distinguished Members in an impassioned partisan appeal to the Democratic side of the House say:

> I have been a Member of this House for 14 years, and in all that time, in any election contest, I have never seen one Republican vote to seat a Democrat no matter how strong the merits have been in favor of the Democrat.

Members of the House, the facts of the case do not justify that statement. The actual facts taken from the RECORD show that during the 14 years, to which the Member made reference, the Republicans had control of the House from the Sixty-eighth to the Seventy-first Congress, inclusive, there were nine election-contest cases. In five instances the Democratic contestant was seated by the Republican House and in four of the cases it was by the unanimous vote of the House. In four instances the Republican contestant was seated and in each case it was by the unanimous vote of the House, showing that the Democratic side concurred in the action of the Republican side. During the next 6 years the House was under Democratic control. During that time there were 16 contests. In four instances Democratic Members were seated. In each case it was by the unanimous vote of the House. This included the Republicans. Thus, it can be seen that neither side of the House has permitted partisan policies to enter into the decision.

Mr. BOLAND of Pennsylvania. Will the gentleman yield?

Mr. WOLVERTON. Not now.

I have also made a study of the results of election-contest cases in the House over the last 30 years. They evidence the same spirit of fair play and impartiality as those to which I have just made reference. During the last 30 years there have been 74 election-contest cases. In these cases I find that 38 Republicans were seated. Twenty-seven of these were seated when the House was under Democratic control, and 11 under Republican control. Twenty-nine Democrats were seated during the same period, 17 when the House was under Republican control and 12 under Democratic control. The other case involved a Progressive who was seated and the remaining six cases were either withdrawn or undecided.

I have mentioned these cases not only to refute the charge of Republican partisanship that was unjustly made during the debate last August, but to also demonstrate to the Members of the House, particularly the new Members, that through all the years, regardless of whether the House has been under Democratic or Republican control, the honor and the dignity of the House has been maintained by giving judicial rather than partisan consideration to cases of this kind.

I am confident that the membership of this present House is actuated by the same desire to exalt judicial rather than partisan consideration of the case now before us, as has characterized the membership in every Congress that has preceded us. Last August you demonstrated such fact by the action that was taken. I am confident that such an attitude continues to prevail and that this case will receive at

your hands fair and impartial consideration, and that your decision will be based upon equity and good conscience.

Before I proceed to present what seems to me to be the controlling facts in this case, may I say that if I did not have the confidence to which I have just referred, and which your past conduct encourages me to have, I would not take the time of this House to present such facts, for if partisanship was to be the dominant factor your overwhelming numbers would make an appeal a waste of time. I cannot adequately express the sense of pleasure and privilege it is to know that I can present the facts of this case with the knowledge that they will have a fair and honest consideration by you and with no desire upon your part to do other than what is right and just by your decision.

The issue presented in the case is not complicated or difficult to understand. As a result of the recounts and several hearings in the State of New Hampshire, prior to the issuance of a certificate of election to Mr. Jenks, the hearings before the House Committee on Elections and finally the debate on the floor of the House when this matter was before the House in August last, have cleared away all inconsequential contentions, both of law and fact, and as a result there stands out but one clear-cut issue, namely, how many people voted at Newton on the day of the general election, November 3, 1936?

The poll lists show that 458 of the registered voters of the town of Newton appeared in person and cast their ballots. A register of those voting was kept by two separate election officials, one was a Democrat and the other a Republican. As the voters presented themselves to vote the name of the voter was announced publicly. The register of voters entitled to vote was examined and, the person's name appearing thereon, he was handed a ballot and a check mark placed opposite the name to indicate the person had qualified to vote. After marking the ballot the person returned the ballot to the moderator who acted as judge, in this case a Democrat. It was thereupon placed in the ballot box and a check mark was placed opposite the name of the voter on the other poll list, and by a person of the opposite political party than the first, this check being a record that the person had voted the ballot he received when his name was first checked. After the closing of the polls the two poll clerks who had checked the voters as they came in and went out counted the number voting as appeared upon their respective check lists. They each reported that 458 persons had received and cast ballots.

Mr. BOLAND of Pennsylvania. Will the gentleman yield now?

Mr. WOLVERTON. Mr. Speaker, I have already indicated to the gentleman that I do not care to yield.

After this fact had been publicly announced the ballot box was opened by the moderator. The ballots were taken and counted. A double count, in which all 9 members of the election board participated, was made and 458 ballots were found. This number tallied perfectly with the 458 names checked as having voted. The ballots were then called off by the moderator. He performed his duties under the watchful supervision of another election official not of his own political party. The two tally clerks recorded opposite the name of each candidate the votes cast for them as they were read off. The tally clerks were likewise of different political parties. The ballots were then examined by the other election officials and placed in a container. The result of the election was thereupon publicly announced, the reports signed by all the election officials, the box containing the 458 ballots was sealed and signed by all the election officials. The box containing the ballots was turned over to the town clerk and kept by her until sent to the secretary of state as provided by law. I ask that you shall take particular notice that the action of the election board has been unanimous in every step taken to carry on and complete the election, and that Republicans and Democrats on that board, before any contest had arisen or question raised, had signed the necessary election reports showing that 458 persons had voted, 458 ballots were placed in the box, and two check lists, also a part of the election records, corroborated the fact that 458 persons had each cast a ballot in the election. There has never since then been any change in these records. They are today in the same form as on election day. The election officials, Democrats and Republicans, have testified under oath that the records were truthfully and faithfully kept. Each of these officials are held in high repute in the community. No one, not even the contestant in this case, has ever raised a question or suspicion as to the integrity or honesty of each. Neither they, nor the records they kept, have been impeached in the slightest degree. Their records and the testimony they have given that 458 persons cast their ballots in the general election of 1936 stands unchallenged, even until this very day. In fact, they have never been under even suspicion.

It is equally admitted by both sides in this case that if it is found that 458 persons did vote, then the tally sheets are evidence of how they voted, and this would mean that Mr. Jenks is entitled to hold his seat in this House. It was upon such a finding of fact that the Ballot Law Commission of New Hampshire awarded the certificate of election to Mr. Jenks, and upon this basis this House has permitted Mr. Jenks to be sworn in and serve as a Member of this House during the three sessions of the Seventy-fifth Congress.

It is now my purpose to state the facts upon which the contestant seeks to overcome the established facts that I have just related.

Without reference to the detailed reasons that made necessary the recounts by the secretary of state and the State ballot law commission, it can be said that in the final analysis the ballot law commission, upon a recount of the ballots for the entire congressional district, declared Mr. Roy elected by a majority of 24 votes.

It was not until after this that Mr. Jenks was apprised of an apparent discrepancy in the Newton vote. The information came in the form of a telephone message from one of the town officials at Newton—I think it was the moderator; at any rate, the person was not personally known to Mr. Jenks. This official—and I think I am also correct in saying that he was a Democrat—told Mr. Jenks that he should look into the matter, as the total vote announced by the secretary of state and the ballot law commission for the town of Newton was only 424, whereas the records of the election officials at Newton showed 458 had cast ballots. Thus there was a loss of 34 votes; and from a comparison of the tally sheets made by the State officials upon the basis of the 424 ballots before them, and the tally sheets made by the Newton election officials upon the basis of the 458 ballots before them on the evening of election, it was easy to determine that the 34 missing ballots were straight Republican votes.

When this fact became apparent to the ballot law commission they immediately reversed the decision that had declared Mr. Roy elected by 24 votes, and, thereupon declared Mr. Jenks to be elected by 10 votes and accordingly issued to him a certificate of election. It may be interesting to note in this connection that the House Committee on Elections awarded Mr. Jenks an additional 4 votes upon the basis of disagreement with the State commission on the decision it had rendered on certain ballots in dispute.

Thus it can be readily seen that the issue in this case is whether 458 persons voted at Newton on November 3, 1938, as claimed by Mr. Jenks, or only 424 as alleged by Mr. Roy, the contestant.

The sworn testimony of 9 election officers, both Democrats and Republicans, their signed records, poll lists, tally sheets, and so forth, established the fact that 458 persons voted. The contestant, however, takes the position that as only 424 votes were found at the recount, therefore only 424 persons voted. As to the latter there is no corroboration whatsoever other than the presence at a later date of 424 ballots instead of the 458, which 9 election officials testified had actually existed and was confirmed by all the other documentary proof that is part of the election procedure

A remembrance upon your part of the discussion and debate that preceeded the rejection by the House of the committee resolution to unseat Mr. Jenks will make clear that

in the final analysis that the only question that the House considered important or controlling in the decision of the contest was whether 458 or 424 persons had voted. No questions of eligibility or otherwise were considered as having any importance whatever. The sole and only question was as to the number who had voted. If 458 persons voted, then the tally sheets of the election officers of Newton was a record of how and for whom they had voted. If only 424 persons voted, then the tally sheets that were kept by the ballot law commission were a record of how the vote was cast. The House wisely and with rare judgment discerned that the only issue, therefore, was this one of fact, whether 458 or 424 persons had voted. If the former, then Mr. Jenks was duly elected. If the latter, then Mr. Roy was elected.

The substitute resolution—offered by Mr. WILCOX, and adopted by the House—had no other purpose than to obtain the necessary evidence that would establish the number of persons who had voted. A reading of the resolution will confirm this fact. It was as follows:

Mr. WILCOX moves that this resolution be recommitted to the committee; that the committee be, and hereby is, authorized, empowered, and directed to take or cause to be taken the testimony of the 458 Newton residents shown by the town election records to have voted there in person on November 3, 1936, and such further testimony as the committee may consider relevant to better enable it to determine the issue raised by this case; and that the committee be authorized to extend such sums in its investigation as it may deem necessary and report its findings and recommendations to this House at the next session of Congress.

The clarity and distinctness of the resolution does not admit of any doubt as to the duty with which the committee was charged. There was no other question involved than whether 458 residents of Newton had voted in person on November 3, 1936, as shown by the election records.

The committee, accepting the responsibility went immediately, after the adjournment of Congress, to Newton, with the exception of the chairman [Mr. KERR] and the gentleman from Texas [Mr. THOMAS], who did not find it convenient to accompany the committee. The response that followed the committee's announcement that it would sit in the town hall on certain designated days, at fixed times of the day, was one of the most astonishing, and, at the same time encouraging, scenes that I have ever witnessed. It was a little New England town with no streets other than the road that ran through it. A few houses, a store or two, a shop, and then you were out of the town. The inhabitants lived throughout the country on farms, not all of which were easily accessible. And, yet, with nothing other than a postal card notice that the committee would sit in the town hall the day following, these humble, plain, honest, hard-working people, mostly farmers, commenced to arrive with a sense of fulfilling a public duty. Of the total number of 458, whose names appeared on the poll lists as having voted, 436 appeared in person, 8 were unable to attend because of illness or other cause and they were visited by a subcommittee who took their affidavit as to their residence and the fact they had voted at the general election, held on November 3, 1936. Nine had died since the election and the fact that they had voted was established by the testimony of two disinterested witnesses in each case in addition to the election officers. On the last day of our hearings there were only five persons who had not appeared voluntarily. These individuals it was ascertained were away elsewhere temporarily, it being the summer vacation season, and the chairman and committee decided that it would not be necessary to await their return and the committee departed from Newton with every one of the 458 persons accounted for whose names appear on the list of voters at the election of November 3, 1936, with the exception of the 5 I have mentioned, and to make the record of the committee complete, I returned to Newton at a later date as a member of the subcommittee and contacted those 5 and their affidavits are now on file with the committee, testifying to the fact that they voted. Thus, every one of the 458 checked as having voted on the poll lists were accounted for. I am proud of the record that was made by the committee in fulfilling the duty that was assigned to us by the House in August, last. I confess, however, that I am disappointed that the majority report does not reveal this fact and merely adds a paragraph to the report that was filed last August and that merely recites in effect that nothing has occurred to change the viewpoint from the time of the last report.

I will take just a moment or two to discuss questions that have been raised but which in my opinion are extraneous to the real issue in this case. First, it is said that three witnesses appeared who testified that they had not voted although their names were checked as having done so. A brief reference to the facts in each of these cases I am certain will convince any mind that there is no substantial justification for the statement that they did not vote.

The first of these cases was that of a person who appeared before the committee in such a state of intoxication that it was necessary to dismiss him as a witness. He returned the following morning slightly improved but still visibly under the influence of liquor. He testified, in a way, and said that he had not voted on November 3, 1938. Upon further questioning he stated that the reason he knew he had not voted was because he was working for a certain manufacturer at the time and did not leave to vote. The committee seeking further evidence in the matter called as a witness before the committee the employer to whom he had referred. The employer testified that the man did not work for him at the time of the election and had not worked for him since the month of July preceding the November election. A young lady, bookkeeper in the establishment was also present, ready and willing to testify to the same facts that had been testified to by the employer, but the committee did not call her as a witness.

The second case was that of a poor forlorn and greatly distressed woman. Her testimony at no time was positive or of a kind that would convince. She stated that she did not remember voting. She was unwilling to say positively that she did not do so. She merely said something seems to tell me that I did not vote. In answer, however, to a question by a member of the committee, she said, "Well if somebody told me I voted or if my name is down I must have voted." Her name was down that she had voted and the election officers testified she did vote. Information came to some members of the committee that she was under the complete domination of her husband who had the reputation of being brutal to her.

She certainly looked scared and acted all the time as if she was under some great mental strain. She was far from being mentally vigorous and at no time positive in her testimony.

The third case was equally distressing. It was that of a young man who was visibly not of sound mind or memory. It was difficult to obtain answers from him. In fact, his actions on the stand would easily create sympathy for him. His manner would indicate that he was half-witted. I am inclined to think that every member of the committee was inclined to think that such was the case. The explanation of the situation developed from the testimony of the father who, at his own request, was called as a witness to explain the mental condition of his son. Three times during the time that the son was stumbling and mumbling his answers the father requested to be heard. Finally he was called as a witness. He explained to the committee that some years ago his son was in a serious automobile accident and had suffered injuries of his head that had caused him to have lapses of memory very frequently and likewise a muddled mental condition. He explained how he would send the boy to town to make some purchases and the boy would return home having forgotten what he went to purchase. The father concluded his testimony by saying that he knew the boy had voted, as he had accompanied him to the polls. In addition, there was in this case as in the other cases the testimony of the election officers to the same fact.

Thus, the three cases, to which some question is raised, are all of that type that no jury would have taken their testimony as determinative of the fact that was in question and, particularly, would not have done so when to give full faith and credit to their testimony would have meant impeachment of witnesses of character and standing in the community such as the election officers in this case.

The only other question that was raised related to the right of three or four witnesses who were working elsewhere and continued to consider Newton their voting residence. These individuals had returned, some of them year after year, to cast their vote. Not one had ever voted elsewhere, and some continued to hold property and pay taxes in Newton or had relatives living there at whose residence they held their own voting residence.

It should be realized, however, that in all these cases there was no disputing the fact that they had voted and that their names appeared among the 458 whom the records showed had voted. And, as to the question of their right to vote, that was a matter for the election officers to determine under the law of the State of New Hampshire. Neither their right to register or vote had ever been questioned or challenged by anyone. The duty of the committee was fulfilled when it established the fact that they had voted.

Another question that the committee considered and decided was whether the witnesses should be asked for whom they voted or whether they had voted for Members of Congress. The committee, after a full consideration of this question, decided by a vote of 5 to 2 that the committee had no right to ask either question, because it would violate the inalienable right to a secret ballot. Furthermore, it was the opinion of the committee that our duty under the resolution was to determine whether 458 had voted at the general election of 1936 in the town of Newton. If they voted then, the tally sheets at Newton were to be taken as the evidence of how and for whom they had voted.

In conclusion, may I say that the evidence in this case leaves no doubt that 458 residents of the town of Newton voted in the general election of 1936. It is settled by the sworn testimony of 436 residents who appeared in person, by the sworn testimony of 9 election officials. Democrat and Republican, and by all the documentary evidence consisting of poll lists, voting lists, tally sheets, and so forth, confirm and establish the fact that 458 persons voted in the general election of 1936.

To hold that only 424 had voted, it would be necessary to find that the ballots after they left Newton had been safely and securely kept in the sole custody of the secretary of state as required by law, and that there had been no opportunity to destroy the integrity of the ballot box as delivered to the secretary of state by the election officials of Newton. The utter futility of finding in this case that no opportunity existed to tamper with the ballots after leaving Newton is demonstrated by the sworn testimony before the committee. In reference to this matter, it was testified by the secretary of state that, in addition to the key held by him for the room in which the ballots were stored, there were also five or six more keys for the same room in the possession of janitors about the statehouse. It is also significant and worthy of serious consideration that the wrapper and seal that had been placed about the package of ballots by the election officers in Newton had not been preserved by the secretary of state, as required by the election laws of the State of New Hampshire.

There was also another situation, that appeared in the testimony before the committee, with reference to the alleged care that had been taken of the ballots during the recount before the secretary of state. Until the committee called before it at Newton a witness by the name of Roy, who had been a representative of the contestant Roy, it had been understood and claimed in behalf of the contestant that the ballots in the town of Newton had never been outside the range of vision of the secretary of state during the recount. The witness Roy, however, while on the witness stand before the committee explaining a disturbance that had required the secretary of state to order his ejection from the room where the recount was being conducted, testified that the recount of the Newton ballots had not been completed when supper time arrived, and that after the secretary of state and his deputy and the others had left the room he and the others engaged in the recount remained alone in the room. The fact that the secretary of state had not kept the ballots within his custody or control during the recount was surprising, in view of the claims that had theretofore been made, and certainly, with the number of spectators and others present, to slip a number of straight Republican ballots from the pile where they were placed was not at all impossible. This could very easily explain the disappearance of the 34 ballots which are missing from the 458 that had been cast at Newton on the day of election.

If you are unwilling to accept either of the above situations as providing a plausible explanation of the missing ballots, then it would be necessary for you to conclude that at least some of the 436 who appeared and testified that they voted had committed perjury, that the 9 election officers who testified that they had voted had also committed perjury and, in addition thereto, had entered into a conspiracy to falsify the voting lists that recorded those who voted and likewise the tally sheets as to how they had voted.

To come to any such conclusion shocks the conscience and would leave a blot upon the honor and dignity of this House that no partisanship consideration could ever justify.

I shall conclude with the statement I made in the opening of my remarks, namely, the decision of the question now before us involves the honor and dignity of the House, and that a judicial rather than a partisan basis of decision is the only way the honor and dignity of the House can be maintained.

I appeal to you to show today the same spirit of impartial justice that has prevailed through all the history of this House on both sides of the aisle and, on the basis of the facts, permit Mr. Jenks to retain the seat that he has so faithfully and ably filled during the three sessions of Congress that intervened since he took the oath of office at the convening of this Seventy-fifth Congress in January of 1937. [Applause.]

Mr. GIFFORD. Mr. Speaker, I yield 3 minutes to the gentleman from Massachusetts [Mr. LUCE].

Mr. LUCE. Mr. Speaker, 70 years ago contested elections became such a scandal in Parliament that they were turned over to the courts. In 1873 Pennsylvania by constitutional change did the same thing. That ought to be done everywhere.

In this country from 1860 to 1900 the scandal became worse and worse. Republicans and Democrats alike seated their men on account of partisan influences. From 1900 to 1920 improvement grew slowly. There then became chairman of a Republican Election Committee of this House, Frederick W. Dallinger, of Massachusetts, who served as such for years and at the end was able to say there had never come from his committee other than a unanimous report. In my turn, I became chairman of an Election Committee and, while I did not serve as such so long as Mr. Dallinger, I can say the same thing, save in a single instance, where one member, if I remember right, registered dissent. Otherwise the committee was unanimous in refusing to let partisan considerations affect our decisions. There is in this House one of the leading Democrats, one of the oldest Democrats, holding one of the highest positions here, whose seat was saved by the vote of a Republican Elections Committee of which I was chairman.

To the best of my recollection, for 19 years there has not until today been brought into this body an election contest with anything like a partisan flavor. But the signs are now evident.

Mr. Speaker, at this moment there are in the Charles Street Jail, in Boston, men who were high public officials. They are no longer in office, but now reside behind bars because only a few days ago they were convicted of tampering with a jury. I have heard that men in high positions in Washington have been tampering with this jury. In my

own case, in the instance I referred to a moment ago, men high in my party came to me and asked that I unseat a man because he was a Democrat. We refused to do it.

Thank God, my conscience has been at ease every since, and I appeal to the conscience of every man listening to me that he may not cast a vote here today by reason of partisan motives.

[Here the gavel fell.]

Mr. KERR. Mr. Speaker, I yield 20 minutes to the gentleman from Oklahoma [Mr. NICHOLS].

Mr. NICHOLS. Mr. Speaker, much has been said this afternoon, of course, about two gentlemen, one Mr. Jenks and the other Mr. Roy. You have had opportunity to see, become acquainted with, and know Mr. Jenks, but I expect you have never had an opportunity even to see Mr. Roy. He is a mythical person. A description has been given of him in this House by some Members of the House which is not exactly complimentary. Mr. Roy, wearing a blue suit, now sits in the first row in that gallery. Stand up, Mr. Roy.

Mr. SNELL. Mr. Speaker, I make the point of order that is against the rules of the House, and the gentleman ought to know it.

The SPEAKER pro tempore. The gentleman is out of order.

Mr. NICHOLS. Mr. Roy is not permitted to be on the floor.

The SPEAKER pro tempore. The gentleman will proceed in order.

Mr. NICHOLS. I beg the Chair's pardon. I certainly do not want to transgress any rules.

Mr. Speaker, Members of the House, so you may have these facts before you at the time you will be called upon to cast your vote, I am going to toll them off to you in the sequence in which they occurred. I am going to give you dates. Of necessity I will have to cover some ground that has heretofore been covered, but if you will give me your attention, I ask the privilege of unfolding before you the most fantastic and story-book sequence of affairs you have probably ever heard in a contest similar to this.

Mr. COLMER. Mr. Speaker, will the gentleman yield?

Mr. NICHOLS. I am sorry, I have only 20 minutes.

Mr. COLMER. All right; I am as sorry as the gentleman was a while ago.

Mr. NICHOLS. I will say to my distinguished friend from Mississippi that certainly what I did a minute ago was done through pure ignorance. I had no idea it would not be perfectly proper for me to make reference to and show the Members of this House a man whose right to a seat in this body is being contested. I thought surely it would be all right, since he not only was not permitted to make a speech on the floor, as was the contestee, but was not permitted even to sit here, that I was not going outside the province of what was right and just when I asked that he stand so you might view him. If I have offended, I sincerely apologize.

Mr. COLMER and Mr. MICHENER rose.

Mr. NICHOLS. I yield to my distinguished friend, the gentleman from Mississippi.

Mr. COLMER. I may say to the gentleman, I had no desire to reflect upon his referring to the gentleman in the gallery. I was merely saying to my friend in a facetious manner that I was just as sorry that he would not yield to me as he was a while ago that others would not yield to him.

Mr. NICHOLS. If I have misunderstood the gentleman, I am also sorry.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. NICHOLS. I cannot yield. Not a single gentleman on the Republican side has yielded to me this afternoon. I am sorry, I cannot yield.

Mr. O'CONNOR of New York. Mr. Speaker, will the gentleman yield for a remark in connection with the parliamentary procedure?

Mr. NICHOLS. I yield to my friend, the chairman of the Committee on Rules.

Mr. O'CONNOR of New York. Of course, under the rules of the House the distinguished contestant is entitled to the floor at this moment. He should have been invited on the floor.

Mr. MICHENER. That is just what I wanted to say.

Mr. NICHOLS. I decline to yield further, Mr. Speaker.

Follow the dates and the sequence of these events:

On September 15 two gentlemen in New Hampshire were nominated for Congress, one on the Republican and one on the Democratic ticket, Mr. Jenks and Mr. Roy. On November 3, at a general election in the First Congressional District of New Hampshire the official returns showed that Mr. Roy had received 51,370 votes and Mr. Jenks had received 51,920 votes, a plurality for Mr. Jenks of 550 votes.

On November 9, Mr. Roy appealed to the secretary of state and a recount was had. This recount, which was conducted by the secretary of state in the presence of attorneys and inspectors representing both Roy and Jenks, including the son of Mr. Jenks, a political office holder in the State of New Hampshire at that time, disclosed discrepancies in 114 out of 129 voting units in the First Congressional District. As a result of the recount Jenks lost 241 votes. Roy's net gain was 309 and his total gain 550. The recount showed that Mr. Roy had 51,679 and Mr. Jenks 51,679 votes, an exact tie.

Mr. Fuller, the secretary of state, and Mr. Jackson, the assistant secretary of state, are both Republican officeholders.

Mr. Roy appealed to the ballot law commission on December 1, and Mr. Jenks appealed to that commission on Decem 2. From December 2 through December 4 hearings were had before the ballot law commission, and under agreement of all the parties concerned the recount made by the secretary of state was accepted as being correct, with the exception of 108 ballots, which by one party or the other were contested and were laid aside, so that only the 108 ballots were considered at the first hearing of the ballot law commission.

The result of that recount was—Roy 51,694, Jenks 51,678, a net gain for Roy of 17 votes. The second recount, if you please, in which the Democratic nominee had gained votes at the hands of Republican recounters.

The ballot law commission consisted of two Republicans and one Democrat, one being the Republican attorney general elected to that office; the other two, one a Republican and one a Democrat, both appointed by a Republican Governor.

December 2, the ballot law commission ruled—

That of the ballots cast for Representative in Congress for the First Congressional District on the 3d day of November 1936, Mr. Roy received 51,696, Mr. Jenks received 51,678; and Mr. Roy, having the highest number of ballots cast, was duly elected. The commission therefore finds and rules that Alphonse Roy, having received the largest number of votes at the biennial election of November 3, 1936, for the First Congressional District of New Hampshire, he is hereby declared to have been duly elected to the office and entitled to a certification of election.

Under the New Hampshire law the Governor of the State of New Hampshire issues the certificate of election. The Ballot Law Commission of New Hampshire ordered the Governor of New Hampshire to issue to Alphonse Roy a certificate of election. He had no choice in the matter. It was mandatory upon him, but in the face of the mandatory direction of the law, the then Republican Governor, who now serves in another body as a distinguished Republican Senator, sat idly in his chair and for 10 days after he received the order, refused, failed, and neglected to issue a certificate of election to Alphonse Roy, despite the fact that during that 10-day interim he issued to himself a certificate of election as United States Senator from that State. What happened in the 10 days? I do not know. Was my distinguished friend from New Hampshire, Mr. Jenks, importunting the Governor not to issue a certificate to Roy? I do not know.

Mr. JENKS of New Hampshire. Mr. Speaker, will the gentleman yield?

Mr. NICHOLS. I yield.

Mr. JENKS of New Hampshire. I will be very glad to tell the gentleman where the Governor of New Hampshire was at that time.

Mr. NICHOLS. I do not care where the Governor was.

Mr. JENKS of New Hampshire. He was attending a convention of Governors in St. Louis.

Mr. NICHOLS. All right; he was attending a convention of Governors in St. Louis, but during that 10-day interim he had time to issue to himself a certificate of election, and no one will deny that.

On December 8 the Governor was there because Mr. Roy requested of the Governor on December 8 a certificate of election and the Governor refused him. No one has ever yet explained the delay, and months and months and months have passed since the issue was first raised.

On December 14 the Republican candidate for Congress petitions the Republican Governor of New Hampshire, now the Republican Senator, to come to his aid and assistance and give him a rehearing before the ballot law commission and stay the issuance of the election certificate. The petition to the Governor came in the form of a telegram. It was accepted as being in legal form, however, and the Governor granted the stay and sent Roy and Jenks back before the same ballot law commission for another recount, although twice before Roy had been sustained as being the man entitled to this seat.

On December 16 the ballot law commission again started a recount, and this time it was started because the Democratic moderator in the town of Newton had discovered that Mr. Jenks had not got 34 ballots that had been cast down there, and this was the reason the Governor granted him a rehearing—to find out about the 34 ballots. Thus when Roy's attorneys went before the ballot law commission they said the only question here is the 34 ballots in Newton, but the ballot law commission said, "Oh, no; it is not either. We are going to recount all of the ballots now."

So on December 18 the ballot law commission started, and they recounted the 103,000 ballots cast in the election—not just the 34, but the 103,000. Do you know what happened?

For another time another Republican ballot law commission found by the recount that they had to give Roy more votes, and they found 7 more in that recount for him than they had found before, and his majority is now 24 instead of 17. Three times had this boy on the Democratic ticket gone before the recounting boards, and each time had they sent him away and said, "You are entitled to a certificate of election"; and every time they increased his majority.

Finally the ballot law commission said, "It shows you have 24 votes majority after we have counted these ballots three times." "But," they say further, "at this late date we have suddenly determined that the 34 ballots that we knew about away back in November have become the most important thing in this case; so in order to save our Republican friend, on December 18 the ballot law commission said that 34 mythical, mysterious ballots that no one has ever yet admitted seeing were not only cast in the Newton election but went further than that and said that they were cast for Mr. Jenks." No one has ever seen these ballots, but upon that ruling, Mr. Speaker, at the end of four hearings, our distinguished friend from New Hampshire [Mr. JENKS] now occupies his seat in this body upon a margin of 10 votes, 34 of which have never yet been seen.

Mr. BOILEAU. Mr. Speaker, will the gentleman yield?

Mr. NICHOLS. My friend Mr. BOILEAU says there were 34 straight Republican ballots lost, strayed, or stolen. Does it not seem rather peculiar to you—it does to me—that in a recount, ballots half the size of a newspaper, if you please, 34 of them straight Republican ballots, could be picked out from among 453 ballots?

Mr. BOILEAU. Mr. Speaker, will the gentleman yield?

Mr. NICHOLS. Not now.

Mr. BOILEAU. But the gentleman has referred to me and I yielded to him.

Mr. NICHOLS. I decline to yield. It would be very simple if the ballots had been stacked straight party piles, but listen to the testimony of Mr. Jackson, the assistant secretary of state:

Mr. Jackson, what is the first thing done when the ballots are spread open and spread out?

Answer. The ballots are opened and put out in piles in a recount of this kind. Where only two candidates are concerned, they are put in piles by candidates.

Not straight Republican ballots, not straight Democratic ballots, not mixed Republican ballots, not mixed Democratic ballots, but they are put in piles by candidates. Does it not seem rather strange to you that someone could ferret out these 34 straight Republican ballots while the counters were standing there watching in both instances? No one has impeached the seal. I join with my distinguished friend from New Jersey [Mr. WOLVERTON], in saying that no one has yet even started to impeach one of these election officers in their care and protection of these ballots. The contrary has been proven. They were sealed, they were kept inviolate.

There were no ballots taken out of the Newton box. The situation is that the checks got on the check list, but the ballots never got in the ballot box. That is the trouble and all the trouble. Who stole the ballots from my distinguished friend from New Hampshire, Mr. Jenks—who stole them from him? Why, he was in the hands of his friends every step of the way. Everyone who had anything to do with the matter was a Republican. Did his friends deliberately steal from my distinguished colleague? I do not think so. If 34 ballots were stolen, I would be inclined rather to say that the friend probably stole from the man of the opposite political faith rather than to think that he would steal from his own kinsman.

Mr. Speaker, Mr. Jenks took the floor and in an impassioned plea said, "Give me only justice." There is no one here to speak of record for Mr. Roy. If he was entitled to the floor the privilege has not been accorded him. He has not been permitted to lift his voice in this body. So for him, who must be silent, I, too, importune you to give this man only justice and nothing else. [Applause.]

The SPEAKER pro tempore. The time of the gentleman from Oklahoma has expired.

Mr. KERR. Mr. Speaker, I yield the remainder of my time to the gentleman from Texas [Mr. RAYBURN].

Mr. RAYBURN. Mr. Speaker, I always approach a day like this with a feeling of very great misgiving. These contested-election cases, the great many that I have gone through since I have been a Member of Congress, have always given me great pause, because I say to you in candor that I would not vote to unseat a Republican if I thought he had won the election. Being candid with you further, I say that a week ago I had very grave doubts as to the proper vote for me to cast on this question, but in those days I have examined the record. I read with great care this morning the majority report, and then I read again every word of the minority report, and in the mix-up in this election in New Hampshire, with the votes counted once, counted twice, and then, upon the verge of issuing a certificate of election to Mr. Roy, whom I do not know, whom I never saw, there is some kind of a mystery, and 34 supposed ballots appear on the scene. In order to elect Mr. Jenks, each one of these lost ballots must be counted for him, even to win the election by a majority of 10 votes. As the gentleman from North Carolina [Mr. KERR] so well and forcefully said, all of the ballots were in the hands of the friends and political associates of the gentleman from New Hampshire [Mr. Jenks]. With these 34 votes out as they are, lost and unaccounted for up to now, laying them aside, nobody, I think, contends that Mr. Roy did not win the election by a majority of 24 votes. The votes this committee could get its hands on showed that Roy won this election by a majority of 24 votes. Is it necessary that we conclude absolutely and beyond peradventure of doubt that had these 34 votes been found they would all have been for Mr. Jenks? It seems to me it would take a wild stretching of the imagination to say that all of these 34 votes, if they existed, were for Mr. Jenks. Looking at the case in this light, I care not whether there was crookedness on the part of the Republicans or the Democrats in New Hampshire, although I always want to presume that elections are as they should be—clean—and that every man has counted for him and

received every vote that is cast for him, but looking at this case as I must now, having had grave doubts upon it for weeks, I have come to the conclusion that Mr. Roy should be seated as a Member of Congress, and that I should vote to seat him. [Applause.]

The SPEAKER. All time has expired. For the information of the House, the Clerk will again report the resolution.

The Clerk read as follows:

House Resolution 482

Resolved, That Arthur B. Jenks is not entitled to a seat in the House of Representatives in the Seventy-fifth Congress from the First Congressional District of the State of New Hampshire; and be it further

Resolved, That Alphonse Roy is entitled to a seat in the House of Representatives in the Seventy-fifth Congress from the First Congressional District of the State of New Hampshire.

The SPEAKER. Under the unanimous-consent agreement, the previous question is ordered. The question is on agreeing to the resolution.

Mr. SNELL. Mr. Speaker, I demand a division of the two propositions in the resolution, and I ask for the yeas and nays.

The SPEAKER. The gentleman from New York asks for a division of the two propositions involved in the resolution. The gentleman, under the precedents, is entitled to ask for a division of the question.

The question is, Shall the yeas and nays be ordered?

The yeas and nays were ordered.

Mr. DIES. Mr. Speaker, I ask that the resolution be again read.

The SPEAKER. Without objection, the first resolve upon which the vote is to be taken will be again read by the Clerk.

Mr. TOBEY. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The Chair will state to the gentleman from New Hampshire that the previous question has been ordered. The yeas and nays have been ordered on the resolution. The Chair cannot recognize the gentleman under these circumstances for a parliamentary inquiry.

Mr. BOILEAU. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state his point of order.

Mr. BOILEAU. Just a moment ago the Speaker, as the result of a request, ordered that the Clerk again report that part of the resolution to be voted on. It has not been reported.

The SPEAKER. Does the gentleman desire to have the first part of the resolution again reported?

Mr. DIES. That was the request.

Mr. BOILEAU. That was the Speaker's order. It has not been carried out.

The SPEAKER. The Clerk will again read the first resolve of the resolution.

(The Clerk again read the first resolve of the resolution.)

The question was taken; and there were—yeas 214, nays 122, answered "present" 7, not voting 85, as follows:

[Roll No. 101]

YEAS—214

Aleshire	Burch	DeRouen	Forand
Allen, Del.	Caldwell	Dies	Ford, Calif.
Allen, La.	Cannon, Mo.	Dingell	Ford, Miss.
Allen, Pa.	Cannon, Wis.	Disney	Frey, Pa.
Anderson, Mo.	Casey, Mass.	Dorsey	Fries, Ill.
Arnold	Celler	Doxey	Fulmer
Barden	Chapman	Drew, Pa.	Gambrill, Md.
Barry	Citron	Drewry, Va.	Garrett
Bates, Ky.	Claypool	Driver	Gildea
Beam	Coffee, Wash.	Duncan	Gingery
Beiter	Collins	Eberharter	Goldsborough
Biermann	Connery	Eckert	Gray, Ind.
Bland	Cooley	Edmiston	Greenwood
Bloom	Cooper	Eicher	Gregory
Boland, Pa.	Cox	Elliott	Haines
Boren	Cravens	Evans	Hancock, N. C.
Boyer	Creal	Faddis	Harrington
Boykin	Crosby	Farley	Hart
Boylan, N. Y.	Crowe	Ferguson	Havenner
Bradley	Cullen	Fernandez	Healey
Brooks	Cummings	Fitzgerald	Hendricks
Brown	Daly	Flaherty	Hennings
Buck	Deen	Flannagan	Hildebrandt
Buckley, N. Y.	Delaney	Flannery	Hobbs
Bulwinkle	DeMuth	Fleger	Honeyman
Houston	McGehee	Patrick	Smith, Wash.
Hunter	McGranery	Patterson	Smith, W. Va.
Izac	McReynolds	Patton	Snyder, Pa.
Jarman	Magnuson	Peterson, Ga.	Somers, N. Y.
Johnson, LutherA.	Mahon, S. C.	Pfeifer	South
Johnson, Lyndon	Mahon, Tex.	Phillips	Spence
Johnson, Okla.	Martin, Colo.	Rabaut	Sutphin
Kee	Maverick	Ramsay	Swope
Kelly, Ill.	Mead	Ramspeck	Tarver
Kelly, N. Y.	Meeks	Rankin	Terry
Kennedy, Md.	Mills	Rayburn	Thom
Kennedy, N. Y.	Mitchell, Ill.	Rigney	Thomas, Tex.
Keogh	Moser, Pa.	Robertson	Thomason, Tex.
Kerr	Mouton	Rogers, Okla.	Thompson, Ill.
Kirwan	Murdock, Ariz.	Romjue	Transue
Kitchens	Nelson	Ryan	Umstead
Kocialkowski	Nichols	Sabath	Vincent, Ky.
Kopplemann	O'Brien, Ill.	Sacks	Wallgren
Kramer	O'Brien, Mich.	Sanders	Walter
Lambeth	O'Connell, R. I.	Satterfield	Warren
Lanham	O'Connor, N. Y.	Schaefer, Ill.	Wene
Larrabee	O'Leary	Schuetz	West
Lesinski	O'Malley	Schulte	Whittington
Lewis, Colo.	O'Neal, Ky.	Shanley	Wilcox
Long	O'Neill, N. J.	Shannon	Williams
Lucas	O'Toole	Sheppard	Woodrum
Luecke, Mich.	Palmisano	Sirovich	Zimmerman
McCormack	Parsons	Smith, Conn.	
McFarlane	Patman	Smith, Va.	

NAYS—122

Allen, Ill.	Dondero	Kvale	Rutherford
Amlie	Dowell	Lambertson	Sauthoff
Andresen, Minn.	Eaton	Leavy	Schneider, Wis.
Andrews	Engel	Lord	Secrest
Arends	Englebright	Luce	Seger
Bacon	Fletcher	Ludlow	Shafer, Mich.
Barton	Gamble, N. Y.	McKeough	Short
Bates, Mass.	Gavagan	McLaughlin	Simpson
Bell	Gearhart	McLean	Smith, Maine
Bernard	Gehrmann	Maas	Snell
Bigelow	Gifford	Mapes	Sparkman
Boileau	Gilchrist	Martin, Mass.	Stefan
Brewster	Greever	Mason	Taber
Buckler, Minn.	Guyer	Massingale	Taylor, S. C.
Burdick	Gwynne	May	Taylor, Tenn.
Carlson	Halleck	Michener	Teigan
Carter	Hancock, N. Y.	Mott	Thomas, N. J.
Case, S. Dak.	Hartley	Oliver	Tinkham
Chandler	Hill	Pierce	Tobey
Church	Hoffman	Plumley	Treadway
Clason	Holmes	Ponge	Turner
Cluett	Hope	Polk	Wadsworth
Cole, N. Y.	Hull	Powers	Welch
Colmer	Jacobsen	Reece, Tenn.	White, Ohio
Costello	Jarrett	Reed, Ill.	Withrow
Crawford	Jenckes, Ind.	Rees, Kans.	Wolcott
Crowther	Jenkins, Ohio.	Reilly	Wolfenden
Culkin	Johnson, Minn.	Rich	Wolverton
Dempsey	Kinzer	Robsion, Ky.	Woodruff
Dirksen	Kleberg	Rockefeller	
Ditter	Kniffin	Rogers, Mass.	

ANSWERED "PRESENT"—7

Dunn	Jenks, N. H.	Pace	Scott
Griffith	Johnson, W. Va.	Randolph	

NOT VOTING—85

Ashbrook	Gasque	McMillan	Smith, Okla.
Atkinson	Gray, Pa.	McSweeney	Stack
Binderup	Green	Maloney	Starnes
Boehne	Griswold	Mansfield	Steagall
Byrne	Hamilton	Merritt	Sullivan
Cartwright	Harlan	Mitchell, Tenn.	Sumners, Tex.
Champion	Harter	Mosier, Ohio	Sweeney
Clark, Idaho	Hook	Murdock, Utah	Taylor, Colo.
Clark, N. C.	Imhoff	Norton	Thurston
Cochran	Jones	O'Connell, Mont.	Tolan
Coffee, Nebr.	Keller	O'Connor, Mont.	Towey
Cole, Md.	Knutson	O'Day	Vinson, Ga.
Crosser	Lamneck	Owen	Voorhis
Curley	Lanzetta	Pearson	Wearin
Dickstein	Lea	Peterson, Fla.	Weaver
Dixon	Lemke	Pettengill	Whelchel
Dockweiler	Lewis, Md.	Quinn	White, Idaho
Doughton	Luckey, Nebr.	Reed, N. Y.	Wigglesworth
Douglas	McAndrews	Richards	Wood
Fish	McClellan	Robinson, Utah	
Fitzpatrick	McGrath	Sadowski	
Fuller	McGroarty	Scrugham	

So the first resolve of the resolution was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Imhoff (for) with Mr. Reed of New York (against).
Mr. Gasque (for) with Mr. Douglas (against).
Mr. Green (for) with Mr. Lemke (against).
Mr. Steagall (for) with Mr. Fish (against).
Mr. Curley (for) with Mr. Robinson of Utah (against).
Mr. McMillan (for) with Mr. Thurston (against).
Mr. Johnson of West Virginia (for) with Mr. Wigglesworth (against).
Mr. O'Connor of Montana (for) with Mr. Atkinson (against).
Mr. Byrne (for) with Mr. Knutson (against).

Until further notice:

Mr. Cochran with Mr. McGrath.
Mr. Doughton with Mr. Scrugham.
Mr. Fuller with Mr. Mosier of Ohio.
Mr. McClellan with Mr. Clark of Idaho.
Mr. Mansfield with Mr. Weaver.
Mr. Sumners of Texas with Mr. Harlan.
Mr. Peterson of Florida with Mr. Ashbrook.
Mr. Harter with Mrs. O'Day.
Mr. Boehne with Mr. Hook.
Mr. Owen with Mr. Lamneck.
Mr. Coffee of Nebraska with Mr. Dixon.
Mr. Sullivan with Mr. Voorhis.
Mr. Vinson of Georgia with Mr. Luckey of Nebraska.
Mr. Crosser with Mr. Pearson.
Mr. Binderup with Mr. Taylor of Colorado.
Mr. Maloney with Mr. Whelchel.
Mr. Jones with Mr. McAndrews.
Mr. Dickstein with Mr. Hamilton.
Mr. Starnes with Mrs. Norton.
Mr. Quinn with Mr. Cartwright.
Mr. Keller with Mr. Clark of North Carolina.
Mr. Pettengill with Mr. Richards.
Mr. Champion with Mr. Sadowski.
Mr. Lanzetta with Mr. Dockweiler.
Mr. McSweeney with Mr. Gray of Pennsylvania.
Mr. White of Idaho with Mr. Mitchell of Tennessee.
Mr. Wood with Mr. Griswold.
Mr. Fitzpatrick with Mr. Tolan.
Mr. McGroarty with Mr. Cole of Maryland.
Mr. Sweeney with Mr. Lea.
Mr. Murdock of Utah with Mr. O'Connell of Montana.
Mr. Towey with Mr. Lewis of Maryland.
Mr. Wearin with Mr. Stack.

The result of the vote was announced as above recorded.

The SPEAKER. The Clerk will report the second resolve of the resolution.

The Clerk read as follows:

Resolved, That Alphonse Roy is entitled to a seat in the House of Representatives in the Seventy-fifth Congress from the First Congressional District of the State of New Hampshire.

Mr. SNELL. Mr. Speaker, on the second part of the resolution I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 227, nays 109, answered "present" 5, not voting 87, as follows:

[Roll No. 102]

YEAS—227

Aleshire	DeMuth	Hennings	Merritt
Allen, Del.	DeRouen	Hobbs	Mills
Allen, La.	Dies	Honeyman	Mitchell, Ill.
Allen, Pa.	Dingell	Houston	Moser, Pa.
Anderson, Mo.	Disney	Hunter	Mouton
Arnold	Dorsey	Izac	Murdock, Ariz.
Barden	Doxey	Jarman	Nelson
Barry	Drewry, Va.	Jenckes, Ind.	Nichols
Bates, Ky.	Driver	Johnson, Luther A.	O'Brien, Ill.
Beam	Duncan	Johnson, Lyndon	O'Brien Mich.
Beiter	Eberharter	Johnson, Okla.	O'Connell, R. I.
Biermann	Eckert	Jones	O'Connor, N. Y.
Bland	Edmiston	Kee	O'Leary
Bloom	Elliott	Kelly, Ill.	O'Malley
Boland, Pa.	Evans	Kelly, N. Y.	O'Neal, Ky.
Boren	Faddis	Kennedy, Md.	O'Neill, N. J.
Boyer	Farley	Kennedy, N. Y.	O'Toole
Boykin	Fernandez	Keogh	Palmisano
Boylan, N. Y.	Fitzgerald	Kerr	Parsons
Bradley	Flaherty	Kirwan	Patman
Brooks	Flannagan	Kitchens	Patrick
Brown	Flannery	Kniffin	Patterson
Buck	Fleger	Kocialkowski	Patton
Buckley, N. Y.	Fletcher	Kopplemann	Pearson
Bulwinkle	Forand	Kramer	Peterson, Fla.
Burch	Ford, Calif.	Lambeth	Peterson, Ga.
Caldwell	Ford, Miss.	Lanham	Pfeifer
Cannon, Mo.	Frey, Pa.	Lanzetta	Phillips
Cannon, Wis.	Fries, Ill.	Larrabee	Polk
Cartwright	Fuller	Lesinski	Rabaut
Casey, Mass.	Fulmer	Lewis, Colo.	Ramsay
Celler	Gambrill, Md.	Long	Ramspeck
Chapman	Garrett	Luecke, Mich.	Randolph
Citron	Gildea	McCormack	Rankin
Claypool	Gingery	McFarlane	Rayburn
Coffee, Wash.	Goldsborough	McGehee	Richards
Collins	Gray, Ind.	McGranery	Rigney
Connery	Greenwood	McReynolds	Robertson
Cooley	Gregory	McSweeney	Rogers, Okla.
Cooper	Griffith	Magnuson	Romjue
Costello	Haines	Mahon, S. C.	Ryan
Cravens	Hancock, N. C.	Mahon, Tex.	Sabath
Creal	Harlan	Maloney	Sacks
Crosby	Harrington	Martin, Colo.	Sanders
Crowe	Hart	Massingale	Satterfield
Cullen	Havenner	Maverick	Schaefer, Ill.
Daly	Healey	Mead	Schuetz
Delaney	Hendricks	Meeks	Schulte
Secrest	Snyder, Pa.	Thom	Walter
Shanley	Somers, N. Y.	Thomas, Tex.	Warren
Shannon	South	Thomason, Tex.	Wene
Sheppard	Spence	Thompson, Ill.	Whittington
Sirovich	Sutphin	Towey	Wilcox
Smith, Conn.	Swope	Transue	Williams
Smith, Va.	Tarver	Umstead	Woodrum
Smith, Wash.	Taylor, S. C.	Vincent, Ky.	Zimmerman
Smith, W. Va.	Terry	Waligren	

NAYS—109

Allen, Ill.	Engel	Leavy	Schneider, Wis.
Amlie	Englebright	Lord	Seger
Andresen, Minn.	Fish	Luce	Shafer, Mich.
Arends	Gamble, N. Y.	Ludlow	Short
Bacon	Gavagan	McKeough	Simpson
Barton	Gearhart	McLaughlin	Smith, Maine
Bates, Mass.	Gehrmann	McLean	Snell
Bell	Gifford	Maas	Sparkman
Bolleau	Gilchrist	Mapes	Stefan
Brewster	Greever	Martin, Mass.	Taber
Buckler, Minn.	Guyer	Mason	Taylor, Tenn.
Burdick	Gwynne	Michener	Teigan
Carlson	Halleck	Mott	Thomas, N. J.
Carter	Hancock, N. Y.	Oliver	Tinkham
Case, S. Dak.	Hill	Pierce	Tobey
Chandler	Hoffman	Plumley	Treadway
Church	Holmes	Poage	Turner
Clason	Hope	Powers	Wadsworth
Cluett	Hull	Reece, Tenn.	Welch
Cole, N. Y.	Jarrett	Reed, Ill.	White, Ohio
Cox	Jenkins, Ohio	Rees, Kans.	Withrow
Crawford	Johnson, Minn.	Reilly	Wolcott
Crowther	Kinzer	Rich	Wolfenden
Culkin	Kleberg	Robsion, Ky.	Wolverton
Dirksen	Knutson	Rockefeller	Woodruff
Dondero	Kvale	Rogers, Mass.	
Dowell	Lambertson	Rutherford	
Eaton	Lamneck	Sauthoff	

ANSWERED "PRESENT"—5

Bigelow	Johnson, W. Va.	Pace	Scott
Dunn			

NOT VOTING—87

Andrews	Dockweiler	Lewis, Md.	Sadowski
Ashbrook	Doughton	Lucas	Scrugham
Atkinson	Douglas	Luckey, Nebr.	Smith, Okla.
Bernard	Drew, Pa.	McAndrews	Stack
Binderup	Eicher	McClellan	Starnes
Boehne	Ferguson	McGrath	Steagall
Byrne	Fitzpatrick	McGroarty	Sullivan
Champion	Gasque	McMillan	Sumners, Tex.
Clark, Idaho	Gray, Pa.	Mansfield	Sweeney
Clark, N. C.	Green	May	Taylor, Colo.
Cochran	Griswold	Mitchell, Tenn.	Thurston
Coffee, Nebr.	Hamilton	Mosier, Ohio	Tolan
Cole, Md.	Harter	Murdock, Utah	Vinson, Ga.
Colmer	Hartley	Norton	Voorhis
Crosser	Hildebrandt	O'Connell, Mont.	Wearin
Cummings	Hook	O'Connor, Mont.	Weaver
Curley	Imhoff	O'Day	West
Deen	Jacobsen	Owen	Whelchel
Dempsey	Jenks, N. H.	Pettengill	White, Idaho
Dickstein	Keller	Quinn	Wigglesworth
Ditter	Lea	Reed, N. Y.	Wood
Dixon	Lemke	Robinson, Utah	

So the second resolve of the resolution was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Imhoff (for) with Mr. Reed of New York (against).
Mr. Gasque (for) with Mr. Douglas (against).
Mr. Green (for) with Mr. Lemke (against).
Mr. Curley (for) with Mr. Robinson of Utah (against).
Mr. McMillan (for) with Mr. Thurston (against).
Mr. Johnson of West Virginia (for) with Mr. Wigglesworth (against).
Mr. O'Connor of Montana (for) with Mr. Atkinson (against).
Mr. Steagall (for) with Mr. Andrews (against).
Mr. Byrne (for) with Mr. Ditter (against).

General pairs:

Mr. Cochran with Mr. McGrath.
Mr. Doughton with Mr. Scrugham.
Mr. McClellan with Mr. Clark of Idaho.
Mr. Mansfield with Mr. Weaver.
Mr. Sumners of Texas with Mr. Bernard.
Mr. Harter with Mrs. O'Day.
Mr. Boehne with Mr. Hook.
Mr. Coffee of Nebraska with Mr. Dixon.
Mr. Ashbrook with Mr. Owen.
Mr. Sullivan with Mr. Voorhis.
Mr. Vinson of Georgia with Mr. Luckey of Nebraska.
Mr. Binderup with Mr. Taylor of Colorado.
Mr. Crosser with Mr. Whelchel.
Mr. Dickstein with Mr. Hamilton.
Mr. McAndrews with Mr. Colmer.
Mr. Starnes with Mrs. Norton.
Mr. Quinn with Mr. Deen.
Mr. Keller with Mr. Clark of North Carolina.
Mr. Pettengill with Mr. Drew of Pennsylvania.
Mr. Champion with Mr. Sadowski.
Mr. Dockweiler with Mr. Cummings.

Mr. Gray of Pennsylvania with Mr. Eicher.
Mr. White of Idaho with Mr. Mitchell of Tennessee.
Mr. Wood with Mr. Griswold.
Mr. Fitzpatrick with Mr. Tolan.
Mr. McGroarty with Mr. Cole of Maryland.
Mr. Sweeney with Mr. Lea.
Mr. Murdock of Utah with Mr. O'Connell of Montana.
Mr. Lewis of Maryland with Mr. Dempsey.
Mr. Wearin with Mr. Stack.
Mr. Smith of Oklahoma with Mr. Jacobsen.
Mr. Lucas with Mr. Hartley.
Mr. Ferguson with Mr. May.
Mr. West with Mr. Hildebrandt.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL ANNOUNCEMENTS

Mr. FISH. Mr. Speaker, the bells did not ring on the first roll call. In view of that fact, I ask unanimous consent that the gentleman from Minnesota, Mr. KNUTSON, and I may be permitted to vote "nay" on the first roll call.

The SPEAKER. The Chair cannot entertain a unanimous-consent request for that purpose.

Mr. FISH. I want the RECORD to show we would have voted "nay."

The SPEAKER. The Chair will, of course, recognize the gentleman to state how he would have voted had he been present.

Mr. FISH. Mr. Speaker, the gentleman from Minnesota, Mr. KNUTSON, and I would have voted "nay" on the first roll call. We were absent because the bells did not ring on our floor.

Mr. LAMNECK. Mr. Speaker, I experienced the same difficulty at my office and did not hear the bell at all. As I understand, the bell did not ring. Had I been present, I would have voted "nay" on the first roll call.

Mr. MERRITT. Mr. Speaker, the bell for the first roll call did not ring at my office. Had I been present, I would have voted "yea" on that roll call.

Mr. JOHNSON of West Virginia. Mr. Speaker, the gentleman from Massachusetts, Mr. WIGGLESWORTH, is absent today and could not be here while the resolution we have just passed was being considered. Had the gentleman from Massachusetts been present, he would have voted "nay" on both roll calls. If I had been permitted to vote, I should have voted "yea."

SWEARING IN OF A MEMBER

Mr. ROY appeared at the bar of the House and took the oath of office.

ASA C. KETCHAM

Mr. KENNEDY of Maryland. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 738) for the relief of Asa C. Ketcham, with a Senate amendment thereto, and concur in the Senate amendment.

Mr. SNELL. Mr. Speaker, I object.

Mr. KENNEDY of Maryland. Will the gentleman withhold his objection?

Mr. SNELL. You have done enough to us this afternoon, and you are not going to do any more tonight.

MESSAGE FROM THE PRESIDENT—INTERNATIONAL LABOR ORGANIZATION

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Foreign Affairs:

The Congress of the United States of America:

The Congress, by a joint resolution approved June 19, 1934, authorized me to accept membership for the Government of the United States in the International Labor Organization. Pursuant to that authorization I accepted such membership on behalf of the Government of the United States.

Representatives of this Government and of American employers and American labor attended the twenty-third session of the International Labor Conference held at Geneva, June 3 to 23, 1937.

That Conference adopted four draft conventions and seven recommendations, to wit:

The recommendation (No. 50) concerning international cooperation in respect of public works.

The recommendation (No. 51) concerning the national planning of public works.

The draft convention (No. 59) fixing the minimum age for admission of children to industrial employment (revised 1927).

The draft convention (No. 60) concerning the age for admission of children to nonindustrial employment (revised 1937).

The recommendation (No. 52) concerning the minimum age for admission of children to employment in family undertakings.

The draft convention (No. 61) concerning the reduction of hours of work in the textile industry.

The draft convention (No. 62) concerning safety provisions in the building industry.

The recommendation (No. 53) concerning safety provisions in the building industry.

The recommendation (No. 54) concerning inspection in the building industry.

The recommendation (No. 55) concerning cooperation in accident prevention in the building industry.

The recommendation (No. 56) concerning vocational education for the building industry.

No action by the Congress appears necessary in connection with the recommendation (No. 50) concerning international cooperation in respect of public works. The United States Government already has indicated its readiness to cooperate in the work of an international committee, and a representative of the Government will be appointed to attend its first sitting. The various branches of the Government will be prepared to communicate annually to such a committee statistical and other information concerning public works already undertaken or planned.

The United States Government has already endorsed the principle of stabilizing public works, contained in the recommendation (No. 51) concerning the national planning of public works, and is endeavoring to put that principle into practice. The terms of the recommendation embrace many proposals which the United States is already applying.

The standards stipulated in the draft convention (No. 59) fixing the minimum age for admission of children to industrial employment (revised 1937) the draft convention (No. 60) concerning the age for admission of children to nonindustrial employment, and the recommendation (No. 52) concerning the minimum age for admission of children to industrial employment in family undertakings are considerably below those generally prevailing in the United States.

The draft convention (No. 61) concerning the reduction of hours of work in the textile industry is the subject of a separate message which I am addressing to the Senate.

The principles set forth in the draft convention (No. 62) concerning safety provisions in the building industry, the recommendation (No. 53) concerning safety provisions in the building industry, the recommendation (No. 54) concerning inspection in the building industry, the recommendation (No. 55) concerning cooperation in accident prevention in the building industry, and the recommendation (No. 56) concerning vocational education for the building industry are presented for the consideration of the Congress in connection with its consideration of legislation now before it designed to promote safety in the building industry.

In becoming a member of the International Labor Organization and subscribing to its constitution this Government accepted the following undertaking in regard to such draft conventions and recommendations:

Each of the members undertakes that it will, within the period of 1 year at most from the closing of the session of the conference, or if it is impossible owing to exceptional circumstances to do so within the period of 1 year, then at the earliest practicable moment and in no case later than 18 months from the closing of the session of the conference bring the recommendation or draft convention before the authority or authorities within whose competence the

matter lies, for the enactment of legislation or other action (art. 19 (405), par. 5, Constitution of the International Labor Organization).

In the case of a federal state, the power of which to enter into conventions on labor matters is subject to limitations, it shall be in the discretion of that government to treat a draft convention to which such limitations apply as a recommendation only, and the provisions of this article with respect to recommendations shall apply in such case (art. 19 (405), par. 9, Constitution of the International Labor Organization).

In accordance with the foregoing undertaking the above-named four draft conventions and seven recommendations are herewith submitted to the Congress with the accompanying report of the Secretary of State, and its enclosures, to which the attention of the Congress is invited.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 9, 1938.*

[Enclosures:

1. Report of the Secretary of State.
2. Authentic texts of the four draft conventions and seven recommendations adopted by the International Labor Conference at its twenty-third session.
3. Report of the Secretary of Labor.
4. Report of the Secretary of the Treasury.
5. Report of the Federal Emergency Administrator of Public Works.]

CONDITIONS FOR THE PURCHASE OF SUPPLIES AND THE MAKING OF CONTRACTS BY THE UNITED STATES

The SPEAKER laid before the House the following request from the Senate of the United States:

Ordered, That the Secretary be directed to request the House of Representatives to return to the Senate the bill (S. 2165) to amend the act entitled "An act to provide conditions for the purchase of supplies and the making of contracts by the United States, and for other purposes."

The SPEAKER. Without objection, the request will be granted.

There was no objection.

EXTENSION OF REMARKS

Mr. O'TOOLE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a speech made by the Honorable Henry Ward Beer before the Federal Bar Association.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KENNEDY of New York. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a speech made by me before the New York Chamber of Commerce last evening in New York.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

THE DEPRESSION—THE CAUSE AND THE REMEDY

Mr. GRAY of Indiana. Mr. Speaker, I ask unanimous consent to address the House for one-half minute.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

THIRD: THE CAUSE OF THE WORLD DEPRESSION

Mr. GRAY of Indiana. Mr. Speaker and fellow Members of Congress, during the Great World War crisis the bankers and financiers of all the nations had loaned to their countries large sums of money with which to finance and carry on the conflict, and they had also bought vast war claims with money which after the war they called cheap money, and which means money under higher prices and commodity values.

LENDERS DID NOT WANT TO BE PAID BACK IN THE SAME MONEY AS LOANED

But when the war was over, won or lost to the nations, these war debt holders did not want to be paid back in the same money or of the same value as loaned or paid. They wanted to be paid back in dollars or monetary units, in money of double or three times the value of the dollars of monetary units loaned or paid. They wanted to be paid back in money of higher value than loaned.

LENDERS ORGANIZE ASSUMING ONLY CURRENCY REFORM

This international bond banker's syndicate to change and increase the value of money was carried on as promoting and going along with a world currency readjustment and reform movement, but always directing a change of money from a lower to double and treble its value, under color of restoring and stabilizing the gold standard.

THE INTERNATIONAL GOLD STANDARD

Reestablishing the so-called international gold standard under the new conditions brought on by the war required the contraction of money in all the nations, separately ordered in each country of the world by directing and controlling the fiscal policy of the different nations of the earth through control of their rulers or parliaments and securing their decrees ordering the changes.

These lending bankers were the great financiers of their countries here, in Europe, and scattered all over the world. They were shrewd, alert, resourceful businessmen, and like other modern businessmen they organized, as our own bankers and manufacturers organize, to advance their own interests and for greater profits. These World War bankers and World War debt claim holders organized to make their bonds payable in higher money.

During the war the nations involved had gone off the gold standard in issuing a greater amount of money, which increased amount had lowered money values or had made all prices and all values higher. This money of lower value was the money loaned by the financiers. And unless the money of the nations was changed the bonds would be paid back in the same money as loaned.

LENDERS ORGANIZED DURING THE WAR

These bankers had maintained an association during the continuance or progress of the great war, and they were organized to urge their claims for payment in a higher-valued money, even at the time or before the armistice, and began their negotiations with their nations, as it was, the day after peace was signed.

It has been said that the bankers of America, on their way across the Atlantic Ocean to meet the European bankers and war claim holders, met and passed in midocean the transport ships from France returning the remnant of American soldiers to their homes back in America.

MONEY LENDERS MET ABROAD

During the course of these negotiations with the nations to change the money in which their bonds were paid, these bankers and financiers met in Brussels in 1920 and then later in Genoa, Italy, and elsewhere, sometimes in the great metropolis of New York and sometimes in their palatial steamers in midocean, always on the same errand—to change the value of money.

Little is known about the secret compact of the World War bond and claim holders, except that the movement was initiated and led by the bankers of our own Federal Reserve System who had become the money masters of the world, the dictators of international finance, from their earnings and profits from the war.

WORLD CURRENCY REFORM

The international bond bankers' movement to change and increase the value of money was carried on as promoting and going along with a world currency readjustment and reform movement, but always directing a change of money from a lower to double and treble its value, under color of restoring and stabilizing the gold standard.

REESTABLISHING THE INTERNATIONAL GOLD STANDARD

Reestablishing the so-called international gold standard, under the new conditions brought by the war, required the contraction of money in all the nations, separately ordered in each country of the world by directing and controlling the fiscal policy of the different nations of the earth through

control of their rulers or parliaments and securing their decrees ordering the changes.

The withering panic resulting here from the contraction and destruction of money was followed in the trail and wake of a like contraction and destruction of money and public currency in every nation of Europe and the World until all were brought to the depths of depression.

A GENTLEMAN'S AGREEMENT

The precise form of the gentlemen's agreement under which this world financial movement was carried on may never have been reduced to writing and may never be known to the outside world, under which the deluded and unsuspecting nations were left writhing in panic and depression, and misled to believe the panic was "a mystery."

It was under this claim of world "currency reform," "sound money" and an "honest monetary unit," but to increase, double, and treble the value of war-debt bonds and claims, that the gold standard was to be restored by which means, to multiply the value of all money in which these bonds and claims were to be paid.

The progress of this world money-mad movement, assuming to restore the international gold standard, can be traced and followed abroad from the shores of our own America, step by step, leading out upon the earth, like an organized army of conquest and subjugation following from one nation to another as invaded.

And each nation was led to give up in submission and to surrender its powers over money and to yield to the claims and demands of the World War bond- and debt-claim holders for the retirement and destruction of its money under which to corner the gold of the earth and monopolize the world's supply of money.

RESULTED IN A PARADOX

These efforts and final accomplishments have resulted in a paradox of cause and effect. The bankers undertook by restoring the gold standard to take more from the people than they could pay, and the depression resulting from the change of money has brought on a world-wide crisis and revolt and led every nation, in fact, to reject the use of gold as money.

In this attempt to force back upon the people a perverted, changed international gold standard whereby to double and treble the value of the war debt bonds and claims, the war debt bond and claim holders brought on an international disorder of industry and wrecked the economic world.

A PLAN CONSIDERED INCONCEIVABLE

But some will say this is inconceivable, this is unbelievable, that all the nations of the world could be led or misled to participate in such a cruel, conspiring money movement, to call in and destroy one-half or more of the people's money, all to double the value of war debt bonds and claims and increase their value upon their taxpaying subjects.

And such a scheme to be mapped or laid out, such a deliberate criminal course of action conceived, planned, and carried out upon the most intelligent and civilized nations, may appear to shock the conscience of men as impossible, inconceivable, unbelievable, and as against all probable presumptions of reasons.

Yet there are the facts standing out to convict the leadership of the civilized nations of equal credulity and dense stupidity with savage, barbarous chiefs who are induced to sell a few of their vassal subjects for a brass or glittering toy or trinket.

BUT NOT SO DIFFICULT TO BELIEVE

But it is not so hard to accept and believe when we know more of the leaders, more of the rulers who control the nations, more of the men who direct the affairs of the State, and who negotiate with international traders and bargain their subjects and territory in chance and gambling exchange agreements.

Oxensenjerna, a great Swedish chancellor, in addressing his favorite son, before leaving on a tour of the world, said: "Go forth, my son, and view the nations and see by what fools the world is governed."

And further significant are the words from the great and immortal Shakespeare, "Some men are born great, some men achieve greatness, and some men have greatness thrust upon them."

And so it is when we know more of and about the personalities and characters of the rulers and the members of the different national parliaments as men who think only to follow a leader. Then the accomplishments of the international financiers, in carrying their designs to a successful conclusion, do not appear so impossible or improbable as otherwise might appear.

THE CANCELLATION AND DESTRUCTION OF MONEY

It was this cancelation and destruction of the money of the nations which multiplied the value of war-debt claims, and all debts and taxes upon the people until the debt obligations to be paid were increased to a greater amount in value than all the property and earnings of the people.

It was this covered movement of international financiers to double and treble the value of their war-debt bonds, by changing the value of money in all the countries with the cooperation of our Federal Reserve bankers here, which has brought about all the suffering here in our own country as well as in other nations, multiplying debts and taxes upon the people, forcing them into foreclosures and bankrupt proceedings.

It was this contraction and destruction of the world supply of money and the multiplication of debts and taxes that made it impossible for the people of the foreign nations of the world to meet and pay their war-debt claims due us and making impossible individual debts as well.

And as it was the withdrawal and destruction of the money of foreign nations which made it impossible for them to pay the war-debt claims to this and other countries, so it was the same contraction and destruction of the money in this country brought on this Nation that has made it impossible here for our farmers and home owners to pay their mortgages.

THE MOVEMENT CARRIED TO OTHER NATIONS

This movement undertaken or attempted was to restore the so-called gold standard not only among the World War nations and our own, but to be carried to other nations as well. To India, China, Indo-China, and the Orient, and to establish the same standard of money in other systems and where never existed before.

When the want, distress, and affliction is shown, the woe, the anguish and despair, the sadness, humiliation, and heartaches, from the loss of property, savings, and homes; the crushing multiplication of debts and taxes suffered by the stricken people of Europe in the attempt to force the gold standard upon them—when this vandalism of human welfare is shown, the blackest chapter of the crime of the ages will not have been written, the darkest picture of the world industrial crisis will not have been portrayed, the story of the foulest and most diabolical conspiracy carried out in criminal indifference and in wanton and disregard of human welfare and hope will not have been told.

The attempt and efforts to change the money and to force the international gold standard upon the nations and peoples who were not involved in the World War was fraught with even greater havoc and destruction of human happiness and welfare than upon the nations engaged in the conflict.

This was especially marked and true of the silver-using nations of the Orient, when the gold standard was forced upon them by melting up and destroying their silver money, their only money for long centuries of time, representing their only buying and consuming power and in which billions in savings were held.

The human mind fails to grasp the enormity of the crime, the magnitude of the disaster which human gluttony, avarice, and greed have brought upon this defenseless, this helpless race of men.

WHAT THE WITNESSES SAY

Radio time will only permit me to call but three of the thousands of witnesses to testify.

E. Kann, international authority on currencies of China and the Orient, at the time said:

The sale by the governments (Great Britain in India, referring to melting up silver in India) has been a black cloud overhanging the silver market like an angel of death.

John B. Walker, a correspondent of the New York Times, then in and writing from China, said:

The effect upon India and China will never be known in its fullest horrors. The immediate depreciation of the only stock of money, silver, stopped trade and starved whole provinces. It caused millions of deaths.

H. G. Stevens, former Secretary of the Treasury of the Dominion of Canada, addressing the Canadian Legislature, said:

In fact, millions on millions in China during the present year have died, largely on account of the inadequacy of their purchasing power (meaning the value of their money).

One billion people in the Orient in China, in India, in the Malay States, are deprived of two-thirds of their purchasing power by the actions of the nations (in melting up and destroying silver as money).

I can only point out the ghastly scenes for the eye to witness.

I can only call to the ear, to listen to the sobs of anguish, the dying.

I can only pray to the tongue to describe and tell.

I can only call to witness the wreckage of human welfare and life, the world calamity and disaster befalling the helpless race of men in the gloom and darkness of appalling death, following in the way and wake of this mad, desperate drive for wealth, riches, and money.

THE WORLD PANIC HAS BEEN CONTINUOUS

This world industrial depression has now continued in this country for 18 years, and the 1929 panic and this 1937 depression are relapses of the same economic disorder, and with the relief rolls growing in the millions and unemployment still further increasing, there should be no adjournment nor recess of Congress.

CONGRESS DID NOT ADJOURN

To adjourn or recess Congress now, with 14,000,000 unemployed and increasing, with 20,000,000 clamoring on the relief rolls, with the spirit of unrest rising in the land, with foreign organizations everywhere forming to urge relief by dictators and arbitrary rule, to adjourn or recess Congress now will be negligence and disregard of public duty and a menace to the security of our free institutions.

I repeat again in this address tonight to adjourn or recess now without a positive or certain remedy on the way will be temporizing with our forms of democracy, will be parleying with our free institutions, will be toying with chaos and disorder, will be preparing the way for designing men to prey upon the suffering, toiling masses and mislead them to change the form of their Government.

To say now that depressions are unsolvable mysteries after our solemn pledge to the people of relief after 6 years of opportunity to provide a remedy, after trial and experiment at the cost of billions, will be justly construed by the people as a maneuver to evade responsibility or as a cowardly mental retreat.

This Congress should not adjourn nor recess until a more certain and positive remedy is provided and until actual relief and permanent recovery has been started and is assured and on the way.

SWEDISH-AMERICAN THREE HUNDREDTH ANNIVERSARY CELEBRATION

Mr. MAGNUSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. MAGNUSON. Mr. Speaker, the largest celebration of any racial unit in the United States, the Swedish-American Tercentenary, will be held on June 27, 28, 29, and 30 of this year, in Delaware, Pennsylvania, and New Jersey. In its final stages, however, it will be participated in by all Swedish-Americans in the North, South, East, and West of our Nation. It is altogether fitting and proper that we should take cognizance of this occasion.

When William Penn settled his countrymen in the regions which later came to be called Pennsylvania, the newcomers were received by Europeans whose homes had been established on the Delaware almost half a century before. Of these Swedish folk Penn wrote—

They are a plain, strong, industrious people. They kindly received me. * * * I must needs commend their respect to authority and kind behavior to the English. As they are a people proper and strong of body, so have they fine children, and almost every house full; rare to find one of them without three or four boys, and as many girls; some six, seven, and eight sons. And I must do them that right—I see few young men more sober and industrious.

Swedish-American history is a long story which actively began with the coming of the first band of immigrants from Sweden to America in 1638. They are parts of the bone and sinew of two of the original States—Delaware and Pennsylvania. There is not a single one of the 48 Commonwealths today which does not count the children of Sweden among its welcome citizens.

The Swedish period of colonization began with one of the greatest men in European history, Gustavus Adolphus, King of Sweden, who, in 1624, formed a plan of planting the Swedish flag on the American Continent alongside the English and the Dutch. Alongside the *Mayflower*, first ship to Plymouth, and the *Arbella*, of the Massachusetts fleet, must always be reckoned in the annals of American colonization, the *Kalmar Nyckel* and the *Grip*, which, in march 1638, landed a little company of colonists at the New Sweden Rock, now Wilmington.

Three hundred years have passed since Gustavus Adolphus conceived the idea of a New Sweden on the shores of America, and planted a colony whose descendants have contributed much to the life of the United States. The test of the loyalty of the Swedes to their colonial governments came in 1775. They stood manfully with their brethren of other countries. The Swedish-Americans stand out among all the races in the storm and stress of the Revolutionary period. Men and women of Swedish stock shared in the anxieties and helped to make the decisions in the great crisis of the Revolution.

For nearly 50 years after the Revolution immigration of all kinds was light and Swedish immigrants were very few. Down to the Civil War few Swedes were to be found anywhere in the Eastern States. Two hundred years after the colonization on the Delaware, a new stream began to flow from the ancient towns and villages of Sweden toward the New World in the west. When the Civil War broke out in 1861 the Swedes showed more intelligent interest in the struggle than many of their neighbors of English and other races. The Swedish-Americans gave their own services and fought for their own country. Next to no Swedes lived in the South, and the outstanding military men in the northern army were not numerous.

By this time, the Swedish-Americans had achieved their goal of the valley of the Mississippi. Into Illinois and Iowa and Minnesota had they come, first by the hundreds and then by the thousands. By 1880 over 100,000 Swedish men and women had found homes in Illinois, Iowa, and Minnesota, while other thousands had gone into Kansas, Nebraska, and other States. The latest census reveals that one and one-half million people of Swedish ancestry have entered into the social body which is the American people. The New Sweden in America which Gustavus Adolphus dreamed of 300 years ago has been realized in a manner which none in his generation could have fancied.

The Swede is an individualist and has an intensely developed sense of personal rights; hence his feeling of individual ownership is strong. He has a high respect for property rights and an innate feeling for the difference between "mine

and thine." The result is a proverbial honesty which is always mentioned as his distinctive attribute. The Swede is often serious-minded, although he seldom becomes morose. He is generally of an even temperament and in times of stress he usually keeps his balance and is generally not easily influenced by sentimental appeals to partisanship. Religion, founded on meditation and deep personal conviction, is an inborn trait, and often gives a key to his character and his career. Love of music is his most pronounced artistic trait. Vitality and ability to work are also characteristics of the Swede. Work is a necessary prerogative to his happiness. He is more industrious than the majority, but not always saving. As a race, the Swedes possess rare mechanical ability. They have a special aptitude for natural sciences, and as a race have, perhaps, furnished more than their share of preminent scientists in many fields. They are great organizers and natural leaders of men, although somewhat shy and generally modest and retiring, Col. Charles Lindbergh being a notable exponent of this Swedish characteristic. Another pronounced trait of the Swede is his adaptability to new surroundings and ready accommodation to new and strange conditions. Sweden becomes a beautiful dream, but his interests are here, his home henceforth in America, the land where his children will live and die. There are no more patriotic and loyal citizens within the confines of the 48 States than the citizens of Swedish descent.

Mr. Speaker, no comprehensive record is here attempted of that great race of Americans—Swedish-Americans, if you please. I am grateful for the privilege and the honor of bringing to the attention of this distinguished body the occasion of the observance of the tercentenary of the coming of the Swedish colonists to this great country of ours and thus keep alive the flame of the accomplishments of Swedish-Americans. [Applause.]

EXTENSION OF REMARKS

Mr. BACON. Mr. Speaker, I ask unanimous consent in connection with an extension of my remarks to quote from a brief article.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 3516. An act to alter the ratio of appropriations to be apportioned to the States for public employment offices affiliated with the United States Employment Service; to the Committee on Labor.

S. 3798. An act to amend the act entitled "An act to establish a Civilian Conservation Corps, and for other purposes," approved June 28, 1937; to the Committee on Labor.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills and joint resolutions of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 1252. An act for the relief of Ellen Kline;

H. R. 1476. An act for the relief of Mrs. W. E. Bouchey;

H. R. 1737. An act for the relief of Marie Frantzen McDonald;

H. R. 1744. An act for the relief of Grant H. Pearson, G. W. Pearson, John C. Rumohr, and Wallace Anderson;

H. R. 2347. An act for the relief of Drs. M. H. DePass and John E. Maines, Jr., and the Alachua County Hospital;

H. R. 3313. An act for the relief of William A. Fleek;

H. R. 4033. An act for the relief of Antonio Masci;

H. R. 4232. An act for the relief of Barber-Hoppen Corporation;

H. R. 4304. An act for the relief of Hugh O'Farrell and the estate of Thomas Gaffney;

H. R. 4544. An act to divide the funds of the Chippewa Indians of Minnesota between the Red Lake Band and the remainder of the Chippewa Indians of Minnesota, organized as the Minnesota Chippewa Tribe;

H. R. 4668. An act for the relief of James Shimkunas;

H. R. 5166. An act to relinquish the title or interest of the United States in certain lands in Houston (formerly Dale) County, Ala., in favor of Jesse G. Whitfield or other lawful owners thereof;

H. R. 5592. An act to amend an act entitled "An act extending the homestead laws and providing for right-of-way for railroads in the District of Alaska, and for other purposes," approved May 14, 1898 (30 Stat. 409, 414);

H. R. 5904. An act for the relief of L. P. McGown;

H. R. 5957. An act for the relief of LeRoy W. Henry;

H. R. 6243. An act to authorize a survey of the old Indian Trail and the highway known as Oglethorpe Trail, with a view of constructing a national roadway on this route to be known as "The Oglethorpe National Trail and Parkway";

H. R. 6404. An act for the relief of Martin Bevilacque;

H. R. 6508. An act for the relief of Gladys Legrow;

H. R. 6646. An act for the relief of Dr. A. J. Cottrell;

H. R. 6689. An act for the relief of George Rendell, Alice Rendell, and Mabel Rendell;

H. R. 6847. An act for the relief of the Berkeley County Hospital and Dr. J. N. Walsh;

H. R. 6936. An act for the relief of Joseph McDonnell;

H. R. 6950. An act for the relief of Andrew J. McGarraghy;

H. R. 7040. An act for the relief of Forest Lykins;

H. R. 7421. An act for the relief of E. D. Frye;

H. R. 7548. An act for the relief of J. Lafe Davis and the estate of Mrs. J. Lafe Davis;

H. R. 7590. An act to quiet title and possession to certain islands in the Tennessee River in the counties of Colbert and Lauderdale, Ala.;

H. R. 7639. An act for the relief of Al D. Romine and Ann Romine;

H. R. 7734. An act conferring jurisdiction upon the United States District Court for the Southern District of Ohio to hear, determine, and render judgment upon the claim of A. L. Eldridge;

H. R. 7761. An act for the relief of Sibbold Smith;

H. R. 7817. An act for the relief of C. G. Bretting Manufacturing Co.;

H. R. 7834. An act to amend the act entitled "An act to provide compensation for disability or death resulting from injuries to employees in certain employments in the District of Columbia, and for other purposes";

H. R. 7855. An act for the relief of Frieda White;

H. R. 7880. An act to amend the Veterans' Regulation No. 10 pertaining to the "line of duty" for peacetime veterans, their widows, and dependents, and for other purposes;

H. R. 7933. An act to facilitate the control of soil erosion and/or flood damage originating upon lands within the exterior boundaries of the San Bernardino and Cleveland National Forests in Riverside County, Calif.;

H. R. 7998. An act for the relief of The First National Bank & Trust Co. of Kalamazoo, Kalamazoo, Mich.;

H. R. 8134. An act to quiet title and possession to certain lands in the Tennessee River in the counties of Colbert and Lauderdale, Ala.;

H. R. 8192. An act for the relief of Herbert Joseph Dawson;

H. R. 8193. An act for the relief of the Long Bell Lumber Co.;

H. R. 8252. An act to quiet title and possession to a certain island in the Tennessee River in the county of Lauderdale, Ala.;

H. R. 8376. An act for the relief of James D. Larry, Sr.;

H. R. 8543. An act for the relief of Earl J. Lipscomb;

H. R. 8565. An act defining the compensation of persons holding positions as deputy clerks and commissioners of United States district courts, and for other purposes;

H. R. 8665. An act to amend section 3336 of the Revised Statutes, as amended, pertaining to brewers' bonds, and for other purposes;

H. R. 8729. An act granting pensions and increases of pensions to needy war veterans;

H. R. 8773. An act to authorize the Secretary of the Interior to dispose of surplus buffalo and elk of the Wind Cave National Park herd, and for other purposes;

H. R. 8794. An act to provide for holding terms of the District Court of the United States for the Eastern District of Virginia at Newport News, Va.;

H. R. 8835. An act for the relief of Fred H. Kocor;

H. R. 8916. An act for the relief of N. W. Ludowese;

H. R. 9200. An act for the relief of Filomeno Jiminez and Felicitas Dominguez;

H. R. 9201. An act for the relief of the Federal Land Bank of Berkeley, Calif., and A. E. Colby;

H. R. 9203. An act for the relief of certain postmasters and certain contract employees who conducted postal stations;

H. R. 9214. An act for the relief of C. O. Hall;

H. R. 9227. An act to amend an act entitled "An act to authorize boxing in the District of Columbia, and for other purposes";

H. R. 9287. An act to authorize the Cairo Bridge Commission, or the successors of said commission, to acquire by purchase, and to improve, maintain, and operate a toll bridge across the Mississippi River at or near Cairo, Ill.;

H. R. 9371. An act authorizing the grant of a patent for certain lands in New Mexico to Mitt Taylor;

H. R. 9374. An act for the relief of the Robert E. Lee Hotel;

H. R. 9404. An act to provide for the establishment of a commissary or vending stand in the Washington Asylum and Jail;

H. R. 9417. An act to amend the District of Columbia Alcoholic Beverage Control Act;

H. R. 9468. An act to amend the act of May 13, 1936, providing for terms of the United States district court at Wilkes-Barre, Pa.;

H. R. 9475. An act to create a commission to procure a design for a flag for the District of Columbia, and for other purposes;

H. R. 9523. An act to add certain lands to the Ochoco National Forest, Oreg.;

H. R. 9557. An act to authorize the Secretary of Commerce to dispose of material of the Bureau of Lighthouses to the sea scout department of the Boy Scouts of America;

H. R. 9611. An act to permit sales of surplus scrap materials of the Navy to certain institutions of learning;

H. R. 9683. An act to amend the act of June 25, 1910, relating to the construction of public buildings, and for other purposes;

H. R. 9707. An act to authorize the conveyance of the old lighthouse keeper's residence in Manitowoc, Wis., to the Otto Oas Post, No. 659, Veterans of Foreign Wars of the United States, Manitowoc, Wis.;

H. R. 9848. An act to require that horses and mules belonging to the United States which have become unfit for service be destroyed or put to pasture;

H. R. 9933. An act to authorize the United States Golden Gate International Exposition Commission to produce and sell certain articles, and for other purposes;

H. R. 9975. An act to extend the times for commencing and completing the construction of a bridge over Lake Sabine at or near Port Arthur, Tex.;

H. R. 9983. An act authorizing the city of Greenville, Miss., and Washington County, Miss., singly or jointly, to construct, maintain, and operate a toll bridge across the Mississippi River from a point at or near the city of Greenville, Washington County, Miss., to a point at or near Lake Village, Chicot County, Ark.;

H. R. 10075. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Brownville, Nebr.;

H. R. 10154. An act to authorize the Secretary of War to lend War Department equipment for use at the 1938 National Encampment of Veterans of Foreign Wars of the United States to be held in Columbus, Ohio, from August 21 to August 26, 1938;

H. R. 10155. An act to permit articles imported from foreign countries for the purpose of exhibition at the Seventh World's Poultry Congress and Exposition, Cleveland, Ohio, 1939, to be admitted without payment of tariff, and for other purposes;

H. R. 10275. An act to extend the times for commencing and completing the construction of a bridge and causeway across the water between the mainland at or near Cedar Point and Dauphin Island, Ala.;

H. R. 10297. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Rulo, Nebr.;

H. R. 10312. An act to amend section 3 of the act entitled "An act to protect the lives and health and morals of women and minor workers in the District of Columbia, and to establish a Minimum Wage Board, and to define its powers and duties, and to provide for the fixing of minimum wages for such workers, and for other purposes", approved September 19, 1918 (40 Stat. 960, 65th Cong.);

H. R. 10455. An act to authorize the Secretary of War to proceed with the construction of certain public works in connection with the War Department in the District of Columbia;

H. R. 10462. An act to amend the act entitled "An act creating the Mount Rushmore National Memorial Commission and defining its purposes and powers," approved February 25, 1929, as amended;

H. R. 10488. An act to provide for allowing to the Gem irrigation district and Ontario-Nyssa irrigation district of the Owyhee project terms and payment dates for charges deferred under the Reclamation Moratorium Acts similar to those applicable to the deferred construction charges of other projects under said acts, and for other purposes;

H. R. 10530. An act to extend for 2 additional years the 3½-percent interest rate on certain Federal land-bank loans, and to provide for a 4-percent interest rate on land bank commissioner's loans until July 1, 1940;

H. R. 10611. An act to extend the times for commencing and completing the construction of a bridge across the Coosa River at or near Gilberts Ferry, in Etowah County, Ala.;

H. R. 10643. An act to amend the act of August 9, 1935 (Public, No. 259, 74th Cong., 1st sess.);

H. R. 10652. An act to provide for the ratification of all joint resolutions of the Legislature of Puerto Rico and of the former legislative assembly;

H. R. 10673. An act to exempt the property of the Young Women's Christian Association in the District of Columbia from national and municipal taxation;

H. R. 10737. An act to authorize the Secretary of War to grant rights-of-way for highway purposes and necessary storm sewer and drainage ditches incident thereto upon and across Kelly Field, a military reservation in the State of Texas; to authorize an appropriation for construction of the road, storm sewer, drainage ditches, and necessary fence lines;

H. J. Res. 582. Joint resolution supplementing and amending the act for the incorporation of Washington College of Law, organized under and by virtue of a certificate of incorporation pursuant to class 1, chapter 18, of the Revised Statutes of the United States relating to the District of Columbia;

H. J. Res. 631. Joint resolution to provide for the erection of a monument to the memory of Gen. Peter Gabriel Muhlenberg;

H. J. Res. 655. Joint resolution amending paragraph (4) of subsection (n) of section 12B of the Federal Reserve Act, as amended;

H. J. Res. 658. Joint resolution for the designation of a street or avenue to be known as "Maine Avenue"; and

H. J. Res. 672. Joint resolution for the designation of a street to be known as "Oregon Avenue," and for other purposes.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 546. An act for the relief of Annie Mary Wilmuth;
S. 865. An act for the relief of Alceo Govoni;
S. 1788. An act for the relief of William J. Schwarze;
S. 2413. An act for the relief of the Boston City Hospital, and others;
S. 2474. An act to provide a uniform method for examinations for promotion of warrant officers;
S. 2770. An act for the relief of Elizabeth F. Quinn and Sarah Ferguson;
S. 3215. An act for the relief of Griffith L. Owens;
S. 3373. An act to provide for holding terms of the district court of the United States at Hutchinson, Kans.;
S. 3379. An act for the relief of Arthur T. Miller; and
S. 3836. An act relating to the manner of securing written consent for the reconcentration of cotton under section 383 (b) of the Agricultural Adjustment Act of 1938.

ADJOURNMENT

Mr. RAMSPECK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 39 minutes p. m.) the House adjourned until tomorrow, Friday, June 10, 1938, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON NAVAL AFFAIRS

There will be a full open hearing before the Committee on Naval Affairs, Friday, June 10, 1938, at 10 a. m., for the consideration of private bills.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of a subcommittee of the Committee on Interstate and Foreign Commerce at 9 a. m., Friday, June 10, 1938, on H. R. 10726, relating to the Omaha-Council Bluffs Bridge over the Missouri River.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1421. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated May 17, 1938, submitting a report, together with accompanying papers and illustration, on a preliminary examination and survey of side channels or basins at Palm Beach * * *, Fla., with a view to providing connections with the Intracoastal Waterway, authorized by the River and Harbor Act approved August 30, 1935 (H. Doc. No. 705); to the Committee on Rivers and Harbors and ordered to be printed, with illustration.

1422. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated May 26, 1938, submitting a report, together with accompanying papers and illustrations, on reexamination of Columbia and Snake Rivers, Oreg., Wash., and Idaho, authorized by section 6 of the River and Harbor Act approved August 30, 1935, and requested by resolutions of the Committee on Commerce, United States Senate, adopted May 21, 1938, August 21, 1935, and June 10, 1936 (H. Doc. No. 704); to the Committee on Rivers and Harbors and ordered to be printed, with illustrations.

1423. A letter from the Acting Comptroller General of the United States, transmitting a report involving the Navy Department pursuant to the provisions of section 312 (c) of the Budget and Accounting Act (42 Stat. 26), requiring the Comptroller General to specially report contracts made by any department or establishment in violation of law; to the Committee on Expenditures in the Executive Departments.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. PALMISANO: Committee on the District of Columbia. S. 3754. An act to amend sections 729 and 743 of the Code of Laws of the District of Columbia; without amendment (Rept. No. 2667). Referred to the Committee of the Whole House on the state of the Union.

Mr. CROSSER: Committee on Interstate and Foreign Commerce. H. R. 10127. A bill to regulate interstate commerce by establishing an unemployment insurance system for individuals employed by certain employers engaged in interstate commerce, and for other purposes; with amendment (Rept. No. 2668). Referred to the Committee of the Whole House on the state of the Union.

Mr. LEWIS of Colorado: Committee on Rules. House Resolution 521. Resolution providing for the consideration of H. R. 8176, a bill providing for continuing retirement pay, under certain conditions, of officers and former officers of the Army, Navy, and Marine Corps of the United States, other than officers of the Regular Army, Navy, or Marine Corps, who incurred physical disability while in the service of the United States during the World War, and for other purposes; without amendment (Rept. No. 2669). Referred to the House Calendar.

Mr. GREENWOOD: Committee on Rules. House Resolution 522. Resolution providing for the consideration of S. 2838, an act to establish a public airport in the vicinity of the National Capital; without amendment (Rept. No. 2670). Referred to the House Calendar.

Mr. O'CONNOR of New York: Committee on Rules. House Resolution 523. Resolution providing for the consideration of H. R. 10605, a bill to authorize the appropriation of funds for the development of rotary-winged aircraft; without amendment (Rept. No. 2671). Referred to the House Calendar.

Mr. VINSON of Georgia: Committee on Naval Affairs. S. 1131. An act to amend the part of the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1921, and for other purposes", approved June 4, 1920, relating to the conservation, care, custody, protection, and operation of the naval petroleum and oil-shale reserves; with amendment (Rept. No. 2672). Referred to the Committee of the Whole House on the state of the Union.

Mr. CRAWFORD: Committee on Indian Affairs. H. R. 10644. A bill for the relief of Indians who have paid taxes on allotted lands for which patents in fee were issued without application by or consent of the allottees and subsequently canceled, and for other purposes; without amendment (Rept. No. 2673). Referred to the Committee of the Whole House on the state of the Union.

Mr. ROGERS of Oklahoma: Committee on Indian Affairs. H. R. 3464. A bill to carry out certain obligations to certain enrolled Indians under tribal agreement; without amendment (Rept. No. 2675). Referred to the Committee on the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. BEITER: Committee on War Claims. H. R. 10801. A bill to carry out the findings of the Court of Claims in the case of Lester P. Barlow against United States; without amendment (Rept. 2666). Referred to the Committee of the Whole House.

Mr. O'MALLEY: Committee on Indian Affairs. H. R. 10885. A bill to amend an act entitled "An act authorizing the Court of Claims to hear, consider, adjudicate, and enter judgment upon the claims against the United States of J. A. Tippit and others; and to authorize the Secretary of the Interior to issue patents for certain lands to certain settlers in the Pyramid Lake Indian Reservation, Nev."; without amendment (Rept. No. 2674). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BOREN: A bill (H. R. 10879) to extend the services of the National Bureau of Standards by providing for establishing performance standards when in the public

interest, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. McGEHEE: A bill (H. R. 10880) to amend the District of Columbia Unemployment Compensation Act to provide for unemployment compensation in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. SABATH: A bill (H. R. 10881) to allow credits against the title IX tax, of the Social Security Act, for contributions to unemployment funds required by State law, irrespective of time of payment; to the Committee on Ways and Means.

By Mr. MARTIN of Colorado: A bill (H. R. 10884) to protect producers, manufacturers, and consumers from the unrevealed presence of substitutes and mixtures in spun, woven, or knitted or felted fabrics and in garments or articles of apparel or other articles made therefrom, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. MEAD: Concurrent resolution (H. Con. Res. 62) providing for an increase of funds in connection with the joint resolution entitled "Joint resolution creating a special joint congressional committee to make an investigation of the Tennessee Valley Authority;" to the Committee on Accounts.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. MAAS: A bill (H. R. 10882) for the relief of Siems-Helmers, Inc.; to the Committee on Claims.

By Mr. SACKS: A bill (H. R. 10883) for the relief of Sam Knubowiec, also known as Sam Riss; to the Committee on Immigration and Naturalization.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

5329. By Mr. LUTHER A. JOHNSON: Petition of Hon. Jerry E. Clarke, the criminal district attorney of Hillsboro, Tex., favoring House bill 6587, to blanket all of the deputy collectors of internal revenue into civil service; to the Committee on the Civil Service.

5330. By Mr. DIXON: H. R. No. 165, memorializing the Congress of the United States to adopt legislation which would authorize the Federal Government to assume the assessments and bear the entire cost of the improvements made by the Muskingum conservancy district; to the Committee on Appropriations.

5331. By Mr. HART: Memorial of the Assembly of the State of New Jersey, memorializing Congress to eliminate the taxation of gasoline by the Federal Government, leaving the taxation of sales of gasoline exclusively to the States as a means of providing funds for road construction and maintenance; to the Committee on Ways and Means.

5332. By Mr. KENNEDY of New York: Petition of the New York Works Progress Administration, Chapter 32, of Federation of Architects, Engineers, Chemists, and Technicians, requesting support of the Walsh-Healey bill (H. R. 6449); to the Committee on the Judiciary.

5333. By Mr. LAMBERTSON: Petition of A. S. Strain and 526 other citizens of Shawnee and Marshall Counties, Kans., urging passage of CHARLES N. CROSBY's bill providing for a fund to be raised by a 2-percent gross income tax, to be prorated to all eligibles over 60 years old, with the amendments offered by Congressman BOILEAU; to the Committee on Ways and Means.

5334. By Mr. LAMNECK: Petition of Beatty, Coady-Myers, of Franklin County, Ohio, memorializing the Congress of the United States to exercise its right to coin and regulate the value of money in accordance with the provisions of section 8, paragraph 5, article 1, in order to provide relief for the unemployed; to the Committee on Coinage, Weights, and Measures.

5335. By Mr. O'NEAL of Kentucky: Petition of citizens of Louisville, Ky., in behalf of House bill 4199 and other legislation; to the Committee on Ways and Means.

5336. By the SPEAKER: Petition of the Utility Workers Union, Local 111, Bronx, N. Y., petitioning consideration of their petitions with reference to having enacted into law President Roosevelt's program for economic recovery; to the Committee on Ways and Means.

5337. Also, petition of Salathiel Frazier, Glasgow, Mo., and others, petitioning consideration of their petition and program; to the Committee on Ways and Means.

SENATE

FRIDAY, JUNE 10, 1938

(Legislative day of Tuesday, June 7, 1938)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Thursday, June 9, 1938, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. LEWIS. Mr. President, in view of the legislation the Senate is to consider this morning, I note the absence of a quorum and ask that the roll be called.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Connally	Holt	O'Mahoney
Andrews	Copeland	Hughes	Overton
Ashurst	Davis	Johnson, Calif.	Pepper
Austin	Dieterich	Johnson, Colo.	Pittman
Bailey	Donahey	King	Pope
Bankhead	Duffy	La Follette	Radcliffe
Barkley	Ellender	Lee	Reames
Berry	Frazier	Lewis	Reynolds
Bilbo	George	Lodge	Russell
Bone	Gerry	Logan	Schwartz
Borah	Gibson	Lonergan	Schwellenbach
Brown, Mich.	Gillette	Lundeen	Sheppard
Brown, N. H.	Glass	McAdoo	Shipstead
Bulkley	Green	McGill	Smith
Bulow	Guffey	McKellar	Thomas, Utah
Burke	Hale	McNary	Townsend
Byrd	Harrison	Miller	Truman
Byrnes	Hatch	Milton	Vandenberg
Capper	Hayden	Minton	Van Nuys
Caraway	Herring	Murray	Wagner
Chavez	Hill	Neely	Walsh
Clark	Hitchcock	Norris	Wheeler

Mr. LEWIS. I announce that the Senator from Iowa [Mr. GILLETTE], the Senator from Connecticut [Mr. MALONEY], the Senator from Nevada [Mr. MCCARRAN], the Senator from New Jersey [Mr. SMATHERS], the Senator from Oklahoma [Mr. THOMAS], and the Senator from Maryland [Mr. TYDINGS] are detained from the Senate on important public business.

Mr. AUSTIN. I announce that the Senator from New Hampshire [Mr. BRIDGES] is absent because of the death of his wife.

The VICE PRESIDENT. Eighty-eight Senators have answered to their names. A quorum is present.

L. H. PARKER

Mr. HARRISON. Mr. President, I desire to call the attention of the Senate to the fact that at a meeting of the Joint Committee on Internal Revenue Taxation held this morning the resignation of the chief of staff of the committee, Mr. L. H. Parker, was accepted.

Mr. Parker has been with the joint committee since it was first organized 12 years ago. The committee was created by the Revenue Act of 1926, and Mr. Parker first became associated with it as Chief of the Division of Investigation. He served in that capacity until 1929, when the staff of the committee was reorganized, and he was then named chief of staff. He has served in that important position continuously.

During his service with the joint committee Mr. Parker has advised both the Committee on Ways and Means and the Committee on Finance in the framing of the following major revenue acts: The Revenue Act of 1928, the Revenue Act of 1932, the Revenue Act of 1934, the Revenue Act of 1936, the Revenue Act of 1937, and the Revenue Act of 1938.

In my opinion, having been associated with him over a period of 12 years, he is one of the greatest tax experts in America; and during his service with the joint committee he has shown great ability and has been most conscientious and diligent in the performance of his duties. The joint committee accepted his resignation with a unanimous expression of regret. Personally, I greatly regret that Mr. Parker is leaving the joint committee, and he goes with my very best wishes and deep appreciation of the fine work he has performed during his service here.

PETITIONS AND MEMORIALS

Mr. COPELAND presented a resolution adopted by Longi Grotto Post, No. 1115, American Legion, of Brooklyn, N. Y., favoring the enactment of House bill 10487, to fix the maximum rate of interest on loans secured by Government life insurance policies, which was referred to the Committee on Finance.

He also presented a resolution adopted by the American Federation of Forums, of New York City, N. Y., protesting against the enactment of legislation providing a $40 minimum monthly wage for Federal relief workers, which was ordered to lie on the table.

He also presented a resolution adopted by the American Federation of Forums, of New York City, N. Y., protesting against alleged unjust, unfair, and discriminatory tactics of the Workers' Alliance in connection with the operation of certain so-called "white-collar" W. P. A. projects in New York City, which was ordered to lie on the table.

Mr. BULKLEY presented a resolution adopted by the House of Representatives of Ohio, which was ordered to lie on the table, as follows:

Memorializing the Congress of the United States to approve legislation affecting Cowen Creek project in Clinton County, Ohio

Whereas the true friends of agriculture understand the need of a definite program designed to help provide a more abundant water supply in dry seasons, and as a flood preventative in excessively wet seasons; and

Whereas the Cowen Creek project of Clinton County, Ohio, will positively solve this problem to a greater extent than any plan so far proposed; and

Whereas it will provide a measure of enjoyment to the people of Clinton and the surrounding counties for recreational purposes in addition to being a part of a soil-conservation plan; and

Whereas this project has been approved by petitions and otherwise by various organizations interested civically and impartially: Therefore be it

Resolved, That we memorialize the Congress of the United States to approve appropriations allocated for this purpose so that the citizens of Ohio can enjoy and be benefited to the extent they so much deserve and that the project be finished as soon as possible and feasible; and be it further

Resolved, That copies of this resolution be transmitted to President Franklin D. Roosevelt, Vice President John N. Garner, the Clerk of the Senate and the Clerk of the House and to the Senators and Congressmen from Ohio.

PROGRAM OF AMERICAN PEACE MOVEMENT, INC.

Mr. CAPPER. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution outlining the program adopted recently by the American Peace Movement, Inc., J. E. Myers, national director.

There being no objection, the program was ordered to be printed in the RECORD, as follows:

PROGRAM OF AMERICAN PEACE MOVEMENT

1. To uphold the Constitution of the United States.
2. To hold that reasonable preparedness for defense is the most effective means of preserving peace.
3. To withdraw all our troops and ships from the territory and waters of any nation at war in the Eastern Hemisphere and to oppose all foreign alliances and entanglements.
4. To oppose dole and to insure peace, prosperity, and steady employment for all our citizens through constructive methods only; such as the building of good roads and great national-defense superhighways.
5. To prevent use of public funds for selfish and political purposes and to protect our industries from low-priced foreign-labor products.
6. To promote good feeling with our neighbors through trade, travel, and communication, and especially by increasing our merchant marine, and the construction of great international superhighways through the Americas.
7. To maintain the Monroe Doctrine by establishing our sphere of influence between the thirtieth degree of longitude on the east and the one hundred and eightieth degree on the west.

REPORTS OF COMMITTEES

Mr. CAPPER, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H. R. 2779. A bill for the relief of Lilly Bundgard and Gloria Bundgard (Rept. No. 2109);

H. R. 4717. A bill for the relief of Bernard Knopp (Rept. No. 2085);

H. R. 5153. A bill for the relief of George F. Anderson and Vera D. Anderson (Rept. No. 2110);

H. R. 6727. A bill for the relief of Edward E. Brown, Charles Walker, Frank Parr, John Moyer, and Lynford P. Fowles (Rept. No. 2111);

H. R. 6753. A bill for the relief of the Derby Oil Co. (Rept. No. 2086);

H. R. 7198. A bill for the relief of Fred Johnson (Rept. No. 2112);

H. R. 7607. A bill for the relief of Frank B. Decker (Rept. No. 2113); and

H. R. 8672. A bill for the relief of Fergus County, Mont. (Rept. No. 2114).

Mr. SCHWARTZ, from the Committee on Claims, to which was referred the bill (H. R. 3357) conferring jurisdiction upon the United States District Court for the Northern District of California to hear, determine, and render judgment upon the claim of Fred Owens, reported it without amendment and submitted a report (No. 2087) thereon.

Mr. COPELAND, from the Committee on Immigration, to which were referred the following bills, reported them severally without amendment and submitted a report thereon as indicated:

H. R. 5597. A bill for the relief of Luigi Mazza;

H. R. 6785. A bill for the admission to citizenship of aliens who came into this country prior to February 5, 1917 (Rept. No. 2088); and

H. R. 7793. A bill for the relief of Nicholas de Lipski.

Mr. LOGAN, from the Committee on Civil Service, to which was referred the bill (S. 3549) to prevent discrimination against graduates of certain schools in the making of appointments to Government positions the qualifications for which include legal training or legal experience, reported it without amendment and submitted a report (No. 2089) thereon.

Mr. BROWN of Michigan, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

S. 3387. A bill for the relief of Hubert J. Cuncannan (Rept. No. 2090);

H. R. 599. A bill for the relief of W. J. Steckel (Rept. No. 2091);

H. R. 1141. A bill for the relief of J. W. Beams (Rept. No. 2092);

H. R. 1861. A bill for the relief of the firm of Schmidt, Garden & Martin, architects, of Chicago, Ill. (Rept. No. 2093);

H. R. 2171. A bill for the relief of Frank Burgess Bruce (Rept. No. 2094); and

H. R. 4032. A bill for the relief of the New Amsterdam Casualty Co. (Rept. No. 2115).

Mr. BROWN of Michigan also, from the Committee on Claims, to which were referred the following bills, reported them each with amendments and submitted reports thereon:

H. R. 5379. A bill for the relief of Mrs. B. E. Hennigan and her dependent minor children (Rept. No. 2095); and

H. R. 6710. A bill conferring jurisdiction upon the United States District Court for the Eastern District of Louisiana to

hear, determine, and render judgment upon the claims of Anna Lee Hebert and Mrs. Nicholas Hebert (Rept. No. 2096).

Mr. SCHWELLENBACH, from the Committee on Claims, to which was referred the bill (S. 2993) conferring jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claims of Edward Forbes and others, as set out therein, reported it with amendments and submitted a report (No. 2097) thereon.

He also, from the same committee, to which was referred the bill (S. 4153) to carry out the findings of the Court of Claims in the case of Lester P. Barlow against the United States, reported it with an amendment and submitted a report (No. 2116) thereon.

He also, from the same committee, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H. R. 733. A bill for the relief of George E. Titter (Rept. No. 2098);

H. R. 736. A bill for the relief of Mallery Toy (Rept. No. 2099);

H. R. 2368. A bill for the relief of the estate of Catherine Harkins, deceased (Rept. No. 2100);

H. R. 6713. A bill for the relief of Genesee Brewing Co., Inc. (Rept. No. 2101);

H. R. 6842. A bill for the relief of Frank M. Schmitt, Antonio Salas, Victoria Griego, and Victor Coco (Rept. No. 2102);

H. R. 6951. A bill for the relief of Harold Price (Rept. No. 2103);

H. R. 7143. A bill for the relief of the Curtiss Aeroplane & Motor Co., Inc. (Rept. No. 2117);

H. R. 7424. A bill for the relief of certain persons whose cotton was destroyed by fire in the Ouachita Warehouse, Camden, Ark. (Rept. No. 2104);

H. R. 7890. A bill for the relief of Brooks-Callaway Co. (Rept. No. 2105); and

H. R. 8515. A bill to amend the act entitled "An act for the relief of Harry Bryan and Alda Duffield Mullins, and others," approved August 28, 1937 (Rept. No. 2118).

Mr. WHITE, from the Committee on Commerce, to which was referred the bill (S. 1839) to authorize the conveyance by the United States to the town of Bristol, Maine, of a portion of the Pemaquid Point Lighthouse Reservation, and for other purposes, reported it without amendment and submitted a report (No. 2106) thereon.

Mr. BYRNES, from the Committee to Audit and Control the Contingent Expenses of the Senate, to which was referred the joint resolution (S. J. Res. 298) to create a joint congressional committee to investigate the adequacy and use of the phosphate resources of the United States, reported it without amendment.

He also, from the same committee, to which was referred the concurrent resolution (S. Con. Res. 31) to establish a Joint Committee on Forestry, reported it with additional amendments.

He also, from the same committee, to which was referred the concurrent resolution (S. Con. Res. 36) to establish a joint congressional committee on the taxation of governmental securities and salaries, reported it without additional amendment.

Mr. MILLER, from the Committee on Territories and Insular Affairs, to which was referred the bill (H. R. 7844) to amend the act of Congress entitled "An act to establish an Alaska Game Commission, to protect game animals, land fur-bearing animals, and birds in Alaska, and for other purposes," approved January 13, 1925, as amended, reported it with amendments and submitted a report (No. 2107) thereon.

Mr. O'MAHONEY, from the Committee on the Judiciary, to which was referred the joint resolution (H. J. Res. 699) to amend sections 101, 102, 103, and 104 of the Revised Statutes of the United States relating to congressional investigations, reported it with amendments and submitted a report (No. 2103) thereon.

Mr. SHEPPARD, from the Committee on Military Affairs, to which was referred the bill (S. 948) to provide for a national cemetery in every State, reported it with an amendment and submitted a report (No. 2119) thereon.

Mr. WALSH, from the Committee on Naval Affairs, to which was referred the bill (H. R. 9997) to regulate the distribution, promotion, and retirement of officers of the line of the Navy, and for other purposes, reported it with amendments and submitted a report (No. 2120) thereon.

FINAL REPORT ON RECEIVERSHIP AND BANKRUPTCY INVESTIGATION (S. REPT. NO. 2084)

Mr. McADOO. Mr. President, on behalf of the special committee created by the Senate a few years ago to investigate bankruptcy and receivership proceedings in the courts of the United States, and the general administration of justice in such courts, I submit a final report (pursuant to S. Res. 15, 75th Cong.).

In that connection, I wish to say that the Senator from Nevada [Mr. McCARRAN] and the Senator from Maine [Mr. WHITE], who are members of the committee, were not present, and for that reason did not sign the report; and that the Senator from Vermont [Mr. AUSTIN], another member of the committee, signed it with one reservation, namely, that he does not concur in the approval given by the report to the Chandler bill.

I am happy to say that the committee returns to the Treasury, in this hour of need, the unused balance of $4,934.

I ask that the committee be discharged.

The VICE PRESIDENT. Without objection, the committee will be discharged, and the report will be printed in the usual course.

ENROLLED BILLS PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on June 9, 1938, that committee presented to the President of the United States the following enrolled bills:

S. 593. An act for the relief of the estate of W. K. Hyer;

S. 988. An act to amend an act entitled "An act to establish in the Bureau of Foreign and Domestic Commerce of the Department of Commerce a Foreign Commerce Service of the United States, and for other purposes", approved March 3, 1927, as amended;

S. 1274. An act for the relief of John H. Owens;

S. 1878. An act for the relief of Mary Way;

S. 2009. An act to authorize the payment of certain obligations contracted by the Perry's Victory Memorial Commission;

S. 2051. An act for the relief of John F. Fitzgerald;

S. 2208. An act for the relief of Bruce G. Cox and Harris A. Alister;

S. 2417. An act for the relief of Samuel L. Dwyer;

S. 2553. An act for the relief of E. E. Tillett;

S. 2566. An act for the relief of the Blue Rapids Gravel Co., of Blue Rapids, Kans.;

S. 2643. An act for the relief of Mr. and Mrs. James Crawford;

S. 2798. An act for the relief of Edith Jennings and Patsy Ruth Jennings, a minor;

S. 2802. An act for the relief of Carl Orr, a minor;

S. 3002. An act for the relief of the holders of the unpaid notes and warrants of the Verde River irrigation and power district, Arizona;

S. 3056. An act for the relief of Dorothy Anne Walker, a minor;

S. 3102. An act for the relief of the estate of Raquel Franco;

S. 3111. An act for the relief of the estate of Lillie Liston, and Mr. and Mrs. B. W. Trent;

S. 3147. An act for the relief of Mr. and Mrs. S. A. Felsenthal, Mr. and Mrs. Sam Friedlander, and Mrs. Gus Levy; and

S. 3300. An act for the relief of Pearl Bundy.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HAYDEN:

A bill (S. 4166) to grant certain lands to the Arizona State Elks Association Hospital; to the Committee on Public Lands and Surveys.

By Mr. SCHWARTZ:

A bill (S. 4167) for the relief of Shoshone Garage; to the Committee on Claims.

By Mr. ASHURST:

A joint resolution (S. J. Res. 307) in respect of salaries of judges and justices appointed under the act of May 31, 1938; to the Committee on the Judiciary.

AMENDMENTS TO SECOND DEFICIENCY APPROPRIATION BILL

Mr. PITTMAN submitted an amendment intended to be proposed by him to House bill 10851, the second deficiency appropriation bill, 1938, which was referred to the Committee on Appropriations and ordered to be printed, as follows:

At the proper place insert the following:

"MOUNT RUSHMORE MEMORIAL

"Mount Rushmore Memorial Commission: To carry out the purposes of the act entitled 'Mount Rushmore Memorial Act of 1938,' approved June —, 1938, $100,000."

Mr. RUSSELL (for himself and Mr. BARKLEY) submitted an amendment intended to be proposed by them, jointly, to House bill 10851, the second deficiency appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed, as follows:

On page 78, between lines 8 and 9, to insert the following new paragraph:

"For refund, in accordance with rules and regulations to be prescribed by the Commissioner of Internal Revenue with the approval of the Secretary of the Treasury, of all amounts collected by any collector of internal revenue as tax (including penalties and interest) under the Bankhead Cotton Act of 1934 (48 Stat. 598), as amended, the Kerr Tobacco Act (48 Stat. 1275), as amended, and the Potato Act of 1935 (49 Stat. 750), fiscal year 1939, $6,052,253.94: *Provided*, That no refund shall be allowed in any case in which a claim for refund shall not have been filed prior to July 1, 1939, nor shall a refund be allowed of any tax which shall have been previously refunded: *Provided further*, That no refund shall be denied upon the ground that a proceeding to recover had become barred by the limitation provisions of such acts: *Provided further*, That in the absence of fraud all findings of fact and conclusions of law of the Commissioner of Internal Revenue upon the merits of any such claim for refund, and the mathematical calculations made in connection therewith, shall not be subject to review by any court or by any other officer, employee, or agent of the United States: *Provided further*, That no refund of any tax shall be made under this paragraph, unless liability for the payment of such tax was satisfied by the payment of money: *And provided further*, That in the case of amounts paid as tax under the Bankhead Cotton Act of 1934 with respect to the ginning of cotton (a) refund shall be allowed to the ginner of the cotton only to the extent that the ginner has not shifted the burden of the tax by including it in any charge or fee for ginning, or by collecting it from the owner or owners of the cotton ginned, or in any manner whatsoever, and (b) refund shall be allowed to the owner or owners of the cotton at the time of ginning, to the extent that the amount of tax was shifted to such owner or owners by the cotton ginner and was not shifted by such owner or owners to other persons, and in such cases, but only for the purposes of this paragraph, the tax shall be considered to have been paid by the ginner to the United States for the account of such owner or owners."

CONTROL OF MANUFACTURE AND SALE OF WAR MUNITIONS AND REDUCTION OF ARMAMENTS

Mr. SHEPPARD submitted the following concurrent resolution (S. Con. Res. 40), which was referred to the Committee on Foreign Relations:

Whereas recent expressions from the administration here in Washington and by constituted authorities of certain other nations make it appropriate at this time to bend every effort to avoid another general war during the present generation because such a conflict would be so deadly and such a burden for all nations that eminent authorities agree modern civilization in its present form could not survive such a catastrophe for even a few years; and

Whereas the United States of America has long pursued the policy of contributing to the furtherance of peaceful relations between various nations through its activities in the establishment of The Hague Tribunal, the furthering of the success of the Washington Conference called in this city in 1921, in its participation in the London Conference in 1930, and in addition to other attempts, its action in the First General Conference for the Limitation of Armaments held in Geneva in 1932; and

Whereas the Secretary of State should be commended for his efforts through Geneva recently in advocating a reduction of armaments on the part of the great powers as a part of the program for peace advocated by the present administration, which said reduction in armaments will not only promote the mutual safety of all nations, but also will avoid further vast expenditures of tax money for armaments by the governments of peoples already poverty stricken and tax ridden; and

Whereas the experience of the World War, as expressed at Versailles soon thereafter, demonstrates that peace is also endangered most seriously by the inadequate restriction and control of the manufacture and sale of munitions of war, which matter was properly investigated by the Special Committee on Investigation of the Munitions Industry, authorized by the Senate; and

Whereas it is to the interest of the safety of society and the avoidance of another world war in the near future that the program of the administration for peace mentioned above should include the problem of restriction of the manufacture and sale of munitions of war: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Secretary of State be and hereby is respectfully urged to include in his commendable program for peace the matter of a mutual restriction and control of the manufacture and sale of munitions of war, and be it further

Resolved, That the Secretary of State be and hereby is further respectfully requested to secure treaties with all the great powers under which there will be effected, among other needed provisions, a reduction in all phases of armaments and all types of armed forces and a concerted restriction on the manufacture and sale of munitions of war so that this industry will be strictly regulated in the interest of preserving peace.

LAW ENFORCEMENT

Mr. ASHURST. Mr. President, superlatives in speech are frequently looked upon as evidence of a weary man or sometimes an indolent man who does not seek a more nearly exact medium of expression. Nevertheless, I choose in these remarks to employ superlatives, because the results achieved by Hon. Homer Cummings, the Attorney General, in his successful and constant warfare upon gangsters are of surpassing importance, and only superlatives would truly delineate and set forth the arduous labors of Attorney General Cummings and his Department, with particular reference to the energies of the Federal Bureau of Investigation of that Department, in coping with professional criminals.

There is no such thing as the clueless crime. In every crime, no matter what degree of cunning may be employed or how many times the perpetrator may double on his track, there invariably remains that which, in the nomenclature of detection and investigation, is called the "dropped stitch." The dropped stitch is that inescapable, unavoidable impression, sign, or track made by any and all human activities. To find the dropped stitch and then ascertain who dropped it is, of course, the duty and task of all who are engaged in the work of detection and investigation. For illustration, a stitch dropped by the accused in the recent kidnaping in Florida was where Sheriff Coleman observed that the accused directed Mr. Cash's attention to the message, saying it had been slipped beneath the door, but the note was crumpled into a ball when found.

The Department of Justice, under the administration and leadership of Attorney General Cummings, has proved that there is no such thing as a perfect crime. The Federal Bureau of Investigation in the Department of Justice is equipped, among other apparatus and paraphernalia, with miscroscopes for examination of bullets and other articles of evidence, an ultraviolet—black light—device for revealing secret writing and identifying stains, chemicals for developing latent fingerprints and analyzing various substances.

The activities of Attorney General Cummings, through the Federal Bureau of Investigation, embrace and comprehend physics; that is to say, that branch of science which deals with biology, chemistry, geology, mechanics, ballistics, electricity, heat, light, and sound. The G-men must be cool, courageous, resourceful, unpurchaseable. They must be trained in psychology—the science of human emotions—and must know what a particular person would be likely to do in given circumstances. The G-man must have a camera eye and a phonographic brain.

Today the laboratory of the Department of Justice in its Federal Bureau of Investigation is housed in rooms especially

constructed and equipped to meet the needs of the research experts engaged in the varied phases of criminological study.

So-called perfect crimes are almost daily solved by the test tube, by the microscope, and other intricate instruments of science in the technical laboratories of the Federal Bureau of Investigation in the Department of Justice.

When Homer Cummings was inducted into the office of Attorney General, he made a careful investigation of the character and attainments of Mr. J. Edgar Hoover; and I say advisedly that General Cummings exhibited much courage and foresight in retaining Mr. Hoover as Director of the Federal Bureau of Investigation, and he gave Mr. Hoover all possible encouragement and assistance in order that the work of thwarting gangsters might be successfully performed. Arguments were made to General Cummings to try to induce him not to retain Mr. Hoover's services, but Mr. Cummings, with a judgment and a foresight almost telepathic, retained Mr. Hoover.

Mr. Cummings' judgment and sagacity have been vindicated.

This Federal Bureau of Investigation is charged with the duty of investigating violations of the laws of the United States, and collecting evidence in cases in which the United States is or may be a party in interest. The organization has a personnel of over 1,600 employees throughout the United States. Under the supervision of the Attorney General, the Director of the Bureau directs the work of the special agents who are employed for the purpose of detecting crime and collecting evidence.

The Attorney General has under his immediate supervision the Identification Division of the Federal Bureau of Investigation, which has on file over 5,700,000 sets of fingerprint records of persons who have been arrested in the United States and foreign countries, representing the largest and most nearly complete collection of fingerprint records of current value in existence. In addition, he has under his supervision the Technical Laboratory of the Federal Bureau of Investigation, wherein scientific detection aids are utilized in connection with the solving of crimes under the Bureau's jurisdiction. The experts of this laboratory also assist State and local law-enforcement officials throughout the country in the use of scientific crime-detection aids, such as handwriting and typewriting analysis, the examination of the blood, hair, cloth, soils, and bullets, the use of ultraviolet light in the examination of substances, and the decoding of cryptographic messages.

Not the least in importance of the arduous labors of Attorney General Cummings was his formulation and advocacy of the so-called antigangster or anticrime laws passed during the Seventy-third and Seventy-fourth Congresses. This task of itself was of immense proportion. The more prominent of these recent Federal anticrime laws include those relating to kidnaping, extortion, the interstate transportation of stolen property, the robbery of banks organized or operating under the laws of the United States, interstate flight to avoid prosecution or to avoid testifying in certain cases, the Federal Antiracketeering Act, and the killing or assaulting of Federal officers. One of the most helpful and enlightening of all the conferences ever held in Washington was the Attorney General's "conference on crime," called by Mr. Cummings in 1934, from December 10 to December 13, inclusive. The program of the various sessions of that conference were planned by the Attorney General so as to give cross-sectional views of the problem of crime control in its various aspects. It would have been possible to have held one session on crime prevention, to be attended by teachers, medical authorities, juvenile-court authorities, and churchmen; another session on detection and apprehension to be attended by police and investigators; another on courts and prosecution to be attended by judges, prosecuting attorneys, and defense lawyers; another on probation and parole; another on penal institutions; another on legal research and legislation; and so on throughout the whole contributing structure of governmental organization and professional service. Instead, representatives of all professional groups, together with representatives of outstanding civic and scientific associations, met here in common conference.

If the so-called gangsters—that is, the unsocial persons—become convinced that detection and punishment follow their unlawful forays, such forays will, if not entirely subside, at least vastly diminish in volume. The unsocial, the malicious, those who try to reap where they have not sown, those who have no regard for human life and who have no regard for the property of others, have found to their dismay that the policy of Attorney General Cummings was to prosecute with vigor, determination, and success. They—the unsocial—have discovered that behind the criminally disposed persons there follows silently but relentlessly the shadow of retributive justice. Some shallow-pated citizens have from time to time mistakenly believed that a tinge of romanticism surrounded desperate public enemies. One of the master strokes of Attorney General Cummings was to divest crime of any and all of its supposed romance by showing that crime does not pay and that so far from being romantic or glamorous, crime is instead sordid, low, ignoble, and debased, and that professional criminals are neither brave nor chivalrous nor generous but are cowardly, cruel, unfair, and obscene.

There is no honor among thieves; they always sell out one another. In many instances the capture and conviction of the gangster or professional criminal were brought about by clues or evidence furnished to the officers by other gangsters. These professional criminals or so-called gangsters or public enemies, desire ease, luxury, money, and excitement. Civilization has been geared up to a point where only men of industriousness, honesty, superior mind, and courage can ever hope to win these prizes legitimately.

The gangster or public enemy possesses none of these attributes and he therefore vainly and illegitimately endeavors to win these prizes.

CHARLESTON, W. VA.—MAJOR BOWES' BROADCAST

Mr. McKELLAR. Mr. President, last night the famous Major Bowes dedicated his Nation-wide amateur hour radio program to Charleston, the beautiful capital city of West Virginia. The senior Senator from that State [Mr. NEELY] sent Major Bowes a message in which he expressed his appreciation of the broadcast in behalf of Charleston. I send a copy of the message to the clerk's desk and ask unanimous consent that it be printed in the RECORD.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

JUNE 9, 1938.

Major BOWES,
Care of Radio Theater of the Columbia Broadcasting Co.,
New York, N. Y.:

With your habitual rare ability and consummate skill you have tonight intimately acquainted the people of the Western Hemisphere with some of the innumerable resources and unsurpassed attractions of Charleston, W. Va., one of the world's most promising and delightful cities. A repetition of your excellent broadcast and 10 years' continuation of the present intense activity of Charleston's enterprising people, and West Virginia's capital city will have achieved much of the glory that was Greece and the grandeur that was Rome. With all my heart I join every other loyal West Virginian in thanking you and the Chrysler Corporation again and again for the generous contribution which you have so graciously made to Charleston's undying fame. With every good wish, I am,

Very sincerely yours,

M. M. NEELY,
United States Senator from West Virginia.

TRAGEDY OF RELIEF—ADDRESS BY GOVERNOR AIKEN, OF VERMONT

[Mr. GIBSON asked and obtained leave to have printed in the RECORD an address on the subject of Tragedy of Relief, delivered by Hon. George D. Aiken, Governor of Vermont, before the Camden County Republican League at Audubon, N. J., June 3, 1938, which appears in the Appendix.]

CONTEMPORARY RENAISSANCE—ADDRESS BY CHANCELOR GRAY

[Mr. GIBSON asked and obtained leave to have printed in the RECORD the baccalaureate address by Chancelor Joseph M. M. Gray on the subject Contemporary Renaissance, delivered to the graduating class of the American University June 5, 1938, which appears in the Appendix.]

ANNUAL WATERFOWL SHOOTING REGULATIONS

[Mr. PITTMAN asked and obtained leave to have printed in the RECORD an address delivered by John C. Huntington, president of More Game Birds in America, Inc., at the American Wildlife Conference at Baltimore, Md., on February 16, 1938, which appears in the Appendix.]

ACTIVITIES OF P. W. A. FROM JULY 1, 1937, TO JULY 1, 1938

[Mr. MCGILL asked and obtained leave to have printed in the RECORD a statement concerning the activities of the Public Works Administration for the fiscal year 1937–38, which appears in the Appendix.]

WORK OF RURAL ELECTRIFICATION ADMINISTRATION

[Mr. GUFFEY asked and obtained leave to have printed in the RECORD a statement of the work of the Rural Electrification Administration, which appears in the Appendix.]

PENSIONS FOR CONGRESSMEN—ARTICLE FROM READERS DIGEST

[Mr. BANKHEAD asked and obtained leave to have printed in the RECORD a statement from the Readers Digest of April 1938 on the subject of pensions for Congressmen, which appears in the Appendix.]

MESSAGE FROM THE HOUSE—ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills and joint resolutions, and they were signed by the Vice President:

S. 546. An act for the relief of Annie Mary Wilmuth;

S. 865. An act for the relief of Alceo Govoni;

S. 1788. An act for the relief of William J. Schwarze;

S. 2413. An act for the relief of the Boston City Hospital, and others;

S. 2474. An act to provide a uniform method for examinations for promotion of warrant officers;

S. 2770. An act for the relief of Elizabeth F. Quinn and Sarah Ferguson;

S. 3215. An act for the relief of Griffith L. Owens;

S. 3373. An act to provide for holding terms of the district court of the United States at Hutchinson, Kans.;

S. 3379. An act for the relief of Arthur T. Miller;

S. 3836. An act relating to the manner of securing written consent for the reconcentration of cotton under section 383 (b) of the Agricultural Adjustment Act of 1938;

H. R. 1252. An act for the relief of Ellen Kline;

H. R. 1476. An act for the relief of Mrs. W. E. Bouchey;

H. R. 1737. An act for the relief of Marie Frantzen McDonald;

H. R. 1744. An act for the relief of Grant H. Pearson, G. W. Pearson, John C. Rumohr, and Wallace Anderson;

H. R. 2347. An act for the relief of Drs. M. H. DePass and John E. Maines, Jr., and the Alachua County Hospital;

H. R. 3313. An act for the relief of William A. Fleek;

H. R. 4033. An act for the relief of Antonio Masci;

H. R. 4232. An act for the relief of Barber-Hoppen Corporation;

H. R. 4304. An act for the relief of Hugh O'Farrell and the estate of Thomas Gaffney;

H. R. 4544. An act to divide the funds of the Chippewa Indians of Minnesota between the Red Lake Band and the remainder of the Chippewa Indians of Minnesota, organized as the Minnesota Chippewa Tribe;

H. R. 4668. An act for the relief of James Shimkunas;

H. R. 5166. An act to relinquish the title or interest of the United States in certain lands in Houston (formerly Dale) County, Ala., in favor of Jesse G. Whitfield or other lawful owners thereof;

H. R. 5592. An act to amend an act entitled "An act extending the homestead laws and providing for right-of-way for railroads in the District of Alaska, and for other purposes," approved May 14, 1898 (30 Stat. 409, 414);

H. R. 5904. An act for the relief of L. P. McGown;

H. R. 5957. An act for the relief of LeRoy W. Henry;

H. R. 6243. An act to authorize a survey of the old Indian trail and the highway known as "Oglethorpe Trail," with a view of constructing a national roadway on this route to be known as "The Oglethorpe National Trail and Parkway";

H. R. 6404. An act for the relief of Martin Bevilacque;

H. R. 6508. An act for the relief of Gladys Legrow;

H. R. 6646. An act for the relief of Dr. A. J. Cottrell;

H. R. 6689. An act for the relief of George Rendell, Alice Rendell, and Mabel Rendell;

H. R. 6847. An act for the relief of the Berkeley County Hospital and Dr. J. N. Walsh;

H. R. 6936. An act for the relief of Joseph McDonnell;

H. R. 6950. An act for the relief of Andrew J. McGarraghy;

H. R. 7040. An act for the relief of Forest Lykins;

H. R. 7421. An act for the relief of E. D. Frye;

H. R. 7548. An act for the relief of J. Lafe Davis and the estate of Mrs. J. Lafe Davis;

H. R. 7590. An act to quiet title and possession to certain islands in the Tennessee River in the counties of Colbert and Lauderdale, Ala.;

H. R. 7639. An act for the relief of Al D. Romine and Ann Romine;

H. R. 7734. An act conferring jurisdiction upon the United States District Court for the Southern District of Ohio to hear, determine, and render judgment upon the claim of A. L. Eldridge;

H. R. 7761. An act for the relief of Sibbald Smith;

H. R. 7817. An act for the relief of C. G. Bretting Manufacturing Co.;

H. R. 7834. An act to amend the act entitled "An act to provide compensation for disability or death resulting from injuries to employees in certain employments in the District of Columbia, and for other purposes";

H. R. 7855. An act for the relief of Frieda White;

H. R. 7880. An act to amend the Veterans Regulation No. 10 pertaining to "line of duty" for peacetime veterans, their widows, and dependents, and for other purposes;

H. R. 7933. An act to facilitate the control of soil erosion and/or flood damage originating upon lands within the exterior boundaries of the San Bernardino and Cleveland National Forests in Riverside County, Calif.;

H. R. 7998. An act for the relief of the First National Bank & Trust Co. of Kalamazoo, Kalamazoo, Mich.;

H. R. 8134. An act to quiet title and possession to certain lands in the Tennessee River in the counties of Colbert and Lauderdale, Ala.;

H. R. 8192. An act for the relief of Herbert Joseph Dawson;

H. R. 8193. An act for the relief of the Long Bell Lumber Co.;

H. R. 8252. An act to quiet title and possession to a certain island in the Tennessee River in the county of Lauderdale, Ala.;

H. R. 8376. An act for the relief of James D. Larry, Sr.;

H. R. 8543. An act for the relief of Earl J. Lipscomb;

H. R. 8565. An act defining the compensation of persons holding positions as deputy clerks and commissioners of United States district courts, and for other purposes;

H. R. 8665. An act to amend section 3336 of the Revised Statutes, as amended, pertaining to brewers' bonds, and for other purposes;

H. R. 8729. An act granting pensions and increases of pensions to needy war veterans;

H. R. 8773. An act to authorize the Secretary of the Interior to dispose of surplus buffalo and elk of the Wind Cave National Park herd, and for other purposes;

H. R. 8794. An act to provide for holding terms of the District Court of the United States for the Eastern District of Virginia at Newport News, Va.;

H. R. 8835. An act for the relief of Fred H. Kocor;

H. R. 8916. An act for the relief of N. W. Ludowese;

H. R. 9200. An act for the relief of Filomeno Jiminez and Felicitas Dominguez;

H. R. 9201. An act for the relief of the Federal Land Bank of Berkeley, Calif., and A. E. Colby;

H. R. 9203. An act for the relief of certain postmasters and certain contract employees who conducted postal stations;

H. R. 9214. An act for the relief of C. O. Hall;

H. R. 9227. An act to amend an act entitled "An act to authorize boxing in the District of Columbia, and for other purposes";

H. R. 9287. An act to authorize the Cairo Bridge Commission, or the successors of said commission, to acquire by purchase, and to improve, maintain, and operate a toll bridge across the Mississippi River at or near Cairo, Ill.;

H. R. 9371. An act authorizing the grant of a patent for certain lands in New Mexico to Mitt Taylor;

H. R. 9374. An act for the relief of the Robert E. Lee Hotel;

H. R. 9404. An act to provide for the establishment of a commissary or vending stand in the Washington Asylum and Jail;

H. R. 9417. An act to amend the District of Columbia Alcoholic Beverage Control Act;

H. R. 9468. An act to amend the act of May 13, 1936, providing for terms of the United States district court at Wilkes-Barre, Pa.;

H. R. 9475. An act to create a commission to procure a design for a flag for the District of Columbia, and for other purposes;

H. R. 9523. An act to add certain lands to the Ochoco National Forest, Oreg.;

H. R. 9557. An act to authorize the Secretary of Commerce to dispose of material of the Bureau of Lighthouses to the sea scout department of the Boy Scouts of America;

H. R. 9611. An act to permit sales of surplus scrap materials of the Navy to certain institutions of learning;

H. R. 9683. An act to amend the act of June 25, 1910, relating to the construction of public buildings, and for other purposes;

H. R. 9707. An act to authorize the conveyance of the old lighthouse keeper's residence in Manitowoc, Wis., to the Otto Oas Post, No. 659, Veterans of Foreign Wars of the United States, Manitowoc, Wis.;

H. R. 9848. An act to require that horses and mules belonging to the United States which have become unfit for service be destroyed or put to pasture;

H. R. 9933. An act to authorize the United States Golden Gate International Exposition Commission to produce and sell certain articles, and for other purposes;

H. R. 9975. An act to extend the times for commencing and completing the construction of a bridge over Lake Sabine at or near Port Arthur, Tex.;

H. R. 9983. An act authorizing the city of Greenville, Miss., and Washington County, Miss., singly or jointly, to construct, maintain, and operate a toll bridge across the Mississippi River from a point at or near the city of Greenville, Washington County, Miss., to a point at or near Lake Village, Chicot County, Ark.;

H. R. 10075. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Brownville, Nebr.;

H. R. 10154. An act to authorize the Secretary of War to lend War Department equipment for use at the 1938 National Encampment of Veterans of Foreign Wars of the United States to be held in Columbus, Ohio, from August 21 to August 26, 1938;

H. R. 10155. An act to permit articles imported from foreign countries for the purpose of exhibition at the Seventh World's Poultry Congress and Exposition, Cleveland, Ohio, 1939, to be admitted without payment of tariff, and for other purposes;

H. R. 10275. An act to extend the times for commencing and completing the construction of a bridge and causeway across the water between the mainland at or near Cedar Point and Dauphin Island, Ala.;

H. R. 10297. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Rulo, Nebr.;

H. R. 10312. An act to amend section 3 of the act entitled "An act to protect the lives and health and morals of women and minor workers in the District of Columbia, and to establish a Minimum Wage Board, and to define its powers and duties, and to provide for the fixing of minimum wages for such workers, and for other purposes," approved September 19, 1918 (40 Stat. 960, 65th Cong.);

H. R. 10455. An act to authorize the Secretary of War to proceed with the construction of certain public works in connection with the War Department in the District of Columbia;

H. R. 10488. An act to provide for allowing to the Gem irrigation district and Ontario-Nyssa irrigation district of the Owyhee project terms and payment dates for charges deferred under the Reclamation Moratorium Acts similar to those applicable to the deferred construction charges of other projects under said acts, and for other purposes;

H. R. 10530. An act to extend for 2 additional years the 3½-percent interest rate on certain Federal land-bank loans, and to provide for a 4-percent interest rate on land bank commissioner's loans until July 1, 1940;

H. R. 10611. An act to extend the times for commencing and completing the construction of a bridge across the Coosa River at or near Gilberts Ferry, in Etowah County, Ala.;

H. R. 10643. An act to amend the act of August 9, 1935 (Public, No. 259, 74th Cong., 1st sess.);

H. R. 10652. An act to provide for the ratification of all joint resolutions of the Legislature of Puerto Rico and of the former legislative assembly;

H. R. 10673. An act to exempt the property of the Young Women's Christian Association in the District of Columbia from national and municipal taxation;

H. R. 10737. An act to authorize the Secretary of War to grant rights-of-way for highway purposes and necessary storm sewer and drainage ditches incident thereto upon and across Kelly Field, a military reservation in the State of Texas; to authorize an appropriation for construction of the road, storm sewer, drainage ditches, and necessary fence lines;

H. J. Res. 582. Joint resolution supplementing and amending the act for the incorporation of Washington College of Law, organized under and by virtue of a certificate of incorporation pursuant to class 1, chapter 18, of the Revised Statutes of the United States relating to the District of Columbia;

H. J. Res. 631. Joint resolution to provide for the erection of a monument to the memory of Gen. Peter Gabriel Muhlenberg;

H. J. Res. 655. Joint resolution amending paragraph (4) of subsection (n) of section 12B of the Federal Reserve Act, as amended;

H. J. Res. 658. Joint resolution for the designation of a street or avenue to be known as "Maine Avenue"; and

H. J. Res. 672. Joint resolution for the designation of a street to be known as "Oregon Avenue," and for other purposes.

AUTHORIZATION OF FLOOD-CONTROL PROJECTS

Mr. HATCH. Mr. President, there is a technical matter in connection with House bill 10618, the flood-control bill, to which I desire to call the attention of the Senate.

During the consideration of the bill yesterday I offered an amendment, and I am informed that through error it was inserted in the wrong place in the bill. It should have been inserted in section 7. I ask unanimous consent that the Secretary of the Senate be authorized to make the proper correction, and to insert the amendment at the proper place.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the correction will be made.

RELIEF OF CERTAIN OFFICERS AND SOLDIERS—CONFERENCE REPORT

Mr. LOGAN. Mr. President, I call up the conference report on House bill 2904 and move its adoption. The report was

laid over at the request of the Senator from Utah [Mr. KING], who said that he would be ready to discuss it this morning.

Mr. KING. I am at the Senator's service.

The VICE PRESIDENT. The question is on the motion of the Senator from Kentucky.

The motion was agreed to; and the Senate proceeded to consider the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill H. R. 2904, which was read, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2904) for the relief of officers and soldiers of the volunteer service of the United States mustered into service for the War with Spain and who were held in service in the Philippine Islands after the ratification of the treaty of peace, April 11, 1899, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same.

M. M. LOGAN,
ARTHUR CAPPER,
L. B. SCHWELLENBACH,
Managers on the part of the Senate.
ALFRED F. BEITER,
ARTHUR B. JENKS,
Managers on the part of the House.

The VICE PRESIDENT. The question is on agreeing to the conference report.

Mr. KING. Mr. President, all legislation is not the result of deliberation or investigation; indeed, many measures pass through the congressional hopper under the spur of pressure and active and persistent propaganda. The measure before us is not a new one. It has been before Congress upon several occasions, and once it passed both Houses of Congress but was vetoed by the President of the United States. In my opinion, an impartial investigation of the grounds upon which these measures have rested will demonstrate that the President was right in vetoing the one which was presented to him.

That there has been considerable sentiment behind these bills there is no doubt, and that sentiment has prompted many fine persons in various parts of the United States to urge their passage. I have received a number of letters urging me to support the bill under consideration, as well as bills almost textually the same which have been before Congress from time to time. Some of my friends have communicated with me and requested that I join in securing the passage of the bill now before us.

There is a large number of persons who were in the Philippine Islands during the Spanish-American War who would be benefited if the bill before us should be enacted into law. Representatives of various groups have appeared in Washington and have urged that all objections to the bill be withdrawn and the measure promptly passed. It is not a pleasant task to differ from so many citizens and to oppose measures in which they are greatly interested.

I do not recall that the facts connected with the bill under consideration were brought to my attention until sometime after the President had vetoed the bill containing substantially the same provisions as are found in the measure before us. A bill substantially the same as the one before us (H. R. 2024) passed the Congress in 1935. As I have indicated, it went to the President and he vetoed it. No attempt was made to pass the bill over the President's veto. I assume that both branches of Congress recognized the validity and justice of the President's veto. However, at a later date a bill containing the same provisions was introduced in the House and it passed the House and came to the Senate. My understanding is that the facts in connection with these bills were not investigated by the Congress, as a result of which action was taken without, as some believe, due consideration.

When the measure last referred to came to the Senate its attention was called to the fact that a similar bill had passed the Congress and had been vetoed by the President (as I have stated) on the 2d day of September 1935. The Senate took no further action on the bill, and it died with the adjournment of that Congress. At the first session of this Congress a similar bill was again introduced in the House and it passed that body, as I am advised, without an examination of the facts. It came to the Senate on the 22d of July and was referred to the Committee on Claims, which, without hearings, reported it back to the Senate July 30, 1937. It, with a large number of other bills, remained on the calendar until early in the present session.

As many Senators know many measures are taken up for consideration under the 5-minute rule and when no objection is offered and many pass without objection or proper consideration. This bill, H. R. 2904, was reached on the calendar and was passed without consideration. The Senator from Kentucky [Mr. LOGAN], who reported the measure, was not present, and I was not in the Senate when the calendar was called. No Senator challenged attention to the bill, or its provisions, and it went through, as many others did, without comment or consideration. There had been an understanding between the Senator from Kentucky [Mr. LOGAN] and myself that when the bill was reached on the calendar it would not be taken up for consideration until a time was fixed, in order that opportunity might be afforded to consider the bill upon its merits. However, as stated, neither the Senator from Kentucky [Mr. LOGAN] nor myself was present when the calendar was called, and the bill was passed without explanation or consideration.

A slight amendment to the bill had been reported by the Senate committee, and when the bill passed the Senate, the amendment remained. This slight amendment resulted in the bill going to conference, and the conferees accepted the Senate amendment, and the bill came back to the Senate for action. I then learned the status of the bill and objected to the consideration of the conference report. The Senator from Kentucky [Mr. LOGAN] and myself arranged that at a convenient time the conference report would be called up for action. The bill and the conference report are now before us, and if the report is adopted, then the bill, as amended, will be transmitted to the President for approval or disapproval.

As I have indicated, it is not an agreeable task to oppose the bill; particularly as its passage would meet with the approval of several thousand persons who would receive monetary benefits under its terms. The purpose of the bill is to distribute more than $7,000,000 to approximately 15,000 officers and soldiers of the volunteer services of the United States who were mustered into service in the War with Spain. When they were separated from the service, they received, it is admitted, all that the law authorized; and indeed, several hundred received a considerable sum in excess of that which was authorized by law. Notwithstanding the fact that the officers and soldiers referred to did receive all that was authorized by law, those who are back of this bill are insisting that they shall receive, as indicated, at least $7,000,000 additional.

The veto message on the bill which was sent to the President clearly presents the facts and justifies his veto. The veto message of the President is as follows:

I have disapproved H. R. 2024, an act for the relief of officers and soldiers of the volunteer service of the United States mustered into service for the War with Spain and who were held in service in the Philippine Islands after the ratification of the treaty of peace April 11, 1899.

The effect of this bill is that the beneficiaries thereof "shall be entitled to the travel pay and allowance for subsistence provided in sections 1289 and 1290, Revised Statutes, as then amended and in effect, as though discharged April 11, 1899, by reason of expiration of enlistment, and appointed or reenlisted April 12, 1899, without deduction of travel pay and subsistence paid such officers or soldiers on final muster out subsequent to April 11, 1899."

I am advised by the Secretary of War that there was approximately 15,000 officers and soldiers of the volunteer forces of the United States in the Philippine Islands at the conclusion of peace with the Kingdom of Spain who would become beneficiaries of this act.

The Comptroller General in his report of February 23, 1935, advises that the enactment of this bill would authorize payment of travel pay at the rate of 1 day's pay and 1 ration for each 20 miles, inclusive of the distance by water from the Philippine Islands to San Francisco, approximately 8,000 miles, and that such payments for the water travel alone will exceed 1 year's pay plus 1 day's ration for each day of such period. It is estimated the cost of the legislation will approximate $7,000,000.

Congress has heretofore recognized the service of these officers and men by the award of a special medal, and there was also an allowance by the act of Congress approved January 12, 1899, of 2 months' extra pay to all volunteers who served honestly and faithfully beyond the continental limits of the United States. I join most heartily in recognizing and appreciating the patriotic service of these men.

However, approval of this bill would result in the payment of a gratuity to each of the officers and men concerned, in an amount exceeding his pay for a full year, plus the value of rations for the period involved in sea travel from the Philippines to the United States, a benefit utterly without warrant, since each individual concerned has already received transportation and subsistence at Government expense for the journey performed in addition to full pay for the entire time.

I have recently signed an act restoring pensioners of the War with Spain and Philippine Insurrection to their full rate of pension. I feel that no breach of trust has been committed by the Government as regards the men who served their country in the War with Spain and Philippine Insurrection, and from the facts in this case, general legislation upon this subject as provided in H. R. 2024 is not deemed advisable.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *September 2, 1935.*

Mr. LEWIS. Mr. President——

The VICE PRESIDENT. Does the Senator from Utah yield to the Senator from Illinois?

Mr. KING. I do.

Mr. LEWIS. I ask the Senator from Utah to inform me whether there is a difference between the provisions of the measure to which he is now addressing himself and the vetoed bill.

Mr. KING. I have indicated that the measure before us is substantially the same as the one vetoed by the President. I should add that this bill contains a slight amendment, which does not modify or change or affect the general provisions of the bill. It reads:

Provided, That no benefits shall accrue under any provision of this act to any person whose claim is based upon the service of any such officer or soldier discharged in the Philippine Islands at his own request.

There is some uncertainty as to just what the provision does mean, but it is clear that it does not materially change the bill which was vetoed, or raise any different issues or questions. The fact is that there were a number of soldiers who were discharged in the Philippine Islands at their own request; and under the general law governing the War Department in the discharging of soldiers it is doubtful whether they would be entitled to any of the gratuities and benefits provided in this bill, if it should become a law.

In my opinion, the bill which the President vetoed is not modified by this amendment except possibly as it affects a few hundred persons who voluntarily obtained discharges from the United States Volunteers, and it does not concern those who are seeking gratuities and benefits under this proposed legislation.

Senators will observe that the President states that 15,000 officers and soldiers would become beneficiaries of this act, and he further adds that:

Approval of this bill would result in the payment of a gratuity to each of the officers and men concerned, in an amount exceeding his pay for a full year, plus the value of rations for the period involved in sea travel from the Philippines to the United States, a benefit utterly without warrant, since each individual concerned has already received transportation and subsistence at Government expense for the journey performed in addition to full pay for the entire time.

The President acted only upon full knowledge of the facts, and one would have supposed that his disapproval of the bill would have ended all efforts to secure a gratuity to which the President declares the officers and soldiers are not entitled.

After the President's veto message was called to my attention, I communicated with the War Department, in order to ascertain whether any additional facts were available that might bear upon the veto message. The information which came to me from the Secretary of War, Hon. George H. Dern, and from Major General Conley, who was then The Adjutant General, in my opinion, justified the position taken by the President and confirmed my view that the bill lacked merit and ought not to be enacted into law. It appeared from the information I had received that the War Department had not approved the bill, and that its position fully justified the President in vetoing the bill.

I have before me, to exhibit to the Senate, a communication prepared by General Conley on May 27, 1936. The communication is as follows:

MAY 27, 1936.

Subject: Travel pay allowances paid to Spanish-American War veterans who served in the Philippine Islands.

1. Of the 15,000 officers and soldiers of the Volunteer services of the United States mustered into service in the War with Spain who were held to serve in the Philippine Islands and the Philippine Insurrection after April 11, 1899, each one has already received travel allowances from Manila to place of enlistment or enrollment in the United States.

The 15,000, upon return to the United States, were divided into three separate categories, as follows:

(1) The first part, 13,300 strong, returned to the United States and were discharged in San Francisco. These 13,300 were given free sea transportation from Manila to San Francisco, and cash for the travel allowances from San Francisco to the place of enlistment or enrollment.

(2) The second part, consisting of 992 officers and men, took their discharge in the Philippine Islands, were immediately reenlisted in the Philippine Islands in the United States Volunteers and Regular Army, and there and then their accounts were settled for the National Guard enlistment, and they were paid travel allowances in cash from Manila to the place of their original enlistment or enrollment in the United States.

(3) The third part, consisting of about 620 officers and men, were discharged in Manila for their own convenience to take up civil pursuits. Upon their discharge they were paid cash for land transportation from San Francisco to place of enlistment or enrollment in the United States, and for the ocean travel they were given transportation free back to the United States by Army transport, good for 1 year from date of discharge.

2. The effect of H. R. 9472 would be to furnish travel allowances in cash from Manila, Philippine Islands, to place of enlistment or enrollment in the United States to the first two categories above, numbering 14,300 officers and men.

3. The veto message of the President of September 2, 1935, is absolutely in accordance with the foregoing without change of one word.

4. While the approximately 15,000 volunteers who were in the Philippines on April 11, 1899, were entitled to a discharge on that date, under the terms of their enlistment authority, they were, in fact, not discharged nor reenlisted, but merely remained in service until replaced by other forces. Both Congress and the President recognized this action on the part of these men by awarding a special medal of honor (act of Congress approved June 29, 1906) for serving "beyond the term of their enlistment."

E. CONLEY,
Major General,
The Adjutant General.

The statement of The Adjutant General clearly points out the facts in connection with the matters referred to, and demonstrates that the bill under consideration is lacking in merit. General Conley's statement makes it clear that, first, 13,300 officers and soldiers were returned to the United States and discharged in San Francisco. Under the law, they were entitled to free sea transportation from Manila to San Francisco, and cash for the travel allowances from San Francisco to the place of enlistment or enrollment. The Government gave them free sea transportation and also provided them cash for travel allowances from San Francisco to the place of enlistment or enrollment. An examination of the law reveals that these officers and soldiers received the full allowance provided by law. But this bill demands that they shall receive $7,000,000 additional.

I received a letter from Hon. George H. Dern, Secretary of War, to which I shall refer, in which the provisions of the statute are referred to.

Mr. LEWIS. Mr. President, from what committee does the bill come?

Mr. KING. I think from the Committee on Claims.

The 13,300 officers and soldiers referred to in General Conley's memorandum, if this bill were enacted into law, would receive, as stated by the President in his veto message—

A benefit utterly without warrant, since each individual concerned has already received transportation and subsistence at Government expense for the journey performed, in addition to full pay for the entire time.

Mr. President, I should also like to call attention to the second division of the three separate categories referred to

in General Conley's memorandum to me. This second part comprises 992 officers and men who took their discharge in the Philippine Islands and immediately reenlisted in the United States Volunteers. The 13,330 above referred to did not reenlist, but continued in service until Army transports were provided to carry them to San Francisco. The 992 officers and men referred to by General Conley in the second paragraph of his memorandum, and to whom I have just referred, preferred to obtain their discharges and to reenlist. Accordingly they did obtain discharges and, as I am advised, the same day reenlisted. Upon their discharge and immediate reenlistment they were paid by the local disbursing officer travel allowance in cash from Manila to San Francisco and cash from San Francisco to the places of their enlistment. General Conley states that the cash payments for travel from Manila to San Francisco were illegal.

The illegality of this transaction was not questioned by anyone, but upon the contrary, was recognized by Congress, and an act was passed legalizing this illegal transaction. The 992 officers and men just referred to, when they completed their service in the Philippine Islands, were given travel pay in kind, that is, by transportation upon Government vessels to San Francisco, and again given travel pay in cash from San Francisco to the places of their enlistment. If the pending bill should become a law, they would be the recipients of another cash payment from Manila to the places of their enlistment. This course would be manifestly unfair, and yet this bill demands that they shall receive this gratuity which was condemned by the President.

General Conley's memorandum also refers to the officers and soldiers in the third category; there were 620 within this category. They intended to remain in the Philippine Islands, and many of them entered into business activities. When they received their discharges they were then entirely outside of the military service of the Government. Under the law, upon their discharges they were entitled to travel allowance in kind, that is, transportation from Manila to San Francisco, and cash allowance from San Francisco to the places of their enlistment. The committee amendment to the bill, to which I referred, would probably exclude them from the gratuities and benefits of the bill under consideration in the event that it should be enacted into law. But there is no question as to the purpose of the bill; it is to ignore the payments and benefits heretofore made to and received by the 13,330 officers and soldiers and the 992 officers and men and to pay to them cash benefits from Manila to San Francisco and a further cash allowance from San Francisco to the places where they were enlisted.

It should also be stated that there were nearly 500 officers in these 2 categories comprised of 13,330 and 992, and they would receive under the terms of this bill approximately $1,000,000, notwithstanding they had been fully paid for all their services rendered to the Government.

An understanding of the facts recited in General Conley's communication, and in the veto message of the President, conclusively demonstrates that the bill under consideration is utterly lacking in merit and should not receive the approval of Congress.

The Secretary of War, Hon. George H. Dern, was familiar with the questions involved in the bills to which I have referred, and on the 15th of May 1936, in a letter to me, he corroborated the views which were expressed by the President in his veto message and General Conley's views above set forth. He stated in the letter referred to—

> By direction of the Secretary of War, enlisted men discharged in Cuba, Porto Rico, Hawaii, the Philippines, or other places outside of the United States will be provided free transportation to the United States on Government transports upon direction of the commanding officers in the several localities, and will be subsisted by the subsistence department to the port of destination, and will not be entitled to travel pay from port of embarkation to the United States, nor to computation of rations for the time so subsisted on the transports. Upon arrival in the United States they will be furnished with travel pay by the pay department to the places of their enlistment, as in all other cases of soldiers discharged on final statements.

It is claimed by some persons urging the passage of this bill that the War Department promised the 15,000 officers and men that if they remained for some little time in the Philippine Islands after the Treaty of Paris became effective they would receive travel allowance in cash from Manila to San Francisco and from San Francisco to the places of their original enlistment. A review of the record does not support that position. Secretary Dern stated:

> A careful perusal of the Report No. 1723, Seventy-fourth Congress, second session, upon which report appears to be based the favorable action of both the House of Representatives and the Senate, in connection with this measure, indicates that the proponents of this bill used only so much of the official correspondence between General Otis and the War Department as would serve their own particular purposes. The quotations on page 3 of that report constitute only a small part of the pertinent correspondence and are misleading in the extreme. Viewed as a whole, the telegrams interchanged subsequently to those quoted show conclusively that there was no intention that these soldiers were to receive the additional travel pay and allowances now claimed to be due them by the proponents of this measure.

On the 14th of March 1899, which was before the expiration of the period of service of the 15,000 men referred to in the President's veto message and in the communications of General Conley and Secretary Dern, the Secretary of War wired General Otis at Manila as follows:

> In no case give men discharges that will entitle them to travel pay. It is not just to those who remain.

On the 17th of March General Otis wired the Secretary of War:

> Believe patriotism of volunteers will induce them to remain if actual necessity exists and that important results will be accomplished within 3 weeks.

During March and April and weeks following, the Government made preparations for the return of the volunteers to the United States at the earliest possible moment. Accordingly transports were put in shape for the purpose of carrying the troops from Manila to the United States.

On the 14th of April 1899 General Corbin wired Otis concerning inquiries from a number of States relative to the volunteers. He stated that—

> The President is solicitous that there shall be no misunderstanding among the volunteers, and that their preference—

That is, their preference as to remaining or returning—

> shall be regarded.

General Corbin continued:

> If it is their wish to be mustered out, that should be done at the very earliest time practicable. If you need them, their retention must be voluntary. These volunteers have done noble service, which the President appreciates. He wants them to choose whether they will come home or remain temporarily in case the exigencies of public service require it.

Mr. McGILL. Mr. President, will the Senator yield?

Mr. KING. I yield.

Mr. McGILL. Similar bills, as I understand, have been passed by a number of Congresses.

Mr. KING. A similar bill passed the Senate and the House on one occasion.

Mr. McGILL. Just once before the present measure?

Mr. KING. Yes. And the President vetoed it; but the present bill has not passed, and if it should I believe it will be vetoed by the President.

Mr. McGILL. At the time of the first discharge of these soldiers, which occurred in the Philippine Islands——

Mr. KING. Mr. President, I have nearly concluded my remarks. If the Senator wishes to ask a question, I shall be glad to answer it.

Mr. McGILL. I have just an inquiry or two to submit to the Senator. At the time of the first discharge, as I understand, the Government called for volunteers while these men were in the Philippine Islands?

Mr. KING. Mr. President, as I understand, when the treaty of peace was signed, the volunteer troops of the United States who were in the Philippines were entitled to be discharged. Six hundred and twenty-two asked to be discharged, and their request was granted, and 13,300 remained

in the service ready to be transported home as soon as the necessary water transportation could be provided. The result was that efforts were made to provide transportation as soon as possible, and the troops were carried home very rapidly. Nine hundred and ninety-two of the volunteer troops expressed a willingness to remain for several months, and they were discharged, but immediately—and, as I understand, the same day—reenlisted, and they remained for a few months.

Mr. McGILL. Is it not true that at the time of their discharge, while they were in the Philippines, the Government again called for volunteers? Their term of enlistment had expired, and the Government again called for volunteers, and a portion of these men from the Twentieth Kansas, and I think some from the State of Iowa——

Mr. KING. And some from my State.

Mr. McGILL. And some from the State of Utah reenlisted. On the second enlistment they never were paid anything, so far as travel pay is concerned, from the Philippine Islands to San Francisco. Is that not correct?

Mr. KING. They were given transportation, and they were given cash allowances for travel from San Francisco to their homes, the same as those soldiers received when they were discharged in Cuba or elsewhere. In such case the Government furnished them transportation home.

Mr. McGILL. Does not the present claim arise out of what they claim was an implied agreement to pay them travel pay on the second enlistment, other than merely the ride home on the transports from the Philippine Islands?

Mr. KING. I understand that some claimed that, but the telegram to General Otis from the War Department was very clear that there was no such promise, and no such implication, and it declared that it would be unfair to others if these particular soldiers were allowed travel pay.

Mr. McGILL. The two Committees on Claims of the House and Senate have passed favorably upon that claim. The House has twice passed a bill dealing with the subject, and the Senate has twice passed such a bill. The bill has now been reported by the conferees, as I understand.

Mr. KING. The Senator states the situation correctly. When a similar bill was first passed, the President vetoed it, and gave the reasons for his veto. I have read his veto message and have also read the letter of Adjutant General Conley, which disapproves of the bill. The bill is again before us, though a similar bill was passed by Congress once and was vetoed by the President. It passed the House again, and is now before us, having been approved by the committee, and the motion to approve the report of the conferees is now before us.

Mr. President, the measure has some popular support. However, I think the President was right in vetoing a similar measure, and I am taking my position based upon the position taken by the President and the War Department.

Mr. McGILL. Mr. President, will the Senator yield for another question?

Mr. KING. I yield.

Mr. McGILL. Has it not been the claim of these men throughout the years that there was an agreement or a statement made to them at the time of their second enlistment that they would again be paid travel pay at the expiration of the second enlistment, and that it is upon that agreement that the claim is based?

Mr. KING. That claim has been made, but it is denied by the War Department, and I have found nothing to support it.

The PRESIDENT pro tempore. The question is on agreeing to the conference report.

The report was agreed to.

REVISION OF BANKRUPTCY ACT

The Senate resumed the consideration of the bill (H. R. 8046) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto; and to repeal section 76 thereof and all acts and parts of acts inconsistent therewith.

Mr. O'MAHONEY. Mr. President, I ask unanimous consent that the formal reading of the bill be dispensed with, that it be read for amendment, and that the amendments of the committee be first considered.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

Mr. KING. Mr. President, what matter is now before the Senate?

The PRESIDENT pro tempore. House bill 8046, providing for revision of the Bankruptcy Act.

Mr. KING. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Connally	Holt	O'Mahoney
Andrews	Copeland	Hughes	Overton
Ashurst	Davis	Johnson, Calif.	Pepper
Austin	Dieterich	Johnson, Colo.	Pittman
Bailey	Donahey	King	Pope
Bankhead	Duffy	La Follette	Radcliffe
Barkley	Ellender	Lee	Reames
Berry	Frazier	Lewis	Reynolds
Bilbo	George	Lodge	Russell
Bone	Gerry	Logan	Schwartz
Borah	Gibson	Lonergan	Schwellenbach
Brown, Mich.	Gillette	Lundeen	Sheppard
Brown, N. H.	Glass	McAdoo	Shipstead
Bulkley	Green	McGill	Smith
Bulow	Guffey	McKellar	Thomas, Utah
Burke	Hale	McNary	Townsend
Byrd	Harrison	Miller	Truman
Byrnes	Hatch	Milton	Vandenberg
Capper	Hayden	Minton	Van Nuys
Caraway	Herring	Murray	Wagner
Chavez	Hill	Neely	Walsh
Clark	Hitchcock	Norris	Wheeler

The PRESIDING OFFICER (Mr. DIETERICH in the chair). Eighty-eight Senators have answered to their names. A quorum is present.

Mr. O'MAHONEY. Mr. President, in accordance with the understanding reached yesterday, the Senate now proceeds to the consideration of Calendar No. 2022, House bill 8046, which is the bankruptcy bill, commonly called the Chandler bill. It has been so named because of the very diligent and effective attention given to the measure by the distinguished and capable Member of the House of Representatives from Tennessee, Mr. CHANDLER.

If I were to describe this bill in a single line, it would be "a measure designed to promote rehabilitation of business rather than liquidation."

At this juncture in our economic history, when one considers the many arguments which are made, pro and con, about Federal control of industry and of business, it is interesting to recall the striking fact that when the Constitution of the United States was adopted one of the powers granted to the Central Federal Government was the power to pass a uniform national bankruptcy act. I suppose nothing is more local or individual than a person's debts; yet the framers of the Constitution, in presenting that instrument to the people of the United States, decreed that the Central Government should have complete control of bankruptcy.

That power has not always been used, an observation which may also be made with respect to other powers granted to the Federal Government, which may be used or allowed to lie fallow, as it were, until in the judgment of Congress it is necessary in the public interest to utilize them.

The first Bankruptcy Act was passed in 1800. It was repealed. Another was passed in 1841, and another in 1867. These were all abandoned. The present bankruptcy law was enacted in 1898. Since that time it has been frequently amended in numerous particulars.

A pamphlet issued by the Senate Library, gathering together all the bankruptcy statutes, the latest issue of which was printed in 1937, contains 33 separate acts of Congress. Until the depression and until Congress assembled in 1932,

the last substantial amendment to the bankruptcy law was passed in May 1926. Since that time numerous emergency acts have been passed—sometimes as many as half a dozen in a single year—in 1933, 1934, 1935, 1936, and 1937. The Seventieth and Seventy-first Congresses did not amend the statute, but, beginning with the Seventy-second Congress, each Congress since has amended the law in some particular. Indeed, these four Congresses have passed no less than 22 acts amending the bankruptcy law.

Mr. LEWIS. Mr. President——

Mr. O'MAHONEY. I yield to the Senator from Illinois.

Mr. LEWIS. Does it interest the Senator from Wyoming, who brought forth the bill, requiring great investigation, I know, and entailing great labor, to recall, as a matter of history, that the Bankruptcy Act which now exists—in its general sense, the Federal act—referred to as the act of 1898, was really presented from Wyoming?

Mr. O'MAHONEY. I am delighted to have that knowledge. I was not aware of it. I must confess, much to my shame, that I was not aware of that fact.

Mr. LEWIS. The bill was brought in from Wyoming, and the act has remained. At that time I took the liberty to raise an issue—not successfully at all—and I now raise the same question. I ask the Senator if he will state, in his opinion, whether or not the present National Bankruptcy Act repeals, or works a repeal by implication, of the State bankruptcy acts in the different States?

Mr. O'MAHONEY. I think it supersedes every one of them. I think that when the jurisdiction of Congress attaches, it supersedes all the others.

Mr. LEWIS. It was that position which gave me disturbance at that time, when I was a Member of the House of Representatives. It is that which gives me trouble now. If we are repealing different State statutes, we are repealing the power of the people in the States and the right of business interests to receive relief from their local governments.

I fear that such an act centralizes to the point of robbing the States completely of control of those commercial features which I should like to see left to the local bodies. I will hear the able Senator through. I merely meant to suggest wherein I feel there is a very serious question.

Mr. O'MAHONEY. That issue was settled in 1898, and it is not now before the Senate in the pending bill, which is, in effect, a codification of the existing bankruptcy laws.

A striking characteristic of the amendatory acts which were passed after 1932 was that they were all based upon a desire to preserve business and to prevent liquidation as far as possible. The old theory of bankruptcy was that when the debtor, either voluntarily or involuntarily, entered the bankruptcy court, his assets were to be marshaled for the benefit of his creditors. He surrendered everything he had, went out of business, and then sought to rebuild his fortune as best he could in some other line.

However, with changing circumstances, with the expansion of business, and with the growth of corporations when business began to spread over State lines and large amounts of public capital were accumulated in corporate enterprises through the sale of stock, it became obvious to those who were administering the bankruptcy laws or practicing under them, to those who were seeking to rehabilitate business, that a different form of procedure was essential.

On March 3, 1933, there was enacted what is now chapter VIII of the bankruptcy law. This was the first effort to make it possible for a debtor to pay his debts upon the installment plan, as it were, and to continue in business instead of going into liquidation.

Later there was adopted a provision dealing with railroad reorganizations. That provision was known as section 77 of the Bankruptcy Act, to enable railroads to reorganize without going through the wringer, as the popular phrase has it.

Let me say, however, that provision dealing with railroad reorganizations is not covered in the bill which is now presented to the Senate by the Judiciary Committee.

Section 74, one of the emergency acts, broadened the scope of debtor compositions.

Section 75 dealt with the extension of agricultural debts, that is to say, of farmers' debts.

Later section 77B was added by the act of June 7, 1934. Section 77B was a provision intended to permit the reorganization of large corporations. Prior to 1934, there was no provision of the bankruptcy law by which such reorganizations could be accomplished, save by equity receiverships. Section 77 dealt only with railroads. Section 77B dealt with any sort of corporation engaged in any business.

All these acts were hastily drawn, and in many instances their provisions were susceptible of misconstruction or misinterpretation. There was conflict and uncertainty. Let me say that reorganization through equity receivership was one of those developments of law by way of judicial construction instead of legislative action which have so frequently occurred in the past. Naturally, it was not clear and certain, and it led to many abuses, particularly in the case of the appointment of the so-called friendly receiver—friendly to management, but not to creditors or stockholders.

The bill now before the Senate is the product of intensive study over a period of almost 10 years. Beginning in 1929 the Department of Justice undertook a broad investigation of the operations of equity receiverships and of the bankruptcy law in general. That led to conferences with members of the American Bar Association, members of the Commercial Law League, members of the National Association of Credit Men, members of the National Association of Referees in Bankruptcy, together with Members of the House and Members of the Senate. Those conferences, in turn, led to the formation of what was called the National Bankruptcy Conference. That conference has given most intensive study to the bill.

The measure passed the House during the last session. It came to the Senate and was referred to the Judiciary Committee at the conclusion of the last session. In November of last year a subcommittee of the Judiciary Committee, to which it was referred, held the first hearing. This committee consisted of the senior Senator from Indiana, Mr. Van Nuys; the then Senator from Oregon, Mr. Steiwer; and the present speaker. At that hearing notice was given that in January the hearings would be reopened in the regular session and an opportunity would be afforded to every person who cared to make any representation with respect to the bill or who cared to suggest any amendments.

The subcommittee met again on January 19, 1938, and hearings were held during that month and during the month of February. After the hearings were concluded, copies were printed and widely circulated throughout the country. Consideration of the measure was withheld by the subcommittee until it was perfectly clear that ample opportunity had been extended to every person who desired to appear to do so.

Only one really controversial issue was developed. That had to do with the revision of section 77B, the corporate reorganization provision of the present law. It has been rewritten and is now presented to the Senate as chapter X of the pending bill. Every other provision of the bill, I think, meets with practically universal approval. Of course, there have been suggestions which have been adopted, but I think I can say that no bill, at least in recent years, has ever received more careful and intensive study than this measure. The senior Senator from Vermont [Mr. AUSTIN], who was named to succeed Senator Steiwer after the latter's resignation, and the senior Senator from Indiana [Mr. VAN NUYS], who has been devoting attention to bankruptcy legislation for years, were both most diligent in the examination of the bill and in considering the suggestions made at the hearings.

Mr. WALSH. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Wyoming yield to the Senator from Massachusetts?

Mr. O'MAHONEY. I am very glad to yield to the Senator from Massachusetts.

Mr. WALSH. I am unable to remain in the Chamber. Therefore, my question may relate to a subject which the Senator will discuss later, but for many years I have been much interested in the necessity for reform in our bankruptcy laws. Complaints that have come to me for several years past have centered around the point that the present bankruptcy laws have operated, through fees and expenses and other charges of one kind or another, so to diminish the assets of the bankrupt to the great loss and injury of creditors.

I should like to ask the Senate if the changes proposed by the pending bill will tend or are directed toward making certain that whatever may be in a bankrupt's estate will be conserved, protected, and guarded so that the creditors will get a decent percentage or proportion of the estate which is in bankruptcy?

Mr. O'MAHONEY. The Senator from Massachusetts has several times spoken to me on this subject. I am very glad to be able to advise him that the point of view which he has now expressed has been expressed by many members of the committee. We feel that this bill will procure the result which he desires. A special committee, by the way, was appointed, of which the distinguished Senator from California [Mr. McADOO] was chairman, which conducted a far-reaching investigation into fraudulent practices in bankruptcy proceedings. The result of that very beneficial study is to be found in this bill.

I should like to remind the Senator that after he discussed this particular phase of the problem with me at the last session of Congress, the Judiciary Committee reported a measure, which was presented by the very distinguished senior Senator from Idaho [Mr. BORAH] and was approved on August 25, 1937. This is an act to prohibit certain agreements fixing fees or compensation in receivership, bankruptcy, or reorganization proceedings, to prohibit the appointment of certain persons as receiver or trustee, and for other purposes.

The purpose and effect of that act, which is preserved in the pending bill, was to raise what I believe to be a complete barrier to the abuses to which the Senator has referred.

Mr. WALSH. I am pleased to have this information, because my experience has been that the abuses have been indefensible. The machinery of the courts has been used for the purpose of exploiting the estates of bankrupts, and, through the allowance of large fees and other large expenses, to destroy the rights of the creditors.

I should like to ask another question. Have any steps been taken to strengthen the criminal law so far as bankruptcy pleading proceedings are concerned? I may say, before the Senator answers that question, that, in my opinion, unless certain facts appear in the procedure, a bankrupt has an extraordinary and unethical opportunity under the law to free himself from the honest debts he owes his creditors.

Perhaps the Senator is familiar with the fact that in England the prosecuting attorney is charged with the responsibility of examining the bankrupt to see if he comes into court with clean hands, to see if he has gone into bankruptcy honestly, to see if there have been no assets stolen or hidden or dissipated. It seems to me that it is very essential and necessary that there be some provision in our bankruptcy law, clear and unmistakable, whereby some agency of the court may determine that the alleged bankrupt is honestly and truthfully and in reality entitled to the relief of bankruptcy.

I say that for the reason that I consider the action of freeing a debtor from his debts to be extraordinary and justified only when that bankrupt comes into court with clean hands. The creditors should not be put to the expense of hiring lawyers and of conducting long examinations and be put to the trouble and inconvenience of ascertaining whether or not a man is an honest bankrupt. It seems to me that there ought to be provision in the law which would make the courts more diligent in determining and detecting fraud, deceit, misrepresentation, and dishonesty when a man resorts to the benefits and relief granted in bankruptcy proceedings. I ask the Senator's view on that subject.

Mr. O'MAHONEY. That was in the mind of those who drafted the bill and those who studied it in the other House. The House committee did such an excellent piece of work in accomplishing that result, which is to be found in section 29, beginning on page 44 of the bill, that the Senate committee did not deem it necessary to make any amendments of the revision accomplished in the House, with the exception of one small revision on page 46, which provides—

> That the offense of concealment of assets of a bankrupt shall be deemed to be a continuing offense until the bankrupt shall have been finally discharged, and the period of limitation herein provided shall not begin to run until such final discharge.

We added that amendment in the Senate committee.

The Senator will be interested to know that one of the provisions of the bill as it came to the Senate from the House requires the United States attorney to report to the referee. No such report is required in the present law, but by the revision made in the House the United States attorney will inform the court as to the disposition of cases referred to him. That provision is retained in the Senate bill.

Section 29 has been amended so as to include those persons who are debtors under the new sections of the bill, and the definitions of offenses have been strengthened.

The Senator will also be interested to know that a new provision makes it quite clear that the wife of a bankrupt as well as the bankrupt himself may be examined relative to the whole bankruptcy transaction. This is intended to make it possible to follow assets which sometimes have been covered up by transactions between a bankrupt and his wife.

The procedure with respect to the discovery of assets has also been improved and provision has been made for examination of hostile witnesses. The Senator will find these provisions in sections 21 (j) and 21 (k).

Mr. WALSH. That is excellent. Whatever other imperfections the bill may have, if that provision will lead to a vigilant prosecution of dishonest and corrupt bankrupts and will tend to conserve as largely as possible the assets of the bankrupt's estate, it will be of great benefit and of great importance. I compliment the Senator for giving the time and study he has given to this very desirable reform. To me it has been a matter of profound regret that our courts are being used to rob honest creditors of assets of the estates of bankrupts.

Mr. O'MAHONEY. The Senator is very kind.

Mr. McADOO. Mr. President, will the Senator from Wyoming yield to me for a moment?

The PRESIDENT pro tempore. Does the Senator from Wyoming yield to the Senator from California?

Mr. O'MAHONEY. I am glad to yield to the Senator from California.

Mr. McADOO. I desire to take occasion to express my full sympathy with the remarks made by the able senior Senator from Massachusetts [Mr. WALSH] and also with what has thus far been said by my distinguished colleague from Wyoming [Mr. O'MAHONEY]. I wish to say that a committee, of which I was chairman, authorized by the Senate to investigate bankruptcy and receivership proceedings and the general administration of justice in the Federal courts, devoted itself assiduously to the task. The committee uncovered incredible abuses in the administration of bankruptcies and receiverships in the only area that we had opportunity to examine.

I am delighted that the Chandler bill has been evolved, and I am happy that the committee to which I have referred was given the opportunity of submitting the testimony taken at its hearings and the various reports which were prepared and presented by its counsel. I hope that they have contributed in some measure to the perfection of this important and essential measure. I know that nothing is more needed than to stop these incredible abuses in the courts of the United States, amounting in some instances to a prostitution of justice. I strongly favor the enactment of this measure.

Mr. O'MAHONEY. The contribution of the Senator and of his committee to the study and solution of this problem was invaluable; and I desire to say, on behalf of the Judiciary Committee, that we were very happy to have it available to us.

Mr. LEWIS. Mr. President——

Mr. O'MAHONEY. I am very happy to yield to the Senator from Illinois.

Mr. LEWIS. If I do not disturb the Senator, I bring him back for a moment to his observation just before the able Senator from Massachusetts [Mr. WALSH] presented a very pertinent suggestion. It is on section 77B. I call attention to the fact that the Senator has announced something of the content of the new law, and refers appropriately to the old law. Since many institutions have gone through bankruptcy under section 77B, and proceedings as to many are now pending in the courts, I ask what particular effect is provided in the bill as to the measures which have been finished by the courts or those which are now pending in the courts as to institutions which have gone through bankruptcy, or as to which bankruptcy proceedings under section 77B are now pending?

Mr. O'MAHONEY. Of course, the bill does not deal at all with proceedings which have been completed. With those which are now pending it deals only to the extent to which the courts before which the proceedings are pending desire to invite the cooperation of the Securities and Exchange Commission.

Mr. KING. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield to the Senator from Utah.

Mr. KING. I am prompted by the observation of the Senator to say that I do not recall that any abuses have been claimed with respect to section 77B. Upon the contrary, I think the overwhelming majority of the testimony indicates the satisfaction of the courts and the litigants with the provisions of section 77B. It is the other provisions of the bankruptcy law which have been the subject of very great abuse, particularly the equity features of the bankruptcy law.

Mr. O'MAHONEY. Mr. President, I was about to say that the first seven chapters of the bill deal with the codification of the old bankruptcy law. Chapter X deals with the reorganization of corporations. Chapter XI deals with arrangement by natural persons and by corporations. That is a combination of the old section 12 on compositions and section 74, which was one of the emergency acts. It affords adequate assistance, it is believed, to small corporations. Chapter XII deals with real property arrangements by persons other than corporations, and chapter XIII deals with the wage earner.

As I was about to say, with the exception of chapter X, the measure has almost unanimous approval of all persons who have given it any study. I feel that at this point I should read just a paragraph from a letter which came to me from Mr. Henry C. Shull, chairman of the bankruptcy committee of the American Bar Association. He says:

> The committee on commercial law and bankruptcy of the American Bar Association desires to register its general approval of the Chandler bill, H. R. 8046, now before your subcommittee of the Senate Judiciary Committee. The bill is designed to modernize the entire Bankruptcy Act, and was developed through the activities of the national bankruptcy conference, of which this committee is a member. It is doubtful if any single piece of legislation has attracted to it more conscientious and painstaking work by so many experts on the subject. It is a great improvement over the present act, and this committee desires to see the bill passed at this session of Congress and become a law.

I ask unanimous consent that the entire letter may be printed in the RECORD, because in the body of the letter Mr. Shull makes certain suggestions with respect to the amendment of chapter X, some of which we feel were substantially adopted.

The PRESIDENT pro tempore. Without objection, the entire letter will be printed in the RECORD.

The letter is as follows:

SIOUX CITY, IOWA, *January 10, 1938.*

Hon. JOSEPH C. O'MAHONEY,
Senate Office Building, Washington, D. C.

MY DEAR SENATOR: The committee on commercial law and bankruptcy of the American Bar Association desires to register its general approval of the Chandler bill, H. R. 8046, now before your subcommittee of the Senate Judiciary Committee. The bill is designed to modernize the entire bankruptcy act and was developed through the activities of the national bankruptcy conference, of which this committee is a member. It is doubtful if any single piece of legislation has attracted to it more conscientious and painstaking work by so many experts on the subject. It is a great improvement over the present act and this committee desires to see the bill passed at this session of Congress and become a law.

A majority of the committee believe that certain changes could still be made in the Chandler bill as it is now before your committee, which would make it a more workable law and offer the following suggestions for the consideration of your committee:

1. Eliminate from chapter X (corporate reorganizations) of the bill the mandatory provisions requiring the appointment in all cases of a disinterested trustee and a disinterested attorney, as this will deprive the estate of the services of those best qualified in many cases.

2. Eliminate from chapter X (corporate reorganizations) the requirement that the trustee prepare and file the original plan of reorganization, as it deprives the parties of a substantial part of their bargaining power and tends to place this important function in the hands of uninformed persons.

3. Change the provisions of sections 24 and 25 on jurisdiction of appellate courts and practice on appeals in accordance with the recommendation made by this committee in support of the proposed amendments of W. B. Henderson, a member thereof, before the House Judiciary Committee when the Chandler bill was being considered. The committee does not believe that the rewritten sections of the Chandler bill clarify the confusion now existing in the appeal of cases under the present Bankruptcy Act. A copy of Mr. Henderson's proposal is attached to this memorandum.

Respectfully submitted.

HENRY C. SHULL,
Chairman, Bankruptcy Committee, A. B. A.

Mr. O'MAHONEY. Of course, the bill does not make all the concessions Mr. Shull asked with respect to chapter X, but I think all ground for reasonable objection has been removed.

Mr. President, with this preliminary statement, I hope we may proceed to the consideration of the committee amendments; and I ask unanimous consent that they may now be considered.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. LODGE. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield to the Senator from Massachusetts.

Mr. LODGE. Has the bill the unanimous support of the committee?

Mr. O'MAHONEY. It has the unanimous support of the committee on all save one point, the controversial point, chapter X. The distinguished Senator from Utah [Mr. KING] filed a minority report. As I read the minority report, it deals only with the controversial issue of the manner in which corporate reorganizations are to be carried out.

Mr. LODGE. But, with that exception, the other sections of the bill are approved by the committee?

Mr. KING. Mr. President, while the inquiry was not directed to me, I may say that the major part of the bill meets with my approval. I congratulate my friend from Wyoming and the other members of the subcommittee—I was not a member of the subcommittee—on the fine work they have done, except with respect to chapter X. They have given us a beautiful building, but they have marred it by inserting in the bill chapter X, and as to that I think there will be some disagreement.

I know that a number of Senators do not like chapter X in some of its provisions, particularly that part of it which injects the Securities Exchange Commission and other Federal bureaus which exist in virtue of the interstate-commerce clause into the consideration of this important measure, which rests upon a provision of the Constitution of the United States dealing with bankruptcies, which is not the genesis of or the authority for the existence of the Security Exchange Commission.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, returned to the Senate, in compliance with its request, the bill (S. 2165) to amend the act entitled "An act to provide conditions for the purchase of supplies and the making of contracts by the United States, and for other purposes."

The message announced that the House had agreed to the amendments of the Senate to the bill (H. R. 10298) authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

H. R. 7560. An act to authorize alterations and repairs to certain naval vessels, and for other purposes;

H. R. 8673. An act for the relief of certain persons at certain projects of the Farm Security Administration, United States Department of Agriculture;

H. R. 9014. An act to authorize the conveyance to the Lane S. Anderson Post, No. 297, Veterans of Foreign Wars of the United States, of a parcel of land at lock No. 6, Kanawha River, South Charleston, W. Va.;

H. R. 9610. An act to amend the National Firearms Act;

H. R. 10076. An act to create the White County Bridge Commission; defining the authority, power, and duties of said commission; and authorizing said commission and its successors and assigns to purchase, maintain, and operate a bridge across the Wabash River at or near New Harmony, Ind.;

H. R. 10261. An act creating the Arkansas-Mississippi Bridge Commission; defining the authority, power, and duties of said commission; and authorizing said commission and its successors and assigns to construct, maintain, and operate a bridge across the Mississippi River at or near Friar Point, Miss., and Helena, Ark.; and for other purposes;

H. R. 10459. An act to amend certain provisions of law relative to the production of wines, brandy, and fruit spirits so as to remove therefrom certain unnecessary restrictions; to facilitate the collection of internal-revenue taxes thereupon; and to provide abatement of certain taxes upon wines, brandy, and fruit spirits where lost or evaporated while in the custody and under the control of the Government without any fault of the owner; and

H. R. 10722. An act to authorize the attendance of the Marine Band at the national encampment of the Grand Army of the Republic to be held at Des Moines, Iowa, September 4 to 8, inclusive, 1938.

REVISION OF BANKRUPTCY ACT

The Senate resumed the consideration of the bill (H. R. 8046) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto; and to repeal section 76 thereof and all acts and parts of acts inconsistent therewith.

The PRESIDENT pro tempore. The clerk will state the amendments reported by the committee.

Mr. KING. Does the Senator desire to take up the amendments preceding chapter X?

Mr. O'MAHONEY. My purpose is to take up, first, the committee amendments dealing with the noncontroversial sections of the bill, so that we may then consider chapter X independently.

Mr. KING. I have no objection to that.

The first amendment of the Committee on the Judiciary was, under the heading "Chapter I—Definitions", in section 1. "Meaning of words and phrases", on page 3, line 17, after the word "applicable", to insert "and"; and in line 18, after the name "District of Columbia", to strike out the comma and "and the United States Court of Alaska", so as to read:

(10) "Courts of bankruptcy" shall include the district courts of the United States and of the Territories and possessions to which this act is or may hereafter be applicable, and the District Court of the United States for the District of Columbia.

The amendment was agreed to.

The next amendment was, on page 6, line 19, before the word "and", to strike out "Alaska", so as to read:

(29) "States" shall include the Territories and possessions to which this act is or may hereafter be applicable, and the District of Columbia.

The amendment was agreed to.

The next amendment was, under the heading "Chapter II—Courts of bankruptcy", on page 7, line 16, after the word "of", to strike out "bankruptcy as hereinbefore defined are hereby" and insert "the United States hereinbefore defined as courts of bankruptcy are hereby created courts of bankruptcy and are hereby"; in line 21, after the word "law", to strike out the comma and "in equity, and in admiralty" and insert "and in equity", so as to read:

SEC. 2. Creation of courts of bankruptcy and their jurisdiction: a. The courts of the United States hereinbefore defined as courts of bankruptcy are hereby created courts of bankruptcy and are hereby invested, within their respective territorial limits as now established or as they may be hereafter changed, with such jurisdiction at law and in equity as will enable them to exercise original jurisdiction in proceedings under this act, in vacation, in chambers, and during their respective terms, as they are now or may be hereafter held, to—

The amendment was agreed to.

The next amendment was, on page 12, line 3, after the word "arrangement", to strike out "under chapter XI or chapter XII or a wage-earner plan under chapter XIII of" and insert "or a plan under", so as to read:

(21) Require receivers or trustees appointed in proceedings not under this act, assignees for the benefit of creditors, and agents authorized to take possession of or to liquidate a person's property to deliver the property in their possession or under their control to the receiver or trustee appointed under this act or, where an arrangement or a plan under this act has been confirmed and such property has not prior thereto been delivered to a receiver or trustee appointed under this act, to deliver such property to the debtor or other person entitled to such property according to the provisions of the arrangement or plan, and in all such cases to account to the court for the disposition by them of the property of such bankrupt or debtor.

The amendment was agreed to.

The next amendment was, under the heading "Chapter III—Bankrupts", on page 16, line 9, after the word "more", to strike out "of" and insert "or", so as to read:

b. A petition may be filed by one or more or all of the general partners in the separate behalf of a partnership or jointly in behalf of a partnership and of the general partner or partners filing the same: *Provided, however,* That where a petition is filed in behalf of a partnership by less than all of the general partners, the petition shall allege that the partnership is insolvent. A petition may be filed separately against a partnership or jointly against a partnership and one or more or all of its general partners.

The amendment was agreed to.

The next amendment was, on page 19, line 15, after the word "other", to strike out "jurisdiction" and insert "State", so as to read:

SEC. 6. Exemptions of bankrupts: This act shall not affect the allowance to bankrupts of the exemptions which are prescribed by the laws of the United States or by the State laws in force at the time of the filing of the petition in the State wherein they have had their domicile for the 6 months immediately preceding the filing of the petition, or for a longer portion of such 6 months than in any other State.

The amendment was agreed to.

The next amendment was, in "Section 14. Discharges when granted", on page 28, line 2, after the word "creditors", to strike out "or", and in line 3, after the word "attorney", to insert "or such other attorney as the Attorney General may designate", so as to read:

SEC. 14. Discharges, when granted: a. The adjudication of any person, except a corporation, shall operate as an application for a discharge: *Provided,* That the bankrupt may, before the hearing on such application, waive by writing, filed with the court his right to a discharge. A corporation may, within 6 months after its adjudication, file an application for a discharge in the court in which the proceedings are pending.

b. After the bankrupt shall have been examined, either at the first meeting of creditors or at a meeting specially fixed for that purpose, concerning his acts, conduct, and property, the court shall make an order fixing a time for the filing of objections to the bankrupt's discharge, notice of which order shall be given to all parties in interest as provided in section 58 of this act. Upon the expiration of the time fixed in such order or of any extension of such time granted by the court, the court shall discharge the bankrupt if no objection has been filed; otherwise, the court shall hear such proofs and pleas as may be made in opposition to the discharge, by the trustee, creditors, the United States attorney, or such other attorney as the Attorney General may designate, at such time as will give the bankrupt and the objecting parties a reasonable opportunity to be fully heard.

The amendment was agreed to.

The next amendment was, on page 29, line 17, after the word "pending", to insert "or such other attorney as the Attorney General may designate", so as to read:

d. When requested by the court, the United States attorney, located in the judicial district in which the bankruptcy proceeding is pending, or such other attorney as the Attorney General may designate, shall examine into the acts and conduct of the bankrupt and, if satisfied that probable grounds exist for the denial of the discharge and that the public interest so warrants, he shall oppose the discharge of such bankrupt in like manner as provided in the case of a trustee.

The amendment was agreed to.

The next amendment was, on page 30, line 17, after the article "a" and the period, to strike out "a discharge in bankruptcy shall release a bankrupt from all of his provable debts, whether allowable in full or in part, except such as (1) are due as a tax levied by the State, county, district, or municipality in which he resides;" and insert "a discharge in bankruptcy shall release a bankrupt from all of his provable debts, whether allowable in full or in part, except such as (1) are due as a tax levied by the United States, or any State, county, district, or municipality; (2) are liabilities for obtaining money or", so as to read:

SEC. 17. Debts not affected by a discharge: a. A discharge in bankruptcy shall release a bankrupt from all of his provable debts, whether allowable in full or in part, except such as (1) are due as a tax levied by the United States, or any State, county, district, or municipality; (2) are liabilities for obtaining money or property by false pretenses or false representations, or for willful and malicious injuries to the person or property of another, or for alimony due or to become due, or for maintenance or support of wife or child, or for seduction of an unmarried female, or for breach of promise of marriage accompanied by seduction, or for criminal conversation; (3) have not been duly scheduled in time for proof and allowance, with the name of the creditor, if known to the bankrupt, unless such creditor had notice or actual knowledge of the proceedings in bankruptcy; or (4) were created by his fraud, embezzlement, misappropriation or defalcation while acting as an officer or in any fiduciary capacity; or (5) are for wages which have been earned within 3 months before the date of commencement of the proceedings in bankruptcy due to workmen, servants, clerks, or traveling or city salesmen, on salary or commission basis, whole or part time, whether or not selling exclusively for the bankrupt; or (6) are due for moneys of an employee received or retained by his employer to secure the faithful performance by such employee of the terms of a contract of employment.

The amendment was agreed to.

The next amendment was, under the heading "Chapter IV—Courts and procedure therein," on page 40, after line 3, "Sec. 24. Jurisdiction of appellate courts", to strike out:

a. The Circuit Courts of Appeals of the United States and the United States Court of Appeals of the District of Columbia, in vacation, in chambers, and during their respective terms, as now or as they may be hereafter held, are hereby invested with appellate jurisdiction from the several courts of bankruptcy in their respective jurisdictions (1) of controversies arising in the course of proceedings under this act in the same manner and to the same extent as in suits at law or in equity; (2) to superintend and revise, in matter of law and fact, the proceedings of such inferior courts of bankruptcy in the following cases: (a) A judgment adjudging or refusing to adjudge a person a bankrupt; (b) a judgment approving or dismissing a petition filed by or against a debtor under chapter X of this act; (c) a judgment granting or denying a discharge; (d) a judgment confirming or refusing to confirm an arrangement or plan; (e) a judgment allowing or rejecting a debt, claim, or interest of $500 or over; and (f) a judgment allowing or dismissing an application for an order upon a bankrupt or other person to deliver or turn over property to the marshal, or to the receiver or trustee of the estate; and (3) to superintend and revise, in matter of law only, the proceedings in all other cases of such inferior courts of bankruptcy.

And in lieu thereof to insert:

a. The Circuit Courts of Appeals of the United States and the United States Court of Appeals for the District of Columbia, in vacation, in chambers, and during their respective terms, as now or as they may be hereafter held, are hereby invested with appellate jurisdiction from the several courts of bankruptcy in their respective jurisdictions in proceedings in bankruptcy, either interlocutory or final, and in controversies arising in proceedings in bankruptcy, to review, affirm, revise, or reverse, both in matters of law and in matters of fact: *Provided, however,* That the jurisdiction upon appeal from a judgment on a verdict rendered by a jury shall extend to matters of law only: *Provided further,* That when any order, decree, or judgment involves less than $500, an appeal therefrom may be taken only upon allowance of the appellate court.

The amendment was agreed to.

The next amendment was, on page 41, line 19, after the word "appeal", to strike out the colon and the following proviso:

Provided, That in the cases specified in subdivision a (3) of this section, such appeals shall be allowed in the discretion of the appellate court: *And provided further,* That where, within the time limited for taking appeals, an appeal has been taken as of right instead of by allowance of the appellate court, the appellate court may in its discretion allow such appeal at any time before final determination with the same effect as if it had been duly allowed, when taken, and where, within the time limited for taking appeals, an appeal has been taken by allowance of the appellate court instead of as of right, the appellate court may in its discretion entertain and determine such appeal with the same effect as if it had been duly taken as of right.

So as to read:

b. Such appellate jurisdiction shall be exercised by appeal and in the form and manner of an appeal.

The amendment was agreed to.

The next amendment was, on page 42, line 10, after the word "with", to strike out "appellate jurisdiction from" and insert "jurisdiction to review judgments, decrees, and orders of", so as to read:

c. The Supreme Court of the United States is hereby vested with jurisdiction to review judgments, decrees, and orders of the Circuit Courts of Appeals of the United States and the United States Circuit Court of Appeals of the District of Columbia in proceedings under this act in accordance with the provisions of the laws of the United States now in force or such as may hereafter be enacted.

The amendment was agreed to.

The next amendment was, on page 42, line 19, after the word "Appeals", to strike out "of" and insert "for", and in line 20, after the word "within", to strike out "twenty" and insert "thirty", so as to read:

SEC. 25. Practice on appeals: a. Appeals under this act to the Circuit Courts of Appeals of the United States and the United States Circuit Court of Appeals for the District of Columbia shall be taken within 30 days after written notice to the aggrieved party of the entry of the judgment, order, or decree complained of, proof of which notice shall be filed within 5 days after service or, if such notice be not served and filed, then within 40 days from such entry.

The amendment was agreed to.

The next amendment was, on page 46, line 12, after the word "offense", to insert a colon and the following proviso: "*Provided,* That the offense of concealment of assets of a bankrupt shall be deemed to be a continuing offense until the bankrupt shall have been finally discharged, and the period of limitations herein provided shall not begin to run until such final discharge", so as to read:

d. A person shall not be prosecuted for any offense arising under this act unless the indictment is found or the information is filed in court within 3 years after the commission of the offense: *Provided,* That the offense of concealment of assets of a bankrupt shall be deemed to be a continuing offense until the bankrupt shall have been finally discharged, and the period of limitations herein provided shall not begin to run until such final discharge.

The amendment was agreed to.

The next amendment was, under the heading "Chapter V—Officers, their duties and compensation", on page 51, line 17, after the word "substance", to strike out "thereof," and insert "thereof", and in line 18, after the word "before", to strike out "them," and insert "them", so as to read:

SEC. 39. Duties of referees: a. Referees shall (1) give notice to creditors and other parties in interest, as provided in this act; (2) prepare and file the schedules of property and lists of creditors required to be filed by the bankrupts or cause the same to be done when the bankrupts fail, refuse, or neglect to do so; (3) examine all schedules of property, lists of creditors, and statements of affairs, filed as provided under this act, and cause such as are incomplete and defective to be amended; (4) furnish or cause to be furnished such information concerning proceedings before them as may be requested by parties in interest; (5) declare dividends and cause to be prepared dividend sheets showing the dividends declared and to whom payable; (6) transmit to the clerks such papers as may be on file before them whenever the same are needed in any proceedings in courts and secure the return of such papers after they have been used, or, if it be impractical to transmit the original papers, transmit certified copies thereof by mail; (7) upon application of any party in interest, preserve the evidence taken, or the substance thereof as agreed upon by the parties before them when a stenographer is not in attendance; (8) prepare promptly and transmit to the clerks certificates on petitions for review of orders

made by them, together with a statement of the questions presented, the findings and orders thereon, the petition for review, a transcript of the evidence or a summary thereof, and all exhibits; (9) transmit forthwith to the clerks all bonds filed with and approved by them, the originals of all orders made by them granting adjudications or dismissing the petitions as provided in this act, and certified copies of all orders made and entered by them, granting, denying, or revoking discharges, or confirming or refusing to confirm arrangements or plans or setting aside the confirmation of arrangements or wage-earner plans and reinstating the proceedings or cases, and reports of the completion thereof; and (10) safely keep, perfect, and transmit to the clerks, when the cases are concluded, the records herein required to be kept by them.

The amendment was agreed to.

The next amendment was, on page 53, line 14, after the word "any", to strike out "to be paid in full: *Provided, however,* That the judge may, by standing rule or otherwise, fix a lower rate of compensation, so that no referee shall receive excessive compensation during his term of office, and that, in any case of an extension, the judge may prescribe terms and conditions for the payment of the referee's compensation. Referees in ancillary proceedings shall receive as full compensation for their services, payable after they are rendered, a fee of $15 deposited in each case with the clerk of the ancillary court at the time the ancillary proceeding is instituted, and 1 percent commission on all moneys and on the fair value of all property transmitted in kind by the ancillary court to the court of primary jurisdiction" and to insert "to be paid in full. Referees in ancillary proceedings shall receive as full compensation for their services, payable after they are rendered, a fee of $15 deposited in each case with the clerk of the ancillary court at the time the ancillary proceeding is instituted, and 1 percent commission on all moneys disbursed in the ancillary proceeding to lien creditors, as well as on all moneys transmitted and on the fair value of all property turned over in kind by the court of the ancillary jurisdiction to the court of primary jurisdiction. The judge may, however, by standing rule or otherwise, fix a lower rate of compensation, so that no referee shall receive excessive compensation during his term of office, and, in any case of an extension, the judge may prescribe terms and conditions for the payment of the referee's compensation", so as to read:

SEC. 40. Compensation of referees: a. Referees shall receive as full compensation for their services, payable after they are rendered, a fee of $15, deposited with the clerk at the time the petition is filed in each case, except when a fee is not required from a voluntary bankrupt; a fee of 25 cents for every proof of claim filed for allowance, to be paid from the estate, if any, as a part of the cost of administration; and from estates which have been administered before them, 1 percent commissions on all moneys disbursed to creditors by the trustees or, upon confirmation of an arrangement, one-half of 1 percent on the amount to be paid to creditors in respect to the composition of debts and one-half of 1 percent on the amount of the debts whose maturity is to be extended and of the debts, if any, to be paid in full. Referees in ancillary proceedings shall receive as full compensation for their services, payable after they are rendered, a fee of $15 deposited in each case with the clerk of the ancillary court at the time the ancillary proceeding is instituted, and 1 percent commission on all moneys disbursed in the ancillary proceeding to lien creditors, as well as on all moneys transmitted and on the fair value of all property turned over in kind by the court of the ancillary jurisdiction to the court of primary jurisdiction. The judge may, however, by standing rule or otherwise, fix a lower rate of compensation, so that no referee shall receive excessive compensation during his term of office, and, in any case of an extension, the judge may prescribe terms and conditions for the payment of the referee's compensation.

The amendment was agreed to.

The next amendment was, on page 55, line 15, after the word "residence", to strike out the comma and "and" and insert "or", so as to read:

SEC. 41. Contempts before referees: a. A person shall not, in proceedings before a referee, (1) disobey or resist any lawful order, process, or writ; (2) misbehave during a hearing or so near the place thereof as to obstruct the same; (3) neglect to produce, after having been ordered to do so, any pertinent document; or (4) refuse to appear after having been subpenaed, or, upon appearing, refuse to take the oath as a witness, or having taken the oath, refuse to be examined according to law: *Provided,* That a person other than a bankrupt or, where the bankrupt is a corporation, its officers, or the members of its board of directors or trustees or of other similar controlling bodies, shall not be required to attend as a witness before a referee at a place more than 100 miles from such person's place of residence or unless his lawful mileage and fee for 1 day's attendance shall be first paid or tendered to him.

The amendment was agreed to.

The next amendment was, on page 65, line 5, after the word "the" where it occurs the first time, to strike out "confirmation" and insert "consummation", and in line 12, after the word "the" where it occurs the first time, to strike out "confirmation" and insert "consummation", so as to read:

g. Plans of reorganization: In the case of a plan of reorganization confirmed under this act, the compensation of a marshal, receiver, or trustee in a prior pending bankruptcy proceeding superseded by the reorganization proceeding shall be the same as hereinabove provided for a marshal, receiver, or trustee, as the case may be, for like services. Such compensation shall be computed upon all moneys disbursed or turned over by him to any persons, including lienholders, upon all moneys to be paid to unsecured creditors upon the consummation of the plan of reorganization and thereafter, pursuant to the terms of the plan of reorganization, and where under the plan of reorganization any part of the consideration to be paid to unsecured creditors is other than money, upon the amount of the fair value of such consideration: *Provided, however,* That the court may, in respect to the moneys to be paid to such unsecured creditors after the consummation of the plan of reorganization, prescribe such time for the payment of the compensation computed thereon as in the particular case may be fair and equitable.

The amendment was agreed to.

The next amendment was, on page 70, line 4, after "chapter VIII", to insert "IX", so as to read:

SEC. 53. Duties of Attorney General: The Attorney General annually shall lay before Congress statistical tables showing for the whole country and by States and Federal districts and divisions thereof the number of voluntary and involuntary cases referred, a classification of the bankrupts therein by occupations, the number of cases concluded, the number of discharges granted and denied, the net total of proceeds realized, the average amount realized per case, the amount of the administration expenses, total and classified, and the percentages of such total and classified expenses as compared with the total net realization, the total amounts paid to creditors of all classes and the amounts paid to each class, the percentages in a comparison of the total amount and the amount of each class with such total net realization, and the amount of the obligations owing to creditors in total and by classes and the amounts and percentages paid on such total and to such classes out of such net realization. Like information relative to cases arising under the provisions of chapters VIII, IX, X, XI, XII, and XIII of this act shall be compiled and included in such tables.

The amendment was agreed to.

The next amendment was, under the heading "Chapter VI—Creditors", on page 73, line 6, after the words "*Provided, however,*" to strike out "That a contingent claim, other than a claim against a bankrupt as endorser, surety, or guarantor, or for future rent, shall not be allowed unless the contingency happens before the declaration of the final dividend or in case of an arrangement by way of composition or a plan of reorganization before the confirmation thereof, or, in case of a wage-earner plan or an arrangement by way of extension, during the period of extension under such wage-earner plan or arrangement: *And provided further*"; in line 14, after the word "unliquidated", to insert "or contingent"; in line 15, after the word "liquidated", to insert "or the amount thereof estimated"; in line 19, after the word "liquidation" where it occurs the first time, to insert "or of reasonable estimation"; in the same line, after the word "that", to strike out "its" and insert "such", and in line 20, before the word "would", to insert "or estimation", so as to read:

d. Claims which have been duly proved shall be allowed upon receipt by or upon presentation to the court, unless objection to their allowance shall be made by parties in interest or unless their consideration be continued for cause by the court upon its own motion: *Provided, however,* That an unliquidated or contingent claim shall not be allowed unless liquidated or the amount thereof estimated in the manner and within the time directed by the court; and such claim shall not be allowed if the court shall determine that it is not capable of liquidation or of reasonable estimation or that such liquidation or estimation would unduly delay the administration of the estate or any proceeding under this act.

The amendment was agreed to.

The next amendment was, on page 74, line 2, after the word "courts", to strike out "seems" and insert "seem", so as to read:

e. Claims of secured creditors and those who have priority may be temporarily allowed to enable such creditors to participate in the proceedings at creditors' meetings held prior to the determination of the value of their securities or priorities, but shall be thus temporarily allowed for such sums only as to the courts seem to be owing over and above the value of their securities or priorities.

The amendment was agreed to.

The next amendment was, on page 76, line 7, before the word "in", to insert "and filed"; in the same line, before the word "manner", to insert "the", and, in line 9, after the word "allowed", to insert the following proviso: "*Provided, however,* That the court may, upon application before the expiration of such period and for cause shown, grant a reasonable fixed extension of time for the filing of claims by the United States or any State or subdivision thereof", so as to read:

n. Except as otherwise provided in this act, all claims provable under this act, including all claims of the United States and of any State or subdivision thereof, shall be proved and filed in the manner provided in this section. Claims which are not filed within 6 months after the first date set for the first meeting of creditors shall not be allowed: *Provided, however,* That the court may, upon application before the expiration of such period and for cause shown, grant a reasonable fixed extension of time for the filing of claims by the United States or any State or subdivision thereof: *Provided further,* That, except in proceedings under chapters X, XI, XII, and XIII of this act, the right of infants and insane persons without guardians, without notice of the bankruptcy proceedings, may continue 6 months longer: *And provided further,* That a claim arising in favor of a person by reason of the recovery by the trustee from such person of money or property, or the avoidance by the trustee of a lien held by such person, may be filed within 30 days from the date of such recovery or avoidance, but if the recovery is by way of a proceeding in which a final judgment has been entered against such person, the claim shall not be allowed if the money is not paid or the property is not delivered to the trustee within 30 days from the date of the rendering of such final judgment, or within such further time as the court may allow. When in any case all claims which have been duly allowed have been paid in full, claims not filed within the time hereinabove prescribed may nevertheless be filed within such time as the court may fix or for cause shown extend and, if duly proved, shall be allowed against any surplus remaining in such case.

The amendment was agreed to.

The next amendment was, on page 82, line 21, after the word "before", to strike out "his bankruptcy, the" and insert "the filing by or against him of the petition in bankruptcy, or of the original petition under chapters X, XI, XII, or XIII of this act, the"; on page 83, line 7, after the word "to", to strike out "bankruptcy" and insert "the filing of the petition in bankruptcy or of the original petition under chapter X, XI, XII, or XIII of this act", so as to read:

SEC. 60. Preferred creditors: a. A preference is a transfer, as defined in this act, of any of the property of a debtor to or for the benefit of a creditor for or on account of an antecedent debt, made or suffered by such debtor while insolvent and within 4 months before the filing by or against him of the petition in bankruptcy, or of the original petition under chapter X, XI, XII, or XIII of this act, the effect of which transfer will be to enable such creditor to obtain a greater percentage of his debt than some other creditor of the same class. For the purposes of subdivisions a and b of this section, a transfer shall be deemed to have been made at the time when it became so far perfected that no bona fide purchaser from the debtor and no creditor could thereafter have acquired any rights in the property so transferred superior to the rights of the transferee therein, and, if such transfer is not so perfected prior to the filing of the petition in bankruptcy or of the original petition under chapter X, XI, XII, or XIII of this act, it shall be deemed to have been made immediately before bankruptcy.

The amendment was agreed to.

The next amendment was, on page 83, line 11, after the word "be", to strike out "voided" and insert "avoided", so as to read:

b. Any such preference may be avoided by the trustee if the creditor receiving it or to be benefited thereby or his agent acting with reference thereto has, at the time when the transfer is made, reasonable cause to believe that the debtor is insolvent. Where the preference is voidable, the trustee may recover the property or, if it has been converted, its value from any person who has received or converted such property, except a bona fide purchaser from or lienor of the debtor's transferee for a present fair equivalent value: *Provided, however,* That where such purchaser or lienor has given less than such value, he shall nevertheless have a lien upon such property, but only to the extent of the consideration actually given by him. Where a preference by way of lien or security title is voidable, the court may on due notice order such lien or title to be preserved for the benefit of the estate, in which event such lien or title shall pass to the trustee. For the purpose of any recovery or avoidance under this section, where plenary proceedings are necessary, any State court which would have had jurisdiction if bankruptcy had not intervened and any court of bankruptcy shall have concurrent jurisdiction.

The amendment was agreed to.

The next amendment was, on page 86, line 11, after the word "subdivision", to strike out "(a)" and insert "a", so as to read:

(2) All property at any time received, acquired, or held by a stockbroker from or for the account of customers, except cash customers who are able to identify specifically their property in the manner prescribed in paragraph (4) of this subdivision, and the proceeds of all customers' property rightfully transferred or unlawfully converted by the stockbroker, shall constitute a single and separate fund; and all customers except such cash customers shall constitute a single and separate class of creditors, entitled to share ratably in such fund on the basis of their respective net equities as of the date of bankruptcy: *Provided, however,* That such fund shall to the extent approved by the court be subject to the priority of payment of the costs and expenses enumerated in clauses (1) and (2) of subdivision a of section 64 of this act. If such fund shall not be sufficient to pay in full the claims of such class of creditors, such creditors shall be entitled, to the extent only of their respective unpaid balances, to share in the general estate with the general creditors.

The amendment was agreed to.

The next amendment was, on page 87, line 6, after the word "were", to insert "more than 4 months before bankruptcy or", so as to read:

(4) No cash received by a stockholder from or for the account of a customer for the purchase or sale of securities, and no securities or similar property received by a stockbroker from or for the account of a cash customer for sale and remittance or pursuant to purchase or as collateral security or for safekeeping, or any substitutes therefor or the proceeds thereof, shall for the purposes of this subdivision be deemed to be specifically identified, unless such property remained in its identical form in the stockbroker's possession until the date of bankruptcy, or unless such property or any substitutes therefor or the proceeds thereof were, more than 4 months before bankruptcy or at a time while the stockbroker was solvent, allocated to or physically set aside for such customer, and remained so allocated or set aside at the date of bankruptcy.

The amendment was agreed to.

The next amendment was, on page 88, line 5, after the word "stockbroker", to insert "more than 4 months before his bankruptcy or", and in line 9, after the word "stockbroker", to insert "more than 4 months before his bankruptcy or", so as to read:

(5) Where such single and separate fund is not sufficient to pay in full the claims of such single and separate class of creditors, a transfer by a stockbroker of any property which, except for such transfer, would have been a part of such fund may be recovered by the trustee for the benefit of such fund, if such transfer is voidable or void under the provisions of this act. For the purpose of such recovery, the property so transferred shall be deemed to have been the property of the stockbroker and, if such transfer was made to a customer or for his benefit, such customer shall be deemed to have been a creditor, the laws of any State to the contrary notwithstanding. If any securities received or acquired by a stockbroker from a cash customer are transferred by the stockbroker, such customer shall not have any specific interest in or specific right to any securities of like kind on hand at the time of bankruptcy, but such securities of like kind or the proceeds thereof shall become part of such single and separate fund: *Provided, however,* That a customer shall have a specific title to securities (a) which have been physically set aside by a stockbroker, more than 4 months before his bankruptcy or while solvent, in safekeeping for such customer, and so retained until the date of bankruptcy, regardless of the name in which such securities are registered, or (b) which a stockbroker, more than 4 months before his bankruptcy or while solvent, caused to be registered in the name of such customer.

The amendment was agreed to.

The next amendment was, under the heading "Chapter VII—Estates", on page 88, line 17, after the word "residences", to strike out "of receivers and trustees, and shall require bonds to the United States or other security, subject to their approval, to be given by such banking institutions, and may, from time to time as occasion may require, by like order increase or decrease the number of depositors or the amount

of any bond or other security or change such depositories: *Provided*, That no security in the form of a bond or otherwise shall be required in the case of such part of the deposits as are insured under section 12B of the Federal Reserve Act as amended" and insert "of receivers and trustees, and shall require from each such banking institution a good and sufficient bond with surety, to secure the prompt repayment of the deposit. Said judges may, in accordance with the provisions of, and the authority conferred in section 1126 of the Revenue Act of 1926, as amended (U. S. C., title 6, sec. 15), accept the deposit of the securities therein designated, in lieu of a surety or sureties upon such bond and may, from time to time as occasion may require, by like order increase or decrease the number of depositories or the amount of any bond or other security or change such depositories: *Provided*, That no security in the form of a bond or otherwise shall be required in the case of such part of the deposits as are insured under section 12B of the Federal Reserve Act, as amended: *And provided further*, That depository banks shall place such securities, accepted for deposit in lieu of a surety or sureties upon depository bonds, in the custody of Federal Reserve banks or branches thereof designated by the judges of the several courts of bankruptcy, subject to the orders of such judges. All national banking associations designated as depositories, pursuant to the provisions of this section of this act, are authorized to give such security as may be required. All pledges of securities heretofore made for the purposes herein named are hereby ratified, validated, and approved", so as to read:

SEC. 61. Depositories for money: The judges of the several courts of bankruptcy shall designate, by order, banking institutions as depositories for the money of estates under this act, as convenient as may be to the residences of receivers and trustees, and shall require from each such banking institution a good and sufficient bond with surety, to secure the prompt repayment of the deposit. Said judges may, in accordance with the provisions of, and the authority conferred in section 1126 of the Revenue Act of 1926, as amended (U. S. C., title 6, sec. 15), accept the deposit of the securities therein designated, in lieu of a surety or sureties upon such bond and may, from time to time as occasion may require, by like order increase or decrease the number of depositories or the amount of any bond or other security or change such depositories: *Provided*, That no security in the form of a bond or otherwise shall be required in the case of such part of the deposits as are insured under section 12B of the Federal Reserve Act, as amended: *And provided further*, That depository banks shall place such securities, accepted for deposit in lieu of a surety or sureties upon depository bonds, in the custody of Federal Reserve banks or branches thereof designated by the judges of the several courts of bankruptcy, subject to the orders of such judges. All national banking associations designated as depositories, pursuant to the provisions of this section of this act, are authorized to give such security as may be required. All pledges of securities heretofore made for the purposes herein named are hereby ratified, validated, and approved.

The amendment was agreed to.

The next amendment was, on page 90, line 3, before the word "The", to strike out "(1)" and insert "a", so as to read:

SEC. 62. Expenses of administering estates; unauthorized sharing of fees; withholding allowances: a. The actual and necessary costs and expenses incurred by officers in the administration of estates shall, except where other provisions are made for their payment, be reported in detail, under oath, and examined and approved or disapproved by the court. If approved, they shall be paid or allowed out of the estates in which they were incurred.

The amendment was agreed to.

The next amendment was, on page 90, line 10, before the word "When", to strike out "(2)" and insert "b", and in line 11, after the word "the", to insert "prosecution of proceedings and the", so as to read:

b. When approved by the judge, the necessary costs and expenses of referees incidental to the prosecution of proceedings and the administration of estates pending before them may be apportioned to and paid out of such estates by such method as may be authorized by rule prescribed by the judge. In the case of referees whose offices are exclusively devoted to the conduct of the business of the court, such costs and expenses shall include necessary disbursements approved by the judge for the establishing, equipping, and maintaining of such offices, and any property acquired for such offices shall belong to the United States for the use and be under the control of the court.

The amendment was agreed to.

The next amendment was, on page 92, line 23, before the word "workmen's", to strike out "as"; in the same line, after the word "death", to strike out "for" and insert "from"; in line 24, after the word "injury", to insert a comma and "if such injury occurred"; and on page 93, line 7, after the word "rejection", to strike out "by the receiver or trustee", so as to read:

SEC. 63. Debts which may be proved: a. Debts of the bankrupt may be proved and allowed against his estate which are founded upon (1) a fixed liability, as evidenced by a judgment or an instrument in writing, absolutely owing at the time of the filing of the petition by or against him, whether then payable or not, with any interest thereon which would have been recoverable at that date or with a rebate of interest upon such as were not then payable and did not bear interest; (2) costs taxable against a bankrupt who was at the time of the filing of the petition by or against him plaintiff in a cause of action which would pass to the trustee and which the trustee declines to prosecute after notice; (3) a claim for taxable costs incurred in good faith by a creditor before the filing of the petition in an action to recover a provable debt; (4) an open account, or a contract express or implied; (5) provable debts reduced to judgments after the filing of the petition and before the consideration of the bankrupt's application for a discharge, less costs incurred and interest accrued after the filing of the petition and up to the time of the entry of such judgments; (6) an award of an industrial-accident commission, body, or officer of any State having jurisdiction to make awards workmen's compensation in case of injury or death from injury, if such injury occurred prior to adjudication; (7) the right to recover damages in any action for negligence instituted prior to and pending at the time of the filing of the petition in bankruptcy; (8) contingent debts and contingent contractual liabilities; or (9) claims for anticipatory breach of contracts, executory in whole or in part, including unexpired leases of real or personal property: *Provided, however*, That the claim of a landlord for damages for injury resulting from the rejection of an unexpired lease of real estate or for damages or indemnity under a covenant contained in such lease shall in no event be allowed in an amount exceeding the rent reserved by the lease, without acceleration, for the year next succeeding the date of the surrender of the premises to the landlord or the date of reentry of the landlord, whichever first occurs, whether before or after bankruptcy, plus an amount equal to the unpaid rent accrued, without acceleration, up to such date: *And provided further*, That in the case of an assignment of any such claim for damages, the court shall, in determining the amount thereof, examine the circumstances of the assignment and the consideration paid or to be paid therefor, and may allow the claim of the assignee in such amount, subject to the provisions of the foregoing proviso of this clause (9), as will be fair and equitable.

The amendment was agreed to.

The next amendment was, on page 94, after line 6, to strike out "rejection of an executory contract as provided in this act shall constitute an anticipatory breach, in the case of an arrangement or a plan, as of the date of rejection, otherwise as of the date of bankruptcy" and insert "rejection of an executory contract or unexpired lease, as provided in this act, shall constitute a breach of such contract or lease as of the date of the filing of the petition in bankruptcy, or of the original petition under chapter X, XI, XII, or XIII of this act", so as to read:

Notwithstanding any State law to the contrary, the rejection of an executory contract or unexpired lease, as provided in this act, shall constitute a breach of such contract or lease as of the date of the filing of the petition in bankruptcy, or of the original petition under chapter X, XI, XII, or XIII of this act.

The amendment was agreed to.

The next amendment was, on page 94, after line 13, to strike out:

d. Where a contingent or unliquidated claim has been proved, but not allowed because the contingency has not happened within the time fixed, or because the claim is not capable of liquidation, or because its liquidation would cause undue delay, as provided in section 57, subdivision d, of this act, such claim shall not be deemed provable under this act.

And in lieu thereof to insert:

d. Where any contingent or unliquidated claim has been proved, but, as provided in subdivision d of section 57 of this act, has not been allowed, such claim shall not be deemed provable under this act.

The amendment was agreed to.

The next amendment was, on page 99, line 20, after the word "or", to strike out "before the filing"; in line 21, after

the word "petition", to strike out "proposing an arrangement or plan"; and in line 22, after the word "under", to insert "chapter X, XI, XII, or XIII of", so as to read:

SEC. 67. Liens and fraudulent transfers: a. (1) Every lien against the property of a person obtained by attachment, judgment, levy, or other legal or equitable process or proceedings within 4 months before the filing of a petition in bankruptcy or of an original petition under chapter X, XI, XII, or XIII of this act by or against such person shall be deemed null and void (a) if at the time when such lien was obtained such person was insolvent or (b) if such lien was sought and permitted in fraud of the provisions of this act.

The amendment was agreed to.

The next amendment was, on page 100, line 12, after the word "petition", to strike out "proposing an arrangement or plan", and in line 13, after the word "under", to insert "chapter X, XI, XII, or XIII of", so as to read:

(2) If any lien deemed null and void under the provisions of paragraph (1) of this subdivision a, has been dissolved by the furnishing of a bond or other obligation, the surety on which has been indemnified directly or indirectly by the transfer of or the creation of a lien upon any of the nonexempt property of a person before the filing of a petition in bankruptcy or of an original petition under chapter X, XI, XII, or XIII of this act by or against him, such indemnifying transfer or lien shall also be deemed null and void: *Provided, however,* That if such person is not finally adjudged a bankrupt in any proceeding under this act, and if no arrangement or plan is proposed and confirmed, such transfer or lien shall be deemed reinstated with the same effect as if it had not been nullified and voided.

The amendment was agreed to.

The next amendment was, on page 100, line 21, after the word "property", to strike out "of a person", so as to read:

(3) The property affected by any lien deemed null and void under the provisions of paragraphs (1) and (2) of this subdivision a shall be discharged from such lien, and such property and any of the indemnifying property transferred to or for the benefit of a surety shall pass to the trustee or debtor, as the case may be, except that the court may on due notice order any such lien to be preserved for the benefit of the estate, and the court may direct such conveyance as may be proper or adequate to evidence the title thereto of the trustee or debtor, as the case may be: *Provided, however,* That the title of a bona fide purchaser of such property shall be valid, but if such title is acquired otherwise than at a judicial sale held to enforce such lien, it shall be valid only to the extent of the present consideration paid for such property.

The amendment was agreed to.

The next amendment was, on page 102, line 19, after the word "within", to strike out "four months prior to his bankruptcy" and insert "four months prior to the filing of the petition in bankruptcy or of the original petition under chapter X, XI, XII, or XIII of this act, by or against him", so as to read:

b. The provisions of section 60 of this act to the contrary notwithstanding, statutory liens in favor of employees, contractors, mechanics, landlords, or other classes of persons, and statutory liens for taxes and debts owing to the United States or any State or subdivision thereof, created or recognized by the laws of the United States or of any State, may be valid against the trustee, even though arising or perfected while the debtor is insolvent and within 4 months prior to the filing of the petition in bankruptcy or of the original petition under chapter X, XI, XII, or XIII of this act, by or against him. Where by such laws such liens are required to be perfected and arise but are not perfected before bankruptcy, they may nevertheless be valid, if perfected within the time permitted by and in accordance with the requirements of such laws, except that if such laws require the liens to be perfected by the seizure of property, they shall instead be perfected by filing notice thereof with the court.

The amendment was agreed to.

The next amendment was, on page 103, line 4, after "c", to strike out "Where not enforced by sale before bankruptcy, though valid under subdivision b, statutory liens, including" and insert "Where not enforced by sale before the filing of a petition in bankruptcy or of an original petition under chapter X, XI, XII, or XIII of this act, though valid under subdivision b of this section, statutory liens, including", so as to read:

c. Where not enforced by sale before the filing of a petition in bankruptcy or of an original petition under chapter X, XI, XII, or XIII of this act, though valid under subdivision b of this section, statutory liens, including liens for taxes or debts owing to the United States or to any State or subdivision thereof, on personal property not accompanied by possession of such property, and liens whether statutory or not, of distress for rent shall be postponed in payment to the debts specified in clauses (1) and (2) of subdivision a of section 64 of this act, and, except as against other liens, such liens for wages or for rent shall be restricted in the amount of their payment to the same extent as provided for wages and rent respectively in subdivision a of section 64 of this act.

The amendment was agreed to.

The next amendment was, on page 104, at the beginning of line 17, to strike out "(2) Every transfer made and every obligation incurred by a debtor within one year prior to bankruptcy is" and insert "Every transfer made and every obligation incurred by a debtor within one year prior to the filing of a petition in bankruptcy or of an original petition under chapter X, XI, XII, or XIII of this act by or against him is", so as to read:

Every transfer made and every obligation incurred by a debtor within one year prior to the filing of a petition in bankruptcy or of an original petition under chapter X, XI, XII, or XIII of this act by or against him is fraudulent (a) as to creditors existing at the time of such transfer or obligation, if made or incurred without fair consideration by a debtor who is or will be thereby rendered insolvent, without regard to his actual intent; or (b) as to then existing creditors and as to other persons who become creditors during the continuance of a business or transaction, if made or incurred without fair consideration by a debtor who is engaged or is about to engage in such business or transaction, for which the property remaining in his hands is an unreasonably small capital, without regard to his actual intent; or (c) as to then existing and future creditors, if made or incurred without fair consideration by a debtor who intends to incur or believes that he will incur debts beyond his ability to pay as they mature; or (d) as to then existing and future creditors, if made or incurred with actual intent, as distinguished from intent presumed in law, to hinder, delay, or defraud either existing or future creditors.

The amendment was agreed to.

The next amendment was, on page 105, line 16, after "(3)", to strike out "Every transfer made and every obligation incurred by a debtor within 4 months prior to bankruptcy" and insert "Every transfer made and every obligation incurred by a debtor within 4 months prior to the filing of a petition in bankruptcy or of an original petition under chapter X, XI, XII, or XIII of this act by or against him", so as to read:

(3) Every transfer made and every obligation incurred by a debtor within 4 months prior to the filing of a petition in bankruptcy or of an original petition under chapter X, XI, XII, or XIII of this act by or against him is fraudulent, as to then existing and future creditors, if made or incurred with intent to use the consideration, obtained for the transfer or obligation, to effect a preference to a third person voidable under section 60 of this act. The remedies of the trustee for the avoidance of such transfer or obligation and of such preference shall be cumulative: *Provided, however,* That the trustee shall be entitled to only one satisfaction with respect thereto.

The amendment was agreed to.

The next amendment was, on page 106, line 5, after "(4)", to strike out "Every transfer of partnership property and every partnership obligation incurred within 1 year prior to the bankruptcy of such partnership, when the partnership is" and insert "Every transfer of partnership property and every partnership obligation incurred within 1 year prior to the filing of a petition in bankruptcy or of an original petition under chapter XI or XII of this act by or against the partnership, when the partnership is", so as to read:

(4) Every transfer of partnership property and every partnership obligation incurred within 1 year prior to the filing of a petition in bankruptcy or of an original petition under chapter XI or XII of this act by or against the partnership, when the partnership is insolvent or will be thereby rendered insolvent, is fraudulent as to partnership creditors existing at the time of such transfer or obligation, without regard to actual intent if made or incurred (a) to a partner, whether with or without a promise by him to pay partnership debts, or (b) to a person not a partner without fair consideration to the partnership as distinguished from consideration to the individual partners.

The amendment was agreed to.

The next amendment was, on page 107, at the beginning of line 1, to strike out "not so perfected prior to bankruptcy, it shall be deemed to have been made immediately before bankruptcy" and insert "not so perfected prior to the filing of

the petition in bankruptcy or of the original petition under chapter XI or XII of this act, it shall be deemed to have been made immediately before the filing of such petition", so as to read:

(5) For the purposes of this subdivision d, a transfer shall be deemed to have been made at the time when it became so far perfected that no bona-fide purchaser from the debtor and no creditor could thereafter have acquired any rights in the property so transferred superior to the rights of the transferee therein, but, if such transfer is not so perfected prior to the filing of the petition in bankruptcy or of the original petition under chapter XI or XII of this act, it shall be deemed to have been made immediately before the filing of such petition.

The amendment was agreed to.

The next amendment was, on page 113, line 20, after the word "such", to strike out "executory", and in the same line, after the word "contract", to insert "or lease", so as to read:

b. Within 60 days after the adjudication, the trustee shall assume or reject any executory contract, including unexpired leases of real property: *Provided, however,* That the court may for cause shown extend or reduce such period of time. Any such contract or lease not assumed or rejected within such time, whether or not a trustee has been appointed or has qualified, shall be deemed to be rejected. A trustee shall file, within 60 days after adjudication, a statement under oath showing which, if any of the contracts of the bankrupt are executory in whole or in part, including unexpired leases of real property, and which, if any, have been rejected by the trustee.

The amendment was agreed to.

The next amendment was, on page 118, line 21, after the word "plan", to strike out "the title to the property dealt with shall thereupon revest in the bankrupt or debtor, or vest in such other person as may be provided by the arrangement or plan" and insert "or at such later time as may be provided by the arrangement or plan, or in the order confirming the arrangement or plan, the title to the property dealt with shall revest in the bankrupt or debtor, or vest in such other person as may be provided by the arrangement or plan or in the order confirming the arrangement or plan", so as to read:

l. Upon the confirmation of an arrangement or plan or at such later time as may be provided by the arrangement or plan, or in the order confirming the arrangement or plan, the title to the property dealt with shall revest in the bankrupt or debtor, or vest in such other person as may be provided by the arrangement or plan or in the order confirming the arrangement or plan.

The amendment was agreed to.

Mr. O'MAHONEY. The clerk has now reached chapter X. I ask unanimous consent that we pass over chapter X for the moment and proceed to the consideration of the amendments in chapters XI, XII, and XIII, beginning on page 180.

The PRESIDENT pro tempore. Without objection, that order will be followed, and the clerk will state the first amendment in chapter XI, on page 180.

The next amendment was, under the heading "Chapter XI—Arrangements—Article I—Construction", on page 180, after line 15, to strike out:

SEC. 302. Wherever applicable and not inconsistent with the provisions of this chapter, the provisions of this act shall apply in proceedings under this chapter.

And insert:

SEC. 302. The provisions of chapters I to VII, inclusive, of this act shall, insofar as they are not inconsistent with or in conflict with the provisions of this chapter, apply in proceedings under this chapter. For the purposes of such application, provisions relating to "bankrupts" shall be deemed to relate also to "debtors", and "bankruptcy proceedings" or "proceedings in bankruptcy" shall be deemed to include proceedings under this chapter. For the purposes of such application the date of the filing of the petition in bankruptcy shall be taken to be the date of the filing of an original petition under section 322 of this act, and the date of adjudication shall be taken to be the date of the filing of the petition under section 321 or 322 of this act except where an adjudication had previously been entered.

The amendment was agreed to.

The next amendment was, under the subhead "Article II—Definitions", on page 182, in section 307, line 10, before the word "shall", to insert "or 'claims' ", so as to read:

SEC. 307. Unless inconsistent with the context and for the purposes of an arrangement providing for an extension of time for payment of debts in full and applicable exclusively to the debts to be extended—

(1) "creditors" shall include the holders of all unsecured debts, demands, or claims of whatever character against a debtor, whether or not provable as debts under section 63 of this act and whether liquidated or unliquidated, fixed, or contingent; and

(2) "debts" or "claims" shall include all unsecured debts, demands, or claims of whatever character against a debtor, whether or not provable as debts under section 63 of this act and whether liquidated or unliquidated, fixed or contingent.

The amendment was agreed to.

The next amendment was, under the subhead "Article IV—Petition and stay", on page 186, line 13, after the word "if", to strike out "any," and insert "any", so as to read:

SEC. 327. Upon failure of the debtor to comply with such order for indemnity, as prescribed in section 326 of this act, the court may, after hearing upon notice to the debtor, the creditors' committee, if any has been appointed, and to such other persons as the court may direct, either adjudge the debtor a bankrupt and direct that bankruptcy be proceeded with pursuant to the provisions of this act or dismiss the proceedings under this chapter, as in the opinion of the court may be in the interest of the creditors.

The amendment was agreed to.

The next amendment was, under the subhead "Article VI—Title, rights, duties, and powers of debtor and officers", on page 190, line 21, after the word "management", to insert "shall file", and in line 22, after the word "thereof", to strike out "shall be filed", so as to read:

SEC. 343. The receiver or trustee, or the debtor in possession, shall have the power, upon authorization by and subject to the control of the court, to operate the business and manage the property of the debtor during such period, limited or indefinite, as the court may from time to time fix, and during such operation or management shall file reports thereof with the court at such intervals as the court may designate.

The amendment was agreed to.

The next amendment was, under the subhead "Article VII—Creditors and claims", on page 191, line 10, after the word "court", to strike out "shall" and insert "may", so as to read:

SEC. 351. For the purposes of the arrangement and its acceptance, the court may fix the division of creditors into classes and, in the event of controversy, the court shall after hearing upon notice summarily determine such controversy.

The amendment was agreed to.

The next amendment was, on page 192, after line 2, to insert:

SEC. 353. In case an executory contract shall be rejected pursuant to the provisions of an arrangement or to the permission of the court given in a proceeding under this chapter, or shall have been rejected by a trustee or a receiver in bankruptcy or receiver in equity in a prior pending proceeding, any person injured by such rejection shall, for the purposes of this chapter and of the arrangement, its acceptance and confirmation, be deemed a creditor. The claim of the landlord for injury resulting from the rejection of an unexpired lease of real estate or for damages or indemnity under a covenant contained in such lease shall be provable, but shall be limited to an amount not to exceed the rent, without acceleration, reserved by such lease for the 3 years next succeeding the date of the surrender of the premises to the landlord or the date of reentry of the landlord, whichever first occurs, whether before or after the filing of the petition, plus unpaid accrued rent, without acceleration, up to the date of surrender or reentry: *Provided,* That the court shall scrutinize the circumstances of an assignment of a future rent claim and the amount of the consideration paid for such assignment in determining the amount of damages allowed the assignee thereof.

The amendment was agreed to.

The next amendment was, under the subhead "Article VIII—Provisions of arrangement", in section 357, on page 194, line 23, after the word "until", to strike out "the confirmation of the arrangement and until its", and in line 24, after the word "provisions", to insert "or the arrangement, after its confirmation", so as to read:

SEC. 357. An arrangement within the meaning of this chapter may include—

(1) provisions for treatment of unsecured debts on a parity one with the other, or for the division of such debts into classes and the treatment thereof in different ways or upon different terms;

(2) provisions for the rejection of any executory contract;

(3) provisions for specific undertakings of the debtor during any period of extension provided for by the arrangement, including provisions for payments on account;

(4) provisions for the termination, under specified conditions, of any period of extension provided by the arrangement;

(5) provisions for continuation of the debtor's business with or without supervision or control by a receiver or by a committee of creditors or otherwise;

(6) provisions for payment of debts incurred after the filing of the petition and during the pendency of the arrangement, in priority over the debts affected by such arrangement;

(7) provisions for retention of jurisdiction by the court until provisions of the arrangement, after its confirmation, have been performed; and

The amendment was agreed to.

The next amendment was, in section 367, on page 197, line 16, after the word "allowed", to insert "and are allowable", so as to read:

SEC. 367. Upon confirmation of an arrangement—

(1) the arrangement and its provisions shall be binding upon the debtor, upon any person issuing securities or acquiring property under the arrangement and upon all creditors of the debtor, whether or not they are affected by the arrangement or have accepted it or have filed their claims, and whether or not their claims have been scheduled or allowed and are allowable;

The amendment was agreed to.

The next amendment was, under the subhead "Article XII—General provisions", on page 205, after line 22, to strike out:

SEC. 395. The issuance, transfer, or exchange of securities, or the making or delivery of instruments of transfer under any arrangement confirmed under this chapter, shall be exempt from any stamp taxes now or hereafter imposed under the laws of the United States or of any State.

The amendment was agreed to.

The next amendment was, on page 206, after line 3, to strike out:

SEC. 396. No income or profit, taxable under any law of the United States or of any State now in force or which may hereafter be enacted, shall be deemed, in respect to the adjustment under this chapter of the indebtedness of a debtor, to have accrued to or to have been realized by a debtor or to a corporation organized or made use of for effecting an arrangement under this chapter by reason of a modification in or liquidation in whole or in part of any such indebtedness in an arrangement consummated under this chapter, except that if it shall be made to appear that the arrangement had for one of its principal purposes the avoidance of income taxes, the exemption provided by this section may be disallowed.

And to insert:

SEC. 395. Except as provided in section 396 of this act, no income or profit, taxable under any law of the United States or of any State now in force or which may hereafter be enacted, shall, in respect to the adjustment of the indebtedness of a debtor in a proceeding under this chapter, be deemed to have accrued to or to have been realized by a debtor or a corporation organized or made use of for effectuating an arrangement under this chapter by reason of a modification in or cancelation in whole or in part of any such indebtedness in a proceeding under this chapter: *Provided, however,* That if it shall be made to appear that the arrangement had for one of its principal purposes the evasion of any income tax, the exemption provided by this section shall be disallowed.

The amendment was agreed to.

The next amendment was, on page 207, after line 4, to insert:

SEC. 396. In determining the basis of property for any purposes of any law of the United States or of a State imposing a tax upon income, the basis of the debtor's property (other than money) or of such property (other than money) as is transferred to any person required to use the debtor's basis in whole or in part shall be decreased by an amount equal to the amount by which the indebtedness of the debtor, not including accrued interest unpaid and not resulting in a tax benefit on any income-tax return, has been canceled or reduced in a proceeding under this chapter. The Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, shall prescribe such regulations as he may deem necessary in order to reflect such decrease in basis for Federal income-tax purposes and otherwise carry into effect the purposes of this section.

The amendment was agreed to.

The next amendment was, under the subhead "Article XIII—When chapter takes effect", on page 209, line 1, before the numerals "396", to strike out "section" and insert "sections 395 and", so as to read:

(4) sections 395 and 396 of this act shall apply to compositions and extensions confirmed under sections 12 and 74 before the effective date of this amendatory act and to compositions and extensions which may be confirmed under sections 12 and 74 on and after such effective date.

The amendment was agreed to.

The next amendment was, under the heading "Chapter XII—Real property arrangements by persons other than corporations—Article I—Construction", on page 209, after line 12, to strike out:

SEC. 402. Wherever applicable and not inconsistent with the provisions of this chapter, the provisions of this act shall apply to proceedings under this chapter.

And insert:

SEC. 402. The provisions of chapters I to VII, inclusive, of this act shall, insofar as they are not inconsistent or in conflict with the provisions of this chapter, apply to proceedings under this chapter: *Provided, however,* That subdivision n of section 57 shall not apply in such proceedings unless an order shall be entered directing that bankruptcy be proceeded with pursuant to the provisions of chapters I to VII, inclusive. For the purposes of such application, provisions relating to "bankrupts" shall be deemed to relate also to "debtors", and "bankruptcy proceedings" or "proceedings in bankruptcy" shall be deemed to include proceedings under this chapter. For the purposes of such application the date of the filing of the petition in bankruptcy shall be taken to be the date of the filing of an original petition under section 422 of this act, and the date of adjudication shall be taken to be the date of the filing of the petition under section 421 or 422 of this act.

The amendment was agreed to.

The next amendment was, under the subhead "Article II—Definitions", on page 210, line 12, before the word "shall", to strike out " 'arrangements' " and insert " 'arrangement' ", and in line 13, after the word "plan", to strike out "altering or modifying" and insert "which has for its primary purpose the alteration or modification of", so as to read:

SEC. 406. For the purposes of this chapter, unless inconsistent with the context—

(1) "arrangement" shall mean any plan which has for its primary purpose the alteration or modification of the rights of creditors or of any class of them, holding debts secured by real property or a chattel real of which the debtor is the legal or equitable owner.

The amendment was agreed to.

The next amendment was, under the subhead "Article VI—Title, rights, duties, and powers of debtor and officers", on page 219, line 3, before the word "for", to strike out "or of any State", so as to read:

SEC. 442. Where not inconsistent with the provisions of this chapter, a trustee, upon his appointment and qualification, shall be vested with the rights, be subject to the duties, and exercise the powers of a trustee appointed under section 44 of this act, and, if authorized by the court, shall have and may exercise such additional rights and powers as a receiver in equity would have if appointed by a court of the United States for the property of a debtor.

The amendment was agreed to.

The next amendment was, on page 220, line 2, after the word "management", to insert "shall file", and in the same line, after the word "thereof", to strike out "shall be filed", so as to read:

SEC. 445. The trustee or the debtor in possession shall have the power, upon authorization by and subject to the control of the court, to operate the business and manage the property of the debtor during such period, limited or indefinite, as the court may from time to time fix, and during such operation or management shall file reports thereof with the court at such intervals as the court may designate.

The amendment was agreed to.

The next amendment was, under the subhead "Article VII—Creditors and claims", on page 220, line 19, after the word "court", to strike out "and, in the event of controversy, the court shall after hearing upon notice summarily determine the controversy", so as to read:

SEC. 451. The court shall prescribe the manner in which and fix a time within which the proofs of claim of creditors may be filed and allowed. Objections by any party in interest to the allowance of any such claims shall be heard and summarily determined by the court.

The amendment was agreed to.

The next amendment was, on page 220, after line 21, to strike out:

SEC. 452. For the purposes of the arrangement and its acceptance, the court shall fix the division of creditors into classes according to the nature of their respective claims.

And in lieu thereof to insert:

SEC. 452. For the purposes of the arrangement and its acceptance, the court may fix the division of creditors into classes according to the nature of their respective claims, and, in the event of controversy, the court shall after hearing upon notice summarily determine the controversy.

The amendment was agreed to.

The next amendment was, on page 221, line 15, after the word "trustee", to strike out "where such holders" and insert "who", so as to read:

SEC. 454. An indenture trustee may file claims for all holders, known or unknown, of securities issued pursuant to the instrument under which he is trustee, who have not filed claims: *Provided, however*, That in computing the majority necessary for the acceptance of the arrangement only the claims filed by the holders thereof, and allowed, shall be included.

The amendment was agreed to.

The next amendment was, on page 222, line 7, after the word "court", to insert a colon and the following proviso: "*Provided*, That if the Secretary of the Treasury shall fail to accept or reject an arrangement for more than 60 days after receipt of written notice so to do from the court to which the arrangement has been proposed, accompanied by a certified copy of the arrangement, his consent shall be conclusively presumed", so as to read:

SEC. 455. If the United States is a secured or unsecured creditor of a debtor, the claim thereof shall be deemed to be affected by an arrangement under this chapter, and the Secretary of the Treasury is hereby authorized to accept or reject an arrangement in respect of the claims of the United States. If, in any proceeding under this chapter, the United States is a secured or unsecured creditor on claims for taxes or customs duties (whether or not the United States has any other interest in, or claim against the debtor, as a secured or unsecured creditor), no arrangement which does not provide for the payment thereof shall be confirmed by the court, except upon the acceptance of a lesser amount by the Secretary of the Treasury certified to the court: *Provided*, That if the Secretary of the Treasury shall fail to accept or reject an arrangement for more than 60 days after receipt of written notice so to do from the court to which the arrangement has been proposed, accompanied by a certified copy of the arrangement, his consent shall be conclusively presumed.

The amendment was agreed to.

The next amendment was, on page 223, after line 8, to insert:

SEC. 458. In case an executory contract shall be rejected pursuant to the provisions of an arrangement or to the permission of the court given in a proceeding under this chapter, or shall have been rejected by a receiver in bankruptcy or receiver in equity in a prior pending proceeding, any person injured by such rejection shall, for the purposes of this chapter and of the arrangement, its acceptance and confirmation, be deemed a creditor. The claim of the landlord for injury resulting from the rejection of an unexpired lease of real estate or for damages or indemnity under a covenant contained in such lease shall be provable, but shall be limited to an amount not to exceed the rent, without acceleration, reserved by such lease for the 3 years next succeeding the date of the surrender of the premises to the landlord or the date of reentry of the landlord, whichever first occurs, whether before or after the filing of the petition, plus unpaid accrued rent, without acceleration, up to the date of surrender or reentry: *Provided*, That the court shall scrutinize the circumstances of an assignment of a future rent claim and the amount of the consideration paid for such assignment in determining the amount of damages allowed the assignee thereof.

The amendment was agreed to.

The next amendment was, under the subhead "Article VIII—Provisions of arrangement", on page 225, line 14, after the word "the", to strike out "court" and insert "judge", so as to read:

SEC. 461. An arrangement—

(1) shall include provisions modifying or altering the rights of creditors who hold debts secured by real property or a chattel real of a debtor, generally or of a class of them, either through the issuance of new securities of any character or otherwise;

(2) shall provide for the rights of all other creditors of a debtor who may be affected by the arrangement;

(3) may provide for treatment of unsecured debts on a parity one with the other, or for the division of such debts into classes and the treatment thereof in different ways or upon different terms;

(4) may provide for the rejection of any executory contract;

(5) may provide for the continuation of debtor's business and the management of his property with or without supervision or control by a trustee or by a committee of creditors or otherwise;

(6) may provide for payment of debts incurred after the filing of the petition and during the pendency of the arrangement, in priority over the debts affected by such arrangement;

(7) may deal with all or any part of his property;

(8) shall provide for the payment of all costs and expenses of administration and other allowances which may be approved or made by the judge;

The amendment was agreed to.

The next amendment was, under the subhead "Article IX—Proposal, confirmation, and consummation of arrangement", on page 228, after line 2, to strike out—

(1) It has been accepted in writing by the creditors of each class, holding two-thirds in amount of the debts of such class affected by the arrangement proved and allowed before the conclusion of the meeting, or before such other time as may be fixed by the court; and.

And in lieu thereof to insert:

(1) It has been accepted in writing by the creditors of each class, holding two-thirds in amount of the debts of such class affected by the arrangement proved and allowed before the conclusion of the meeting, or before such other time as may be fixed by the court, exclusive of creditors or of any class of them who are not affected by the arrangement or for whom payment or protection has been provided as prescribed in paragraph (11) of section 461 of this act; and.

The amendment was agreed to.

The next amendment was, on page 230, line 16, after the word "allowed", to insert "and are allowable", so as to read:

SEC. 473. Upon confirmation of an arrangement—

(1) The arrangement and its provisions shall be binding upon the debtor, upon any person issuing securities or acquiring property under the arrangement, and upon all creditors of the debtor, whether or not they are affected by the arrangement or have accepted it or have filed their claims, and whether or not their claims have been scheduled or allowed and are allowable.

The amendment was agreed to.

The next amendment was, under the subhead "Article XI—Compensation and allowances", on page 235, line 25, after the word "subdivision", to strike out "g" and insert "f", so as to read:

SEC. 493. Where a petition is filed under section 421 of this act, the judge may allow, if not already allowed, reasonable compensation for services rendered and reimbursement for proper costs and expenses incurred in such bankruptcy proceeding—

(1) By a marshal or receiver, as provided in subdivision f of section 48 of this act, and the attorneys for any of them.

The amendment was agreed to.

The next amendment was, on page 236, line 13, after the word "chapter", to insert "or the entry of an order adjudging the debtor a bankrupt"; and in line 16, after the word "proceeding", to insert "prior to such dismissal or order of adjudication", so as to read:

SEC. 495. Upon the dismissal of a proceeding under this chapter or the entry of an order adjudging the debtor a bankrupt, the judge may allow reasonable compensation for services rendered and reimbursement for proper costs and expenses incurred in such proceeding prior to such dismissal or order of adjudication by any persons entitled thereto, as provided in this chapter, and shall make provision for the payment thereof and for the payment of all proper costs and expenses incurred by officers in such proceedings.

The amendment was agreed to.

The next amendment was, on page 237, line 18, after the word "Appeals", to insert "may be taken"; and in line 20, before the word "may", to insert "and", so as to read:

SEC. 498. Appeals may be taken in matters of law or fact from orders making or refusing to make allowances of compensation or reimbursement, and may, in the manner and within the time provided for appeals by this act, be taken to and allowed by the circuit court of appeals independently of other appeals in the proceeding, and shall be summarily heard upon the original papers.

The amendment was agreed to.

The next amendment was, under the subhead "Article XII—Prior proceedings", on page 238, line 3, after the word "prior", to insert "mortgage foreclosure, equity, or other", so as to read:

SEC. 506. A petition may be filed under this chapter notwithstanding the pendency of a prior mortgage foreclosure, equity, or other proceeding in a court of the United States or of any State in which a receiver or trustee of all or any part of the property of a debtor has been appointed or for whose appointment an application has been made.

The amendment was agreed to.

The next amendment was, on page 238, after line 7, to strike out:

SEC. 507. Such prior proceeding shall be stayed by the filing of a petition under this chapter.

and in lieu thereof to insert:

SEC. 507. Such prior proceeding shall be stayed by the filing of a petition under this chapter. The trustee appointed under this chapter, upon his qualification, or, if a debtor is continued in possession, the debtor shall become vested with the rights, if any, of such prior receiver or trustee in such property and with the right to the immediate possession thereof. The trustee or debtor in possession shall also have the right to immediate possession of all real property and chattels real of the debtor in the possession of a trustee under a trust deed or a mortgagee under a mortgage.

The amendment was agreed to.

The next amendment was, on page 239, line 1, after the article "a", to strike out "preceeding" and insert "proceeding", so as to read:

SEC. 509. Upon a dismissal of a proceeding under this chapter, such prior proceeding shall become reinstated and the judge shall allow the reasonable costs and expenses under this chapter, including the allowances provided for in article XI of this chapter, and shall make appropriate provision for the retransfer of such property to the person or persons entitled thereto upon such terms as may be equitable for the protection of the obligations incurred in the proceedings under this chapter by the trustee or debtor in possession, and for the payment of the costs and expenses of the proceedings.

The amendment was agreed to.

The next amendment was, on page 243, after line 10, to strike out:

SEC. 520. The issuance, transfer, or exchange of securities, or the making or delivery of instruments of transfer under any arrangement confirmed under this chapter, shall be exempt from any stamp taxes now or hereafter imposed under the laws of the United States or of any State.

The amendment was agreed to.

The next amendment was, on page 243, line 10, to change the section number from 521 to 520; in the same line, before the word "income", to strike out "No" and insert "Except as provided in section 522 of this act, no"; in line 19, after the word "shall", to strike out "be deemed"; in line 20, after the word "adjustment", to strike out "under this chapter"; in line 21, before the word "to", to insert "in a proceeding under this chapter, be deemed"; and on page 244, line 1, before the word "in" where it occurs the first time, to strike out "liquidation" and insert "cancelation", so as to read:

SEC. 520. Except as provided in section 522 of this act, no income or profit taxable under any law of the United States or of any State now in force or which may hereafter be enacted shall, in respect to the adjustment of the indebtedness of a debtor in a proceeding under this chapter, be deemed to have accrued to or to have been realized by a debtor, by a trustee provided for in an arrangement under this chapter, or by a corporation organized or made use of for effectuating an arrangement under this chapter by reason of a modification in or cancelation in whole or in part of any of the indebtedness of the debtor in an arrangement consummated under this chapter.

The amendment was agreed to.

The next amendment was, on page 244, line 4, to change the section number from 522 to 521; and in line 5, after the word "the", to strike out "avoidance" and insert "evasion", so as to read:

SEC. 521. Where it appears that an arrangement has for one of its principal purposes the evasion of taxes, objection to its confirmation may be made on that ground by the Secretary of the Treasury or, in the case of a State, by the corresponding official or other person so authorized. Such objections shall be heard and determined by the judge, independently of other objections which may be made to the confirmation of the arrangement, and, if the judge shall be satisfied that such purpose exists, he shall refuse to confirm the arrangement.

The amendment was agreed to.

The next amendment was, on page 244, after line 13, to insert:

SEC. 522. In determining the basis of property for any purposes of any law of the United States or of a State imposing a tax upon income, the basis of the debtor's property (other than money) or of such property (other than money) as is transferred to any person required to use the debtor's basis in whole or in part shall be decreased by an amount equal to the amount by which the indebtedness of the debtor, not including accrued interest unpaid and not resulting in a tax benefit on any income-tax return, has been canceled or reduced in a proceeding under this chapter. The Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, shall prescribe such regulations as he may deem necessary in order to reflect such decrease in basis for Federal income-tax purposes and otherwise carry into effect the purposes of this section.

The amendment was agreed to.

The next amendment was, on page 245, line 17, after the word "any", to strike out "plan" and insert "arrangement", so as to read:

SEC. 523. Any provision in this chapter to the contrary notwithstanding, all taxes which may be found to be owing to the United States or any State from a debtor within 1 year from the date of the filing of a petition under this chapter and have not been assessed prior to the date of the confirmation of an arrangement under this chapter, and all taxes which may become owing to the United States or any State from a trustee of a debtor or from a debtor in possession, shall be assessed against, may be collected from and shall be paid by the debtor, or the corporation organized or the trustee or corporation made use of for effectuating an arrangement under this chapter: *Provided, however,* That the United States or any State may in writing accept the provisions of any arrangement dealing with the assumption, settlement, or payment of any such tax.

The amendment was agreed to.

The next amendment was, on page 246, line 15, before the word "of", to strike out "section 521" and insert "sections 520 and 522"; in line 20, after the word "section", to strike out "521" and insert "520"; and on page 247, line 2, after the word "section", to strike out "522" and insert "521", so as to read:

ARTICLE XV—WHEN CHAPTER TAKES EFFECT

SEC. 526. (1) On and after the effective date of this amendatory act, this chapter shall apply to debtors and their creditors, whether their rights, claims, and interests of any nature whatsoever have been acquired or created before or after such date;

(2) a petition may be filed under this chapter in a proceeding in bankruptcy which is pending on such date, and a petition may be filed under this chapter notwithstanding the pendency on such date of a proceeding in which a receiver or trustee of all or any part of the property of a debtor has been appointed or for whose appointment application has been made in a court of the United States or of any State;

(3) the provisions of sections 73 and 74, as amended, of the act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, shall continue in full force and effect with respect to proceedings pending under those sections upon the effective date of this amendatory act; and

(4) sections 520 and 522 of this act shall apply to compositions and extensions confirmed under section 74 before the effective date of this amendatory act and to compositions and extensions which may be confirmed under section 74 on and after such effective date, except that the exemption provided by section 520 of this act may be disallowed if it shall be made to appear that such composition or extension, or composition and extension, had for one of its principal purposes the avoidance of income taxes, and except further that where such composition or extension, or composition and extension, has not been confirmed on or after such effective date, section 521 of this act shall apply where practicable and expedient.

The amendment was agreed to.

The next amendment was, under the heading "Chapter XIII—Wage earners' plans—Article I—construction", on page 247, after line 7, to strike out:

SEC. 602. Wherever applicable and not inconsistent with the provisions of this chapter, the provisions of this act shall apply in proceedings under this chapter.

And insert:

SEC. 602. The provisions of chapters I to VII, inclusive, of this act shall, insofar as they are not inconsistent or in conflict with the provisions of this chapter, apply in proceedings under this

chapter: *Provided, however,* That subsection f of section 70 shall not apply in such proceedings unless an order shall be entered directing that bankruptcy be proceeded with pursuant to the provisions of chapters I to VII, inclusive. For the purposes of such application, provisions relating to "bankrupts" shall be deemed to relate also to "debtors", and "bankruptcy proceedings" or "proceedings in bankruptcy" shall be deemed to include proceedings under this chapter. For the purposes of such application the date of the filing of the petition in bankruptcy shall be taken to be the date of the filing of an original petition under section 622 of this act, and the date of adjudication shall be taken to be the date of the filing of the petition under section 621 or 622 of this act except where an adjudication had previously been entered.

The amendment was agreed to.

The next amendment was, under the subhead "Article II—Definitions", on page 248, line 14, after the word "earner", to strike out "by or against whom" and insert "who filed", and in line 15, after the word "petition", to strike out "has been filed", so as to read:

SEC. 606. For the purposes of this chapter, unless inconsistent with the context—

(1) "claims" shall include all claims of whatever character against the debtor or his property, whether or not provable as debts under section 63 of this act and whether secured or unsecured, liquidated or unliquidated, fixed or contingent, but shall not include claims secured by estates in real property or chattels real;

(2) "creditor" shall mean the holder of any claim;

(3) "debtor" shall mean a wage earner who filed a petition under this chapter;

The amendment was agreed to.

The next amendment was, on page 249, line 2, after the word "compensation", to strike out "not exceeding" and insert "which, when added to all his other income, does not exceed", so as to read:

(8) "wage earner" shall mean an individual who works for wages, salary, or hire at a rate of compensation which, when added to all his other income, does not exceed $3,600 per year.

The amendment was agreed to.

The next amendment was, under the subhead "Article VII—Creditors and claims", on page 255, after line 6, to insert:

SEC. 642. In case an executory contract shall be rejected pursuant to the provisions of a plan or to the permission of the court given in a proceeding under this chapter, or shall have been rejected by a trustee or receiver in bankruptcy in a prior pending proceeding, any person injured by such rejection shall, for the purpose of this chapter and of the plan, its acceptance and confirmation, be deemed a creditor. The claim of the landlord for injury resulting from the rejection of an unexpired lease of real estate or for damages or indemnity under a covenant contained in such lease shall be provable, but shall be limited to an amount not to exceed the rent, without acceleration, reserved by such lease for the year next succeeding the date of the surrender of the premises to the landlord or the date of reentry of the landlord, whichever first occurs, whether before or after the filing of the petition, plus unpaid accrued rent, without acceleration, up to the date of surrender or reentry: *Provided,* That the court shall scrutinize the circumstances of an assignment of a future rent claim and the amount of the consideration paid for such assignment in determining the amount of damages allowed the assignee thereof.

The amendment was agreed to.

The next amendment was, on page 256, line 3, to change the section number from 642 to 643.

The amendment was agreed to.

The next amendment was, on page 256, line 11, to change the section number from 643 to 644, and in line 15, before the word "of", to strike out "642" and insert "643", so as to read:

SEC. 644. Upon the entry of an order under the provisions of this chapter directing that bankruptcy be proceeded with, only such claims as are provable under section 63 of this act shall be allowed and, except as provided in section 643 of this act, claims not already filed may be filed within 3 months after the first date set for the first meeting of creditors, held pursuant to section 55 of this act, or, if such date has previously been set, then within 3 months after the mailing of notice to creditors of the entry of the order directing that bankruptcy be proceeded with.

The amendment was agreed to.

The next amendment was, under the subhead "Article IX—Confirmation and consummation of plans", on page 259, line 7, after the word "accepted", to insert "the alterations or modifications and the plan so altered or modified, unless the previous acceptance provides otherwise", so as to read:

SEC. 654. Unless the court finds that the proposed alteration or modification does not materially and adversely affect the interest of any creditor who has not in writing assented thereto, the court shall adjourn the meeting or, if closed, reopen the meeting, and may enter an order that any creditor who accepted the plan and who fails to file with the court within such reasonable time as shall be fixed in the order a rejection of the altered or modified plan, shall be deemed to have accepted the alterations or modifications and the plan so altered or modified, unless the previous acceptance provides otherwise.

The amendment was agreed to.

The next amendment was, on page 260, line 6, after the word "allowed", to insert "or are allowable", so as to read:

SEC. 657. Upon confirmation of a plan, the plan and its provisions shall be binding upon the debtor and upon all creditors of the debtor, whether or not they are affected by the plan or have accepted it or have filed their claims, and whether or not their claims have been scheduled or allowed or are allowable.

The amendment was agreed to.

The next amendment was, on page 262, line 1, after the word "section", to strike out "642" and insert "643", so as to read:

SEC. 660. Upon compliance by the debtor with the provisions of the plan and upon the completion of all payments to be made thereunder, the court shall enter an order discharging the debtor from all his debts and liabilities provided for by the plan, and all debts denied participation in the plan by section 643 of this act, but excluding debts which are not dischargeable under section 17 of this act held by creditors who have not accepted the plan.

The amendment was agreed to.

The next amendment was, on page 262, line 12, after the word "section", to strike out "642" and insert "643", so as to read:

SEC. 661. If at the expiration of 3 years after the confirmation of a plan the debtor has not completed his payments thereunder, the court may nevertheless, upon the application of the debtor and after hearing upon notice, if satisfied that the failure of the debtor to complete his payments was due to circumstances for which he could not be justly held accountable, enter an order discharging the debtor from all his debts and liabilities provided for by the plan, and all debts denied participation in the plan by section 643 of this act, but excluding debts which are not dischargeable under section 17 of this act held by creditors who have not accepted the plan.

The amendment was agreed to.

The next amendment was, on page 262, line 18, after the numerals "661", to insert "of this act", so as to read:

SEC. 662. Upon the consummation of a proceeding under this chapter, as provided either in section 660 or section 661 of this act, the court shall enter a final decree discharging the trustee, closing the estate, and making such provision, by way of injunction or otherwise, as may be equitable.

The amendment was agreed to.

The next amendment was, under the subhead "Article XII—General provisions", on page 266, line 16, after the word "sections", to strike out "521" and insert "621" and in the same line, after the word "and", to strike out "522" and insert "622", so as to read:

SEC. 677. Unless otherwise directed by the court, all notices required by this chapter may be given by mail to the parties entitled thereto to their addresses ascertained in the manner prescribed for other notices in section 58 of this act.

SEC. 678. The clerk and, in the case of a reference, the referee after such reference, shall forthwith transmit to the Secretary of the Treasury copies of—

(1) All petitions filed under sections 621 and 622 of this act.

The amendment was agreed to.

The next amendment was, on page 267, line 15, after the word "shall", to strike out "be deemed"; in line 16, after the word "adjustment", to strike out "under this chapter"; in the same line, after the article "a", to strike out "debtor," and insert "debtor in a proceeding under this chapter, be deemed"; in line 19, after the word "or" where it occurs the first time, to strike out "liquidation" and insert "cancelation"; in line 20, after the article "a", to strike out "plan consummated" and insert "proceeding"; in line 21, after the word "chapter", to strike out the comma and

"except that"; in line 23, after the word "the", to strike out "avoidance of income taxes," and insert "evasion of any income tax"; and in line 24, after the word "section", to strike out "may" and insert "shall", so as to read:

SEC. 679. No income or profit, taxable under any law of the United States or of any State now in force or which may hereafter be enacted, shall, in respect to the adjustment of the indebtedness of a debtor in a proceeding under this chapter, be deemed to have accrued to or to have been realized by a debtor by reason of a modification in or cancelation in whole or in part of any such indebtedness in a proceeding under this chapter: *Provided, however,* That if it shall be made to appear that the plan had for one of its principal purposes the evasion of any income tax, the exemption provided by this section shall be disallowed.

The amendment was agreed to.

The next amendment was, under the subhead "Article XIII—When chapter takes effect", on page 268, line 18, after the word "such", to strike out "dates" and insert "date", so as to read:

SEC. 686. (1) On and after the effective date of this amendatory act this chapter shall apply to debtors and their creditors, whether their rights, claims, and interests of any nature whatsoever have been acquired or created before or after such date.

The amendment was agreed to.

The next amendment was, on page 269, after line 11, to insert:

SEC. 2. Any farmer who filed a petition under section 75 of the act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, as amended, and in whose case a bankruptcy court has, under subsection (s) thereof, granted a stay of proceedings may, if the period for which such stay was granted has expired or is about to expire, make application to such court for an extension of such stay. If the court finds that such farmer has substantially complied with the provisions of paragraph (2) of subsection (s) of section 75 of such act, as amended, during the period of such stay, the court may extend the period of such stay to November 1, 1939.

The amendment was agreed to.

The next amendment was, on page 269, after line 23, to insert:

SEC. 3. The act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, as amended by the act of August 16, 1937 (50 Stat. 653), is hereby further amended by striking out the heading "Chapter X", before section 81 of said act, and inserting in lieu thereof "Chapter IX."

The amendment was agreed to.

The next amendment was, on page 270, line 5, to change the section number from 2 to 4, and in line 9, after the word "section", to strike out "4" and insert "6", so as to read:

SEC. 4. Section 76 of this act, entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, as amended, is hereby repealed. Except to the extent necessary to give effect to the provisions of section 6 of this amendatory act, all acts or parts of acts inconsistent with any provisions of this amendatory act are hereby repealed.

The amendment was agreed to.

The PRESIDENT pro tempore. That completes the committee amendments, with the exception of those in chapter X.

Mr. O'MAHONEY. Mr. President, before we proceed to the consideration of chapter X, I should like to call the attention of the distinguished Senator from New York [Mr. COPELAND], the chairman of the Committee on Commerce, to the fact that this would be an opportune time for him to present the proposed amendment to the pending measure which has been considered by the Committee on Commerce.

Mr. COPELAND. Mr. President, the Senator from Wyoming [Mr. O'MAHONEY] introduced a bill to provide for the continued operation of merchant vessels of the United States on essential trade routes. We had 3 days of hearings on the bill. All parties in interest were present, and I confess there was an acrimonious debate.

From the debate it became apparent that modification must be made in the bill as presented by the Senator from Wyoming [Mr. O'MAHONEY]. I understand the changes suggested are acceptable to him, as the author of the bill. This morning the Senator from North Carolina [Mr. BAILEY], the Senator from Missouri [Mr. CLARK], and the Senator from Arkansas [Mrs. CARAWAY], who are members of the committee, and one or two other Senators, went over the bill somewhat in detail, and the insertions proposed are those which were recommended by the Senator from North Carolina in order to put the bill in the form in which he thought it should be, in order to make certain that no injustice might be done to any party in interest.

Because of the fact that there are so many interlineations, I shall venture to read what we are passing on from the Commerce Committee as an amendment to the pending bankruptcy bill.

In chapter XIV it is proposed to insert the following language as an amendment on page 269 of the bill, after line 11:

That notwithstanding any provision of law, in any proceeding in a bankruptcy, equity, or admiralty court of the United States in which a receiver or trustee may be appointed for any corporation engaged in the operation of one or more vessels of United States registry between the United States and any foreign country, upon which the United States holds mortgages, the court upon finding that it will inure to the advantage of the estate and the parties in interest and that it will tend to further the purposes of the Merchant Marine Act, 1936, may constitute and appoint the United States Maritime Commission as sole trustee or receiver, subject to the directions and orders of the court, and in any such proceeding the appointment of any person other than the Commission as trustee or receiver shall become effective upon the ratification thereof by the Commission without a hearing, unless the Commission shall deem a hearing necessary. In no such proceeding shall the Commission be constituted as trustee or receiver without its express consent.

SEC. 2. If the court, in any such proceeding, is unwilling to permit the trustee or receiver to operate such vessels in such service pending the termination of such proceeding, without financial aid from the Government, and the Commission certifies to the court that the continued operation of such vessels is, in the opinion of the Commission, essential to the foreign commerce of the United States and is reasonably calculated to carry out the purposes and policy of the Merchant Marine Act, 1936, as amended, the court may permit the Commission to operate the vessels subject to the orders of the court and upon terms decreed by the court sufficient to protect all the parties in interest, for the account of the trustee or receiver, directly or through a managing agent or operator employed by the Commission, if the Commission undertakes to pay all operating losses resulting from such operation, and comply with the terms imposed by the court, and such vessel shall be considered to be a vessel of the United States within the meaning of the Suits in Admiralty Act. The Commission shall have no claim against the corporation, its estate, or its assets for the amount of such payments, but the Commission may pay such sums for depreciation as it deems reasonable and such other sums as the court may deem just. The payment of such sums, and compliance with other terms duly imposed by the court, together with the payment of the operating losses, shall be in satisfaction of all claims against the Commission on account of the operation of such vessels.

Section 3, which is identical with the language in the bill presented by the Senator from Wyoming, is as follows:

SEC. 3. No injunction powers vested in the courts of bankruptcy under the act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto, shall be construed or be deemed to affect or apply to the United States as a creditor under a preferred ship mortgage, as defined in the Ship Mortgage Act, 1920, as amended, unless the Commission files with the court a written waiver of the provisions of this section.

By reason of financial calamity which faces certain lines, and in order to make sure that such lines may be operated so that goodwill established by old-time lines may not be dissipated, it is thought that there should be inserted in the pending bill an amendment of this kind which would give a reasonable guaranty that the ships would be so operated, and at the same time, as is believed by the Senator from North Carolina and other lawyers of the committee, the rights of the "estate and the parties in interest" would be preserved. The court would take into consideration any action it might determine to be wise, with respect to the other interests.

I personally was not satisfied with the bill as it came to us, but I think that the modifications I have proposed, with which the Senator from Wyoming is familiar, are acceptable to him. I trust that he will be willing to accept what we believe to be the beneficial additions made by the Committee on Commerce.

Mr. O'MAHONEY. Mr. President, so that the record may be clear, let me say that after the Committee on the

Judiciary had completed its consideration of the Chandler bill and had reported it to the Senate, the suggestion came to me from the Maritime Commission that an amendment of this kind would be desirable. I discussed it with the attorneys of the Commission, and with Mr. Rice, assistant legislative counsel of the Senate. Thereafter a bill was drafted, introduced, and referred to the Committee on Commerce. I felt that it would be improper for me to offer the amendment upon the floor without having had the benefit of a study by the Committee on Commerce, which has jurisdiction of all matters dealing with the merchant marine.

If the amendment is satisfactory to the Committee on Commerce I shall be very glad to accept it and take it to conference.

Mr. COPELAND. Mr. President, I want to thank the Senator from Wyoming for what he has just said. He recognized that it was a courtesy due the Commerce Committee, which for so many years has been dealing with matters relating to the merchant marine. The members of the committee appreciate his thoughtfulness in the matter and his very ethical conduct. So, Mr. President, I think that I may thank the Senator on behalf of the committee for the consideration which he has given to our amendments to his bill.

Mr. President, I ask that the amendment I have just read be placed in the bill as chapter 14, on page 269, after line 11.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from New York, on page 269, after line 11.

The amendment was agreed to.

THE FOREIGN DEBTS AND THE CONSENT OF DEBTORS FOR SETTLEMENT IN ARRANGEMENT OF TRADE TREATIES BETWEEN THE DEBTOR NATIONS AND THE UNITED STATES

Mr. LEWIS. Mr. President, with the consent of those presenting the bankruptcy bill, if I do not at this particular moment disturb their program, I take the liberty to occupy a moment on the floor of the Senate.

I have been listening to the President pro tempore of the Senate [Mr. PITTMAN] meeting the different propositions touching the amendments tendered, and pronouncing their acceptance after the order of proper legislation. I was attracted by the President pro tempore, in his decisions upon the motions, one after the other, being similar, touching the question of amendments to the bill then before him. The President pro tempore adopted a commercial expression, very laconic, very expressive, quite sufficient, and recondite, and after following the formula on the first amendment, as to the remaining ones said simply, "Ditto, ditto, ditto."

I am reminded, sir, that Edmund Burke, as goes the history, had occasion to speak to the electors of Bristol when an election was on, and had chosen with him by the political committee a colleague named Jacobs. This one was a successful dry-goods merchant, who, however, knew little of statesmanship or politics, nor cared other than to win. Mr. Burke had made his splendid address presenting his views when Jacobs was called upon. True to his calling, he rose and said, "Gentlemen, you have heard Mr. Burke. I desire for myself to say 'ditto' to Mr. Burke. Ditto."

I wish now, sir, to enter for a moment an observation that partakes of something of a "ditto" to what I feel has transpired as to the foreign debts. It is to this which I wish to give my approval and assent.

Mr. President, I am aware that in Holy Writ there is the expression of the Great Master:

> I came not to send peace, but a sword.

Heretofore, with the indulgence of this honorable body, I have too frequently brought the sword on a certain well-known subject. At this particular point I feel somewhat justified sir, in adopting a "ditto" in approving what appears to be something of conciliation and peace.

I refer to the public news which comes to us this morning from a reliable press dispatch—and from other sources to which I attach import—that England and France, particularly, as the principal debtors of the United States in the larger amount, have practically reached the conclusion that the subject matter of the debt they owe the United States must be disposed of in connection with the adoption of the trade treaties which are now pending.

I take the liberty of calling the attention of this honorable body to the fact that from time to time I have stated that these treaties should not be consummated until some conclusion touching the debts had been made, or at least had been reached, and was in condition to be submitted to Congress for its approval. I have even gone further and demanded that the trade treaties, when they take the form of complete consummation, should be submitted to this body for approval, rejection, or reservation.

At this particular time I observe that Sir Josiah Stamp, an eminent economist of England, who has frequently done us the courtesy of a visit, announces that it has been practically settled that the debts are now to be reached by some form of adjustment at the same time that the trade treaties themselves are finally accepted.

From the agency of France, representing the Bank of France, there comes now something of the statement that meets the concurrence of that very artistic, valorous, and ever-industrious country.

Italy asserts, as we gather it, sir, that whatever these two great debtors shall arrive at as a conclusion, it heartily approves.

Mr. President, the time has come when, for the peace and quiet of our citizens, for the companionship and friendship of these nations, this debt adjustment should be promptly entered upon and promptly disposed of. Among other things, sir, it is necessary that there shall be harmony and friendship among these ancient friends, these nations, both in commerce and in statesmanship, in order that we may continue the relationships of our fellow citizens with their fellow citizens in the spirit of brotherhood which is the dream of the statesmen of all these nations.

I am particularly pleased to find out and to know, sir, and to be able to inform this honorable body, that there will be presented to the Senate and to Congress, from the Secretary of State, who in his perseverance and statesmanship quietly, unobtrusively, but effectively, has brought to some conclusion the suggestions which have been made to us, a proposal looking to the complete adjustment of these obligations.

I cannot avoid at this moment congratulating the President of the United States that he has equally, with the same unobtrusiveness of manner, but still, sir, with industrious design, proceeded likewise to have something done concerning the debts that will meet the approval of Congress, but, above all, sir, will meet the approval of our fellow Americans. I do not state the terms of the proposed adjustment, nor assume to know all. I should cite them to this honorable body were I completely apprised.

I am only pleased, sir, to see that the sagacious diplomats who represent England here in our Capital, and those who in gracious performance represent France, have given abundant evidence of their desire to perpetuate the friendships among these nations, creditor and debtor, by giving ceaseless attention to bring about the solution of the matter in the matter which I have just intimated. To the diplomats from all these lands we extend our felicitations. We hopefully indulge the faith that they have been successful, as we understand, in at least having their country join our country in some form of conclusion soon to be proposed. From this we will dispose—and, I trust, forever—of the frictions which have so long existed between these countries, because of that which I have from time to time charged on this floor, the failure of our debtors to recognize the debts.

Having made this statement, being sufficient to let the honorable body which indulges me know that I am pleased at this aspect, I thank the Senators who have allowed me to intrude on the consideration of the pending bill at this time to submit the observations which I have given to the Senate from the floor.

REVISION OF BANKRUPTCY ACT

The Senate resumed the consideration of the bill (H. R. 8046) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto; and to repeal section 76 thereof and all acts and parts of acts inconsistent therewith.

Mr. VANDENBERG. Mr. President, the pending business is the rewriting of the bankruptcy law. I merely wish to make a single observation respecting it, in one sentence. I wish to suggest that I think it is entirely consistent, logical, appropriate, necessary, and prophetic that this Congress and this administration should conclude this session by the passage of a general bankruptcy act.

Mr. O'MAHONEY. Mr. President, on page 118, in lines 7 and 8, I move to strike out "bankruptcy proceeding was instituted," and insert in lieu thereof "property to be sold is situated."

This amendment was considered in the committee, and the suggested amendment bears the approval of the members of the Judiciary Committee present in the Chamber.

The PRESIDING OFFICER (Mr. POPE in the chair). The question is on agreeing to the amendment offered by the Senator from Wyoming.

The amendment was agreed to.

Mr. O'MAHONEY. Mr. President, I ask unanimous consent that we may proceed to the consideration of the committee amendments to chapter X, beginning on page 120.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

INSTRUCTION OF CITIZENS OF AMERICAN REPUBLICS AT UNITED STATES GOVERNMENT EDUCATIONAL INSTITUTIONS

Mr. PITTMAN. Mr. President, I ask unanimous consent for the immediate consideration of Senate bill 4044, which is an emergency measure, intended to permit the training of South American aviators in our aviation schools. The matter was considered, and the bill was amended in the committee. I do not think there will be any objection to it.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Nevada?

Mr. KING. Mr. President, may I ask the Senator a question?

Mr. PITTMAN. Certainly.

Mr. KING. Does the bill involve any expense to the Government of the United States or are the governments from which these Latin Americans may come to pay the expenses?

Mr. PITTMAN. The enrollment is limited to one student in the Naval Academy and one in the Military Academy for each of the South American republics. They would be admitted on the same terms as American boys.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Nevada?

There being no objection, the Senate proceeded to consider the bill (S. 4044) to authorize the President to permit citizens of the American Republics to receive instruction at professional educational institutions and schools maintained and administered by the Government of the United States or by departments or agencies thereof, which had been reported from the Committee on Foreign Relations with an amendment, on page 2, line 5, after the word "prescribed", to insert a further proviso, so as to make the bill read:

Be it enacted, etc., That the President be, and he hereby is, authorized, in his discretion and under such regulations as he may prescribe by Executive order, to permit citizens of the American republics to receive instruction, with or without charge therefor, at professional educational institutions and schools maintained and administered by the Government of the United States or by departments or agencies thereof: *Provided*, That such citizens shall agree to comply with all regulations for the government of the institutions and schools at which they may be under instruction and to exert every effort to accomplish successfully the courses of instruction prescribed: *And provided further*, That the regulations prescribed by the President under the authority of this act shall contain provisions limiting the admission of citizens of the American republics to primary schools maintained and administered by the Government of the United States so that there will under no circumstances be any curtailment of the admission of citizens of the United States eligible to receive instruction therein and not more than one citizen of any American republic shall receive instruction at the same time in the United States Military Academy and not more than one in the United States Naval Academy.

The PRESIDING OFFICER. Without objection——

Mr. VANDENBERG. Mr. President, I have no desire to press any opposition to the bill, because I realize that the opposition is very limited. Nevertheless, there is opposition; and, rather than have the bill passed by unanimous consent, I ask the Chair to put it to a vote.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CHINA TRADE ACT CORPORATIONS

Mr. AUSTIN. Mr. President, I ask unanimous consent for the present consideration of Senate bill 2783, Calendar No. 2180, a bill introduced by the Senator from Utah [Mr. KING] and reported by me, to amend the China Trade Act of 1922 as to the duration of the China Trade Act corporations.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Vermont?

There being no objection, the bill (S. 2783) to amend the China Trade Act, 1922, as to the duration of the China Trade Act corporations, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That paragraph (5) of subdivision (b) of section 4 of the China Trade Act, 1922, as amended, is amended to read as follows:

"(5) The duration of the corporation, which may be perpetual or for a limited period."

SEC. 2. The amendment made by section 1 of this act shall apply to every China Trade Act corporation created after the date of the enactment of this act. Any China Trade Act corporation existing on the date of the enactment of this act may make its existence perpetual only upon application to the Secretary of Commerce to amend its charter in that respect and upon payment of a fee equivalent to the incorporation fee. Upon receipt of such application and the payment of such prescribed fee, the Secretary shall approve such application and the charter of the corporation shall be amended accordingly.

Mr. AUSTIN. Mr. President, I ask to have inserted in the RECORD the report on the bill containing certain material which ought to be printed in the RECORD.

The PRESIDING OFFICER. Without objection, the report will be printed in the RECORD.

The report (No. 2065) is as follows:

Mr. AUSTIN, from the Committee on the Judiciary, submitted the following report (to accompany S. 2783):

The Committee on the Judiciary, to whom was referred the bill (S. 2783) to amend the China Trade Act, 1922, as to the duration of the China Trade Act corporations, after due consideration, report the same favorably with the recommendation that it do pass.

The bill provides for the lifting of the 25-year limitation on duration of the corporations organized under the act, in order that they may operate on the same basis as foreign corporations.

Appended hereto and made a part hereof is a letter from the Assistant Secretary of Commerce explaining the need of the bill's passage.

DEPARTMENT OF COMMERCE,
Washington, December 1, 1937.

Hon. HENRY F. ASHURST,
Chairman, Committee on the Judiciary,
United States Senate, Washington, D. C.

MY DEAR MR. CHAIRMAN: In your letter dated July 21, 1937, you requested the views of the Department concerning S. 2783, a bill to amend the China Trade Act, 1922, as to the duration of the China Trade Act corporations.

The Department favors the object sought to be attained by the proposed legislation.

Section 4 (5) of the China Trade Act, as amended, limits the duration of China Trade Act corporations to 25 years, which may, upon application of the corporation and the payment of the incorporation fee, be successively extended by the Secretary for like periods. The practical consideration which confronts some of the larger American interests in China in availing themselves of the features of the China Trade Act is that this short period of 25 years' duration makes it difficult, if not impossible, for them to

negotiate long-time contracts or franchises or to do any long-term financing. There are situations existing in China during the course of its rapid industrial development which would make it advantageous for Chinese and American interests to cooperate in the manner which the original China Trade Act legislation contemplated. Prominent Chinese industrialists and bankers who are reported to be favorably disposed toward cooperating with American investors and suppliers of equipment are reluctant to enter into any program where the duration of a corporate charter is limited to 25 years. In such cases the necessity for seeking franchises for a longer period precludes their utilizing the China Trade Act as a corporate vehicle and they are obliged to resort to the formation of corporations of other nationals, such as British China companies under the Hong Kong ordinances.

It is believed that the powers vested in the registrar by the act, to investigate the affairs and conduct of a China Trade Act corporation, are sufficiently broad so that no concern need be felt as a result of permitting the issuance of a charter for an indefinite period. In this connection, it may be noted that section 14 of the act authorizes the registrar to institute proceedings in the United States Court for China for the revocation of a certificate of incorporation whenever he is satisfied that the corporate affairs are, or have been, conducted contrary to any provision of the act.

It is noted that the duration of China Trade Act corporations created after the date of the enactment of S. 2783 may be perpetual or for a limited period, and that a corporation existing on the date of such enactment may make its existence perpetual by application to the Secretary of Commerce to amend its charter in that respect, and upon payment of a fee equivalent to the corporation fee. No provision is made authorizing an existing corporation to amend its charter for a limited period.

At the present time, there are approximately 105 corporations organized under the provisions of the aforementioned act, and it is believed that the bill, if enacted, should apply to such corporations in the same manner as to corporations which may be created in the future.

Section 5 of the act provides for the payment of an incorporation fee of $100. Section 17 provides:

"(a) The Secretary is authorized to make such regulations as may be necessary to carry into effect the functions vested in him or in the registrar by this act.

"(b) That the Secretary is authorized to prescribe and fix the amount of such fees (other than the incorporation fee) to be paid him or the registrar for services rendered by the Secretary or the registrar to any person in the administration of the provisions of this act. All fees and penalties paid under this act shall be covered into the Treasury of the United States as miscellaneous receipts."

Pursuant to the authority contained in the section quoted above, the Secretary has fixed the fee for the amendment of articles of incorporation at $25 (sec. 9, Regulations). It is not apparent why S. 2783 should prescribe a fee for an amendment to corporate existence at variance with the fee prescribed for any other amendment of articles of incorporation.

Section 10 (b) and (c) of the act relates in part to procedure to be followed by a corporation relative to the amendment of its articles of incorporation. Subdivision (d) of section 10 provides that the minutes of all stockholders meetings shall be filed with the registrar.

It would appear that the procedure to be followed with reference to the amendment of an article of incorporation relative to the duration of a corporation as contemplated by S. 2783 should follow the provisions of the act and regulations with regard to amendments generally. In view of the foregoing, the Department has prepared a substitute draft of the bill, which it is believed should be enacted in preference to S. 2783.

The Bureau of the Budget has advised that there would be no objection by that office to the presentation of this report and the substitute draft of bill to your committee.

Cordially yours,

ERNEST G. DRAPER,
Assistant Secretary of Commerce.

REVISION OF BANKRUPTCY ACT

The Senate resumed the consideration of the bill (H. R. 8046) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto; and to repeal section 76 thereof and all acts and parts of acts inconsistent therewith.

Mr. O'MAHONEY. Mr. President, I hope we may now proceed to the consideration of the committee amendments to chapter X, beginning on page 120.

The PRESIDING OFFICER. The clerk will state the amendments to chapter X.

The first amendment to "Chapter X—Corporate reorganizations—Article I—Construction", was, on page 120, after line 4, to strike out:

SEC. 102. Wherever applicable and not inconsistent with the provisions of this chapter, the provisions of this act shall apply in proceedings under this chapter.

And in lieu thereof to insert:

SEC. 102. The provisions of chapters I to VII, inclusive, of this act shall, insofar as they are not inconsistent or in conflict with the provisions of this chapter, apply in proceedings under this chapter: *Provided, however*, That section 23, subdivisions h and n of section 57, section 64, and subdivision f of section 70, shall not apply in such proceedings unless an order shall be entered directing that bankruptcy be proceeded with pursuant to the provisions of chapters I to VII, inclusive. For the purposes of such application, provisions relating to "bankrupts" shall be deemed to relate also to "debtors", and "bankruptcy proceedings" or "proceedings in bankruptcy" shall be deemed to include proceedings under this chapter. For the purposes of such application the date of the filing of the petition in bankruptcy shall be taken to be the date of the filing of an original petition under section 128 of this act, and the date of adjudication shall be taken to be the date of approval of a petition filed under section 127 or 128 of this act except where an adjudication had previously been entered.

The amendment was agreed to.

The next amendment was, under the subhead "Article III—Jurisdiction and powers of court", on page 123, line 19, after the word "other", to strike out "judicial", so as to read:

SEC. 113. Prior to the approval of a petition, the judge may upon cause shown grant a temporary stay, until the petition is approved or dismissed, of a prior pending bankruptcy, mortgage foreclosure, or equity receivership proceeding and of any act or other proceeding to enforce a lien against a debtor's property, and may upon cause shown enjoin or stay until the petition is approved or dismissed the commencement or continuation of a suit against a debtor.

The amendment was agreed to.

The next amendment was, on page 124, line 17, after the word "debtor", to insert "except contracts in the public authority"; on page 125, line 3, before the word "trustee", to insert "receiver or a", and in the same line, before the word "debtor", to insert the article "a", so as to read:

SEC. 116. Upon the approval of a petition, the judge may, in addition to the jurisdiction, powers, and duties hereinabove and elsewhere in this chapter conferred and imposed upon him and the court—

(1) permit the rejection of executory contracts of the debtor, except contracts in the public authority, upon notice to the parties to such contracts and to such other parties in interest as the judge may designate;

(2) authorize a receiver, trusteee, or debtor in possession, upon such notice as the judge may prescribe and upon cause shown, to issue certificates of indebtedness for cash, property, or other consideration approved by the judge, upon such terms and conditions and with such security and priority in payment over existing obligations, secured or unsecured, as in the particular case may be equitable;

(3) authorize a receiver or a trustee or a debtor in possession, upon such notice as the judge may prescribe and upon cause shown, to lease or sell any property of the debtor, whether real or personal, upon such terms and conditions as the judge may approve; and

(4) in addition to the relief provided by section 11 of this act, enjoin or stay until final decree the commencement or continuation of a suit against the debtor or its trustee or any act or proceeding to enforce a lien upon the property of the debtor.

The amendment was agreed to.

Mr. KING. Mr. President, I am not making objection to some of these amendments, for they are meritorious. However, I do not want my silence with reference to these proposed amendments to indicate that I am in favor of chapter X. Quite the reverse is true, and when these amendments shall have been disposed of I shall have some observations to submit concerning chapter X.

I may say that some of these amendments improve the bill but, if I had my way, I should amend them so as to make them more effective and so that the bill would be deprived of some of its meretricious, as I regard them, and highly undesirable provisions.

The PRESIDING OFFICER. The next amendment reported by the committee will be stated.

The next amendment was, under the subhead "Article VI—Approval or dismissal of petition", on page 131, line 6, after the word "section", to insert "136 or", and in line 10, after the numerals "143", to insert "or 144", so as to read:

SEC. 145. If any issue raised in an answer filed under section 136 or 137 of this act has, after hearing upon notice to the debtor, creditors, indenture trustees, and stockholders entitled to controvert the allegations of the petition, already been tried and finally

determined under the provisions of section 143 or 144 of this act, such final determination shall be conclusive for all purposes under this chapter.

The amendment was agreed to.

Mr. DUFFY. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I am very happy to yield to the Senator from Wisconsin.

Mr. DUFFY. I should like to know, as to the general subject, if there was any division of opinion in the committee concerning the bill in the form in which it now appears.

Mr. O'MAHONEY. There was no division except as to chapter X, which deals with corporate reorganization. The distinguished Senator from Utah [Mr. KING] filed minority views dealing with that section, and presently, I think, he will explain his attitude regarding it.

Mr. DUFFY. And as to the other differences that I have heard from time to time from people who are interested in the bill, as I understand, all the members of the committee are now in agreement except as to chapter X.

Mr. O'MAHONEY. The committee is in complete agreement except as to chapter X.

Mr. KING. Mr. President, may I say to my friend from Wisconsin that section 77B of the existing bankruptcy law, in my opinion, has served a very useful purpose, and it is still serving a very useful purpose? There have been no objections to it intrinsically, though there have been some suggestions as to the rephrasing of some of its provisions and making a better arrangement, a more logical arrangement of its provisions. But section 77B has met with almost universal approval, and, in my opinion, we are committing a very great wrong in destroying it and in superimposing upon the American people and upon industry generally the provisions of chapter X of the bill now under consideration.

AUTHORIZATION OF FLOOD-CONTROL PROJECTS—ADDITIONAL CONFEREES

Mr. COPELAND. Mr. President, I ask unanimous consent that two Senators may be added to the committee of conference on the part of the Senate on House bill 10618, the flood-control bill. There are some absentees, I find, and we are anxious to have a conference this afternoon. I therefore ask unanimous consent that the Chair may appoint two additional conferees.

The PRESIDING OFFICER (Mr. POPE in the chair). Is there objection? The Chair hears none, and the Senator from Oregon [Mr. MCNARY] and the Senator from Louisiana [Mr. OVERTON] are appointed additional conferees on the part of the Senate.

REVISION OF BANKRUPTCY ACT

The Senate resumed the consideration of the bill (H. R. 8046) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto; and to repeal section 76 thereof and all acts and parts of acts inconsistent therewith.

The PRESIDING OFFICER. The clerk will state the next amendment reported by the committee.

The next amendment was, on page 132, line 9, after the word "other", to strike out "judicial", so as to read:

SEC. 148. Until otherwise ordered by the judge, an order approving a petition shall operate as a stay of a prior pending bankruptcy, mortgage foreclosure, or equity receivership proceeding, and of any act or other proceeding to enforce a lien against the debtor's property.

The amendment was agreed to.

The next amendment was, under the subhead "Article VII—Proceedings subsequent to approval of petition", on page 132, line 19, after the word "more", to strike out "trustees who" and insert "trustees. Any trustee appointed under this chapter", and in line 25, after the word "possession" and the period, to insert "In any case where a trustee is appointed the judge may, for the purposes specified in section 189 of this act, appoint as an additional trustee a person who is a director, officer, or employee of the debtor", so as to read:

SEC. 156. Upon the approval of a petition, the judge shall, if the indebtedness of a debtor, liquidated as to amount and not contingent as to liability, is $250,000 or over, appoint one or more trustees. Any trustee appointed under this chapter shall be disinterested and shall have the qualifications prescribed in section 45 of this act, except that the trustee need not reside or have his office within the district. If such indebtedness is less than $250,000, the judge may appoint one or more such trustees or he may continue the debtor in possession. In any case where a trustee is appointed the judge may, for the purposes specified in section 189 of this act, appoint as an additional trustee a person who is a director, officer, or employee of the debtor.

The amendment was agreed to.

The next amendment was, on page 134, line 8, after the word "judge", to strike out "may"; in line 9, before the word "appoint", to insert "may", and in the same line, after the word "additional", to strike out "trustees, or may" and insert "trustees or", so as to read:

SEC. 160. In any case, the judge at any time, without or upon cause shown, may appoint additional trustees or remove trustees and appoint substitute trustees.

The amendment was agreed to.

The next amendment was, on page 135, line 21, after the word "claims", to insert "and securities", so as to read:

SEC. 164. Upon the approval of a petition, where a debtor is not continued in possession, the court shall fix a time within which the trustee shall prepare and file in court a list of the creditors of each class, showing the amounts and character of their claims and securities and, so far as known, the name and the post-office address or place of business of each creditor; and a list of the debtor's stockholders of each class, showing the number and kind of shares registered in the name of each stockholder and the last-known post-office address or place of business of each stockholder.

The amendment was agreed to.

The next amendment was, on page 137, line 3, after the word "shall", to insert "if the judge shall so direct"; in the same line, after the word "forthwith", to strike out "under the control of the judge"; in line 10, after the word "may", to strike out "at such hearing or hearings as" and insert "if"; and in line 11, before the word "examine", to strike out "may direct" and insert "shall so direct", so as to read:

SEC. 167. The trustee upon his appointment and qualification—

(1) shall, if the judge shall so direct, forthwith investigate the acts, conduct, property, liabilities, and financial condition of the debtor, the operation of its business and the desirability of the continuance thereof, and any other matter relevant to the proceeding or to the formulation of a plan, and report thereon to the judge;

(2) may, if the judge shall so direct, examine the directors and officers of the debtor and any other witnesses concerning the foregoing matters or any of them;

(3) shall report to the judge any facts ascertained by him pertaining to fraud, misconduct, mismanagement and irregularities, and to any causes of action available to the estate;

(4) may, subject to the approval of the judge, employ such person or persons as the judge may deem necessary for the purpose of assisting the trustee in performing the duties imposed upon him under this chapter;

(5) shall, at the earliest date practicable, prepare and submit a brief statement of his investigation of the property, liabilities, and financial condition of the debtor, the operation of its business and the desirability of the continuance thereof, in such form and manner as the judge may direct, to the creditors, stockholders, indenture trustees, the Securities and Exchange Commission, and such other persons as the judge may designate; and

(6) shall give notice to the creditors and stockholders that they may submit to him suggestions for the formulation of a plan, or proposals in the form of plans, within a time therein named.

The amendment was agreed to.

The next amendment was, on page 139, line 5, after the word "the" where it occurs the second time, to strike out "judge; and" and insert "judge."; in line 6, to strike out the word "the"; in line 7, before the word "judge", to insert "The"; and in the same line, after the word "on", to strike out "any such plan" and insert "such plans", so as to read:

SEC. 170. Where a debtor is continued in possession, a plan or plans may be filed, within a time fixed by the judge—

(1) by the debtor;

(2) by any creditor or indenture trustee;

(3) by any stockholder, if the debtor is not found to be insolvent; and

(4) by the examiner, if so directed by the judge.

The judge shall fix a subsequent time for a hearing on such plans and for the consideration of any objections or amendments thereto.

The amendment was agreed to.

The next amendment was, on page 139, line 24, before the word "and", to strike out "investigation, examination," and insert "examination", so as to read:

SEC. 172. After the hearing, as provided in section 169 or section 170 of this act, and before the approval of any plan, as provided in section 174 of this act, the judge may, if the scheduled indebtedness of the debtor does not exceed $3,000,000, and shall, if such indebtedness exceeds $3,000,000, submit to the Securities and Exchange Commission for examination and report the plan or plans which the judge regards as worthy of consideration. Such report shall be advisory only.

The amendment was agreed to.

The next amendment was, on page 140, line 20, after the word "the" where it occurs the first time, to strike out "trustee" and the comma and insert "trustee"; so as to read:

SEC. 175. Upon the approval of a plan by the judge, the trustee or the debtor in possession shall transmit, by mail or otherwise, to all creditors and stockholders who are affected by any such plan—

(1) the plan or plans approved, together with a summary thereof approved by the judge;

(2) the opinion of the judge, if any, approving the plan, or plans, or a summary thereof approved by the judge;

(3) the report, if any, filed in the proceeding by the Securities and Exchange Commission, as provided in section 172 of this act, or a summary thereof prepared by the Securities and Exchange Commission; and

(4) Such other matters as the judge may deem necessary or desirable for the information of creditors and stockholders.

The amendment was agreed to.

The next amendment was, on page 141, line 10, after the word "shall", to insert "without the consent of the court"; and in line 19, after the word "invalid", to insert a comma and "unless such consent of the court has been so obtained"; so as to read:

SEC. 176. No person shall, without the consent of the court, solicit any acceptance, conditional or unconditional, of any plan, or any authority, conditional or unconditional, to accept any plan, whether by proxy, deposit, power of attorney or otherwise, until after the entry of an order approving such plan and the transmittal thereof to the creditors and stockholders, as provided in section 175 of this act; and any such authority or acceptance given, procured, or received by reason of a solicitation prior to such approval and transmittal shall be invalid, unless such consent of the court has been so obtained.

The amendment was agreed to.

The next amendment was, on page 142, after line 8, to insert:

SEC. 178. In case a debtor is a public-utility corporation, wholly intrastate, subject to the jurisdiction of a State commission having regulatory jurisdiction over such debtor, a plan shall not be approved, as provided in section 174 of this act, unless such State commission shall have first certified its approval of such plan as to the public interest therein and the fairness thereof. Upon its failure to certify its approval or disapproval within 30 days, or such further time as the court may prescribe, after the submission of the plan to it, as provided in section 177 of this act, the public interest shall, for the purposes of such approval and of the confirmation of the plan, not be deemed to be affected by the plan.

The amendment was agreed to.

The next amendment was, on page 143, line 17, after the word "Title", to insert "Rights", so as to make the subhead read:

Article VIII—Title, Rights, and Powers of Trustees and Debtors in Possession.

The amendment was agreed to.

The next amendment was, on page 143, line 20, after the word "with", to strike out "the title of" and insert "such title as", and in line 21, after the word "act", to insert "would have", so as to read:

SEC. 186. A trustee, upon his appointment and qualification, shall be vested with such title as a trustee appointed under section 44 of this act would have.

The amendment was agreed to.

The next amendment was, on page 143, line 24, before the word "rights", to insert "same"; in line 25, before the word "duties", to insert "same"; in the same line, after the word "the", to insert "same", and in the same line, after the word "powers", to strike out "of" and insert "as", so as to read:

SEC. 187. Where not inconsistent with the provisions of this chapter, a trustee, upon his appointment and qualification, shall be vested with the same rights, be subject to the same duties, and exercise the same powers as a trustee appointed under section 44 of this act, and, if authorized by the judge, shall have and may exercise such additional rights and powers as a receiver in equity would have if appointed by a court of the United States for the property of the debtor.

The amendment was agreed to.

The next amendment was, on page 144, line 17, after the word "management", to insert "shall file", and in line 18, after the word "thereof", to strike out "shall be filed", so as to read:

SEC. 189. A trustee or debtor in possession, upon authorization by the judge, shall operate the business and manage the property of the debtor during such period, limited or indefinite, as the judge may from time to time fix, and during such operation or management shall file reports thereof with the court at such intervals as the court may designate.

The amendment was agreed to.

The next amendment was, on page 145, line 8, after the word "at", to strike out "a rate" and insert "rates", so as to read:

SEC. 191. A trustee or debtor in possession may employ officers of the debtor at rates of compensation to be approved by the court. No person shall become an officer or director of the debtor, to fill a vacancy or otherwise, without the prior approval of the court.

The amendment was agreed to.

The next amendment was, under the subhead "Article IX—Creditors and stockholders", on page 146, line 13, before the word "is", to strike out "of America", so as to read:

SEC. 199. If the United States is a secured or unsecured creditor or stockholder of a debtor, the claims or stock thereof shall be deemed to be affected by a plan under this chapter, and the Secretary of the Treasury is hereby authorized to accept or reject a plan in respect of the claims or stock of the United States. If, in any proceeding under this chapter, the United States is a secured or unsecured creditor on claims for taxes or customs duties (whether or not the United States has any other interest in, or claim against the debtor, as secured or unsecured creditor or stockholder), no plan which does not provide for the payment thereof shall be confirmed by the judge except upon the acceptance of a lesser amount by the Secretary of the Treasury certified to the court.

The amendment was agreed to.

The next amendment was, on page 147, line 20, after the word "the", to strike out "direction" and insert "provisions of a plan or to the permission", so as to read:

SEC. 202. In case an executory contract shall be rejected pursuant to the provisions of a plan or to the permission of the court given in a proceeding under this chapter, or shall have been rejected by a trustee or receiver in bankruptcy or receiver in equity in a prior pending proceeding, any person injured by such rejection shall, for the purposes of this chapter and of the plan, its acceptance and confirmation, be deemed a creditor. The claim of the landlord for injury resulting from the rejection of an unexpired lease of real estate or for damages or indemnity under a covenant contained in such lease shall be provable, but shall be limited to an amount not to exceed the rent, without acceleration, reserved by such lease for the 3 years next succeeding the date of the surrender of the premises to the landlord or the date of reentry of the landlord, whichever first occurs, whether before or after the filing of the petition, plus unpaid accrued rent, without acceleration, up to such date of surrender or reentry.

The amendment was agreed to.

The next amendment was, on page 149, line 1, after the word "which", to insert a comma and "as provided in the plan or final decree"; and in line 6, after the word "securities", to strike out the comma and "after which time no such

claim or stock shall participate in the distribution under the plan" and insert "After such time no such claim or stock shall participate in the distribution under the plan", so as to read:

SEC. 204. Upon distribution, as provided in section 224 of this act, the judge may, upon notice to all persons affected, fix a time, to expire not sooner than 5 years after the final decree closing the estate, within which, as provided in the plan or final decree—

(1) the creditors, other than holders of securities, shall file, assign, transfer, or release their claims; and

(2) the holders of securities shall present or surrender their securities. After such time no such claim or stock shall participate in the distribution under the plan.

The amendment was agreed to.

The next amendment was, on page 149, line 19, after the word "chapter" and the period, to insert:

The judge may, for cause shown, permit a labor union or employees' association, representative of employees of the debtor, to be heard on the economic soundness of the plan affecting the interests of the employees.

So as to read :

SEC. 206. The debtor, the indenture trustees, and any creditor or stockholder of the debtor shall have the right to be heard on all matters arising in a proceeding under this chapter. The judge may, for cause shown, permit a labor union or employees' association, representative of employees of the debtor, to be heard on the economic soundness of the plan affecting the interests of the employees.

The amendment was agreed to.

The next amendment was, on page 150, after line 4, to strike out:

SEC. 208. The Securities and Exchange Commission shall, upon the filing of a notice of its appearance in a proceeding under this chapter, be deemed to be a party in interest, with the right to be heard on all matters arising in such proceeding, and be deemed to have intervened in respect of all matters in such proceeding with the same force and effect as if a petition for that purpose had been filed with and allowed by the judge.

And in lieu thereof to insert:

SEC. 208. The Securities and Exchange Commission shall, if requested by the judge, and may, upon its own motion if approved by the judge, file a notice of its appearance in a proceeding under this chapter. Upon the filing of such a notice, the Commission shall be deemed to be a party in interest, with the right to be heard on all matters arising in such proceeding, and shall be deemed to have intervened in respect of all matters in such proceeding with the same force and effect as if a petition for that purpose had been allowed by the judge; but the Commission may not appeal or file any petition for appeal in any such proceeding.

The amendment was agreed to.

The next amendment was, under the subhead "Article X—Provisions of plan", in section 216, on page 153, line 16, after the word "contract", to insert "except contracts in the public authority", so as to read:

SEC. 216. A plan of reorganization under this chapter—

(1) shall include in respect to creditors generally or some class of them, secured or unsecured, and may include in respect to stockholders generally or some class of them, provisions altering or modifying their rights, either through the issuance of new securities of any character or otherwise;

(2) may deal with all or any part of the property of the debtor;

(3) shall provide for the payment of all costs and expenses of administration and other allowances which may be approved or made by the judge;

(4) may provide for the rejection of any executory contract except contracts in the public authority;

The amendment was agreed to.

The next amendment was, on page 156, after line 9, to insert:

(12) shall provide for the inclusion in the charter of the debtor, or any corporation organized or to be organized for the purpose of carrying out the plan of—

(a) provisions prohibiting the debtor or such corporation from issuing nonvoting stock, and providing, as to the several classes of securities of the debtor or of such corporation possessing voting power, for the fair and equitable distribution of such power among such classes, including, in the case of any class of stock having a preference over other stock with respect to dividends, adequate provisions for the election of directors representing such preferred class in the event of default in the payment of such dividends; and

(b) (1) provisions which are fair and equitable and in accordance with sound business and accounting practice, with respect to the terms, position, rights, and privileges of the several classes of securities of the debtor or of such corporation, including, without limiting the generality of the foregoing, provisions with respect to the issuance, acquisition, purchase, retirement or redemption of any such securities, and the declaration and payment of dividends thereon; and (2) in the case of a debtor whose indebtedness, liquidated as to amount and not contingent as to liability, is $250,000 or over, provisions with respect to the making, not less than once annually, of periodic reports to security holders which shall include profit and loss statements and balance sheets prepared in accordance with sound business and accounting practice.

The amendment was agreed to.

The next amendment was, on page 157, after line 13, to strike out:

(12) may include provisions for the retention, settlement, or adjustment of claims belonging to the debtor or to the estate; and

And in lieu thereof to insert:

(13) may include provisions for the settlement or adjustment of claims belonging to the debtor or to the estate; and shall provide, as to such claims not settled or adjusted in the plan, for their retention and enforcement by the trustee or, if the debtor has been continued in possession, by an examiner appointed for that purpose; and

The amendment was agreed to.

The next amendment was, under the subhead "Article XI—Confirmation and Consummation of Plan", in section 221, on page 158, line 5, after the word "of", to strike out "articles VII and" and insert "article VII, section 199, and article", so as to read:

SEC. 221. The judge shall confirm a plan if satisfied that—

(1) the provisions of article VII, section 199, and article X of this chapter have been complied with;

The amendment was agreed to.

The next amendment was, on page 159, line 9, after the word "with", to strike out "its" and insert "his"; in line 13, after the word "requirements", to strike out "of article VII of this chapter", and, in line 17, after the word "in", to insert "article VII of", so as to read:

SEC. 222. A plan may be altered or modified, with the approval of the judge, after its submission for acceptance and before or after its confirmation if, in the opinion of the judge, the alteration or modification does not materially and adversely affect the interests of creditors or stockholders. If the judge finds that the proposed alteration or modification, filed with his approval, does materially and adversely affect the interests of creditors or stockholders, he shall fix a hearing for the consideration, and a subsequent time for the acceptance or rejection, of such alteration or modification. The requirements in regard to notice of hearing, to submission to the Securities and Exchange Commission, to acceptance, to filing and hearing of objections to confirmation, and to the confirmation, as prescribed in article VII of this chapter in regard to the plan proposed to be altered or modified, shall be complied with.

The amendment was agreed to.

The next amendment was, in section 224, on page 160, line 8, after the word "allowed", to insert "or are allowable", so as to read:

SEC. 224. Upon confirmation of a plan—

(1) the plan and its provisions shall be binding upon the debtor, upon every other corporation issuing securities or acquiring property under the plan, and upon all creditors and stockholders, whether or not such creditors and stockholders are affected by the plan or have accepted it or have filed proofs of their claims or interests and whether or not their claims or interests have been scheduled or allowed or are allowable;

The amendment was agreed to.

The next amendment was, on page 162, line 9, after the word "transfer", to insert "or retention", and in line 10, after the word "trustee", to insert a comma and "if any", so as to read:

SEC. 228. Upon the consummation of the plan, the judge shall enter a final decree—

(1) discharging the debtor from all its debts and liabilities and terminating all rights and interests of stockholders of the debtor, except as provided in the plan or in the order confirming the plan or in the order directing or authorizing the transfer or retention of property;

(2) discharging the trustee, if any;

(3) making such provisions by way of injunction or otherwise as may be equitable; and

(4) closing the estate.

The amendment was agreed to.

The next amendment was, under the subhead "Article XII—Dismissals and adjudications", on page 163, line 11, after the word "was", to strike out "not filed in a pending bankruptcy proceeding" and insert "filed under section 128 of this act", so as to read:

SEC. 237. Upon the dismissal of a proceeding under this chapter, where the petition was filed under section 128 of this act, the judge shall enter a final decree discharging the trustee, if any, and closing the estate, except as otherwise provided by section 259 of this act.

The amendment was agreed to.

The next amendment was, on page 163, after line 17, to strike out:

(1) where the petition under this chapter was filed in a pending bankruptcy proceeding, such proceeding shall be deemed reinstated and shall thereafter be conducted, so far as possible, as if the petition under this chapter had not been filed; or where the petition under this chapter was not filed in a pending bankruptcy proceeding.

And insert:

where the petition was filed under section 127 of this act, the bankruptcy proceeding shall be deemed reinstated and shall thereafter be conducted, so far as possible, as if the petition under this chapter had not been filed; or where the petition was filed under section 128 of this act.

So as to read:

SEC. 238. Upon the entry of an order directing that bankruptcy be proceeded with—

(1) where the petition was filed under section 127 of this act, the bankruptcy proceeding shall be deemed reinstated and shall thereafter be conducted, so far as possible, as if the petition under this chapter had not been filed; or where the petition was filed under section 128 of this act, the proceeding shall thereafter be conducted so far as possible in the same manner and with like effect as if an involuntary petition for adjudication had been filed at the time when the petition under this chapter was filed, and a decree of adjudication had been entered at the time when the petition under this chapter was approved.

The amendment was agreed to.

The next amendment was, under the subhead "Article XIII—Compensation and allowances", on page 165, line 15, after the word "the", to strike out "court" and insert "judge"; in line 21, after the word "interest", to insert "except the Securities and Exchange Commission"; and in line 24, after the word "foregoing", to insert "except the Securities and Exchange Commission", so as to read:

SEC. 242. The judge may allow reasonable compensation for services rendered and reimbursement for proper costs and expenses incurred in connection with the administration of an estate in a proceeding under this chapter or in connection with a plan approved by the judge, whether or not accepted by creditors and stockholders or finally confirmed by the judge—

(1) by indenture trustee, depositaries, reorganization managers, and committees or representatives of creditors or stockholders;

(2) by any other parties in interest except the Securities and Exchange Commission; and

(2) by the attorneys or agents for any of the foregoing except the Securities and Exchange Commission.

The amendment was agreed to.

The next amendment was, on page 166, line 14, after the word "filed", to strike out "in a pending bankruptcy proceeding" and insert "under section 127 of this act"; and in line 18, after the word "in", to strike out "such" and insert "the pending", so as to read:

SEC. 244. Where a petition is filed under section 127 of this act, the judge may allow, if not already allowed, reasonable compensation for services rendered and reimbursement for proper costs and expenses incurred in the pending bankruptcy proceeding—

(1) by a marshal receiver or trustee, as provided in subdivision g of section 48 of this act, and the attorneys for any of them;

(2) by the attorney for the petitioning creditors;

(3) by the attorney for the bankrupt; and

(4) by any other persons and the attorney for any of them entitled under this act to compensation or reimbursement in such bankruptcy proceeding.

The amendment was agreed to.

The next amendment was, on page 167, line 10, after the numerals "246" and the period, to strike out:

Upon the dismissal of a proceeding under this chapter, the judge may allow reasonable compensation for services rendered and reimbursement for proper costs and expenses incurred in such proceeding.

And insert:

Upon the dismissal of a proceeding under this chapter, or the entry of an order adjudging the debtor a bankrupt, the judge may allow reasonable compensation for services rendered and reimbursement for proper costs and expenses incurred in such proceeding prior to such dismissal or order of adjudication.

So as to read:

SEC. 246. Upon the dismissal of a proceeding under this chapter, or the entry of an order adjudging the debtor a bankrupt, the judge may allow reasonable compensation for services rendered and reimbursement for proper costs and expenses incurred in such proceeding prior to such dismissal or order of adjudication by any persons entitled thereto, as provided in this chapter, and shall make provision for the payment thereof, and for the payment of all proper costs and expenses incurred by officers in such proceedings.

The amendment was agreed to.

The next amendment was, at the top of page 169, to strike out:

SEC. 249. Any person seeking compensation for services rendered or reimbursement for costs and expenses incurred in a proceeding under this chapter shall file with the court a statement under oath showing what, if any, claims or stock have been purchased, acquired, or transferred by him for his own account, either alone or jointly with others or in which he has acquired a beneficial interest, direct or indirect, after the commencement of such proceeding. No compensation or reimbursement shall be allowed to any committee, attorney, or other person, acting in the proceeding in a representative or fiduciary capacity, who has so purchased, acquired, or transferred any claims or stock.

And in lieu thereof to insert:

SEC. 249. Any person seeking compensation for services rendered or reimbursement for costs and expenses incurred in a proceeding under this chapter shall file with the court a statement under oath showing the claims against, or stock of, the debtor, if any, in which a beneficial interest, direct or indirect, has been acquired or transferred by him or for his account, after the commencement of such proceeding. No compensation or reimbursement shall be allowed to any committee or attorney, or other person acting in the proceedings in a representative or fiduciary capacity, who at any time after assuming to act in such capacity has purchased or sold such claims or stock, or by whom or for whose account such claims or stock have, without the consent or approval of the judge, been otherwise acquired or transferred.

The amendment was agreed to.

The next amendment was, in line 3, before the word "in", to insert "may be taken"; and in line 5, before the word "may", to insert "and", so as to read:

SEC. 250. Appeals may be taken in matters of law or fact from orders making or refusing to make allowances of compensation or reimbursement, and may, in the manner and within the time provided for appeals by this act, be taken to and allowed by the circuit court of appeals independently of other appeals in the proceeding, and shall be summarily heard upon the original papers.

The amendment was agreed to.

The next amendment was, under the subhead "Article XIV—Prior proceedings", on page 170, line 12, after the word "prior", to insert "mortgage foreclosure, equity, or other", so as to read:

SEC. 256. A petition may be filed under this chapter notwithstanding the pendency of a prior mortgage foreclosure, equity, or other proceeding in a court of the United States or of any State in which a receiver or trustee of all or any part of the property of a debtor has been appointed or for whose appointment an application has been made.

The amendment was agreed to.

The next amendment was, on page 170, after line 17, to strike out:

SEC. 257. Before the approval of a petition under this chapter, the judge may upon cause shown grant a temporary stay of such prior proceeding until the petition is approved or dismissed. An order approving the petition shall operate as a stay of such prior proceeding, and the trustee appointed under this chapter, upon his qualification, or if a debtor is with the title to such property and with the right to the immediate possession thereof.

And insert:

SEC. 257. The trustee appointed under this chapter, upon his qualification, or if a debtor is continued in possession, the debtor,

shall become vested with the rights, if any, of such prior receiver or trustee in such property and with the right to the immediate possession thereof. The trustee or debtor in possession shall also have the right to immediate possession of all property of the debtor in the possession of a trustee under a trust deed or a mortgagee under a mortgage.

The amendment was agreed to.

The next amendment was, under the subhead "Article XV—General provisions", on page 172, line 4, after the word "of", to strike out "limitations" and insert "limitation", so as to read:

SEC. 261. All statutes of limitation affecting claims and interests provable under this chapter and the running of all periods of time prescribed by this act in respect to the commission of acts of bankruptcy, the recovery of preferences, and the avoidance of liens and transfers shall be suspended while a proceeding under this chapter is pending and until it is finally dismissed.

The amendment was agreed to.

The next amendment was, on page 172, line 18, before the word "The", to insert "a"; and on page 173, line 10, before the word "As", to insert "b", so as to read:

"SEC. 264. a. The provisions of section 5 of the Securities Act of 1933 shall not apply to—

"(1) any security issued by the receiver, trustee, or debtor in possession pursuant to paragraph (2) of section 116 of this act; or

"(2) any transaction in any security issued pursuant to a plan in exchange for securities of or claims against the debtor or partly in such exchange and partly for cash and/or property, or issued upon exercise of any right to subscribe or conversion privilege so issued, except (a) transactions by an issuer or an underwriter in connection with a distribution otherwise than pursuant to the plan, and (b) transactions by a dealer as to securities constituting the whole or a part of an unsold allotment to or subscription by such dealer as a participant in a distribution of such securities by the issuer or by or through an underwriter otherwise than pursuant to the plan.

"b. As used in this section, the terms 'security,' 'issuer,' 'underwriter,' and 'dealer' shall have the meanings provided in section 2 of the Securities Act of 1933, and the term 'Securities Act of 1933' shall be deemed to refer to such act as heretofore or hereafter amended."

The amendment was agreed to.

The next amendment was, on page 173, line 18, after the word "chapter" and the period, to insert "Any notice which this chapter requires to be given to the Securities and Exchange Commission shall be deemed to have been sufficiently given if it is given by registered first-class mail, postage prepaid, addressed to the Securities and Exchange Commission at Washington, D. C., or at such other place as the Securities and Exchange Commission shall designate by written notice filed in the proceeding and served upon the parties thereto"; and on page 175, line 1, after the word "transmitted", to strike out "by the clerk", so as to read:

SEC. 265. a. In addition to the notices elsewhere expressly provided, the Securities and Exchange Commission shall be given notice of all other steps taken in connection with a proceeding under this chapter. Any notice which this chapter requires to be given to the Securities and Exchange Commission shall be deemed to have been sufficiently given if it is given by registered first-class mail, postage prepaid, addressed to the Securities and Exchange Commission at Washington, D. C., or at such other place as the Securities and Exchange Commission shall designate by written notice filed in the proceeding and served upon the parties thereto. The clerk and, in the case of a reference, the referee after such reference, shall forthwith transmit to the Securities and Exchange Commission copies of (1) every petition filed under this chapter; (2) the answers thereto, if any; (3) the orders approving or dismissing petitions; (4) the orders appointing trustees or continuing debtors in possession; (5) the orders determining the time within which the claims of creditors may be filed and allowed, and the division of creditors and stockholders into classes according to the nature of their respective claims and stock; (6) the orders approving any plan or plans, together with copies of such plans; (7) the orders approving alterations or modifications in plans, together with copies of such alterations or modifications; (8) the orders confirming plans, together with copies of such plans; (9) all applications for allowances for compensation and expenses, and the orders making or refusing to make such allowances; (10) the orders adjudging debtors to be solvent or insolvent; (11) the orders directing liquidations of estates or dismissing proceedings; (12) and such other papers filed in the proceedings as the Securities and Exchange Commission may request or which the court may direct be transmitted to it. Copies of the opinions or reports, if any, of the judge, referee, or special master, with respect to the matters enumerated, shall also be transmitted to the Securities and Exchange Commission.

The amendment was agreed to.

The next amendment was, on page 175, line 11, after the word "clerk", to insert "and, in the case of a reference, the referee, after such reference", so as to read:

SEC. 266. In addition to the notices elsewhere expressly provided, the clerk and, in the case of a reference, the referee, after such reference, shall forthwith transmit to the Secretary of the Treasury copies of all petitions, answers, orders, and applications, as more specifically enumerated in section 265 of this act, and copies of such other papers filed in the proceedings as the Secretary of the Treasury may request or which the court may direct be transmitted to him. Copies of the opinions or reports, if any, of the judge, referee, or special master, with respect to the matters so enumerated, shall also be transmitted to the Secretary of the Treasury. Any order fixing the time for confirming a plan which affects claims or stock of the United States shall include a notice to the Secretary of the Treasury of not less than 30 days.

The amendment was agreed to.

The next amendment was, on page 176, line 6, after the numerals "268" and the period, to strike out "No" and insert "Except as provided in section 270 of this act, no"; in line 9, after the word "shall", to strike out "be deemed"; in line 10, after the word "adjustment", to strike out "under this chapter"; in the same line, after the article "a", to strike out "debtor", and insert "debtor in a proceeding under this chapter, be deemed"; in line 15, after the word "or", to strike out "liquidation" and insert "cancelation", and in line 17, before the word "under", to strike out "plan consummated" and insert "proceeding", so as to read:

SEC. 268. Except as provided in section 270 of this act, no income or profit, taxable under any law of the United States or of any State now in force or which may hereafter be enacted, shall, in respect to the adjustment of the indebtedness of a debtor in a proceeding under this chapter, be deemed to have accrued to or to have been realized by a debtor, by a trustee provided for in a plan under this chapter, or by a corporation organized or made use of for effectuating a plan under this chapter by reason of a modification in or cancelation in whole or in part of any of the indebtedness of the debtor in a proceeding under this chapter.

The amendment was agreed to.

The next amendment was, on page 177, after line 2, to insert:

SEC. 270. In determining the basis of property for any purposes of any law of the United States or of a State imposing a tax upon income, the basis of the debtor's property (other than money) or of such property (other than money) as is transferred to any person required to use the debtor's basis in whole or in part shall be decreased by an amount equal to the amount by which the indebtedness of the debtor, not including accrued interest unpaid and not resulting in a tax benefit on any income-tax return, has been canceled or reduced in a proceeding under this chapter. The Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, shall prescribe such regulations as he may deem necessary in order to reflect such decrease in basis for Federal income-tax purposes and otherwise carry into effect the purposes of this section.

The next amendment of the committee was, under the subhead "Article XVI—When chapter takes effect", on page 180, line 1, before the word "of", to strike out "section 268" and insert "sections 268 and 270", so as to read:

"(3) sections 268 and 270 of this act shall apply to any plan confirmed under section 77B before the effective date of this amendatory act and to any plan which may be confirmed under section 77B on and after such effective date, except that the exemption provided by section 268 of this act may be disallowed if it shall be made to appear that any such plan had for one of its principal purposes the avoidance of income taxes, and except further that where such plan has not been confirmed on and after such effective date, section 269 of this act shall apply where practicable and expedient.

The amendment was agreed to.

The PRESIDING OFFICER. That completes the committee amendments to chapter X.

Mr. O'MAHONEY. Mr. President, I ask unanimous consent that we may recur to the amendment beginning on page 169. The Senator from West Virginia [Mr. NEELY] spoke to me earlier in the day and said he would like to propose a modification of that amendment. I therefore ask unanimous consent that the vote by which the committee amendment was adopted be reconsidered.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. NEELY. Mr. President, I move to amend the committee amendment on page 170, in line 1, by inserting the word "prior" between the words "the" and "consent"; also by inserting the word "subsequent" in the same line between the words "or" and "approval", so that the entire line will be as follows:

Such claims or stock have, without the prior consent or subsequent approval.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from West Virginia to the amendment reported by the committee.

Mr. KING. Let the amendment to the amendment be stated.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The CHIEF CLERK. On page 170, line 1, before the word "consent", it is proposed to insert the word "prior", and after the word "or" it is proposed to insert the word "subsequent", so that, if amended, it will read:

Without the prior consent or subsequent approval——

Mr. KING. What is the effect of the amendment?

Mr. O'MAHONEY. I think it merely carries out the intent of the original amendment.

Mr. NEELY. Mr. President, unless the amendment is adopted a prominent law firm in the State of West Virginia will lose a large amount of compensation to which it is entitled for much valuable service it has rendered in an important pending case. The amendment, if made, will prevent a miscarriage of justice. I hope that it will be adopted by unanimous consent.

Mr. KING. Mr. President, deeply sympathizing with the legal profession, and believing in the merit of the case aside from that, I think the amendment is a good one, and I have no objection to it.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from West Virginia to the amendment reported by the committee.

The amendment to the amendment was agreed to.

The amendment, as amended, was agreed to.

LOS ANGELES NAVAL RESERVE ARMORY

Mr. McADOO. Mr. President——

Mr. O'MAHONEY. I yield to the Senator from California.

Mr. McADOO. I ask whether my colleague [Mr. JOHNSON of California] has requested consideration for a bill which he reported yesterday, authorizing the Secretary of the Navy to accept, on behalf of the United States, certain land in the city of Los Angeles, Calif., with improvements thereon?

The PRESIDING OFFICER. The Chair is advised that no action has been taken on the bill referred to, which is Calendar No. 2181, House bill 9258.

Mr. McADOO. I ask for the present consideration of the bill. It authorizes the Secretary of the Navy to accept on behalf of the United States certain land in the city of Los Angeles, together with buildings and improvements, to be used by the United States Naval and Marine Corps Reserves. The buildings have been or will be erected by the city and county of Los Angeles without expense to the United States. The bill is approved by the Navy Department. It provides an essential addition to the facilities of the Naval Reserve in southern California. The only condition attached to it is that the Government shall maintain the property when the title is transferred. It will result in a small increase in the rental which is now being paid for less desirable quarters.

The PRESIDING OFFICER. Is there objection to the request of the Senator from California?

Mr. KING. Mr. President, before consenting I should like to inquire of the Senator whether the building is needed by the Government. I know that many cities are glad to unload on the Government huge buildings which have served their purpose; they are no longer advantageous, and if the cities can unload the buildings on the Government they are glad to do it.

Mr. McADOO. This building was or will be put up for this express purpose, and the Navy Department is anxious to have it. The city and county of Los Angeles are making a contribution to the United States. It is not an old building. It is or will be a brand-new building, built for the Naval Reserve. They now rent inadequate quarters in Los Angeles. Instead of being a burden to the Government, this is a desirable gift to the United States. I therefore ask for the consideration of the bill at this time. I hope there will be no objection to my request.

Mr. KING. Is any payment to be made?

Mr. McADOO. No payment at all, except to maintain the building after the Government takes title.

Mr. KING. Who is now maintaining it?

Mr. McADOO. It is just about completed. It is a new building. It is a very desirable gift to the Government.

The PRESIDING OFFICER. Is there objection to the request of the Senator from California?

There being no objection, the bill (H. R. 9258) to authorize the Secretary of the Navy to accept on behalf of the United States certain land in the city of Los Angeles, Calif., with improvements thereon, was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Navy is hereby authorized on behalf of the United States to accept from the city and county of Los Angeles, Calif., a site free from all encumbrances, the title in fee simple, together with the improvements, rights, privileges, and appurtenances belonging thereto, including an armory building constructed or to be constructed thereon, for use of the United States Naval and Marine Corps Reserve: *Provided*, That the acquisition of said land shall be without cost to the United States, and that the grading and landscaping of said land and the construction and completion of said armory building thereon shall not entail any obligation against appropriations of the Navy Department or relief funds apportioned to it: *Provided further*, That the acceptance by the Secretary of the Navy shall not be made until the grading and landscaping of said land and the construction of said armory building are satisfactorily completed.

SALE OF SURPLUS POWER FROM UNCOMPAHGRE VALLEY RECLAMATION PROJECT, COLORADO

Mr. ADAMS. Mr. President, as the proceedings on the unfinished business have been interrupted, I wish to say that, as the Democratic leader knows, I happen to be on the committee which has in charge the deficiency bill and on a conference committee, and it is very difficult for me to be here and also attend to the other matters. There is upon the calendar a small measure, of importance only to a locality in my State, and I should like to have it taken up.

Mr. BARKLEY. Mr. President, if the Senator will yield, he realizes that many Senators have bills which are of importance, and if the pending business is interrupted for the consideration of one it is hard to deny consideration to others.

Mr. ADAMS. In this case the consideration of the pending bill has already been interrupted.

Mr. BARKLEY. Yes; I realize that. I understand that the Senator from California [Mr. McADOO] has to leave the city tonight, and that gives him an excuse; and I think the Senator from Colorado has a good excuse. I am not going to object to his request, but I think it ought to be stated that we cannot interrupt the regular business for the consideraion of other measures until the pending business shall have been disposed of.

Reserving, of course, the right to object to any further request, I shall not object to the request of the Senator from Colorado.

Mr. ADAMS. Then I ask unanimous consent for the present consideration of House bill 7764, Calendar No. 2150.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Colorado?

Mr. McNARY. Mr. President, let the title of the bill be stated. I do not know whether or not there is objection. There are others to be consulted about these unanimous-consent agreements.

The PRESIDING OFFICER. The clerk will state the title of the bill.

The CHIEF CLERK. A bill (H. R. 7764) to authorize the sale of surplus power developed under the Uncompahgre Valley reclamation project, Colorado.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That whenever a development of power is necessary for the irrigation of lands under the Uncompahgre Valley reclamation project, Colorado, or an opportunity is afforded for the development of power under said project, the Secretary of the Interior is authorized to enter into a contract for a period not exceeding 40 years for the sale or development of any surplus power. The provisions of such contract shall be such as the said Secretary may deem to be equitable: *Provided*, That no such contract shall be made without the approval of the Uncompahgre Valley Water Users' Association, which, prior to any development of power on said project, shall be required to contract with the United States to repay the cost thereof, on such terms and conditions and with such provisions for the disposal of the annual net power profits as the said Secretary may deem to be equitable, and with or without interest on the construction cost as the said Secretary may determine: *And provided further*, That if the said association is not required to pay interest on the construction cost of the power plant and power system, the net earnings of the power plant and system, after the association shall have paid the full cost thereof, and its project construction charge indebtedness to the United States shall be payable into the reclamation fund, unless Congress shall hereafter otherwise direct.

Mr. McNARY. Mr. President, I desire to say that it is a very, very unfortunate and unbusinesslike way of transacting business to take up bills from the calendar when a bill is already under consideration. There is a time for the consideration of calendar bills; and I shall ask that the calendar be called at a very early date, and that individual measures be not taken up in this fashion, when no one has an opportunity to understand the bills and preference rights are always granted.

If there is a very urgent matter in the nature of an exception to the rule, and one which merits careful consideration and attention, I shall be glad to give consent, but only on an occasion of that kind.

I make that statement as a warning in regard to the future consideration of bills on the calendar.

Mr. O'MAHONEY. Mr. President, I hope we may now resume the consideration of the unfinished business.

JOINT COMMITTEE ON FORESTRY

Mr. McADOO. Mr. President, the Senator from Wyoming was good enough to yield to me, and other Senators came in and took the opportunity he had afforded me. I had two matters which I desired to bring to the attention of the Senate. I apologize for breaking in, because I think the position taken by the Senator from Oregon and the Senator from Kentucky is entirely right; but as I am obliged to go to California this evening, and may not have another opportunity to bring up these matters, I should like very much to present them while I am here.

I ask for the present consideration of Senate Concurrent Resolution 31 which provides merely for the appointment of a joint congressional committee to be known as the Joint Committee on Forestry, to make an examination and study of our forest reserves and to report on them. The concurrent resolution has been favorably reported by the Committee on Agriculture and Forestry. It is favored by the Department affected. It has gone to the Committee to Audit and Control the Contingent Expenses of the Senate, and a small appropriation of $10,000 has been allowed to make the investigation. I should like very much to have the concurrent resolution taken up and acted upon.

Mr. KING. Mr. President, how many Members are provided for?

Mr. McADOO. Three from each House.

The PRESIDING OFFICER. Is there objection to the request of the Senator from California for the immediate consideration of Senate Concurrent Resolution 31?

There being no objection, the Senate proceeded to consider the concurrent resolution (S. Con. Res. 31), which had been previously reported from the Committee on Agriculture and Forestry with amendments, and reported today from the Committee to Audit and Control the Contingent Expenses of the Senate with additional amendments.

The amendments were, on page 1, line 4, before the word "Senators", to strike out "five" and insert "three"; on the same page, line 5, before the word "Members", to strike out "five" and insert "three"; on the same page, line 7, after the name "House of Representatives", to strike out "The President of the Senate shall designate a chairman for the five Members of the Senate, and the Speaker of the House of Representatives shall designate a chairman for the five Members of the House, and the two chairmen shall alternate in presiding over the meetings of the joint committee", and insert "The chairman of the joint committee shall be appointed by the members of the joint committee."; on page 3, line 9, after the word "than", to strike out "January" and insert "April 1"; and on page 4, line 8, after the dollar mark, to insert "10,000."

The amendments were agreed to.

The concurrent resolution, as amended, was agreed to, as follows:

Resolved, etc., That there is hereby established a joint congressional committee to be known as the Joint Committee on Forestry and to be composed of three Senators, appointed by the President of the Senate, and three Members of the House of Representatives, appointed by the Speaker of the House of Representatives. The chairman of the joint committee shall be appointed by the members of the joint committee.

SEC. 2. The committee is authorized and directed to study and make an investigation of the present and prospective situation with respect to the forest land of the United States, its condition, ownership, and management, as it affects a balanced timber budget, watershed protection, and flood control and the other commodities and social and economic benefits which may be derived from such lands, with a view to ascertaining, among other things:

(a) The adequacy and effectiveness of present activities in protecting public and private forest lands from fire, insects, and diseases, and of cooperative efforts between the Federal Government and the States.

(b) Other measures, Federal and State, which may be necessary and advisable to insure that timber cropping on privately owned forest lands may be conducted as continuous operations, with the productivity of the lands built up against future requirements.

(c) The need for extension of Federal, State, and community ownership of forest lands, and of planned public management of them.

(d) The need for such public regulatory control as will adequately protect private as well as the broad public interests in all forest lands.

(e) Methods and possibilities of employment in forestry work on private and public forest lands, and possibilities of liquidating such public expenditures as are or may be involved.

(f) The need for additional legislation, authorizations, appropriations, research, and other measures to insure adequate administration and development of the forest lands in Federal ownership.

The committee shall make a report to Congress immediately after said investigation has been concluded, but in any event not later than April 1, 1939, and in said report the committee shall make such recommendations as it may deem proper, including the legislative action necessary to effectuate its recommendations.

SEC. 3. For the purposes of this resolution the committee, or any subcommittee thereof, is authorized and directed to hold such hearings, to sit and act at such times and places in the District of Columbia and the principal forest regions of the continental United States, to employ such experts and such clerical, stenographic, and other assistants, to require the attendance of such witnesses and the production of such books, papers, and documents, to take such testimony, to have such printing and binding done, and to make such expenditures as it deems necessary; and oaths or affirmations may be administered by any member of the committee. The committee is further authorized to request the fullest cooperation in the conduct of this investigation from such Departments of the Government as the committee may deem necessary, and to request the use of the facilities of such technical agencies in the executive branches of the Government as deal with our forest problem, in such ways as the committee may desire. The expenses of the committee shall not exceed $10,000, which shall be paid one-half from the contingent fund of the Senate and one-half from the contingent fund of the House of Representatives upon vouchers approved by the chairman of the committee.

SEC. 4. The committee shall cease to exist upon submission of its report to the Congress in accordance with the provisions of this resolution.

Mr. McNARY. Mr. President, at this time I wish to give notice that no more bills or resolutions will be passed by unanimous consent until the next call of the calendar.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries.

REVISION OF BANKRUPTCY ACT

The Senate resumed the consideration of the bill (H. R. 8046) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto; and to repeal section 76 thereof and all acts and parts of acts inconsistent therewith.

Mr. O'MAHONEY. Mr. President, now I shall insist on the regular order.

I send to the desk an amendment to the pending measure which I ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Wyoming will be stated.

The CHIEF CLERK. It is proposed on page 259, line 14, after "SEC. 656", to insert "(a)", and after line 25 to insert the following new paragraph:

(b) Before confirming any such plan the court shall require proof from each creditor filing a claim that such claim is free from usury as defined by the laws of the place where the debt was contracted.

Mr. KING. Mr. President, was this matter considered by either the committee in the House or the committee in the Senate?

Mr. O'MAHONEY. Mr. President, I was just about to make a statement with respect to the proposed amendment. This is an amendment to chapter XIII of the bill, that is, the wage-earners' section of the measure.

As Senators who were present at the time of the earlier explanation will recall, this chapter of the bill refers to the plan which is now offered, by which wage earners may be given the opportunity to liquidate their indebtedness by regular installment payments through the superintendence of the court.

Mr. President, one of the most impressive witnesses who came before the subcommittee was Judge Balentine J. Nesbit, special referee in bankruptcy, from Birmingham, Ala., who unfortunately has since passed away. Judge Nesbit had broad experience with the difficulties of wage earners under the terms of the old section 74, and did a remarkably fine piece of work. During his testimony before the committee he suggested this amendment, the effect of which is to provide that if any person files a claim for money loaned he shall in his affidavit show that no usury is included in the claim. Judge Nesbit, appearing before the committee, stated:

H. R. 8046 does not include a provision that upon filing a proof of debt for money loaned, the affidavit shall be made that no usurious interest is included. I believe this should be included in the act, for certainly a debtor should not be required to pay usurious interest. In Birmingham, there are money lenders who charge 20 percent per month and more alleged interest. It has been my practice to credit these payments on the principal amount of the loan and I accept no claim from a money lender that does not contain a statement that no usurious interest is included. It has worked quite satisfactorily.

I am sure there will be universal agreement that the suggestion is sound. Money lenders who charge exorbitant interest rates in violation of law and of morals should not be given the assistance of the Federal courts in collecting their claims.

I hope the amendment will be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Wyoming.

The amendment was agreed to.

Mr. O'MAHONEY. Mr. President, I now suggest to the Senator from Delaware [Mr. HUGHES] that this would be an appropriate time for him to offer the amendment he has discussed with me.

Mr. HUGHES. Mr. President, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. On page 127, after the end of line 6, it is proposed to insert "or may be filed with any court whose territorial jurisdiction is within the State in which the corporation was incorporated."

Mr. CONNALLY. Mr. President, I do not think this amendment should be agreed to. It seems to me the preceding provisions of the bill fixing venue are sufficient. I have a very high regard and personal affection for the Senator from Delaware, and I regret very much to have to oppose his amendment.

It is well known that under the proposed amendment suits could be filed in States distant from the site of the activities of a corporation, simply because it has a Delaware charter, or a charter from some other distant State. It seems to me the proceedings should be instituted, wherever possible, in the place where the corporation's main office or business is, rather than in some State where it may have been incorporated. I think the Senate will make a mistake if it adopts the amendment.

Mr. O'MAHONEY. Mr. President, I quite agree with the statement which has been made by the Senator from Texas. I have discussed the amendment with the Senator from Delaware on numerous occasions, and he has been most persuasive and beguiling in the argument he has presented to us in the effort to induce the committee to permit proceedings to be instituted at all times in the jurisdiction in which the corporation is organized no matter how much business is actually done by the corporation in that jurisdiction. But it was expressly to get away from such a situation that the provision in the bill was drafted. The feeling of the Committee on the Judiciary was that when a corporation is organized in one State and does business in other States, sometimes never doing any business whatsoever in the State in which it was organized, it is altogether improper to permit bankruptcy proceedings to be instituted in the State of organization.

I suggested to the Senator at least two or three modifications of his amendment. I am desirous of helping him as much as I can, and if he will consent to modify his amendment by adding the provision I am about to read, I shall be inclined to accept the amendment. This is the provision I offer to the Senator:

Provided, That if the corporation has not had its principal place of business or its principal assets in such jurisdiction for the preceding 6 months, or for a longer portion of the preceding 6 months than in any other jurisdiction, and if, before the approval of the petition, an application is filed by three or more creditors having claims against the corporation or its property amounting in the aggregate to $5,000 or more, or by one or more stockholders holding 1 percent or more in number of any class of outstanding stock of the corporation, the judge shall forthwith transfer the proceeding to a court in whose territorial jurisdiction the corporation has had its principal place of business or its principal assets for the period previously defined.

Will the Senator accept this modification?

Mr. HUGHES. Mr. President, I presumed I would be given an opportunity to say something about the proposed amendment.

I cannot accept the proposed modification, because to me it does not mean anything; that is already covered by section 118. The judge may transfer a proceeding under this chapter to a court of bankruptcy in any other district. That is not the purpose of section 128, the section which I seek to have amended. It does not deal with the matter of creditors or stockholders, but it deals with the matter of the principal assets of the company.

I submit that the matter of the principal assets of the company should not be the guiding star in deciding where the bankruptcy proceeding should take place. A petition in bankruptcy is filed, we will say, in a State which is the home of the corporation, where the company was incorporated. There are probably a dozen States in which the company has assets and is doing business.

Let us take the case of the du Pont Co., in my own State, for example, a company which has places of business in more than 40 different States. To say that before a petition could be filed it would be necessary to determine where most of the assets of that company were located would seem to me to be ridiculous. What is the reason why they should not file a petition under this chapter, if they see fit to do so, in the State where they are incorporated, for in that State are located most of their stockholders? Of course, in case they needed to avail themselves of it, most of their creditors would be there. As I understand, this section is not designed to provide a convenient location where the stockholders and creditors can come to attend the bankruptcy proceedings and those looking to the reorganization of the company, but it makes the principal assets for the preceding 6 months the guide as to where a petition could be filed.

I do not see any good purpose the section serves, because section 118, to which I referred a while ago, provides that when a petition is filed in court and it is ascertained by the judge that it would be better, on account of the location of the assets of the company and the place of business of the company, to have the case transferred to another jurisdiction, he shall do so. That has been done. I submit that a good many bankruptcy proceedings for reorganization have taken place in the State of Delaware. There have been numerous cases of the court, which is a most excellent court, one of the best bankruptcy courts in the country, transferring the proceedings to another jurisdiction because the creditors or stockholders desired it, and because that was a more convenient place for reorganizing the company.

I am merely asking that a fair thing be done. I know that there is a prejudice on the part of some Senators against States which happen to have what they call liberal bankruptcy laws, and this is to an extent an outgrowth of that.

Mr. President, I disagree entirely with the Senator from Wyoming on the matter of incorporation. I think the matter of the incorporation of companies belongs to the States. I shall not discuss that question. However, I think that when it comes to reorganizations in bankruptcy, there is no reason why petitions in bankruptcy should not be filed in the State of reorganization. The State of Maryland is quite as liberal or more liberal than Delaware, and there are 23 other States which are quite as liberal and even more liberal with respect to their corporation laws than Delaware. The creditors and the stockholders are the ones with whom the proceedings originate, because they are the ones who want their companies reorganized when they are in difficulties. If they see fit to file their petitions in the States in which the companies are incorporated, should they be prohibited from doing so, simply because someone does not like that State in which more corporations are incorporated than in other States?

Mr. President, I cannot fathom just where these prejudices originate. A great many very able bankruptcy lawyers have written to me, and a number have spoken to me. They are not at all satisfied with chapter X. I have before me several letters expressing the view that it would be better to leave the bankruptcy law as it is. I myself am not sure that it would not be better to do so.

I am a member of the Judiciary Committee, and I have tried to give some attention to this question, and I know the Senator from Wyoming gave a great deal of attention and labor to the bill. He has done a great work in connection with it. I feel inclined to stand by him as the chairman of the subcommittee. I feel like standing by him and standing by the bill, notwithstanding I have received protests against it and many requests not to vote for it. But I do ask that my State be treated fairly, and that my amendment be agreed to. If it shall be agreed to I shall vote for the bill, notwithstanding my misgivings as to whether it really offers improvement over the old law.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Delaware [Mr. HUGHES].

Mr. O'MAHONEY. Mr. President, I hope the amendment will be rejected.

The amendment was rejected.

Mr. FRAZIER. Mr. President, on page 269 of the bill, section 2, beginning in line 12, was agreed to. I ask unanimous consent that the vote by which that section was agreed to be reconsidered, in order that I may offer an amendment to that section.

The PRESIDING OFFICER. Is there objection to the request of the Senator from North Dakota that the vote by which section 2 beginning in line 2 on page 269 was adopted, be reconsidered? The Chair hears none, and it is so ordered.

Mr. FRAZIER. Now, Mr. President, I offer as an amendment, after "Sec. 2" in line 12, page 269, to insert "(a)", and between lines 23 and 24, at the end of the paragraph, to insert "(b)", and the amendment which is at the desk, which I shall ask to have stated.

The PRESIDING OFFICER. The clerk will read the language proposed to be inserted.

The legislative clerk read as follows:

The second sentence of subsection (b) of section 75 of such act, as amended, is amended to read as follows: "The conciliation commissioner shall receive as compensation for his services a fee of $25 for each case submitted to him, to be paid out of the Treasury when the conciliation commissioner completes the duties assigned to him by the court."

Mr. O'MAHONEY. Mr. President, the amendment is satisfactory to the committee.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from North Dakota to the committee amendment.

The amendment to the amendment was agreed to.

The amendment, as amended, was agreed to.

Mr. O'MAHONEY. There is one further amendment which I overlooked. I send the amendment to the desk, and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 241, at the end of line 8, after the word "thereto", it is proposed to insert the following:

nor shall its provisions be deemed to allow extension or impairment of any secured obligation held by Home Owners' Loan Corporation or by any Federal home-loan bank or member thereof.

Mr. O'MAHONEY. The bill as it came to the Judiciary Committee and as it has been reported to the Senate grants an exemption to mortgages issued pursuant to the National Housing Act, and representations were made to me on behalf of the Home Owners' Loan Corporation that similar exemptions should be granted to mortgages under that act.

The PRESIDING OFFICER (Mr. RUSSELL in the chair). The question is on the amendment offered by the Senator from Wyoming, on page 241, line 8.

The amendment was agreed to.

Mr. O'MAHONEY. Mr. President, that completes the committee amendments.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had agreed to the amendment of the Senate to the bill (H. R. 1543) to amend section 24 of the Immigration Act of 1917, relating to the compensation of certain Immigration and Naturalization Service employees, and for other purposes.

The message also announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 3610) to adjust the salaries of rural letter carriers, asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. BURCH, Mr. HAINES, Mr. MEAD, Mr. CARLSON, and Mr. CLUETT were appointed managers on the part of the House at the conference.

The message further announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 10618) authorizing the construction of certain public works

on rivers and harbors for flood control, and for other purposes, agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. WHITTINGTON, Mr. WALLGREN, Mr. SECREST, Mr. ENGLEBRIGHT, and Mr. CARLSON were appointed managers on the part of the House.

REVISION OF BANKRUPTCY ACT

The Senate resumed the consideration of the bill (H. R. 8046) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto; and to repeal section 76 thereof and all acts and parts of acts inconsistent therewith.

Mr. KING. Mr. President, if all the amendments which the chairman of the subcommittee desires to submit have been disposed of, I send to the desk an amendment which proposes to strike out all of chapter X, and to substitute in lieu thereof certain language.

The PRESIDING OFFICER. Does the Senator desire to have the entire amendment read?

Mr. KING. It is very informative, and it shows some of the unwise provisions of the pending chapter X. However, I shall not ask to have it read. I shall ask that it be printed in the RECORD at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KING. On page 120, beginning with line 5, I propose to strike out all of chapter X and to insert in lieu thereof the language which has been ordered to be printed in the RECORD.

Mr. KING's amendment proposes to strike out all of chapter X, beginning with line 5, on page 20, and in lieu thereof to insert the following:

CHAPTER X—CORPORATE REORGANIZATIONS

ARTICLE I—CONSTRUCTION

SEC. 101. The provisions of this chapter shall apply exclusively to proceedings under this chapter.

SEC. 102. Whenever applicable and not inconsistent with the provisions of this chapter, all provisions of this act, except chapters VIII, IX, XI, XII, and XIII, and sections 2a (3), (5), and (20), 5, 6, 8, 14, 15, 17, 18, 19, 22, 23, 32, 40, 44, 48, 55, 56, 57 (a) (b) (c) (d) (e) (f) (h) (l) (m) and (n), 58, 59, 61, 63, 64, 65, 66, 70 (b) (f) (h) and (i), shall apply in proceedings under this chapter unless and until an order is entered under this chapter adjudging the debtor a bankrupt. For the purpose of such application, provisions relating to "bankrupts" shall be deemed to relate also to "debtors"; "bankruptcy proceedings" or "proceedings in bankruptcy" shall be deemed to include proceedings under this chapter; and the date of the order approving the petition under this chapter shall be taken to be the date of adjudication. After the entry of an order adjudging the debtor a bankrupt, all of sections 1 to 72, inclusive, of this act shall be applicable when not inconsistent with the provisions of this chapter.

ARTICLE II—DEFINITIONS

SEC. 106. For the purposes of this chapter, unless inconsistent with the context—

(1) "claims" shall include all claims of whatever character against a debtor or its property, except stock, whether or not such claims are provable under section 63 of this act and whether secured or unsecured, liquidated or unliquidated, fixed or contingent;

(2) "commission" shall mean any commission or public authority created by any law of the United States or of any State, having regulatory jurisdiction over a public-utility corporation;

(3) "corporation" shall mean a corporation, as defined in this act, which could be adjudged a bankrupt under this act, and any railroad or other transportation corporation excepting a railroad corporation authorized to file a petition under section 77 of this act;

(4) "creditor" shall mean the holder of any claim;

(5) "debtor" shall mean a corporation by or against which a petition has been filed under this chapter;

(6) "debts" shall include all claims;

(7) "executory contracts" shall include unexpired leases of real property;

(8) "indenture trustee" shall mean a trustee under a mortgage, deed of trust agreement or indenture, which secures or pursuant to which there are securities outstanding, other than voting-trust certificates, constituting claims against a debtor or claims secured by a lien upon any of its property;

(9) "petition" shall mean a petition filed under this chapter by or against a debtor, proposing that a plan of reorganization be effected;

(10) "plan" shall mean a plan of reorganization proposed in a proceeding under this chapter;

(11) "prior proceeding" shall mean a proceeding in a court of the United States or of any State, pending at the time of the filing of the petition under this chapter, in equity or bankruptcy or for the foreclosure of a lien, or any proceeding in a court of the United States or of any State in which a receiver or trustee of the debtor or of all or any part of its property of the debtor has been appointed or for whose appointment an application has been made;

(12) "securities" shall include bonds, debentures, notes, and other evidences of indebtedness, either secured or unsecured, and stock;

(13) "stock" shall include membership, shares, and similar interests in a debtor, certificates and other evidences of such membership, shares or interests, and voting-trust certificates;

(14) "subsidiary" shall mean a corporation substantially all of whose properties are operated under lease or operating agreement, or the majority of whose stock having power to vote for the election of directors, trustees, or members of other similar controlling bodies is owned, directly or indirectly, through an intervening corporation or other medium, by another corporation, a petition by or against which has been approved.

ARTICLE III—CONTENTS, FILING AND APPROVAL OF PETITION AND EFFECT OF APPROVAL

SEC. 111. Every petition shall state—

(1) that the corporation is insolvent or unable to pay its debts as they mature, or has been adjudicated a bankrupt in a pending bankruptcy proceeding;

(2) the applicable jurisdictional facts requisite under this chapter;

(3) the nature of the business of the corporation;

(4) the assets, liabilities, capital stock, and financial condition of the corporation;

(5) the nature of all pending proceedings affecting the property of the corporation known to the petitioner or petitioners and the courts in which they are pending;

(6) the specific facts showing the need for relief under this chapter and why adequate relief cannot be obtained under chapter XI of this act; and

(7) the desire of the petitioner or petitioners that a plan be effected, except that a petition of a subsidiary may state that it desires to effect a plan in connection with, or as a part of, the plan of the parent corporation.

SEC. 112. A creditors' petition shall, in addition to the allegations required by section 111 of this act, state—

(1) that the corporation was adjudged a bankrupt in a pending proceeding in bankruptcy; or

(2) that a receiver or trustee has been appointed for or has taken charge of all or the greater portion of the property of the corporation in a pending equity proceeding; or

(3) that an indenture trustee or a mortgagee under a mortgage is, by reason of a default, in possession of all or the greater portion of the property of the corporation; or

(4) that a proceeding to foreclose a mortgage or to enforce a lien against all or the greater portion of the property of the corporation is pending by reason of a specific default or defaults which shall not have been remedied; or

(5) that the corporation has committed an act of bankruptcy within 4 months prior to the filing of the petition.

SEC. 113. A corporation may file a voluntary petition under this chapter, and upon the filing of such a petition the judge shall enter an order either approving it as properly filed under this chapter if satisfied that such petition complies with the requirements of this chapter and has been filed in good faith, or dismissing it if not so satisfied.

SEC. 114. Three or more creditors who have claims against a corporation or its property amounting in the aggregate to $5,000 or over, liquidated as to amount and not contingent as to liability, may, if such corporation has not filed a petition under this chapter, file a petition. Upon the filing of such a petition, a copy thereof shall be served by the petitioning creditors forthwith upon the corporation; and it may, within 10 days after such service, or within such further time as the judge may allow, file an answer controverting the allegations of the petition.

SEC. 115. If an answer is not filed by a debtor to a petition against it, or if the answer filed does not controvert any material allegation of the petition, the judge shall enter an order approving the petition as properly filed under this chapter if satisfied that it complies with the requirements of this chapter and has been filed in good faith, or dismissing it if not so satisfied.

SEC. 116. If the answer of a debtor shall controvert any of the material allegations of the petition, the judge shall, as soon as may be, determine, without the intervention of a jury, the issues presented by the pleadings and enter an order approving the petition as properly filed under this chapter if satisfied that it complies with the requirements of this chapter and has been filed in good faith and that the material allegations are sustained by the proofs, or dismissing it if not so satisfied.

SEC. 117. Prior to the first date set for the hearing provided in clause (2) of section 130 of this act, an answer controverting the allegations of a petition by or against a debtor may be filed by any creditor or stockholder of the debtor if such allegations shall not already have been tried. If an answer is so filed, the judge shall, as soon as may be, determine, without the intervention of a jury,

the issues presented by the pleadings and enter an order approving the petition as properly filed under this chapter, if satisfied that it complies with the requirements of this chapter and has been filed in good faith and that the material allegations are sustained by the proofs, or dismissing it if not so satisfied.

SEC. 118. Without limiting the generality of the meaning of the term "good faith," a petition shall be deemed not to be filed in good faith if—

(1) the petitioning creditors have acquired their claims for the purpose of filing the petition; or

(2) adequate relief would be obtainable by a debtor's petition under the provisions of chapter XI of this act; or

(3) it is unreasonable to expect that a plan can be effected; or

(4) a prior proceeding is pending in any court and it appears that the interests of creditors and stockholders would be best subserved in such prior proceeding.

SEC. 119. A petition shall be filed with the court in whose territorial jurisdiction the corporation has had its principal place of business or its principal assets for the preceding 6 months or for a longer portion of the preceding 6 months than in any other jurisdiction, or in the territorial jurisdiction in which it was incorporated, except that a petition by or against a subsidiary may be filed in the court which has approved a petition by or against its parent corporation, and except also that a petition may be filed in the court in which a bankruptcy proceeding is pending.

SEC. 120. The filing of a petition under this chapter shall be accompanied by payment to the clerk of a filing fee of $100 if no bankruptcy proceeding is pending, otherwise $20. Where $100 has been paid, and an adjudication is entered under this chapter, $30 thereof shall be distributed by the clerk as in the case of a bankruptcy proceeding; but, if the proceeding under this chapter is dismissed and no order of adjudication is entered thereunder, such sum of $30 shall be refunded to the person paying it.

SEC. 121. Until otherwise ordered by the judge, an order approving a petition shall operate as a stay of a prior pending bankruptcy, mortgage foreclosure, or equity receivership proceeding, and of any act or other proceeding to enforce a lien against the debtor's property.

SEC. 122. A petition filed under this chapter improperly because adequate relief can be obtained by the debtor under chapter XI of this act may, upon the application of the debtor, be amended to comply with the requirements of chapter XI for the filing of a debtor's petition, and shall thereafter for the purposes of chapter XI be deemed to have been originally filed thereunder.

SEC. 123. An order, which has become final, approving a petition filed under this chapter shall be a conclusive determination of the jurisdiction of the court.

ARTICLE IV—JURISDICTION, POWERS, AND DUTIES OF COURT

SEC. 126. Where not inconsistent with the provisions of this chapter, the court in which a petition is filed and approved, shall have, for the purposes of and during the pendency of the proceeding under this chapter, exclusive jurisdiction of the debtor and its property wherever located and jurisdiction of the creditors, stockholders, and indenture trustees of the debtor wherever domiciled.

SEC. 127. Prior to the approval of a petition, the jurisdiction, powers, and duties of the court and of its officers, where not inconsistent with the provisions of this chapter, shall be the same as if a bill in equity had been filed for the appointment of a receiver of the debtor by a court of the United States on the ground of insolvency or inability to meet its debts as they mature.

SEC. 128. Prior to the approval of a petition, the judge may upon cause shown grant a temporary stay, until the petition is approved or dismissed, of a prior pending bankruptcy, mortgage foreclosure, or equity receivership proceeding and of any act or other proceeding to enforce a lien against a debtor's property, and may upon cause shown enjoin or stay, until the petition is approved or dismissed, the commencement or continuation of a suit against a debtor.

SEC. 129. Upon the approval of a petition, the jurisdiction, powers, and duties of the court and of its officers, where not inconsistent with the provisions of this chapter, shall be the same as in a proceeding in equity in a court of the United States in which a receiver of the debtor had been appointed on the ground of insolvency or inability to meet its debts as they mature.

SEC. 130. Upon the approval of a petition, the judge, in addition to the jurisdiction, powers, and duties hereinabove and elsewhere in this chapter conferred and imposed upon him and the court—

(1) may, after hearing upon notice to the debtor and to such others as the judge may determine, temporarily either continue the debtor in possession or appoint a trustee or trustees of the debtor's estate;

(2) shall require the debtor, or such trustee or trustees if appointed, to give such notice as the order may direct to creditors and stockholders and to cause publication thereof to be made at least once a week for 2 successive weeks, of a hearing to be held within 30 days after such appointment or, if no such appointment has been made, within 30 days after the approval of the petition, at which hearing or any adjournment thereof any matter which may arise in a proceeding under this chapter may be considered;

(3) may at any such hearing or adjournment thereof, or at any subsequent hearing after notice, make permanent any such appointment or terminate it and restore the debtor to possession, or, if no trustee has been appointed, may continue the debtor in possession or appoint a trustee or trustees, and may remove any such trustee or trustees and restore the debtor to possession or appoint a substitute trustee or trustees and may appoint an additional trustee or trustees;

(4) shall fix the amount of the bond of every trustee;

(5) may authorize the business of the debtor to be operated for a limited or indefinite period by the debtor or by the trustee or trustees if appointed, and in case the business is operated, reports of the operation thereof shall at such intervals as the judge shall prescribe be filed in the proceeding, and the operation shall at all times be under the control of the judge;

(6) may permit the rejection of executory contracts of the debtor, except contracts in the public authority, upon notice to the parties to such contracts and to such other parties in interest as the judge may designate;

(7) may authorize a trustee, or debtor in possession, upon such notice as the judge may prescribe and upon cause shown, to issue certificates of indebtedness for cash, property, or other consideration approved by the judge, upon such terms and conditions and with such security and priority in payment over existing obligations, secured or unsecured, as in the particular case may be equitable;

(8) may authorize a trustee or debtor in possession, upon such notice as the judge may prescribe and upon cause shown, to lease or sell any property of the debtor, whether real or personal, upon such terms and conditions as the judge may approve;

(9) may enjoin or stay until final decree the commencement or continuation of a suit against the debtor or its trustee or any act or proceeding to enforce a lien upon the property of the debtor;

(10) shall require the debtor, or the trustee or trustees if appointed, at such time or times as the judge may direct, and in lieu of the schedules required by section 7 of this act, to file such schedules and submit such other information as may be necessary to disclose the conduct of the debtor's affairs and the fairness of any proposed plan;

(11) may direct the debtor, or the trustee or trustees if appointed, or any person having in his possession or under his control a list of creditors and stockholders of the debtor, or information with respect to their names and addresses, or the securities held by any of them, and such list or information is necessary for the purposes of the proceeding, to prepare (a) a list of all known creditors of the debtor, and the amounts and character of their claims, and the last known post-office address or place of business of each creditor, and (b) a list of the stockholders of each class of the debtor, with the last known post-office address or place of business of each, which lists, if the judge so authorizes, shall be open to the inspection of any creditor or stockholder of the debtor, during reasonable business hours, upon application to the debtor, or to the trustee or trustees, if appointed, subject to such limitations and restrictions as the judge may prescribe, but the contents of such lists shall not constitute admissions by the debtor or the trustees in a proceeding under this chapter or otherwise;

(12) shall determine (a) a reasonable period within which the claims and interests of creditors and stockholders may be filed or evidenced, after the expiration of which period or of any extension thereof, if extended, no such claim or interest may participate in any plan, except on order for cause shown; (b) the manner in which such claims and interests may be filed or evidenced and allowed; and (c) for the purposes of the plan and its acceptance, the division of creditors and stockholders into classes according to the nature of their respective claims and interests; and may, for the purposes of such classification, classify as an unsecured claim the amount of any secured claim in excess of the value of the security therefor;

(13) shall cause reasonable notice of such determination and of all hearings for the appointment of any permanent trustee or the continuation of the debtor in possession or the restoration of the debtor to possession, or for the consideration of any proposed plan, or for the dismissal of the proceedings, or for the entry of an order adjudicating the debtor a bankrupt, or for the allowance of compensation or expenses, to be given creditors and stockholders, by publication or otherwise;

(14) may examine, or cause or permit to be examined, the officers of the debtor and other witnesses, and may require or permit the joinder of any necessary party;

(15) may direct an officer appointed for the purpose or the trustee, if appointed, to investigate the acts, conduct, properties, liabilities, and financial condition of the debtor, the operation of its business, the desirability of continuance thereof, and any other matter relevant to the proceeding or to the formulation of a plan, and to report thereon to the judge; the scope, extent, and character of such investigation to be prescribed by the judge; and to require the trustee or such officer, if appointed, to report to the judge any fact ascertained by him pertaining to fraud, misconduct, mismanagement, and irregularities and to any cause of action available to the estate;

(16) may fix the period within which a plan may be proposed, and if proposed, within which it may be accepted, and if accepted, within which it may be confirmed, and if confirmed, within which it may be consummated;

(17) may, after hearing, for cause shown, either dismiss the proceeding under this chapter, making such provisions as may be equitable, by way of injunction or otherwise, or, in the case of a debtor which could become a bankrupt under section 4 of this act and which has been found by the judge to be insolvent, enter an order adjudicating the debtor a bankrupt, as the interests of the creditors and stockholders may equitably require;

(18) may refer any or all matters to a special master, who may be a referee in bankruptcy, to hear and report, generally or on specified matters, and may refer to a special master, who may be a referee in bankruptcy, to hear and determine any or all matters not reserved to the judge by the provisions of this chapter;

(19) may allow reasonable compensation for services rendered and reimbursement for actual and proper expenses incurred in connection with the proceeding and the plan by trustees, special masters, officers, parties in interest, depositaries, reorganization managers, committees and other representatives of creditors or stockholders, the counsel, attorneys and agents of any of the foregoing and of the debtor, auditors and appraisers, but appeals from orders making or refusing to make such allowances may be taken, in matters of law and fact, to the circuit court of appeals for the circuit in which the proceeding under this chapter is pending, independently of other appeals which may be taken in the proceeding, and such appeals shall be allowed and shall be heard summarily upon the original papers.

SEC. 131. The judge may transfer a petition, or if approved, the proceeding, to a court of bankruptcy in any other district, regardless of the location of the principal assets of the debtor or its principal place of business, if the interests of the parties will be best served by such transfer.

SEC. 132. Whenever under this chapter the judge is required or permitted to fix a time for any purpose, the judge may upon cause shown extend such time.

SEC. 133. Whenever notice is to be given under this chapter, the judge shall designate, if not otherwise specified hereunder, the time within which, the persons to whom, and the form and manner in which the notice shall be given. Any notice to be given under this chapter may be combined, whenever feasible, with any other notice or notices to be given under this chapter.

SEC. 134. Where not inconsistent with the provisions of this chapter, the jurisdiction of appellate courts shall be the same as in a bankruptcy proceeding.

ARTICLE V—PROPOSAL, CONTENTS, ACCEPTANCE, CONFIRMATION, AND CONSUMMATION OF PLAN

SEC. 140. A plan of reorganization may be proposed by the filing thereof in the office of the clerk of the court (a) by the debtor, or (b) by creditors if the plan has been accepted by creditors holding claims which in amount aggregate 10 percent or more of the claims of some class of creditors and 5 percent or more of all creditors affected by such plan, or (c) by stockholders if the debtor has not been found to be insolvent and if the plan has been accepted by stockholders holding shares of the debtor which in number total 10 percent or more of the shares outstanding of some class of stockholders and 5 percent or more of the total shares outstanding of all stockholders affected by the plan, and (d) if authorized by the judge, by an indenture trustee, or by the trustee, if appointed.

SEC. 141. A plan—

(1) shall include in respect of creditors generally or some class of them, secured or unsecured, and may include in respect of stockholders generally or some class of them, provisions altering or modifying their rights either through the issuance of new securities of any character or otherwise;

(2) may deal with all or any part of the property of the debtor;

(3) shall provide for the payment of all costs and expenses of administration and other allowances which may be approved or made by the judge;

(4) may provide for the rejection of any executory contract except contracts in the public authority;

(5) shall specify what claims, if any, are to be paid in cash in full;

(6) shall specify the creditors or stockholders or any class of them not affected by the plan and the provisions, if any, with respect to them;

(7) shall provide for any creditors who do not accept the plan, of a class which is affected by and does not accept the plan by the two-thirds majority in amount required under this chapter, adequate protection for the realization by them of the value of their claims against the property dealt with by the plan and affected by such claims, either, as provided in the plan or in the order confirming the plan, (a) by the transfer or sale, or by the retention by the debtor, of such property subject to such claims; or (b) by a sale of such property free of such claims, at not less than a fair upset price, and the transfer of such claims to the proceeds of such sale; or (c) by appraisal and payment in cash of the value of such claims; or (d) by such method as will, under and consistent with the circumstances of the particular case, equitably and fairly provide such protection;

(8) shall provide for any stockholders who do not accept the plan, of a class which is affected by and does not accept the plan by the majority of the stock required under this chapter, adequate protection for the realization by them of the value of their equity, if any, in the property of the debtor dealt with by the plan, either, as provided in the plan or in the order confirming the plan, (a) by the sale of such property at not less than a fair upset price; or (b) by appraisal and payment in cash of the value of their stock; or (c) by such method as will under and consistent with the circumstances of the particular case, equitably and fairly provide such protection: *Provided, however,* That such protection shall not be required if the judge shall determine that the debtor is insolvent;

(9) shall provide adequate means for the execution of the plan, which may include the retention by the debtor of all or any part of its property; the sale or transfer of all or any part of its property to one or more other corporations theretofore organized or thereafter to be organized; the merger or consolidation of the debtor with one or more such other corporations; the sale of all or any part of its property, either subject to or free from any lien, at not less than a fair upset price; the distribution of all or any assets, or the proceeds derived from the sale thereof, among those having an interest therein; the satisfaction or modification of liens; the cancelation or modification of indentures or of other similar instruments; the curing or waiver of defaults; the extension of maturity dates and changes in interest rates and other terms of outstanding securities; the amendment of the charter of the debtor; the issuance of securities of the debtor or such other corporations for cash, for property, in exchange for existing securities, in satisfaction of claims or stock or for other appropriate purposes;

(10) may include provisions for the retention, settlement, or adjustment of claims belonging to the debtor or to the estate; and

(11) may include any other appropriate provisions not inconsistent with the provisions of this chapter.

SEC. 142. A plan shall not be confirmed until it has been accepted in writing, whether before or after the filing of the petition under this chapter, and such acceptance shall have been filed in the proceeding, by or on behalf of creditors holding two-thirds in amount of the claims of each class whose claims have been allowed and by or on behalf of stockholders of the debtor holding a majority of the stock of each class: *Provided, however,* That such acceptance shall not be requisite to the confirmation of the plan by any creditor or class of creditors (a) if their claims are not affected by the plan, or (b) if the plan makes provision for the payment of their claims in cash in full, or (c) if provision is made for the protection of the claims of such creditor or class of creditors in the manner provided in section 141, clause (7), of this act: *And provided further,* That such acceptance shall not be requisite to the confirmation of the plan by any stockholder or class of stockholders (1) if the court shall have determined that the debtor is insolvent, or (2) if the interests of such stockholder or stockholders will not be affected by the plan, or (3) if provision is made for the protection of the interests of such stockholders or class of stockholders in the manner provided in section 141, clause (8), of this act.

SEC. 143. In case a debtor is a public-utility corporation, subject to the jurisdiction of a commission having regulatory jurisdiction over the debtor, a plan shall not be confirmed until—

(1) it shall have been submitted to each such commission;

(2) an opportunity shall have been afforded each such commission to suggest amendments or offer objections to the plan; and

(3) the judge shall have considered such amendments or objections at a hearing at which such commission may be heard.

SEC. 144. In case a debtor is a public-utility corporation, wholly intrastate, subject to the jurisdiction of a State commission having regulatory jurisdiction over such debtor, a plan shall not be confirmed unless such State commission shall have first certified its approval of such plan as to the public interest therein and the fairness thereof. Upon its failure so to certify within 30 days, or such further time as the court may prescribe, after the submission of the plan to it, as provided in section 143 of this act, the public interest shall, for the purposes of such approval and of the confirmation of the plan, not be deemed to be affected by the plan.

SEC. 145. After hearing such objections as may be made to the plan, the judge shall confirm the plan if satisfied that (1) it is fair and equitable and does not discriminate unfairly in favor of any class of creditors or stockholders and is feasible; (2) the provisions of sections 140, 141, 142, 143, and 144 of this act have been complied with; (3) the proposal of the plan and its acceptance are in good faith and have not been made or procured by means or promises forbidden by this act; (4) all payments made or promised by the debtor or by every corporation issuing securities or acquiring property under the plan or by any other person, for services and for costs and expenses in, or in connection with, the proceeding or in connection with the plan and incident to the reorganization, have been fully disclosed to the judge and are reasonable or, if to be fixed after confirmation of the plan, will be subject to the approval of the judge.

SEC. 146. Where it appears that a plan has for one of its principal purposes the avoidance of taxes, objection to its confirmation may be made on that ground by the Secretary of the Treasury, or, in the case of a State, by the corresponding official or other person so authorized. Such objections shall be heard and determined by the judge, independently of other objections which may be made to the confirmation of the plan, and, if the judge shall be satisfied that such purpose exists, he shall refuse to confirm the plan.

SEC. 147. Before or after the plan is confirmed, it may be amended by any party in interest, with the approval of the judge after hearing, upon notice to creditors and stockholders, subject to the right of any creditor or stockholder who shall previously have accepted such plan to withdraw his acceptance, within a period to be fixed by the judge and after such notice as the court may direct, if, in the opinion of the judge, the amendment will be materially adverse to the interest of such creditor or stockholder, or within such period and after such notice as may be provided in the plan, if the right of withdrawal is conferred by the plan, and if any creditor or stockholder having such right of withdrawal shall not withdraw within such period, he shall be deemed to have accepted the plan as amended: *Provided, however,* That the plan as amended shall not be confirmed except upon compliance with

the provisions of section 146 of this act and, if the plan shall have previously been confirmed, it shall be reconfirmed as amended upon a recompliance with the provisions of section 146 of this act.

SEC. 148. Upon confirmation of a plan—

(1) the plan and the order of confirmation shall be binding upon the debtor, upon every corporation issuing securities or acquiring property under the plan, and upon all creditors and stockholders, whether or not such creditors and stockholders are affected by the plan or have accepted it and whether or not their claims or interests shall have been filed, evidenced, or allowed;

(2) the debtor and every such other corporation shall comply with the provisions of the plan and with all orders of the judge relative thereto and shall take all action necessary to carry out the plan, including in the case of a public-utility corporation, the procuring of whatever authorization, approval, or consent may be requisite by law of each commission having regulatory jurisdiction over the debtor or such other corporation; and

(3) distribution shall be made, in accordance with the provisions of the plan, to creditors and stockholders.

SEC. 149. The property dealt with by the plan, when transferred by the trustee to the debtor or to such other corporation or corporations, or when transferred by a debtor in possession to such other corporation or corporations, or when retained by a debtor in possession, as the case may be, shall be free and clear of all claims and interests of the debtor and its creditors and stockholders, except such claims and interests as may otherwise be provided for in the plan or in the order confirming the plan or in the order directing or authorizing the transfer or retention of such property.

SEC. 150. The court may direct the debtor, its trustee, any mortgagees, indenture trustees, and other necessary parties, to execute and deliver or to join in the execution and delivery of such instruments as may be requisite to affect a retention or transfer of property dealt with by a plan which has been confirmed, and to perform such other acts, including the satisfaction of liens, as the judge may deem necessary for the consummation of the plan.

SEC. 151. The judge may, upon notice to all persons affected, fix a time, to expire not sooner than 5 years after the final decree closing the estate, within which—

(1) the creditors, other than holders of securities, shall file, assign, transfer, or release their claims; and

(2) the holders of securities shall present or surrender their securities.

After such time no claim or stock shall participate in the distribution under the plan.

SEC. 152. The securities or cash remaining unclaimed at the expiration of the time fixed as provided in section 151 of this act, or of any extension thereof, shall become the property of the debtor or of the new corporation acquiring the assets of the debtor under the plan, as the case may be, or shall be otherwise disposed of or dealt with as provided in the plan, free and clear of any and all claims and interests.

SEC. 153. Upon the consummation of the plan, the judge shall enter a final decree—

(1) discharging the debtor from all its debts and liabilities and terminating all rights and interests of stockholders of the debtor, except as provided in the plan or in the order confirming the plan or in the order directing or authorizing the transfer of property;

(2) discharging the trustee, if any appointed;

(3) making such provisions by way of injunction or otherwise as may be equitable; and

(4) closing the estate.

ARTICLE VI—TITLE AND POWERS OF TRUSTEES AND DEBTORS IN POSSESSION

SEC. 158. A trustee, upon his appointment and qualification, shall be vested with the title to all of the property of the debtor, wherever located, and to the immediate possession thereof. In addition to the powers and duties elsewhere conferred and imposed upon a trustee appointed under this chapter, he shall have and may exercise the same rights and powers, and shall have the same duties, as a receiver in equity of the debtor would have if appointed by a court of the United States.

SEC. 159. A debtor shall continue in possession if a trustee is not appointed. A debtor in possession shall have all the title, be vested with all the rights, be subject to all the duties, and exercise all the powers of a trustee appointed under this chapter, subject, however, at all times to the control of the judge and to such limitations, restrictions, terms, and conditions as the judge may from time to time prescribe. While the debtor is in possession (a) its officers shall be entitled to receive only such reasonable compensation as the judge shall from time to time allow, and (b) no person shall be elected or appointed as an officer thereof or qualify as a director thereof, to fill a vacancy or otherwise, without the prior approval of the judge.

ARTICLE VII—CREDITORS AND STOCKHOLDERS

SEC. 165. Creditors or stockholders or any class thereof shall be deemed to be affected by a plan only if their or its interest shall be materially and adversely affected thereby. In the event of controversy, the judge shall after hearing upon notice summarily determine whether any creditor or stockholder or class is so affected.

SEC. 166. If the United States of America or any instrumentality thereof is a creditor or stockholder, the Secretary of the Treasury or his authorized deputy is hereby authorized to file or evidence the claims or interests of the United States or of such instrumentality and to accept or reject a plan in respect thereof, or to exercise any other right which a creditor or stockholder may exercise in a proceeding under this chapter.

SEC. 167. An indenture trustee may file claims for all holders, known or unknown, of securities issued pursuant to the instrument under which he or it is trustee, who have not filed claims: *Provided, however,* That in computing the majority necessary for the acceptance of the plan only the claims filed by the holders thereof and allowed shall be included.

SEC. 168. In case an executory contract shall be rejected pursuant to the direction of the judge given in a proceeding under this chapter, or shall have been rejected by a trustee or receiver in bankruptcy or receiver in equity in a prior proceeding, any person injured by such rejection shall for the purposes of this chapter and of the plan, its acceptance and confirmation, be deemed a creditor. The claim of the landlord for injury resulting from the rejection of an unexpired lease of real estate, or for damages or indemnity under a covenant contained in such lease, shall be provable but shall be limited to an amount not to exceed the rent, without acceleration, reserved by such lease, for the 3 years next succeeding the date of the surrender of the premises to the landlord or the date of reentry of the landlord, whichever first occurs, whether before or after the filing of the petition, plus unpaid accrued rent, without acceleration, up to such date of surrender or reentry: *Provided,* That the court shall scrutinize the circumstances of an assignment of a future rent claim and the amount of the consideration paid for such assignment in determining the amount of damages allowed the assignee thereof.

SEC. 169. Any creditor or stockholder may in a proceeding under this chapter act in person, by an attorney at law, or by a duly authorized agent or committee.

SEC. 170. An attorney for creditors or stockholders shall not be heard unless, if the judge so directs, he has first filed with the court a statement setting forth the names and addresses of such creditors or stockholders, the nature and amounts of their claims or stock, and the time of acquisition thereof.

SEC. 171. Every person or committee representing more than 12 creditors or stockholders who appears in the proceeding shall file with the court a statement, under oath, which shall include—

(1) a copy of the instrument, if any, whereby such person or committee is empowered to act on behalf of creditors or stockholders;

(2) a recital of the pertinent facts and circumstances in connection with the employment of such person and, in the case of a committee, the name or names of the person or persons at whose instance, directly or indirectly, such employment was arranged or the committee was organized or formed or agreed to act;

(3) with reference to the time of the employment of such person, or the organization or formation of such committee, a showing of the amounts of claims or stock owned by such person and by the members of such committee, and, if required by the judge, the times when acquired, the amounts paid therefor, and any sales or other disposition thereof; and

(4) a showing of the claims or stock represented by such person or committee and the respective amounts thereof, and, if required by the judge, the dates when acquired.

SEC. 172. The judge may examine and disregard any provision of a deposit agreement, proxy, power or warrant of attorney, mortgage, indenture, or deed of trust, or committee or other authorization, by the terms of which an agent, attorney, indenture trustee, or committee purports to represent any creditor or stockholder, may enforce an accounting thereunder, may restrain the exercise of any power which he finds to be unfair or not consistent with public policy or with the purpose of this chapter, and may limit any claim or stock acquired by such person or committee in contemplation or in the course of the proceeding under this chapter to the actual consideration paid therefor.

SEC. 173. Any creditor or stockholder shall have the right to be heard on the question of the permanent appointment of any trustee, or the continuance of the debtor in possession, or the restoration of the debtor to possession, and on the confirmation of a plan, the dismissal of the proceeding or the entry of an order of adjudication, and on the question of allowances, and upon obtaining leave to intervene, on such other questions arising in the proceeding as the judge shall determine. The debtor shall have the right to be heard on all questions.

ARTICLE VIII—DISMISSALS AND ADJUDICATIONS

SEC. 178. In case a petition is approved and the proceeding under this chapter is thereafter dismissed, the judge, in the order of dismissal, shall prescribe such terms as he shall deem equitable for the protection and priority of obligations, if any, incurred by the debtor or by any trustee appointed under this chapter, and for the payment of administrative costs and expenses and allowances in the proceeding hereunder, and in case a prior proceeding shall be pending at the time the petition is filed under this chapter, the judge may include in the order of dismissal, appropriate provision (a) for reinstating and continuing such prior proceeding and (b) directing the trustee or trustees, or the debtor if no trustee is appointed under this chapter, to transfer to any receiver

or trustee which may have been appointed in the prior proceeding, the estate of the debtor within the territorial jurisdiction of the court which appointed such receiver or prior trustee.

SEC. 179. If a proceeding under this chapter shall be dismissed, the filing or approval of the petition shall not constitute an act of bankruptcy by the debtor.

SEC. 180. Upon the entry of an order adjudicating the debtor a bankrupt—

(1) where a bankruptcy proceeding was pending at the time of the filing of the petition under this chapter, such bankruptcy proceeding shall be deemed reinstated and shall thereafter be conducted, so far as possible, as if the petition under this chapter had not been filed;

(2) where a bankruptcy proceeding was not pending at the time of the filing of the petition under this chapter, the proceeding shall thereafter be conducted, so far as possible, in the same manner and with like effect as if an involuntary petition for adjudication had been filed at the time when the petition under this chapter was filed, and as if an order of adjudication had been entered at the time when the petition under this chapter was approved;

(3) a trustee shall be appointed pursuant to section 44 of this act and shall supersede any trustee previously appointed; and

(4) only such claims as are provable under section 63 of this act shall be allowed, and claims not already filed may be filed prior to the expiration of 3 months after the first date set for the first meeting of creditors as provided in section 55 of this act, or, if such date has been previously set, then prior to the expiration of 3 months after the mailing of notice to creditors of the entry of the order adjudicating the debtor a bankrupt.

ARTICLE IX—PRIOR PROCEEDINGS

SEC. 185. A petition may be filed under this chapter notwithstanding the pendency of a prior or other proceeding.

SEC. 186. The judge shall make such provision as may be equitable for the protection of the obligations incurred by a receiver or trustee in any such prior proceeding and for the payment of such reasonable allowances for compensation and expenses as may be allowed by the judge.

SEC. 187. The trustee appointed under this chapter, upon his qualification, or the debtor if continued in possession, shall become vested with the rights, if any, of a receiver or trustee appointed in a prior proceeding in property of the debtor and with the right to the immediate possession thereof.

ARTICLE X—EXEMPTIONS

SEC. 191. All securities issued pursuant to any plan of reorganization confirmed by the judge in accordance with the provisions of this chapter, including, without limiting the generality of the foregoing, any securities issued pursuant to such plan for the purpose of raising money for working or additional capital and other purposes and all securities issued by the debtor or by the trustee or trustees pursuant to section 130, clause (7), of this act, and all certificates of deposit representing securities, interests or claims which it is proposed to deal with under any plan, proposed or to be proposed in accordance with this chapter, shall be exempt from the provisions of section 5 of the Securities Act of 1933, approved May 27, 1933, as amended.

SEC. 192. The issuance, transfer, or exchange of securities, or the making or delivery of instruments of transfer, under any plan confirmed under this chapter, shall be exempt from any stamp taxes now or hereafter imposed under the laws of the United States or of any State.

SEC. 193. No income or profit, taxable under any law of the United States or of any State now in force or which may hereafter be enacted, shall be deemed, in respect to the adjustment under this chapter of the indebtedness of a debtor, to have accrued or to have been realized by a debtor, by a trustee appointed under this chapter, or by a corporation organized or made use of for effectuating a plan under this chapter, by reason of a modification in, or liquidation in whole or in part of, any of the indebtedness of the debtor by or pursuant to a plan consummated under this chapter.

ARTICLE XI—GENERAL PROVISIONS

SEC. 198. All statutes of limitation affecting claims and interests allowable under this chapter and the running of all periods of time prescribed by this act in respect to the commission of acts of bankruptcy, the recovery of preferences, and the avoidance of liens and transfers shall be suspended while a proceeding under this chapter is pending and until it is finally dismissed.

SEC. 199. Any person seeking compensation for services rendered or reimbursement for costs and expenses incurred in a proceeding under this chapter shall file with the court a statement under oath showing the claims against, or stock of, the debtor if any, in which a beneficial interest, direct or indirect, has been acquired or transferred by him or for his account, after the commencement of such proceeding, and any such acquisition or transfer may be taken into account by the judge in fixing the amount of compensation or reimbursement which may be allowed to any such person.

SEC. 200. Nothing contained in this chapter shall be deemed to affect or apply to the creditors of any corporation under a mortgage insured pursuant to the National Housing Act and acts amendatory thereof and supplementary thereto.

SEC. 201. The right of employees or of persons seeking employment on the property of a debtor under the jurisdiction of the court to join a labor organization of their choice, or to refuse to join or remain members of a union, shall be free from interference, restraint, or coercion by the court, a debtor, or trustee. It shall be the duty of a debtor or trustee to report to the judge any agreement restricting or interfering with such right, and the judge shall thereupon enter an appropriate order for the termination of such agreement and for notice to the employees that the same is no longer binding upon them. No funds of the estate shall be used by a debtor or a trustee for the purpose of maintaining company unions.

SEC. 202. Any provision in this chapter to the contrary notwithstanding, all taxes which may be found to be owing to the United States or any State from a debtor within 1 year from the date of the filing of a petition under this chapter and have not been assessed prior to the date of the confirmation of a plan under this chapter, and all taxes which may become owing to the United States or any State from a receiver or trustee of a debtor or from a debtor in possession, shall be assessed against, may be collected from, and shall be paid by the debtor or the corporation organized or made use of for effectuating a plan under this chapter: *Provided, however,* That the United States or any State may in writing accept the provisions of any plan dealing with the assumption, settlement, or payment of any such tax.

ARTICLE XII—WHEN CHAPTER TAKES EFFECT

SEC. 207. (1) This chapter shall take effect and be in force from and after the date of the approval of this amendatory act and shall apply as fully to debtors, their stockholders and creditors, whose interests or debts were acquired or incurred prior to such date, as to debtors, their stockholders and creditors, whose interests or debts are acquired or incurred after such date.

(2) A petition may be filed under this chapter notwithstanding the pendency on such date of a proceeding in which a receiver or trustee of all or any part of the property of a debtor has been appointed or for whose appointment application has been made in a court of the United States or of any State.

(3) This chapter shall apply to all proceedings under sections 77A and 77B of this act, as amended, pending on the effective date of this amendatory act.

Mr. KING. Mr. President, for more than 2 years various committees of the House and the Senate have been studying the present bankruptcy law with a view to determining what, if any, amendments should be made to the same. The Committee on the Judiciary of the House reported a measure known as the Chandler bill, which came to the Senate and was referred to the Committee on the Judiciary. A subcommittee of the Committee on the Judiciary was appointed to examine the Chandler bill and to make such report as they deemed proper with respect to the same. Though a member of the Committee on the Judiciary, I was not a member of the subcommittee, and because of the numerous demands made upon my time I was unable to give attention to the work of the subcomittee or to attend the hearings, though I learned the bill was before the subcommittee. A short time ago the subcommittee made a report to the full committee and submitted the so-called Chandler bill with sundry amendments. When the full committee met to consider the report of the subcommittee, my attention, of course, was called to the proposed bill, a bill consisting of over 270 pages. I attempted to ascertain its provisions, and reached the conclusion that its provisions, aside from chapter X, were reasonably satisfactory.

I was not satisfied, however, with chapter X and believed that it contained provisions which would prevent reorganization and introduce novel, extreme, and wholly unjust and unfair provisions which would destroy many corporations that were entitled to reorganization and prove injurious not only to stockholders and creditors, but to employees and the public generally.

I believed that chapter X contained provisions that were violative of the Constitution of the United States, and at any rate, sought to confer power upon an executive agency of the Government, whose existence depended upon provisions of the Constitution other than that dealing with bankruptcy.

From what I could learn chapter X was largely, if not entirely, the product of four individuals, who had had no experience with the reorganization of corporations. Two of them were familiar with bankruptcy proceedings, but were not familiar with reorganization of corporations; and

the other two had neither experience in bankruptcy proceedings nor in proceedings relative to the reorganization of corporations.

Chapter X of the so-called Chandler bill repeals section 77B, and contains provisions which, as I have indicated, are most unsatisfactory and that will result in destroying corporations rather than in reorganizing them. It contains some of the features of 77B, but its purpose is to destroy 77B and to enact in its place a harsh, oppressive, and altogether unsatisfactory procedure to deal with corporations that should be reorganized and not liquidated.

The amendment which I have offered reproduces whatever sound and satisfactory features are found in 77B, and in addition, submits a broad and comprehensive plan to deal with all questions arising in connection with corporations requiring reorganization. I am confident that a careful examination of the proposed substitute for chapter X will convince all persons conversant with reorganizations of corporations that it provides a just, fair, and effective plan, and will result in saving many corporations, which chapter X of the Chandler bill will destroy.

As I have indicated, section 77B, dealing with the reorganization of corporations, has substantially met conditions and proven to be effective and salutory in the matter of reorganization of corporations that were in distress. To substitute for 77B chapter X of the Chandler bill, with all of the unsatisfactory and drastic provisions found therein, cannot, in my opinion, be justified. Before concluding, I shall show that 77B has proven satisfactory and has the approval of judges and attorneys who are familiar with its provisions.

Section 77B was enacted during the Seventy-third Congress for the purpose of providing relief for financially embarrassed corporations; and although, as I have indicated, slight changes in the arrangement of section 77B might be desirable, proof has been entirely lacking that its substantive provisions should be revised.

When we have so many laws which are imperfect and have failed in the objects for which they were enacted, it is amazing that we do not deal with them. Instead, when we have a provision which is satisfactory, just, and fair, and in the main has accomplished the results for which it was enacted, we proceed to destroy it, and substitute something which possesses infirmities, dangers, and evils which will have serious repercussions to individuals and to corporations.

The history of corporate reorganizations reveals that for many years corporate reorganizations were the subject matter of equity proceedings. There were many objections to those proceedings, chiefly based on the fact that they were expensive and resulted in favoritism to trustees and counsel, and there was lack of adequate machinery in the courts properly to handle reorganizations. In the case of large corporations, ancillary proceedings were necessary in all the jurisdictions where the corporations operated.

I listened to the statement made a few moments ago by the Senator from California [Mr. McADOO], and also the statement made by the Senator from Wyoming [Mr. O'MAHONEY], as to some of the evils which had been discovered in bankruptcy proceedings. I am familiar with those facts. I was in Chicago when some of the hearings were conducted, which showed to my mind that some of the courts had been unfair in granting too large sums in compensation to receivers and lawyers. I have no doubt that in such equity proceedings many injustices were done. However, in my opinion, Mr. President, chapter X does not deal with corporations and reorganizations which would fall within the classification to which I have referred, and which was referred to by the two eminent Senators whose names I have just mentioned.

In all the investigations which were made, I think section 77B, providing for reorganization, measured up to the highest standards of ethics, justice, and morality. Certainly it was not the subject of serious criticism.

Mr. DAVIS. Mr. President——

The PRESIDING OFFICER (Mr. RUSSELL in the chair). Does the Senator from Utah yield to the Senator from Pennsylvania?

Mr. KING. I yield.

Mr. DAVIS. Will the Senator, in as brief a statement as possible, give me the meaning, so to speak, of the change from the present law to the bill which we are considering as it affects section 77B?

Mr. KING. It may not be done in a word. However, as I shall explain later, the theory now seems to be that persons who had anything to do with corporations which experienced distress must be excluded from participation in their reorganization; that neither lawyers nor underwriters, nor any of the persons who had any interest whatever in the corporations shall be considered in connection with the reorganization; and that disinterested trustees, who know nothing about the business, shall have almost plenary power to proceed in bringing about the reorganization.

Another element which is introduced is the Securities and Exchange Commission, which justifies its existence under the interstate commerce clause of the Constitution of the United States, but which is now invoking an entirely different power in the Constitution of the United States; namely, the bankruptcy clause of the Constitution. The Securities and Exchange Commission is injected into proceedings, particularly under chapter X, so that we have a dual administration of the bankruptcy law, with the courts upon the one hand, and the Securities and Exchange Commission on the other. In my opinion, the Securities and Exchange Commission will be an obstacle to legitimate and proper reorganizations. It will increase expenses. It will delay the settlement of distressed corporations, and prevent reorganization for an indefinite period; and, indeed, will result in liquidation of corporations rather than in reorganization.

As I have stated, section 77B was enacted for the purpose of remedying the defects in equity proceedings, as to which complaints have been made. That section has established a fair and equitable procedure for distressed corporations as well as their creditors and security holders. I shall briefly mention a few of the improvements effected by section 77B in the old equity proceedings.

Section 77B permits the filing of a voluntary petition, which is not permitted in equity receivership practice.

It permits the court to reject improper cases, such as composition and liquidation cases, under the good-faith provision.

It provides for more hearings, and for more notice to creditors and stockholders than do equity receivership proceedings.

It eliminates the procedural monstrosity of ancillary receivership, to which I referred a moment ago. It confers upon the judge complete control of the reorganization procedure, including the carrying out of the plan which, under equity receivership practice, was executed by the conventional protective committees formed under deposit agreements.

It subjects to the jurisdiction of the courts all modifications or amendments of plans which, in equity receivership practice, were under the control of protective committees.

It confers upon the judge complete control over committees for both creditors and stockholders, including the amount of compensation they may receive, as well as the amount which they may receive as reimbursement for expenses.

Mr. President, the testimony before the House and Senate Judiciary Committees reveals that the persons who have had practical and actual experience in corporate reorganizations are opposed to chapter X. They believe that section 77B has provided a satisfactory procedure for the reorganization of financially distressed corporations, and that there is no need for revision of section 77B. There is a preponderance of evidence indicating that the foremost advocates of chapter X are persons who have had little, if any, actual experience in reorganization proceedings; and the hearings of both the

House and Senate judiciary Committees disclose little support for chapter X, except from those who have had little or no experience in reorganization.

Mr. President, the trouble is, as I stated previously, that chapter X has been drafted almost exclusively by two lawyers who have been engaged in bankruptcy proceedings, and two members of the Securities and Exchange Commission who, as I understand, have had no experience in reorganization of corporations under section 77B. The whole theory seems to be that a corporation which is in distress must be liquidated. The theory seems to be that we should destroy corporations rather than save them, and that we should compel liquidation rather than bring about reorganization so that capital may be preserved and employment continued.

Receivership and liquidation mean destruction of capital, the closing of business, the overthrow of long-established business houses, and throwing out into the streets thousands of men who have been employed, possibly, for years in various business activities throughout the United States.

I favor reorganization, not liquidation, not destruction. The men who drew this bill largely favor liquidation and not reorganization. They bring to bear—and I am making no criticism—a point of view entirely at variance with reorganization. They bring to bear the experience which they have had as liquidators, as bankruptcy attorneys, rather than the experience of persons engaged in reorganization of corporations in distress.

There is a very sharp line of demarcation between chapter X as found in the bill and the amendment which I have offered. My amendment preserves corporations, and provides reasonable methods of reorganization. Chapter X, prepared by the men to whom I have referred, will bring about liquidation and the destruction of capital and the destruction of corporations.

As I have indicated, the plan as now contained in chapter X was originated by bankruptcy experts. Prior to the completion of the plan the Securities and Exchange Commission joined in the movement. Who authorized them to do so? The Securities and Exchange Commission exists under the interstate commerce clause, not under the bankruptcy provision, of the Constitution of the United States. But whenever an organization is created it wants more power, it extends its tentacles into other fields for which it was not called into existence. So we have the Securities and Exchange Commission, not satisfied with the discharge of the duties—and it is discharging them well—which it ought to perform and does perform under the law creating it, seeking to inject itself now into the reorganization of corporations which under section 77B have been and could be reorganized to the advantage of the creditors, the stockholders, and the public generally.

In support of the contention that I have just indicated, namely, that chapter X was the product of bankruptcy lawyers, rather than those who have had practical experience in reorganization of corporations, I quote from a communication addressed to the chairman of the Subcommittee on Bankruptcy of the Senate Judiciary Committee by Mr. Paul King, chairman of the National Bankruptcy Conference, a referee in bankruptcy, of Detroit, who, of course, is familiar with bankruptcy proceedings. He says:

> The fact is that as chairman of the conference I was unable to prevail upon Mr. Sunderland and his associates—

Able men—

> on the committee (of the conference) in charge of the subject of corporate reorganization to prepare a revision of section 77B, because they were very decidedly of the opinion that there should be no revision at this time.

That is apparent. The persons at the conference charged with investigating the subject believed that this was not an opportune time, not the occasion for the revision of section 77B as it has been revised and, indeed, destroyed by chapter 10, which is offered here as a substitute for it.

> They felt that we should have more experience under the present law before amending it.

He is a referee in bankruptcy and knows bankruptcy proceedings and understands the importance of liquidation, but does not appreciate the vital necessity of reorganization and preserving corporations, giving work to people, and continuing business whenever it is possible to do so. He says:

> My own feeling was that any revision of the bankruptcy law which omitted the redrafting of that section—

That is section 77B—

> would be glaringly incomplete and I insisted upon a rewriting.

And in the rewriting is a destruction of the vital and important provisions of section 77B.

> Very fortunately the Securities and Exchange Commission had been going into the subject thoroughly, was prepared to suggest the changes which should be made, and these were put into the form of the present draft by our drafting subcommittee, composed of Mr. Jacob I. Weinstein, of Philadelphia—

Who, by the way, has had long experience as a bankruptcy lawyer, but not as a reorganization lawyer—

> and Hon. Weston B. Adair, of Pittsburgh, whom I regard as two of the best draftsmen in the country.

He does not say anything about their qualifications in connection with the reorganization of corporations and saving corporations rather than liquidating them.

> The draft was submitted to the Securities and Exchange Commission and their experts and, after many conferences, was finally approved by the Commission and the conference.

Thus it appears that chapter 10 was drafted by Mr. Weinstein, a bankruptcy lawyer of Philadelphia, who had had, as I have said, experience under the old bankruptcy act but none under section 77B, as I am informed, and Mr. Adair, a referee in bankruptcy, and representatives of the Securities and Exchange Commission.

Mr. President, it should be noted that the officials of the Securities and Exchange Commission who participated in the drafting of the measure and who testified before the House and Senate committees admitted that they had had no practical experience in reorganization proceedings. The variance between bankruptcy proceedings and reorganization proceedings is indicated by the fact that all but one of the reforms accomplished by section 77B might have been accomplished by amendment of the Judicial Code; that one reform being the elimination of the judicial sale to appease minorities.

It would seem that the views of those who are familiar only with bankruptcy proceedings should be discounted if not disregarded when reorganization proceedings are under consideration.

A number of witnesses who have had wide experience with section 77B proceedings expressed their opinion that there should be no revision until more experience had accumulated. Judge Alfred C. Coxe, of the southern district of New York, who has had many reorganizations before him, stated the following before the House Judiciary Committee:

> I need hardly say to you that I feel very strongly that it is a mistake to rewrite section 77B, as I am convinced that in its general features the law is a good one, and that any proposed amendments should be directed only toward improving some of the machinery which experience has shown to be inadequate.

Mr. J. Martin McDonough, speaking for the Bar Association of Baltimore, stated:

> We feel that the judges, by decisions, have built up quite a body of law in support of this present practice and that it is unfortunate to completely revamp it before a real investigation of the practice under 77B has been made.

Mr. Thomas K. Finletter, a lawyer of ability and also a professor of law at the University of Pennsylvania Law School, who teaches there a course on bankruptcy reorganizations, wrote a letter to the Senator from Wyoming [Mr. O'MAHONEY], a copy of which Mr. Finletter was kind enough to send to me and from which I now reproduce the following:

> It is, in my opinion, a mistake to undertake a general revision of the reorganization provisions at this time. Section 77B is a code of corporate reorganization. Experience has indicated that it is impossible to make an intelligent and helpful revision of a

new code until its various provisions have been developed over a substantial period of years by interpretations of the courts. The proper course, I believe, is to permit a code to be developed slowly by judicial decision. Where each provision is the subject of contested litigation, rather than by attempting a priori to anticipate the questions which will arise. Confusion and instability and, unavoidably, errors will necessarily result from a wholesale rewriting and recasting of section 77B at this time. The better method would be to take such defects as have definitely been shown to exist and to cure them by specific legislation within the existing framework.

Mr. Benjamin Wham, of the Chicago Bar, presented a paper—and let me say that I have read it with great interest and profit, because of the practical and common-sense presentation which he made in the paper of some of the important provisions of this bill—at the annual meeting of the American Bar Association held at Kansas City, Mo., September 28, 1937, in which he discusses the provisions of chapter X. His address is critical, I rather think very critical, of some of the provisions of chapter X, and is a fair appraisal of section 77B, to which I have referred.

In concluding his paper, Mr. Wham says:

The fundamental difficulty of the Securities and Exchange Commission program is that it assumes that by the sheer force of intellect and the application of Aristotelian syllogistic logic a new theory will result which is better than the old. However, much as I respect the intellectual ability of the members of the Securities and Exchange Commission—

I respectfully call attention to the likelihood that in the process there is danger of oversimplification. There are many major and minor premises which may be used, each of which on its face appears to cover the situation fully. Yet life is not simple; on the contrary, it is very complex. New theories will work until they run head-on into one or more of the facts of life which do not square with them. Rather than change the fundamental theory of reorganizations by a tour de force it would seem to be more practicable for the law to evolve naturally in accordance with the better practices. I therefore concur in that suggestion that the Chandler bill—

That is the name given to the measure before us—

be divided between the bill generally and the Securities and Exchange Commission suggestions and that the bill generally be passed and more study devoted to the Securities and Exchange Commission suggestions unless they can be modified along the above lines. The improvements suggested for the bankruptcy bill generally are the result of many years' experience and are the consensus of opinion of the best bankruptcy experts in the country; but we have had only 3 or 4 years' experience with 77B and, as pointed out, the National Bankruptcy Conference has had little opportunity to study the new suggestions for its amendment.

Mr. LEWIS. Mr. President——

Mr. KING. I yield to the Senator from Illinois.

Mr. LEWIS. May I say to my able friend that Judge Wham, to whom he refers, is at present one of the district judges of the United States in Illinois and a distinguished member of that Federal tribunal of Illinois. Therefore, his views would have much more weight than if he reported merely as a member of the bar.

Mr. KING. I am glad to know that a man of such ability as Judge Wham had been given an important judicial position, and his long experience as a lawyer, together with his judicial position, adds weight to any opinion which he may express concerning the matter before us.

Mr. LEWIS. I presume he must have had experience on the subject while on the bench.

Mr. KING. I take this opportunity in view of the statement made by the Senator from Illinois [Mr. LEWIS] of referring to a letter which I received a few days ago from Mr. Wham. He writes me as follows:

DEAR SENATOR KING: Upon learning of your amendment to the Chandler bill, H. R. 8046, revising chapter X thereof (present sec. 77B), I submitted it to a meeting of the committee on administration of bankruptcy law of the Chicago Bar Association, of which I am chairman, and it was approved just now. We have presented a short report to the board of managers of the Chicago Bar Association, but as the board does not meet again until next Thursday, June 2, I am enclosing herewith a copy of the committee's report and will ask you to treat it solely as a committee report until such time as the board of managers approved it.

We have in earlier reports approved the remaining portions of the Chandler bill, but raised objections to certain provisions of chapter X. We believe your amendment eliminates these objections and with your amendment we can heartily approve the bill.

I am sending a copy of this letter to Congressman CHANDLER for his information.

Sincerely yours, BENJAMIN WHAM.

It will be observed that Mr. Wham submitted a copy of my amendment to a committee on administration of bankruptcy law of the Chicago Bar Association, and that it was approved. Mr. Wham further states that a short report has been submitted to the board of managers of the Chicago Bar Association, which was to have met within a few days. He further adds—

We believe your amendment eliminates these objections (to chapter X of the Chandler bill), and, with your amendment, we can heartily approve the bill.

In the report submitted to the board of managers, Mr. Wham and his committee stated that the amendment which I have offered meets the objections which were raised in an earlier report by eliminating the mandatory provision for the appointment of a disinterested trustee, and by eliminating the requirement that the trustee prepare and file the original plan of reorganization and by removing the severe limitation placed upon the debtor, underwriters, and other interested persons. The report also states that it eliminates the provision requiring plans to be submitted to the S. E. C. above a certain figure and permitting the S. E. C. to intervene in other cases. The report further states that the present section 77B was drafted on the assumption that reorganizations can best be accomplished by permitting free negotiations between the debtor and other parties under the supervision of the court. Referring to chapter X of the Chandler bill, the committee states:

Chapter X, as it now appears in the bill, is the product of an opposing theory, namely, that reorganizations can best be handled by disinterested parties with the aid of an arm of the Government, the S. E. C. Senator KING's amendment reverts to the former theory. We are of the opinion that the former theory should prevail and interested parties should be permitted to work out their own problems under the supervision of the court.

The report submitted by Mr. Wham's committee further states that—

The committee approves Senator KING's amendment and suggests that copies of this report, if approved by you, be sent to appropriate congressional committees, members of the S. E. C., the members of the National Bankruptcy Conference, the members of the American Bar Association bankruptcy committee, and other interested parties.

I do not think I have unduly emphasized the position taken by Judge Wham and his committee of the Chicago Bar Association, and the report which his committee submitted to the association. It is apparent from the report that chapter X of the Chandler bill is not approved. It particularly opposes the injection of the S. E. C. into reorganization proceedings, and is opposed to depriving the owners and operators of corporations of a voice in the management during the process of reorganization. The so-called "disinterested" trustee with attendant provisions do not meet the approval of Judge Wham and his committee.

Reference is made to the S. E. C. May I be permitted to state that the S. E. C. was created and given authority under the provisions of the Constitution, which do not deal with bankruptcy proceedings. But this organization seems to evince the same ambitions which characterize Federal bureaus, agencies, Departments, and so forth. All are greedy for power, and if organized for a specific purpose they are dissatisfied until they have enlarged their authority and projected themselves into other fields, foreign to those for which they were organized to cover. The result is that the Federal agencies, whether large or small, are covetous of power, and are increasing their authority in every possible direction, and are not satisfied with that. They desire to evade and elude the courts and common law and the principles of jurisprudence which have come down to us through the channels of the common law and constitute a part of our juridicial system.

There are too many persons who desire administrative law; who insist upon bureaus and Departments and Federal agencies to have almost unlimited authority and power in the promulgation of rules and regulations and methods of procedure regardless of common-law rights or the fundamental principles which lie at the base of our judicial system. We witness the gradual invasion by bureaus, Departments, and petty Federal organizations of the substantive rights of individuals. They resent any legal review of their proceedings and insist that any determination of law or fact that comes before them shall be final. The attack upon the Supreme Court of the United States was in part due to this growing disregard for law and for judicial review. There are literally thousands of rules and regulations and administrative pronunciamentos which it is insisted have all the authority and power of legislation and law, and it is likewise insisted that the views and determinations of administrative bodies have all of the validity and sanctity of law and of judicial determination.

An eminent lawyer told me a few days ago that it was not necessary to become acquainted with the common law or the Constitution or the decisions of the courts; that it is only important to keep in touch with administrative law and the views and the changing opinions of Federal agencies, from Departments down to the lowliest administrative agency.

Recurring to the majority report, it is stated on page 2:

> • • • The provisions • • • of section 77B, corporate reorganizations, require restatement and revision. • • •

That I deny.

On page 19 it is stated:

> In the 4 years since that section (77B) was enacted, it has become apparent that amendments are required to remedy its serious deficiencies of • • • substance.

I challenge the accuracy of that statement.

On page 20 of the majority report it is stated:

> Ample evidence of the necessity for these substantive and procedural improvements in the statutory system of reorganizations under section 77B has been furnished by the extensive reports and recommendations of the Securities and Exchange Commission made to the Congress pursuant to section 211 of the Securities Exchange Act of 1934; by the reports of counsel of the Special Committee of the United States Senate to Investigate Receivership and Bankruptcy Proceedings and Administration of Justice in the United States Courts; and by the reports of the Select Committee of the House of Representatives to Investigate Real Estate Bondholders Reorganizations.

An examination of the reports referred to will disclose that no adequate investigation has been made justifying a rewriting or revision of section 77B at this time. The reports of the Securities and Exchange Commission were based almost entirely upon an investigation of proceedings in which the old conventional protective committees functioned under deposit agreements.

I again suggest to Senators that the amendment which I have offered would eliminate chapter X of the Chandler bill which is to supersede section 77B and thus chapter X injects the Securities and Exchange Commission into all proceedings with respect to reorganization of corporations under the present 77B.

Reference has been made to the various committees which practically in every case were formed in connection with an equity receivership or bankruptcy proceeding instituted prior to the enactment of section 77B and which continued to function after the equity or bankruptcy proceeding was superseded by a 77B proceeding. The Securities and Exchange Commission admits in its reports that the philosophy of its reports, at least in part, has no application to a 77B proceeding. On pages 2 and 3 of part II of its reports, entitled "Committees and Conflicts of Interests," it is stated:

> Accordingly, at least apart from proceedings under section 77 and 77B of the Bankruptcy Act, mobilization of security holders in order to secure such control over the trustees may spell the difference between effective action for the protection of their interests on the one hand, and helplessness in the face of a recalcitrant, faithless, or inactive corporate trustee on the other hand.

Nowhere in these reports above mentioned is there any evidence whatsoever that an inquiry was made as to what reforms were accomplished by the enactment of section 77B and what reforms are still to be accomplished.

The report, dated April 15, 1936, of counsel to the special committee of the Senate appointed to investigate bankruptcy and receivership proceedings, another of the reports relied upon by the majority of the committee, was written less than 2 years after the enactment of section 77B. An examination of this report will show that the chief abuse found by the committee was that the wrong kind of cases were permitted by the courts to continue under 77B, just as had occurred under the superseded equity receivership practice. This abuse is corrected by chapter X in that it prevents a corporation which can obtain adequate relief by way of composition from availing itself of a reorganization proceeding. However, it does not require legislative action to remedy this situation. The courts under section 77B have the power, when a proceeding in initiated, to reject the petition if not filed in good faith, and they have the power under section 77B to turn a proceeding into a liquidation proceeding if they believe that no reorganization can be effected. The United States District Court for the Southern District of New York dealt with the problem by rule of court which provided that debtors seeking relief under section 77B must show that they cannot obtain adequate relief under section 12 of the Bankruptcy Act—compositions.

The reports of the Select Committee of the House of Representatives to Investigate Real Estate Bondholders Reorganizations, which reports are referred to in the majority report of the Committee on the Judiciary, are dated January 29, 1935, and June 19, 1936, respectively—one being dated not quite 8 months after 77B was enacted, and the other about 2 years after it became effective. They dealt almost entirely with protective committees and equity receivership proceedings and were made before any experience in the operation of cases under 77B had accumulated.

I am referring to the reports, referred to by the majority report, because the statement is made that these then justify a change in section 77B. I have shown that those reports do not touch 77B, they do not furnish any reason whatever for a modification or change of 77B, and therefore they are immaterial and irrelevant, and it is quite unfair to urge them as a basis for this radical change, destroying 77B, which has so effectively and fairly met the responsibilities which are required in the framing of reorganizations of corporations.

OBJECTIONS TO CHAPTER X

To some of the objections to chapter X I shall briefly refer, and I am, of course, referring to chapter X of the bill which is submitted, not to my chapter X, which seeks to supersede it.

Chapter X of H. R. 8046 introduces novel, complicated, and untried machinery in corporate reorganization procedure. If enacted into law, it may undo practically all of the good which has been accomplished by the enactment of section 77B. The delay necessary while the intricate procedure is being followed and the expense may finally end many enterprises, resulting in liquidations and the consequent aggravation of the present unemployment situation, in view of the fact that a liquidated corporation supports no employees.

The first of the novel and oppressive features introduced by chapter X is the requirement that a trustee be appointed in every case—except where the indebtedness is relatively small. The only justifiable reason for requiring the appointment of a trustee is that the management is either incompetent or dishonest. The fact is, however, that corporations often meet with disaster because of a variety of other reasons beyond the control of the management. Hon. John C. Knox, senior district judge for the southern district of New York,

testified before the House Judiciary Committee as follows (House hearings, pp. 367–368):

Now, all corporations and their managements are not bad. Competition, a strike, a bad season, a variety of other circumstances may make it necessary for a corporation to come to court for assistance. A corporation in its management may be known to the court. The conditions that brought it to court may be open to anybody of intelligence and who is interested in the situation. Why, under conditions of that kind, should it be obligatory upon the court to appoint a trustee upon the filing of the petition? If disclosures and investigations indicate that a trustee is to be appointed or should be appointed, then let the appointment be made. But if in each case—and I suppose that I have had 75 or 100 reorganizations altogether since 77B has been in effect—I am to appoint a trustee, and am to give him competent counsel, and am to furnish him with the accountants that would be asked for to make the investigation called for by the act, I have the sweetest bit of patronage that anybody can imagine, and it will cost an enormous sum of money.

Mr. President, it means that if chapter X, as it has been presented to us, shall be enacted into law it will provide patronage and contribute to the destruction of existing business whose capital is somewhat impaired, and throw large numbers of persons out of employment.

One of the ablest judges of the District Court of the United States for the Southern District of New York is Judge Hugh Goddard. In response to an inquiry as to his views in reference to H. R. 6349 and H. R. 8046, he states:

My present practice is, upon the filing of a petition in 77B, before approving it or deciding whether a temporary trustee should be appointed, to call together the debtor and all or, if there are many, a representative group of the creditors and to inform myself as to the character of the management of the debtor and the general situation; also to obtain the views of the creditors themselves as to whether it is best to continue the debtor in possession. If it appears that it is best to continue the management and that accords with the views of the creditors, I do not appoint a trustee but provide in the order that any interested party may move on 1 day's notice for the appointment of a trustee. The advantage of this is to have the business management in the hands of those who are familiar with it and has the confidence of the creditors; moreover, this avoids the additional expense of a trustee and the loss of time required for a trustee to familiarize himself with the business and its affairs. I think that the requirement that a trustee must be appointed in all cases would be opposed to the judgment of most businessmen. I believe that 77B has provided a means for concerns which find themselves swamped with an impossible financial set-up and pressing obligations, to reorganize on a sound basis and to continue in business for the mutual benefit of all concerned.

I also call attention to a letter written by Hon. Murray Hulbert, a district judge of the United States in and for the southern district of New York, in which he states:

From my experience in more than 100 proceedings under section 77B of the National Bankruptcy Act, over which I have had supervision from the approval of the original petition until the final conclusion of the proceeding, I feel that, on the whole, the Congress acted wisely in passing this legislation. There have been some attempted abuses, but so long as it remains exclusively within the province of the court to control these proceedings and the judge acts conscientiously, the beneficial results accomplished under the law, in my opinion, make its continuance desirable.

Mr. President, I am calling attention to the views of these able judges to counterbalance any suggestions made by those who advocate the pending bill, and to meet statements made by Mr. Weinstein and Mr. Adair, and others who may have had experience in bankruptcy but little experience, if any, in the reorganization of corporations. There is a great difference between the views of those who favor bankruptcy who have been concerned with the liquidation of corporations, and those who desire to effect the reorganization of corporations, and thus save capital and continue the employment of those who worked, perhaps for many years, in developing the business of corporations.

My information is that there is a concurrence of view upon the part of judges who have had much to do with the reorganization of corporations under 77B that they believe its provisions have proven so satisfactory that material changes in 77B are not to be desired. Perhaps the Federal judges in the southern district of New York are more familiar with reorganization of corporations than judges in any other part of the United States. Hon. Francis Y. Caffey, one of the judges in the southern district of New York, under date of the 17th of May, writes Senator AUSTIN with reference to H. R. 8046 as follows:

Based upon experience of nearly 4 years with 77B cases, my feeling is that it would be unfortunate to require appointment of trustees in any class of cases. In most cases I have handled I have thought that there was no occasion whatever for appointing a trustee, and that having a trustee would impose useless expense. It would seem to me better that it be left to the determination of the judge as to whether there should be a trustee.

Save in exceptional instances (as I recall, only three or four instances), where there existed emergency reasons, I have never approved the filing of a 77B petition until after hearing creditors. The practice has been to gather as many as practicable from every group to whom substantial amounts were owing. One of the questions always taken up at such a preliminary hearing is whether a trustee should be appointed. In addition, under the terms of the existing statute, a further hearing on the same question, on notice to all creditors, is held not less than 2 weeks and not more than 30 days later. As a safeguard, also, orders approving filing of petitions contain a clause permitting any person interested in the estate, on a few days' notice (usually 2 days) to the debtor's attorney, to apply for any relief. Under this clause, if the facts warranting it develop, any creditor may quickly get a hearing on the question as to whether there should be a trustee.

In those instances where, on an exceptional ground, the 77B petition is approved without hearing creditors, the orders approving the filing of the petitions embody a clause providing for a quick hearing (in advance of the regular statutory hearing on notice to all creditors, which must be held on not less than 2 weeks after and not more than 30 days after the approval of the filing of the petition). This quick hearing is within a few days (usually 2 or 3 days) after the filing of the petition is approved and is on notice to all groups of substantial creditors. One of the questions at every such hearing is whether a trustee shall be appointed.

Under the practice, as I have outlined it, it seems to me that there is little likelihood of any harm occurring through failure to appoint a trustee at the inception of the proceeding.

Mr. Benjamin Wham, of the Chicago bar, in presenting his paper before the committee on commercial law and bankruptcy, at the annual meeting of the American Bar Association, Kansas City, Mo., September 28, 1937, to which I have previously referred, quotes from an article by Prof. William O. Douglas, published in 1933 in Forty-third Yale Law Journal, which throws some light upon the claim made by those who infer that all difficulties of corporations are the result of dishonesty or fraud. Professor Douglas stated—bear in mind now that Professor Douglas, an excellent official of government, has taken some part in framing this bill, particularly chapter X. At any rate, a member of his organization has done so, and O. S. C. is now to be thrust into the picture and play a most important part in bankruptcy proceedings and, particularly, the reorganization of corporations. He stated:

Competition and the progress of invention make it inevitable that many enterprises will fail. The toll of technology over a period of years is enormous. And the downward turn of the business cycle may eliminate more than just the marginal enterprise. Other factors of management, not related to cupidity and fraud, contribute to the same end. As a result a substantial percentage of industrial investment will in any event be lost. To speak then of underwriting the values which are based on such unstable foundations is sheer nonsense. * * *

This is reason enough why the State should not pronounce investments sound or unsound. To the business community it seems likewise sufficient reason for tempering and moderating the liabilities of those responsible for the issue. For it is said that when security values shrink as they have in the last few years it is but natural to find blame laid at the door of those who got the money, who were identified with the flotation, or who were connected with the management.

I am quoting this, Mr. President, to indicate that failures come when there is no wrongdoing, and yet chapter X is based upon the supposition that fraud has existed in all cases where there is a failure in business or its structure has been impaired. It postulates dishonesty, fraud, and corruption, whereas Professor Douglas, to whom I have just referred, indicates that many causes lead to financial embarrassment of business enterprises, causes other than wrongdoing or cupidity.

Mr. President, as I have attempted to indicate, the financial embarrassment which business enterprises not infre-

quently encounter are not the result of crookedness or bad management.

Mr. Wham further states, in the paper referred to, that a study of the Securities and Exchange Commission program discloses a rigid and inflexible system, which will seriously curtail the court's discretion. He further adds:

> Thus the court will have no discretion either to leave the debtor in possession or to appoint someone connected with the debtor or underwriter as trustee. It must appoint the trustee and his lawyer from the outside. Now, I am not out of sympathy with the idea that there should be a trustee. Necessarily, in the old equity receiverships, one or more receivers were always appointed. It was not until 77B that the idea of a debtor in possession became current. However, it is on the point that the trustee and his lawyer must be disinterested that the reasoning of the Securities and Exchange Commission ceases to be persuasive to me because I simply cannot distrust my fellowman as much as the Security and Exchange Commission would have me do.
>
> Presumably the object is to obtain the best trustee possible. Naturally he should have a number of desirable characteristics such as integrity, ability, judgment, and experience. However, the one requirement singled out by the Securities and Exchange Commission apparently is honesty. It seeks to have adopted a rule of thumb which, like the unerring rays of Diogenes' lantern, will disclose an honest man. The major premise of the Securities and Exchange Commission's syllogism seems to be "all distinterested men are honest" or "they are more honest than others." But are they? If the trustee is to perform all of the functions outlined, he must devote all of his attention to the job. Therefore he must either be out of work or willing to give up his present position. Will the desire to perpetuate himself color his views? On the other hand, the higher officials of the debtor have usually attained those positions after years of competitive struggle. Naturally if they are guilty of wrongdoing, they should be discharged; but, as pointed out by Professor Douglas, in most instances this is not the case. It would seem that they are therefore the logical appointees in most instances because they not only have integrity but they have what are just as important, ability, judgment, and experience. At any rate does it not seem logical to permit the court in its sound discretion to determine this point in each instance rather than automatically to bar such persons? * * *
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> Perhaps, as has been suggested elsewhere, the functions sought to be assigned to the trustee in this bill should be separated. The essential difference between a liquidation and a reorganization is in the continued operation of the business in the latter case. It may be possible for a disinterested trustee who uses tact and goes along, so to speak, to get on with the management providing he permits the higher officials to run the business.
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> However, if he does this he is then failing to perform that function. When the independent trustee commences a drastic investigation this will add to his difficulty in getting on with the existing management. The two functions, namely, operating the business and investigating past mismanagement, are thus inconsistent and could be more successfully performed by different persons. It has been suggested that the function of investigation should be placed in another appointee of the court who may be called a proctor or given some other suitable title. The third function which it is suggested should be performed by an independent trustee, that of preparing and suggesting the first plan of reorganization, seems unrealistic. It abandons the present practice in which the parties in interest trade out a plan and submit it to the court and substitutes the untried theory of outside, disinterested, allegedly scientific paternalism. The trustee will know nothing of the business or the parties. He may overemphasize the social philosophy of the Securities and Exchange Commission and give undue weight to arguments of holders of small amounts of securities. He may feel that the underwriter and debtor are subject to suspicion and so avoid them.

Mr. President, the second innovation in chapter X is the requirement that there must be a disinterested trustee. Whether or not there is any criticism of the management, under the provisions of the bill, the court must appoint someone who has had absolutely no connection with the company to act as one of the trustees. In other words, ignorance is sought, instead of ability and knowledge. An ignorant man, one who is ignorant of the business and the fields in which it operates, has a better chance of being appointed to run the business, which may involve complicated situations and which may have important assets and important responsibilities, than a person conversant with the business.

Chapter X, as written, is a tribute to ignorance and not a tribute to intelligence.

The problem of finding a disinterested trustee capable of performing the duties required of him is a major difficulty, and the cost to estates of such officers are always burdensome. The requirement of disinterested counsel is an added financial burden, and in many cases is entirely unnecessary.

The duty of drafting the plan of reorganization is imposed in the first instance upon the disinterested trustee. This transfers the duty of preparing a plan from the interested parties—the management or the creditors—to the court appointee, who is wholly ignorant of the corporation and its activities—an absurd provision, it seems to me, although it has the approval of a very large number of distinguished gentlemen.

A Government official is thus called upon to outline the future structure of the debtor, thus preventing negotiation between the interested parties, as at present is the practice, for the purpose of preparing a suitable plan of reorganization.

It is essential, in order to save the goodwill of a corporation in financial difficulties, that it be given the right to retain possession of the business.

Every Senator is familiar with corporations which have had some financial embarrassment, which have experienced strikes, or some unforeseen situations. The owners or operators who run the business are honest; they know the business, and they have credit. However, in periods when banks are rather reluctant to lend, the management of the business has been unable, perhaps, to obtain the desired credit. Yet under the provisions of this bill the man competent to bring the corporation out of its difficulties and keep it going is to be denied the opportunity, and a man, who knows nothing of the business, is given the heavy responsibility comprised in accomplishing a reorganization. If possession is taken from the management—unless, of course, fraud were proven on the part of the management—the goodwill which the corporation has built up will vanish when possession is lost.

As an illustration, let us take a corporation which has been manufacturing automobiles. It has plants. Suppose it is temporarily financially embarrassed. The management is thrown out, and the plan of chapter X is to turn the corporation over to a trustee who knows nothing about the business. What is the result? Those who have been purchasing from the corporation will not again purchase because they may believe that the corporation will not be reorganized, and when they want parts to supplant those which may be worn out, the company may be dead and a new corporation organized. We destroy the business by projecting into the management and into the liquidation of the corporation a disinterested party who knows nothing of the business. It is a dangerous, devastating, and foolish policy.

Mr. LUNDEEN. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. BILBO in the chair). Does the Senator from Utah yield to the Senator from Minnesota?

Mr. KING. I yield.

Mr. LUNDEEN. Would the Senator care to yield for a short statement, to be placed at the conclusion of his speech?

Mr. KING. I think the admonition of the distinguished leader would preclude that course.

Mr. LUNDEEN. Then I should like to ask a question.

Mr. KING. I have no objection.

Mr. LUNDEEN. We are dealing with bankruptcy, are we not?

Mr. KING. Yes. We are now concerned with chapter X, which, in my opinion, will result, if not compel, liquidation instead of reorganization; compel the death of many corporations which ought to be continued and thus throwing out of employment hundreds and thousands of persons instead of continuing the business and continuing their jobs.

Mr. LUNDEEN. Will the able Senator state to me whether his amendment covers the railroad situation?

Mr. KING. My amendment does not deal with section 77. It deals only with section 77B, having to do with the reorganization of corporations.

Mr. LUNDEEN. It does not cover railroads?

Mr. KING. It does not cover railroads.

Mr. LUNDEEN. Certainly the railroads are in a bankrupt condition.

Mr. KING. I know that some railroads are in a bad condition financially.

Mr. LUNDEEN. I was just wondering whether the railroad situation is covered in the Senator's amendment.

Mr. KING. It is not. As I have stated, my amendment seeks to supersede the unwise and unsound provisions of chapter X, which have been thrust into the bill, and which give to the S. E. C. enormous power in connection with the reorganization of corporations. Chapter X of the Chandler bill restricts courts in their proper and legitimate functions and provides a dual system of administration, which is bound to result in confusion, conflicts, and increased expenditures, culminating in the loss of capital and the destruction of business concerns and enterprises, which could be continued with profit to creditors and stockholders and benefits to employees. A dual administration of business organizations will inevitably result in delays and disaster. The courts will feel restrained by the power of the S. E. C., a Federal organization, and will hesitate to go forward in the prompt disposition of the problems before them, looking to the effective reorganization of business concerns, which have met some financial difficulties by reason of the depression.

Proceedings in bankruptcy are of a judicial character and the courts are the proper agencies of the Government to handle matters growing out of, or connected with, bankruptcy proceedings. The reorganization of corporations which have encountered difficulties, whose capital is impaired, or against which bankruptcy proceedings have been initiated, comes within the jurisdiction of the judicial branch of the Government. Accordingly, from the beginning, Congress has enacted laws dealing with bankruptcy proceedings and reorganization of corporations and devolved upon the courts the duty and responsibility of discharging these important functions. I am repeating when I say that the injection of the S. E. C. into reorganization proceedings is highly improper; there is no constitutional warrant for this course, and the results cannot be otherwise than disastrous to corporations, that under proper judicial guidance can be rehabilitated. As I have stated, the S. E. C. exists under the Interstate Commerce Clause of the Constitution and possibly the post-offices clause. It has no authority under the provision dealing with bankruptcy, and yet it seems to be desirous of greater power and playing a most important part in the reorganization of thousands of business organizations.

Mr. LUNDEEN. Will the Senator yield further?

Mr. KING. I yield.

Mr. LUNDEEN. With the tremendous problems facing Congress, and with the present condition of the country—which I think is pretty generally agreed to—I am wondering whether we should adjourn at this time. Should we not keep a quorum here and further consider legislation for the good of the country, instead of adjourning and going home?

Mr. KING. In my opinion the country would be better off if we should adjourn. The longer Congress is in session the more laws will be passed many of which will be unwise and oppressive and the greater will be the appropriations and the financial liabilities which the Government will be compelled to meet. There are many who believe that there would be a revival in business if Congress adjourned.

Mr. LUNDEEN. Will the Senator yield further?

Mr. KING. I yield.

Mr. LUNDEEN. If we adjourn now, I am afraid that as soon as we adjourn and go home business will be shouting for us to come back and lend it some more money so that it may continue to operate. Business always wants us back after we have been gone for a while. Business wants us to return so that it may draw upon the Federal Treasury to keep itself moving.

Mr. KING. Undoubtedly there are many persons who believe in socialism and there are some who are communists, and believe that the Federal Government should take over all business and set up a socialistic or communistic state. There are many persons who are constantly appealing to the Federal Government for larger appropriations—private individuals as well as corporations.

I fear that the policies which have been pursued are affecting the morale of the people, and more and more they are relying not upon themselves but upon the Federal Government; and it is obvious that the more the Federal Government appropriates and the more it contributes to business enterprises and private persons, the greater will be the demands for increased appropriations and gratuities, with the result if the policy is continued indefinitely, that inflaton will ensue; the credit of the Government will be destroyed, and a collapse in every avenue of business, private and corporate, will result.

Congress has appropriated billions of dollars to individuals and groups and public institutions and corporations. More than $20,000,000,000, as I recall, have been appropriated under the guise of relief, and but a few days ago, notwithstanding the enormous appropriations which have been made during the past few years, further appropriations exceeding $3,000,000,000 were made, and I venture the prediction that before we adjourn there will be additional appropriations which may reach $1,000,000,000. In my opinion we are pursuing an unsound and indeed dangerous policy.

[At this point Mr. KING yielded to Mr. COPELAND for the consideration and passage of House bill 10536, the proceedings in connection with which appear following Mr. KING's speech.]

Mr. KING. Mr. President, I was commenting upon the fact that this bill with so many novel and oppressive features in it would destroy corporations, large and small, because it would deny a reasonable opportunity for reorganization. I make the prediction to those who seem so indifferent to the provisions of chapter X that they will be made aware of its evils, if it is enacted into law, and they will be called upon in their respective communities to attend the funerals of many corporations that should have been permitted to continue instead of being forced to liquidate. So far as I am concerned, I am unwilling to let this day go by without making my position clear so that Americans may not say in the future, "A dangerous, deadly bill, destructive of corporations, has passed and no Senator raised his voice to challenge attention to its infirmities and dangers."

I know how futile it is to oppose this bill, and I know how futile it is to oppose much of the legislation that comes before us. We pass hundreds of bills with but little consideration. Here is one of more than 200 pages dealing with the business affairs of corporations, partnerships, and business activities in every part of our country, and it will pass without proper consideration, and with but a very few Senators who will be acquainted with its provisions.

Mr. President, it would seem that the proper course would be to minimize the shock of financial adversity rather than to aggravate it in a movement which would indicate that there has been mismanagement and fraud, even though there were no evidence whatever to support such a presumption. To wrest the possession from the management would certainly aggravate the situation. It would appear that to allow the management to obtain possession would be a much wiser course than to put in a new management, the trustee, entirely so-called disinterested but unfamiliar with the business.

Well-directed criticisms of this feature of chapter 10 have been made by various witnesses and by writers of eminence. Attention is called to it by Mr. Cloyd Laporte in Fifty-first Harvard Law Review, in his article entitled "Changes in Corporate Reorganization Procedure Proposed by the Chandler and Lea Bills." I may add that chapter 10 is similar to a part of the Lea bill as originally introduced, and, of course, is a part of the Chandler bill now as it has come to us. I quote from Mr. Laporte:

> These provisions (requiring the disinterested trustee) appear to be unduly rigid. A company may have an indebtedness of more

than $250,000 and still be a small company, measured by assets and volume of business. Also, there are situations in which even large companies cannot bear the expense of an outside trustee and counsel, and situations in which no trustee is necessary because there is no reason for suspecting that there has been mismanagement or misconduct, and the situation is otherwise so simple that the appointment of an outside trustee would merely entail unnecessary expense and injure the company's goodwill and trade relations.

Under this bill as soon as the trustee is appointed people will at once say the management has been crooked and the integrity of the financial standing of the business is immediately jeopardized; its credit is gone; it loses its clients; it loses its support. It will be said, "A new trustee has been appointed; there must have been fraud"; the company becomes bankrupt and is forced to liquidate instead of being reorganized and continuing for the benefit not only of creditors and stockholders but for the benefit perhaps of hundreds and thousands of employees, depending upon the size and magnitude of the enterprise.

Under chapter X acceptances cannot be obtained until the proceedings have lasted for a considerable time. The debtor's petition must have been filed. A disinterested trustee must have been found and appointed. The trustee must have conducted an investigation, if the court so ordered, and reported to the securities holders, inviting suggestions as to a plan. A court hearing must have been held upon the trustee's plan, at which any creditor or stockholder of the debtor might submit additional plans. The court must have weeded out all plans not worthy of consideration and referred the balance to the Securities and Exchange Commission, although the judge may eliminate the Securities and Exchange Commisison where the debtor's liabilities amount to $3,000,000 or less. The Securities and Exchange Commission will have reported to the court.

The judge will have held a second hearing on plans, and should have approved every plan which, in his opinion, complies with the requirements of chapter X and is fair and equitable and feasible. At this stage of the proceedings for the first time may the proponents of any plan seek acceptances from the holders of securities or claims. This process of obtaining acceptances is difficult and often long drawn out. It means additional delay in reorganizing the debtor.

Chapter X requires another hearing before the judge, a hearing on the confirmation of the plan after the necessary acceptances have been obtained and filed.

Mr. President, it is provided in chapter X that when the debtor owes more than $3,000,000 the court must refer all plans regarded as worthy of consideration to the Securities and Exchange Commission for an advisory report.

I should have stated, Mr. President, that any person may submit a plan; any stockholder with one share of stock may submit a plan. Thousands of plans, if there are many stockholders and creditors, may be submitted. All of them must be examined by the trustee; all of them must be examined by the Securities and Exchange Commission; and by the time they have examined them and brought them before a hearing, weeks and months will have elapsed, and the corporation will be then in a position for liquidation and not for reorganization.

The red tape required by chapter X will result in the liquidation of hundreds and hundreds of corporations which could be saved and reorganized for the benefit of the stockholders, the creditors, communities, and the employees.

Mr. President, undoubtedly there will be a demand in every case by that class of interested parties receiving the most drastic treatment for the reference of plans to the Securities and Exchange Commission, if for no other purpose than to delay and trade.

It is certainly apparent that a report by such an administrative body will have great weight with an overworked judge, and many judges will be disposed to accept such reports as conclusive on the merits of the case. It could not be expected that the judge would put great pressure on the Securities and Exchange Commission to finish its report; and thus, where the Securities and Exchange Commission deemed it necessary, the reorganization proceedings could be delayed and expensive proceedings would be the inevitable result.

As stated, it is obvious that the report of the Securities and Exchange Commission is not to be merely advisory, but on the contrary will inevitably carry great weight with the court; and thus it is more than likely that every proposer of a plan of reorganization will hasten to present his plan to the officials of the Securities and Exchange Commission, delaying the proceedings and thus prolonging the agony of an already overburdened corporation. Few plans are ideal. Most are based upon a group of compromises and need explaining in order to be understood and to be considered intelligently and sympathetically. No careful counsel would permit the Securities and Exchange Commission to consider and report on a plan without making an effort to obtain a hearing or a conference in order to explain the reasons behind the plan.

In this connection a striking analogy has been drawn by Mr. Robert T. Swaine, in his article appearing in Thirty-eighth Columbia Law Review, to the matter of railroad reorganizations under the advisory influence of the Interstate Commerce Commission, as follows:

> The experience of investors with Commission determination of reorganization plans, in the case of railroad reorganizations, has furnished little basis for confidence either as to the expedition or as to the soundness of such determination. In those cases before the Interstate Commerce Commission in which the holders of railroad securities were in substantial agreement that the factual situation permitted prompt reorganization, the various classes of security holders have found it to their advantage to gamble upon what they could get away with with the Commission rather than to trade out among themselves a fair solution of their problems. Even preliminary action by the Commission's Bureau of Finance upon the various reorganization proposals, both in the conduct of the hearings and the filing of reports, has been dilatory.

The Securities and Exchange Commission received its present powers under the interstate-commerce and post-office clauses of the Constitution. It was called into being for the purpose of insuring full disclosure to investors and preventing frauds upon the holders of outstanding securities resulting from market manipulations and similar practices. Chapter X for the first time injects the Securities and Exchange Commission into the proceedings of the judicial branch of the Government, basing its new powers upon the bankruptcy clause in the Constitution. Until recently the administration of bankruptcies has been intrusted exclusively to the courts.

The injection of the Securities and Exchange Commission into corporate reorganizations, as proposed by chapter X, raises a serious question as to the constitutional right of the Securities and Exchange Commission to act, the question as to whether or not it is economical and practical for the Government to attempt to give double protection to security holders and creditors in this sort of proceeding—the protection of the Federal courts and also the protection of the Securities and Exchange Commission—and the practical problem of whether or not there is any justification based upon experience for expecting improved reorganization administration.

The injection of the Securities and Exchange Commission into the corporate reorganization procedure will in all probability have the same result as has occurred under section 77, where the approval of the Interstate Commerce Commission has been made requisite in railroad reorganizations. The distinction between requiring the approval of the Commission in the latter case and the advisory report in the former is a distinction without a meaning. In neither case will the court feel free to proceed in the face of an adverse conclusion.

The result of the injection of the Interstate Commerce Commission into railroad reorganizations has been to divide responsibility, with the result that each tribunal refers disputing parties to the other for the settlement of their differences. Each has taken the position that, until the other acted, it was unnecessary to bring an issue on for trial before

the tribunal applied to. There is no reason to believe that the result will be different in the case of corporate reorganizations, with the Securities and Exchange Commission made a part of the procedure, from that in railroad reorganizations, where the Interstate Commerce Commission is necessarily involved. It should be noted that only one small road has been reorganized under section 77, although many railroads have been in bankruptcy or receiverships for a number of years.

That the procedure adopted with reference to railroad reorganizations has been a mistake is generally recognized and the author of H. R. 8046 (Mr. CHANDLER) appears to have recognized this by introducing into the House of Representatives a measure (H. R. 10387) to change the railroad procedure by eliminating the necessity of obtaining the approval of a plan by the Interstate Commerce Commission.

In discussing the matter of the appointment of a disinterested trustee, reference was made to statements by Judges Goddard, Hulbert, and Caffey. They also gave consideration to the question of concurrent jurisdiction which would result from the injection of the Securities and Exchange Commission into reorganization proceedings.

Judge Goddard states:

> While I should welcome the entire matter being turned over to the Securities and Exchange Commission, except to have the court pass on such legal questions as may arise, I strongly urge that the control of these proceedings be not divided between the courts and the Securities and Exchange Commission. One or the other should have sole charge, in my opinion; otherwise, there is divided responsibility which leads to complications and serious delays and what I believe would be a generally unsatisfactory system.
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> I may add that I find much dissatisfaction with the present required procedure for reorganization of railroads as the various steps in the proceeding and the plan are subject both to the control of the Interstate Commerce Commission and the court, with the result that there are inordinate delays in putting through a plan and serious complications arise.

Judge Hulbert stated the following:

> Rather than have any concurrent jurisdiction vested in the Securities and Exchange Commission, I think it would be preferable to take these proceedings, which are largely administrative, out of the jurisdiction of the court entirely.

Judge Caffey stated that—

> I have no notion of the present form of proposal with respect to conferring authority on the Securities and Exchange Commission. It seems to me wholly unobjectionable to authorize the Commission to seek intervention and, if granted, to confer on it all the rights of a litigant, including the right to appeal. If, however, it become an intervener, I am impressed that its expenses should not be imposed on the estate. It might be well further to confer on the Commission authority, if requested by the judge, to intervene.
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> Numerous other unobjectionable powers could be conferred on the Commission. On the other hand, my feeling is that there should be no division of authority between the Commission and the court in determining whether the plan is fair or should be approved. Either the court should have unhampered authority or the Commission should have unhampered authority in making the decision. My information is that the inclusion of the Interstate Commerce Commission as a factor in railroad reorganization cases does not work well. While I am not sure of the facts, from what has appeared in the press and has been stated to me by lawyers, the substantial failure of section 77A is attributable to the division of authority between the courts and the Commission. If, under section 77B, there be like division of authority between the courts and the Securities and Exchange Commission, I should fear a like result in 77B cases, with the further consequence that business corporations would again avail of equity receiverships rather than the excellent substitute now provided by section 77B.

It is manifest, from the statements of these jurists who have had great experience in reorganizations of corporations, that divided authority is not desirable and that ample provisions are found in 77B to deal with such reorganizations.

To summarize the procedure set up by chapter X for the reorganization of corporations: The judge must first find a disinterested trustee who is available for the position and has had the necessary record of experience and performance. The disinterested trustee must first learn the peculiar facts and conditions surrounding the debtor's business and affairs, although he may not be required in all cases to undertake the burden of operating because a cotrustee, who is an officer or director of the company, may be employed. The disinterested trustee is required to prepare a plan of reorganization. Creditors, stockholders, and the debtor may prepare plans. The judge is required to determine, after a hearing, what plans are worthy of consideration. The Securities and Exchange Commission must be asked, where the indebtedness exceeds $3,000,000, to report on all plans deemed worthy of consideration and, as a practical matter, the report of the Securities and Exchange Commission will probably be required in all cases. Whether or not the Securities and Exchange Commission will take testimony, and whether or not parties in interest will have to journey to Washington in connection with the report of the Securities and Exchange Commission, is not mentioned. The approval of the judge after the report of the Securities and Exchange Commission has been rendered, or the time given has expired, must be obtained after a hearing on the question. Thereafter acceptances may, for the first time, be solicited. After the plan has been accepted by the requisite percentages of creditors and stockholders, the judge is to hold a final hearing on confirmation and consider whether or not, in view of all the testimony, the plan is fair, equitable, and feasible.

The novel plan of incorporating by reference proposals for legislation is proposed by section 213. Some of the parties to the reorganization proceedings are prevented by this section from being heard or allowed to intervene until they have complied "with all applicable laws regulating the activities and personnel of such persons." This section contemplates the enactment of the Lea bill (H. R. 6968), which deals with protective committees, placing them under the jurisdiction and control of the Securities and Exchange Commission.

A mere recital of all of this complicated procedure raises in one's mind the question, How many corporations will be able to stand the financial burden which will inevitably result? It is obvious that such an intricate and complicated process will decrease the assets of any corporation, coming under the provisions of chapter X, to an extent that serious difficulties will result to the corporation and all interested parties. It is obvious, also, that some corporations will not be able to survive or stand the expense of the investigation.

Mr. Robert T. Swaine, to whom I referred above, in his article entitled "'Democratization' of Corporate Reorganizations" in the Columbia Law Review of February 1938, stated:

> Every business is in some degree sensitive to the shock of receivership or bankruptcy. Some businesses, particularly those involving service and long-term contracts, are especially so sensitive. Financial difficulty is a signal to competitors to intensify competition toward customers, pointing out the likelihood of interruption of service or supply, and to initiate raids upon employees. A financially embarrassed corporation finds difficulty in retaining its customers, and once a customer has been lost, difficulty in collecting his account. Adversity rapidly becomes cumulative. The interests of investors would therefore seem to require that if their venture meet with a financial accident, reorganization machinery should be adapted to minimizing, rather than aggravating, the shock. Preservation of the business venture, which is vital in every reorganization proceeding, would seem both from the standpoint of public interest and from the standpoint of the investors' interests, to be of greater importance than chasing will-o'-the-wisps of possible causes of action against past management, which those who are fair-minded and experienced in the business world know will be found in comparatively few reorganization cases. This is not at all to say that there are not cases in which the prosecution of management should be an important factor. It is merely to question whether the practical facts warrant making such prosecution the dominant consideration in legislation affecting corporate reorganizations.

In these days of economic change and business depressions and recessions I view with concern the increasing encroachment of Government on legitimate business enterprise, the enormous growth of bureaucracy, with its attendant evils, spreading its tentacles into the remotest byway of our decreasing business and, by its very growth and spread, tending to cause a further decrease. I am opposed to the rules and regulations and red tape and reports and notices and regimentation that contribute to the destruction of our business enterprises. There are too many theorists endeavoring to

control the Government and the economic and industrial life of the Nation.

The part which the Securities and Exchange Commission plays in these proceedings is certainly a new concept in our legal system. Experience shows that in administrative functions, at least, the numerous bureaus have entrenched themselves solidly and have usurped powers unknown to sound democratic government. The proper course to pursue is to devitalize some of these bureaus, rather than to bestow upon the same greater powers and increased authority.

Chapter X proposes that a governmental body shall intrude in private litigation between private parties, involving no public question, and take sides as between parties to that litigation. That they would take sides is obvious. If they were to conduct a fair examination of the affairs of the debtor there would necessarily be a hearing on the plan or plans which are submitted to their consideration. Naturally the group best able to convince the Securities and Exchange Commission would ultimately secure the greatest advantage in reorganization, irrespective of whether that plan were the most workable, the fairest, or in the best interests of creditors and the corporation as an entity.

Undoubtedly, in order to carry out the various and numerous activities and authority delegated to the Securities and Exchange Commission under this bill, it will necessitate the appointment of an army of administrative employees and attorneys. It is inconceivable that the result would be otherwise, with cases being filed daily with the Federal courts throughout the country. As pointed out, the detail entailed, and the study of plans by the Commission, will inevitably result in delay and postponement of the confirmation of a plan, which will result in prolonged litigation and the consequent diminution of assets of the debtor corporation.

A distinguished lawyer of Baltimore, Mr. James Piper, of the firm Piper, Carey & Hall, in a letter to me under date of May 19, of this year, states:

> Our office has handled a great many reorganizations under section 77B of the Bankruptcy Act, and I have been following with a great deal of interest chapter X of the proposed Chandler bill, which completely nullifies section 77B and substitutes for it reorganization provisions which are, in my opinion, entirely unworkable. * * *
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> As you will remember, after the last depression, there were a great many business reorganizations and section 77B was most helpful in providing a quick and relatively inexpensive method for enabling business concerns to reorganize and continue their operations. I am afraid, if the present depression continues much longer, a great many more business concerns will have to seek reorganization through the medium of the bankruptcy courts. * * *

Mr. Piper also states, in a memorandum sent to me:

> * * * It is believed that few officers, security holders, or employees of business corporations know the nature and scope of chapter X of the Chandler bill and the drastic so-called reforms which, if passed, it proposes to bring about. It represents another entirely uncalled for and ill-advised interference by the Government in the orderly conduct of private business now struggling to get back on its feet, and is based on the erroneous theory, stressed by Mr. Douglas, of the Securities and Exchange Commission, that when a corporation becomes financially embarrassed it is always due to the fraud and mismanagement of its officers, directors, and underwriters.

If there is to be a revision of section 77B at this time, notwithstanding the lack of any demand or need therefor, such revision should be directed at those deficiencies, if any, and slight misarrangements of section 77B, and not the complete emasculation of that section. Believing that this course is the proper one to pursue, I introduced an amendment to H. R. 8046 proposing to strike out in its entirety chapter X and substituting in lieu thereof a revision of section 77B.

Mr. President, during the discussion the amendment I have offered has been alluded to; but, in my opinion, it is so important and is so essential to meet the problems involved in reorganization of corporations that I feel constrained to further explain its provisions and its relation to the bill under consideration and to section 77B.

The proceeding is initiated by the filing of a petition for or against a corporation. The corporation must be one which could become a bankrupt under section 4 of the Bankruptcy Act, or a railroad or other transportation corporation, except only a railroad which could file a petition under section 77. Section 77B contains an additional exception. It provides, in subdivision (n), that a certain class of street railways in which municipalities have an interest may not file a petition. This exception is properly omitted from both my amendment and chapter X of H. R. 8046.

The petition must be filed in the jurisdiction in which the corporation has had its principal place of business or its principal assets during the preceding 6 months—or, as provided in my amendment, "for a longer portion of the preceding 6 months than in any other jurisdiction"—or in the territorial jurisdiction in which it was incorporated, except that a petition by or against a subsidiary may be filed in a court which has approved a petition by or against the parent corporation. A petition may also be filed in a court in which a bankruptcy proceeding is pending.

If the petition is by the debtor or is an uncontested creditors' petition, the court must approve it if it is satisfied that it complies with the act and has been filed in good faith. If a creditor's petition is contested, the issues raised by the answer must be tried, and if the material allegations are sustained by the proofs, the petition may be approved if the judge is satisfied that it complies with the act and has been filed in good faith.

Under 77B a creditors' petition requires at least three creditors having claims aggregating at least $1,000 in excess of the value of their securities, if any, in case their claims are secured. A 77B proceeding deals with both secured and unsecured creditors. My amendment properly eliminates the requirement that the value of any security must be deducted and increases the amount of claims which the creditors must have from $1,000 to $5,000. In this respect the amendment follows chapter X of H. R. 8046.

Creditors or stockholders may, prior to the 30-day hearing hereinafter referred to, file controverting answers to either a debtor's or a creditor's petition, and these issues must be tried. If the issues are determined in favor of the petition, it must be approved, if not previously approved. If determined adversely to the petition, the petition, or if previously approved, the proceeding must be dismissed. Seventy-seven B provides that to file a controverting answer creditors must have claims aggregating $1,000 in excess of the value of securities held by them and stockholders must hold at least 5 percent of any class of stock outstanding. My amendment permits any creditor or stockholder to file a controverting answer. Such an answer, if filed against a debtor's petition, would of course be filed after the approval thereof. The same would probably be the case if it were filed to an uncontested creditor's petition.

In such cases the petition would have been approved without any trial of the issues. If filed in answer to a contested creditors' petition, it would probably be filed before the trial of the issues and therefore before the approval of the petition. Nevertheless, under 77B a controverting answer by creditors or stockholders can be filed after the trial of the issues and approval of the petition, provided only that it is filed before the 30-day hearing hereinafter referred to. My amendment provides that if the issues have already been tried, they shall not be tried again pursuant to a controverting answer.

Section 77B prescribes what a debtor's petition must contain, but does not specify whether or not a creditor's petition must contain what a debtor's petition must contain. This obscurity is cured by my amendment. It provides that a creditor's petition must contain the same averments as a debtor's petition.

My amendment requires a petition, whether by or against a debtor, to allege substantially what 77B expressly requires a debtor's petition to allege, and in addition requires the petition to set forth facts showing "why adequate relief cannot be obtained under chapter XI of this act," that is, the composition provisions. This provision, if enacted, would make universal a rule of court adopted by the United States

District Court for the Southern District of New York in case of petitions by debtors.

My amendment clarifies a further provision of 77B with respect to a creditor's petition. Under 77B (a) a creditor's petition must state—

if a prior proceeding in bankruptcy or equity receivership is not pending, that it has committed an act of bankruptcy within 4 months.

This provision is obscure. By "proceeding in bankruptcy," does it mean before or after adjudication? By "equity receivership," does it mean before or after the appointment of a receiver? The provisions of my amendment on this point are clear. They mean after adjudication, or after the appointment of a receiver, as the case may be, and in addition eliminate the necessity of alleging the commission of an act of bankruptcy if an indenture trustee, by reason of default, is in possession of all or the greater portion of the property of the debtor, or if a foreclosure proceeding is pending by reason of a specific default or defaults which have not been remedied.

The essential averment of every petition, whether by the debtor or by creditors, is that the corporation is either insolvent or unable to pay its debts as they mature, and that it is desired that the corporation shall be reorganized.

Under 77B, as well as under the amendment I have offered, a creditor's petition may not be filed if a petition has been filed by the debtor. Under chapter X of H. R. 8046 the same is true, but it also provides that if a creditor's petition is filed, the debtor may not file a petition, even though the creditor's petition has not been approved. In this respect the Chandler bill differs both from 77B and my amendment. Why should creditors have the right to select the jurisdiction? Does the Chandler bill presume that the debtor would pick an inconvenient forum or does it presume that the creditors alone have the knowledge necessary to select the most convenient forum for all parties? The Chandler bill plays into the hands of strike suit artists, and some creditors' petitions undoubtedly have been filed by such; 77B (a) makes adequate provision in case a petition is filed in an inconvenient forum. It provides that the court, upon application, can transfer a petition to the most convenient forum, as does section 131 of my amendment.

Seventy-seven B (c) (1) requires the court, immediately upon the approval of the petition, to temporarily continue the debtor in possession or to appoint a trustee, and further requires the court to fix a hearing to be held within 30 days after 2 weeks' notice to creditors and stockholders for the purpose of determining whether to continue the debtor in possession or to appoint a trustee, or if a temporary trustee was appointed whether to make the appointment permanent or restore the debtor to possession. My amendment likewise so provides, and in addition expressly provides that at the 30-day hearing any question can be considered which may arise in the proceeding. This provision for a 30-day hearing is an important provision in the act. It affords creditors and stockholders an early opportunity to appear in the proceeding and state their grievances, if they have any. There is no such requirement in the Judicial Code for an equity receivership proceeding. Chapter X of House bill 8046 permits this hearing to be delayed for 60 days. Creditors and stockholders are entitled to an earlier opportunity to be heard.

Upon the approval of a petition the court acquires exclusive jurisdiction over the debtor and its property, wherever located. My amendment further provides, in section 126, that the court shall also have "jurisdiction of the creditors, stockholders, and indenture trustees of the debtor wherever domiciled."

Under 77B (c) the judge, upon the approval of the petition, is given an enumeration of powers, all of which are conferred upon the judge under section 130 of my amendment in addition to several others; 77B (c) authorizes the judge, upon the approval of the petition, to authorize the continuance of the operation of the business of the debtor; to authorize the issuance of so-called receivership certificates; to require the filing of schedules and such other information as may be necessary to disclose the conduct of the debtor's affairs and the fairness of any proposed plan; to require the filing in the proceeding of a list of bondholders and creditors by either the debtor or the trustee; to direct the rejection of executory contracts; to determine the time within which and the manner in which claims and interests shall be filed or evidenced and allowed; to classify creditors and stockholders for the purposes of the plan; if a plan is not proposed or accepted within such reasonable period as the judge may fix, to dismiss the proceeding or enter an order of liquidation; to allow reasonable compensation for services rendered and reimbursement for actual and necessary expenses incurred in connection with the proceeding and the plan; to stay suits and judicial proceedings to enforce liens; and to refer matters to special masters for hearing and report.

My amendment in section 130 likewise provides, except that it deprives the court of the power to reject an executory contract if it is in the public authority, and permits the judge to refer to a special master, who may be a referee, with power to hear and report all questions not reserved to the judge, and to refer to such a special master, with power to hear and determine, all quesions reserved to the judge.

In addition to the powers conferred upon the judge by 77B (c), the amendment, in section 130, confers upon the judge the power to authorize the sale or lease of property of the debtor, to require persons other than the debtor or trustee, having possession of a list of stockholders or creditors, to file a list thereof in the proceeding, to permit officers of the debtor and other witnesses to be examined, and to appoint an officer for the purpose of making an investigation. With the possible exception of the power to authorize a sale or lease, all of the additional powers expressly conferred by the amendment are impliedly conferred by section 77B and have been exercised by the courts.

Section 77B (c) (2) provides that a trustee, if appointed, shall have the title and shall exercise all the powers of a trustee appointed pursuant to section 44 of the Bankruptcy Act, and, if authorized by the judge, shall have "the same powers as those exercised by a receiver in equity." The last provision of 77B (c) provides that if a trustee is not appointed the debtor shall continue in possession and shall have the same title and powers as a trustee. Express provision is made that in case the debtor is continued in possession, the officers shall be entitled to such reasonable compensation as the judge may from time to time approve, and that no person shall be elected or appointed to any office, to fill a vacancy or otherwise, without the prior approval of the judge.

In my opinion the amendment—sections 158–159—is an improvement over these provisions. The amendment provides that the "trustee shall be vested with the title to all of the property of the debtor, wherever located, and to the immediate possession thereof," and shall have and exercise the same rights and powers and be subject to the same duties as a receiver in equity would have if appointed by a Federal court.

Under the Bankruptcy Act the prime duty of the trustee is to sell the property of the bankrupt, and, after meeting the expenses, to distribute the proceeds among the creditors. This is not the function of a trustee under 77B. A liquidation of the debtor in a 77B proceeding would defeat the objective thereof.

One further slight change is made in the amendment with respect to a debtor in possession. It permits a director to be elected without the prior approval of the court; it only provides that he cannot qualify until such approval is obtained. Before an election of directors is held at a stockholders' meeting, in many cases, it is difficult, if not impossible, to determine whom the stockholders will elect. It is therefore better to provide, as does the amendment, that the qualification

rather than the election of the director shall be subject to the prior approval of the judge.

A plan must be proposed under section 77B (d) either by creditors holding 25 percent of a particular class and not less than 10 percent in amount of all claims against the debtor—these percentages being reduced to 10 percent and 5 percent, respectively, in the amendment—or by stockholders holding not less than 10 percent of any class and not less than 5 percent of the total number of shares of all classes—the same percentages being retained by the amendment—of the debtor.

A plan must be proposed at a hearing noticed for its consideration or for the consideration of any other plan. My amendment provides that the proposer may file his plan with the clerk of the court. This eliminates the necessity of holding an unnecessary hearing for the mere proposal of a plan.

The amendment further provides that a plan may be proposed by a trustee or by an indenture trustee "if authorized by the judge."

Every plan must comply with 77B (b), which provides what a plan must or may provide, and the amendment in section 141 contains substantially the same provisions, with some textural revision and with the elimination of some obscurities in subdivision (b).

The amendment contains an improvement over the provisions contained in 77B (b) which deal with the protection of creditors and stockholders where the required percentages do not accept the plan. This protection is preserved but my amendment makes binding the plan on those of such a class who do actually accept.

A plan may be accepted both before or after the filing of the petition, both under 77B (e) and the amendment, and must be accepted by two-thirds in amount of each class of creditors affected and by the majority of each class of stockholders affected. After it is accepted it may then come up for confirmation. If the debtor is a public utility the plan must be submitted to each regulatory commission having jurisdiction over the debtor, with the right to such commission to be heard. The provision on this point is the same in my amendment as in 77B. Also the amendment contains the provisions of 77B relating to intrastate utilities.

The judge is authorized to confirm a plan if satisfied that it is fair, equitable, not unfairly discriminatory and feasible, has been accepted by the required percentages, the provisions relating to State commissions have been complied with, the plan has been offered in good faith, and all compensation and expenses, whether to be paid by the debtor or any corporation issuing securities or acquiring property under the plan or by others, have been disclosed and are reasonable, or are subject to the approval of the judge.

My amendment does not, as does 77B, require the judge to be satisfied that—

> The debtor, and every other corporation issuing securities or acquiring property under the plan, is authorized by its charter or by applicable State or Federal laws, upon confirmation of the plan, to take all action necessary to carry out the plan, and that in case the debtor is a utility corporation subject to the jurisdiction of a regulatory commission or commissions or other regulatory authority or authorities, created by the laws of the State or States in which the properties of the debtor are operated, all authorizations, approvals, or consents of each such commission or authority required by the laws of such State or States have been obtained.

In this respect the amendment I have offered conforms to chapter X of H. R. 8046.

Before or after the plan is confirmed amendments may be made under both 77B and my amendment, provided they are approved at a hearing, after notice to stockholders and creditors. If the amendment does not affect materially or adversely a creditor or stockholder affected by the plan, he is not permitted to withdraw a previous acceptance. If the amendment does affect him materially or adversely, he is given a time, to be fixed by the court, within which to withdraw his acceptance. If he does not withdraw his acceptance, his acceptance stands. This is in conformity with the former equity-receivership practice under the old conventional protective committee agreements.

The confirmation of a plan makes it binding upon the debtor and every creditor and stockholder, whether or not such creditors and stockholders are affected by the plan, have filed their proofs of claim, or have accepted it.

Under 77B the orders of State commissions, requisite to the carrying out of the plan, must be obtained before it is confirmed. Under my amendment, as well as under the Chandler bill, such orders must be obtained after the plan has been confirmed. In this respect both the amendment and chapter X are an improvement over 77B.

The requirement that such orders must be obtained is merely declaratory of the law. Even without any provision in the act with respect to State commissions, all such orders would have to be obtained as are required by State law. A utility could not issue securities under the plan unless it first obtained whatever approval is required under State law. Nor could a utility transfer its property to another corporation pursuant to a plan without obtaining the consent of a State commission if such consent was requisite under State law. It does no harm, however, to include in the act the provisions having to do with State commissions and obtaining from them the necessary approvals and authorizations.

After the requisite orders of State commissions are obtained, in case of a utility operating in a State which requires such orders, the plan is then carried out. The debtor either retains the property if the plan so provides, or it is transferred to another corporation, which may be a corporation previously organized or one organized for the purpose. The court is given the power to direct mortgage trustees, and so forth, to join in the necessary conveyances.

After the plan is consummated a final decree is entered discharging the debtor from all debts, terminating all rights of stockholders except as provided in the plan or in the order directing or authorizing the transfer of property, also discharging the trustee, and making such provision by way of injunction or otherwise as may be equitable and closing the case.

The amendment contains one additional provision relating to the consummation of a plan which is not contained in 77B. It permits the judge to fix a time to expire not sooner than 5 years after the final decree closing the estate within which creditors and stockholders must exchange their securities, or creditors their claims, after which time no claim or stock shall participate under the plan. All securities or cash remaining unclaimed at the expiration of the period become the property of the debtor or of the new corporation acquiring the assets of the debtor, or as shall be otherwise provided in the plan. These provisions in my amendment are an improvement over 77B. They permit a date to be fixed after which the balance sheet of the reorganized company will be final.

It will be seen from the foregoing that under section 77B, as well as under my amendment, only one hearing is required before a court with respect to a plan, namely, the hearing for confirmation. Under 77B plans were usually proposed at such hearing.

Chapter X of H. R. 8046 requires four hearings before the court: (1) One on the plan of the trustee or his report that none can be effected, at which time a plan can be submitted by any creditor or stockholder or by the debtor; (2) the hearing for determining which plans are worthy of consideration; (3) the hearing for the approval of plans found to be fair, equitable, and feasible; and (4) the hearing for confirmation after the requisite acceptances have been obtained.

In addition, if the plan is referred to the S. E. C., there will probably be protracted hearings before the S. E. C. There will also probably be informal hearings before the trustee by representatives of creditors and stockholders who have submitted suggestions for the formulation of plans.

All of this, however, would not take place until after the trustee had completed his investigation, prepared his report

containing the results, and mailed a copy to every creditor and stockholder.

Section 77B (c) confers upon every creditor and stockholder the right to be heard on the permanent appointment of a trustee and the confirmation of a plan, and upon obtaining leave to intervene, upon any other question arising in the proceeding. 77B (c) requires the judge to give notice to stockholders and creditors of all hearings for the consideration of the plan or the dismissal of the proceedings or the liquidation of the estate or the allowance of fees and expenses. In addition, notice must be given to all creditors and stockholders of the 30-day hearing, as has already been pointed out.

In the respects mentioned 77B was an improvement over equity receivership practice, in which seldom was notice required to be given to all creditors and stockholders. My amendment contains the same provisions, and in addition requires notice of any hearing to be held for the purpose of continuing the debtor in possession, or restoring it to possession, to be given to all creditors and stockholders, and further expressly provides that every creditor and stockholder, without obtaining leave to intervene, shall be entitled as a matter of right to be heard upon all questions of which notice is required to be given to all creditors and stockholders. These provisions of the amendment are contained in sections 130 (13) and 173.

The debtor under both 77B and the amendment is given the right to be heard on all questions.

Section 77B permits, as does section 172 of the amendment, the judge to disregard any provision of any deposit agreement, proxy, power, or warrant of attorney, mortgage, indenture, or deed of trust, or committee or other authorization, to enforce an accounting thereunder, to restrain the exercise of any power which it finds to be unfair or not consistent with public policy, and to limit any claim or stock acquired by any committee or representative of creditors or stockholders in contemplation or in the course of the proceeding to the actual consideration paid therefor.

In addition, section 171 of the amendment requires a committee to file in the proceeding a copy of the instrument empowering him to act, as well as a statement of facts with respect to its origin, etc.

Every proceeding under 77B must terminate in either a reorganization, or a dismissal—solvency may intervene—or a liquidation.

Provision is made that in case the proceeding is dismissed, the judge may make appropriate provision with respect to obligations incurred by the debtor or the trustee during the proceeding and for the payment of allowances. If at the time of the institution of the 77B proceeding a prior proceeding was pending, the judge is authorized to restore the property to a receiver appointed in the prior proceeding.

The corresponding provision is contained in section 178 of the amendment, with no change in substance.

Section 77B (k) provides that if an order of liquidation is entered, certain specified sections of the Bankruptcy Act shall apply. The corresponding provision is contained in section 180 of my amendment. It is an improvement over 77B.

Section 77B (i) expressly provides that a proceeding can be instituted notwithstanding that a prior proceeding is pending in which a receiver or trustee has been appointed, whether by a Federal or a State court. The amendment I have offered likewise so provides.

Section 77B contains various miscellaneous provisions. The running of statutes of limitations is tolled. The consummation of plans of reorganization are exempted from stamp taxes. The issue of securities pursuant to such plans is exempted from the Securities Act of 1933, as amended. Laboring men are protected; during the running of the proceeding they cannot be compelled to join a union and funds of the debtor cannot be used to maintain company unions. All of these provisions, with revision, are contained in my amendment. In addition, it provides, in section 193, that no income tax shall arise upon a reduction of indebtedness resulting from the consummation of a plan; that if any person acting in the proceeding in a fiduciary capacity has acquired or transferred any securities after the commencement of the proceeding, the same may be taken into consideration by the judge in fixing the amount of compensation or reimbursement which may be allowed to such person.

In the foregoing all of the principal provisions of 77B are summarized. There are, of course, additional provisions of minor importance which are not referred to.

This amendment retains the expeditious and relatively inexpensive reorganization procedure prescribed in section 77B, as well as the flexibility of section 77B. In my opinion, in this respect it is a vast improvement over chapter X. If such an amendment were adopted, judges and lawyers the country over would not have to learn a new procedure, in view of the fact that it is the same as that contained in section 77B.

The amendment to which I refer recognizes that a reorganization proceeding is essentially an equity proceeding, requiring the flexibility of equity and is not a rigid bankruptcy proceeding. In this respect it is also an improvement over H. R. 8046, chapter X. The latter ties up the proceeding too closely to the Bankruptcy Act and many of its provisions are too rigid and unelastic. Reorganization preserves the enterprise; bankruptcy destroys and liquidates. A reorganization proceeding must be elastic in order to be adaptable to every kind and character of corporation, capitalization, and reorganization. In bankruptcy all corporations receive the same treatment. With few exceptions, the business is stopped and the property is sent to the auction block.

Mr. Thomas K. Finletter, to whom I previously referred, has written a book entitled "Principles of Corporate Reorganization." On page 1 he says:

> Until the enactment in 1933 and 1934 of the amendments to the Bankruptcy Act, the principal method of reorganizing insolvent corporations was the Federal equity receivership. This judge-made procedure was a product of necessity, created without legislative aid. When the first insolvencies of the newly built railroads began in the middle of the nineteenth century there was no statutory or common-law process for reorganization to which they could turn. The public interest required that the roads be saved from dismemberment by their creditors, but Congress took no steps to provide the necessary legislation, disregarding the English precedent which had created statutory systems for the reorganization of the railroads in 1867 and for other companies in 1870. The Federal courts, with remarkable ingenuity, created the necessary judicial procedure. Using old equitable forms which were designed to convert the properties of an insolvent debtor into cash for distribution among its creditors, they evolved a proceeding which achieved the opposite results of preserving the properties intact and of readjusting the debts of the insolvent debtor.

Referring to the reorganization statutes passed by the Congress, he says, pages 2 and 3:

> Now, there is one underlying fact about these new laws which colors their whole quality. They are not bankruptcy laws at all. Bankruptcy procedure is a method of liquidation, and the new amendments are codifications of the old Federal equity receivership whose purpose is the opposite one of reorganization. The rules of law which make up the equity procedure were conceived with reference to the continuance of the enterprise as a going concern. The statutes and decisions which constitute the law of bankruptcy were formed with the object of liquidating the business and obtaining the maximum amount of cash for distribution to the creditors. The interpretation of the new reorganization acts accordingly must recognize their real ancestry. The principles of the equity receivership underlie nearly every substantive provision of the new amendments.
>
> The reason that the new laws are in the Bankruptcy Act is entirely a question of constitutionality. One of the reforms of the old equity receivership which was desired by the authors of the new laws was the elimination of the right of creditors who had not assented to the reorganization plan to demand cash in settlement of their claims. The constitutionality of such a provision under the Federal judicial power was questionable, whereas an early dictum of the Supreme Court had stated that, under the bankruptcy power, the decisions of the majority could be made binding on the minority. The determination to incorporate the new reorganization laws in the Bankruptcy Act thus was caused by constitutional expediency and not because bankruptcy procedure offered any precedent as a process for reorganization.

Mr. Garrett A. Brownback, speaking as a representative of the special committee on bankruptcy, of the New York Bar Association, in a statement to the Subcommittee on the Judiciary, said (Senate hearings, pp. 92–93):

> Reorganization is not bankruptcy. Mr. Justice Cardozo, in a decision in April 1936, so stated with respect to a railroad reorganization under section 77. The only reason why we consider 77B a bankrupt proceeding is because, for some of the changes effected in reorganization procedure, resort to the bankruptcy power is necessary. It required, for example, the exercise of the bankruptcy power to bind the minority if the requisite percentage accept the plan. Many of the remedies, however, accomplished by section 77B could have been accomplished by an amendment of the Judicial Code.
>
> The two proceedings are entirely different. In bankruptcy you have the same result in every case. The enterprise is destroyed, the assets converted into cash, the expenses are taken out, and the balance is distributed among the creditors. It may be that in bankruptcy some concerns are sold as a going concern. Usually business is stopped and the assets are sent to the auctioneer. Every corporation is treated the same way. A rigid, inflexible procedure is consequently appropriate. Not so in a reorganization. No two corporations are alike; no two capital structures are the same; no two plans are alike. Consequently, you must have a procedure flexible enough to meet the circumstances of each particular case.

That reorganization is an equitable procedure, not one of bankruptcy, was held in the case of *Lowden* v. *Northwestern National Bank & Trust Co.* (298 U. S. 160, 1936). In this case a question of set-off arose under section 68 (a) of the Bankruptcy Act in a railroad reorganization proceeding under section 77 (as enacted March 3, 1933). Mr. Justice Cardozo said:

> A proceeding to reorganize is not a bankruptcy, though an amendment to the Bankruptcy Act creates and regulates the remedy. * * * It (i. e., sec. 68) governs, if at all, by indirection and analogy according to the circumstances. The rule to be accepted for the purpose of such a suit is that enforced by courts of equity, which differs from the rule in bankruptcy chiefly in its greater flexibility, the rule in bankruptcy being framed in adaptation to standardized conditions, and that in equity varying with the needs of the occasion, though remaining constant, like the statute, in the absence of deflecting forces.

The amendment which I introduced does not incorporate any of the intricate, interminably long, obstructive, and expensive procedure which is contained in chapter X. This procedure is nothing less than a procedural abnormality.

The amendment incorporates many of the textual revisions contained in chapter X of H. R. 8046, as well as certain provisions therein which are improvements over section 77B. Wherever necessary the provisions of chapter X, which are incorporated, have been revised in order to preserve the flexibility of section 77B, an essential requirement of any reorganization procedure. It might be said, in fact, that it incorporates whatever of merit that is contained in chapter X.

The amendment rearranges the order of the provisions of section 77B in logical order, and in this respect it is an improvement over section 77B. In fact, the order of the provisions, as contained in the amendment, is more logical than the order contained in chapter X. It not only rearranges the provisions of section 77B in logical order but remedies and corrects the defects in draftsmanship therein contained.

The amendment remedies the most important omission in section 77B. This section does not make provision with respect to the jurisdiction of the court between the date of the filing of the petition and the date of its approval. The amendment remedies this by providing that, prior to approval, the jurisdiction of the court shall be the same as it would be had a bill in equity been filed for the appointment of a receiver of the corporation by a Federal court on the ground of insolvency or inability to pay its debts as they mature. This provision recognizes that a reorganized proceeding is in its nature a flexible equity procedure and not a rigid bankruptcy procedure.

The amendment also confers upon the judge, as does chapter X, express power with respect to lists of security holders in the possession of others than the debtor, and other improvements found in chapter X have been adopted.

The results of the labor already spent on chapter X will thus not have been in vain, and yet none of the novel features contained in chapter X, which will increase the duration of the proceeding and increase the cost, are contained in the amendment.

The procedure for the reorganization of corporations has been in a process of evolution for over a hundred years—more than double the life of the present Bankruptcy Act. The nature of reorganization proceedings differs entirely from that of bankruptcy. One contemplates the continuance and saving of the enterprise; the other its destruction and liquidation.

Bankruptcy proceedings lend themselves to rigid rules and procedure. Reorganizations, on the other hand, apply to many and varying corporations and a wide difference of corporate set-ups and often require entirely different treatment.

Nevertheless, chapter X approaches the question of corporate reorganization from the aspect of bankruptcy. It is obvious from the majority report and from the provisions of chapter X that it has been drafted by persons familiar with bankruptcy proceedings instead of by those familiar with the more flexible corporate reorganization procedure.

The majority report (p. 6) states that chapter X is amplified so as to leave no doubt that the provisions of chapters I to VII (the old Bankruptcy Act) are alone to be deemed applicable to reorganization proceedings. That the draftsmen of the bill viewed corporate reorganization proceedings as an expansion of a type of bankruptcy proceeding is found in the statement (p. 19) that:

> The most important contribution of section 77B to the development of the law was its adaptation of the device of bankruptcy compositions to the reorganization of large enterprises.

Corporate reorganizations, on the other hand, were well known many decides prior to the compositions section in the present Bankruptcy Act. Again on page 20 of the report, it is stated:

> There is need in section 77B for a more adequate statement of the applicability to that section of other provisions of the Bankruptcy Act.

There is no testimony before the committees of either House indicating that there is any need or claim by anyone that corporate reorganization proceedings would be improved by, or require the application of, the detailed provisions of the Bankruptcy Act which are intended to govern proceedings for liquidation of corporations instead of conserving them.

In conclusion may I say that, in view of the fact that section 77B has not as yet been proven inadequate to handle efficiently every necessary detail of a reorganization proceeding, it can only be apparent that to discard that section in favor of practices unproven and untried and which point to inevitable delay and prolonged litigation, would be a serious mistake. A more proper course to pursue, in my opinion, would be to allow section 77B to remain in effect for a long enough period to enable the Congress to ascertain in what respects 77B may be improved upon. The majority report is based on a false premise; that is, that injustices and inequities prevail under 77B. Such a premise is contrary to the evidence, and to proceed upon such a theory is utter folly, to say nothing of the injustice that would follow the enactment of chapter X. However, there seems to be a determination to enact a new bankruptcy act, even though it destroys one of the most vital and satisfactory provisions of existing law. This I regret. As I have indicated, aside from chapter X, the bill before us does not call for serious criticism; indeed, its provisions are generally satisfactory; but chapter X contains so many unjust and, indeed, oppressive and dangerous provisions that if it is insisted upon the Senate will be justified in defeating the entire bill. However, the amendment which I have offered eliminates the evils and dangers found in chapter X and if the amendment is accepted, then I am confident the bill will meet with general approval. I therefore appeal to the Senate to support the motion to strike out chapter X and to insert in lieu thereof the amendment which is now before the Senate.

SALE OR LEASE OF HOBOKEN PIER TERMINALS

During the delivery of Mr. KING's speech,

Mr. COPELAND. Mr. President, will the Senator yield?

Mr. KING. I yield.

Mr. COPELAND. I ask unanimous consent for the immediate consideration of House bill 10536, being Calendar No. 2129. It is a bill which has passed the House, and has been approved by the Committee on Commerce. There is some urgency about it. It has to do with the Maritime Commission selling or leasing the Hoboken Pier Terminals.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New York?

Mr. SCHWELLENBACH. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. SCHWELLENBACH. Has any business been transacted since the last quorum call?

The PRESIDING OFFICER. Yes.

Mr. SCHWELLENBACH. I have no objection.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New York?

Mr. KING. Mr. President, the Senator from Oregon suggested a few moments ago that he would object.

Mr. McNARY. Difficult as it is for me to object in this instance, I stated earlier in the day that I should object to the transaction of any business on the calendar until the call of the calendar, so that all might have an equal start. Toward the close of every session a number of Senators desire to take bills off the calendar without general notice that such bills are being taken up. I made that statement in objecting to the consideration of some other bills.

Mr. COPELAND. May I say to my genial friend that there is an urgency about this matter, because of pending negotiations. If the Senator will permit the consideration of this bill, I shall never again ask a favor like it.

Mr. McNARY. I stated, of course, that I would yield to an emergency, but I have not as yet heard an emergency detailed by the able Senator from New York. What is the emergency that requires the measure to be passed today? Why could it not be postponed until the next call of the calendar, which will probably be on Monday?

Mr. COPELAND. There are some negotiations with the Maritime Commission with reference to the sale or lease of the Hoboken pier terminals. It is a very familiar issue to the Senator. There are negotiations now pending in connection with which time is of the essence.

Mr. McNARY. Will the matter not keep without injury to any of the parties involved until Monday?

Mr. COPELAND. It might, except for the fact that I am leaving here at 5 o'clock today.

Mr. McNARY. Will the Senator be back on Monday?

Mr. COPELAND. I expect to be back on Monday.

Mr. KING. Will we not have a session tomorrow?

Mr. McNARY. I am advised that there will be no session tomorrow, and that is supported by a hope of my own. I hesitate to yield unless there is a very desperate emergency, because we are usually confronted by such situations at this stage of a session.

Mr. COPELAND. I think it is very important to have the matter dealt with now. That is my judgment.

Mr. McNARY. Has the bill passed the House?

Mr. COPELAND. It passed the House and has been recommended by our committee.

Mr. KING. Mr. President, I am an innocent bystander.

The PRESIDING OFFICER. Does the Senator from Utah object?

Mr. KING. I am an innocent bystander and will do whatever my brethren desire if thereby I do not lose the floor.

The PRESIDING OFFICER. The Chair understands that the Senator from Utah will not lose the floor if he yields by unanimous consent.

Mr. LEWIS. Mr. President, will the Senator from Utah permit me to ask the Senator from Oregon a question?

Mr. KING. I yield for a question. I do not care to lose the floor.

Mr. LEWIS. Did I understand the Senator from Oregon to protest because we would not have a session tomorrow?

Mr. McNARY. I predict that we will not have another session before Monday.

Mr. LEWIS. I beg pardon. I thought the Senator protested against taking a recess over tomorrow.

Mr. McNARY. No, indeed.

Mr. COPELAND. Mr. President, may I make a personal plea? I have been serving as chairman of eight conference committees; I have not been able to be on the floor very much of the time for 2 weeks. I am leaving tonight, and I hope the Senator will permit the bill to be considered.

Mr. McNARY. Very well. In view of that statement of the Senator from New York I withdraw my objection.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 10536) authorizing the United States Maritime Commission to sell or lease the Hoboken Pier Terminals, or any part thereof, to the city of Hoboken, N. J., was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the United States Maritime Commission is authorized for and on behalf of the United States, (1) to sell to the city of Hoboken, N. J., the right, title, and interest of the United States in the whole or any part of such real property now under its jurisdiction or control, and described in schedule A appended to a proclamation of the President of the United States, dated December 3, 1918, which was taken over by the United States by a proclamation of the President of the United States dated June 28, 1918, pursuant to the authority vested in him by the act entitled "An act making appropriations to supply deficiencies in appropriations for the fiscal year ending June 30, 1918, and prior fiscal years, on account of war expenses, and for other purposes," approved March 28, 1918, or (2) to lease to the said city of Hoboken the whole or any part of such aforementioned real property for any term up to 50 years, said sale or said lease to be on such terms and under such conditions as shall be mutually agreeable to the Maritime Commission and the said city of Hoboken: *Provided*, That any contract of lease executed between the Maritime Commission and the city of Hoboken under the provisions of this act shall expressly authorize the Maritime Commission and the said city, at or before the expiration of the original contract of lease, to enter into a new contract of lease of the same property and for a like term of years.

SEC. 2. In event that the Maritime Commission, in accordance with the provisions of this act, shall convey to said city all or any of the real property herein described, or in event that any such lease as is herein provided for, shall be executed between the Maritime Commission and the city of Hoboken, the Commission shall transfer any leases in existence upon the property so sold or leased at the time of said sale or lease, to the city of Hoboken and assign to it any future benefit to be received thereunder.

SEC. 3. In event the property herein described shall be sold to the city of Hoboken, the deed executed by the Commission shall contain express covenants that (1) in event of a national emergency the property so conveyed, with all improvements placed thereon, may be taken upon order of the President of the United States for the use of the War Department during the period of such emergency, but no longer: *Provided*, That just compensation shall be paid for any improvements placed thereon or made thereto, and (2) the said city shall not resell the property conveyed thereunder.

ROBERTA CARR—CONFERENCE REPORT

Mr. SCHWARTZ. Mr. President, I present a conference report.

Mr. KING. Does the report involve any controversy?

Mr. SCHWARTZ. I do not think so.

The PRESIDING OFFICER (Mr. RUSSELL in the chair). The report will be read.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 2191) for the relief of Roberta Carr, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses, as follows:

That the Senate recede from its amendment.

H. H. SCHWARTZ,
J. G. TOWNSEND, Jr.,
Managers on the part of the Senate.

AMBROSE J. KENNEDY,
ROBERT RAMSPECK,
FRANK CARLSON,
Managers on the part of the House.

Mr. SCHWARTZ. I move the adoption of the report.

The PRESIDING OFFICER. The question is on the motion of the Senator from Wyoming.

Mr. KING. I presume that the Senate amendment was the 10-percent provision which we put in such bills?

Mr. SCHWARTZ. No. The amendment related to the amount to be paid the claimant.

The PRESIDING OFFICER. The question is on agreeing to the report.

The report was agreed to.

MIRIAM GRANT—CONFERENCE REPORT

Mr. SCHWARTZ. I submit another conference report and ask for its adoption.

The PRESIDING OFFICER. The report will be read.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 6618) for the relief of Miriam Grant, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment.

H. H. SCHWARTZ,
J. G. TOWNSEND, Jr.,
Managers on the part of the Senate.

AMBROSE J. KENNEDY,
ROBERT RAMSPECK,
FRANK CARLSON,
Managers on the part of the House.

Mr. KING. Mr. President, may I ask the Senator whether the amendment in disagreement related to the 10-percent provision?

Mr. SCHWARTZ. No. There was a small difference between the House and Senate as to the amount of damages which should be paid.

Mr. KING. Was the amount of the House bill more or less than that of the Senate bill?

Mr. SCHWARTZ. The amount provided by the House bill was more than that provided by the Senate bill. I move the adoption of the conference report.

The PRESIDING OFFICER. The question is on agreeing to the report.

The report was agreed to.

REVISION OF BANKRUPTCY ACT

The Senate resumed the consideration of the bill (H. R. 8046) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto; and to repeal section 76 thereof and all acts and parts of acts inconsistent therewith.

Mr. WALSH. Mr. President, I ask unanimous consent that there be printed in the RECORD in connection with the debate on the bankruptcy bill a letter from a professor of the law school of Harvard University recommending the enactment of the bill, and pointing out some of its salient and beneficial provisions.

The PRESIDING OFFICER (Mr. SCHWELLENBACH in the chair). Is there objection?

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

LAW SCHOOL OF HARVARD UNIVERSITY,
Cambridge, Mass., June 6, 1938.

The Honorable DAVID I. WALSH,
Senator from Massachusetts, Washington, D. C.

MY DEAR SENATOR WALSH: When I talked to you on May 19 about the Chandler bill to amend the Bankruptcy Act, my mind was not fresh upon those portions of the bill which relate to the bankrupt's discharge. I find that I failed to give the bill credit for materially strengthening the law against improvident discharges in the following respects:

(1) The court is not to fix a time for hearing objections to the discharge until after the bankrupt shall have been examined (either at the first meeting of the creditors or at a meeting specifically fixed for that purpose) concerning his acts, conduct and property (sec. 14 (b), p. 27, lines 16–20).

(2) Objection may be made not only by the trustee or creditors but by the United States attorney or such other attorney as the Attorney General may designate (p. 28, lines 2–4).

(3) A composition or a wage-earner plan disenables a bankrupt from receiving a discharge for 6 years, even as a discharge in bankruptcy now does (p. 29, lines 1–2).

(4) A provision that the trustee may not oppose a discharge without a creditor's vote (occurring at the end of par. 14 (b) of the present law) has been omitted.

(5) A new provision, section 14 (d), has been added which requires the United States attorney, or such other attorney as the Attorney General may designate, upon request by the court, to examine into the acts and conduct of the bankrupt, and if satisfied, that probably grounds exist for the denial of the discharge, and that, if the public interest so warrants, to oppose the discharge in like manner as provided in the case of a trustee (p. 29).

(6) A new paragraph (e) provides that if the bankrupt fails to appear at the hearing upon his application for discharge or refuses to submit to examination or has at other times failed without sufficient excuse to submit to examination, he shall be deemed to have waived his discharge.

Technical defects in section 29 relating to offenses have been supplied by including concealment of assets from custodians and marshals as well as from receivers and trustees. The making of any false entry in a document is also specifically referred to along with destroying, mutilating, or falsifying the book or document. A penalty of fine has been added to the existing permitted penalty of imprisonment.

In general our theory has been to increase the efficiency of the administration and provide that objections to discharges be more frequently and vigorously prosecuted. In general the existing grounds for objecting to a discharge and the existing offenses are sufficient if adequately administered.

Sincerely yours,

JAMES A. MCLAUGHLIN.

Mr. O'MAHONEY. Mr. President, the Senator from Florida [Mr. PEPPER] on May 24 introduced a bill to amend what is popularly known as the Municipal Bankruptcy Act. That bill, Senate bill 4071, was sent to the Committee on the Judiciary and was considered by that committee.

At the meeting last Monday the subcommittee having the bill in charge reported to the full committee and, as I recall, recommended that the bill should pass. I had an understanding with the Senator from Florida that if it should be recommended by the committee I would raise no objection to its being presented as an amendment to the pending bill.

All the amendments having been disposed of, I call the attention of the Senator from Florida to the fact that the time has come for him to propose the amendment. Let me say, however, that instead of referring to chapter X as his bill does the amendment should refer to chapter IX. Chapter X was the original designation of the Municipal Bankruptcy Act, but that designation has been changed by an amendment which was adopted earlier today. The fact that the original Municipal Bankruptcy Act was found to be unconstitutional made this change desirable. The act of August 16, 1937, which was passed after the decision of the Supreme Court upsetting the former act enacted chapter X instead of the old chapter IX. The committee amendment heretofore adopted makes the act of August 16 chapter IX, and inasumch as that is the act the Senator desires to amend, that change should be made.

Mr. PEPPER. Mr. President, I gladly accept the amendment suggested by the Senator from Wyoming, and in behalf of the general amendment, which I will perfect as the Senator from Wyoming suggests, I should like to say that the reason for the proposed amendment to the municipal bankruptcy bill, which was adopted at the last session of the Congress, was that it was found by experience that that measure did not cover certain cases which should be covered, with respect to municipal refinancing or municipal settlement of obligations. The cases that were found not to be covered by the municipal bankruptcy law were cases where there had been a partial refunding of municipal obligations. Thereafter the question presented was whether or not the municipality could resort to court procedure under the municipal bankruptcy law and obtain any relief against a recalcitrant minority of its creditors who would not participate in the refunding, but who insisted upon dollar for dollar of the face value of the obligations which they held in hand.

The Circuit Court of Appeals for the Fifth Circuit, passing upon the municipal bankruptcy law of last session, adjudicated that that law did not apply to that kind of a situation, and there came to be then a general demand from many municipalities in my State, and as I have learned from reliable authority, from many municipalities in other

States, for an amendment to the municipal bankruptcy law which would give them an opportunity to take advantage of the municipal bankruptcy law. This matter was carefully examined by a subcommittee of the Committee on the Judiciary and by the full Committee on the Judiciary, and comes before the Senate with a favorable report. I earnestly hope that the amendment will be agreed to.

Mr. O'MAHONEY. Mr. President, I was unaware of the fact that the amendment offered by the Senator from Utah had not been disposed of when I took the floor to call the Senator from Florida to the Chamber. Therefore before the amendment of the Senator from Florida is presented, I desire to say just one or two words about the amendment offered by my distinguished and able friend from Utah.

With respect to chapter X of the bill, I think the whole story was told to the subcommittee by one of the witnesses who came before it. It is not necessary to mention his name, but he was one of those who was urging the point of view so very ably expressed by the Senator from Utah this afternoon. He declared it to be his understanding that with respect to these large companies which apply for 77B relief, 85 percent of the stock is owned by persons holding 100 shares or less. Then he said that in matters of reorganization the consideration should not be given so much to those stockholders or to the creditors as it should be given to the management. It was his thought:

> These are stockholders and bondholders, Mr. Chairman, and they are not managers. They are busy with their own affairs.

Meaning the stockholders and bondholders.

> The natural people to reorganize the company are the ones who have controlled it in the past and the underwriters.

It is precisely to prevent that sort of reorganization that chapter X has been proposed.

The bill in its present form guarantees to the bondholders and the stockholders—that is to say, to the creditors and to small stockholders—that the expert advice of a competent public authority, the Securities and Exchange Commission, shall be available to the courts in passing upon reorganizations. Neither the managers nor the underwriters are entitled to control matters, and even though worthless stock has often been issued it is for the court, with the expert advice of the Securities and Exchange Commission, to decide what is to be done.

I hope, therefore, that the amendment of the Senator from Utah will be rejected.

The PRESIDING OFFICER (Mr. HILL in the chair). The clerk will state the amendment proposed by the Senator from Florida.

Mr. O'MAHONEY. Mr. President, I ask that the amendment offered by the Senator from Utah be disposed of first.

The PRESIDING OFFICER. The Chair is advised that the amendment of the Senator from Florida is an amendment to the section which the Senator from Utah has asked to be stricken and in place of which he proposes new language.

Mr. O'MAHONEY. The amendment of the Senator from Florida is to be inserted as subparagraph (b) of section 3.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Utah [Mr. KING] to strike out chapter X of the bill and to insert new language in place thereof.

The amendment was rejected.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Florida [Mr. PEPPER].

Mr. PEPPER. I ask that the amendment be agreed to.

Mr. AUSTIN. Mr. President, I ask that the amendment be stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Florida will be stated.

The CHIEF CLERK. At the proper place in the bill it is proposed to insert the following:

> *Be it enacted, etc.*, That the act of July 1, 1898, entitled "An act to establish a uniform system of bankruptcy throughout the United States", as approved July 1, 1898, and acts amendatory thereof and supplemental thereto, be, and they are hereby, amended by adding to chapter IX thereof a new section to be designated section 83 (j), to be and to read as follows:
>
> "SEC. 83. (j) The partial completion or execution of any plan of composition as outlined in any petition filed under the terms of this act by the exchange of new evidences of indebtedness under the plan for evidences of indebtedness covered by the plan, whether such partial completion or execution of such plan of composition occurred before or after the filing of said petition, shall not be construed as limiting or prohibiting the effect of this act, and the written consent of the holders of any securities outstanding as the result of any such partial completion or execution of any plan of composition shall be included as consenting creditors to such plan of composition in determining the percentage of securities affected by such plan of composition."

Mr. AUSTIN. Mr. President, I should like to ask the Senator from Florida whether the purpose of his amendment is to get outside of the prohibition in the pending bill against negotiation or solicitation. Is that the purpose of the amendment?

Mr. PEPPER. No, indeed; my amendment has no relation whatsoever, Mr. President, as I understand it, to the case put by the Senator from Vermont.

Mr. AUSTIN. Assuming that the minority has agreed upon some plan, is it the purpose of the Senator's amendment to add that minority to such creditors as may be obtained to agree with it? In other words, what is the purpose of the amendment?

Mr. PEPPER. Mr. President, I will state the purpose. Let us assume that under the existing municipal bankruptcy law a municipality which had engaged in no partial refunding of its obligations desired to make some adjustment of its total obligations outstanding. Under the existing municipal bankruptcy law, which was passed after its amendment occurred at the last session, that municipality could obtain the consent of 51 percent of its outstanding obligees, and present that to the court along with a plan of composition, and if two-thirds of all the obligees agreed to that plan of composition, then it would be possible for the court, by the approval of that plan, to put it into effect, and the plan would bind all the obligees. That is the provision of the existing municipal bankruptcy law.

Before that municipal bankruptcy law went into effect there were a number of municipalities which had engaged in a partial refunding, or, rather, had inaugurated a refunding program, which had been partially completed, but, in the absence of any laws to aid them, they were completely at the mercy of a recalcitrant minority of their obligees as to whether or not that refunding plan could succeed.

A very few bondholders could prevent the accomplishment of the whole refunding program, no matter if 98 percent of the obligees might desire that it go into effect.

Thus we found, after the passage of the municipal bankruptcy act, that it only provided that municipalities might have access to that act for the adjustment of their total outstanding obligations. When a case arising in West Palm Beach, Fla., went up on appeal, the United States Circuit Court of Appeals for the Fifth Circuit held that the municipal bankruptcy law was not applicable to that kind of a situation. That the consent of even 98 percent of the bondholders could not get the case into court for a fair consideration by a Federal judge. So my amendment merely proposes that municipalities coming within that class shall have resort to the Federal court, through the means of the municipal bankruptcy law, for a fair adjustment of their obligations upon the same principles that are laid down by the original Municipal Bankruptcy Act.

Mr. AUSTIN. Mr. President, I recall this matter coming up at that time in the Committee on the Judiciary, and that we did not have time to give it a thorough study; and I must submit that I cannot see offhand whether this creates a special class of creditors——

Mr. O'MAHONEY. It does not do that.

Mr. AUSTIN. Or a special class of debtors.

Mr. O'MAHONEY. It does not.

Mr. AUSTIN. Or whether it sets up a discrimination against any other class.

Mr. O'MAHONEY. It does not.

Mr. AUSTIN. I shall have to depend on the Senator from Wyoming for advice on that point.

Mr. O'MAHONEY. As I understand, 85 percent of the bondholders in the particular case have agreed to the proposal, but the agreement was made at such a time that it does not satisfy the present law. A bill identical with that of the Senator from Florida was introduced in the House by Representative WILCOX. It went to the House Judiciary Committee, and it was recommended favorably by that committee, and is now, as I understand, upon the calendar. A special subcommittee of the Senate Committee on the Judiciary considered it, and at the meeting of the committee last Monday the Senator from Delaware [Mr. HUGHES] presented the report of that subcommittee. It was about to be accepted, and the bill was to have been reported favorably, when I suggested that the matter be held over in order that I could have an opportunity of reading the record and having it offered as an amendment to the bill now before us. I assure the Senator that the amendment is quite satisfactory. It is only a technical matter.

I hope the amendment will be adopted.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Florida [Mr. PEPPER].

The amendment was agreed to.

The PRESIDING OFFICER. If there be no further amendments to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

Mr. O'MAHONEY. I move that the Senate insist upon its amendments, request a conference with the House thereon, and that the conferees on the part of the Senate be appointed by the Chair.

The motion was agreed to; and the Presiding Officer appointed Mr. O'MAHONEY, Mr. CONNALLY, and Mr. AUSTIN conferees on the part of the Senate.

REIMBURSEMENT OF EASTERN AND WESTERN CHEROKEES

Mr. LEE. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Senate bill 4009, to reimburse the eastern and western Cherokees for funds erroneously charged against them, and for other purposes. The consideration of this bill was objected to by the Senator from Tennessee [Mr. MCKELLAR]; I have spoken to him about it and he has withdrawn his objection. I had hoped he would be here this afternoon. I ask unanimous consent that the bill be considered.

Mr. AUSTIN. Mr. President, I am obliged to object, regardless of what the bill is. An announcement was made by the leader of the minority a short time ago that unanimous consent would not be given by the minority for the consideration of any bill until it was reached on the calendar, other than the bill which I understand it was agreed yesterday should follow the pending business. Therefore I object.

AMENDMENT TO WALSH-HEALEY PUBLIC CONTRACTS ACT

Mr. BARKLEY. Mr. President, last Tuesday, on the call of the calendar, Senate bill 2165, amending the Walsh-Healey Act, was passed and in due course it went to the House. Yesterday the Senator from Utah [Mr. KING] obtained unanimous consent that the House be requested to return the bill to the Senate. I was not on the floor at the time. Otherwise, I should not have consented to that procedure.

The House sent the bill back, and it is now on the table. Under the rules, a motion to reconsider the vote by which a bill is passed must be made within 2 days after it is passed. No motion having been made up to this time, and the time having expired yesterday, a motion to reconsider is not now in order. Reconsideration could be had only by unanimous consent, and I could not consent to that procedure.

Therefore, I ask that the bill be returned to the House, so that the House may take such action upon it as it may see fit to take.

Mr. AUSTIN. Mr. President——

The PRESIDING OFFICER. The motion not having been made within the time prescribed by the rule, the bill will be returned to the House. Rule XIII, with regard to reconsideration, is very clear.

Mr. AUSTIN. Mr. President, will the Chair permit me to be heard?

The PRESIDING OFFICER. If the Senator wishes to address the Chair, the Chair will be delighted to hear from the Senator from Vermont.

Mr. KING entered the Chamber.

Mr. AUSTIN. At the time the request of the Senator from Kentucky was made the Senator from Utah [Mr. KING] was not present. I noticed his absence. However, he is now present.

Mr. BARKLEY. I talked with the Senator from Utah about the matter.

Mr. NEELY. Mr. President——

Mr. BARKLEY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BARKLEY. As I understand, automatically the papers will be returned to the House.

The PRESIDING OFFICER. They will be.

Mr. LUNDEEN. Mr. President——

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

Mr. BARKLEY. Mr. President, yesterday there was an understanding that the Senator from West Virginia would be recognized in order to permit him to move the consideration of the civil-service retirement bill.

The PRESIDING OFFICER. The name of the Senator from West Virginia is not on the list. If the Senator's name is placed on the list, the Chair will recognize the Senator from West Virginia.

AMENDMENT OF CIVIL SERVICE RETIREMENT ACT

Mr. NEELY. Mr. President, let me observe that it does not matter whether a Senator's name is on the presiding officer's list. The rules of the Senate unconditionally require the presiding officer to recognize the Senator who first addresses him. Senators frequently seek and obtain promises of recognition in a certain order. The performance of such promises constitutes a glaring and reprehensible violation of the rules. No reflection upon the present occupant of the chair is intended. But while we are making laws for others, I insist that we obey those which we have made for ourselves.

Mr. President, I now move that the Senate proceed to the consideration of Senate bill 457, the purpose of which is to amend sections 1 and 6 of the Civil Service Retirement Act, approved May 29, 1930, as amended.

The PRESIDING OFFICER. The question is on the motion of the Senator from West Virginia.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 457) to amend sections 1 and 6 of the Civil Service Retirement Act, approved May 29, 1930, as amended, which had been reported from the Committee on Civil Service, with an amendment.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. NEELY. I yield to the Senator from Kentucky.

Mr. BARKLEY. A number of Senators have asked that a brief explanation of the bill be made, so that they may understand it. Does the Senator object to a brief explanation of the measure, so that Senators who have not had an opportunity to study it may understand what it is?

Mr. NEELY. Mr. President, it is late; the Senate is tired, and I shall be very brief. Before I explain the bill let me express my heartfelt gratitude to the Senator from Vermont [Mr. GIBSON], who introduced a bill similar to the one which is now before the Senate; to the Senator from Tennessee [Mr. MCKELLAR], the Senator from Georgia [Mr.

GEORGE], the Senator from Kentucky [Mr. LOGAN], and last but by no means least, the Senator from South Dakota [Mr. BULOW], the able chairman of the committee. All of these have patiently, persistently, industriously, and effectively helped to perfect the important bill which is now under consideration.

In behalf of economy of time, a concise analysis of the changes in existing law which the bill aims to make, will be substituted for a general discussion of the measure.

The civil-service retirement laws of many of the States, the retirement laws of many of our great cities, and those of some of our private corporations are more liberal than the present Federal Retirement Act.

The principal purpose of the bill is to provide additional benefits for Federal civil-service employees.

Section 1 reduces the age at which the employee, at his option may, after 30 years of service, retire. The present ages of retirement, depending upon the nature of employees' service are as follows, 68, 63, and 60. These ages are reduced to 64, 60, and 58, respectively.

Section 2 provides for three 1-year extensions of appointments beyond the retirement age when desired by the employee and approved by the Commission. It also provides that by Executive order additional 1-year extensions may be granted to an employee when in the President's judgment the public service requires the continuance of such employee because of his expert knowledge.

Section 3 adds a provision to the existing law which permits an employee to select one of two joint survivorship annuity plans, commonly referred to as "widow's annuity."

Section 4 provides that employees who are retired for disability shall be kept on the retirement rolls for 12 months after complete recovery, while they are endeavoring to get reinstated in the service. The present period of retention is 90 days.

Section 5 increases the employee's contributions to 4 percent of his basic salary, pay, or compensation. The present law provides for 3½ percent. The Board of Actuaries estimates that this half of 1 percent increase will result in an annual saving to the Government of $508,000.

Section 6 adds a provision to the existing law which will permit employees to deposit additional amounts of from 1 percent to 10 percent of their salary with the Government for the purpose of purchasing additional annuities. These deposits will draw 3-percent interest, compounded annually.

Section 7 changes the existing law for returning salary deductions to the employee when he leaves the service. It provides that upon involuntary separation of an employee from the service he shall be repaid all salary deductions with interest compounded annually at 4 percent. But if the employee voluntarily resigns or is removed for cause, he is repaid as follows:

Salary deductions to July 1, 1938, with interest at 4 percent, plus salary deductions after July 1, 1938, with interest at 3 percent. The present law provides for a return of deductions with 4-percent interest in all cases.

The estimated cost of the bill is as follows:

Increase in the Government's contribution to retirement fund	$589,000
Administrative cost of survivorship plan	15,000
Total cost	604,000

Mr. President, the Civil Service Commission opposes only the first section of the bill.

To the best of my information and belief the representatives of all the various groups of Federal employees to whom the present law applies not only approve the bill in its entirety, but vigorously urge that it be passed. I sincerely hope that the Senate will place upon the measure its stamp of approval before the end of the day.

Mr. ASHURST. Mr. President——

Mr. NEELY. I yield to the Senator from Arizona.

Mr. ASHURST. I was interested in the analysis which the able Senator from West Virginia has given of the bill. It is because I am abysmally ignorant of the subject that I ask this question:

On Capitol Hill or around the Senate and the House—the so-called Capitol Hill—many persons have worked, some of them for 30 years. Is any provision made for their retirement? I refer to those who have been in the employ of Senators and Representatives as clerks and secretaries, though not always for the same Senator or Representative. Is any provision for their retirement found in this bill? If not, why not?

Mr. NEELY. Mr. President, the bill contains no special provisions for those to whom the eminent Senator from Arizona refers. He will doubtless remember that the clerks to Senators enjoy a retirement status under existing law.

But there are still many Government employees on Capitol Hill who have not been granted retirement privileges. For example, the Senate doorkeepers, and the operators of elevators are not within the retirement law.

Mr. ASHURST. I thank the Senator. It seems a little unfair that, for instance, an assistant doorkeeper may work here faithfully for 25 years or 30 years, and then, through the exigencies of politics, or the vicissitudes which accompany all human affairs, be thrown out of employment without any retirement pay.

I know that the able Senator will direct his energies toward securing such a retirement law for the unprotected Government employees whom he has named, in the hope that at some time in the near future the cases of those persons may be considered. I do not, however, wish to offer an amendment at this time, because it might impede the progress of this bill.

Mr. NEELY. Mr. President, the timely observations of the able Senator are worthy of the most sympathetic consideration. I hope that he will, in due time, introduce a bill designed to extend retirement privileges to all unprotected, deserving Federal employees.

Mr. ASHURST. I thank the Senator.

The PRESIDING OFFICER. The amendment reported by the committee will be stated.

The amendment was to strike out all of section 2 as printed in the bill and insert certain other words, so as to make the bill read:

Be it enacted, etc., That the last paragraph of section 1 of the Civil Service Retirement Act, approved May 29, 1930, as amended, is amended by striking out "68 years, 63 years, and 60 years" and inserting in lieu thereof the following: "64 years, 60 years, and 58 years".

SEC. 2. Strike out all of the first paragraph of section 2 of the act of May 29, 1930, and insert in lieu thereof the following: "Each employee to whom this act applies shall, on arriving at retirement age as defined in the preceding section, and having rendered 15 years of service, be automatically separated from the service and all salary, pay, or compensation shall cease from that date, and it shall be the duty of the head of each Department, branch, or independent office of the Government to notify such employee under his direction of the date of such separation from the service at least 60 days in advance thereof: *Provided*, That, notwithstanding any provisions of section 204 of the act of June 30, 1932, to the contrary, if the head of such Department, branch, or independent office of the Government certifies to the Civil Service Commission that by reason of his efficiency and willingness to remain in the service of the United States the continuance of such employee therein would be advantageous to the public service such employee may be retained for a period of 1 year upon the approval and certification of the Civil Service Commission and by similar certification and approval he may be continued for another year, and so on: *Provided, however*, That after the effective date of this act no employee shall be continued in the service beyond the age of retirement for more than 3 years, unless so continued by Executive order when in the judgment of the President the public interest so requires: *And provided further*, That the provisions for automatic separation from the service as contained herein shall not apply to those employees of the legislative and judicial services as mentioned in the act of July 13, 1937."

SEC. 3. That after the first paragraph of section 4 of the act of May 29, 1930, as amended, the following paragraph is added:

"Any employee retiring under the provisions of section 1 of this act may at the time of his retirement elect to receive in lieu of the life annuity described herein a reduced annuity payable to him during his life, and an annuity after his death payable to his beneficiary, duly designated in writing and filed with the Commission at the time of his retirement, during the life of such

beneficiary (a) equal to or (b) 50 percent of such reduced annuity and upon the death of such surviving beneficiary all payments shall cease and no further annuity shall be due or payable. The amounts of the two annuities shall be such that their combined actuarial value on the date of retirement as determined by the Civil Service Commission shall be the same as the actuarial value of the single life increased annuity with forfeiture provided by this section: *Provided*, That no election in lieu of the life annuity provided herein shall become effective in case an employee dies within 30 days after the effective date of retirement, and in the event of such death within this period, such death shall be considered as a death in active service."

SEC. 4. The second paragraph of section 6 of such act of May 29, 1930, as amended, is amended by striking out the words "90 days from the date of the medical examination showing such recovery" and inserting in lieu thereof the following: "one year from the date of the medical examination showing such recovery."

SEC. 5. That in section 9 of the act of May 29, 1930, as amended, after the words "and also 3½ percent of the basic salary, pay, or compensation for services rendered from and after July 1, 1926" insert the following: "and prior to July 1, 1938, and also 4 percent of such basic pay, salary, or compensation for services rendered on and after July 1, 1938."

SEC. 6. Add to the first sentence of section 10 of the act of May 29, 1930, as amended, the following: *"Provided*, That after June 30, 1938, there shall be deducted and withheld from the basic salary, pay, or compensation of any employee to whom this act applies a sum equal to 4 percent of such employee's basic salary, pay, or compensation."

SEC. 7. The following paragraph shall be inserted after the first paragraph of section 10 of the act of May 29, 1930, as amended:

"Any employee at his option and under such regulations as may be prescribed by the Civil Service Commission may deposit additional sums in multiples of 1 percent per annum of his annual basic salary, pay, or compensation, but not to exceed 10 percent per annum of his annual basic salary, pay, or compensation, which amount together with interest thereon at 3 percent per annum compounded as of June 30 of each year, shall, at the date of his retirement, be available to purchase, as he shall elect and in accordance with such rules and regulations as may be prescribed by the Civil Service Commission, with the approval of the Board of Actuaries, in addition to the annuity provided by this act, an annuity according to the experience of the civil-service retirement and disability fund as may from time to time be set forth in the tables of annuity values by the Board of Actuaries based on an interest rate at 4 percent. In the event of the death or separation from the service of such employee before becoming eligible for retirement on annuity the amount so deposited with interest at 3 percent compounded on June 30 of each year shall be refunded in accordance with the provisions of section 12 of this act.

SEC. 8. Strike out paragraph (b) of section 12 of the act of May 29, 1930, as amended, and insert in lieu thereof the following: "In the case of any employee to whom this act applies who shall be transferred to a position not within the purview of this act or who shall become absolutely separated from the service before becoming eligible for retirement on an annuity, the amount of deductions from his basic salary, pay, or compensation credited to his individual account, together with interest at 4 percent compounded on June 30 of each year to June 30, 1938, and 3 percent compounded on June 30 of each year thereafter shall be returned to such employee: *Provided*, That when an employee becomes involuntarily separated from the service, not by removal for cause on charges of misconduct or delinquency, the total amount of deductions from his basic salary, pay, or compensation with interest at 4 percent compounded on June 30 of each year shall be returned to such employee: *And provided further*, That all deductions from basic salary, pay, or compensation so returned to an employee must, upon reinstatement, retransfer, or reappointment to a position coming within the purview of this act be redeposited with interest at 4 percent compounded on June 30 of each year before such employee may derive any benefits under this act, except as provided in this section, but interest shall not be required covering any period of separation from the service."

SEC. 9. This act shall take effect on July 1, 1938.

Mr. ADAMS. Mr. President, I merely wish to make an inquiry of the Senator from West Virginia. Does the bill make separation from the service compulsory at the ages specified in section 1?

Mr. NEELY. It does not. The ages specified refer only to optional retirement.

Mr. ADAMS. I could not tell just from reading that section, not being familiar with the entire measure.

Mr. NEELY. Unfortunately, the information very appropriately requested by the able Senator could not be obtained from the bill alone. It is set forth only in the law which the bill seeks to amend.

Mr. ADAMS. Am I correct in understanding that the Civil Service Commission preferred a somewhat higher scale of ages for retirement, in preference to those included in the bill?

Mr. NEELY. The Senator's understanding is, as usual, correct. The Commission has not approved section 1.

Mr. ADAMS. I am wondering just what reason led to placing the retirement age at 58. Some of us think that folks 58 years old are just in the prime of life.

Mr. NEELY. Mr. President, that will certainly be true of the Senator from Colorado if he should live 25 more years and reach the age of 58. But those who are employed in hazardous governmental occupations cannot withstand the ravages of advancing years as successfully as they are repelled by the robust senior Senator from Colorado.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to further amend the Civil Service Retirement Act, approved May 29, 1930."

REGULATION OF TRAFFIC IN FOOD, DRUGS, AND COSMETICS—CONFERENCE REPORT

Mr. COPELAND submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 5) to prevent the adulteration, misbranding, and false advertisement of food, drugs, devices, and cosmetics in interstate, foreign, and other commerce subject to the jurisdiction of the United States, for the purposes of safeguarding the public health, preventing deceit upon the purchasing public, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following:

"CHAPTER I—SHORT TITLE

"SECTION 1. This Act may be cited as the Federal Food, Drug, and Cosmetic Act.

"CHAPTER II—DEFINITIONS

"SEC. 201. For the purposes of this Act—

"(a) The term 'Territory' means any Territory or possession of the United States, including the District of Columbia and excluding the Canal Zone.

"(b) The term 'interstate commerce' means (1) commerce between any State or Territory and any place outside thereof, and (2) commerce within the District of Columbia or within any other Territory not organized with a legislative body.

"(c) The term 'Department' means the Department of Agriculture of the United States.

"(d) The term 'Secretary' means the Secretary of Agriculture.

"(e) The term 'person' includes individual, partnership, corporation, and association.

"(f) The term 'food' means (1) articles used for food or drink for man or other animals, (2) chewing gum, and (3) articles used for components of any such article.

"(g) The term 'drug' means (1) articles recognized in the official United States Pharmacopœia, official Homœopathic Pharmacopœia of the United States, or official National Formulary, or any supplement to any of them; and (2) articles intended for use in the diagnosis, cure, mitigation, treatment, or prevention of disease in man or other animals; and (3) articles (other than food) intended to affect the structure of any function of the body of man or other animals; and (4) articles intended for use as a component of any article specified in clause (1), (2), or (3); but does not include devices or their components, parts, or accessories.

"(h) The term 'device' (except when used in paragraph (n) of this section and in sections 301 (i), 403 (f), 502 (c), and 602 (c)) means instruments, apparatus, and contrivances, including their components, parts, and accessories, intended (1) for use in the diagnosis, cure, mitigation, treatment, or prevention of disease in man or other animals; or (2) to affect the structure or any function of the body of man or other animals.

"(i) The term 'cosmetic' means (1) articles intended to be rubbed, poured, sprinkled, or sprayed on, introduced into, or otherwise applied to the human body or any part thereof for cleansing, beautifying, promoting attractiveness, or altering the appearance, and (2) articles intended for use as a component of any such articles; except that such term shall not include soap.

"(j) The term 'official compendium' means the official United States Pharmacopœia, official Homœopathic Pharmacopœia of the United States, official National Formulary, or any supplement to any of them.

"(k) The term 'label' means a display of written, printed, or graphic matter upon the immediate container of any article; and a requirement made by or under authority of this Act that any

word, statement, or other information appear on the label shall not be considered to be complied with unless such word, statement, or other information also appears on the outside container or wrapper, if any there be, of the retail package of such article, or is easily legible through the outside container or wrapper.

"(l) The term 'immediate container' does not include package liners.

"(m) The term 'labeling' means all labels and other written, printed, or graphic matter (1) upon any article or any of its containers or wrappers, or (2) accompanying such article.

"(n) If an article is alleged to be misbranded because the labeling is misleading, then in determining whether the labeling is misleading there shall be taken into account (among other things) not only representations made or suggested by statement, word, design, device, or any combination thereof, but also the extent to which the labeling fails to reveal facts material in the light of such representations or material with respect to consequences which may result from the use of the article to which the labeling relates under the conditions of use prescribed in the labeling thereof or under such conditions of use as are customary or usual.

"(o) The representation of a drug, in its labeling, as an antiseptic shall be considered to be a representation that it is a germicide, except in the case of a drug purporting to be, or represented as, an antiseptic for inhibitory use as a wet dressing, ointment, dusting powder, or such other use as involves prolonged contact with the body.

"(p) The term 'new drug' means—

"(1) Any drug the composition of which is such that such drug is not generally recognized, among experts qualified by scientific training and experience to evaluate the safety of drugs, as safe for use under the conditions prescribed, recommended, or suggested in the labeling thereof, except that such a drug not so recognized shall not be deemed to be a 'new drug' if at any time prior to the enactment of this Act it was subject to the Food and Drugs Act of June 30, 1906, as amended, and if at such time its labeling contained the same representations concerning the conditions of its use; or

"(2) Any drug the composition of which is such that such drug, as a result of investigations to determine its safety for use under such conditions, has become so recognized, but which has not, otherwise than in such investigations, been used to a material extent or for a material time under such conditions.

"CHAPTER III—PROHIBITED ACTS AND PENALTIES

"PROHIBITED ACTS

"SEC. 301. The following acts and the causing thereof are hereby prohibited:

"(a) The introduction or delivery for introduction into interstate commerce of any food, drug, device, or cosmetic that is adulterated or misbranded.

"(b) The adulteration or misbranding of any food, drug, device, or cosmetic in interstate commerce.

"(c) The receipt in interstate commerce of any food, drug, device, or cosmetic that is adulterated or misbranded, and the delivery or proffered delivery thereof for pay or otherwise.

"(d) The introduction or delivery for introduction into interstate commerce of any article in violation of section 404 or 505.

"(e) The refusal to permit access to or copying of any record as required by section 703.

"(f) The refusal to permit entry or inspection as authorized by section 704.

"(g) The manufacture within any Territory of any food, drug, device, or cosmetic that is adulterated or misbranded.

"(h) The giving of a guaranty or undertaking referred to in section 303 (c) (2), which guaranty or undertaking is false, except by a person who relied upon a guaranty or undertaking to the same effect signed by, and containing the name and address of, the person residing in the United States from whom he received in good faith the food, drug, device, or cosmetic; or the giving of a guaranty or undertaking referred to in section 303 (c) (3), which guaranty or undertaking is false.

"(i) Forging, counterfeiting, simulating, or falsely representing, or without proper authority using any mark, stamp, tag, label, or other identification device authorized or required by regulations promulgated under the provisions of section 404, 406 (b), 504, or 604.

"(j) The using by any person to his own advantage, or revealing, other than to the Secretary or officers or employees of the Department, or to the courts when relevant in any judicial proceeding under this Act, any information required under authority of section 404, 505, or 704 concerning any method or process which as a trade secret is entitled to protection.

"(k) The alteration, mutilation, destruction, obliteration, or removal of the whole or any part of the labeling of, or the doing of any other act with respect to, a food, drug, device, or cosmetic, if such act is done while such article is held for sale after shipment in interstate commerce and results in such article being misbranded.

"(l) The using, on the labeling of any drug or in any advertising relating to such drug, of any representation or suggestion that an application with respect to such drug is effective under section 505, or that such drug complies with the provisions of such section.

"INJUNCTION PROCEEDINGS

"SEC. 302. (a) The district courts of the United States and the United States courts of the Territories shall have jurisdiction, for cause shown, and subject to the provisions of section 17 (relating to notice to opposite party) of the Act entitled 'An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes', approved October 15, 1914, as amended (U. S. C., 1934 ed., title 28, sec. 381), to restrain violations of section 301, except paragraphs (e), (f), (h), (i), and (j).

"(b) In case of violation of an injunction or restraining order issued under this section, which also constitutes a violation of this Act, trial shall be by the court, or, upon demand of the accused, by a jury. Such trial shall be conducted in accordance with the practice and procedure applicable in the case of proceedings subject to the provisions of section 22 of such Act of October 15, 1914, as amended (U. S. C., 1934 ed., title 28, sec. 387).

"PENALTIES

"SEC. 303. (a) Any person who violates any of the provisions of section 301 shall be guilty of a misdemeanor and shall on conviction thereof be subject to imprisonment for not more than one year, or a fine of not more than $1,000, or both such imprisonment and fine; but if the violation is committed after a conviction of such person under this section has become final such person shall be subject to imprisonment for not more than three years, or a fine of not more than $10,000, or both such imprisonment and fine.

"(b) Notwithstanding the provisions of subsection (a) of this section, in case of a violation of any of the provisions of section 301, with intent to defraud or mislead, the penalty shall be imprisonment for not more than three years, or a fine of not more than $10,000, or both such imprisonment and fine.

"(c) No person shall be subject to the penalties of subsection (a) of this section, (1) for having received in interstate commerce any article and delivered it or proffered delivery of it, if such delivery or proffer was made in good faith, unless he refuses to furnish on request of an officer or employee duly designated by the Secretary the name and address of the person from whom he purchased or received such article and copies of all documents, if any there be, pertaining to the delivery of the article to him; or (2) for having violated section 301 (a) or (d), if he establishes a guaranty or undertaking signed by, and containing the name and address of, the person residing in the United States from whom he received in good faith the article, to the effect, in case of an alleged violation of section 301 (a), that such article is not adulterated or misbranded, within the meaning of this Act, designating this Act, or to the effect, in case of an alleged violation of section 301 (d), that such article is not an article which may not, under the provisions of section 404 or 505, be introduced into interstate commerce; or (3) for having violated section 301 (a), where the violation exists because the article is adulterated by reason of containing a coal-tar color not from a batch certified in accordance with regulations promulgated by the Secretary under this Act, if such person establishes a guaranty or undertaking signed by, and containing the name and address of, the manufacturer of the coal-tar color, to the effect that such color was from a batch certified in accordance with the applicable regulations promulgated by the Secretary under this Act.

"SEIZURE

"SEC. 304. (a) Any article of food, drug, device, or cosmetic that is adulterated or misbranded when introduced into or while in interstate commerce, or which may not, under the provisions of section 404 or 505, be introduced into interstate commerce, shall be liable to be proceeded against while in interstate commerce, or at any time thereafter, on libel of information and condemned in any district court of the United States within the jurisdiction of which the article is found: *Provided, however,* That no libel for condemnation shall be instituted under this Act, for any alleged misbranding if there is pending in any court a libel for condemnation proceeding under this Act based upon the same alleged misbranding, and not more than one such proceeding shall be instituted if no such proceeding is so pending, except that such limitations shall not apply (1) when such misbranding has been the basis of a prior judgment in favor of the United States, in a criminal, injunction, or libel for condemnation proceeding under this Act, or (2) when the Secretary has probable cause to believe from facts found, without hearing, by him or any officer or employee of the Department that the misbranded article is dangerous to health, or that the labeling of the misbranded article is fraudulent, or would be in a material respect misleading to the injury or damage of the purchaser or consumer. In any case where the number of libel for condemnation proceedings is limited as above provided the proceeding pending or instituted shall, on application of the claimant, seasonably made, be removed for trial to any district agreed upon by stipulation between the parties, or, in case of failure to so stipulate within a reasonable time, the claimant may apply to the court of the district in which the seizure has been made, and such court (after giving the United States attorney for such district reasonable notice and opportunity to be heard) shall by order, unless good cause to the contrary is shown, specify a district of reasonable proximity to the claimant's principal place of business, to which the case shall be removed for trial.

"(b) The article shall be liable to seizure by process pursuant to the libel, and the procedure in cases under this section shall con-

form, as nearly as may be, to the procedure in admiralty; except that on demand of either party any issue of fact joined in any such case shall be tried by jury. When libel for condemnation proceedings under this section, involving the same claimant and the same issues of adulteration or misbranding, are pending in two or more jurisdictions, such pending proceedings, upon application of the claimant seasonably made to the court of one such jurisdiction, shall be consolidated for trial by order of such court, and tried in (1) any district selected by the claimant where one of such proceedings is pending; or (2) a district agreed upon by stipulation between the parties. If no order for consolidation is so made within a reasonable time, the claimant may apply to the court of one such jurisdiction, and such court (after giving the United States attorney for such district reasonable notice and opportunity to be heard) shall by order, unless good cause to the contrary is shown, specify a district of reasonable proximity to the claimant's principal place of business, in which all such pending proceedings shall be consolidated for trial and tried. Such order of consolidation shall not apply so as to require the removal of any case the date for trial of which has been fixed. The court granting such order shall give prompt notification thereof to the other courts having jurisdiction of the cases covered thereby.

"(c) The court at any time after seizure up to a reasonable time before trial shall by order allow any party to a condemnation proceeding, his attorney or agent, to obtain a representative sample of the article seized, and as regards fresh fruits or fresh vegetables, a true copy of the analysis on which the proceeding is based and the identifying marks or numbers, if any, of the packages from which the samples analyzed were obtained.

"(d) Any food, drug, device, or cosmetic condemned under this section shall, after entry of the decree, be disposed of by destruction or sale as the court may, in accordance with the provisions of this section, direct and the proceeds thereof, if sold, less the legal costs and charges, shall be paid into the Treasury of the United States; but such article shall not be sold under such decree contrary to the provisions of this Act or the laws of the jurisdiction in which sold: *Provided*, That after entry of the decree and upon the payment of the costs of such proceedings and the execution of a good and sufficient bond conditioned that such article shall not be sold or disposed of contrary to the provisions of this Act or the laws of any State or Territory in which sold, the court may by order direct that such article be delivered to the owner thereof to be destroyed or brought into compliance with the provisions of this Act under the supervision of an officer or employee duly designated by the Secretary, and the expenses of such supervision shall be paid by the person obtaining release of the article under bond. Any article condemned by reason of its being an article which may not, under section 404 or 505, be introduced into interstate commerce, shall be disposed of by destruction.

"(e) When a decree of condemnation is entered against the article, court costs and fees, and storage and other proper expenses, shall be awarded against the person, if any, intervening as claimant of the article.

"(f) In the case of removal for trial of any case as provided by subsection (a) or (b)—

"(1) The clerk of the court from which removal is made shall promptly transmit to the court in which the case is to be tried all records in the case necessary in order that such court may exercise jurisdiction.

"(2) The court to which such case was removed shall have the powers and be subject to the duties, for purposes of such case, which the court from which removal was made would have had, or to which such court would have been subject, if such case had not been removed.

"HEARING BEFORE REPORT OF CRIMINAL VIOLATION

"SEC. 305. Before any violation of this Act is reported by the Secretary to any United States attorney for institution of a criminal proceeding, the person against whom such proceeding is contemplated shall be given appropriate notice and an opportunity to present his views, either orally or in writing, with regard to such contemplated proceeding.

"REPORT OF MINOR VIOLATIONS

"SEC. 306. Nothing in this Act shall be construed as requiring the Secretary to report for prosecution, or for the institution of libel or injunction proceedings, minor violations of this Act whenever he believes that the public interest will be adequately served by a suitable written notice or warning.

"PROCEEDINGS IN NAME OF UNITED STATES; PROVISION AS TO SUBPENAS

"SEC. 307. All such proceedings for the enforcement, or to restrain violations, of this Act shall be by and in the name of the United States. Notwithstanding the provisions of section 876 of the Revised Statutes, subpenas for witnesses who are required to attend a court of the United States, in any district, may run into any other district in any such proceeding.

"CHAPTER IV—FOOD

"DEFINITIONS AND STANDARDS FOR FOOD

"SEC. 401. Whenever in the judgment of the Secretary such action will promote honesty and fair dealing in the interest of consumers, he shall promulgate regulations fixing and establishing for any food, under its common or usual name so far as practicable, a reasonable definition and standard of identity, a reasonable standard of quality, and/or reasonable standards of fill of container: *Provided*, That no definition and standard of identity and no standard of quality shall be established for fresh or dried fruits, fresh or dried vegetables, or butter, except that definitions and standards of identity may be established for avocadoes, cantaloupes, citrus fruits, and melons. In prescribing any standard of fill of container, the Secretary shall give due consideration to the natural shrinkage in storage and in transit of fresh natural food and to need for the necessary packing and protective material. In the prescribing of any standard of quality for any canned fruit or canned vegetable, consideration shall be given and due allowance made for the differing characteristics of the several varieties of such fruit or vegetable. In prescribing a definition and standard of identity for any food or class of food in which optional ingredients are permitted, the Secretary shall, for the purpose of promoting honesty and fair dealing in the interest of consumers, designate the optional ingredients which shall be named on the label. Any definition and standard of identity prescribed by the Secretary for avocadoes, cantaloupes, citrus fruits, or melons shall relate only to maturity and to the effects of freezing.

"ADULTERATED FOOD

"SEC. 402. A food shall be deemed to be adulterated—

"(a) (1) If it bears or contains any poisonous or deleterious substance which may render it injurious to health; but in case the substance is not an added substance such food shall not be considered adulterated under this clause if the quantity of such substance in such food does not ordinarily render it injurious to health; or (2) if it bears or contains any added poisonous or added deleterious substance which is unsafe within the meaning of section 406; or (3) if it consists in whole or in part of any filthy, putrid, or decomposed substance, or if it is otherwise unfit for food; or (4) if it has been prepared, packed, or held under insanitary conditions whereby it may have become contaminated with filth, or whereby it may have been rendered injurious to health; or (5) if it is, in whole or in part, the product of a diseased animal or of an animal which has died otherwise than by slaughter; or (6) if its container is composed, in whole or in part, of any poisonous or deleterious substance which may render the contents injurious to health.

"(b) (1) If any valuable constituent has been in whole or in part omitted or abstracted therefrom; or (2) if any substance has been substituted wholly or in part therefor; or (3) if damage or inferiority has been concealed in any manner; or (4) if any substance has been added thereto or mixed or packed therewith so as to increase its bulk or weight, or reduce its quality or strength, or make it appear better or of greater value than it is.

"(c) If it bears or contains a coal-tar color other than one from a batch that has been certified in accordance with regulations as provided by section 406: *Provided*, That this paragraph shall not apply to citrus fruit bearing or containing a coal-tar color if application for listing of such color has been made under this Act and such application has not been acted on by the Secretary, if such color was commonly used prior to the enactment of this Act for the purpose of coloring citrus fruit.

"(d) If it is confectionery, and it bears or contains any alcohol or nonnutritive article or substance except harmless coloring, harmless flavoring, harmless resinous glaze not in excess of $\frac{1}{10}$ of 1 per centum, natural gum, and pectin: *Provided*, That this paragraph shall not apply to any confectionery by reason of its containing less than one-half of 1 per centum by volume of alcohol derived solely from the use of flavoring extracts, or to any chewing gum by reason of its containing harmless nonnutritive masticatory substances.

"MISBRANDED FOOD

"SEC. 403. A food shall be deemed to be misbranded—

"(a) If its labeling is false or misleading in any particular.

"(b) If it is offered for sale under the name of another food.

"(c) If it is an imitation of another food, unless its label bears, in type of uniform size and prominence, the word 'imitation' and, immediately thereafter, the name of the food imitated.

"(d) If its container is so made, formed, or filled as to be misleading.

"(e) If in package form unless it bears a label containing (1) the name and place of business of the manufacturer, packer, or distributor; and (2) an accurate statement of the quantity of the contents in terms of weight, measure, or numerical count: *Provided*, That under clause (2) of this paragraph reasonable variations shall be permitted, and exemptions as to small packages shall be established, by regulations prescribed by the Secretary.

"(f) If any word, statement, or other information required by or under authority of this Act to appear on the label or labeling is not prominently placed thereon with such conspicuousness (as compared with other words, statements, designs, or devices, in the labeling) and in such terms as to render it likely to be read and understood by the ordinary individual under customary conditions of purchase and use.

"(g) If it purports to be or is represented as a food for which a definition and standard of identity has been prescribed by regulations as provided by section 401, unless (1) it conforms to such definition and standard, and (2) its label bears the name

of the food specified in the definition and standard, and, insofar as may be required by such regulations, the common names of optional ingredients (other than spices, flavoring, and coloring) present in such food.

"(h) If it purports to be or is represented as—

"(1) a food for which a standard of quality has been prescribed by regulations as provided by section 401, and its quality falls below such standard, unless its label bears, in such manner and form as such regulations specify, a statement that it falls below such standard; or

"(2) a food for which a standard or standards of fill of container have been prescribed by regulations as provided by section 401, and it falls below the standard of fill of container applicable thereto, unless its label bears, in such manner and form as such regulations specify, a statement that it falls below such standard.

"(i) If it is not subject to the provisions of paragraph (g) of this section unless its label bears (1) the common or usual name of the food, if any there be, and (2) in case it is fabricated from two or more ingredients, the common or usual name of each such ingredient; except that spices, flavorings, and colorings, other than those sold as such, may be designated as spices, flavorings, and colorings without naming each: *Provided*, That, to the extent that compliance with the requirements of clause (2) of this paragraph is impracticable, or results in deception or unfair competition, exemptions shall be established by regulations promulgated by the Secretary.

"(j) If it purports to be or is represented for special dietary uses, unless its label bears such information concerning its vitamin, mineral, and other dietary properties as the Secretary determines to be, and by regulations prescribes as, necessary in order fully to inform purchasers as to its value for such uses.

"(k) If it bears or contains any artificial flavoring, artificial coloring, or chemical preservative, unless it bears labeling stating that fact: *Provided*, That to the extent that compliance with the requirements of this paragraph is impracticable, exemptions shall be established by regulations promulgated by the Secretary. The provisions of this paragraph and paragraphs (g) and (i) with respect to artificial coloring shall not apply in the case of butter, cheese, or ice cream.

"EMERGENCY PERMIT CONTROL

"SEC. 404. (a) Whenever the Secretary finds after investigation that the distribution in interstate commerce of any class of food may, by reason of contamination with micro-organisms during the manufacture, processing, or packing thereof in any locality, be injurious to health, and that such injurious nature cannot be adequately determined after such articles have entered interstate commerce, he then, and in such case only, shall promulgate regulations providing for the issuance, to manufacturers, processors, or packers of such class of food in such locality, of permits to which shall be attached such conditions governing the manufacture, processing, or packing of such class of food, for such temporary period of time, as may be necessary to protect the public health; and after the effective date of such regulations, and during such temporary period, no person shall introduce or deliver for introduction into interstate commerce any such food manufactured, processed, or packed by any such manufacturer, processor, or packer unless such manufacturer, processor, or packer holds a permit issued by the Secretary as provided by such regulations.

"(b) The Secretary is authorized to suspend immediately upon notice any permit issued under authority of this section if it is found that any of the conditions of the permit have been violated. The holder of a permit so suspended shall be privileged at any time to apply for the reinstatement of such permit, and the Secretary shall, immediately after prompt hearing and an inspection of the establishment, reinstate such permit if it is found that adequate measures have been taken to comply with and maintain the conditions of the permit, as originally issued or as amended.

"(c) Any officer or employee duly designated by the Secretary shall have access to any factory or establishment, the operator of which holds a permit from the Secretary, for the purpose of ascertaining whether or not the conditions of the permit are being complied with, and denial of access for such inspection shall be ground for suspension of the permit until such access is freely given by the operator.

"REGULATIONS MAKING EXEMPTIONS

"SEC. 405. The Secretary shall promulgate regulations exempting from any labeling requirement of this Act (1) small open containers of fresh fruits and fresh vegetables and (2) food which is, in accordance with the practice of the trade, to be processed, labeled, or repacked in substantial quantities at establishments other than those where originally processed or packed, on condition that such food is not adulterated or misbranded under the provisions of this Act upon removal from such processing, labeling, or repacking establishment.

"TOLERANCES FOR POISONOUS INGREDIENTS IN FOOD AND CERTIFICATION OF COAL-TAR COLORS FOR FOOD

"SEC. 406. (a) Any poisonous or deleterious substance added to any food, except where such substance is required in the production thereof or cannot be avoided by good manufacturing practice shall be deemed to be unsafe for purposes of the application of clause (2) of section 402 (a); but when such substance is so required or cannot be so avoided, the Secretary shall promulgate regulations limiting the quantity therein or thereon to such extent as he finds necessary for the protection of public health, and any quantity exceeding the limits so fixed shall also be deemed to be unsafe for purposes of the application of clause (2) of section 402 (a). While such a regulation is in effect limiting the quantity of any such substance in the case of any food, such food shall not, by reason of bearing or containing any added amount of such substance, be considered to be adulterated within the meaning of clause (1) of section 402 (a). In determining the quantity of such added substance to be tolerated in or on different articles of food the Secretary shall take into account the extent to which the use of such substance is required or cannot be avoided in the production of each such article, and the other ways in which the consumer may be affected by the same or other poisonous or deleterious substances.

"(b) The Secretary shall promulgate regulations providing for the listing of coal-tar colors which are harmless and suitable for use in food and for the certification of batches of such colors, with or without harmless diluents.

"CHAPTER V—DRUGS AND DEVICES

"ADULTERATED DRUGS AND DEVICES

"SEC. 501. A drug or device shall be deemed to be adulterated—

"(a) (1) If it consists in whole or in part of any filthy, putrid, or decomposed substance; or (2) if it has been prepared, packed, or held under insanitary conditions whereby it may have been contaminated with filth, or whereby it may have been rendered injurious to health; or (3) if it is a drug and its container is composed, in whole or in part, of any poisonous or deleterious substance which may render the contents injurious to health; or (4) if it is a drug and it bears or contains, for purposes of coloring only, a coal-tar color other than one from a batch that has been certified in accordance with regulations as provided by section 504.

"(b) If it purports to be or is represented as a drug the name of which is recognized in an official compendium, and its strength differs from, or its quality or purity falls below, the standard set forth in such compendium. Such determination as to strength, quality, or purity shall be made in accordance with the tests or methods of assay set forth in such compendium, except that whenever tests or methods of assay have not been prescribed in such compendium, or such tests or methods of assay as are prescribed are, in the judgment of the Secretary, insufficient for the making of such determination, the Secretary shall bring such fact to the attention of the appropriate body charged with the revision of such compendium, and if such body fails within a reasonable time to prescribe tests or methods of assay which, in the judgment of the Secretary, are sufficient for purposes of this paragraph, then the Secretary shall promulgate regulations prescribing appropriate tests or methods of assay in accordance with which such determination as to strength, quality, or purity shall be made. No drug defined in an official compendium shall be deemed to be adulterated under this paragraph because it differs from the standard of strength, quality, or purity therefor set forth in such compendium, if its difference in strength, quality, or purity from such standard is plainly stated on its label. Whenever a drug is recognized in both the United States Pharmacopœia and the Homœopathic Pharmacopœia of the United States it shall be subject to the requirements of the United States Pharmacopœia unless it is labeled and offered for sale as a homœopathic drug, in which case it shall be subject to the provisions of the Homœopathic Pharmacopœia of the United States and not to those of the United States Pharmacopœia.

"(c) If it is not subject to the provisions of paragraph (b) of this section and its strength differs from, or its purity or quality falls below, that which it purports or is represented to possess.

"(d) If it is a drug and any substance has been (1) mixed or packed therewith so as to reduce its quality or strength or (2) substituted wholly or in part therefor.

"MISBRANDED DRUGS AND DEVICES

"SEC. 502. A drug or device shall be deemed to be misbranded—

"(a) If its labeling is false or misleading in any particular.

"(b) If in package form unless it bears a label containing (1) the name and place of business of the manufacturer, packer, or distributor; and (2) an accurate statement of the quantity of the contents in terms of weight, measure, or numerical count: *Provided*, That under clause (2) of this paragraph reasonable variations shall be permitted, and exemptions as to small packages shall be established, by regulations prescribed by the Secretary.

"(c) If any word, statement, or other information required by or under authority of this Act to appear on the label or labeling is not prominently placed thereon with such conspicuousness (as compared with other words, statements, designs, or devices, in the labeling) and in such terms as to render it likely to be read and understood by the ordinary individual under customary conditions of purchase and use.

"(d) If it is for use by man and contains any quantity of the narcotic or hypnotic substance alpha eucaine, barbituric acid, beta-eucaine, bromal, cannabis, carbromal, chloral, coca, cocaine, codeine, heroin, marihuana, morphine, opium, paraldehyde, peyote, or sulphonmethane; or any chemical derivative of such substance, which derivative has been by the Secretary, after investigation, found to be, and by regulations designated as, habit forming; unless its label bears the name, quantity, and percentage of such substance or derivative and in juxtaposition therewith the statement 'Warning—May be habit forming.'

"(e) If it is a drug and is not designated solely by a name recognized in an official compendium unless its label bears (1) the common or usual name of the drug, if such there be; and (2), in case it is fabricated from two or more ingredients, the common or usual name of each active ingredient, including the quantity, kind, and proportion of any alcohol, and also including, whether active or not, the name and quantity or proportion of any bromides, ether, chloroform, acetanilid, acetphenetidin, amidopyrine, antipyrine, atropine, hyoscine, hyoscyamine, arsenic, digitalis, digitalis glucosides, mercury, cuabain, strophanthin, strychnine, thyroid, or any derivative or preparation of any such substances, contained therein: *Provided*, That to the extent that compliance with the requirements of clause (2) of this paragraph is impracticable, exemptions shall be established by regulations promulgated by the Secretary.

"(f) Unless its labeling bears (1) adequate directions for use; and (2) such adequate warnings against use in those pathological conditions or by children where its use may be dangerous to health, or against unsafe dosage or methods or duration of administration or application, in such manner and form, as are necessary for the protection of users: *Provided*, That where any requirement of clause (1) of this paragraph, as applied to any drug or device, is not necessary for the protection of the public health, the Secretary shall promulgate regulations exempting such drug or device from such requirement.

"(g) If it purports to be a drug the name of which is recognized in an official compendium, unless it is packaged and labeled as prescribed therein: *Provided*, That the method of packing may be modified with the consent of the Secretary. Whenever a drug is recognized in both the United States Pharmacopœia and the Homœopathic Pharmacopœia of the United States, it shall be subject to the requirements of the United States Pharmacopœia with respect to packaging and labeling unless it is labeled and offered for sale as a homœopathic drug, in which case it shall be subject to the provisions of the Homœopathic Pharmacopœia of the United States, and not to those of the United States Pharmacopœia.

"(h) If it has been found by the Secretary to be a drug liable to deterioration, unless it is packaged in such form and manner, and its label bears a statement of such precautions, as the Secretary shall by regulations require as necessary for the protection of the public health. No such regulation shall be established for any drug recognized in an official compendium until the Secretary shall have informed the appropriate body charged with the revision of such compendium of the need for such packaging or labeling requirements and such body shall have failed within a reasonable time to prescribe such requirements.

"(i) (1) If it is a drug and its container is so made, formed, or filled as to be misleading; or (2) if it is an imitation of another drug; or (3) if it is offered for sale under the name of another drug.

"(j) If it is dangerous to health when used in the dosage, or with the frequency or duration prescribed, recommended, or suggested in the labeling thereof.

"EXEMPTIONS IN CASE OF DRUGS AND DEVICES

"SEC. 503. (a) The Secretary is hereby directed to promulgate regulations exempting from any labeling or packaging requirement of this Act drugs and devices which are, in accordance with the practice of the trade, to be processed, labeled, or repacked in substantial quantities at establishments other than those where originally processed or packed, on condition that such drugs and devices are not adulterated or misbranded under the provisions of this Act upon removal from such processing, labeling, or repacking establishment.

"(b) A drug dispensed on a written prescription signed by a physician, dentist, or veterinarian (except a drug dispensed in the course of the conduct of a business of dispensing drugs pursuant to diagnosis by mail), shall if—

"(1) such physician, dentist, or veterinarian is licensed by law to administer such drug, and

"(2) such drug bears a label containing the name and place of business of the dispenser, the serial number and date of such prescription, and the name of such physician, dentist, or veterinarian,

be exempt from the requirements of section 502 (b) and (e), and (in case such prescription is marked by the writer thereof as not refillable or its refilling is prohibited by law) of section 502 (d).

"CERTIFICATION OF COAL-TAR COLORS FOR DRUGS

"SEC. 504. The Secretary shall promulgate regulations providing for the listing of coal-tar colors which are harmless and suitable for use in drugs for purposes of coloring only and for the certification of batches of such colors, with or without harmless diluents.

"NEW DRUGS

"SEC. 505. (a) No person shall introduce or deliver for introduction into interstate commerce any new drug, unless an application filed pursuant to subsection (b) is effective with respect to such drug.

"(b) Any person may file with the Secretary an application with respect to any drug subject to the provisions of subsection (a). Such person shall submit to the Secretary as a part of the application (1) full reports of investigations which have been made to show whether or not such drug is safe for use; (2) a full list of the articles used as components of such drug; (3) a full statement of the composition of such drug; (4) a full description of the methods used in, and the facilities and controls used for, the manufacture, processing, and packing of such drug; (5) such samples of such drug and of the articles used as components thereof as the Secretary may require; and (6) specimens of the labeling proposed to be used for such drug.

"(c) An application provided for in subsection (b) shall become effective on the sixtieth day after the filing thereof unless prior to such day the Secretary by notice to the applicant in writing postpones the effective date of the application to such time (not more than one hundred and eighty days after the filing thereof) as the Secretary deems necessary to enable him to study and investigate the application.

"(d) If the Secretary finds, after due notice to the applicant and giving him an opportunity for a hearing, that (1) the investigations, reports of which are required to be submitted to the Secretary pursuant to subsection (b), do not include adequate tests by all methods reasonably applicable to show whether or not such drug is safe for use under the conditions prescribed, recommended, or suggested in the proposed labeling thereof; (2) the results of such tests show that such drug is unsafe for use under such conditions or do not show that such drug is safe for use under such conditions; (3) the methods used in, and the facilities and controls used for, the manufacture, processing, and packing of such drug are inadequate to preserve its identity, strength, quality, and purity; or (4) upon the basis of the information submitted to him as part of the application, or upon the basis of any other information before him with respect to such drug, he has insufficient information to determine whether such drug is safe for use under such conditions, he shall, prior to the effective date of the application, issue an order refusing to permit the application to become effective.

"(e) The effectiveness of an application with respect to any drug shall, after due notice and opportunity for hearing to the applicant, by order of the Secretary be suspended if the Secretary finds (1) that clinical experience, tests by new methods, or tests by methods not deemed reasonably applicable when such application became effective show that such drug is unsafe for use under the conditions of use upon the basis of which the application became effective, or (2) that the application contains any untrue statement of a material fact. The order shall state the findings upon which it is based.

"(f) An order refusing to permit an application with respect to any drug to become effective shall be revoked whenever the Secretary finds that the facts so require.

"(g) Orders of the Secretary issued under this section shall be served (1) in person by any officer or employee of the department designated by the Secretary or (2) by mailing the order by registered mail addressed to the applicant or respondent at his last-known address in the records of the Secretary.

"(h) An appeal may be taken by the applicant from an order of the Secretary refusing to permit the application to become effective, or suspending the effectiveness of the application. Such appeal shall be taken by filing in the district court of the United States within any district wherein such applicant resides or has his principal place of business, or in the District Court of the United States for the District of Columbia, within sixty days after the entry of such order, a written petition praying that the order of the Secretary be set aside. A copy of such petition shall be forthwith served upon the Secretary, or upon any officer designated by him for that purpose, and thereupon the Secretary shall certify and file in the court a transcript of the record upon which the order complained of was entered. Upon the filing of such transcript such court shall have exclusive jurisdiction to affirm or set aside such order. No objection to the order of the Secretary shall be considered by the court unless such objection shall have been urged before the Secretary or unless there were reasonable grounds for failure so to do. The finding of the Secretary as to the facts, if supported by substantial evidence, shall be conclusive. If any person shall apply to the court for leave to adduce additional evidence, and shall show to the satisfaction of the court that such additional evidence is material and that there were reasonable grounds for failure to adduce such evidence in the proceeding before the Secretary, the court may order such additional evidence to be taken before the Secretary and to be adduced upon the hearing in such manner and upon such terms and conditions as to the court may seem proper. The Secretary may modify his findings as to the facts by reason of the additional evidence so taken, and he shall file with the court such modified findings which, if supported by substantial evidence, shall be conclusive, and his recommendation, if any, for the setting aside of the original order. The judgment and decree of the court affirming or setting aside any such order of the Secretary shall be final, subject to review as provided in sections 128, 239, and 240 of the Judicial Code, as amended (U. S. C., 1934 ed., title 28, secs. 225, 346, and 347), and in section 7, as amended, of the Act entitled 'An Act to establish a Court of Appeals for the District of Columbia', approved February 9, 1893 (D. C. Code, title 18, sec. 26). The commencement of proceedings under this subsection shall not, unless specifically ordered by the court to the contrary, operate as a stay of the Secretary's order.

"(i) The Secretary shall promulgate regulations for exempting from the operation of this section drugs intended solely for investigational use by experts qualified by scientific training and experience to investigate the safety of drugs.

"CHAPTER VI—COSMETICS

"ADULTERATED COSMETICS

"SEC. 601. A cosmetic shall be deemed to be adulterated—

"(a) If it bears or contains any poisonous or deleterious substance which may render it injurious to users under the conditions of use prescribed in the labeling thereof, or under such conditions of use as are customary or usual: *Provided*, That this provision shall not apply to coal-tar hair dye, the label of which bears the following legend conspicuously displayed thereon: 'Caution—This product contains ingredients which may cause skin irritation on certain individuals and a preliminary test according to accompanying directions should first be made. This product must not be used for dyeing the eyelashes or eyebrows; to do so may cause blindness.', and the labeling of which bears adequate directions for such preliminary testing. For the purposes of this paragraph and paragraph (e) the term 'hair dye' shall not include eyelash dyes or eyebrow dyes.

"(b) If it consists in whole or in part of any filthy, putrid, or decomposed substance.

"(c) If it has been prepared, packed, or held under insanitary conditions whereby it may have become contaminated with filth, or whereby it may have been rendered injurious to health.

"(d) If its container is composed, in whole or in part, of any poisonous or deleterious substance which may render the contents injurious to health.

"(e) If it is not a hair dye and it bears or contains a coal-tar color other than one from a batch that has been certified in accordance with regulations as provided by section 604.

"MISBRANDED COSMETICS

"SEC. 602. A cosmetic shall be deemed to be misbranded—

"(a) If its labeling is false or misleading in any particular.

"(b) If in package form unless it bears a label containing (1) the name and place of business of the manufacturer, packer, or distributor; and (2) an accurate statement of the quantity of the contents in terms of weight, measure, or numerical count: *Provided*, That under clause (2) of this paragraph reasonable variations shall be permitted, and exemptions as to small packages shall be established, by regulations prescribed by the Secretary.

"(c) If any word, statement, or other information required by or under authority of this Act to appear on the label or labeling is not prominently placed thereon with such conspicuousness (as compared with other words, statements, designs, or devices, in the labeling) and in such terms as to render it likely to be read and understood by the ordinary individual under customary conditions of purchase and use.

"(d) If its container is so made, formed, or filled as to be misleading.

"REGULATIONS MAKING EXEMPTIONS

"SEC. 603. The Secretary shall promulgate regulations exempting from any labeling requirement of this Act cosmetics which are, in accordance with the practice of the trade, to be processed, labeled, or repacked in substantial quantities at establishments other than those where originally processed or packed, on condition that such cosmetics are not adulterated or misbranded under the provisions of this Act upon removal from such processing, labeling, or repacking establishment.

"CERTIFICATION OF COAL-TAR COLORS FOR COSMETICS

"SEC. 604. The Secretary shall promulgate regulations providing for the listing of coal-tar colors which are harmless and suitable for use in cosmetics and for the certification of batches of such colors, with or without harmless diluents.

"CHAPTER VII—GENERAL ADMINISTRATIVE PROVISIONS

"REGULATIONS AND HEARINGS

"SEC. 701. (a) The authority to promulgate regulations for the efficient enforcement of this Act, except as otherwise provided in this section, is hereby vested in the Secretary.

"(b) The Secretary of the Treasury and the Secretary of Agriculture shall jointly prescribe regulations for the efficient enforcement of the provisions of section 801, except as otherwise provided therein. Such regulations shall be promulgated in such manner and take effect at such time, after due notice, as the Secretary of Agriculture shall determine.

"(c) Hearings authorized or required by this Act shall be conducted by the Secretary or such officer or employee as he may designate for the purpose.

"(d) The definitions and standards of identity promulgated in accordance with the provisions of this Act shall be effective for the purposes of the enforcement of this Act, notwithstanding such definitions and standards as may be contained in other laws of the United States and regulations promulgated thereunder.

"(e) The Secretary, on his own initiative or upon an application of any interested industry or substantial portion thereof stating reasonable grounds therefor, shall hold a public hearing upon a proposal to issue, amend, or repeal any regulation contemplated by any of the following sections of this Act: 401, 403 (j), 404 (a), 406 (a) and (b), 501 (b), 502 (d), 502 (h), 504, and 604. The Secretary shall give appropriate notice of the hearing, and the notice shall set forth the proposal in general terms and specify the time and place for a public hearing to be held thereon not less than thirty days after the date of the notice, except that the public hearing on regulations under section 404 (a) may be held within a reasonable time, to be fixed by the Secretary, after notice thereof. At the hearing any interested person may be heard in person or by his representative. As soon as practicable after completion of the hearing, the Secretary shall by order make public his action in issuing, amending, or repealing the regulation or determining not to take such action. The Secretary shall base his order only on substantial evidence of record at the hearing and shall set forth as part of the order detailed findings of fact on which the order is based. No such order shall take effect prior to the ninetieth day after it is issued, except that if the Secretary finds that emergency conditions exist necessitating an earlier effective date, then the Secretary shall specify in the order his findings as to such conditions and the order shall take effect at such earlier date as the Secretary shall specify therein to meet the emergency.

"(f) (1) In a case of actual controversy as to the validity of any order under subsection (e), any person who will be adversely affected by such order if placed in effect may at any time prior to the ninetieth day after such order is issued file a petition with the Circuit Court of Appeals of the United States for the circuit wherein such person resides or has his principal place of business, for a judicial review of such order. The summons and petition may be served at any place in the United States. The Secretary, promptly upon service of the summons and petition, shall certify and file in the court the transcript of the proceedings and the record on which the Secretary based his order.

"(2) If the petitioner applies to the court for leave to adduce additional evidence, and shows to the satisfaction of the court that such additional evidence is material and that there were reasonable grounds for the failure to adduce such evidence in the proceeding before the Secretary, the court may order such additional evidence (and evidence in rebuttal thereof) to be taken before the Secretary, and to be adduced upon the hearing, in such manner and upon such terms and conditions as to the court may seem proper. The Secretary may modify his findings as to the facts, or make new findings, by reason of the additional evidence so taken, and he shall file such modified or new findings, and his recommendation, if any, for the modification or setting aside of his original order, with the return of such additional evidence.

"(3) The court shall have jurisdiction to affirm the order, or to set it aside in whole or in part, temporarily or permanently. If the order of the Secretary refuses to issue, amend, or repeal a regulation and such order is not in accordance with law the court shall by its judgment order the Secretary to take action, with respect to such regulation, in accordance with law. The findings of the Secretary as to the facts, if supported by substantial evidence, shall be conclusive.

"(4) The judgment of the court affirming or setting aside, in whole or in part, any such order of the Secretary shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in sections 239 and 240 of the Judicial Code, as amended.

"(5) Any action instituted under this subsection shall survive notwithstanding any change in the person occupying the office of Secretary or any vacancy in such office.

"(6) The remedies provided for in this subsection shall be in addition to and not in substitution for any other remedies provided by law.

"(g) A certified copy of the transcript of the record and proceedings under subsection (e) shall be furnished by the Secretary to any interested party at his request, and payment of the costs thereof, and shall be admissible in any criminal, libel for condemnation, exclusion of imports, or other proceeding arising under or in respect to this Act, irrespective of whether proceedings with respect to the order have previously been instituted or become final under subsection (f).

"EXAMINATIONS AND INVESTIGATIONS

"SEC. 702. (a) The Secretary is authorized to conduct examinations and investigations for the purposes of this Act through officers and employees of the Department or through any health, food, or drug officer or employee of any State, Territory, or political subdivision thereof, duly commissioned by the Secretary as an officer of the Department. In the case of food packed in a Territory the Secretary shall attempt to make inspection of such food at the first point of entry within the United States when, in his opinion and with due regard to the enforcement of all the provisions of this Act, the facilities at his disposal will permit of such inspection. For the purposes of this subsection the term 'United States' means the States and the District of Columbia.

"(b) Where a sample of a food, drug, or cosmetic is collected for analysis under this Act the Secretary shall, upon request, provide a part of such official sample for examination or analysis by any person named on the label of the article, or the owner thereof, or his attorney or agent; except that the Secretary is authorized, by regulations, to make such reasonable exceptions from, and impose such reasonable terms and conditions relating to, the operation of this subsection as he finds necessary for the proper administration of the provisions of this Act.

"(c) For purposes of enforcement of this Act, records of any department or independent establishment in the executive branch of the Government shall be open to inspection by any official of the Department of Agriculture duly authorized by the Secretary to make such inspection.

"RECORDS OF INTERSTATE SHIPMENT

"SEC. 703. For the purpose of enforcing the provisions of this Act, carriers engaged in interstate commerce, and persons receiv-

ing food, drugs, devices, or cosmetics in interstate commerce or holding such articles so received, shall, upon the request of an officer or employee duly designated by the Secretary, permit such officer or employee, at reasonable times, to have access to and to copy all records showing the movement in interstate commerce of any food, drug, device, or cosmetic, or the holding thereof during or after such movement, and the quantity, shipper, and consignee thereof; and it shall be unlawful for any such carrier or person to fail to permit such access to and copying of any such record so requested when such request is accompanied by a statement in writing specifying the nature or kind of food, drug, device, or cosmetic to which such request relates: *Provided*, That evidence obtained under this section shall not be used in a criminal prosecution of the person from whom obtained: *Provided further*, That carriers shall not be subject to the other provisions of this Act by reason of their receipt, carriage, holding, or delivery of food, drugs, devices, or cosmetics in the usual course of business as carriers.

"FACTORY INSPECTION

"SEC. 704. For purposes of enforcement of this Act, officers or employees duly designated by the Secretary, after first making request and obtaining permission of the owner, operator, or custodian thereof, are authorized (1) to enter, at reasonable times, any factory, warehouse, or establishment in which food, drugs, devices, or cosmetics are manufactured, processed, packed, or held, for introduction into interstate commerce or are held after such introduction, or to enter any vehicle being used to transport or hold such food, drugs, devices, or cosmetics in interstate commerce; and (2) to inspect, at reasonable times, such factory, warehouse, establishment, or vehicle and all pertinent equipment, finished and unfinished materials, containers, and labeling therein.

"PUBLICITY

"SEC. 705. (a) The Secretary shall cause to be published from time to time reports summarizing all judgments, decrees, and court orders which have been rendered under this Act, including the nature of the charge and the disposition thereof.

"(b) The Secretary may also cause to be disseminated information regarding food, drugs, devices, or cosmetics in situations involving, in the opinion of the Secretary, imminent danger to health or gross deception of the consumer. Nothing in this section shall be construed to prohibit the Secretary from collecting, reporting, and illustrating the results of the investigations of the Department.

"COST OF CERTIFICATION OF COAL-TAR COLORS

"SEC. 706. The admitting to listing and certification of coal-tar colors, in accordance with regulations prescribed under this Act, shall be performed only upon payment of such fees, which shall be specified in such regulations, as may be necessary to provide, maintain, and equip an adequate service for such purposes.

"CHAPTER VIII—IMPORTS AND EXPORTS

"SEC. 801. (a) The Secretary of the Treasury shall deliver to the Secretary of Agriculture, upon his request, samples of food, drugs, devices, and cosmetics which are being imported or offered for import into the United States, giving notice thereof to the owner or consignee, who may appear before the Secretary of Agriculture and have the right to introduce testimony. If it appears from the examination of such samples or otherwise that (1) such article has been manufactured, processed, or packed under insanitary conditions, or (2) such article is forbidden or restricted in sale in the country in which it was produced or from which it was exported, or (3) such article is adulterated, misbranded, or in violation of section 505, then such article shall be refused admission. This paragraph shall not be construed to prohibit the admission of narcotic drugs the importation of which is permitted under section 2 of the Act of May 26, 1922, as amended (U. S. C., 1934 edition, title 21, sec. 173).

"(b) The Secretary of the Treasury shall refuse delivery to the consignee and shall cause the destruction of any such article refused admission, unless such article is exported by the consignee within three months from the date of notice of such refusal, under such regulations as the Secretary of the Treasury may prescribe: *Provided*, That the Secretary of the Treasury may deliver to the consignee any such article pending examination and decision in the matter on execution of a bond as liquidated damages for the amount of the full invoice value thereof together with the duty thereon and on refusing for any cause to return such article or any part thereof to the custody of the Secretary of the Treasury when demanded for the purpose of excluding it from the country or for any other purpose, such consignee shall forfeit the full amount of the bond as liquidated damages.

"(c) All charges for storage, cartage, and labor on any article which is refused admission or delivery shall be paid by the owner or consignee and in default of such payment shall constitute a lien against any future importations made by such owner or consignee.

"(d) A food, drug, device, or cosmetic intended for export shall not be deemed to be adulterated or misbranded under this Act if it (1) accords to the specifications of the foreign purchaser, (2) is not in conflict with the laws of the country to which it is intended for export, and (3) is labeled on the outside of the shipping package to show that it is intended for export. But if such article is sold or offered for sale in domestic commerce, this subsection shall not exempt it from any of the provisions of this Act.

"CHAPTER IX—MISCELLANEOUS

"SEPARABILITY CLAUSE

"SEC. 901. If any provision of this Act is declared unconstitutional, or the applicability thereof to any person or circumstances is held invalid, the constitutionality of the remainder of the Act and the applicability thereof to other persons and circumstances shall not be affected thereby.

"EFFECTIVE DATE AND REPEALS

"SEC. 902. (a) This Act shall take effect twelve months after the date of its enactment. The Federal Food and Drugs Act of June 30, 1906, as amended (U. S. C., 1934 ed., title 21, secs. 1–15), shall remain in force until such effective date, and, except as otherwise provided in this subsection, is hereby repealed effective upon such date: *Provided*, That the provisions of section 701 shall become effective on the enactment of this Act, and thereafter the Secretary is authorized hereby to (1) conduct hearings and to promulgate regulations which shall become effective on or after the effective date of this Act as the Secretary shall direct, and (2) designate prior to the effective date of this Act food having common or usual names and exempt such food from the requirements of clause (2) of section 403 (i) for a reasonable time to permit the formulation, promulgation, and effective application of definitions and standards of identity therefor as provided by section 401: *Provided further*, That sections 502 (j), 505, and 601 (a), and all other provisions of this Act to the extent that they may relate to the enforcement of such sections, shall take effect on the date of the enactment of this Act, except that in the case of a cosmetic to which the proviso of section 601 (a) relates, such cosmetic shall not, prior to the ninetieth day after such date of enactment, be deemed adulterated by reason of the failure of its label to bear the legend prescribed in such proviso: *Provided further*, That the Act of March 4, 1923 (U. S. C., 1934 ed., title 21, sec. 6; 42 Stat. 1500, ch. 268), defining butter and providing a standard therefor; the Act of July 24, 1919 (U. S. C., 1934 ed., title 21, sec. 10; 41 Stat. 271, ch. 26), defining wrapped meats as in package form; and the amendment to the Food and Drugs Act, section 10A, approved August 27, 1935 (U. S. C., 1934 ed., Sup. III, title 21, sec. 14a), shall remain in force and effect and be applicable to the provisions of this Act.

"(b) Meats and meat food products shall be exempt from the provisions of this Act to the extent of the application or the extension thereto of the Meat Inspection Act, approved March 4, 1907, as amended (U. S. C., 1934 ed., title 21, secs. 71–91; 34 Stat. 1260 et seq.).

"(c) Nothing contained in this Act shall be construed as in any way affecting, modifying, repealing, or superseding the provisions of the virus, serum, and toxin Act of July 1, 1902 (U. S. C., 1934 ed., title 42, chap. 4); the Filled Cheese Act of June 6, 1896 (U. S. C., 1934 ed., title 26, ch. 10), the Filled Milk Act of March 4, 1923 (U. S. C., 1934 ed., title 21, ch. 3, secs. 61–63); or the Import Milk Act of February 15, 1927 (U. S. C., 1934 ed., title 21, ch. 4, secs. 141–149.)

"(d) In order to carry out the provisions of this Act which take effect prior to the repeal of the Food and Drugs Act of June 30, 1906, as amended, appropriations available for the enforcement of such Act of June 30, 1906, are also authorized to be made available to carry out such provisions."

And the House agree to the same.

That the Senate recede from its disagreement to the amendment of the House to the title and agree to the same.

ROYAL S. COPELAND,
JOSIAH W. BAILEY,
BENNETT CHAMP CLARK,
ERNEST W. GIBSON,
A. H. VANDENBERG,
CHAS. L. MCNARY,
HATTIE W. CARAWAY,
Managers on the part of the Senate.

CLARENCE F. LEA,
VIRGIL CHAPMAN,
WILLIAM P. COLE, Jr.,
SAMUEL B. PETTENGILL,
HERRON PEARSON,
CARL E. MAPES,
B. CARROLL REECE,
CHARLES A. HALLECK,
Managers on the part of the House.

Mr. COPELAND. Mr. President, we have had 5 years' work on the bill. I am happy to say that today the House conferees and the Senate conferees unanimously agreed to the report which I have submitted.

I ask for immediate consideration of the report.

The PRESIDING OFFICER. Is there objection?

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. COPELAND. I yield.

Mr. OVERTON. May I inquire of the Senator from New York what was done with reference to the provision of the

House bill making whisky "misbranded" if distilled from a source other than grain?

Mr. COPELAND. I told the House conferees that some of the most able filibusterers in the Senate were so opposed to that amendment that we could not accept it, and it was stricken from the bill.

Mr. OVERTON. Let me make the observation that the Senator from New York gave correct information to the House conferees.

Mr. COPELAND. I always try to do that.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

Mr. COPELAND. I must express my great gratification, Mr. President. This matter is very close to my heart. I have thought of it almost every day. We now have a bill of which we may be proud. It strengthens the food and drug laws by adding cosmetics.

I wish to say, on behalf of the manufacturing concerns and producers who might be adversely affected by the legislation, that their attitude has been very fine about it. We now have a bill which may bring disappointment to some, but I think it is a bill which marks a very great advance, probably beyond that of any other country in the world.

TRUTH-IN-FABRICS BILL

Mr. SCHWARTZ. Mr. President, I move that the Senate proceed to the consideration of Senate bill 3502, Calendar No. 1754.

The PRESIDING OFFICER. The Senator from Wyoming moves that the Senate proceed to the consideration of a bill the title of which will be stated by the clerk.

The CHIEF CLERK. A bill (S. 3502) to protect producers, manufacturers, and consumers from the unrevealed presence of substitutes and mixtures in spun, woven, or knitted or felted fabrics and in garments or articles of apparel or other articles made therefrom, and for other purposes.

Mr. WALSH. Mr. President, a number of Senators are strongly opposed to this measure. Some of them are not present, particularly the Senator from Virginia [Mr. GLASS]. I inquire of the Senator from Wyoming whether he is desirous of proceeding with the discussion of the bill tonight?

Mr. SCHWARTZ. No; I am not.

Mr. WALSH. So all that the Senator desires is to have the bill taken up tonight?

Mr. SCHWARTZ. It is my purpose to wait until Monday, until the Senator from Virginia and other Senators are here, to begin the consideration of the bill.

Mr. WALSH. I do not think I ought to deny the Senator the right to have a hearing of his bill, and I am not disposed to oppose his request to have it taken up. I simply wish to serve notice that, in my opinion, it is such a controversial bill that it will take a good deal of time during the next few days. Would the Senator be willing to let the motion, without prejudice, remain pending until Monday?

Mr. SCHWARTZ. No, Mr. President. I do not believe the consideration of the bill will take as long as suggested by the Senator from Massachusetts. I understand—and I think I am advised as to the situation—that there is really only one controversial point in the bill. I think I ought to have the right to have the bill taken up for consideration. It has been the subject of a very long series of hearings.

Mr. WALSH. I shall be glad to agree with the Senator that he may have the right of way on Monday, by unanimous consent, to make his motion. I really feel, however, that I ought to protest against taking up the bill tonight, on account of the vigorous opposition of the Senator from Virginia [Mr. GLASS]. Only today he spoke to me about it, and several other Senators have repeatedly given similar notice. If the Senator from Virginia were present, I should not make this request. Will not the Senator from Wyoming agree that by unanimous consent he shall have the right to make his motion on Monday at the convening of the Senate?

Mr. SCHWARTZ. No, Mr. President.

Mr. BARKLEY. Mr. President, I suggest that the Senator's motion to make the bill the unfinished business be agreed to. If there should be any controversy over it, or a lengthy debate, it will go over until Monday, anyway.

Mr. WALSH. Has any one communicated with the Senator from Virginia [Mr. GLASS]?

Mr. LODGE. Mr. President, the Senator from Virginia spoke to me this afternoon about the matter, and told me that he was going to leave the Chamber for the day. He stated that he was very much interested in the bill, the subject of the motion of the Senator from Wyoming, and desired to be present when it was taken up.

Mr. BARKLEY. I would not suggest that the bill be taken up for discussion or to be disposed of while the Senator from Virginia is not present, but I see no harm in making it the unfinished business, and that would take it over until Monday automatically.

Mr. WALSH. So far as I am concerned, I should be willing to have the Senate make the bill the unfinished business, because I think the Senator from Wyoming has a right to have a hearing on his bill, but I am really disturbed and troubled about the attitude of the Senator from Virginia. I think he rather assumed that I would take steps to prevent the bill being taken up in his absence. That is the difficulty in which I find myself. Can it not go over until Monday? Would not the Senator from Wyoming agree that the request go over until Monday? So far as I am concerned, I would give unanimous consent, and I am sure the Senate will, that the Senator shall be recognized when the Senate convenes on Monday, and that his motion shall then be in order.

Mr. SCHWARTZ. I have made a motion that the bill be made the unfinished business, and if that is agreed to, then it may go over until Monday.

Mr. WALSH. The only difficulty is, and I wish to impress it upon the Senator, that the Senator from Virginia has burdened some of us with the responsibility of seeing that he has an opportunity to be present when the matter comes up, and of course he is absent, as we know, on account of illness. That is the only difficulty which confronts us. It would be most magnanimous and a great favor to the Senator from Virginia if the Senator from Wyoming would agree to what I suggest. So far as I am concerned, I will make no opposition to the bill being taken up on Monday, but I should like to have the Senator from Virginia present.

Mr. BARKLEY. The Senator from Wyoming having made the motion, it will be the pending business without unanimous consent, if it shall not be disposed of today.

Mr. WALSH. Mr. President, I move that on the convening of the Senate on Monday——

Mr. BARKLEY. It is not necessary to make a motion, because the Senator having made the motion, it is the pending business.

Mr. WALSH. Then we can lay aside the motion to take up other business, if desired?

Mr. BARKLEY. Yes.

Mr. WALSH. I thank the Senator from Wyoming. I will convey his agreeable attitude in the matter to the Senator from Virginia.

ADJUSTMENT OF SALARIES OF RURAL LETTER CARRIERS

The PRESIDING OFFICER laid before the Senate the action of the House of Representatives disagreeing to the amendment of the Senate to the bill (H. R. 3610) to adjust the salaries of rural letter carriers, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. McKELLAR. I move that the Senate insist upon its amendment, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. MCKELLAR, Mr. HAYDEN, and Mr. FRAZIER conferees on the part of the Senate.

INSURANCE FOR CABS IN THE DISTRICT—CONFERENCE REPORT

Mr. KING. For the Senator from Maryland [Mr. TYDINGS] I submit a conference report on House bill 7084. One of the conferees, the Senator from New Hampshire [Mr. BRIDGES],

is unavoidably absent, but I understand from the other conferees that the report is agreeable to him.

The report was read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7084) to provide that all cabs for hire in the District of Columbia be compelled to carry insurance for the protection of passengers, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 1, 3, 4, 5, 7, 8, 9, 11, 12, 14, 15, 16, 17, and 18; and agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment as follows: In addition to the matter proposed to be stricken out by the Senate amendment, on page 2, line 7, of the House bill strike out "surety or"; and the Senate agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment as follows: In addition to the matter proposed to be stricken out by the Senate amendment, on page 2, line 17, of the House bill strike out "bond or undertaking or"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment as follows: On page 2, line 15, of the Senate engrossed amendments strike out "at" and insert "and"; and the Senate agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment as follows: On page 3, line 13, of the House bill strike out "twenty" and insert "ten"; and on page 3, line 14, of the House bill, strike out "or termination"; and the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

"SEC. 3. Any corporation, company, association, joint-stock company or association, partnership or person, and any lessee, trustee or receiver, who violates any of the provisions of this act, or the regulations lawfully promulgated thereunder, shall, upon conviction, be punished by a fine of not more than $300 or by imprisonment for not more than 90 days, and by cancelation of license. For violations of this act, the Commissioners of the District of Columbia are authorized to suspend or revoke licenses issued under paragraphs 31 (c), (d), and (e) of section 7 of the act entitled 'An act making appropriations to provide for the government of the District of Columbia for the fiscal year ending June 30, 1903, and for other purposes', approved July 1, 1902, as amended; and any such suspension or revocation may be without prior conviction.

"SEC. 4. This act shall take effect on January 1, 1939."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate to the title of the bill, and agree to the same.

M. E. TYDINGS,
HERBERT E. HITCHCOCK,
Managers on the part of the Senate.

VINCENT L. PALMISANO,
JACK NICHOLS,
EVERETT M. DIRKSEN,
Managers on the part of the House.

The report was agreed to.

PLACEMENT OF EDUCATIONAL ORDERS FOR MUNITIONS—CONFERENCE REPORT

Mr. JOHNSON of Colorado submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 6246) to provide for placing educational orders to familiarize private manufacturing establishments with the production of munitions of war of special or technical design, noncommercial in character, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment.

ED. C. JOHNSON,
LISTER HILL,
H. C. LODGE, JR.,
Managers on the part of the Senate.

A. J. MAY,
R. E. THOMASON,
DOW W. HARTER,
L. C. ARENDS,
CHARLES R. CLASON,
Managers on the part of the House.

The report was agreed to.

MARKING OF PACKAGES CONTAINING WILD ANIMALS AND BIRDS

Mr. BILBO. Mr. President, I ask unanimous consent for the immediate consideration of House bill 5812, an act to amend section 243 of the Penal Code of the United States, as amended by the act of June 15, 1935 (49 Stat. 378), relating to the marking of packages containing wild animals and birds and parts thereof.

Mr. AUSTIN. Mr. President, for the same reason which I gave a few moments ago, I must object.

The PRESIDING OFFICER. The Senator from Vermont objects.

Mr. BILBO. Mr. President, I move that the Senate proceed to the consideration of the bill.

The PRESIDING OFFICER. Such a motion would not be in order at this time, there already being one motion before the Senate. The motion of the Senator from Wyoming [Mr. SCHWARTZ] is the pending question, and another motion would not be in order.

Mr. BILBO. Mr. President, I ask unanimous consent that House bill 5812 be made the order of business on Monday to follow the consideration of the measure sponsored by the Senator from Wyoming [Mr. SCHWARTZ].

The PRESIDING OFFICER. The Senator from Mississippi asks unanimous consent that the consideration of the bill to which he has referred be made the order of business after the completion of consideration of the measure presented by the Senator from Wyoming [Mr. SCHWARTZ].

Mr. BARKLEY. Mr. President, I do not think we can enter into any unanimous-consent agreement beyond one regarding the pending motion. It is possible that there may be a call of the calendar on Monday in order that we may dispose of a large number of bills which have been placed on the calendar since the calendar was called on Tuesday. I do not think it is wise to tie up the proceedings of Monday beyond the motion which has already been entered by the Senator from Wyoming. I hope the Senator from Mississippi will not press the matter.

Mr. BILBO. Mr. President, can I not prevail on the Senator from Vermont to give his consent to the consideration of the bill? I have been trying for a week to get it before the Senate. It is a House bill, and I should like to get it to the House for concurrence in any amendment which may be made in the Senate.

Mr. AUSTIN. I do not know whether the Senator from Mississippi understood the ground of my objection. If he did, he would not attempt to prevail upon me, because the decision does not rest with me at all.

Mr. WALSH. Mr. President, I propound an inquiry to the Senator from Vermont for the purpose of ascertaining the attitude of the minority on taking up bills which have been placed on the calendar since the last call.

Mr. AUSTIN. The position of the minority as stated by the Senator from Oregon [Mr. MCNARY] is that requests of this character will be objected to; that any request for taking up a bill previous to the call of the calendar will be objected to on the ground that all Senators should have an equal right. That is a ground I am obliged to maintain. It has nothing to do with my personal views or wishes at all.

Mr. POPE. Mr. President, I assume that in view of the position taken by the majority leader and the Senator from Vermont, no matter, however pertinent, may be considered. I have a joint resolution which it is very important to have considered promptly in order that action may be had in the House if the joint committee provided for to study the phosphate matter is to be appointed at this session of the Congress and report at the next session.

Mr. AUSTIN. Mr. President, I have been informed that that is an important matter, and it is one in which I have sufficient interest to be glad to yield if I could do so; but I am bound not to yield. Therefore, I regret that I would have to object to the request of the Senator for the consideration of the joint resolution.

AUTHORIZATION FOR COMMITTEES TO REPORT DURING THE RECESS

Mr. ADAMS. Mr. President, I call the attention of the Senator from Kentucky to the fact that there will be a meeting of the Committee on Public Lands and Surveys tomorrow morning to pass upon some bills which it is very desirable to have passed. May I get permission to have the bills reported during the recess?

Mr. BARKLEY. Mr. President, I ask unanimous consent that all standing committees and all conference committees be authorized to make reports to the Senate during the recess of the Senate.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

ORDER OF BUSINESS

Mr. POPE. Mr. President, I inquire of the Senator from Kentucky whether or not he thinks we shall have a call of the calendar for unobjected bills on Monday?

Mr. BARKLEY. Yes; that is my purpose. I will say that at the beginning of the call I think we shall be compelled to start where we ended at the last call, in order that a large number of House bills which have been sent to the Senate and placed on the calendar may be considered. I think at this stage we ought to give some preference to bills which have passed the House and are ready for action in the Senate. I will say that it may be possible to call the entire calendar Monday, depending, however, upon the state of business on that day.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. O'MAHONEY. My understanding is that the call of the calendar will not be undertaken until after the motion of the junior Senator from Wyoming [Mr. SCHWARTZ] shall have been disposed of.

Mr. BARKLEY. No; it will not interfere with that motion.

INTERNATIONAL LABOR ORGANIZATION (S. DOC. NO. 203)

Mr. PITTMAN. Mr. President, I ask that certain draft conventions and recommendations of the International Labor Organization held at Geneva, June 3 to 23, 1937, transmitted to the Congress by the President on yesterday, be published as a Senate document.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. HILL in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

Mr. LOGAN, from the Committee on the Judiciary, reported favorably the nomination of Carlisle W. Higgins, of North Carolina, to be United States attorney for the middle district of North Carolina.

Mr. BURKE, from the Committee on the Judiciary, reported favorably the following nominations:

George Philip to be United States attorney for the district of South Dakota; and

Charles W. Robertson to be United States marshal for the district of South Dakota.

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

Mr. PITTMAN, from the Committee on Foreign Relations, reported favorably the nomination of William P. Blocker, of Texas, now a Foreign Service officer of class 3 and a secretary in the Diplomatic Service, to be also a consul general.

He also, from the same committee, reported favorably the nominations of sundry persons for promotion in the Foreign Service.

Mr. SHEPPARD, from the Committee on Military Affairs, reported favorably the nominations of several officers for appointment, by transfer, in the Regular Army.

Mr. WALSH, from the Committee on Naval Affairs, reported favorably the nominations of sundry officers for appointment or for promotion in the Navy and in the Marine Corps.

The PRESIDING OFFICER. The reports will be placed on the Executive Calendar. If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar.

THE JUDICIARY

The legislative clerk read the nomination of Angel R. de Jesus, to be associate justice of the Supreme Court of Puerto Rico.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

IN THE ARMY

The legislative clerk proceeded to read sundry nominations in the Army.

Mr. SHEPPARD. I ask that the nominations in the Army be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations in the Army are confirmed en bloc.

POSTMASTERS—NOMINATIONS REJECTED

The legislative clerk proceeded to read sundry nominations of postmasters which had been reported adversely.

Mr. McKELLAR. I ask that the nominations of postmasters reported adversely be rejected.

The PRESIDING OFFICER. Without objection, the nominations of postmasters reported adversely are rejected.

POSTMASTERS—NOMINATIONS CONFIRMED

The legislative clerk proceeded to read sundry nominations of postmasters on the Calendar.

Mr. McKELLAR. I ask that all nominations of postmasters reported favorably be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations of postmasters favorably reported are confirmed en bloc.

Mr. McKELLAR. Mr. President, the session is rapidly drawing to a close. Senators from the several States have recommended a great many postmasters. Nominations of postmasters were favorably reported this afternoon. I ask unanimous consent that the nominations of postmasters reported this afternoon may be confirmed en bloc, and that any Senator, after he sees the list in the RECORD tomorrow, who objects to any postmaster from his State thus confirmed, shall have the right to make objection, and if he does so, the nomination shall be withdrawn, and recommitted to the Committee on Post Offices and Post Roads.

Mr. AUSTIN. Mr. President, I ask the Senator from Kentucky if he is willing to have an agreement by unanimous consent that such objection may be raised on Monday, if it shall be discovered by any Senator that he has objection to any nomination which is confirmed? The agreement suggested was with respect to tomorrow.

Mr. McKELLAR. I meant Monday, of course.

Mr. BARKLEY. Yes.

Mr. AUSTIN. The agreement then will be extended to Monday?

Mr. McKELLAR. Yes; if any Senator objects to any of the postmasters whose nominations are confirmed.

Mr. AUSTIN. With that modification, I have no objection.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Tennessee? The Chair hears none, and the nominations of postmasters reported today are confirmed en bloc.

COLLECTOR OF CUSTOMS

Mr. CONNALLY. From the Committee on Finance I report favorably the nomination of Harry P. Hornby, to the collector of customs for collection district No. 23, with headquarters at San Antonio, Tex.

I now ask that the nomination of Mr. Hornby be confirmed.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. CONNALLY. I ask unanimous consent that the President be notified.

The PRESIDING OFFICER. Without objection, the President will be notified.

UNITED STATES TARIFF COMMISSION

Mr. KING. Mr. President, from the Committee on Finance I report favorably the nomination of Edgar Bernard Brossard, of Utah, to be a member of the United States Tariff Commission for the term expiring June 16, 1944.

I now ask unanimous consent that the nomination of Mr. Brossard be confirmed.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. KING. I ask that the President be notified.

The PRESIDING OFFICER. Without objection, the President will be notified.

That completes the calendar.

RECESS TO MONDAY

Mr. BARKLEY. I move that the Senate take a recess until 12 o'clock noon on Monday next.

The motion was agreed to; and (at 5 o'clock and 26 minutes p. m.) the Senate took a recess until Monday, June 13, 1938, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 10 (legislative day of June 7), 1938

FEDERAL HOUSING ADMINISTRATOR

Stewart McDonald, of Missouri, to be Federal Housing Administrator for a term of 4 years from June 30, 1938. (Reappointment.)

JUDGE, UNITED STATES COURT OF APPEALS

Hon. William Clark, of New Jersey, to be judge of the United States Circuit Court of Appeals for the Third Circuit, vice Hon. J. Whitaker Thompson, retired.

DISTRICT COURT OF THE UNITED STATES FOR THE DISTRICT OF COLUMBIA

Hon. Bolitha J. Laws, of Washington, D. C., to be an associate justice of the District Court of the United States for the District of Columbia.

UNITED STATES DISTRICT JUDGE

Hon. Edward A. Conger, of New York, to be United States district judge for the southern district of New York.

COLLECTOR OF CUSTOMS

Harry P. Hornby, of Texas, to be collector of customs for customs collection district No. 23, with headquarters at San Antonio, Tex. (Reappointment.)

POSTMASTERS

ALABAMA

Robert B. Vail to be postmaster at Bay Minette, Ala., in place of R. B. Vail. Incumbent's commission expired June 6, 1938.

Ruth Duffey to be postmaster at Dadeville, Ala., in place of Ruth Duffey. Incumbent's commission expires June 18, 1938.

Emmett M. Wimberley to be postmaster at Reform, Ala., in place of H. M. Cummins, removed.

Craig Smith Robbins to be postmaster at Selma, Ala., in place of C. S. Robbins. Incumbent's commission expired May 30, 1938.

ARIZONA

Emory D. Miller to be postmaster at Nogales, Ariz., in place of E. D. Miller. Incumbent's commission expires June 14, 1938.

ARKANSAS

Charles F. Elza to be postmaster at Benton, Ark., in place of C. F. Elza. Incumbent's commission expired February 2, 1938.

Maude Simpkins to be postmaster at Shirley, Ark., in place of Maude Simpkins. Incumbent's commission expired June 1, 1938.

CALIFORNIA

Marvin S. Wick to be postmaster at Hermosa Beach, Calif., in place of M. S. Wick. Incumbent's commission expired May 28, 1938.

William R. McKinnon to be postmaster at Livermore, Calif., in place of W. R. McKinnon. Incumbent's commission expired March 20, 1938.

Charles E. Conner to be postmaster at Torrance, Calif., in place of C. E. Conner. Incumbent's commission expired May 30, 1938.

CONNECTICUT

Martin M. J. Murray to be postmaster at Falls Village, Conn., in place of M. M. J. Murray. Incumbent's commission expired June 6, 1938.

Nellie A. Byrnes to be postmaster at Pomfret, Conn., in place of N. A. Byrnes. Incumbent's commission expired May 1, 1938.

FLORIDA

Nannie Moye to be postmaster at Fort Barrancas, Fla., in place of H. C. Hammers, resigned.

James E. Wall, Sr. to be postmaster at Tampa, Fla., in place of J. E. Wall, Sr. Incumbent's commission expired April 30, 1938.

GEORGIA

James Homer Hart to be postmaster at Ellaville, Ga., in place of J. H. Hart. Incumbent's commission expired April 28, 1938.

Rhesa S. Farmer to be postmaster at Louisville, Ga., in place of R. S. Farmer. Incumbent's commission expired February 28, 1938.

IDAHO

Mary K. Will to be postmaster at Kuna, Idaho, in place of M. K. Will. Incumbent's commission expired May 31, 1938.

Fred L. Cruikshank to be postmaster at Montpelier, Idaho, in place of F. L. Cruikshank. Incumbent's commission expired April 28, 1938.

Wando J. Andrasen to be postmaster at St. Anthony, Idaho, in place of W. J. Andrasen. Incumbent's commission expired May 23, 1938.

ILLINOIS

William J. Fahey to be postmaster at Bloomington, Ill., in place of W. J. Fahey. Incumbent's commission expires June 18, 1938.

Esther R. Webb to be postmaster at Buda, Ill., in place of E. R. Webb. Incumbent's commission expires June 18, 1938.

Conrad C. Miller to be postmaster at Chadwick, Ill., in place of C. C. Miller. Incumbent's commission expired June 6, 1938.

Gilbert Jeptha Armstrong to be postmaster at Chandlerville, Ill., in place of G. J. Armstrong. Incumbent's commission expired May 3, 1938.

Walter T. McCanna to be postmaster at Chillicothe, Ill., in place of W. T. McCanna. Incumbent's commission expired April 27, 1938.

Jaunita H. Whitten to be postmaster at Coffeen, Ill., in place of J. H. Whitten. Incumbent's commission expired May 22, 1938.

Arthur L. Larson to be postmaster at Des Plaines, Ill., in place of A. L. Larson. Incumbent's commission expires June 12, 1938.

Philip G. Barron to be postmaster at Du Quoin, Ill., in place of P. G. Barron. Incumbent's commission expired April 28, 1938.

James F. Grogan to be postmaster at Elmhurst, Ill., in place of J. F. Grogan. Incumbent's commission expires June 12, 1938.

Harold R. Tomb to be postmaster at Eureka, Ill., in place of H. R. Tomb. Incumbent's commission expired May 3, 1938.

James A. Cragan to be postmaster at Evansville, Ill., in place of J. A. Cragan. Incumbent's commission expired April 27, 1938.

Beryl J. Donaldson to be postmaster at Farina, Ill., in place of B. J. Donaldson. Incumbent's commission expired May 31, 1938.

John P. Hook, Jr., to be postmaster at Fulton, Ill., in place of J. P. Hook, Jr. Incumbent's commission expires June 14, 1938.

Narcisse L. Marcotte to be postmaster at Bourbonnais, Ill., in place of N. L. Marcotte. Incumbent's commission expires June 12, 1938.

Bernard G. Finnegan to be postmaster at Bradford, Ill., in place of B. G. Finnegan. Incumbent's commission expires June 18, 1938.

Edward P. Malone to be postmaster at Gilman, Ill., in place of E. P. Malone. Incumbent's commission expired May 3, 1938.

Anna E. Sullivan to be postmaster at Grand Tower, Ill., in place of A. E. Sullivan. Incumbent's commission expired May 28, 1938.

David McGrath to be postmaster at Hampshire, Ill., in place of David McGrath. Incumbent's commission expired April 28, 1938.

James R. Maher to be postmaster at Hillside, Ill., in place of J. R. Maher. Incumbent's commission expired March 7, 1938.

Charles M. McCoy to be postmaster at Hutsonville, Ill., in place of C. M. McCoy. Incumbent's commission expired May 28, 1938.

Clifford W. Brewer to be postmaster at Knoxville, Ill., in place of C. W. Brewer. Incumbent's commission expired March 19, 1938.

Carl E. Saur to be postmaster at Malta, Ill., in place of C. E. Saur. Incumbent's commission expires June 18, 1938.

Joseph A. Maier to be postmaster at Marseilles, Ill., in place of J. A. Maier. Incumbent's commission expired May 3, 1938.

Joe W. Wilson to be postmaster at Morrison, Ill., in place of J. W. Wilson. Incumbent's commission expires June 18, 1938.

Blanche B. Hood to be postmaster at Mound City, Ill., in place of B. B. Hood. Incumbent's commission expires June 18, 1938.

Harold E. Young to be postmaster at Mounds, Ill., in place of H. E. Young. Incumbent's commission expired May 31, 1938.

George Huthmacher to be postmaster at Murphysboro, Ill., in place of George Huthmacher. Incumbent's commission expired April 28, 1938.

John R. Sheehan to be postmaster at Ohio, Ill., in place of J. R. Sheehan. Incumbent's commission expired May 22, 1938.

Henry Cottlow to be postmaster at Oregon, Ill., in place of Henry Cottlow. Incumbent's commission expired April 28, 1938.

O. Cammie Seeders to be postmaster at Palestine, Ill., in place of O. C. Seeders. Incumbent's commission expires June 14, 1938.

Thomas J. Cody to be postmaster at Peoria, Ill., in place of T. J. Cody. Incumbent's commission expired May 28, 1938.

Hugh J. Gorman to be postmaster at Peotone, Ill., in place of H. J. Gorman. Incumbent's commission expired June 6, 1938.

William C. Dufrenne to be postmaster at Prairie du Rocher, Ill., in place of W. C. Dufrenne. Incumbent's commission expired May 28, 1938.

David W. Leigh to be postmaster at Ramsey, Ill., in place of D. W. Leigh. Incumbent's commission expires June 18, 1938.

William W. Sloan to be postmaster at Rockton, Ill., in place of W. W. Sloan. Incumbent's commission expired May 3, 1938.

Ross St. Clair Tary to be postmaster at Seaton, Ill., in place of R. St. C. Tary. Incumbent's commission expires June 12, 1938.

Edgar V. Galloway to be postmaster at Shawneetown, Ill., in place of E. V. Galloway. Incumbent's commission expires June 18, 1938.

Merr L. Abbott to be postmaster at Sheridan, Ill., in place of M. L. Abbott. Incumbent's commission expired May 3, 1938.

Curtis E. Veach to be postmaster at Valier, Ill., in place of C. E. Veach. Incumbent's commission expired May 28, 1938.

Irvin M. Lewis to be postmaster at Walnut, Ill., in place of I. M. Lewis. Incumbent's commission expired May 3, 1938.

Mathew L. McHugh to be postmaster at Westmont, Ill., in place of M. L. McHugh. Incumbent's commission expired May 3, 1938.

INDIANA

Ira Clouser to be postmaster at Crawfordsville, Ind., in place of Ira Clouser. Incumbent's commission expired May 7, 1938.

William L. Eastin to be postmaster at Ewing, Ind., in place of W. L. Eastin. Incumbent's commission expired May 30, 1938.

Orel J. Montgomery to be postmaster at Bolton, Ind., in place of O. J. Montgomery. Incumbent's commission expired June 9, 1938.

Pauline M. Rierden to be postmaster at Montezuma, Ind., in place of P. M. Rierden. Incumbent's commission expired May 1, 1938.

William N. Burns to be postmaster at Otterbein, Ind., in place of W. N. Burns. Incumbent's commission expired May 30, 1938.

Carl A. Waiz to be postmaster at Sellersburg, Ind., in place of C. A. Waiz. Incumbent's commission expired March 15, 1938.

IOWA

Joseph F. Rettenmaier to be postmaster at Carroll, Iowa, in place of J. F. Rettenmaier. Incumbent's commission expires June 18, 1938.

Nettie Blair Lewis to be postmaster at Columbus Junction, Iowa, in place of N. B. Lewis. Incumbent's commission expires June 18, 1938.

Edward Van Zante to be postmaster at Pella, Iowa, in place of Edward Van Zante. Incumbent's commission expired February 28, 1938.

Harris D. MacGugin to be postmaster at Wellman, Iowa, in place of H. D. MacGugin. Incumbent's commission expires June 12, 1938.

KANSAS

Jesse T. Poland to be postmaster at Barnes, Kans., in place of J. T. Poland. Incumbent's commission expires June 13, 1938.

Samuel E. Notestine to be postmaster at Burdett, Kans., in place of S. E. Notestine. Incumbent's commission expires June 18, 1938.

James W. O'Connor to be postmaster at Chapman, Kans., in place of J. W. O'Connor. Incumbent's commission expired April 27, 1938.

Benjamin F. Hemphill to be postmaster at Clay Center, Kans., in place of B. F. Hemphill. Incumbent's commission expired June 1, 1938.

Mildred F. Atkinson to be postmaster at De Soto, Kans., in place of M. F. Atkinson. Incumbent's commission expires June 18, 1938.

Carl A. Gibson to be postmaster at Dighton, Kans., in place of C. A. Gibson. Incumbent's commission expires June 18, 1938.

Mae S. Hodgson to be postmaster at Downs, Kans., in place of M. S. Hodgson. Incumbent's commission expired June 1, 1938.

Walter S. Davis to be postmaster at Florence, Kans., in place of W. S. Davis. Incumbent's commission expired June 1, 1938.

Charles R. Hollenberg to be postmaster at Irving, Kans., in place of C. R. Hollenberg. Incumbent's commission expires June 18, 1938.

Pearl E. Holmes to be postmaster at Kincaid, Kans., in place of P. E. Holmes. Incumbent's commission expired May 25, 1938.

Lee Calvin to be postmaster at La Cygne, Kans., in place of J. E. Begley, resigned.

Axel A. Peterson to be postmaster at La Harpe, Kans., in place of A. A. Peterson. Incumbent's commission expired May 25, 1938.

Hazel R. Craft to be postmaster at Lewis, Kans., in place of Hazel Craft. Incumbent's commission expires June 18, 1938.

Harry M. Brodrick to be postmaster at Marysville, Kans., in place of H. M. Brodrick. Incumbent's commission expired May 25, 1938.

Cecil C. Pember to be postmaster at Olathe, Kans., in place of C. C. Pember. Incumbent's commission expired May 25, 1938.

Edmund C. Turner to be postmaster at Overland Park, Kans., in place of E. C. Turner. Incumbent's commission expires June 18, 1938.

Lawrence W. Leisure to be postmaster at Pleasanton, Kans., in place of L. W. Leisure. Incumbent's commission expires June 18, 1938.

Richard S. Ikenberry to be postmaster at Quinter, Kans., in place of R. S. Ikenberry. Incumbent's commission expired March 20, 1938.

George J. Smith to be postmaster at Summerfield, Kans., in place of G. J. Smith. Incumbent's commission expires June 18, 1938.

Hugo A. Simonton to be postmaster at Alta Vista, Kans., in place of H. A. Simonton. Incumbent's commission expired April 27, 1938.

Dixie Elliott to be postmaster at Blue Rapids, Kans., in place of Dixie Elliott. Incumbent's commission expired May 25, 1938.

Jane Waters to be postmaster at Bonner Springs, Kans., in place of Jane Waters. Incumbent's commission expires June 18, 1938.

James D. Egbert to be postmaster at Cimarron, Kans., in place of J. D. Egbert. Incumbent's commission expires June 18, 1938.

Alexander A. Niernberger to be postmaster at Collyer, Kans., in place of A. A. Niernberger. Incumbent's commission expired April 28, 1938.

Asa I. Cox to be postmaster at Colony, Kans., in place of A. I. Cox. Incumbent's commission expires June 18, 1938.

Elmer R. Eyman to be postmaster at Deerfield, Kans., in place of E. R. Eyman. Incumbent's commission expired May 25, 1938.

Charles A. Hegarty to be postmaster at Effingham, Kans., in place of C. A. Hegarty. Incumbent's commission expires June 18, 1938.

Fred V. Morgan to be postmaster at Greeley, Kans., in place of F. V. Morgan. Incumbent's commission expires June 18, 1938.

Warren D. Gilmore to be postmaster at Highland, Kans., in place of W. D. Gilmore. Incumbent's commission expired May 25, 1938.

John J. Lindsay to be postmaster at Horton, Kans., in place of J. J. Lindsay. Incumbent's commission expired May 25, 1938.

William A. Hess to be postmaster at Humboldt, Kans., in place of W. A. Hess. Incumbent's commission expires June 18, 1938.

Bryan F. Scarborough to be postmaster at Iola, Kans., in place of B. F. Scarborough. Incumbent's commission expired May 29, 1938.

Stephen E. Murray to be postmaster at Jamestown, Kans., in place of S. E. Murray. Incumbent's commission expired April 27, 1938.

Harry T. Fish to be postmaster at La Crosse, Kans., in place of H. T. Fish. Incumbent's commission expires June 18, 1938.

Lottie Victor to be postmaster at Larned, Kans., in place of Lottie Victor. Incumbent's commission expires June 18, 1938.

Jack W. Boyle to be postmaster at McDonald, Kans., in place of J. W. Boyle. Incumbent's commission expired April 27, 1938.

James A. Hanks to be postmaster at Wetmore, Kans., in place of J. A. Hanks. Incumbent's commission expires June 18, 1938.

KENTUCKY

Richard W. Wilson to be postmaster at Elizabethtown, Ky., in place of R. W. Wilson. Incumbent's commission expired May 29, 1938.

Ralph E. Vaughn to be postmaster at Greensburg, Ky., in place of R. E. Vaughn. Incumbent's commission expired June 1, 1938.

LOUSIANA

Felix J. Orgeron to be postmaster at Harvey, La., in place of A. J. Robichaux, deceased.

James R. Wooten to be postmaster at Monroe, La., in place of J. R. Wooten. Incumbent's commission expired June 1, 1938.

William E. Brock to be postmaster at Natchitoches, La., in place of W. E. Brock. Incumbent's commission expired June 6, 1938.

Arthur Deshotels to be postmaster at Washington, La., in place of Arthur Deshotels. Incumbent's commission expires June 18, 1938.

Marvin A. Kent to be postmaster at De Quincy, La., in place of M. A. Kent. Incumbent's commission expires June 18, 1938.

Vivien T. Swords to be postmaster at Kinder, La., in place of Vivien Swords. Incumbent's commission expires June 18, 1938.

MAINE

George H. Foster to be postmaster at Unity, Maine, in place of G. H. Foster. Incumbent's commission expires June 13, 1938.

John L. Tarr to be postmaster at Anson, Maine, in place of J. L. Tarr. Incumbent's commission expired April 30, 1938.

Lee M. Rowe to be postmaster at Bryant Pond, Maine, in place of L. M. Rowe. Incumbent's commission expired May 29, 1938.

Willis H. Allen to be postmaster at Columbia Falls, Maine, in place of W. H. Allen. Incumbent's commission expires June 13, 1938.

Erma G. Maxim to be postmaster at Corinna, Maine, in place of E. G. Maxim. Incumbent's commission expired April 25, 1938.

Leon C. Weed to be postmaster at Deer Isle, Maine, in place of L. C. Weed. Incumbent's commission expired April 25, 1938.

Elsie S. Dow to be postmaster at Eagle Lake, Maine, in place of E. S. Dow. Incumbent's commission expired April 25, 1938.

John A. Lyons to be postmaster at East Millinocket, Maine, in place of J. A. Lyons. Incumbent's commission expired April 25, 1938.

Leo V. Keenan to be postmaster at Mars Hill, Maine, in place of L. V. Keenan. Incumbent's commission expired May 23, 1938.

George E. Dugal to be postmaster at St. Agatha, Maine, in place of G. E. Dugal. Incumbent's commission expired April 2, 1938.

Earll W. Gott to be postmaster at South West Harbor, Maine, in place of E. W. Gott. Incumbent's commission expired April 25, 1938.

Orrin V. Drew to be postmaster at Vinalhaven, Maine, in place of O. V. Drew. Incumbent's commission expired April 25, 1938.

Fred T. Eaton to be postmaster at York Harbor, Maine, in place of F. T. Eaton. Incumbent's commission expired May 29, 1938.

MARYLAND

Charles H. Wilson to be postmaster at Forest Hill, Md., in place of C. H. Wilson. Incumbent's commission expires June 12, 1938.

Malcolm F. Caplan to be postmaster at St. Michaels, Md., in place of M. F. Caplan. Incumbent's commission expires June 18, 1938.

MASSACHUSETTS

Charles L. Goodspeed to be postmaster at Dennis, Mass., in place of C. L. Goodspeed. Incumbent's commission expired January 30, 1938.

MICHIGAN

Clare E. Richardson to be postmaster at Augusta, Mich., in place of C. E. Richardson. Incumbent's commission expired May 22, 1938.

Joseph W. Harlan to be postmaster at Davison, Mich., in place of J. W. Harlan. Incumbent's commission expires June 12, 1938.

Leonard J. McGraw to be postmaster at Engadine, Mich., in place of L. J. McGraw. Incumbent's commission expired May 1, 1938.

David L. Treat to be postmaster at Flint, Mich., in place of D. L. Treat. Incumbent's commission expired May 9, 1938.

Floyd T. King to be postmaster at Marysville, Mich., in place of F. T. King. Incumbent's commission expired May 15, 1938.

Gordon W. Huffman to be postmaster at Tustin, Mich., in place of G. W. Huffman. Incumbent's commission expired May 28, 1938.

Joseph R. Haferkorn to be postmaster at Vulcan, Mich., in place of J. R. Haferkorn. Incumbent's commission expired May 15, 1938.

Clayton H. Norton to be postmaster at Walkerville, Mich., in place of C. H. Norton. Incumbent's commission expired May 22, 1938.

William M. Zeitler to be postmaster at Republic, Mich., in place of W. M. Zeitler. Incumbent's commission expired May 28, 1938.

MINNESOTA

Thomas Hughes to be postmaster at Bemidji, Minn., in place of Thomas Hughes. Incumbent's commission expires June 13, 1938.

Earl Stanton to be postmaster at Hayfield, Minn., in place of Earl Stanton. Incumbent's commission expired May 12, 1938.

Carl S. Nygren to be postmaster at Lake City, Minn., in place of C. S. Nygren. Incumbent's commission expires June 13, 1938.

John Claude Gowan to be postmaster at Ortonville, Minn., in place of J. C. Gowan. Incumbent's commission expired March 20, 1938.

Joseph A. Heimer to be postmaster at Adams, Minn., in place of J. A. Heimer. Incumbent's commission expired May 12, 1938.

William L. Ward to be postmaster at Anoka, Minn., in place of W. L. Ward. Incumbent's commission expired May 12, 1938.

Patrick V. Ryan to be postmaster at Caledonia, Minn., in place of P. V. Ryan. Incumbent's commission expired May 12, 1938.

John M. Augustin to be postmaster at Comfrey, Minn., in place of J. M. Augustin. Incumbent's commission expires June 13, 1938.

Albert O. McEachern to be postmaster at Delano, Minn., in place of A. O. McEachern. Incumbent's commission expired April 19, 1938.

Norman M. Brown to be postmaster at Ely, Minn., in place of N. M. Brown. Incumbent's commission expired May 12, 1938.

Isaac R. Lamppa, Jr., to be postmaster at Embarrass, Minn., in place of I. R. Lamppa, Jr. Incumbent's commission expired January 31, 1938.

Gladys M. Freeman to be postmaster at Franklin, Minn., in place of G. M. Freeman. Incumbent's commission expires June 13, 1938.

James F. Fahey to be postmaster at Graceville, Minn., in place of J. F. Fahey. Incumbent's commission expired May 12, 1938.

Robert A. Collopy to be postmaster at Lake Elmo, Minn., in place of R. A. Collopy. Incumbent's commission expires June 18, 1938.

MISSISSIPPI

Beula P. Herrington to be postmaster at Mount Olive, Miss., in place of B. P. Herrington. Incumbent's commission expired May 28, 1938.

Allen A. Edwards to be postmaster at Richton, Miss., in place of A. A. Edwards. Incumbent's commission expired May 3, 1938.

Henry Boswell to be postmaster at Sanatorium, Miss., in place of Henry Boswell. Incumbent's commission expired April 25, 1938.

William A. Pepper to be postmaster at Belzoni, Miss., in place of W. A. Pepper. Incumbent's commission expired April 28, 1938.

Woodard M. Herring to be postmaster at Inverness, Miss., in place of W. M. Herring. Incumbent's commission expires June 12, 1938.

Virginia B. Duckworth to be postmaster at Prentiss, Miss., in place of B. V. Duckworth. Incumbent's commission expired June 7, 1938.

MISSOURI

Alfred M. Pondrom to be postmaster at Florissant, Mo., in place of A. M. Pondrom. Incumbent's commission expires June 13, 1938.

Sadocia B. Herndon to be postmaster at Fulton, Mo., in place of S. B. Herndon. Incumbent's commission expired May 22, 1938.

Frank E. Sibley to be postmaster at Matthews, Mo., in place of F. E. Sibley. Incumbent's commission expires June 18, 1938.

Elmer S. Foster to be postmaster at Neelyville, Mo., in place of E. S. Foster. Incumbent's commission expires June 18, 1938.

Charles F. Halligan to be postmaster at Union, Mo., in place of C. F. Halligan. Incumbent's commission expired May 22, 1938.

John H. Dickbrader to be postmaster at Washington, Mo., in place of J. H. Dickbrader. Incumbent's commission expired May 30, 1938.

MONTANA

Walter J. McManus to be postmaster at Augusta, Mont., in place of W. J. McManus. Incumbent's commission expired May 1, 1938.

Ludwig S. Rigler to be postmaster at East Helena, Mont., in place of L. S. Rigler. Incumbent's commission expired June 6, 1938.

George Clarence Moore to be postmaster at Harlowton, Mont., in place of I. S. McQuitty, resigned.

Margaret M. Colligan to be postmaster at Walkerville, Mont., in place of M. M. Colligan. Incumbent's commission expires June 18, 1938.

NEBRASKA

Bert Winters to be postmaster at Broadwater, Nebr., in place of Bert Winters. Incumbent's commission expires June 14, 1938.

Edith E. Fahrlander to be postmaster at Brule, Nebr., in place of E. E. Fahrlander. Incumbent's commission expired May 22, 1938.

Clair Grimes to be postmaster at Chambers, Nebr., in place of Clair Grimes. Incumbent's commission expires June 14, 1938.

William A. Horstman to be postmaster at Creighton, Nebr., in place of W. A. Horstmann. Incumbent's commission expires June 15, 1938.

Don Dey Ermand to be postmaster at Dalton, Nebr., in place of D. D. Ermand. Incumbent's commission expired June 6, 1938.

John H. Holden to be postmaster at Gordon, Nebr., in place of J. H. Holden. Incumbent's commission expires June 18, 1938.

James C. Nelson to be postmaster at Mason City, Nebr., in place of J. C. Nelson. Incumbent's commission expired May 12, 1938.

Mary Walsh Morrow to be postmaster at Merna, Nebr., in place of M. W. Morrow. Incumbent's commission expired June 6, 1938.

Cordes E. Walker to be postmaster at Page, Nebr., in place of C. E. Walker. Incumbent's commission expires June 14, 1938.

Martin Sorenson to be postmaster at Plainview, Nebr., in place of Martin Sorenson. Incumbent's commission expired June 6, 1938.

William M. Goding to be postmaster at Potter, Nebr., in place of W. M. Goding. Incumbent's commission expired May 22, 1938.

John J. Burns to be postmaster at Scotia, Nebr., in place of J. J. Burns. Incumbent's commission expired June 8, 1938.

Beth Clary to be postmaster at Seneca, Nebr., in place of Beth Clary. Incumbent's commission expired May 22, 1938.

Charles O. Kocina to be postmaster at Verdigre, Nebr., in place of C. O. Kocina. Incumbent's commission expired June 6, 1938.

Wilhelm C. Peters to be postmaster at Wausa, Nebr., in place of W. C. Peters. Incumbent's commission expires June 15, 1938.

Bert S. Amos to be postmaster at Sargent, Nebr., in place of B. S. Amos. Incumbent's commission expires June 14, 1938.

Josh B. Keene to be postmaster at Sumner, Nebr., in place of J. B. Keene. Incumbent's commission expired June 8, 1938.

Daniel F. Sheehan to be postmaster at Emerson, Nebr., in place of D. F. Sheehan. Incumbent's commission expired June 6, 1938.

Henry T. Dunn to be postmaster at Harrison, Nebr., in place of H. T. Dunn. Incumbent's commission expired May 16, 1938.

NEVADA

Edward D. Gladding to be postmaster at Virginia City, Nev., in place of E. D. Gladding. Incumbent's commission expired May 28, 1938.

NEW JERSEY

Rose B. Sokolowski to be postmaster at Alpha, N. J., in place of R. B. Sokolowski. Incumbent's commission expired May 22, 1938.

Hiram S. McKeen to be postmaster at Avalon, N. J., in place of M. I. McKeen, deceased.

Frank Tilton to be postmaster at Avon by the Sea, N. J., in place of Frank Tilton. Incumbent's commission expired June 7, 1938.

Richard P. Hughes to be postmaster at Burlington, N. J., in place of R. P. Hughes. Incumbent's commission expired April 26, 1938.

Thomas R. Boyle to be postmaster at Florence, N. J., in place of T. R. Boyle. Incumbent's commission expired May 22, 1938.

John D. Bunn to be postmaster at Long Valley, N. J., in place of J. D. Bunn. Incumbent's commission expired May 2, 1938.

John A. Wheeler to be postmaster at Monmouth Beach, N. J., in place of J. A. Wheeler. Incumbent's commission expires June 14, 1938.

John P. Euler to be postmaster at Belford, N. J., in place of J. P. Euler. Incumbent's commission expired June 7, 1938.

Ethel H. McDonald to be postmaster at Englishtown, N. J., in place of E. H. McDonald. Incumbent's commission expired June 7, 1938.

Herbert E. Poulson to be postmaster at Far Hills, N. J., in place of H. E. Poulson. Incumbent's commission expired May 2, 1938.

William H. Thompson to be postmaster at Farmingdale, N. J., in place of W. H. Thompson. Incumbent's commission expires June 18, 1938.

Leslie B. Vail to be postmaster at Hamburg, N. J., in place of L. B. Vail. Incumbent's commission expired May 30, 1938.

Thomas F. Curtis to be postmaster at Lakehurst, N. J., in place of T. F. Curtis. Incumbent's commission expired April 27, 1938.

Benjamin J. Haulboskey to be postmaster at Leonardo, N. J., in place of B. J. Haulboskey. Incumbent's commission expires June 18, 1938.

Edward J. Wagner to be postmaster at Marlton, N. J., in place of E. J. Wagner. Incumbent's commission expired May 2, 1938.

Raphael C. Devlin to be postmaster at Matawan, N. J., in place of R. C. Devlin. Incumbent's commission expired February 10, 1938.

Frank Martin to be postmaster at Midland Park, N. J., in place of Frank Martin. Incumbent's commission expired May 2, 1938.

James D. McErlane to be postmaster at Morris Plains, N. J., in place of J. D. McErlane. Incumbent's commission expired May 22, 1938.

Jeremiah B. Beaston to be postmaster at Mount Ephraim, N. J., in place of J. B. Beaston. Incumbent's commission expired May 2, 1938.

Katherine A. Cooney to be postmaster at Pedricktown, N. J., in place of K. A. Cooney. Incumbent's commission expired May 22, 1938.

Mary B. Naughton to be postmaster at Port Monmouth, N. J., in place of M. B. Naughton. Incumbent's commission expires June 18, 1938.

James E. Porter, Jr., to be postmaster at Rumson, N. J., in place of J. E. Porter, Jr. Incumbent's commission expires June 12, 1938.

Joseph S. Sickler to be postmaster at Salem, N. J., in place of J. S. Sickler. Incumbent's commission expired May 2, 1938.

Joseph S. Devlin to be postmaster at Sea Girt, N. J., in place of J. S. Devlin. Incumbent's commission expired April 27, 1938.

Allen J. Thomas to be postmaster at Scotch Plains, N. J., in place of A. J. Thomas. Incumbent's commission expired May 22, 1938.

Michael A. Carroll to be postmaster at South Bound Brook, N. J., in place of M. A. Carroll. Incumbent's commission expired May 22, 1938.

Patrick J. Shortt to be postmaster at Wildwood, N. J., in place of P. J. Shortt. Incumbent's commission expires June 14, 1938.

NEW MEXICO

Beatrice C. Melton to be postmaster at Mountainair, N. Mex., in place of B. C. Melton. Incumbent's commission expired May 16, 1938.

Aurora B. Pacheco to be postmaster at Old Albuquerque, N. Mex., in place of A. B. Pacheco. Incumbent's commission expired May 12, 1938.

NEW YORK

William A. Gardner to be postmaster at Amsterdam, N. Y., in place of W. A. Gardner. Incumbent's commission expired January 31, 1938.

W. Edward Sweetman to be postmaster at Ardsley on Hudson, N. Y., in place of W. E. Sweetman. Incumbent's commission expired January 31, 1938.

Charles Kaiser to be postmaster at Armonk, N. Y., in place of Charles Kaiser. Incumbent's commission expired May 12, 1938.

Gerald Aldrich to be postmaster at Bemus Point, N. Y., in place of Gerald Aldrich. Incumbent's commission expires June 18, 1938.

Lyda H. Armstrong to be postmaster at Berlin, N. Y., in place of L. H. Armstrong. Incumbent's commission expires June 18, 1938.

Mildred E. Brown to be postmaster at Bliss, N. Y., in place of M. E. Brown. Incumbent's commission expires June 18, 1938.

Francis J. Sinnott to be postmaster at Brooklyn, N. Y., in place of F. J. Sinnott. Incumbent's commission expired June 6, 1938.

John A. Holland to be postmaster at Brushton, N. Y., in place of J. A. Holland. Incumbent's commission expired March 8, 1938.

Thomas M. Townsend to be postmaster at Carmel, N. Y., in place of T. M. Townsend. Incumbent's commission expired March 22, 1938.

Benjamin B. Tooker to be postmaster at Center Moriches, N. Y., in place of B. B. Tooker. Incumbent's commission expired January 31, 1938.

Vincent L. Keenan to be postmaster at Churchville, N. Y., in place of V. L. Keenan. Incumbent's commission expires June 18, 1938.

H. Mae Nolan to be postmaster at Clark Mills, N. Y., in place of H. M. Nolan. Incumbent's commission expired May 28, 1938.

Frank Brancato to be postmaster at Clinton Corners, N. Y., in place of Frank Brancato. Incumbent's commission expired June 6, 1938.

Corliss R. Pitkin to be postmaster at Corinth, N. Y., in place of C. R. Pitkin. Incumbent's commission expires June 18, 1938.

Joseph C. Miller to be postmaster at Croton Falls, N. Y., in place of J. C. Miller. Incumbent's commission expires June 18, 1938.

Earl P. Talley to be postmaster at East Rochester, N. Y., in place of E. P. Talley. Incumbent's commission expires June 15, 1938.

George W. Sheahan to be postmaster at Elmira, N. Y., in place of G. W. Sheahan. Incumbent's commission expired May 12, 1938.

Louis Grenier to be postmaster at Faust, N. Y., in place of Louis Grenier. Incumbent's commission expired March 22, 1938.

Jennie W. Jewell to be postmaster at Fishkill, N. Y., in place of J. W. Jewell. Incumbent's commission expired May 28, 1938.

Henry A. Dye to be postmaster at Forestville, N. Y., in place of H. A. Dye. Incumbent's commission expires June 18, 1938.

Austin W. Stitt to be postmaster at Frewsburg, N. Y., in place of A. W. Stitt. Incumbent's commission expires June 18, 1938.

James D. George to be postmaster at Gardiner, N. Y., in place of J. D. George. Incumbent's commission expired March 8, 1938.

Lloyd C. Vunk to be postmaster at Hagaman, N. Y., in place of L. C. Vunk. Incumbent's commission expired January 31, 1938.

Raymond C. Nellis to be postmaster at Hastings, N. Y., in place of R. C. Nellis. Incumbent's commission expired January 31, 1938.

Lawrence J. McNeil to be postmaster at Inlet, N. Y., in place of F. A. Puffer, removed.

Elloy R. Ganey to be postmaster at Jamestown, N. Y., in place of E. R. Ganey. Incumbent's commission expires June 18, 1938.

James T. McConnell to be postmaster at Jamesville, N. Y., in place of J. T. McConnell. Incumbent's commission expires June 18, 1938.

Albert J. Griffiths to be postmaster at Keuka Park, N. Y., in place of A. J. Griffiths. Incumbent's commission expired January 31, 1938.

Gustav I. Gehweiler to be postmaster at Lake Ronkonkoma, N. Y., in place of G. I. Gehweiler. Incumbent's commission expired January 31, 1938.

John F. Gleason to be postmaster at Le Roy, N. Y., in place of J. F. Gleason. Incumbent's commission expires June 14, 1938.

Benjamin R. Gerow to be postmaster at Liberty, N. Y., in place of B. R. Gerow. Incumbent's commission expires June 18, 1938.

John P. Young to be postmaster at Liverpool, N. Y., in place of J. P. Young. Incumbent's commission expires June 15, 1938.

Zoa I. Van Gorder to be postmaster at Minetto, N. Y., in place of Z. I. Van Gorder. Incumbent's commission expired January 31, 1938.

Isidore Smith to be postmaster at Mountain Dale, N. Y., in place of Isidore Smith. Incumbent's commission expires June 18, 1938.

Frank J. Baltzel to be postmaster at Newark, N. Y., in place of F. J. Baltzel. Incumbent's commission expired May 28, 1938.

Clarence A. Chamberlain to be postmaster at Orangeburg, N. Y., in place of C. A. Chamberlain. Incumbent's commission expired June 6, 1938.

Luke E. Burns to be postmaster at Black River, N. Y., in place of L. E. Burns. Incumbent's commission expired May 28, 1938.

Lillian O'Connor to be postmaster at Briarcliff Manor, N. Y., in place of Lillian O'Connor. Incumbent's commission expired February 10, 1938.

DeVerne A. Lewis to be postmaster at Canastota, N. Y., in place of D. A. Lewis. Incumbent's commission expires June 15, 1938.

Oscar D. Ayres to be postmaster at Central Valley, N. Y., in place of O. D. Ayres. Incumbent's commission expired January 31, 1938.

Michael G. Gaffney to be postmaster at Clinton, N. Y., in place of M. G. Gaffney. Incumbent's commission expires June 18, 1938.

Wentworth S. Colwell to be postmaster at Cold Spring, N. Y., in place of W. S. Colwell. Incumbent's commission expired January 31, 1938.

Flora A. M. Humes to be postmaster at Great Bend, N. Y., in place of F. A. M. Humes. Incumbent's commission expired May 28, 1938.

Joseph N. Peck to be postmaster at Honeoye Falls, N. Y., in place of J. N. Peck. Incumbent's commission expired May 28, 1938.

Frank L. Egger to be postmaster at Larchmont, N. Y., in place of F. L. Egger. Incumbent's commission expired March 8, 1938.

William F. Agnew to be postmaster at Mayfield, N. Y., in place of W. F. Agnew. Incumbent's commission expires June 18, 1938.

Clayton C. Young to be postmaster at Moira, N. Y., in place of C. C. Young. Incumbent's commission expires June 18, 1938.

Thomas A. Banta to be postmaster at Newfane, N. Y., in place of T. A. Banta. Incumbent's commission expires June 18, 1938.

Roy Blanchard to be postmaster at Oneida, N. Y., in place of Roy Blanchard. Incumbent's commission expired May 12, 1938.

Elmer R. Chaffer to be postmaster at Point Pleasant, N. Y., in place of E. R. Chaffer. Incumbent's commission expired March 8, 1938.

Ruth E. Perrin to be postmaster at Potsdam, N. Y., in place of R. E. Perrin. Incumbent's commission expired June 6, 1938.

Charles I. Lavery to be postmaster at Poughkeepsie, N. Y., in place of C. I. Lavery. Incumbent's commission expired April 28, 1938.

Harold E. Morrell to be postmaster at South New Berlin, N. Y., in place of H. E. Morrell. Incumbent's commission expires June 18, 1938.

William J. Griffin, Jr., to be postmaster at Starlake, N. Y., in place of W. J. Griffin, Jr. Incumbent's commission expired April 28, 1938.

John H. Burke to be postmaster at Tarrytown, N. Y., in place of J. H. Burke. Incumbent's commission expires June 18, 1938.

James D. Desmond to be postmaster at Waddington, N. Y., in place of J. D. Desmond. Incumbent's commission expires June 15, 1938.

Frank M. Campbell to be postmaster at Wilson, N. Y., in place of F. M. Campbell. Incumbent's commission expires June 18, 1938.

Edward D. Guyder to be postmaster at Weedsport, N. Y., in place of E. D. Guyder. Incumbent's commission expires June 15, 1938.

Mary Gallagher to be postmaster at Witherbee, N. Y., in place of Mary Gallagher. Incumbent's commission expires June 14, 1938.

D. L. Palmer to be postmaster at Otego, N. Y., in place of F. C. Bennett. Removed.

Francis P. Reilly to be postmaster at Penn Yan, N. Y., in place of F. P. Reilly. Incumbent's commission expired May 12, 1938.

Robert J. Henry to be postmaster at Port Ewen, N. Y., in place of Donald Decker. Removed.

Hugo Kreitzberg to be postmaster at Port Jefferson Station, N. Y., in place of Hugo Kreitzberg. Incumbent's commission expired January 31, 1938.

Francis M. Daly to be postmaster at Pulaski, N. Y., in place of F. M. Daly. Incumbent's commission expired January 31, 1938.

Herbert Zahorik to be postmaster at Roscoe, N. Y., in place of Herbert Zahorik. Incumbent's commission expires June 15, 1938.

Bertha E. Damon to be postmaster at Rushford, N. Y., in place of B. E. Damon. Incumbent's commission expired February 28, 1938.

Claude A. Bierman to be postmaster at St. Johnsville, N. Y., in place of C. A. Bierman. Incumbent's commission expired May 28, 1938.

Daniel J. Coutu, Jr., to be postmaster at Sunmount, N. Y., in place of D. J. Coutu, Jr. Incumbent's commission expired January 31, 1938.

Frank Kilcoin to be postmaster at Swan Lake, N. Y., in place of Frank Kilcoin. Incumbent's commission expires June 18, 1938.

Chauncey H. McLean to be postmaster at Wallkill, N. Y., in place of C. H. McLean. Incumbent's commission expired January 31, 1938.

Fenton J. Taylor to be postmaster at Warsaw, N. Y., in place of F. J. Taylor. Incumbent's commission expires June 18, 1938.

Mabel B. Williams to be postmaster at Westhampton Beach, N. Y., in place of M. B. Williams. Incumbent's commission expired January 31, 1938.

Charles H. Widrick to be postmaster at Whitesboro, N. Y., in place of C. H. Widrick. Incumbent's commission expires June 15, 1938.

Nora B. King to be postmaster at Woodbourne, N. Y., in place of N. B. King. Incumbent's commission expires June 15, 1938.

Charles R. Frank to be postmaster at Yorkville, N. Y., in place of C. R. Frank. Incumbent's commission expired March 8, 1938.

NORTH CAROLINA

Wiley G. Hartzog to be postmaster at Boone, N. C., in place of W. G. Hartzog. Incumbent's commission expired June 7, 1938.

Clarence H. Rosebro to be postmaster at Cleveland, N. C., in place of C. H. Rosebro. Incumbent's commission expires June 13, 1938.

French W. Graham to be postmaster at Elkin, N. C., in place of F. W. Graham. Incumbent's commission expires June 18, 1938.

Annie C. Burns to be postmaster at Lawndale, N. C., in place of A. C. Burns. Incumbent's commission expires June 12, 1938.

John V. Highfill to be postmaster at Mayodan, N. C., in place of J. V. Highfill. Incumbent's commission expires June 18, 1938.

William Samuel Somers to be postmaster at Reidsville, N. C., in place of W. S. Somers. Incumbent's commission expires June 12, 1938.

Roy Prillaman to be postmaster at Stoneville, N. C., in place of Roy Prillaman. Incumbent's commission expires June 18, 1938.

NORTH DAKOTA

John M. McCabe to be postmaster at Belfield, N. Dak., in place of J. M. McCabe. Incumbent's commission expires June 12, 1938.

Herman A Emanuel to be postmaster at Crosby, N. Dak., in place of H. A. Emanuel. Incumbent's commission expires June 12, 1938.

Altha B. Waddell to be postmaster at Forbes, N. Dak., in place of A. B. Waddell. Incumbent's commission expired June 1, 1938.

Charles C. Shearer to be postmaster at Flasher, N. Dak., in place of C. C. Shearer. Incumbent's commission expires June 12, 1938.

James R. Turner to be postmaster at Fort Yates, N. Dak., in place of J. R. Turner. Incumbent's commission expired June 1, 1938.

Karl E. Fischer to be postmaster at Hague, N. Dak., in place of K. E. Fischer. Incumbent's commission expired April 25, 1938.

Francis Oscar Johnson to be postmaster at Hillsboro, N. Dak., in place of F. O. Johnson. Incumbent's commission expired May 15, 1938.

John F. Swanston to be postmaster at McVille, N. Dak., in place of J. F. Swanston. Incumbent's commission expired June 1, 1938.

John E. Hunter to be postmaster at Mayville, N. Dak., in place of J. E. Hunter. Incumbent's commission expires June 12, 1938.

Erick J. Moen to be postmaster at Osnabrock, N. Dak., in place of E. J. Moen. Incumbent's commission expires June 12, 1938.

Bennie M. Burreson to be postmaster at Pekin, N. Dak., in place of B. M. Burreson. Incumbent's commission expired April 25, 1938.

John D. Prindiville to be postmaster at Rutland, N. Dak., in place of J. D. Prindiville. Incumbent's commission expired June 1, 1938.

Nicholas J. Krebsbach to be postmaster at Velva, N. Dak., in place of N. J. Krebsbach. Incumbent's commission expires June 14, 1938.

James F. Keaveny to be postmaster at Wales, N. Dak., in place of J. F. Keaveny. Incumbent's commission expires June 14, 1938.

Hans C. Nelson to be postmaster at Washburn, N. Dak., in place of H. C. Nelson. Incumbent's commission expires June 18, 1938.

Margaret T. Rogers to be postmaster at Zap, N. Dak., in place of M. T. Rogers. Incumbent's commission expired April 28, 1938.

Andrew O. Williams to be postmaster at Bottineau, N. Dak., in place of A. O. Williams. Incumbent's commission expires June 18, 1938.

John A. Hamilton to be postmaster at McClusky, N. Dak., in place of J. A. Hamilton. Incumbent's commission expires June 12, 1938.

William T. Wakefield to be postmaster at Mott, N. Dak., in place of W. T. Wakefield. Incumbent's commission expires June 12, 1938.

OHIO

Leslie O. Campbell to be postmaster at Georgetown, Ohio, in place of L. O. Campbell. Incumbent's commission expires June 15, 1938.

Charles M. Easley to be postmaster at Bloomdale, Ohio, in place of C. M. Easley. Incumbent's commission expires June 18, 1938.

Harold Q. Overholser to be postmaster at Camden, Ohio, in place of H. Q. Overholser. Incumbent's commission expires June 15, 1938.

Paul D. Fleming to be postmaster at Cardington, Ohio, in place of P. D. Fleming. Incumbent's commission expires June 12, 1938.

Charles J. Bocklet to be postmaster at Cincinnati, Ohio, in place of C. J. Bocklet. Incumbent's commission expired May 2, 1938.

John B. Neth to be postmaster at Covington, Ohio, in place of J. B. Neth. Incumbent's commission expired May 16, 1938.

James M. Ruckman to be postmaster at La Rue, Ohio, in place of J. M. Ruckman. Incumbent's commission expires June 12, 1938.

Herman E. Homberger to be postmaster at Mansfield, Ohio, in place of H. E. Homberger. Incumbent's commission expires June 15, 1938.

James H. Smith to be postmaster at Middleport, Ohio, in place of J. H. Smith. Incumbent's commission expires June 15, 1938.

John L. O'Hara to be postmaster at New London, Ohio, in place of J. L. O'Hara. Incumbent's commission expires June 18, 1938.

Stanley F. Kimmel to be postmaster at New Madison, Ohio, in place of S. F. Kimmel. Incumbent's commission expires June 12, 1938.

Donald K. Studer to be postmaster at Whitehouse, Ohio, in place of D. K. Studer. Incumbent's commission expired May 29, 1938.

OKLAHOMA

Lee Kennedy to be postmaster at Broken Bow, Okla., in place of Lee Kennedy. Incumbent's commission expires June 13, 1938.

Chester E. Halley to be postmaster at Minco, Okla., in place of C. E. McMahan, resigned.

Harry James Barclay to be postmaster at Tonkawa, Okla., in place of H. J. Barclay. Incumbent's commission expired May 22, 1938.

OREGON

Louis C. Bliem to be postmaster at Dufur, Oreg., in place of D. C. Evans, deceased.

J. Dayton McLucas to be postmaster at Hood River, Oreg., in place of J. D. McLucas. Incumbent's commission expired May 22, 1938.

PENNSYLVANIA

Daniel E. Hartman to be postmaster at Benton, Pa., in place of D. E. Hartman. Incumbent's commission expires June 18, 1938.

Walter C. Blessing to be postmaster at Hellam, Pa., in place of W. C. Blessing. Incumbent's commission expires June 18, 1938.

James F. O'Brien to be postmaster at Allison Park, Pa., in place of J. F. O'Brien. Incumbent's commission expired June 9, 1938.

Daniel J. McDonough to be postmaster at Ardmore, Pa., in place of D. J. McDonough. Incumbent's commission expired June 9, 1938.

Lewis M. Sutton to be postmaster at Camp Hill, Pa., in place of L. M. Sutton. Incumbent's commission expired June 6, 1938.

Francis P. Kelly to be postmaster at Carbondale, Pa., in place of F. P. Kelly. Incumbent's commission expired June 6, 1938.

John L. Clover to be postmaster at Knox, Pa., in place of J. L. Clover. Incumbent's commission expired June 6, 1938.

James F. Boran to be postmaster at Minersville, Pa., in place of J. F. Boran. Incumbent's commission expired June 6, 1938.

William J. Burke to be postmaster at Mount Carmel, Pa., in place of W. J. Burke. Incumbent's commission expired June 6, 1938.

Nevin L. Wuchter to be postmaster at Orwigsburg, Pa., in place of N. L. Wuchter. Incumbent's commission expired June 6, 1938.

Olive W. Aucker to be postmaster at Tionesta, Pa., in place of O. W. Aucker. Incumbent's commission expires June 14, 1938.

Rosanna McGee to be postmaster at Towanda, Pa., in place of Rosanna McGee. Incumbent's commission expired June 6, 1938.

Hazel B. Davis to be postmaster at Westfield, Pa., in place of H. B. Davis. Incumbent's commission expires June 14, 1938.

Martin A. King to be postmaster at Clarks Summit, Pa., in place of M. A. King. Incumbent's commission expired June 6, 1938.

Beulah E. Hayden to be postmaster at Dalton, Pa., in place of B. E. Hayden. Incumbent's commission expired June 9, 1938.

Laura E. Rich to be postmaster at Enola, Pa., in place of L. E. Rich. Incumbent's commission expires June 18, 1938.

Glenn C. Myers to be postmaster at Gardners, Pa., in place of G. C. Myers. Incumbent's commission expires June 18, 1938.

Raymond R. Kinsinger to be postmaster at Halifax, Pa., in place of R. R. Kinsinger. Incumbent's commission expires June 18, 1938.

Thomas H. Black to be postmaster at Hershey, Pa., in place of T. H. Black. Incumbent's commission expires June 18, 1938.

Stephen F. Payer to be postmaster at McAdoo, Pa., in place of S. F. Payer. Incumbent's commission expired June 6, 1938.

Helen T. Henrie to be postmaster at Meshoppen, Pa., in place of H. T. Henrie. Incumbent's commission expired June 6, 1938.

John C. Tritch to be postmaster at Middletown, Pa., in place of J. C. Tritch. Incumbent's commission expired June 6, 1938.

Elmer G. Corter to be postmaster at Mill Hall, Pa., in place of W. S. Hattwick, resigned.

John M. Langan to be postmaster at Moscow, Pa., in place of J. M. Langan. Incumbent's commission expired June 9, 1938.

Joseph F. Conrad to be postmaster at Scranton, Pa., in place of J. F. Conrad. Incumbent's commission expired June 6, 1938.

John E. Blair to be postmaster at Shippensburg, Pa., in place of J. E. Blair. Incumbent's commission expired June 6, 1938.

Fred A. Entrot to be postmaster at Union Dale, Pa., in place of H. H. Howell, deceased.

James K. Bell to be postmaster at Warren, Pa., in place of J. K. Bell. Incumbent's commission expired June 6, 1938.

J. Richard Hancock to be postmaster at Williamstown, Pa., in place of J. R. Hancock. Incumbent's commission expires June 18, 1938.

Charles M. Boyer to be postmaster at York Springs, Pa., in place of C. M. Boyer. Incumbent's commission expires June 18, 1938.

RHODE ISLAND

Winfred C. Kingsley to be postmaster at Wickford, R. I., in place of W. C. Kingsley. Incumbent's commission expires June 14, 1938.

SOUTH CAROLINA

William T. Hemingway to be postmaster at Hemingway, S. C., in place of W. T. Hemingway. Incumbent's commission expired April 27, 1938.

Gertrude Parrish to be postmaster at Mullins, S. C., in place of Gertrude Parrish. Incumbent's commission expired May 7, 1938.

SOUTH DAKOTA

S. Pearl Hutchinson to be postmaster at Hurley, S. Dak., in place of S. P. Madsen. Incumbent's commission expired February 20, 1938.

TENNESSEE

Katherine P. Hale to be postmaster at Rogersville, Tenn., in place of K. P. Hale. Incumbent's commission expired May 9, 1938.

Joseph M. Dedman to be postmaster at Columbia, Tenn., in place of J. M. Dedman. Incumbent's commission expired April 19, 1938.

Harry M. Calloway to be postmaster at Lenoir City, Tenn., in place of H. M. Calloway. Incumbent's commission expires June 18, 1938.

William Gupton to be postmaster at Nashville, Tenn., in place of William Gupton. Incumbent's commission expired January 31, 1938.

TEXAS

S. Scott Pegues to be postmaster at Crystal City, Tex., in place of A. R. Racer, removed.

Jack V. Gray to be postmaster at Rotan, Tex., in place of J. V. Gray. Incumbent's commission expired May 23, 1938.

Martin N. Guest to be postmaster at Aspermont, Tex., in place of M. N. Guest. Incumbent's commission expired May 22, 1938.

Fred E. Horton to be postmaster at Greenville, Tex., in place of F. E. Horton. Incumbent's commission expired May 23, 1938.

Jessie L. Kay to be postmaster at Lytle, Tex. Office became Presidential July 1, 1937.

Frederick I. Massengill to be postmaster at Terrell, Tex., in place of F. I. Massengill. Incumbent's commission expired May 23, 1938.

UTAH

Wallace H. Sorensen to be postmaster at Richfield, Utah, in place of A. L. Greenwood, removed.

VERMONT

Mary A. Keleher to be postmaster at Bethel, Vt., in place of M. A. Keleher. Incumbent's commission expired April 2, 1938.

John E. Stewart to be postmaster at Morrisville, Vt., in place of J. E. Stewart. Incumbent's commission expired May 23, 1938.

John J. Cain to be postmaster at Orwell, Vt., in place of J. J. Cain. Incumbent's commission expires June 13, 1938.

Waldo K. Powers to be postmaster at Vergennes, Vt., in place of W. K. Powers. Incumbent's commission expired April 25, 1938.

William T. Johnson to be postmaster at Hardwick, Vt., in place of W. T. Johnson. Incumbent's commission expired April 25, 1938.

Alson Leon Esty to be postmaster at Richford, Vt., in place of A. L. Esty. Incumbent's commission expires June 18, 1938.

Mabel R. Turner to be postmaster at Rupert, Vt., in place of M. R. Turner. Incumbent's commission expired May 1, 1938.

Irving E. Bronson to be postmaster at Swanton, Vt., in place of I. E. Bronson. Incumbent's commission expired March 15, 1938.

Ruth A. Randall to be postmaster at Wells River, Vt., in place of R. A. Randall. Incumbent's commission expired May 12, 1938.

VIRGINIA

Franklin O. Caffrey to be postmaster at Bumpass, Va., in place of F. O. Caffrey. Incumbent's commission expires June 18, 1938.

Lena S. Perkins to be postmaster at Cedar Bluff, Va., in place of L. S. Perkins. Incumbent's commission expires June 18, 1938.

James G. Albert to be postmaster at Honaker, Va., in place of J. G. Albert. Incumbent's commission expires June 18, 1938.

Clarence H. Drinkard to be postmaster at Bristol, Va., in place of H. H. Adair. Incumbent's commission expired May 28, 1938.

Robert W. Ervin to be postmaster at Dante, Va., in place of R. W. Ervin. Incumbent's commission expires June 18, 1938.

Joseph S. Rasnick to be postmaster at St. Paul, Va., in place of J. S. Rasnick. Incumbent's commission expires June 18, 1938.

Alice H. Tyler to be postmaster at Warsaw, Va., in place of A. H. Tyler. Incumbent's commission expired June 6, 1938.

William A. Miller to be postmaster at Washington, Va., in place of W. A. Miller. Incumbent's commission expired May 16, 1938.

WASHINGTON

John E. Martin to be postmaster at Buckley, Wash., in place of J. E. Martin. Incumbent's commission expires June 15, 1938.

Paul Rhodius to be postmaster at Sedro Woolley, Wash., in place of Paul Rhodius. Incumbent's commission expired June 6, 1938.

George D. Magee to be postmaster at Aberdeen, Wash. in place of G. D. Magee. Incumbent's commission expired May 12, 1938.

Frank O. Keith to be postmaster at Battle Ground, Wash., in place of F. O. Keith. Incumbent's commission expired June 6, 1938.

Joseph F. Lavigne to be postmaster at Cusick, Wash., in place of J. F. Lavigne. Incumbent's commission expires June 18, 1938.

Thomas H. Van Noy to be postmaster at Kelso, Wash., in place of T. H. Van Noy. Incumbent's commission expired May 22, 1938.

David P. Cunningham to be postmaster at North Bend, Wash., in place of D. P. Cunningham. Incumbent's commission expires June 18, 1938.

Ralph H. Mitchell to be postmaster at Omak, Wash., in place of R. H. Mitchell. Incumbent's commission expired June 6, 1938.

Ed J. Claiborne to be postmaster at Ridgefield, Wash., in place of E. J. Claiborne. Incumbent's commission expired April 28, 1938.

Jeane R. French to be postmaster at Skamokawa, Wash., in place of J. R. French. Incumbent's commission expired May 12, 1938.

Donald S. Farver to be postmaster at Tonasket, Wash., in place of D. S. Farver. Incumbent's commission expired June 6, 1938.

Connie C. Wall to be postmaster at Winlock, Wash., in place of C. C. Wall. Incumbent's commission expired June 6, 1938.

Louis O. Cochrane to be postmaster at Yelm, Wash., in place of L. O. Cochrane. Incumbent's commission expired March 14, 1938.

WEST VIRGINIA

Bess M. Gwinn to be postmaster at Thurmond, W. Va., in place of B. M. Gwinn. Incumbent's commission expired June 8, 1938.

John L. Dunn to be postmaster at Kermit, W. Va. Office became Presidential July 1, 1937.

Della A. Kelly to be postmaster at Montgomery, W. Va., in place of D. A. Kelly. Incumbent's commission expired May 24, 1938.

John Kenna Kerwood to be postmaster at Ripley, W. Va., in place of J. K. Kerwood. Incumbent's commission expired January 31, 1938.

WISCONSIN

Gregory C. Flatley to be postmaster at Oconto Falls, Wis., in place of G. C. Flatley. Incumbent's commission expires June 18, 1938.

Arthur Stein to be postmaster at St. Francis, Wis., in place of V. J. Kozina, resigned.

Arnold A. Conklin to be postmaster at Vesper, Wis., in place of A. A. Conklin. Incumbent's commission expires June 18, 1938.

Roy E. Lawler to be postmaster at Gordon, Wis., in place of R. E. Lawler. Incumbent's commission expired April 28, 1938.

William Murray to be postmaster at Prescott, Wis., in place of William Murray. Incumbent's commission expires June 18, 1938.

CONFIRMATIONS

Executive nominations confirmed by the Senate, June 10 (legislative day of June 7), 1938

UNITED STATES TARIFF COMMISSION

Edgar Bernard Brossard to be a member of the United States Tariff Commission.

COLLECTOR OF CUSTOMS

Harry P. Hornby to be collector of customs for collection district No. 23, with headquarters at San Antonio, Tex.

SUPREME COURT OF PUERTO RICO

Angel R. de Jesus to be associate justice of the Supreme Court of Puerto Rico.

APPOINTMENT TO TEMPORARY RANK IN THE AIR CORPS IN THE REGULAR ARMY

Percy Edgar Van Nostrand to be colonel.
Frank Hitch Pritchard to be lieutenant colonel.
Randolph Piersol Williams to be major.

APPOINTMENT, BY TRANSFER, IN THE REGULAR ARMY

Capt. Don McNeal to Air Corps.

PROMOTIONS IN THE REGULAR ARMY

Charles Joel Taylor to be colonel, Corps of Engineers.
Edwin Hall Marks to be colonel, Corps of Engineers.
Earl North to be colonel, Corps of Engineers.
Gilbert Van Buren Wilkes to be colonel, Corps of Engineers.
John Clifford Hodges Lee to be colonel, Corps of Engineers.
Frank Schaffer Besson to be colonel, Corps of Engineers.
Albert Kualii Brickwood Lyman to be colonel, Corps of Engineers.
Clarence Edward Partridge to be colonel, Ordnance Department.
Leo James Ahern to be colonel, Field Artillery.
Donald Meredith Beere to be colonel, Field Artillery.
Homer Ray Oldfield to be colonel, Coast Artillery Corps.
Claude B. Thummel to be colonel, Ordnance Department.
Norman Butler Briscoe to be colonel, Cavalry.
William Francis Freehoff to be lieutenant colonel, Infantry.
Rexford Edwin Willoughby to be lieutenant colonel, Cavalry.
William Glenn Livesay to be lieutenant colonel, Infantry.
James Washington Barnett to be lieutenant colonel, Cavalry.
John Charles Mullenix to be lieutenant colonel, Cavalry.
John Jay McCollister to be lieutenant colonel, Field Artillery.
John Andrew Weeks to be lieutenant colonel, Cavalry.
Robert Lincoln Christian to be lieutenant colonel, Infantry.
William Hampton Crom to be lieutenant colonel, Air Corps (temporary lieutenant colonel, Air Corps).
Delphin Etienne Thebaud to be lieutenant colonel, Infantry.
George Sheppard Clarke to be lieutenant colonel, Infantry.
Charles Andrew Willoughby to be lieutenant colonel, Infantry.
Fred McIvor Logan to be lieutenant colonel, Infantry.
Walter Eyster Buchly to be lieutenant colonel, Cavalry.
James Arthur Boyers to be major, Infantry.
Evan Kirkpatrick Meredith to be major, Infantry.
Howard John Liston to be major, Infantry.
Frank Richards to be major, Finance Department.
Ralph Harry Woolsey to be major, Quartermaster Corps.
Richard Francis Lussier to be major, Infantry.
Charles Marion Thirlkeld to be major, Field Artillery.
Jack Roy Gage to be major, Infantry.
Henry Wyatt Isbell to be major, Infantry.
William Robert Carlson to be major, Coast Artillery Corps.
Harland Clayton Griswold to be major, Infantry.
Ralph Edmund Powell to be major, Infantry.
Perry Wainer to be major, Air Corps (temporary major, Air Corps).
Krauth Whitson Thom to be major, Quartermaster Corps.
Guy Malcolm Kinman to be major, Judge Advocate General's Department.

POSTMASTERS

ALABAMA

Francis G. Rowland, Childersburg.
William F. Croft, Crossville.
Emma E. Yarbrough, Monroeville.

ARIZONA

Frank A. Rhodes, Gila Bend.

ARKANSAS

Lyle A. Wert, Garfield.

CALIFORNIA

Vesta P. Basham, Castella.

COLORADO

James O. Stevic, Denver.

DELAWARE

Claborne A. Boothe, Frankford.

FLORIDA

Harold G. Hull, Groveland.
William D. Larrimore, Pahokee.
Jean A. Hopkins, Reddick.
Dwight W. Shower, Safety Harbor.
Ralph W. Hartman, Stuart.

IOWA

Celia Boom, Aplington.
Fred W. Daries, Armstrong.
John S. Vifquain, Belle Plaine.
William R. Shott, Birmingham.
John A. Hull, Boone.
Hans E. Eiel, Buffalo Center.
M. Lenore Fatland, Cambridge.
Hollis S. Saar, Cantril.
Charles FitzPatrick, Churdan.
John A. Davis, Colfax.
Charles G. Vasey, Collins.
Henry C. Finnern, Denison.
Bernard B. Dolecheck, Diagonal.
Herbert A. Lowenberg, Donnellson.
John J. Fowler, Eldora.
Jessie Branagan, Emmetsburg.
Clara E. Kennedy, Estherville.
Jacob A. Schwartz, Fenton.
Philip T. Vaughan, Fort Dodge.

Fred W. Franzwa, Glidden.
Vestie L. O'Connor, Graettinger.
Henry M. Meneough, Grimes.
Howard C. Shafer, Hampton.
Lilly B. Gibbons, Jefferson.
Thomas J. McManus, Keokuk.
Paul M. Molleston, Lineville.
Otha H. Darby, Madrid.
Rollin J. Gilchrist, Marengo.
Frank E. H. Proescholdt, Manilla.
Ernest L. Wood, Maxwell.
Gertrude C. Ward, Melrose.
Robert A. Mortland, Montezuma.
Leslie E. Grady, New Hartford.
Harry E. Chichester, New London.
Daisy Oldham, Avoca.
Katherine H. Wallace, Redding.
Raymond A. Gleason, Ruthven.
Orlow L. Goodrich, Scranton.
John I. Haldeman, Shenandoah.
Mary E. Kohorst, Templeton.
John H. Fitzgerald, Waterloo.
Arthur C. Kohlmann, Waverly.
H. Clyde Calonkey, Woodward.

INDIANA

Asa C. Clark, Bedford.
Fred M. Briggs, Churubusco.
Jacob N. Hight, Etna Green.
Ralph W. Kimmerling, Frankton.
Edward V. Myers, Fremont.
Arthur G. Houser, Garrett.
Hazel R. Widdows, Geneva.
Glenn R. Woods, Grabill.
Lloyd A. Rickel, Mentone.
Douglas A. Blaising, New Haven.
Cora Riley, Oaklandon.
Merton L. Hughbanks, Scottsburg.
Josiah J. Hostetler, Shipshewana.
Mamie N. Judy, West Lebanon.
Marion H. Rice, Wolcottville.
Louis F. Fuelling, Woodburn.

ILLINOIS

John W. Williams, Benton.
William S. Westermann, Carlyle.
Carl J. Markel, Carpentersville.
Fred O. Grissom, Kinmundy.
Fern Conrad, La Moille.
Henry C. Johnson, Lawrenceville.
Nellie Waters, Murrayville.
Alfred J. Geiseman, Shannon.
J. Vernon Lessley, Sparta.
John W. Foster, Toluca.
Melvin Higgerson, West Frankfort.
Floyd E. Madden, Willow Hill.
Mary I. Quinn, Wilmington.
Elmer M. Bickford, Wyanet.

KENTUCKY

Zaidee G. Neville, Arlington.
Thomas A. Spalding, Bardstown.
Charles B. Cox, Benton.
Nora Dixon McGee, Burkesville.
Lois B. Cundiff, Cadiz.
Susan R. Hill, Carrollton.
Donald B. Hughes, Hardin.
Henry L. Amberg, Hickman.
Frances W. Lyell, Hickory.
Dalph E. Creal, Hodgenville.
Mary H. Vaughan, Jenkins.
Robert E. Johnson, Lawrenceburg.
Grace Williams, Lothair.
James M. Caudill, Neon.
William A. Eimer, Newport.
George Pinson, Jr., Pikeville.
Bess S. May, Prestonsburg.
Emma K. Riley, Sparta.
Jennie S. May, Stone.
Frank W. Mimms, Trenton.
Omer W. Cleek, Walton.
Watson G. Holbrook, Whitesburg.

LOUSIANA

T. Lucian Ducrest, Broussard.
Solomon C. Knight, Elizabeth.
Amy B. Griffin, Gilbert.

MARYLAND

Thomas B. T. Radcliffe, Cambridge.

MICHIGAN

Henry I. Bourns, Adrian.
Daniel M. McAuliffe, Albion.
Ernest O. Coy, Alden.
Roy P. Hallock, Almont.
Samuel J. Davison, Alpena.
Josephine Salsbury, Alto.
Harold L. Muchler, Bad Axe.
Thomas Earl Barry, Baraga.
Arthur E. Dann, Beaverton.
Joseph A. Byrne, Birmingham.
John Leon Breckenridge, Breckenridge.
Gerald Tichard Pitkin, Brighton.
Michael Leary, Calumet.
Robert J. McCormick, Carleton.
Robert C. Jacoby, Caro.
Walter J. Grace, Carson City.
Arthur Little, Cass City.
Herbert D. Witherell, Chelsea.
Marian A. Cleary, Clawson.
Mortimer W. Olds, Coldwater.
John G. Watson, Colon.
Charles S. Carland, Corunna.
T. Theodore Hurja, Crystal Falls.
John P. Kelley, Deckerville.
Roscoe B. Huston, Detroit.
Charles L. Burns, Eau Claire.
Blanche L. Verplanck, Edmore.
Ray J. Halfmann, Fowler.
William De Kuiper, Fremont.
Harry J. Lynch, Gaylord.
Philip O. Embury, Grand Blanc.
Elfreda L. Mulligan, Grand Marais.
Ernest G. Corbin, Hart.
Bernice E. Knopp, Hartford.
Ruth G. Templeton, Harbor Beach.
Frank J. Nothelfer, Hemlock.
John R. O'Meara, Hillsdale.
Robert F. Allan, Holly.
Herbert E. Gunn, Holt.
John M. Maloney, Hopkins.
James C. Healy, Houghton.
Patrick J. Scanlan, Hubbell.
Eugene E. Hubbard, Hudsonville.
Arthur A. Baxter, Ionia.
Charles M. Dillon, Iron Mountain.
Peter J. Nora, Iron River.
George A. Curry, Ironwood.
Harry A. Saur, Kent City.
John E. Rengo, Kaleva.
Jessie E. Lederle, Leland.
John E. Hogan, Linden.
Lyle M. Wheeler, Mackinaw City.
Edward J. Talbot, Manistee.
Frederick J. Erwin, Marlette.
Alfred J. Rochon, Marine City.
Anna C. Kulish, Minden City.
William D. Leach, Montrose.
John C. Bannow, Mount Clemens.
Edwin C. Kraft, Nashville.
C. Maude Russell, New Era.

Edward L. Kenny, Onekama.
Edwin E. Thompson, Oscoda.
Catherine C. Laing, Otisville.
Morton Rann, Perry.
Merrill Hillock, Pickford.
George A. Ruddy, Plainwell.
Hallie C. Bunting, Port Hope.
Elizabeth J. Shannon, Powers.
Byron O. Gillies, Prescott.
Fred Cavill, Rapid River.
Martha M. Kern, Reese.
Percy Cecil Carr, Rudyard.
Mildred E. Walsh, St. Charles.
Oliver C. Boynton, Jr., St. Ignace.
Mary A. Ripley, Sault St. Marie.
Robert Miller, Sr., Sawyer.
Floyd H. Leach, Scotts.
J. Jay Cox, Scottville.
Lydia A. McElhinney, Snover.
James W. Henry, Sturgis.
Asa E. Streeter, Vassar.
Max A. Hill, Vicksburg.
Arthur Cavender, Wakefield.
Max E. Wilson, Waldron.
Frank R. White, Webberville.
Leo M. Neubecker, Weidman.
William G. F. L. Wentzel, Zeeland.

MINNESOTA

Elmer Backer, New Ulm.

MONTANA

Harry H. Howard, Bozeman.
Robert Midtlyng, Deer Lodge.
Harry J. Andrus, Dillon.
William L. Thompson, Fairview.
Hannah M. West, Jordan.
Allen S. McKenzie, Philipsburg.
George T. Farrell, Polson.
Estrid H. Knauts, Richey.
Godfrey Johnson, Ronan.
Joseph Buckhouse, St. Ignatius.
Glen Mace Cox, Shelby.
Flossie A. Marsh, Sheridan.
Philip W. Poindexter, Stevensville.
Lucile D. Knight, Twin Bridges.
Townsend H. Durnell, Valier.
Lonnie T. Dennis, Whitefish.
Ray E. Willey, Wisdom.

NEBRASKA

Clarence D. Gottula, Adams.
Joyce Hubbard, Ashby.
Arthur G. Miller, Atkinson.
Claude J. Wright, Aurora.
Alma E. Farley, Bancroft.
Fred C. Buhk, Beemer.
Alva E. Wallick, Bennet.
Plato C. Redfern, Big Spring.
Tobie H. Wilken, Bruning.
Edgar R. Johnson, Butte.
Kenneth R. Newcomb, Cambridge.
William H. Leff, Carleton.
Charles J. Carrig, Columbus.
Martha E. McDonald, Craig.
Gladys J. Brown, Crookston.
Loyd H. Metzer, Culbertson.
Margaret C. Tomek, David City.
George W. Nicholas, Jr., De Witt.
Russell Mooberry, Dorchester.
C. Arthur Seism, Edgar.
Paul W. McCoy, Edison.
George M. Ponton, Elgin.
Helen W. Schneider Elmwood.
Walter O. Troxel, Elsie.
Lyle P. Dierks, Ewing.
Frank A. Moon, Fairbury.
Edmund A. Hall, Fairmont.
Oscar C. Thomas, Franklin.
Bryan J. Snyder, Fullerton.
George L. Koehler, Geneva.
Isaac R. L. Taylor, Gibbon.
Stanley R. Wheeler, Giltner.
Urv V. Dobbs, Grant.
Dorothy M. Porter, Haigler.
Thomas A. Siefken, Harvard.
David S. Simms, Hastings.
George A. Kittle, Hayes Center.
Clyde Yardley, Hemingford.
Francis W. Purdy, Hildreth.
Claude L. Frack, Holbrook.
Lorraine M. Carey, Homer.
Charles Hynek, Humboldt.
Charles L. Schunk, Kenesaw.
Helen M. Fowler, Leigh.
Philo J. Hewitt, Lexington.
Andres P. Peterson, Lindsay.
June M. Daly, Lisco.
Marion M. Kenroy, Long Pine.
Ethel L. Ossenkop, Louisville.
Charles F. Beushausen, Loup City.
Asa H. Nomer, Madrid.
Mary E. Krisl, Milligan.
LaVern A. Breeden, Minatare.
Henry C. Cope, Mitchell.
Eva G. Quick, Morrill.
Cassius R. Burnham, Naponse.
Harold A. Langford, North Platte.
James T. Haffey, Oxford.
Stanton A. Troutman, Palisade.
George C. Thurman, Peru.
Oscar A. Pilger, Pilger.
Martha P. Westfall, Polk.
Paulus W. Barker, Rising City.
Amos Frieden, Shickley.
W. LeRoy Larson, Sidney.
Bessie L. Baughan, Stamford.
Albin E. Rodine, Stromsburg.
Arthur B. Yates, Sutherland.
Ferdinand H. Reuter, Syracuse.
John D. Juilfs, Talmage.
Charles E. Major, Trenton.
Walter P. Flynn, Ulysses.
Margarete C. Phelps, Valentine.
John Monahon, Valley.
Eric Fredrickson, Wakefield.
William Stuart Campbell, Waterloo.
Orley E. McCallum, Wauneta.
James M. Strahan, Wayne.
Minnie M. Morrow, Winside.
Hester E. Lowe, Wolbach.
David D. O'Kane, Wood River.

NEW HAMPSHIRE

George H. Simpson, Bradford.

NEW MEXICO

Perla E. Darbyshire, Anthony.
Jesse L. Truett, Artesia.
Arthur L. England, Clayton.
Selah C. Hoy, East Vaughn.
Rosalie Byrd, Elida.
Joseph H. Gentry, Fort Stanton.
Mary McCullough, Roswell.
Canuto Gonzales, Roy.
Jose Z. Sanchez, Santa Rosa.
Agnes C. Evans, Shiprock.

NEW YORK

John J. Navins, Barrytown.
Leo W. Pike, Belmont.
Horace G. Shepard, Chaumont.

Charles F. Boughton, Cobleskill.
Howard G. McGee, Copake.
Walter S. Blade, Delanson.
Emily C. Stevens, Eldred.
Eugene E. Towell, Fillmore.
Francis J. Kelly, Hornell.
Elizabeth M. Trainor, Monsey.
Edward J. Butler, Newport.
Lindsay J. Hollister, Jr., Port Henry.
Harold D. Ashline, Rouses Point.

NORTH CAROLINA

Preston L. Morris, Broadway.
Jack Barfield, Mount Olive.

OHIO

Walter E. Cole, Andover.
Mary E. Bakle, Antwerp.
Claude S. Coyle, Batavia.
Roy H. Kerns, Bellefontaine.
Enoch W. Carman, Belmont.
A. Harley Bolon, Bethesda.
Fred Durr, Bradford.
Charles J. Slezak, Brecksville.
William J. Grandy, Byesville.
Paul C. Miller, Canal Winchester.
Joseph Davidson, Chagrin Falls.
Leita M. Tuttle, Chardon.
Hettie Woodward, Chesterhill.
Henry D. Coate, Coldwater.
Emmett L. Partee, Defiance.
Durbin W. Gerber, Dover.
Walter A. Geiser, Dunkirk.
Paul W. Burkhardt, Edon.
Earl J. Brulport, Fayetteville.
Clyde M. Bartlow, Felicity.
Walter T. Ault, Findlay.
Blanche A. Fishburn, Forest.
Rolland R. Pettay, Freeport.
Albert K. Merriman, Gallipolis.
Daniel P. Mooney, Glouster.
Myrtle Grant, Grove City.
Henry B. Grevey, Hamilton.
Claude E. Archambeault, Holgate.
Thomas Kyer, Jackson.
Daniel L. Pokey, Lakeside.
Burch Trent, Leesburg.
Clelland R. Polen, Lewisville.
Pearl L. Seitz, Liberty Center.
Susan M. Ramsey, Loveland.
Benjamin E. Bowden, Lowell.
Ethel S. Reames, Lynchburg.
Harry W. Gordon, McConnelsville.
Howard D. DeMar, Madeira.
Samuel E. Fleming, Manchester.
Lora L. Lamborn, Marion.
Calvin H. Love, Maumee.
Harold W. Wisman, Montpelier.
Everett Bennett, Morrow.
Palmer Phillips, Mount Sterling.
Helen Shilts, Mount Victory.
E. Herbert Katterheinrich, New Knoxville.
Garrett W. Bowen, Newtown.
Lewis T. Williams, New Waterford.
Lester D. Overfield, North Lewisburg.
Charles O. Frederick, Norwalk.
Carl S. Corvin, Oak Hill.
Agnes O. Schritz, Olmsted Falls.
Wilver T. Naragon, Osborn.
Alexander F. Wannemacher, Ottoville.
Paul A. Elick, Payne.
Hark F. Williams, Pleasant City.
Clara B. Dix, Prospect.
Cyril S. Hendershot, Quaker City.
Milton L. Dickason, Richwood.
George M. Towle, Sardis.
Thomas F. Short, Seaman.
George V. Wise, Shreve.
Homer H. Dearth, Summerfield.
William T. Golling, Sycamore.
Urn S. Abbot, Tiffin.
Wilma L. Aiken, Tiltonsville.
George Wiest, Uhrichsville.
Sara J. Bell, Waterford.
Alvin W. Craver, Youngstown.
Harry A. Higgins, Xenia.

OREGON

Euna Pearl Burke, Astoria.
John S. Spike, Echo.
Claude H. Reavis, Enterprise.
Benjamin F. Turner, Maupin.
George A. Hartman, Pendleton.
Oscar Edwin Marvin, Wallowa.

PENNSYLVANIA

Oscar H. Stillwagon, Ambler.
George W. Goodley, Jr., Boothwyn.
John A. McShane, Clifton Heights.
Clarence W. Scheuren, Collegeville.
James P. Meaney, Conshohocken.
Antonio R. Minio, Edge Hill.
Alice E. Shoemaker, Fayetteville.
Joseph D. Plumer, Franklin.
Neale Boyle, Freeland.
Carrie Stephens, Great Bend.
Wilmer F. Sowers, Green Lane.
Charles A. Hanlon, Hazleton.
Willard K. Allison, Hickory.
Amy G. Murray, Hop Bottom.
Stanley C. Croop, Hunlock Creek.
William H. Solomon, Hyndman.
Bernard A. Devlin, Jenkintown.
Caroline E. Boyer, Kersey.
John A. Frasier, Liberty.
Lehman I. Leister, McAlisterville.
Harry E. Trout, Mercersburg.
Ezra D. Parker, Mifflintown.
Frank W. Cross, Milford.
Elijah H. Follmer, Milton.
Joseph L. Meehan, Montrose.
Ira D. Atcheson, Nemacolin.
Richard A. Steen, New Castle.
Samuel S. Ulerich, New Florence.
Gerald H. Rickerson, North Warren.
Fred Favo, Oakmont.
James F. Gibbons, Pittston.
Emma R. Dexter, Roulette.
Allen J. Noble, South Mountain.
Alfred R. Warner, Waynesboro.
Samuel H. Tschop, Windsor.
Emma R. Eakins, Wynnewood.
Mary A. Fitzgerald, Wysox.

SOUTH CAROLINA

Allie V. Collum, Jr., Blackville.
Curtis W. Dukes, Branchville.
Hattie C. Sherard, Calhoun Falls.
Ollie W. Bowers, Central.
Marion G. Andersen, Conway.
Basil T. Brinkley, Ellenton.
Ray E. Young, Due West.
Charlton W. Ellis, Estill.
John L. Hinnant, Eutawville.
William B. Smith, Greer.
Rufus Ford, Jr., Holly Hill.
Jesse C. Williams, Inman.
Stephen E. Leverette, Iva.
Lillie F. Beard, Langley.
William A. Richbourg, Liberty.

Wood K. Durham, Landrum.
Harriette H. McLaurin, McColl.
Loula B. O'Connor, Meggett.
Paul F. W. Waller, Myers.
Edward O. Reynolds, Summerville.
Jack C. Pate, Sumter.
William W. Barr, Jr., Springfield.
Jackson L. Flake, Swansea.
Robert A. Gray, Taylors.
Errett Zimmerman, Trenton.
Oscar Tuck, Westminster.
Inez C. Wilson, Williamston.
Wilbur E. Williams, Wagener.
Reuben Vance Lanford, Woodruff.
Loring Terry, Yemassee.

TEXAS

Fountain Pitts Shrader, Frisco.
William G. Fuchs, Thrall.

UTAH

Mildred G. Allen, Escalante.
Ewell C. Bowen, Hiawatha.
A. Carlos Schow, Lehi.

VIRGINIA

Kathryn C. Ross, Accomac.
Johy T. Trevey, Big Island.
John H. Bowdoin, Bloxom.
William R. Allen, Buchanan.
Judson J. Patterson, Chatham.
Rufus G. Roberts, Culpeper.
Norma H. Fulton, Drakes Branch.
J. Henry Miller, Elkton.
Kate J. Brockwell, Ettrick.
Claude B. Nolen, Ferrum.
James H. Shiner, Front Royal.
Fred Adams, Galax.
Richard Clark Morgan, Gladys.
Thomas W. Cooke, Gloucester.
William S. Crockett, Hampton.
Charles B. Hogan, Heathsville.
Andrew W. Cameron, Hot Springs.
Carolyn C. Bryant, Independence.
Josephine N. Porter, Louisa.
James R. Gregory, Martinsville.
Marcellus B. Garnett, Mathews.
Thomas E. Simmerman, Jr., Max Meadows.
Austin C. Tyree, Millboro.
Lloyd Sullenberger, Monterey.
Miller A. Price, New Market.
Robert P. Holt, Newport News.
Margaret E. W. Downing, Painter.
Samuel F. Atwill, Sr., Reedville.
C. Ward Kyle, Rural Retreat.
Clementine M. Wright, Sharps.
Vernon C. Griffith, Shenandoah.
Elijah S. Slate, South Boston.
Rufus W. Garris, South Hill.
Richard S. Wright, Strasburg.
Gervis E. Lemley, Stephens City.
Fannie B. B. Sale, Tappahannock.
Frank L. Schofield, University of Richmond.
John H. Tyler, Upperville.
Willie R. Slagle, Virgilina.
William Nelson Page, Winchester.
Joseph Schmidt, Yorktown.

WASHINGTON

Curtis M. Wormell, Asotin.
Lillian M. Tyler, Brewster.
Herbert O. Thompson, Colfax.
Albert Buerstatte, Jr., College Place.
Walter I. Peterson, Granger.
Tormod A. Myklebust, Lacrosse.
Ralph V. Browder, Oakesdale.
Blanche H. Barton, Othello.
Paul Hamilton, Prosser.
Jehu O. Patterson, Pullman.
William H. Padley, Reardan.
Leo B. Reed, Redmond.
James F. Tostevin, Retsil.
Louie H. Saur, Selah.
Otto F. Reinig, Snoqualmie.
Jessie M. Severyns, Sunnyside.
Walter D. Codd, Tekoa.
Andrew J. Diedrich, Valley.
George B. Day, Walla Walla.
George Rodman, Wapato.
Joseph H. Gill, Washtucna.
Fairleigh B. Wilkins, Yakima.

WEST VIRGINIA

Jennings B. Campbell, Albright.
Torrence Cook, Amherstdale.
Marion L. Taylor, Ansted.
Thomas M. Deegan, Benwood.
S. Cleveland Underwood, Bethany.
Mark V. Brown, Bridgeport.
Katherine C. Brannen, Cabincreek.
Virgil Y. Given, Clendenin.
Eulalie B. Wheeler, Elkhorn.
Arthur J. Duncan, Fayetteville.
George O. Sinsel, Flemington.
John J. Walker, Follansbee.
Chauncy R. Crabtree, Fort Gay.
Alice McCoy, Franklin.
Edward J. Rush, Grant Town.
William O. Umstead, Jr., Grantsville.
Mayme E. Marquette, Harpers Ferry.
John B. Puryear, Jr., Holden.
Thomas T. Bambrick, Hollidays Cove.
Stella G. James, Institute.
Thomas F. Ward, Keyser.
Dorothy N. Webb, Kingston.
Denny B. Browning, Logan.
Whiting C. Faulkner, Martinsburg.
John A. Ball, Mullens.
Justus O. Eakin, New Martinsville.
Russell W. Casto, Nitro.
Mack Kiger, Paden City.
John W. McNabb, Paw Paw.
Vesta Lee Connell, Pennsboro.
Lawrence E. Poling, Philippi.
Wilbur S. Moore, Pine Grove.
John M. Snarr, Romney.
Harrry E. Riddleberger, St. Alban.
Ruskin J. Wiseman, Summersville.
Ben Gillespie, Sutton.
Henry S. Ellison, Union.
Joseph V. Emig, Wellsburg.
William L. Brice, Wheeling.

WISCONSIN

Dominic W. Riley, Baldwin.
Dale J. Cannon, Birnamwood.
Bernard G. Schramske, Boyceville.
Chris Kartman, Cassville.
Alfa Ruth Anderson, Colfax.
William L. Lee, Drummond.
John A. Ginsbach, Elmwood.
Edward Snoeyenbos, Hammond.
Jesse Theodore Simons, Hixton.
Simon Skroch, Independence.
William S. Casey, Knapp.
Albert E. Hansen, Mendota.
Gaylord T. Thompson, Mercer.
Oscar M. Rickard, Merrillan.
Fred J. Marty, New Glarus.
Maurice A. Reeves, Pewaukee.
Gladys M. Suter, Plum City.

Celestine D. Kaltenbach, Potosi.
Edward D. Feeney, Prairie du Chien.
Patrick H. Laughrin, Prentice.
Solon A. McCollow, River Falls.
Curtis R. Hanson, Scandinavia.
Louis G. Kaye, Westboro.
Donald M. Warner, Whitehall.

REJECTIONS

Executive nominations rejected by the Senate June 10 (legislative day of June 7), 1938

POSTMASTERS

NEW JERSEY

Frederick W. Jacoby to be postmaster at Cliffside Park, in the State of New Jersey.

Thomas C. Birtwhistle to be postmaster at Englewood, in the State of New Jersey.

OKLAHOMA

George L. Watkins to be postmaster at Tulsa, in the State of Oklahoma.

PENNSYLVANIA

George V. Beech to be postmaster at East Pittsburgh, in the State of Pennsylvania.

William G. Loy to be postmaster at Newport, in the State of Pennsylvania.

Wilson C. Reider to be postmaster at Shickshinny, in the State of Pennsylvania.

HOUSE OF REPRESENTATIVES

FRIDAY, JUNE 10, 1938

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Thou who hast crowned us with life, may we love to do Thy will and walk in Thy ways. Heavenly Father, keep us very close to this throbbing, living world. We rejoice that it is ours to walk its kindly, brotherly ways and to know that Thou dost touch it with immortal hope. We love life, blessed Lord, but the responsibility is too heavy and its mystery is too profound for us to tread its pathways alone. We beseech Thee to arm us with jealous care, courage, and wisdom. Keep our vision clear, and let us hear in our breasts the enchanting whispers of the Divine. And Thine shall be the praise. In the name of Jesus. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed, with amendments, in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 4571. An act for the relief of Helen Mahar Johnson.

The message also announced that the Senate insists upon its amendment to the bill (H. R. 6246) entitled "An act to provide for placing educational orders to familiarize private manufacturing establishments with the production of munitions of war of special or technical design, noncommercial in character," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. JOHNSON of Colorado, Mr. HILL, and Mr. LODGE to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8099) entitled "An act to amend certain administrative provisions of the Tariff Act of 1930, and for other purposes."

The message also announced that the Senate had passed, with amendments, in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 10618. An act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House thereon, and appoints Mr. COPELAND, Mr. SHEPPARD, Mrs. CARAWAY, Mr. JOHNSON of California, and Mr. GIBSON to be the conferees on the part of the Senate.

The message also announced that the Senate had passed a joint resolution and bill of the following titles, in which the concurrence of the House is requested:

S. J. Res. 300. Joint resolution to create a temporary national economic committee; and

S. 2783. An act to amend the China Trade Act, 1922, as to the duration of the China Trade Act corporations.

The message also announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 3227. An act for the relief of Mr. and Mrs. Chester A. Smith; and

S. 3512. An act for the relief of Elizabeth Cory.

The message also announced that the Senate had adopted the following order:

Ordered, That the Secretary be directed to request the House of Representatives to return to the Senate the bill (H. R. 5685) to facilitate the control of soil erosion and flood damage originating upon lands within the exterior boundaries of the Angeles National Forest in the State of California, together with Senate engrossed amendments thereto.

The message also announced that the Senate had passed without amendment bills of the House of the following titles:

H. R. 7764. An act to authorize the sale of surplus power developed under the Uncompahgre Valley reclamation project, Colorado; and

H. R. 9258. An act to authorize the Secretary of the Navy to accept on behalf of the United States certain land in the city of Los Angeles, Calif., with improvements thereon.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2904) entitled "An act for the relief of officers and soldiers of the volunteer service of the United States mustered into service for the War with Spain and who were held in service in the Philippine Islands after the ratification of the treaty of peace, April 11, 1899."

UNITED STATES-MEXICAN CLAIMS

Mr. DIES. Mr. Speaker, by direction of the Committee on Rules I submit the following report on the bill (S. 3104) for the payment of awards and appraisals heretofore made in favor of citizens of the United States on claims presented under the General Claims Convention of September 8, 1923, United States and Mexico.

CALL OF THE HOUSE

Mr. EATON. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. RAYBURN. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 103]

Allen, Ill.	Cannon, Wis.	DeMuth	Gasque
Arnold	Case, S. Dak.	Dickstein	Gavagan
Ashbrook	Champion	Ditter	Gingery
Atkinson	Clark, Idaho	Dockweiler	Goldsborough
Barry	Cochran	Douglas	Gray, Pa.
Bell	Coffee, Nebr.	Eberharter	Green
Boehne	Coffee, Wash.	Edmiston	Greenwood
Brewster	Cole, Md.	Ferguson	Gregory
Buck	Cox	Fernandez	Griswold
Buckley, N. Y.	Crosby	Fitzpatrick	Harrington
Byrne	Curley	Fries, Ill.	Hennings

Hill	McGrath	Phillips	Sullivan
Hook	McGroarty	Reed, N. Y.	Sweeney
Imhoff	McMillan	Richards	Taylor, Colo.
Johnson, Lyndon	McSweeney	Robinson, Utah	Thurston
Kniffin	Mitchell, Tenn.	Roy	Wadsworth
Lamneck	Mosier, Ohio	Sadowski	Wearin
Lemke	Murdock, Utah	Schaefer, Ill.	Weaver
Long	O'Connor, Mont.	Scrugham	West
McAndrews	O'Day	Smith, Okla.	Whelchel
McClellan	Owen	Somers, N. Y.	White, Idaho
McGehee	Palmisano	Stack	Wigglesworth
McGranery	Parsons	Steagall	Wood

The SPEAKER. Three hundred and thirty-six Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

The SPEAKER. The Clerk will report the resolution submitted by the gentleman from Texas.

The Clerk read as follows:

House Resolution 524 (Rept. No. 2676)

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of S. 3104, an act for the payment of awards and appraisals heretofore made in favor of citizens of the United States on claims presented under the General Claims Convention of September 8, 1923, United States and Mexico. That after general debate, which shall be confined to the act and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Claims, the act shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the act for amendment the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the act and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER. Referred to the House calendar and ordered printed.

ENROLLING ROOM

Mr. WARREN. Mr. Speaker, I offer a resolution and ask unanimous consent for its present consideration.

The Clerk read as follows:

House Resolution 525

Resolved, That there shall be paid out of the contingent fund of the House of Representatives during the remainder of the present session not exceeding $200 for additional clerical services in the enrolling room.

The resolution was agreed to, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to insert therein an address delivered by my colleague the gentleman from Georgia [Mr. COX] at Macon, Ga., on June 6, before the Alumni Association of Mercer University.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. PETERSON of Georgia. Mr. Speaker, I ask unanimous consent to extend my own remarks and to include therein certain official statistics and documents mentioned therein.

The SPEAKER. Without objection it is so ordered.

There was no objection.

AMENDMENT OF LIQUOR ENFORCEMENT ACT OF 1936

Mr. CELLER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 7508) to amend the Liquor Enforcement Act of 1936, with a Senate amendment, and agree to the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert:

"That (a) section 3 (a) of the Liquor Enforcement Act of 1936 (U. S. C., 1934 ed., Supp. III, title 27, sec. 223 (a)) is hereby amended to read as follows:

"'SEC. 3. (a) Whoever shall import, bring, or transport any intoxicating liquor into any State in which all sales (except for scientific, sacramental, medicinal, or mechanical purposes) of intoxicating liquor containing more than 5 percent of alcohol by weight are prohibited, otherwise than in the course of continuous interstate transportation through such State, or attempt so to do, or assist in so doing, shall, if the importation, bringing, or transportation of such intoxicating liquor into, or the transportation thereof within, such State is prohibited by the laws thereof, be guilty of a misdemeanor and shall be fined not more than $1,000 or imprisoned not more than 1 year, or both. All importation, bringing, or transportation of intoxicating liquor into any such State for delivery or use therein, or through such State in the course of continuous interstate transportation, shall be evidenced by shipping documents in the manner and form prescribed by the Commissioner of Internal Revenue in regulations approved by the Secretary of the Treasury. Whenever the officers charged with the enforcement of this act shall discover intoxicating liquor in the course of importation, bringing, or transportation into any such State, such intoxicating liquor shall, except when it is consigned to a person entitled under the laws of such State to procure, possess, or dispose of such intoxicating liquor for scientific, sacramental, medicinal, or mechanical purposes, or except when it is consigned for delivery in another State and is in the course of continuous interstate transportation through the State in which discovered, and such consignment to such a person or for delivery in another State is evidenced by shipping documents as hereinbefore required, be presumed to be in the course of importation, bringing, or transportation into such State contrary to the provisions of this section, and the burden of proof shall be on the claimant or the accused to rebut such presumption.'"

Mr. TARVER. Mr. Speaker, reserving the right to object, I introduced this bill in the House with the objective of bringing about the enforcement of the second proviso of the twenty-first amendment. It has been so amended in the Senate as not only not to achieve this objective but to create grave danger of weakening the laws already in effect. In other words, the bill as passed by the Senate is not directed toward the objective I have in mind. A conference committee ought to be appointed to work out a decent bill. I certainly must object to taking up this bill for the purpose of concurring in the Senate amendments.

The SPEAKER. Objection is heard.

EXTENSION OF REMARKS

Mr. THOMAS of New Jersey. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an editorial taken from a Jersey newspaper.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. JENKINS of Ohio. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a short article on importations from Japan.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

RULES COMMITTEE

Mr. O'CONNOR of New York. Mr. Speaker, I ask unanimous consent that the Rules Committee may have until midnight tonight to file certain rules.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

INVESTIGATION OF RADIO BROADCASTING

Mr. O'CONNOR of New York, from the Committee on Rules, submitted the following privileged resolution (Rept. No. 2678), which was referred to the House Calendar and ordered to be printed:

House Resolution 92

Whereas the Congress, in creating the Federal Radio Commission and in enacting the Communications Act of 1934, expressly reserves to the people of the United States control of all radio frequencies; and

Whereas, despite the restriction through the leasing of, the purchase of, the affiliating of, the operation of, or, through the possession of contracts giving to a select few the exclusive right to use the more desirable time of these radio-broadcasting stations, there is reason to believe that contrary to the intent and the spirit, as well as the language of laws in force, one or more monopolies exist in radio broadcasting, which radio-broadcasting monopolies are believed to be profiting illegally at the expense and to the detriment of the people through the monopolistic control and operation of all clear channel and other highly desirable radio-broadcasting stations, such as the Columbia Broadcasting System, the National Broadcasting Co., and the Mutual Broadcasting System, or other existing groups; and

Whereas it is believed that neither public interest, convenience, or necessity is served by permitting virtual radio-broadcasting

monopolies to control this property which has been reserved to the control of the American people; and

Whereas it is contrary to public policy, convenience, or necessity to allow any private groups to monopolize the use of a property reserved to and for the people: Therefore be it

Resolved, That a committee of seven Members of the House of Representatives shall be appointed by the Speaker, which committee is hereby directed to inquire into and investigate the allegations and charges that a monopoly or monopolies exist in radio broadcasting alleged to be held by the Columbia Broadcasting System, National Broadcasting Co., Mutual Broadcasting System, or others; be it further

Resolved, That the said committee shall make a thorough and exhaustive investigation of all charges and allegations of the existence of a monopoly or monopolies in radio broadcasting and the effect which such monopoly or monopolies may have on the character of radio programs, and rates charged advertisers, and generally the effect of such monopoly or monopolies on the public, and said committee shall report in whole or in part at any time to the House of Representatives during the Seventy-fifth Congress, together with such recommendations for legislation or otherwise as it deems advisable; and be it further

Resolved, That said committee or any subcommittee thereof is authorized to sit and act during the present Congress at such times and places within the United States whether or not the House is sitting, has recessed, or adjourned, to hold such hearings; to require the attendance of such witnesses and the production of such books, papers, and documents by subpena or otherwise and take such testimony as it deems necessary with respect to such monopoly or monopolies and the management and operation of any company or companies being so investigated. Subpenas shall be issued under the signature of the chairman of said committee or any member designated by him, and shall be served by any person designated by them or either of them. The chairman of the committee or any member thereof may administer oaths to witnesses. Every person who, having been summoned as a witness by authority of said committee, or subcommittee thereof, willfully makes default, or who, having appeared, refuses to answer any questions pertinent to the matter herein authorized to be investigated, shall be held to the penalties provided in sections 102, 103, and 104 of the Revised Statutes of the United States, as amended (U. S. C., title 2, secs. 192, 193, and 194).

STUDY OF MERCHANT MARINE AND FISHERY PROBLEMS

Mr. SMITH of Virginia, from the Committee on Rules, submitted the following privileged resolution (Rept. No. 2679), which was referred to the House Calendar and ordered to be printed:

House Resolution 498

Resolved, That the Committee on Merchant Marine and Fisheries, as a whole or by subcommittee, is authorized and directed to make a full inquiry into questions and problems in relation to the merchant marine and fisheries, and a thorough study of methods and proposals for remedies and improvements in connection with such questions and problems, including recommendations for legislation submitted by the United States Maritime Commission in its economic survey, with a view to legislation in the next Congress.

The committee shall, from time to time, report to the House (or to the Clerk of the House, if the House is not in session) during the present Congress the results of its investigation and study, together with such recommendations for legislation as it deems advisable.

For the purposes of this resolution the committee, or any subcommittee thereof, is authorized to sit and act during the present Congress, at such times and places in the District of Columbia or elsewhere, whether or not the House is sitting, has recessed, or has adjourned, to hold such hearings, to require, by subpena or otherwise, the attendance of such witnesses and the production of such books, papers, and documents, and to take such testimony, as it deems necessary. Subpenas shall be issued under the signature of the chairman of the committee or any member designated by him, and shall be served by any person designated by such chairman or member. The chairman of the committee or any member thereof may administer oaths to witnesses.

BUREAU OF FINE ARTS

Mr. COX, from the Committee on Rules, submitted the following privileged resolution (Rept. No. 2680), which was referred to the House Calendar and ordered to be printed:

House Resolution 526

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of House Joint Resolution 671, a joint resolution to create a Bureau of Fine Arts in the Department of the Interior for the promotion of art and literature through the use of copyrighted material and to define the powers and duties of said Bureau, and for other purposes. That, after general debate, which shall be confined to the joint resolution and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Patents, the joint resolution shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the joint resolution for amendment the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the joint resolution and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

PERMISSION TO ADDRESS THE HOUSE

Mr. GRAY of Indiana. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and at the conclusion of that 1 minute I desire to be recognized to make a parliamentary inquiry.

The SPEAKER. The gentleman from Indiana [Mr. GRAY] asks unanimous consent to address the House for 1 minute. Is there objection?

There was no objection.

Mr. GRAY of Indiana. Mr. Speaker, the Democratic Party of which I am a member promised the people that if given the power it would remedy the depression. We have a depression on in this country right now, but we are actually following Hoover around the corner. The Democrats say they do not know how to remedy the situation. I want to invite the Members of the House to listen to me over WOL next Monday night, at which time I propose to tell them what to do and show them how to do it. [Applause.] I may say that I shall speak on 112 radio stations, reaching every congressional district. [Applause.] If this House sees fit to adjourn without fulfilling its promises and obligations, I propose to go to the people and see that the Congress comes back here in the dog days to finish the work. [Applause.]

[Here the gavel fell.]

Mr. PIERCE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. PIERCE. Mr. Speaker, there appeared in the New York Times of May 30, 1938, an article criticizing Mr. J. D. Ross, the Administrator of Bonneville project for the rates he has fixed for power. The rates fixed by the Administrator were, as required by law, presented to the Federal Power Commission for approval, and today they are releasing approval of those schedules.

Mr. Speaker, I ask unanimous consent to insert in the RECORD a reply to a New York Times editorial of May 30, 1938, and a statement on this release of the Federal Power Commission covering the rates at Bonneville; also to revise and extend my own remarks in the RECORD on the subject of the electric rates in Detroit, Mich., and Windsor, Ontario. I stated I would do so when I challenged, during debate, a statement made by the distinguished gentleman from Michigan [Mr. DONDERO].

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

BONNEVILLE RATES LOWER THAN NIAGARA

Mr. PIERCE. Mr. Speaker, the thesis of the editorial in the Times of May 30 is that the rates submitted for the Bonneville project are well below effective rates of the Niagara Power serving the Ontario Hydro, which is the "cheapest power in the world," and that central station engineers would like to know the reason for the low price at Bonneville. So that any misunderstanding can be corrected, I desire to state the facts.

In a hydro plant the actual physical investment per unit of capacity controls the sale price. The Ontario Hydro was created by the legislative act of the Ontario Legislature in 1906, but it was not until October 1910 that the Hydro was in production. This hydro power is not cheap power, as power costs run. The early power sources of the Hydro were first purchased power, and then they purchased stations of the Toronto Power and the Ontario Power, which

stations were built by private interests shortly after the turn of the century. These stations cost, respectively, $103 and $163 per kilowatt of capacity.

The quantity of water that can be diverted for power at Niagara is limited by international treaty to 56,000 cubic feet per second, 20,000 going to plants on the American side and 36,000 to the three plants then installed on the Canadian side, which utilized 35,300 cubic feet per second. As the demand for power increased in Ontario it was necessary to utilize every kilowatt potentially available in the water, even though this involved increasing the cost per kilowatt of capacity. The older Ontario station is located adjacent to Horseshoe Falls and it operates under a fall of 180 feet. The drop to Lake Ontario from Lake Erie is 326 feet; and if all of the head could be utilized, the power per cubic foot of water would be practically doubled. The Queenston plant was then the natural development, with a head of about 300 feet. This plant diverts above the upper rapids and generates below the lower rapids. Such a layout involved an expensive canal 13 miles long. The plant was started under war conditions, when there was a shortage of manpower, and was built entirely in the high-price period. The Queenston plant cost $206 per kilowatt to build, about one-half of which cost represents the canal. Most of the water available at the Canadian Niagara is used in the new Queenston plant, with the old Ontario station carrying only a fair load, and the inefficient Toronto station carrying a relatively small peak load.

Due to this limitation of water it was necessary to rebuild the Canadian Niagara hydros with increased first cost of plants. Their natural increases in costs produced the rate effects that the editorial writer of the New York Times attributed to other unnamed reasons which are evidently included in his term "economic justification."

With 10 units installed, totalling 504,000 kilowatts, the power facilities of the Bonneville project will cost around $83 per kilowatt of capacity. Is it not obvious that a plant costing $83 per kilowatt of capacity can produce current for less than a plant costing $206 per kilowatt? These simple approximate first costs, together with the development history of the Canadian Niagara, explain all the facts editorially attributed to other causes as representing the rate difference between this Canadian Power and Bonneville energy. The myth as to the inexaustible water supply and the "cheapest power in the world" as applying to the Canadian Niagara generating costs was exploded long ago.

The writer of the editorial should, before creating the impression that at Bonneville the taxpayer is carrying the load of the rate payer, read the Bonneville Administrative Act, passed by Congress in 1937, wherein it is provided that rates shall be put into effect which will insure full repayment of power facility costs to the Federal Government, over a reasonable period.

THE BONNEVILLE RATES

The wholesale "at site" primary and secondary, as well as the "transmission" primary and secondary rates, for the Bonneville project have been approved by the Federal Power Commission today. The prices approved are the same submitted by Administrator Ross.

These rates are wholesale price schedules, both at the dam and any point on the transmission system, available to States, public power districts, counties, municipalities (including agencies and subdivisions thereof), cooperatives, private industry, and private organizations reselling current. These rates, in my opinion, are a distinct advance in the science of rate making. They are simple and among the lowest in the country. They follow the policy set out in the Bonneville Administrative Act, approved August 20, 1937. These rates will encourage the widest possible developed use of electricity, and insure that the project will be operated for the benefit of the public, and, in particular, domestic and rural consumers. The Power Commission, in their approval, state that these rates will provide for full repayment, with interest, to the Federal Government for funds invested in power facilities at Bonneville.

These approved rates are expressed in terms of a kilowatt-year, which I have already described in previous remarks in the RECORD. As far as the general American rate practice goes, this is a progressive innovation, which will simplify electric rate structures. The kilowatt-year rates approved for Bonneville project are given in the Power Commission release, as follows:

At site rates: Prime power, $14.50 per kilowatt-year; secondary power, $9.50 per kilowatt-year. Available to private purchasers for their own use, but not for resale; and to public bodies, cooperatives, and privately owned electric utilities for distribution within 15 miles of the Bonneville project plant.

Transmission-system rates (uniform over entire transmission system): Prime power, $17.50 per kilowatt-year; secondary power, $11.50 per kilowatt-year. Available to public bodies, cooperatives, and privately owned electric utilities for resale only.

A provision was made for adopting a 5-mill per kilowatt-hour "ceiling" to this rate for cooperatives and other small customers requiring a demand of less than 1,000 kilowatts. This ceiling will not prevent these customers from obtaining lower averages under the rate should their use of service under this schedule result in lower averages.

The 5 mills per kilowatt-hour ceiling applies for the first 2 years of service under this schedule. It will permit such customers, during the 2-year period, to enjoy a rate that will not exceed the equivalent of 5 mills per kilowatt-hour.

These rates will stimulate rural and domestic electric use and thereby increase consumption. In addition to the benefits these rates will bestow on the farmer and home owner, the schedules will provide low-cost electric current to "dinner pail" industries which will be attracted to Oregon because of natural resources and advantages, and cheap power.

These rates will provide a new opportunity for the Pacific Northwest.

Mr. Speaker, for three sessions of Congress I have, at intervals, spoken and written on electric utilities and public ownership. During this time, the great Bonneville power project on the Columbia River in Oregon has been completed to the point of generating current. This current will be distributed through the Pacific northwest at the remarkably low rates fixed by Mr. J. D. Ross, administrator, and just released with approval by the Federal Power Commission. My interest in public ownership and in the yardstick for measuring electric rates has been so keen that I have read with interest all the remarks that have been made on this floor, relating to these subjects. I desire to conclude my series of studies of electric rates and the effects of public ownership by inserting in the RECORD a reply to the remarks of our colleague from Michigan [Mr. DONDERO], which called attention to the rates of Detroit, Mich., as related to those of Windsor, Ontario. In this statement I also include the result of investigation on the Diesel package unit, which I consider of great value. Since all of my remarks in the following paper relate to the price of electric current for consumers, I have entitled them "What Price Power?"

WHAT PRICE POWER?

Mr. Speaker, on page 4403 of the RECORD, March 30, 1938, I challenged the remarks of the able and sincere gentleman from Michigan [Mr. DONDERO] when he stated that the net electric rates in Detroit were lower than in Windsor, Ontario, the latter community being served by the Canadian publicly owned and operated power. The facts are that when the Detroit tax equivalent is added to actual service bills in Windsor, the large majority of the consumers in Detroit are paying 30 to 61 percent more than similar consumers are paying for electricity in Windsor, based on the latest official figures available. His brief remarks given on page 4396 of the RECORD were based on a table and collateral information set out on page 537 of the RECORD of January 14, 1938. Knowing the gentleman as I do, I feel that he made a sincere effort to compare rates in his city with Windsor, and with Canadian conditions, but unfortunately the incorrect data he was given leads to false conclusions. It is obvious that some of the data set out on page 537 of the RECORD came from sources friendly to private power and prejudiced against public power, as part of the base-estimating figures used have not, so far as I know, been put out as official public figures.

In the final analysis the average American citizen will be the judge of the merits of questions debated on this floor. His ultimate decision will rest on a sense of fairness. We are now going through trying times in the fight for public power and the only way to make progress is to state the facts fairly and let thoughtful people draw their own conclusions. All public men are perplexed by the sad plight of the railroads. If railroad legislation in the past had been based on facts and understanding, rather than propaganda, a large part of the present railroad trouble could have been avoided. I am trying to be useful in this presentation, so as to avoid in electric utility development the same pitfalls revealed in railroad history—namely, frozen values, high rates, and watered or depreciated securities. In this world of ours, nature has so ordained matters that no person, no piece of machinery or man-made property is endowed with perpetual life. Failure to recognize this principle in financial operations is one of the sins of our modern capitalistic system. Bonds are still outstanding based on useless or dead investments—buildings destroyed by fire, railroads pulled up and junked—dead mules. Financiers should also consider the economic order in addition to the natural order. Economically it is good business to lower rates. Lowered rates increase volume and earnings, and insure public good will.

I regret that numerous concerns, notably one in Wisconsin, are engaged in falsely propagandizing the power question influencing honest people who are uninformed and, unfortunately, quoting CONGRESSIONAL RECORD speeches and articles to sustain false conclusions. In making this statement I am not for one instant challenging the good faith of any Member, but I am challenging the correctness of the information given out and passed on to the people by the private-utility propaganda agencies.

DETROIT AND WINDSOR ELECTRIC RATES COMPARED

The data presented on page 537 of the RECORD of January 14, 1938, is not representative nor accurate. One particular hypothetical bill was estimated, and the example selected contains a joker. Detroit people have for years paid for their electricity under what rate experts call a quick-break rate. The quick-break rate is usually adopted to preserve a high step rate to the majority of the rate payers. The Windsor rate has a long-low top block, and the point selected for comparison is the place where the two rate curves approach. Very few customers are billed at such a point. The $26.95 figure given for Windsor is at least $3.25 too high according to the official Windsor tariffs, showing an error of this amount, and the Detroit figure is 45 cents too low according to filed rates now in effect.

To make a deduction for lamp-renewal service as was done in the gentleman's statement is a questionable procedure. In some States, where the matter has been passed upon it has been held to be a discriminatory practice. No one can defend an electric company for giving away lamps when some commercial customers of the company are making a living by selling lamps. Lamps are given away to increase consumption, and the more logical way of evaluating this item is to consider that the increased use balances the lamp cost. Companies are not giving free lamps to be charitable. To be fair to merchants the practice should be outlawed.

The inclusion of $2.81 per customer deduction for fuse calls is ridiculous. There are 614,377 electric meters in Detroit. This item, by straight calculation on this assumption, amounts to $1,720,000 annually. Now according to the income and expense statement of the Detroit Edison Co., $3,362,373—Moody, 1937 edition, page 1559—was spent for maintenance and repairs on the entire property. To evaluate fuse-plug renewals and service at 51 percent of the entire maintenance and repair expense is the height of folly. All electric properties maintain service men. When a service man is called on a case of trouble, and finds a fuse "out" he usually installs one. Most companies do not bill the customer for this as the cost of rendering the bill exceeds the cost of the fuse.

The Federal Power Commission—Rate Series, 1935, No. 1, page 6—found that out of the 20,000,000 residential customers in the United States, 66.6 percent were lighting customers, using between 15 and 40 kilowatt-hours per month, 26.6 percent used 100 kilowatt-hours per month for light and refrigerators, and 6.8 percent used over 100 kilowatt-hours per month. It is obvious that only a small percentage of the Detroit customers were billed at the consumption given in the example cited by the gentleman from Michigan. Therefore, it is not a representative comparison. Furthermore, the figures given are inaccurate.

The Detroit Edison Co. in 1936 paid $1,144,000 income taxes and $5,851,992 local taxes—Moody, 1937, page 1558. These tax payments amounted to 12.68 percent of the company's gross income. Now, it must be remembered that the Detroit Co. re-collects a part of these taxes in light bills from schools, city buildings, and so forth, so the net tax percentage will be considerably less than the stated 12.68 percent. However, to resolve any doubt in favor of the Detroit Co. and to be fair, I will, in my comparison, add this amount to the Canadian bills to arrive at an equivalent bill, including taxes. The median consumption point of the 60-odd percent of the Detroit customers is 25 kilowatt-hours per month. With this consumption, the most numerous class of small-rate payers in Detroit pays 61 percent more than the Windsor consumers even when the Detroit tax equivalent is added in. When the numerous small-family consumers pay this excess charge, how can it be said that the Detroit rates are lower than those at Windsor? Comparison of bills rendered affords the most accurate method of determining relative costs. In Detroit the small fellow who has a hard time making ends meet is the one who is penalized.

DETROIT AND CANADIAN LIGHT BILLS COMPARED

So that an exact comparison will be possible, I am tabulating Detroit and Canadian residential billings as of January 1, 1937. To the Canadian bills I have added the Detroit tax equivalent, as the Ontario Hydro pays no taxes. I am also including Buffalo, N. Y., because the statement has been made on the floor that Buffalo electric rates are lower than Niagara Falls, Canada. The Canadian bills were figured from the rate schedules published by the Ontario Hydro and given in their 1936 annual report, pages 440 to 453. They were checked against bills published by the Canadian Department of Trade and Commerce in 1937. The American figures were taken from the 1937 rate series of the Federal Power Commission. Detroit has had no rate reduction since these billings were published, and these presentations are, therefore, up to date.

Comparative residential electric bills for various consumptions

City and description	Monthly kilowatt-hour consumption				
	25	40	100	250	500
Detroit, Mich. (Detroit Edison Co.)	$1.35	$1.89	$3.38	$6.75	$9.09
Buffalo, N. Y. (Buffalo General Electric Co.)	1.13	1.70	3.06	5.31	9.06
Washington, D. C. (Potomac Electric Power Co.)	.98	1.56	3.50	5.67	9.90
Niagara Falls, Canada, plus Detroit taxes	.61	1.22	2.23	4.26	6.30
Ottawa, Canada, plus Detroit taxes	.84	1.15	1.96	3.41	4.42
Toronto, Canada, plus Detroit taxes	.84	1.30	2.23	4.01	6.05
Winnipeg, Canada, plus Detroit taxes	.68	1.35	3.38	4.94	6.97
Windsor, Canada, plus Detroit taxes	.84	1.42	2.58	4.80	7.05
Percent Detroit higher than Windsor, Canada	61	33	31	41	29
Percent Detroit higher than Ottawa, Canada	61	64	73	98	103

More than 60 percent of the residential consumers in Detroit use less than 40 kilowatt-hours per month based on the Federal Power Commission national statistical break-down.

THE ONTARIO HYDRO

The Ontario Hydro is only a generating, transmitting, and wholesaling agency. The direct distribution and sales to the people is accomplished by the municipalities. The system

wholesales current on "at cost basis"; therefore the wholesale rates to the municipalities vary with the distance from the power source. The Hydro was largely constructed in wartime and under high-price conditions. Its wholesale rates to municipalities, which I will hereafter cover, cannot be said to be low. The low resale rates of the municipalities under the Hydro are the result of sound operation, including annual lowering of the debt through earnings, large consumption following lower rates, efficient operation, and the absence of holding companies and illicit expenses. The outstanding fact to remember is that the municipalities have accomplished the low rates and sound finances through distribution. In 1936 the average residential cost to the consumer in the State of Michigan was 3.72 cents per kilowatt-hour and the consumption 772 kilowatt-hours per year. In Ottawa, Canada, for example, the average residential rate, with taxes added, was 1.01 cents per kilowatt-hour and the consumption 4,040 kilowatt-hours. This average rate is only 27 percent of the Michigan average rate, and the consumption is over five times greater.

Fort William, Canada, has an average residential rate, plus the tax equivalent, of 0.9 cent per kilowatt-hour and a consumption of 4,680 kilowatt-hours. This represents 24 percent of Michigan average consumer-unit cost and six and one-tenth times the customer consumption. Who can allege in the face of these facts that it is not good business to amortize debts and charge low rates?

COMPARATIVE WHOLESALE ELECTRIC COSTS

An examination of the Boulder Dam contracts will show that under the Los Angeles load factor the city light bureau pays to the Federal Government $7.85 per kilowatt-year falling-water charge to cover 4 percent interest, annual debt payments on a 50-year amortization, tax equivalents to the States of Arizona and Nevada, and contributions to a sizeable fund for the upper basin States. Boulder's operation cost will run about $3.25 per kilowatt-year and transmission about $6 per kilowatt-year.

Tacoma, Wash., has an initial generating plant investment of $213 per kilowatt of system peak. Taking the city's actual costs on a 40-year amortization I find that the generation cost on a 50 percent actual load factor is $15.79 per kilowatt-year and the transmission fixed charges; operation and losses total $3.82 per kilowatt-year, or a total of $19.61 per kilowatt-year, or 4.4 mills per kilowatt-hour. This represents actual cost on the basis of an amortization calculation from actual Tacoma cost figures. Tacoma, however, has paid off its debt faster than the amortization calculation indicates, and therefore its costs are lower than the figure given for a strictly comparative calculation.

No complete published data is available on Detroit generating stations. However, it is possible to estimate this cost closely from the financial statements of the company given in Moody and the performance of modern stations operated by the same people who are interested in the property. Detroit's actual load factor is 50 percent (Moody, 1937, p. 1558). The bonds outstanding on the Detroit property are general and refunding issues and bear 4¼ percent average interest and a 38-year maturity. Taking plant cost to consist of 60 percent of 4¼-percent bonds and 40 percent of 8-percent stock, and coal at $4 a ton, by the amortization calculation at 50-percent load factor, I calculate the kilowatt-year cost of Detroit energy at $21.60. If we use the method of calculation adopted by the private utilities, we will find the kilowatt-year costs $27.51 (House Doc. 52, 75th Cong., 2d sess., p. 40). I hope that the gentleman from Michigan will write to the commission of his State for the billings and collateral information of the 15 largest electrical industrial consumers in Detroit—without giving names—and place this material in the RECORD so that the American people can have first-hand reliable and additional information on generating costs with steam.

One of the large steam-generating companies in the Midwest has its financial and operating statement in Moody's Manual, 1937 edition, page 1045. These costs include about 100 miles of transmission and the quantity of coal for a 77-percent load factor. Allowing for these differences I find the bus-bar sale at this station at 50-percent load factor to be $24.20 per kilowatt-year, by the private-utility method of calculation. This substantiates my figures for Detroit estimated generating cost.

Now, Windsor pays to the Ontario Hydro at its city border $38.60 per kilowatt-year for delivered Niagara power. Niagara Falls, right at the plant, pays $28.60; Toronto, $34.80; and St. Thomas, $36.10 (see 1936 Report, Ontario Hydro, pp. 192 et seq., given on this floor). These figures explode the alibi that Windsor cheap rates are due to Niagara Power. The excess costs in Detroit and the State of Michigan are in the distribution systems.

DIESEL PACKAGE UNITS

The private utilities in the United States have 31,458,000 installed kilowatts of electric generating capacity (F. P. C. release of April 12, 1937). This is equivalent to 42,200,000 output horsepower. On the basis of 13-percent line loss and 35-percent reserve with diversity, this means 39,500,000 delivered horsepower. There are 13.6 billion dollars of private-utility securities in the hands of the American public. It follows from these simple figures that the securities outstanding represent about $346 per delivered horsepower.

Detroit has manufactured gasoline motors totaling many millions of horsepower. The factory cost of standardized motors is less than $2 per horsepower and the sale price, when all items of cost are added for standard lines, is less than $5 per horsepower. The conventional type Diesel motor has made comparatively little headway to date in the central-station field because, of custom-made construction. Higher speed, development of better heat-resisting metals, and standardized assembly-line production will permit, ultimately, the building of low-priced Diesel motors. The streamline Diesel locomotives on the western railroads have sufficient capacity to supply the electrical requirements of the average town of 10,000 population. The power-plant cost of the Diesel locomotive with expensive axle-motor drive is around $100 per horsepower. Package Diesel units will early be built to sell for $95 per horsepower in the smallest size, and around $50 per horsepower in the larger sizes. These package Diesel units are complete and will do exactly the same work as the service now supplied by the private utilities. With mass production these costs should be cut at least one-third at some date in the near future.

With these facts in mind, is it not logical to ask what will become of an industry with around $346 in securities outstanding per horsepower when it must compete with a package Diesel unit selling from $35 to $50 per horsepower? Here is more of a threat than the few Federal yardstick hydros. This development need not be a great menace if the overlords of private power will come to their senses, desist from anti-social, dishonest tactics, get out of politics, amortize, reduce rates, and adopt the Diesel unit where it is feasible. However, if they fight this progress as they have the yardstick plants, they are doomed. If the overlords of private power fight and chisel instead of helping, "Old man Obsolescence" will give the power leaders a spanking If this comes to pass, the American investors and ratepayers will have headaches, and our economic system will receive another jolt. The only successful competitor of the Diesel package unit will be low-cost hydro power.

My study indicates that the yardstick plants, and rates similarly to those of publicly owned Tacoma, can meet the competition of the Diesel motor. I repeat, it is good business to reduce rates and amortize. The industry should be thankful to the yardstick plants for pointing the way. The effect of the gasoline motor on railroad, interurban, and street car securities is fully known. The Diesel motor can do the same thing to the power business. There is no force which can permanently stop progress.

TACOMA PUBLIC POWER PLANT

The Tacoma public power plant has been a rate pacemaker for many years. It has, for a long period, had the lowest rates in the United States. Let us briefly study this plant's operating records. Its outstanding funded debt a year ago was only 25.6 percent of its investment; 74.4 percent of the investment has been paid for out of earnings. Out of every dollar of gross earnings, the total operating expenses were as follows:

Power production	$0.054
Transmission and transformation	.032
Distribution	.042
Utilization	.023
Commercial	.035
General	.038
Taxes	.123
Interest	.142
Total operating, taxes, and interests	.489
Net income available for debt payment	.511

Tacoma's 1936 gross income was $2,359,964 and its funded debt $6,018,000. Therefore, an early complete debt redemption is possible, and when this is accomplished, the rates can almost be cut in two. A retirement average residential rate of 1 cent per kilowatt-hour is a possibility at Tacoma. This is nearly a quarter of the 1936 average Michigan rate. We can see again that it is good business to amortize and reduce rates.

DETROIT ELECTRIC STATISTICS

It has been stated on this floor that Michigan electric rates are the lowest in the Union except the State of Washington, and the low rates in Washington are the result of cheap water power. This is not the fact. Michigan ranks fifth with an average residential rate of 3.72 cents per kilowatt-hour, which is 58 percent higher than Washington and 44 percent higher than Oregon. The Michigan average rate is 125 percent higher than Tacoma. The low rates in the Pacific Northwest are the result of the zone of influence of the low-rate public plants in Seattle, Tacoma, and Eugene, Oreg. Public opinion has forced the trimming of capital structures and the consequent lowering of rates. The customer consumption for residential service is, in Washington (State), 1,327 kilowatt-hours; Oregon, 1,258 kilowatt-hours; and Michigan, 772 kilowatt-hours. Cheap electricity encourages wide use, and it pays its own way.

The outstanding debt of the Detroit company is $442 per meter (Moody, 1937 edition, p. 1558) and of Windsor is $90.30 (1936 Report Hydro Commission, p. 333) per meter. In Detroit the outstanding debt is 81 percent of the plant assets, and in Windsor 27.7 percent. I would like to have someone explain how it is possible under these indexes to have lower residential rates in Detroit.

In 1936, among the 95 cities in the country with a population of 100,000 or more, compared for cheapness of rates based on 25 kilowatt-hours per month, Detroit ranked 42 from the top. In 1924 it ranked 18 (F. P. C., 1936 Rate Trends, p. 26). It is clear that other cities are outranking Detroit in electric-rate reductions.

From October 1924 to July 1936 the 25-kilowatt-hour small user in Detroit only had his rates reduced 10 percent. There was no rate reduction for this small user from October 1925 to October 1936. At the latter date the billing for this amount of current was reduced only 3 percent. It is generally understood that a rate reduction of less than 6 percent is not felt and a reduction is not appreciated unless 10 percent is given. This is the Detroit record during a period when rates throughout the country were greatly reduced.

ELECTRIC OVERCHARGES IN MICHIGAN

With the operation principles of the Tacoma public plant given, and inasmuch as this plant pays the same proportionate tax as the Detroit property, it is possible to apply their results to Michigan billings to find the electric cost difference. I will set out tabular compilations to show these estimated overcharges, and have selected this method to eliminate differences in consumption.

Electric statistics and revenue

MICHIGAN, 1936

[Estimate based on actual rate schedules]

Classes of service	Number of customers	Kilowatt-hour annual sales	Kilowatt-hour per customer	Annual revenue	Average sale price per kilowatt-hour
					Cents
Residential	931,190	718,879,000	772	$26,725,153	3.72
Commercial	160,173	791,044,000	4,938	27,583,193	3.49
Industrial power	3,230	1,880,000,000	582,000	22,350,000	1.19
Total	1,094,593	3,389,883,000	3,090	76,658,346	2.26

TACOMA, WASH., 1936

[Based on actual 1936 reported earnings and sales]

Residential	30,068	48,522,830	1,614	804,871	1.66
Commercial	3,918	30,973,534	7,870	528,270	1.705
Industrial power	1,200	148,118,297	123,600	777,540	.525
Total	35,186	227,614,661	6,460	2,110,681	.930

With this data it is easily possible to estimate the Michigan earnings under Tacoma rates by calculating actual bills from the schedules in effect in both locations and applying the differences in cents per kilowatt-hour to above-average statistics.

Michigan consumption under Tacoma rates

Classes of service	Number of customers	Kilowatt-hour annual sales	Estimated average rates, Tacoma schedule	Annual revenue under Tacoma rates	Annual overcharge under Tacoma rates
			Cents		
Residential	931,190	718,879,000	2.10	$15,100,000	$11,625,000
Commercial	160,173	791,004,000	1.73	13,680,000	13,903,200
Industrial power	3,230	1,880,000,000	.52	9,780,000	12,570,000
Total	1,094,593	3,389,883,000	1.12	38,560,000	38,098,200

Under the Michigan rates the Michigan electric consumers in the three classes are paying $38,098,200 annually more than they would pay if they had the Tacoma rates. The above three classes represent 95 percent of the State's electrical business, and if the same proportion held, these overcharges would total about $40,000,000 annually. Under an amortization calculation Tacoma's generating cost with losses is 0.7 mill lower than Detroit's. Therefore, for an equal comparison, this difference, or $2,730,000, should be deducted from the above overcharge. On an equal comparison Michigan is paying annually $37,370,000 more than they would pay under Tacoma rates. Applying T. V. A. rates to the State of Michigan would result in a 4 percent higher bill than under Tacoma rates. Likewise Ontario rates, with taxes added, would give a 7 percent lower bill. From these facts it is evident that there is little difference between the Tacoma, Ontario, and T. V. A. yardstick rates.

WASHINGTON, D. C., RATES

In 1936 sales to residential consumers in Washington, D. C., were 159,855,020 kilowatt-hours, at an average rate of 3.225 cents (Public Utility Commission of the District of Columbia, 1936, p. 48). An average reduction of 1.2 cents would give Washington the Tacoma yardstick rates, at an initial cost of $1,920,000, with a diminishing difference because of the increased consumption resulting from lower rates. On July 22, 1937, I addressed this House on the fallacies of the Washington, D. C., electric plan, where I pointed out that the annual common-stock earnings for a 10-year period was 60½ percent. These excess earnings over a 10 percent fair stock earning amounted to $3,200,000 annually. It is, therefore, evident that with a fair return, the Washington, D. C., rates could be dropped to yardstick levels.

The following table from report of the Public Utility Commission of the District of Columbia (1936, p. 58) shows that it is good business to reduce rates.

Year	Gross revenue	Kilowatt-hour sales	Average sale price
	Percent	*Percent*	*Percent*
1924	100.00	100.00	100.00
1936	177.66	389.47	45.62

YARDSTICK RATES SOUND

It can be fairly concluded from the data which I have presented that the Michigan electric rates on an equal base are materially higher than Tacoma and Ontario rates. I have gone into this subject in detail in order to contribute to the available information on electric costs. The yardstick rates are sound, and unless the American private utility management wakes up it will find itself in the same position as the railroads. Is it not time for the American investor and the American rate payer to know the facts?

Mr. WHITTINGTON. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 10618) authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference requested by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

Mr. RANKIN. Reserving the right to object, Mr. Speaker, several amendments were placed in the bill in the Senate, particularly amendments 1, 6, 7, 8, 54, and 55, which carry out the administration's conservation and power program.

The first amendment restores the language of the present law and reads as follows:

That hereafter Federal investigations and improvements of rivers and other waterways for flood control and allied purposes shall be under the jurisdiction of and shall be prosecuted by the War Department under the direction of the Secretary of War and supervision of the Chief of Engineers, and Federal investigations of watersheds and measures for run-off and water-flow retardation and soil-erosion prevention on watersheds shall be under the jurisdiction of and shall be prosecuted by the Department of Agriculture under the direction of the Secretary of Agriculture, except as otherwise provided by act of Congress.

By all means this amendment should be kept in the bill. I understand the administration is for it because it vitally affects the conservation program.

Amendment No. 6 is the most vital part of the entire bill. It reads as follows:

That in case of any dam and reservoir project herein authorized or heretofore authorized by the act of June 22, 1936 (Public, No. 738, 74th Cong.), as amended, and by the act of June 15, 1936 (Public, No. 678, 74th Cong.), as amended, title to all lands, easements, and rights-of-way for such project shall be acquired by the United States or by local agencies and conveyed to the United States, and provisions (a), (b), and (c) of section 3 of said act of June 22, 1936, shall not apply thereto. Notwithstanding any restrictions, limitations, or requirement of prior consent provided by any other act, the Secretary of War is hereby authorized and directed to acquire in the name of the United States title to all lands, easements, and rights-of-way necessary for any dam and reservoir project with funds heretofore or hereafter appropriated or made available for such projects, and States or political subdivisions shall be granted and reimbursed, from such funds, sums equivalent to actual expenditures made by them in acquiring lands, easements, and rights-of-way for any dam and reservoir project heretofore or herein authorized: *Provided*, That no reimbursement shall be made for any indirect or speculative damages.

Unless this amendment is accepted it will simply be impossible to develop the water-power resources of this country and utilize them for the benefit of the American people.

It is absolutely in line with the policy we are following on the Tennessee River and also on the Columbia and Colorado Rivers. If the rest of the people of the Nation are to receive equal treatment with the people in those areas, then this amendment is absolutely indispensable.

Amendment No. 7 on page 5 makes it mandatory that penstocks and other similar facilities adapted to the development of hydroelectric power shall be installed, striking out the word "may" and inserting the word "shall", while amendment No. 8 provides that this shall be done by the Chief of the Army Engineers when approved by the Federal Power Commission, instead of leaving it discretionary with the Secretary of War.

Amendments 54 and 55 provide funds for the Federal Power Commission to carry out the provisions of the bill.

Let me ask my distinguished colleague from Mississippi [Mr. WHITTINGTON] if he would not be willing for us to take this bill up now and pass on these amendments without sending the bill to conference?

Mr. WHITTINGTON. Mr. Speaker, my unanimous-consent request speaks for itself. I know of no reason this bill should not take its regular course. The committee has worked on it in the past session and in this session. I do not know of any committee in the House that has cooperated more with the administration in legislation than the Committee on Flood Control. Inasmuch as a conference has been requested by the Senate, in my judgment there is nothing for us to do except agree to the conference and undertake to obtain the best bill we can.

Mr. RANKIN. Further reserving the right to object, let me say that I realize the hard work the gentleman from Mississippi has done. I also realize that some members of the committee of conference may not be in sympathy with the gentleman or with this program. We would like to have some assurance that if the conferees do not agree to these Senate amendments I have mentioned, the amendments will be brought back to the House and we will be given an opportunity to vote on them.

Mr. WHITTINGTON. Mr. Speaker, with deference, permit me to say in reply to the question of my colleague that—I flatter myself—my views with respect to the subject matter of this bill are fairly well known. If the conference is granted it will be my purpose in this conference as in all conferences to undertake to secure the best possible bill for the benefit of the country with respect to flood-control works and allied improvements. I believe my record speaks for itself.

Mr. RANKIN. Mr. Speaker, my confidence in the chairman of the committee would, of course, prevent me from raising an objection at this time, but I just want to say that if the other conferees do not go along and these administration amendments are stricken out, then, of course, we reserve the right to oppose the conference report.

Mr. SABATH. Reserving the right to object, Mr. Speaker, is there any objection on the part of the gentleman from Mississippi to agreeing to the Senate amendments? The gentleman is in favor of these amendments, as is the House. They improve the bill and make it a better bill. Why not agree to the Senate amendments? What objection is there to agreeing to them?

Mr. WHITTINGTON. With all deference, I believe my request speaks for itself. The Senate has already appointed conferees and asked for a conference. In the circumstances, no matter what our position may be, there is nothing for us to do but accede to the request of the Senate for the present, to say the least of the matter.

Mr. RANKIN. Reserving the right to object, Mr. Speaker, I wish to say in that respect that I have also had a good deal to do with this program and, in my humble opinion, if these amendments are stricken out of the bill, you may as well not bring it back to the House, because I do not believe the House would approve it, and I have not the slightest doubt that the President would refuse to sign the bill if these amendments are eliminated.

Mr. McCORMACK. Reserving the right to object, Mr. Speaker, and I shall not object, may I call the attention of the distinguished gentleman from Mississippi, who I know is in sympathy with the bill I have introduced calling for 100-percent contribution on dams and reservoirs, to the fact that I believe that is capable of being considered by the conferees, the differences between the two branches permitting it. I hope that provision will ultimately come out

of the conference and that the committee of conference will agree on it, because I believe it is the real and the only solution to the flood-control problem as it affects dams and reservoirs, that problem being a challenge to the Federal Government. Knowing the views of the gentleman, I hope he will carry them as strongly as he can to the committee of conference, and that the ultimate result will be a report incorporating provision for 100-percent contribution by the Federal Government.

Mr. RICH. Reserving the right to object, Mr. Speaker, may I ask the gentleman from Mississippi if it is the intention of the conferees to add to this bill provision for the full payment for flood control where it does not affect dams in the headwaters of the tributaries?

Mr. WHITTINGTON. I may say in answer to the inquiry of the gentleman that the bill speaks for itself in that regard. The only matters in conference would be the provisions adopted by the Senate and the provisions adopted by the House. We could not go beyond them.

Mr. RICH. The Senate did not add such a provision on the floor of the Senate?

Mr. WHITTINGTON. No.

Mr. CULKIN. Reserving the right to object, Mr. Speaker, may I call the attention of the gentleman to the fact that the Senate has placed in this bill an item providing for reimbursement to Kansas City, I believe, for damage to waterworks. May I say to the gentleman that matter is now pending before the Committee on Rivers and Harbors, and the sum that is placed in this bill is much in excess of what has been found proper after actual investigation by the engineers.

Mr. WHITTINGTON. I am not unaware of the gentleman's views and of the facts in connection with this matter.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. WHITTINGTON, WALLGREN, SECREST, ENGLEBRIGHT, and CARLSON.

UN-AMERICAN ACTIVITIES

Mr. KOPPLEMANN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. KOPPLEMANN. Mr. Speaker, activities of German spies are keeping the country breathless as to the disclosures which will be revealed by the investigations of the Department of Justice. We are confronted with a situation very similar to countless situations which prevailed during the World War, when each discovery of new spy activities brought forth a thunder of suspicion and distrust toward the aliens in this country as a whole. Particularly was there a feeling of suspicion and distrust fomented against the German people in this country, a distrust which it took years to eliminate. The fact that most of these people had assumed American citizenship, and with that citizenship the responsibilities of American citizenship, the fact that the sympathies of the majority of them were with the country of their adoption rather than with the country of their birth or ancestry made no difference. All of them fell under the same ax of distrust.

Information and evidence which lead to the creation of the American Investigating Committee of the House points to the prevalence of a great deal of subversive activity in this country. No small amount of it is being done by Nazi agents. Added to that, the arrests of German spies have struck terror into the hearts of the American people as a whole, and with that terror there is a growing antagonism toward the German-Americans, the innocent as well as the guilty.

In the face of these disturbances I was especially interested to note that in New Britain, Conn., which is the second largest city in my district, Dr. Frank Zwick, president of the German-American Council, in an address at the Alt Heimat Bund, denounced nazi-ism, which, he says, encroaches on American liberties, tolerance, reason, and justice.

Commenting upon this statement, the New Britain Herald said:

> This is the first time the stand of any of the German-American organizations has been made public, but it is reported that there is considerable anti-Nazi feeling among the members.

Dr. Zwick's action, which was endorsed by most of the people of New Britain of German birth or extraction, is another manifestation of the spirit of patriotism that gave this race its splendid record of service to the United States during the World War. Atop Walnut Hill Park in New Britain, Conn., is one of the most beautiful memorials in the United States. Individual bronze plaques record the names of those who paid the supreme sacrifice. A large tablet is inscribed with the names of all of those who left New Britain to fight for preservation of principles which have made America the Nation she is today, principles utterly foreign to all for which nazi-ism stands. On this handsome memorial are engraved names which are instantly recognized as of German origin.

Dr. Zwick's action will serve as an impetus for other German-American leaders to speak for themselves and in behalf of associations with which they are affiliated in denunciation of nazi-ism for the very reasons which Dr. Zwick states, and which new creed is utterly alien and obnoxious to many of them. Dr. Zwick urged his group to keep alive the passion for thinking for themselves. "We cannot embrace any doctrine that would lessen our liberties, or impede our freedom of speech, press, and assembly, but should take an open stand for Americanism," he declared.

Dr. Zwick, it is interesting to note, is a member of the Steuben Society, Turner Society, Harigari, Sons of Hermann, the German-American Council, and the Alt Heimat Bund. Further in his talk Dr. Zwick said:

> Dear to us as our memories of our mother country are, much as we cherish the heritage of culture and tradition derived from her, and although we sympathize with the difficulties which have beset her since the war, we, ourselves, are dedicated and pledged wholeheartedly to our American ideals of liberty, tolerance, reason, and justice.

He concluded his eloquent address with a reference to a resolution adopted by the Turnverein in Milwaukee. I call this resolution to the Members of this House.

Mr. Speaker, I have offered these remarks in the hope that reason will prevail over our justified anger and resentment over the subversive activities of Nazi agents and Nazi leaders in this country who are endeavoring to promote in their followers a zest for creeds and principles, if one can call them such, which are obnoxious to every decent liberty-loving person who glories in the freedom which is an American citizen's. [Applause.]

COMPENSATION OF CERTAIN IMMIGRATION AND NATURALIZATION SERVICE EMPLOYEES

Mr. SCHULTE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 1543) to amend section 24 of the Immigration Act of 1917, relating to the compensation of certain Immigration and Naturalization Service employees, and for other purposes, with a Senate amendment, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert:

"That from and after July 1, 1938, field employees other than immigrant inspectors of the United States Immigration and Naturalization Service who have served or may hereafter serve 2 or more years, and have attained or may hereafter attain satisfactory efficiency ratings, shall be paid at no less than the average rates of compensation specified for the grades to which their positions have been or may hereafter be allocated pursuant to the provisions of the Classification Act of 1923, as amended (U. S. C., title 5, sec. 673): *Provided*, That the average of the salaries of the total number of persons under any grade in this service or appropriation unit shall not at any time exceed the average of the compensation rates specified for the grade by such Classification Act of 1923, as amended. The appropriation of such sums as may be necessary for the classification of such positions and the payment of such average rates of compensation is hereby authorized, and

the first limitation of the proviso to section 7 of such Classification Act of 1923, as amended, shall not be held to apply. Nothing herein contained shall operate to reduce the compensation of any such field employee."

Mr. SNELL. Mr. Speaker, will the gentleman tell us in a few words just what this does?

Mr. SCHULTE. It promotes some of the men and women who have been in the field service of the Immigration and Naturalization Service, increasing the average pay from $1,283 to $1,440. These employees have really been the forgotten people of the Service.

Mr. SNELL. All it does, then, is to increase the pay of these regular employees who are under the civil service.

Mr. SCHULTE. Yes.

Mr. JENKINS of Ohio. This refers to the clerks?

Mr. SCHULTE. To the clerks; yes. It does not pertain to the inspectors or any employees of that kind, and it does not involve anyone employed in the District of Columbia.

Mr. JENKINS of Ohio. Just the immigration clerks?

Mr. SCHULTE. In the field; yes.

Mr. SNELL. It relates entirely to the field service?

Mr. SCHULTE. Yes.

Mr. JENKINS of Ohio. I think it is a very good bill, and something that ought to have been done long ago.

Mr. SCHULTE. I thank the gentleman.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

RADIO ADDRESS ON COMMUNISM

Mr. O'TOOLE. Mr. Speaker, I ask unanimous consent to address the House for one-half minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. O'TOOLE. Mr. Speaker, tonight there will be a radio address from 9 to 9:30 o'clock over Station WMAL of Washington by our colleague the Honorable JOHN J. O'CONNOR of New York, on Communism—America's Greatest Menace. All Members are invited to listen. [Applause.]

EXTENSION OF REMARKS

Mr. HAMILTON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a statement by Admiral DuBose of the Navy and several brief telegrams from my district.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. BIERMANN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a short editorial from the Cleveland Press showing the close relationship between prosperity within this country and imports into the country, showing that as a general proposition as imports go up prosperity goes up and as imports decline prosperity declines.

Mr. RICH. Mr. Speaker, reserving the right to object, if there is any newspaper article that can show there is any prosperity in this country I hope the people will be told about it, because nobody seems to know anything about that. There is not any prosperity at the present time, and such a statement would be mighty good news to the people.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

SALARIES OF RURAL LETTER CARRIERS

Mr. MEAD. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 3610) to adjust the salaries of rural letter carriers, with a Senate amendment, disagree to the Senate amendment, and ask for a conference.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York? [After a pause.] The Chair hears none and appoints the following conferees: Mr. BURCH, Mr. HAINES, Mr. MEAD, Mr. CARLSON, and Mr. CLUETT.

SALARIES OF LETTER CARRIERS IN VILLAGE DELIVERY SERVICE

Mr. MEAD. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4285) to increase the salaries of letter carriers in the Village Delivery Service, with a Senate amendment, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, line 11, strike out "$1,300; second grade, $1,400; third grade, $1,500" and insert "$1,225; second grade, $1,325; third grade, $1,425."

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a statement prepared by the Department of Agriculture on the agricultural situation in Texas.

The SPEAKER. Is there objection?

There was no objection.

TARIFF ACT OF 1930

Mr. McCORMACK. Mr. Speaker, I submit a conference report and statement upon the bill H. R. 8099, to amend certain administrative provisions of the Tariff Act of 1930, and for other purposes, for printing under the rule.

LEATHER

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I quote from an editorial appearing in the Winchester Star, a newspaper published in my district:

For the first time in over 100 years, since the leather business started there, not a side of leather was turned out of Woburn last Saturday, according to reliable information. The Woburn industry is flat. According to President Roosevelt's speech of not so long ago, "we planned it that way and don't let anyone tell you different." And so charitable people will now give our great President credit for carrying out at least one of his many reforms. More of a similar nature appear to be imminent. Praise be for social security.

Mr. Speaker, it is not hard to picture the effect of idle factories in a city or town where the life and happiness of the citizens depend upon steady employment. The city of Woburn, Mass., has been known as a tanning center since Revolutionary days. Anything affecting the leather industry affects every other business in that city—the grocer feels it, the butcher feels it, the baker's business drops off, and everybody retrenches to meet the situation. The relief rolls swell, and nobody is happy. It is a distressing situation.

There is a cause for all of this. It is the contention of the tanners, and the contention of other Members of Congress as well as myself, that foreign leather is allowed to go through our customs houses improperly marked, meaning a great loss to the tanners of my district, in which Woburn is located, as well as to the tanners all over the country. Soft leather carries a lower duty than grained leather and much of the latter has been brought in under the low-duty schedule. This not only permits foreign labor to compete with our tanners, but it means a loss of revenue to the Government. It is high time that the administration assisted industry instead of hurting it.

We notice this morning that Owen Chalkly, who is at the present time commercial attaché at the British Embassy, was knighted by the King of England. Now Sir Owen is a very fine gentleman and a very able attaché. Of course, we all know that he was knighted in large measure because the King of England is interested in the proposed reciprocal-trade agreement between this country and Great Britain,

and Sir Owen Chalkly did most of the work in bringing about the negotiations. Apparently England feels that she will make more out of it than she will lose. We have felt the effect in New England already. New England is thoroughly tired of having her workers out of a job because of reciprocal-trade agreements. It is a serious situation for us, Mr. Speaker.

The SPEAKER. The time of the gentlewoman from Massachusetts has expired.

EXTENSION OF REMARKS

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD which I made this morning upon the conference report upon the flood-control bill, and include the amendments referred to by me.

The SPEAKER. Is there objection?

There was no objection.

AGRICULTURAL APPROPRIATION BILL, 1939

Mr. CANNON of Missouri. Mr. Speaker, I call up the conference report upon the bill H. R. 10238, making appropriations for the Department of Agriculture and for the Farm Credit Administration for the fiscal year ending June 30, 1939, and for other purposes, and ask unanimous consent that the statement be read in lieu of the report.

The SPEAKER. The gentleman from Missouri calls up a conference report upon the agricultural appropriation bill, and asks unanimous consent that the statement be read in lieu of the report. Is there objection?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10238) making appropriations for the Department of Agriculture and for the Farm Credit Administration for the fiscal year ending June 30, 1939, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 18, 30, 32, 34, 40, 43, 55, 56, 61, 63, 66, 67, 69, 82, 87, 88, and 112.

That the House recede from its disagreement to the amendments of the Senate numbered 9, 11, 19, 22, 23, 28, 29, 31, 33, 36, 38, 39, 41, 44, 49, 50, 53, 59, 60, 62, 64, 65, 70, 71, 72, 73, 74, 75, 76, 77, 78, 81, 89, 93, 94, 98, 99, 108, 109, and 111, and agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$55,000"; and the Senate agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following: "$8,750; in all, for Alaska, $23,750"; and the Senate agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$42,500"; and the Senate agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$2,100,000"; and the Senate agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$6,541,250"; and the Senate agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$6,770,230"; and the Senate agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$1,400,000"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "$45,000"; and the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$13,216,418"; and the Senate agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$14,108,672"; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "24,949,157"; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$2,500,000"; and the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$4,987,070"; and the Senate agree to the same.

Amendment numbered 17: That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$575,619"; and the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment, as follows: At the end of the matter inserted by said amendment insert the following: ", but in no case arising under this proviso shall the Federal payment exceed the highest amount authorized to be paid at the time by the Federal Government in similar cases in any State contributing to such indemnity payments; and this proviso shall apply only to Bang's disease work"; and the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$122,000"; and the Senate agree to the same.

Amendment numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$14,136,731"; and the Senate agree to the same.

Amendment numbered 25: That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$646,910"; and the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$717,405"; and the Senate agree to the same.

Amendment numbered 27: That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$343,510"; and the Senate agree to the same.

Amendment numbered 35: That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$200,933"; and the Senate agree to the same.

Amendment numbered 37: That the House recede from its disagreement to the amendment of the Senate numbered 37, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$4,741,675"; and the Senate agree to the same.

Amendment numbered 42: That the House recede from its disagreement to the amendment of the Senate numbered 42, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$648,403"; and the Senate agree to the same.

Amendment numbered 45: That the House recede from its disagreement to the amendment of the Senate numbered 45, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$139,152"; and the Senate agree to the same.

Amendment numbered 46: That the House recede from its disagreement to the amendment of the Senate numbered 46, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$14,410,400"; and the Senate agree to the same.

Amendment numbered 47: That the House recede from its disagreement to the amendment of the Senate numbered 47, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$2,000,000"; and the Senate agree to the same.

Amendment numbered 48: That the House recede from its disagreement to the amendment of the Senate numbered 48, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$50,000"; and the Senate agree to the same.

Amendment numbered 51: That the House recede from its disagreement to the amendment of the Senate numbered 51, and agree to the same with an amendment, as follows: Omit the matter stricken out and inserted by said amendment; and the Senate agree to the same.

Amendment numbered 52: That the House recede from its disagreement to the amendment of the Senate numbered 52, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$19,560,400"; and the Senate agree to the same.

Amendment numbered 57: That the House recede from its disagreement to the amendment of the Senate numbered 57, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$1,457,508"; and the Senate agree to the same.

Amendment numbered 58: That the House recede from its disagreement to the amendment of the Senate numbered 58, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$1,003,541"; and the Senate agree to the same.

Amendment numbered 68: That the House recede from its disagreement to the amendment of the Senate numbered 68, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$5,701,867"; and the Senate agree to the same.

Amendment numbered 79: That the House recede from its disagreement to the amendment of the Senate numbered 79, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$472,400"; and the Senate agree to the same.

Amendment numbered 80: That the House recede from its disagreement to the amendment of the Senate numbered 80, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$510,000"; and the Senate agree to the same.

Amendment numbered 83: That the House recede from its disagreement to the amendment of the Senate numbered 83, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$450,000"; and the Senate agree to the same.

Amendment numbered 84: That the House recede from its disagreement to the amendment of the Senate numbered 84, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$365,000"; and the Senate agree to the same.

Amendment numbered 85: That the House recede from its disagreement to the amendment of the Senate numbered 85, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$1,122,302"; and the Senate agree to the same.

Amendment numbered 86: That the House recede from its disagreement to the amendment of the Senate numbered 86, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$27,738"; and the Senate agree to the same.

Amendment numbered 90: That the House recede from its disagreement to the amendment of the Senate numbered 90, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$6,511,483"; and the Senate agree to the same.

Amendment numbered 91: That the House recede from its disagreement to the amendment of the Senate numbered 91, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$2,208,259"; and the Senate agree to the same.

Amendment numbered 92: That the House recede from its disagreement to the amendment of the Senate numbered 92, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$36,500"; and the Senate agree to the same.

Amendment numbered 95: That the House recede from its disagreement to the amendment of the Senate numbered 95, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$1,750,000"; and the Senate agree to the same.

Amendment numbered 96: That the House recede from its disagreement to the amendment of the Senate numbered 96, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$2,227,758"; and the Senate agree to the same.

Amendment numbered 97: That the House recede from its disagreement to the amendment of the Senate numbered 97, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$100,000"; and the Senate agree to the same.

Amendment numbered 103: That the House recede from its disagreement to the amendment of the Senate numbered 103, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$5,500,000"; and the Senate agree to the same.

Amendment numbered 106: That the House recede from its disagreement to the amendment of the Senate numbered 106, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$5,000,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 1, 54, 100, 101, 102, 104, 105, 107, 110, and 113.

CLARENCE CANNON,
M. C. TARVER,
WILLIAM B. UMSTEAD
W. P. LAMBERTSON,
EVERETT M. DIRKSEN,
Managers on the part of the House.

RICHARD B. RUSSELL, Jr.,
CARL HAYDEN,
J. H. BANKHEAD,
CHAS. L. MCNARY,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10238) making appropriations for the Department of Agriculture and for the Farm Credit Administration for the fiscal year ending June 30, 1939, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report, as to each of such amendments, namely:

The following amendments relate to the correction of totals, District of Columbia salary limitations, textual corrections, and passenger-carrying automobile limitations:

On amendments Nos. 6, 7, 12, 13, 14, 16, 17, 22, 24, 26, 27, 37, 38, 46, 48, 50, 52, 57, 58, 68, 69, 73, 74, 75, 76, 80, 81, 90, 91, 92, 94, 96, 97, 108, and 109.

Office of Experiment Stations

On amendment No. 2, Hawaii: Appropriates $55,000, instead of $50,000 as proposed by the House and $60,000 as proposed by the Senate.

On amendment No. 3, Alaska: Appropriates $23,750, instead of $22,500 as proposed by the House and $25,000 as proposed by the Senate.

On amendment No. 4, Puerto Rico: Appropriates $42,500, instead of $40,000 as proposed by the House and $45,000 as proposed by the Senate.

On amendment No. 5, title I, Bankhead-Jones Act: Appropriates $2,100,000, instead of $1,800,000 as proposed by the House and $2,400,000 as proposed by the Senate.

Special research fund

On amendment No. 8: Appropriates $1,400,000, instead of $1,200,000 as proposed by the House and $1,600,000 as proposed by the Senate.

Extension Service

On amendment No. 9, Alaska: Appropriates $21,418 as proposed by the Senate, instead of $18,918 as proposed by the House.

On amendment No. 10, Puerto Rico: Appropriates $45,000, instead of $88,000 as proposed by the Senate, to carry into effect the provisions of the act extending the benefits of section 21 of the Bankhead-Jones Act to Puerto Rico.

On amendment No. 11, additional cooperative extension work: Appropriates $275,000 as proposed by the Senate, instead of $250,000 as proposed by the House. This appropriation is not authorized by law. It was originally $1,000,000, but under a policy initiated by the Budget and endorsed by Congress 2 years ago a program of reducing the appropriation 25 percent each year until it is eliminated was entered upon and has since been followed. The Budget estimate for 1939, of $250,000 marks the final appropriation under this program. The full amount of the sum to be appropriated is to be allotted to 21 States to prevent their suffering any reduction in actual total of amounts received of Federal extension funds, losses which they would otherwise incur by reason of the change of method of allotment under the Bankhead-Jones Act from a rural population to a farm population basis. In these 21 States the rural population exceeds the farm population. The House conferees yielded on this amendment only after a definite understanding between them and the Senate conferees that next year no appropriation under this head will be approved unless it has meanwhile been authorized by law.

Weather Bureau

On amendment No. 15, aerology: Appropriates $2,500,000, instead of $2,190,179 as proposed by the House and $2,824,130 as proposed by the Senate.

Bureau of Animal Industry

On amendment No. 18, Bang's disease: Eliminates language, inserted by the Senate, providing for higher payments, not to exceed $5 in the case of grade animals and $8 in the case of purebred animals, in areas where compulsory testing is in progress.

On amendment Nos. 19 and 20, Bang's disease: Restores the House provision concerning indemnity payments made prior to May 1, 1939, without matching contributions, amended so as to provide the Federal payment shall in no case exceed the highest amount authorized to be paid at the time by the Federal Government in similar cases in any State contributing to such indemnity payments, and further amended so as to limit the provision to Bang's-disease work.

On amendment No. 21, hog-cholera control: Appropriates $122,000, instead of $120,000, as proposed by the House, and $124,192 as proposed by the Senate.

On amendment No. 23, meat inspection: Appropriates $5,412,600, as proposed by the Senate, instead of $5,400,000 as proposed by the House.

Bureau of Dairy Industry

On amendment No. 25, dairy investigations: Retains the sum of $7,500, inserted by the House for dairy investigations in the south coastal plain area, and restores $6,211, instead of $12,421 as proposed by the Senate, for general dairy investigations.

Bureau of Plant Industry

On amendments Nos. 28 and 29, botany (weed investigation): Appropriates $76,635, as proposed by the Senate, instead of $40,000 as proposed by the House, for "botany," and makes $40,000 thereof available for weed investigations, as proposed by the Senate, instead of $4,000 as proposed by the House.

On amendment No. 30, cereal crops and diseases (flax investigations): Eliminates the Senate increase of $9,500 for flax investigations for which the present allotment is $15,145.

On amendment No. 31, dry-land agriculture: Provides an increase of $15,000, proposed by the Senate, for maintenance of facilities at Woodward, Okla.

On amendment No. 32, forage crops and diseases. Eliminates an increase of $10,000, proposed by the Senate, for range grass studies in the Southern Great Plains.

On amendment No. 33, fruit and vegetable crops and diseases: Provides an increase of $120,000, proposed by the Senate, for tung oil investigations, and an increase of $10,000, proposed by the Senate, for potato-breeding investigations in Louisiana.

On amendment No. 34, precooling of fruits and vegetables, Rio Grande Valley, Tex.: Eliminates the provision, inserted by the Senate, making $20,000 of the appropriation for "fruit and vegetable crops and diseases" available for investigation of methods of precooling, etc., in the Rio Grande Valley, Tex.

On amendment No. 35, plant exploration and introduction: Appropriates $200,933, instead of $100,933, as proposed by the House and $300,000 as proposed by the Senate.

On amendment No. 36, sugar-plant investigations: Appropriates $322,500, as proposed by the Senate, instead of $297,500, as proposed by the House.

Forest Service

On amendment No. 39, national forest protection and management: Retains the words "including experimental forests," inserted by the Senate, making the appropriation available in connection with the protection of experimental forests established by the Forest Service outside the boundaries of national forests.

On amendment No. 40, water rights: Appropriates $20,000, as proposed by the House, instead of $10,000, as proposed by the Senate.

On amendment No. 41, private forestry cooperation: Appropriates $100,000, as proposed by the Senate, instead of $200,000, as proposed by the House.

On amendment No. 42, forest management: Appropriates $648,403, instead of $638,403 as proposed by the House and $658,403 as proposed by the Senate.

On amendment No. 43, range investigations: Appropriates $225,935, as proposed by the House, instead of $250,935, as proposed by the Senate.

On amendment No. 44, forest economics: Appropriates $121,295, as proposed by the Senate, instead of $100,000, as proposed by the House.

On amendment No. 45, forest influences: Appropriates $139,152, instead of $114,152 as proposed by the House and $164,152 as proposed by the Senate.

On amendment No. 47, forest-fire cooperation: Appropriates $2,000,000, instead of $1,610,007 as proposed by the House and $2,500,000 as proposed by the Senate.

On amendment No. 49, acquisition of lands for national forests: Appropriates $3,000,000, as proposed by the Senate, instead of $2,000,000, as proposed by the House.

On amendment No. 51, Tahoe National Forest: Omits the House provision, stricken out by the Senate, that none of the money appropriated for the acquisition of lands for national forests shall be used to purchase certain described lands in the State of Nevada, and strikes out the language, inserted by the Senate, appropriating $325,000 for the acquisition of certain lands for and the addition thereof to the Tahoe National Forest in the State of Nevada.

Bureau of Chemistry and Soils

On amendment No. 53, agricultural chemical investigations: Retains an increase of $20,000, inserted by the Senate, for tung-oil investigations, and $10,000 for sugars, starches, and fats.

On amendment No. 55, agricultural fires and explosive dusts: Appropriates $40,000 as proposed by the House, instead of $47,500 as proposed by the Senate.

On amendment No. 56, soil survey: Appropriates $298,708 as proposed by the House, instead of $328,700 as proposed by the Senate.

Bureau of Entomology and Plant Quarantine

On amendment No. 59, Japanese-beetle control: Appropriates $395,000 as proposed by the Senate, instead of $369,000 as proposed by the House.

On amendment No. 60, forest insects: Appropriates $253,100 as proposed by the Senate, instead of $228,700 as proposed by the House.

On amendment No. 61, Gypsy and brown-tail moth control: Appropriates $375,000 as proposed by the House, instead of $400,000 as proposed by the Senate.

On amendment No. 62, Dutch-elm disease eradication: Appropriates $378,489 as proposed by the Senate, instead of $303,489 as proposed by the House.

On amendment No. 63, truck crop and garden insects: Restores the House increase of $80,000 for a tobacco laboratory.

On amendment No. 64, pink-bollworm control: Appropriates $446,800 as proposed by the Senate, instead of $296,800 as proposed by the House. The increase of $150,000 is covered by a supplemental Budget estimate sent to Congress after the bill had passed the House.

On amendment No. 65, insects affecting man and animals: Appropriates $191,100 as proposed by the Senate, instead of $172,600 as proposed by the House.

On amendment No. 66, insect pest survey and identification: Appropriates $149,790 as proposed by the House, instead of $159,790 as proposed by the Senate.

On amendment No. 67, insecticide and fungicide investigations: Appropriates $123,984 as proposed by the House, instead of $148,984 as proposed by the Senate.

Bureau of Biological Survey

On amendment No. 70, fur resources investigations: Appropriates $91,000 as proposed by the Senate, instead of $76,000 as proposed by the House, of which $15,000 is for the study of fox diseases.

On amendment No. 71, control of predatory animals and injurious rodents: Appropriates $650,000 as proposed by the Senate, instead of $612,000 as proposed by the House, of which $11,440 is an additional amount for work on orchard rodents in the Northeastern States.

On amendment No. 72, protection of migratory birds: Authorizes the use of $10,000 as proposed by the Senate, instead of $5,000 as proposed by the House, for undercover work in the enforcement of the migratory-bird law.

Bureau of Agricultural Engineering

On amendment No. 77, agricultural engineering investigations: Retains the language inserted by the Senate authorizing investigations in connection with rural electrification.

On amendment No. 78, agricultural engineering investigations: Authorizes the use of $10,000 as proposed by the Senate, instead of $5,000 as proposed by the House, for construction of buildings.

On amendment No. 79, agricultural engineering investigations: Eliminates the Senate increase of $25,000 for ditch-digging investigations; and retains the following increases inserted by the Senate; (a) $30,000 for rural electrification investigations; (b) $16,200 for cotton ginning investigations; and (c) $25,000 for fiber flax investigations.

Bureau of Agricultural Economics

On amendment No. 82, farm management and practice: Appropriates $346,580 as proposed by the House, instead of $356,580 as proposed by the Senate.

On amendment No. 83, market inspection of farm products: (a) canned fruits and vegetables, $15,000; (b) hay, $10,850; (c) eggs and poultry, $7,500; (d) meat grading, $10,700; (e) cottonseed, $10,000—a total increase over the House of $54,050. The committee of conference have agreed upon an increase of $34,350, to be prorated among the several items increased by the Senate.

On amendment No. 84, Tobacco Inspection Act: Appropriates $365,000, instead of $265,000 as proposed by the House and $500,000 as proposed by the Senate.

On amendment No. 85, market-news service: (a) Eliminates $5,000 inserted by the Senate for the continuation of the office at New Orleans; (b) retains $5,000 inserted by the Senate for news service on cottonseed; and (c) provides $10,000, instead of $15,000 as proposed by the Senate, for news service on tobacco.

On amendment No. 86, Standard Container Hamper, and Produce Agency Act: Appropriates $27,738, instead of $25,238 as proposed by the House and $30,238 as proposed by the Senate.

On amendment No. 87, United States Cotton Futures and United States Cotton Standards Acts: Appropriates $491,900 as proposed by the House, instead of $741,900 as proposed by the Senate; and eliminates the language inserted by the Senate providing for classification of cotton samples for individual producers upon request without collecting fees therefor.

On amendment No. 88, United States Grain Standards Act: Appropriates $723,941 as proposed by the House, instead of $733,941 as proposed by the Senate.

On amendment No. 89, United States Warehouse Act: Appropriates $336,700 as proposed by the Senate, instead of $311,700 as proposed by the House.

Commodity Exchange Act

On amendment No. 93, Enforcement of the Commodity Exchange Act: Appropriates $635,000 as proposed by the Senate, instead of $600,000 as proposed by the House.

Food and Drug Administration

On amendment No. 95: Enforcement of the Food and Drugs Act: Appropriates $1,750,000, instead of $1,700,000, as proposed by the House, and $1,850,000, as proposed by the Senate.

Agricultural adjustment program

On amendments Nos. 98 and 99: Appropriates $500,000,000, as proposed by the Senate, instead of $485,000,000, as proposed by the House, for carrying into effect the provisions of sections 7 to 17, inclusive, of the Soil Conservation and Domestic Allotment Act and the provisions of the Agricultural Adjustment Act of 1938 (except those relating to parity payments, cotton price-adjustment payments, cotton pool participation trust certificates, and crop insurance).

Federal Crop Insurance Act

On amendment No. 103, administrative and operating expenses: Appropriates $5,500,000, instead of $5,000,000, as proposed by the House and $6,000,000 as proposed by the Senate.

Submarginal land purchases

On amendment No. 106: Appropriates $5,000,000, instead of $2,500,000 as proposed by the House and $15,000,000 as proposed by the Senate.

Beltsville research center

On amendment No. 111: Appropriates $85,000, as proposed by the Senate, instead of $75,000, as proposed by the House.

Southwestern cooperative sheep research project

On amendment No. 112: Eliminates the language, inserted by the Senate, providing an appropriation of $325,000 for the establishment of a sheep research project in the Southwest.

In disagreement

The committee of conference have not agreed to the following Senate amendments:

On amendment No. 1: The amendment is in the language "Director of Finance and Budget Officer at $8,500 so long as the position is held by the present incumbent." The present salary under the Classification Act is $7,500.

An amendment No. 54: Makes $25,000 of the appropriation of $236,200 for industrial utilization of farm products and byproducts available for the construction and equipment of an experimental laboratory building, to be erected on land donated to the United States.

On amendment No. 100, regional laboratories: Strikes out the House provision limiting to $1,000,000 the amount which may be expended for regional laboratories under the provisions of the new Farm Act, and inserts language making not to exceed $100,000 available to conduct a survey to determine the location of said laboratories and the scope of the investigations to be made and to coordinate the research work now being carried on.

On amendment No. 101, cotton price adjustment payments: The language of this amendment is as follows: "*And provided further*, That in carrying out the provisions of the Third Deficiency Appropriation Act, fiscal year 1937, and section 381 (a) of the Agricultural Adjustment Act of 1938, as amended, relating to cotton price adjustment payments with respect to the 1937 cotton crop, in order to accelerate such payments the Secretary shall, notwithstanding said provisions, (1) treat all cotton not sold prior to September 10, 1937, as if it had been sold on a date when the average price of seven-eighths-inch Middling cotton on the 10 designated spot cotton markets was less than 9 cents per pound; (2) make payment on the basis of applications on forms prescribed by the Secretary which have been filed prior to July 16, 1938, as prescribed in regulations issued by him, by the producers, or the 1937 operator, or other person designated pursuant to such regulations, on behalf of all the producers on the farm in 1937; (3) make payment to producers upon the producer's certification that he is engaged in producing cotton in 1938 and has complied with the requirements as defined in said section 381 (a), or is not engaged in producing cotton in 1938, and upon his agreeing therein to refund the payment forthwith upon demand in case it is subsequently found that he has failed to comply with the requirements as defined herein and in said section 381 (a); and (4) make payments, as soon as practicable, on the basis of his estimate of the amounts which will be covered by the applications to be filed prior to July 16, 1938, and of the funds to be used out of the appropriation for the necessary administrative expenses of making the cotton price adjustment payments."

On amendment No. 102, naval stores conservation programs: The language of this amendment is as follows: "*And provided further*, That in administering the naval stores conservation programs authorized in section 8 of the Soil Conservation and Domestic Allotment Act and in making payments thereunder to gum naval stores producers the Secretary may utilize the services of regional associations of such producers or any agency of the Government in lieu of the State, county, and other local committees utilized in the other agricultural conservation programs if he finds that more efficient administration will result, and the provisions of section 388 (b) of the Agricultural Adjustment Act of 1938 shall otherwise be applicable to the administration of said naval stores conservation programs."

On amendment No. 104, cotton pool participation trust certificates: Appropriates $1,800,000 to carry into effect the provisions of title IV of the Agricultural Adjustment Act of 1938.

On amendments No. 105 and No. 107, farm tenant loans: Appropriates $25,000,000, instead of $15,000,000 as proposed by the House.

On amendment No. 110, water facilities, arid and semiarid areas: Strikes out the House provision that not over $25,000 of the amount appropriated for this purpose shall be expended on any one project and inserts in lieu thereof the following: "That not to exceed $50,000 of this appropriation shall be available for expenditure for any one project designed in whole or in part to benefit lands by the irrigation thereof and all project facilities and appurtenances which depend for their utility in whole or in part upon each other or upon any common facility shall be deemed one project, and the authority contained in said act shall not be deemed to authorize the construction of any project not in accord with this limitation."

On amendment No. 113, interchange of appropriations: This amendment is in the following language:

"INTERCHANGE OF APPROPRIATIONS

"Not to exceed 5 percent of the foregoing amounts for the miscellaneous expenses of the work of any bureau, division, or office herein provided for shall be available interchangeably for expenditures on the objects included within the general expenses of such bureau, division, or office, but no more than 5 percent shall be added to any one item of appropriation except in cases of extraordinary emergency, and then only upon the written order of the Secretary of Agriculture: *Provided*, That a statement of any transfers of appropriations made hereunder shall be included in the annual Budget."

CLARENCE CANNON,
M. C. TARVER,
WILLIAM B. UMSTEAD,
W. P. LAMBERTSON,
EVERETT M. DIRKSEN,
Managers on the part of the House.

Mr. CANNON of Missouri. Mr. Speaker, may I say parenthetically, by way of preface, that our experience here this morning demonstrates the urgent need of an amplifier in this Chamber. This morning the House could not hear the Speaker and the Speaker could not hear the House, and while the roll was being called many Members could not hear their names as they were called by the clerk. There is no auditorium in the Nation of this size that is not equipped with amplifiers. They are now standard equipment, and their installation in the Chamber would contribute both to order and convenience and would expedite the business of the House. I trust that during the coming vacation consideration will be given to providing some simple system of amplification which would be available when needed.

It is with regret, Mr. Speaker, that I submit to the House this morning a conference report with a potential excess over the Budget estimates of $25,000,000. There have been only two supply bills in this Congress which have exceeded the Budget estimates, the independent offices appropriation bill and the agricultural appropriation bill. All other supply bills, even the bill carrying provision for the huge naval program, have been kept substantially within the Budget estimates.

The bill as submitted in the conference report also breaks another record in that it is the largest agricultural appropriation bill ever reported to the House. It carries more than a billion dollars and is the largest single expenditure for agriculture ever made by any nation in the history of the world.

However, it must be said by way of extenuation that only a part of the vast sums appropriated in the bill is for purely agricultural purposes. Huge appropriations are carried for aerology, highways, wildlife, weather reports, inspection, marketing, forest services, parks, recreational centers and similar activities which have no closer relation to this bill than to any of the other supply bills.

There is also included $189,000,000 of reappropriations and $154,000,000 of permanent appropriations. There are also large increases, including expensive items, never before carried in the bill, which have been brought in this year in response to the express mandate of the House in the form of new legislation enacted in this or the last session of Congress. But regardless of what bill they appear in, these appropriations have to be made by some subcommittee of the Committee on Appropriations, and agriculture should not be held any more responsible than any other branch of the Government for the amount by which this particular bill exceeds the Budget estimates.

In this connection permit me to express my appreciation of the service rendered by the ranking minority member of the Subcommittee on Agriculture, the gentleman from Kansas [Mr. LAMBERTSON], in the preparation of this bill. I long since discontinued the payment of merely formal and fulsome compliments to members of committees. All members of these committees are entitled to credit. But I must make recognition of the invaluable service rendered by the gentleman from Kansas, the indefatigable industry with which he investigated the merits of the propositions involved, and his vote in the subcommittee and in the conference committee, without which millions would otherwise have been added to this already top-heavy bill.

Mr. Speaker, during the course of the consideration of the conference report, proposals will be offered to increase the amount carried in the bill as reported by the conference

committee. I trust the Members will scrutinize closely the merits of any proposal to add to the astronomical amounts carried in this record-breaking bill.

Mr. Speaker, if no one else desires to be heard at this time, I will move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Amendment No. 1: Page 1, line 11, after the word "Secretary", insert "Director of Finance and Budget Officer at $8,500 so long as the position is held by the present incumbent."

Mr. CANNON of Missouri. Mr. Speaker, I move that the House recede from its disagreement to the amendment of the Senate No. 1 and concur in the same.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 54: Page 53, line 17, after "$236,200", insert "of which not to exceed $25,000 shall be available for the construction and equipment of an experimental laboratory building, to be erected on land donated to the United States."

Mr. CANNON of Missouri. Mr. Speaker, I move to recede and concur in the amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 100: Page 93, line 24, strike out all of lines 24 and 25, and strike out all of line 1, on page 94, down to and including the word "act", and insert "and not to exceed $100,000 shall be available under the provisions of section 202 (a) to 202 (e), inclusive, of said act to conduct a survey to determine the location of said laboratories and the scope of the investigations to be made and to coordinate the research work now being carried on."

Mr. CANNON of Missouri. Mr. Speaker, I move that the House recede from its disagreement to the amendment of the Senate numbered 100, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "and no part of such amount shall be available to carry out the provisions of sections 202 (a) to 202 (e), inclusive, of said act except that $75,000 shall be available under the provisions of said sections to conduct a survey to determine the location of said laboratories and the scope of the investigations to be made and to coordinate the research work now being carried on."

Mr. JONES. Mr. Speaker, I make a point of order against the amendment.

The SPEAKER. The gentleman will state it.

Mr. JONES. Mr. Speaker, I make the point of order that the amendment goes beyond the range of the conference. The House provided a sum for these laboratories and the Senate provided a sum. The effect of this amendment would be to cut out all of the provision made in both the House and the Senate.

May I state in this connection that the farm bill provides that of the appropriations to be made to carry it out—$500,000,000—that $4,000,000 shall be available for these laboratories. All that is necessary is the general lump-sum appropriation of $500,000,000. The House Appropriations Committee in reporting this bill limited that $4,000,000. The Senate struck out the restriction which automatically restored the $4,000,000, but they added another provision for a survey. There is no question about that. I have gone into it thoroughly. I have gone into it with the Department officials as well, and they are agreed as to this construction. I think the gentleman from Missouri will concede that the Senate by taking off the House restriction automatically restored the $4,000,000. I do not think the gentleman will controvert that proposition. Any motion, therefore, on the part of the gentleman from Missouri which would tend further to reduce the amount made available by the House would have the effect of doing away with all the appropriations for these laboratories and simply substitute $75,000 for the purpose of making a survey. This is beyond the range of jurisdiction of the conference committee and, therefore, is out of order.

I make the point of order that the motion is not in order.

Mr. CANNON of Missouri. Mr. Speaker, this is not a part of the conference report but is a separate proposition brought in for action on the part of the House. The conference report has been agreed to, and we now take up for further consideration an amendment of the Senate still in disagreement. Consideration of the Senate amendment or of any germane amendment to the Senate amendment is not subject to a point of order.

The SPEAKER. In reply to the point of order made by the gentleman from Texas, the Chair calls the attention of the gentleman from Texas to the fact that this matter now under discussion is not involved in the conference report, the conference report having already been agreed to by the House. The House is now considering a Senate amendment to the House bill, which amendment is in disagreement.

The Senate bill set up an appropriation of $100,000 for the purpose of making this investigation and the amendment offered by the gentleman from Missouri proposes to reduce this to $75,000.

This question has been raised heretofore, the Chair may say to the gentleman from Texas, and although the present occupant of the chair, then being in the position of Speaker pro tempore, made the ruling, the Chair in all modesty must say he feels himself compelled to adhere to the precedent set on that occasion.

The House is not confined within the amount set by the original bill or Senate amendment. There is a rather elaborate statement of the Chair at that time, which the Chair does not think it is necessary to repeat at this time, but will refer to its as section 3189, volume 8, of Cannon's Precedents.

The Chair overrules the point of order.

Mr. JONES. Mr. Speaker, is that a case where the motion was to increase above both amounts or decrease below?

The SPEAKER. It was outside the amount fixed in the House bill and the Senate amendment.

Mr. JONES. Mr. Speaker, I offer a preferential motion.

The SPEAKER. The Clerk will report the preferential motion offered by the gentleman from Texas [Mr. JONES].

The Clerk read as follows:

Mr. JONES moves to recede and concur in the Senate amendment.

Mr. TABER. Mr. Speaker, I make the point of order that the motion to recede and concur with an amendment takes precedence.

The SPEAKER. That question has also been decided heretofore. On page 77 of the Precedents prepared by the gentleman from Missouri [Mr. CANNON], which the Chair believes is good authority, it is stated that a motion to recede and concur takes precedence over a motion to recede and concur with an amendment at this stage of the proceedings.

The Chair overrules the point of order.

Mr. CANNON of Missouri. The Chair quotes a very eminent authority. [Laughter.]

Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. JONES].

Mr. JONES. Mr. Speaker, I hope the House will agree to recede and concur in the Senate amendment. I feel very deeply about this, and I think the previous action of the House indicates that it feels very strongly that one of the most important steps this Government could possibly take would be to search for new uses, new markets, new outlets, and wider distribution for our farm products, as well as the waste products and byproducts of the farm.

I recognize the position which these gentlemen take, that they probably could not use the entire $4,000,000. They do not have to use it. I believe if this House, after having

raised the hopes of people all over the country that research laboratories will be established, votes to do away with them for this year and not have anything it will cast a good deal of gloom on those who have had the hope that something might be accomplished.

I was perfectly willing to agree to be satisfied with a somewhat lesser sum than was originally proposed, believing that the full amount might not be needed this year, but the thing has gotten into such parliamentary shape that that cannot be done. At any rate, I think it wiser to provide the full amount. Of course, if they are not ready to establish these stations, the money will simply be in the soil-conservation fund for the year and will not be wasted.

I do not believe anything has come before the committee since I became a member of it 16 years ago that has elicited such universal enthusiasm and approval as the provision for research laboratories. I do not believe the American Congress can do anything that would do more to restore the hope and real future for the farmers of America and incidentally for all the people of this country, than to vote to restore and make available at least the $4,000,000 for these laboratories and let the country know that the Congress of the United States is not going to do anything to stop the possibility of searching for wider uses and greater distribution of our farm products.

Mr. LUTHER A. JOHNSON. Will the gentleman yield?

Mr. JONES. I yield to the gentleman from Texas.

Mr. LUTHER A. JOHNSON. My colleague who is now speaking introduced a bill some 10 years ago to establish an agricultural research laboratory. He was the pioneer in the development of legislation for research investigation of agricultural commodities and he realizes more, I suppose, than anyone in the House that the development of sentiment has now reached the stage where the American people are interested in it. I think he was right when he said there was nothing the people want more or realize the necessity for than these research laboratories. The large surplus of cotton makes it imperative that a research laboratory be at once established to find new uses for cotton.

Mr. TABER. Will the gentleman yield?

Mr. JONES. I yield to the gentleman from New York.

Mr. TABER. Regardless of the merit of this proposal or anything of that kind, is it not a fact that $100,000 or even $75,000 is altogether too much money for an investigation?

Mr. JONES. I am not interested in the investigation part of it. I think they have most of the facts probably that they need.

Mr. TABER. Why have an investigation?

Mr. JONES. I do not know. I have not studied that. It would, of course, require a reasonable amount of investigation and assembling of facts.

Mr. TABER. Why should we provide for it?

Mr. JONES. I would not want to offer an affirmative proposal on that. That is not the important part. I do not care what the House does with that, because it is a mere bagatelle when that proposition is laid alongside of the other, which means more than any other item in this bill.

Mr. MURDOCK of Arizona. Will the gentleman yield?

Mr. JONES. I yield to the gentleman from Arizona.

Mr. MURDOCK of Arizona. Does it not strike the gentleman that if we are going to spend a billion dollars on agriculture, we better have the scientific blueprints which these laboratories would furnish?

Mr. JONES. That is probably true. I think the matter of a survey and investigation is all right. If they wish to do that, it is perfectly all right with me, but this money will be available until July 1 next. Certainly they can do a lot more if they know they are going to have the money.

Mr. MURDOCK of Arizona. Mr. Speaker, will the gentleman yield further?

Mr. JONES. I yield to the gentleman from Arizona.

Mr. MURDOCK of Arizona. I fear the gentleman got the wrong idea from my question. I am not for a $100,000 investigation of this need at this time, as I believe it is unnecessary. I am for spending $4,000,000 for these laboratories to find a scientific basis for other uses of these commodities. We must bring all scientific knowledge to bear on our agricultural situation and add new knowledge.

Mr. JONES. I believe the gentleman is right. [Applause.] [Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Speaker, I yield 10 minutes to the gentleman from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. Speaker, I believe in this discussion we should have some regard for the language of the amendment, which states "not to exceed $100,000." They may spend $5,000, they may spend $10,000, or they may not spend anything, but the language of the amendment is "not to exceed $100,000 for purposes of an investigation."

Mr. JONES. I believe that part is all right, I may say to the gentleman.

Mr. DIRKSEN. Suppose they do spend $100,000 for the purpose of disbursing $4,000,000 of Federal funds. That is 2½ percent spent in locating four laboratories. Almost any industry in the country that seeks to locate one of its major plants or branch plants in any State or any geographical area will spend at least 5 percent, and sometimes more, in order to find a proper location where there are available the right kind of facilities, where there will be no duplication of effort, and where some economies in transportation, overhead, and so forth, can be effected. Therefore, I see no reason we should not approve the motion of the gentleman from Texas, because there is no showing that all the money will be expended. If it were expended, I believe it to be good economy to know where we are going to spend an infinitely larger fund.

Mr. Speaker, I hope that the gentleman's suggestion will be adopted and approved. [Applause.]

Mr. CANNON of Missouri. Mr. Speaker, I yield 5 minutes to the gentleman from Kansas [Mr. LAMBERTSON].

Mr. LAMBERTSON. Mr. Speaker, I agree with the gentleman from New York that if this is just an investigation, $75,000 is certainly enough. The officials of the Department know pretty well now what they want to do. They are not ready to do it. It would seem more reasonable, certainly, to lower the amount to $75,000 for an investigation than to raise it.

May I call the attention of the gentleman from Texas, in connection with his complaint about the conferees' exceeding their authority and going outside the range of $1,000,000 and $4,000,000, to the fact that the Boileau amendment to the farm bill passed both Houses exactly alike, word for word, yet the committee of conference on that bill in substance took out the Boileau amendment.

Mr. CANNON of Missouri. Mr. Speaker, the merit of the laboratories, the need for them, and the advisability of establishing them, are not in issue here. We are all agreed on that. We all realize their importance and we are cooperating to get them in operation as soon as possible. However, the problem is to do it in an orderly and effective way. Every State in the Union wants one of these laboratories. Up to this time no State has been selected, and, in fact, the Department is as yet unable to indicate the regions which will be served by laboratories. So the matter of location is still problematical. Every agricultural commodity wants one of these laboratories—cotton, wheat, corn, tobacco, fruit, and vegetables and a dozen others. The Department has not yet made sufficient progress to say what commodities will be served. So as yet no determination can be made as to the location or the purpose of the laboratories.

Mr. DIES. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Texas.

Mr. DIES. Does the gentleman believe we ought to decide where the laboratory is to be located before we appropriate the money? Is that what the gentleman is advocating?

Mr. CANNON of Missouri. From the evidence submitted to the committee it is evident that extensive investigations must be made before the site and purpose of the laboratories can

be determined, and the committee reached the conclusion that, outside of funds for research, no money will be needed before Congress convenes again next January, at which time appropriations can be made either in the deficiency bill or the agricultural bill in ample time to begin work on the laboratories.

Mr. COLMER. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Mississippi.

Mr. COLMER. Is it not true that if the motion of the gentleman from Texas should prevail whatever might be necessary in the way of funds for an examination of the proposed sites for these laboratories could be taken out of the $4,000,000, and the $4,000,000 would be immediately available?

Mr. CANNON of Missouri. The gentleman is correct; but there is no occasion to make the money available before it can be spent.

Mr. COLMER. So we get what the gentleman wants, as well as what the gentleman from Texas wants, if we agree to the motion of the gentleman from Texas.

Mr. CANNON of Missouri. This is the proposition before the House: Under the recommendation of the conference committee we will appropriate $75,000 to study, first, what commodities will have these laboratories, and second, where the laboratories will be located. Under the proposition of the gentleman from Texas we would immediately appropriate $4,000,000, although we have not yet determined how it shall be used or where it shall be used. Before we could possibly build these laboratories Congress will again be in session. And surely this bill carries enough money which is needed, without adding money that is not needed.

Mr. DIES. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Texas.

Mr. DIES. If we agree to the motion of the gentleman from Texas we will have a study made of where the laboratories are going to be located and what commodities shall be affected by them before we ever build a laboratory.

Mr. CANNON of Missouri. Exactly. And in addition we will be segregating $4,000,000, which will not be needed for the purpose, and which in the meantime should be put to some practical use.

Mr. PACE. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Georgia.

Mr. PACE. Is it not true that months ago the Secretary of Agriculture appointed a special committee and for the last several months this committee has been conducting a survey identical with that to which the gentleman is referring, and is now in possession of practically all the information needed to determine the location of these laboratories?

Mr. CANNON of Missouri. If the gentleman will read the hearings of the committee he will see that the Department testified they had not yet determined what commodities would be considered and had no recommendation yet to make on where the laboratories should be located. After hearing the representatives of the Department the committee were unanimous, as I recall, in the conclusion that sufficient progress could not be made to warrant an appropriation at this session of Congress.

Mr. McFARLANE. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield.

Mr. McFARLANE. But in line with what the gentleman from Georgia [Mr. PACE] has said, I am sure the gentleman is familiar with the fact that the Department of Agriculture has set up a special committee. They have been studying this question and have made great progress in this regard. We have passed a legislative authorization for these four regional laboratories, and I am sure the gentleman does not want to hold up this program if and when they decide to locate them. Let us have the money available so they can go ahead and locate these regional laboratories. This would be perfectly logical and is something we ought to do.

Mr. CANNON of Missouri. The Department indicated to us no need for any particular haste. They are investigating. It is an important matter and should not be decided hastily. Apparently it will be some time before they are ready to report. They need additional money with which to make further research and that is what the subcommittee thought it wise to give them. That opinion was approved by the Committee on Appropriations, by the House, by the managers on the part of the House, and the managers on the part of the Senate. There was no difference of opinion in conference on the $4,000,000 and the only reasen it was brought back to the House was because it involved legislation and had to be brought back under the rule.

Mr. THOM. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Ohio.

Mr. THOM. Is it not a fact that if this $4,000,000 is not allocated for laboratories that money will be used in soil payments under the conservation law?

Mr. CANNON of Missouri. Yes. The gentleman is correct. If not set aside for the laboratories, it is available for price maintenance under the new farm bill.

Mr. THOM. And therefore will be distributed among the farmers at large at a time when crop prices are way down.

Mr. CANNON of Missouri. The gentleman is correct, and calls attention to a phase of the question particularly pertinent just at this time. The price of all agricultural commodities is falling. The price of cotton, measured in terms of gold, is lower than at any time in the history of the Nation. We need all available funds to put into effect the provisions of the Farm Act, in the stabilization of the price of farm products. If this amendment is agreed to, $4,000,000 will be segregated as if buried in a napkin. It cannot be spent for laboratories because the Department is not ready to spend it. This will merely be subtracted from the fund which otherwise would go to the farmers of the country in the maintenance of the price of agricultural commodities.

Mr. McFARLANE. Mr. Speaker, will the gentleman yield further?

Mr. CANNON of Missouri. I yield.

Mr. McFARLANE. The gentleman, I am sure, is familiar with the fact that our committee has taken care of all the money that was requested by the Department of Agriculture for the purpose of taking care of the soil-conservation and domestic allotment program, and this $4,000,000, if and when it was made available for regional laboratories, would not in any way interfere with that program; is not that true?

Mr. CANNON of Missouri. No; the gentleman does not get it quite right. The Department asked $500,000,000 and we provided $485,000,000.

Mr. McFARLANE. That is right, and $440,000,000 was all they said they would need or could spend under the program.

Mr. CANNON of Missouri. On the contrary, it has been repeatedly asserted that a minimum of a billion dollars should have been provided for the purpose. The statement is substantiated by the precipitous fall in the price of practically every farm product immediately following the enactment of the new farm bill for the purpose of stabilizing farm prices. The funds available are small enough in the face of the ruinous prices confronting every farmer without subtracting $4,000,000 from it for a purpose for which it cannot be used.

Mr. DIES. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Texas.

Mr. DIES. Does not the recovery bill provide some $200,000,000 additional for the farmers?

Mr. McFARLANE. That is on the parity-price program.

Mr. DIES. The farmers will get that, though.

Mr. CANNON of Missouri. There is nothing in this bill for parity prices.

Mr. DIES. I say that in the recovery bill there is a provision inserted by the Senate giving over $200,000,000 additional for maintenance of parity prices.

Mr. CANNON of Missouri. The House has not agreed to that.

Mr. McFARLANE. The gentleman is in favor of it?

Mr. CANNON of Missouri. Certainly, I am in favor of it, but judging from statements in the press the conferees representing the House are overwhelmingly opposed to it.

Mr. DIES. We are going to include it in the bill on the floor, are we not?

Mr. CANNON of Missouri. If the gentleman will help us, although for the purpose it will be a mere drop in the bucket.

Mr. DIES. I agree with the gentleman on that. But we would like to have that "drop."

Mr. CANNON of Missouri. I am glad to know the gentleman favors it. And I hope he will also give us this $4,000,000. We need it to bolster cotton prices. I might say further that not only is the Department wrestling with the problem of locating these laboratories, but under the Bankhead-Jones Act the Department is also at this time in the midst of an extensive investigation in connection with the problem of establishing, with funds already provided, research laboratories, authorized by the Jones-Bankhead law, which are intended to carry on practically identical work. The Department has not yet determined where all these prior laboratories shall go, or what commodities they shall examine, and now it is sought to pile on the Department these four additional laboratories, when it has not yet completed the first assignment. It cannot possibly dispose of the additional burden before the next supply bill is ready. So the question is whether we shall at this time take this money for a purpose where it will be effective, or shall sterilize it and leave it hanging in midair where it can be of no service to anyone.

Mr. SOUTH. As a matter of fact if the gentleman's amendment is adopted, it will not increase the appropriation in the aggregate, will it?

Mr. CANNON of Missouri. No it will not affect the total at all, but it will take away from a sum which otherwise would be used for stabilization.

Mr. JONES. Is it not true that due to the fact that they cannot tell just how many will cooperate, they always have a reserve of 20 or 40 million dollars in the fund. Last year they saved $36,000,000, because they could not afford to promise payment to the farmer and not make it. In the $500,000,000 fund, the $4,000,000 set apart for laboratories would not interfere in any way, because they could use a part of the export fund and then replace it if they found they could not build the laboratory. So I do not think it would make much difference in the amount that would go to the farmer.

Mr. CANNON of Missouri. Cotton is selling today on the farm at 7 cents. As a matter of fact, one Member of the House who is conversant with the subject said yesterday that you could not sell cotton at all at the present time.

Mr. JONES. Then had we not better make research and find some new uses for it?

Mr. CANNON of Missouri. We are all agreed upon the importance of research, but it cannot be accomplished overnight. To make haste is to make waste.

Mr. ZIMMERMAN. Does not the gentleman think that we are in the position now to know just what we want to do with reference to establishing these laboratories for this reason?

The reports from the section of the country where I live indicate that even with the curtailment of the cotton program this year, with the favorable weather conditions we have, we will make as much cotton this year if not more than they made in 1937. Hence we will have a surplus, and it is high time the people were beginning to do something to find out new uses for cotton, because that surplus will be on our hands.

Mr. CANNON of Missouri. The gentleman has given the very reason why we ought to vote down the amendment of the gentleman from Texas. We are raising the greatest crop of cotton ever seen in this country. Reports that come in now show that we will raise a billion bushels of wheat this year.

The gentleman from Illinois [Mr. DIRKSEN], who has just returned from Illinois, says that never before was there prospect for so large a crop of corn as is now in prospect at the coming harvest. We are producing such enormous surpluses of cotton, corn, and wheat that prices must inevitably collapse unless we can save them under the provisions of the new farm bill. That will require funds. The price-stabilizing provisions of the bill are not operative unless financed. Give us this $4,000,000 in order to make the bill effective.

Mr. Speaker, I move the previous question on the motion of the gentleman from Texas.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the motion of the gentleman from Texas, to recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment numbered 101: Page 95, after line 18, insert the following:

And provided further, That in carrying out the provisions of the Third Deficiency Appropriation Act, fiscal year 1937, and section 381 (a) of the Agricultural Adjustment Act of 1938, as amended, relating to cotton price adjustment payments with respect to the 1937 cotton crop, in order to accelerate such payments the Secretary shall, notwithstanding said provisions, (1) treat all cotton not sold prior to September 10, 1937, as if it had been sold on a date when the average price of ⅞-inch Middling cotton on the 10 designated spot cotton markets was less than 9 cents per pound; (2) make payment on the basis of applications on forms prescribed by the Secretary which have been filed prior to July 16, 1938, as prescribed in regulations issued by him, by the producers, or the 1937 operator, or other person designated pursuant to such regulations, on behalf of all the producers on the farm in 1937; (3) make payment to producers upon the producer's certification that he is engaged in producing cotton in 1938 and has complied with the requirements as defined in said section 381 (a), or is not engaged in producing cotton in 1938, and upon his agreeing therein to refund the payment forthwith upon demand in case it is subsequently found that he has failed to comply with the requirements as defined herein and in said section 381 (a); and (4) make payments, as soon as practicable, on the basis of his estimate of the amounts which will be covered by the applications to be filed prior to July 16, 1938, and of the funds to be used out of the appropriation for the necessary administrative expenses of making the cotton price adjustment payments.

Mr. CANNON of Missouri. Mr. Speaker, I move to recede and concur in the Senate amendment with an amendment, which I send to the Clerk's desk and ask to have read.

The Clerk read as follows:

Amendment No. 101: Mr. CANNON of Missouri moves that the House recede from its disagreement to the amendment of the Senate No. 101, and agree to the same with an amendment, as follows: In lieu of the matter inserted by clauses (2) to (4), inclusive, of said amendment, insert the following:

"(2) Make payment on the basis of applications filed prior or subsequent to July 16, 1938, on forms prescribed by the Secretary, by the 1937 operator or other person designated pursuant to regulations prescribed by the Secretary on behalf of all the producers on the farm in 1937, or by individual producers, provided that (a) payment will not be made to the 1938 operator of the farm unless he certifies that he has complied thereon with the requirements defined in said section 381 (a), which certificate shall be taken to certify to such compliance on the part of all producers on the farm in 1938 who produced cotton in 1937, (b) payment shall not be delivered to any operator or producer until he has agreed in writing to refund the payment forthwith upon demand in case it is subsequently found that he has failed to comply with the requirements as defined herein and in said section 381 (a), (c) in cases where cotton was produced in 1937 on two or more producer units on the farm it shall be assumed that the production thereon was uniform, and (d) it shall be assumed that there was a total or partial crop failure resulting from hail, drought, flood, or boll-weevil infestation (which is defined to include any other insect or fungus) only if the yield in 1937 is below the base yield for the farm and in such case the total production shall be considered to be the normal yield for the farm multiplied by the number of acres planted to cotton in 1937;

and (3) make payments, as soon as practicable, on the basis of his estimate of the amounts which will be covered by the applications to be filed and of the funds to be used out of the appropriation for the necessary administrative expenses of making the cotton price adjustment payments."

Mr. TABER. Mr. Speaker, I demand a division of the question.

The SPEAKER. The gentleman from New York demands a division of the question. The first question will be on the motion to recede.

Mr. BOILEAU. Mr. Speaker, will not the gentleman from Missouri explain the amendment and what he proposes in his motion?

Mr. CANNON of Missouri. Mr. Speaker, owing to the inevitable delay in the program, we have not yet been able to pay the cotton producers of the South their allotments due for the 1937 crops, and unless legislative provision is made it cannot be paid before December, and that is too long to require them to wait for the money which should have been paid last year.

Mr. HOPE. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield.

Mr. HOPE. Why is it that payment cannot be made until December? As I understand it, under the cotton program a man is either in or out of compliance with the 1938 program when he plants his acreage. Why is it not possible to make that certificate and make the payment immediately?

Mr. CANNON of Missouri. The gentleman will recall that provision is made to measure each man's crop so as to verify his certification. It is impossible for them to make this measurement before December, or very late in the fall; and this waives the necessity of measurement before payment. At the same time it provides adequate safeguards under which the Government is protected against overpayment.

Mr. HOPE. I cannot understand why it is not possible to make the measurement any time after the crop is planted. There may be a perfectly obvious answer to that but I do not know what it is.

Mr. FULMER. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield.

Mr. FULMER. I may say to the gentleman from Kansas that I have had this matter up with the Secretary within the last few days. Under the original resolution this money could not be paid until the Secretary ascertained whether or not the farmer has complied with the 1938 program. They have not been able to ascertain this information, and until they get this information it will be in the fall. Now it is taking all their time and personnel to get the rental benefit payments under way, and these payments are considerably late. They tell me that unless this amendment is adopted they will not be able to make these payments until next fall. As a matter of fact the farmers at this time are very badly in need of these payments. The matter is safeguarded so that each farmer will get what he is entitled to and get it much earlier than otherwise.

Mr. HOPE. I have no objection to taking any steps necessary to make the payments, but I just cannot understand why these local committees cannot make the measurements at any time.

Mr. PACE. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield.

Mr. PACE. Possibly it has occurred to the gentleman's mind, but I will tell him that the committees are working to give us our agricultural allotments for this year. We have not yet received our peanut allotments, and it must complete that. Under the present condition it is my opinion that instead of its being December when these payments are made, it will be next January or February unless this amendment is adopted.

Mr. HOPE. Are these committees working on these matters?

Mr. PACE. They are working on two items; they are working on this year's acreage allotment for cotton, peanuts, and corn in our section. They are now at work on that.

Mr. HOPE. Then the local committees are doing their utmost to make these allotments and carry out the other work?

Mr. PACE. They are working at it steadily.

Mr. BOILEAU. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield.

Mr. BOILEAU. This matter was before the Committee on Agriculture recently but I never learned what disposition of the matter was made. It is my recollection, however, that it was not approved. Was not a similar policy before the committee? I would like to get straightened out in my mind. Does the gentleman have any recollection of such matter being before the Committee on Agriculture?

Mr. FULMER. I do not remember this subject matter being before the Committee on Agriculture. That was, of course, one of the matters which was included in the 1938 A. A. A. act, when it was in conference.

Mr. BOILEAU. Just recently, I think the gentleman will probably recall that it was. My recollection is that a bill similar to this was before our committee within the last month or two.

Mr. FULMER. That was put on in conference.

Because of the work under the 1938 program—that is, getting it started—they laid aside the rental payments. Now, they are getting around to the rental payments, and until that matter is disposed of they cannot get around to remeasuring the cotton acreage so as to ascertain whether or not the farmers have complied.

Mr. BOILEAU. The gentleman is talking about a provision in the Farm Act.

Mr. FULMER. Yes.

Mr. BOILEAU. My recollection is that the gentleman himself, or some other gentleman in our committee, sponsored a separate bill on this same subject recently.

Mr. DOXEY. Mr. Speaker, will the gentleman yield?

Mr. BOILEAU. I yield if I have the floor.

Mr. DOXEY. Over there it was known as leased and frozen acreage and a matter pertaining to the frozen-acreage proposition recently passed the House the other day, I think. It related to making subsidy payments available earlier than originally provided.

Mr. BOILEAU. That is right.

Mr. DOXEY. We said we would not discuss the subsidy payments in connection with the frozen acreage, because it was included in these other matters and we did not take it up.

Mr. BOILEAU. That was within the last 2 weeks in the Committee on Agriculture?

Mr. DOXEY. That is right.

Mr. BOILEAU. And the House Committee on Agriculture unanimously decided not to consider it at that time.

Mr. DOXEY. Oh, no.

Mr. BOILEAU. Because the committee felt it would not be advisable to open this thing up on the floor of the House.

Mr. DOXEY. No; that was not the purpose at all. We knew it was in the Senate and we thought there was no use including it in legislation coming from our committee.

Mr. BOILEAU. The reason it was not passed upon by the Committee on Agriculture, as I recall it, was because we did not want to open this subject up on the floor. This involved what we considered to be necessary amendments to the Farm Act, but we found it would be controversial and it was therefore eliminated. The committee discussed this at considerable length.

Mr. DOXEY. That might be the gentleman's position, but it was not the position of some of the other members of the committee. It was because we wanted to get the frozen acreage through. We thought we might be able to do it by unanimous consent, but we did not do that because we thought the gentleman was liable to object.

Mr. BOILEAU. The gentleman will recall there was not a word said in the committee meeting about this identical provision being in the agricultural bill.

Mr. DOXEY. We knew the Senate had it over there. We knew it was coming up in another body.

Mr. BOILEAU. No; I did not.

Mr. DOXEY. Well, I knew it.

Mr. BOILEAU. This provision was not in the bill. At least, it was not brought up in the discussion.

Mr. DOXEY. The subsidy payments were considered so that the farmer might be paid.

Mr. BOILEAU. It seems strange, if the gentleman and the other members of the committee had that knowledge, that they should have taken so much of the time of the committee in reference to a second bill. That part of the meeting was useless in the consideration of this subject matter. The gentleman who were interested in this subject matter tried to pass that provision of the bill, and it was decided that would not be advisable because of the fact there might be some objection.

Mr. DOXEY. We did not know that we used considerable time.

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Speaker, I yield 5 minutes to the gentleman from South Carolina [Mr. FULMER].

Mr. FULMER. Mr. Speaker, regardless of what has been said here about this amendment, what difference would it make to anybody, in that we have $130,000,000 to pay off these farmers? If we can make some arrangement whereby we can do that now or within the next 30 or 60 days rather than wait until a definite survey has been made in order to find out about the acreage planted and then distribute the $130,000,000, I think we should do it. It is only a matter of giving to the farmers this money in the middle of the summer, whereas they would otherwise get it next fall. This will give them the benefit of that money in the summer, and it will require no more money. Every farmer will get that to which he is entitled, in the last analysis.

Mr. BOILEAU. Will the gentleman yield?

Mr. FULMER. I yield to the gentleman from Wisconsin.

Mr. BOILEAU. I agree with the gentleman, but I want to make the protest, however, against the Appropriations Committee coming in here and without even making an explanation of what is contained in this bill, bring a matter here in the form of an amendment to an appropriation bill which the Committee on Agriculture considered and decided not to bring up on the floor of the House. I do not believe there is any real objection to the purposes sought to be accomplished, but I do want to protest against the Appropriations Committee bringing this matter in in the way it has.

Mr. DIRKSEN. The Appropriations Committee did not bring in this matter. It was written in by the Senate.

Mr. CANNON of Missouri. The House did not bring this matter in.

Mr. BOILEAU. I agree in general with the gentleman.

Mr. FORD of Mississippi. The farmers of this country are not concerned with what committee handles the legislation just so they get the money, is that not correct?

Mr. FULMER. Yes.

Mr. MURDOCK of Arizona. Is not the Government safeguarded against overpayment in this matter?

Mr. FULMER. Absolutely. It does not require any additional money. It is simply a matter of getting the money to them in the middle of the summer when they can use it to a much better advantage than next fall at which time they will be selling cotton.

Mr. LUTHER A. JOHNSON. Is it not true that the farmers at this particular time, due to existing conditions, are in need of this subsidy payment now and, as a matter of fact, this is money due them on last year's cotton crop?

They should be paid without delay. It is past due and the payment now will be a godsend to the cotton farmers.

Mr. FULMER. Absolutely. We should pay it now instead of waiting until fall, at which time they will be selling their cotton.

Mr. HOPE. This is the third time the provision has been written. That is, we have rewritten it twice—once in the 1938 A. A. A. Act and this time. It has been rewritten two or three times. Does the gentleman think in the form we have it now it will be possible to make the payments?

Mr. FULMER. I do and at a much earlier date and at a time when they need this money very badly.

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Speaker, I yield the gentleman 1 additional minute.

Mr. FULMER. Mr. Speaker, may I say to the gentleman that we had this up in conference and, as he will remember, I opposed that kind of an amendment at that time, believing that would not result in bringing the payments as early to the farmers.

But now, after I have gone into the matter thoroughly, I find that because of the delay in putting the program into effect they will not be able to make these payments before fall, at which time the farmers will be selling cotton. I am now heartily in accord with this provision, which is safeguarded so as to give the farmers the money in the midst of the summer, when they need it more than any other time.

Mr. HOPE. The gentleman believes this will work, then?

Mr. FULMER. Yes; I do.

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Speaker, I yield 5 minutes to the gentleman from Iowa [Mr. GILCHRIST].

Mr. GILCHRIST. Mr. Speaker, we have now come again to a cotton provision. The proposed amendment does not add one dime to the money which will go to the cotton producers. Of late there has been a great deal of idle and unmeasured talk about corn and cotton in an attempt to make people believe there is a fight between the cotton farmer and the corn farmer. I do not entertain any such an idea.

In the first place, agriculture should stand together. If we do not stand together, we will all fall separately. [Applause.]

In the second place, the corn farmer has nothing to fear from the cotton farmer down South. Do you know that the cottonseed alone on an acre of cotton will produce feed for livestock and also that it will produce more oil which is sold in competition with lard than the average acre of corn down South produces? You have heard a great deal about how they are going into the production of corn down South. As a matter of fact, an acre of cotton down there produces more lard substitutes in the ratio of something like 50 to 20 than the lard which an acre of corn down South produces. Furthermore, after extracting the oil they use cottonseed cakes as feed for their cattle and hogs. I am asking simply that the truth be made known—that is all.

In the third place, they cannot keep corn down South without a great deal of expense and trouble. They raise an average of only from 8 to 15 bushels an acre down there. Gentlemen on this floor in speeches have tried to make us believe that they were raising just as much corn as we, and in making comparisons these gentlemen naïvely used the average for the whole country as the basis of their figures for corn production in the South. I do not claim that these gentlemen were trying to misstate the facts, but their figures lead us into error; and error leads us into economic loss and distress. In many places in my district last year farmers raised an average of about 48 bushels per acre and some of them raised 70 to 80 bushels. Now, the farmers down South cannot keep corn on their farms very long because the weevil will eat it up and reduce it to dust just as soon as warm weather comes, and the boys from the southland will tell you that. The corn has to be fumigated. I am told by the Chairman of the Committee on Agriculture that in order to keep the corn at all through the summer months the farmers have to put it in bins only 2 feet deep and these bins have to be tight in construction. The cost is prohibitive. We have little fear on that score.

Figures have been given out by opponents to show that the corn acreage down there is increasing, and one of the great metropolitan newspapers of this country went back to 1929 to try to show that hog production is increasing in the South.

Statistics are often used unfairly. One can take exceptional years such as the extreme drought years and compare the figures with other years and make somewhat of a showing; but this is not fair because it is a half truth and therefore more deceiving than falsehood.

Opponents did not point out that livestock numbers were depleted in the Corn Belt by the two worst droughts in history coming in rapid succession in 1934 and 1936. They did not point out either that Iowa and Illinois farmers shipped practically as many hogs into commercial markets in 1936 as they did 10 years before in 1925 and 1926.

It is a well-known fact that cotton farmers decrease their corn production when they are getting good prices for cotton, and increase their corn production when cotton prices fall. From 1924 to 1929 the farmers in the 12 cotton-producing States of the South grew an average of about 28,000,000 acres of corn. (These 12 States are Virginia, North Carolina, South Carolina, Georgia, Florida, Alabama, Mississippi, Louisiana, Arkansas, Oklahoma, Texas, and Tennessee.)

When the price of cotton fell from 20 cents a pound to 4 cents a pound they were forced to grow more corn for their own food. From 1929 to 1932 they increased their corn acreage from 26,737,000 acres to 31,836,000 acres, an increase of more than 4,000,000 acres.

When their cotton prices rose to more than 12 cents a pound they decreased their corn acreage. Last year they planted only 28,823,000 acres of corn, a decrease of more than 3,000,000 acres under their 1932 level.

The Corn Belt farmer need not worry about competition in corn and hog production from the South. His real interest lies in cooperation with the southern farmer in order to get better farm incomes in both the North and South. Agricultural interests should stand solidly together.

The pig crop report for December 1, 1937, issued by the Bureau of Agricultural Economics shows that the farmers in Iowa and Illinois intend to increase their hog production this year by nearly 1,000,000 head above last year. It shows that the farmers of the six States of North Carolina, South Carolina, Georgia, Alabama, Mississippi, and Arkansas do not intend to increase hog production. Hog numbers in these States were greater in 1933 than in 1938. They were 2,200,000 greater in 1920 than in 1938. They fell off 90,000 head from 1933 to 1935 and 1936.

In 1936 the farmers of Iowa and Illinois shipped 14,255,000 hogs to commercial markets. The farmers of the above six States shipped only 1,041,000 hogs to commercial markets.

The farmers of these six Southern States slaughtered on their own farms for their own consumption at home a total of 3,925,000 hogs, nearly four times as many as they marketed. The farmers of Iowa and Illinois slaughtered only 1,095,000 hogs on their own farms in 1936, about one-fourteenth as many as they marketed.

It can be seen readily that hog production in the South is largely for home consumption on the farms where farmers receive such small cash incomes that they are forced to grow much of their own food.

Will the farmers of Iowa worry much about competition from a State like Georgia where corn yields are usually about 10 bushels per acre? Will they worry about competition from a State like Georgia where nearly six times as many hogs are consumed on the farms where they are raised as are shipped to the commercial markets of the South? The farmers of Iowa usually market about 28 times as many hogs as they slaughter for home consumption.

In the fourth place I call attention to the fact that corn is a soil-depleting crop. If you are down South and put your cotton acreage into corn you will lose your soil-benefit payments. In some places these deductions for increasing soil-depleting crops amount to as high as $4 an acre. How foolish it would be for any man who can raise only 10 or 12 bushels of corn per acre to give up $4 an acre—practically all the corn is worth—in order to raise more corn in competition with corn men in the North? It is foolish on its face.

Mr. Speaker, as I said at the start, we ought again to realize that all agriculture should stand together. The provision under consideration here this morning does not increase the appropriation one dime, and it does not pay one penny more to the cotton producer, but the money will be paid at a little different time, and in a little different manner, and will give our friends down South who depend upon agriculture a little better opportunity to make a decent living.

In any and all events a farmer should be free either to go into the program or to stay out of it. There are some advantages to be gained in staying out of it and there are some advantages to be gained by going into it, and it is up to the farmer to decide for himself which is the best for him. Farmers are individualists and their work teaches them to be independent and they prize their liberties. It was not long ago that I stood on the old North Bridge at Lexington, immortalized by the poet when he said:

> By the rude bridge that arched the flood
> Their flag to April's breeze unfurled;
> Here once the embattled farmers stood
> And fired the shot heard 'round the world.

It was farmer folks who gained us our liberties in 1775. They are the folks who prize such liberties. They are the folks who will perpetuate them throughout the centuries.

Mr. CANNON of Missouri. Mr. Speaker, I yield 5 minutes to the gentleman from Iowa [Mr. BIERMANN.]

Mr. BIERMANN. Mr. Speaker, I commend my distinguished friend from Iowa [Mr. GILCHRIST] for the sensible speech he has made on agriculture.

Farmers from all parts of the country can very well cooperate in many things. I have never thought that the farmers of the South and the farmers of my part of the country had any conflict of interest whatever. But this is not what I wanted to talk about.

The distinguished gentleman from Missouri [Mr. CANNON], the chairman of this subcommittee, drew attention a short time ago to the fact that it is difficult to hear in this Chamber and suggested that amplifiers be put in here so that the Speaker could hear the Members and the Members hear the Speaker, as well as one another. I thoroughly agree with that. It is important that we hear the debates going on here because many times valuable information and argument are supplied.

I think about 15,000 measures have been introduced in both Houses in each Congress since I have been here. I think something like 4,000 have actually been considered on the floor of this House in each Congress. It is important that we hear the debates, but it is just as important, and perhaps more important, that we understand the bills when we read them. When the gentleman from Missouri was talking about an amplifier, we were on page 92, I believe. I have counted the number of lines in the sentence starting on page 92, line 23. That sentence is 111 lines long.

Since the death of John Stuart Mill there has not been a mind in the world that could read 111 lines and understand the meaning thereof. Then I turn along in the bill and on page 107, beginning at line 23, I find a sentence of 64 lines; at page 110, beginning at line 13, there is a sentence of 43 lines. All through the bill there are sentences of 25 lines, 30 lines, 35 lines, and I submit that there are not many of us who can understand sentences of such length without reading them several times. We are required to spend entirely too much time reading and rereading bills merely to try to find out what they mean. If we could more readily learn what bills mean, we could spend more time determining whether they are good or bad bills. It is not at all necessary to draft these bills in language that is obscure and entangled. Neither is it necessary to use sentences 111, 64, or 43 lines long.

I appreciate the fact that these bills are drafted by lawyers. I also appreciate the fact that lawyers as a general rule are smarter than the rest of us. Their minds are exercised more. [Applause.] I ought to get applause from about two-thirds of the House on that remark.

Mr. HOPE. The gentleman ought to get it from the lawyers.

Mr. BIERMANN. About two-thirds of the Members are lawyers. But the greatest legal document, I believe, ever penned by human hand is the Constitution of the United States, and that was written in sentences of understandable length and in simple language. There are no long, entangled sentences in the Constitution of the United States. Happily and fortunately for the country the Constitution of the United States was not drafted by a lawyer. It was drafted by James Madison.

Mr. MURDOCK of Arizona. Mr. Speaker, will the gentleman yield?

Mr. BIERMANN. I yield.

Mr. MURDOCK of Arizona. This observation is hardly in keeping with the gentleman's remarks, but as lawyers differ as to sentences I want to suggest that some lawyers object to long sentences—the defense lawyers. Prosecuting lawyers are in favor of long sentences, are they not?

Mr. BIERMANN. That is a good point. I want to draw the attention of the House to the fact that we have a great deal of additional labor in the committees and in the House because we have to devote very much time trying to understand what these long, entangled, snarled, and obscure sentences mean.

Mr. GILCHRIST. Mr. Speaker, will the gentleman yield?

Mr. BIERMANN. I yield.

Mr. GILCHRIST. The gentleman knows at least one lawyer on the Committee on Agriculture who talked the same way the gentleman did about using long sentences.

Mr. BIERMANN. That is true. Let more of us do more talking about it. Let us try to cause our bills to be drawn in easily understandable, unambiguous language. If we succeed we shall have improved very greatly the national legislative process.

Mr. CANNON of Missouri. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. Speaker, that was a very interesting discussion by my learned friend from Iowa. It began with the amplifier and wound up as a dissertation on grammar, etymology, and kindred subjects.

Mr. CANNON of Missouri. I trust that the gentleman does not object to that performance.

Mr. DIRKSEN. Indeed, I do not. I thought it was so wise and profound that I am going to visit with the gentleman and pursue it further at some future time, but what I rose to remark, if I may presume to endeavor to enlighten the House, is about the parliamentary situation at the present time.

The gentleman from Missouri has made a motion to recede and concur with an amendment, and the gentleman from New York has asked for a division of the question. So I suppose the first question put to the House will be upon the matter of receding, and thereafter there will be a motion to concur with an amendment offered by the gentleman from Missouri. I hope, therefore, that you can vote to recede, and, secondly, that you can support the chairman of the subcommittee, because I do believe that the language offered by the chairman of the subcommittee is infinitely preferable to that which you find in the bill.

Mr. HOPE. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. HOPE. Will the gentleman explain briefly the difference in effect between the language in the bill, or in the Senate amendment, and in the substitute offered by the chairman?

Mr. DIRKSEN. If I may be so bold as to pretend that I understand the difference, I will say that in my judgment the difference goes mainly to paragraph 3 on page 96 of the bill, which, in my opinion, is rather loose language, in protecting the Federal Treasury where it is going to make advance payments. The motion offered by the gentleman from Missouri requires an agreement in writing in advance for the forthwith refund of payments in case there is no compliance, and I think that is infinitely better than what is in the Senate bill. In addition thereto, I do not know that I am so particularly alarmed about the payments in advance on the basis of written certification or a written agreement to refund in case of noncompliance, because it appears to me that under language of that kind the Federal Government could very well pursue a lien against the property of anybody who receives such a payment. So I believe that we are adequately safeguarded, and I hope that the motion of the gentleman from Missouri will prevail.

Mr. BOILEAU. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. Yes.

Mr. BOILEAU. I did not have the opportunity to read the language of the amendment proposed by the gentleman from Missouri. Will the gentleman state whether or not that amendment provides for payments other than the subsidy payments provided under the basis of the 1937 crop? Does it provide advance payments for the crop of 1938?

Mr. DIRKSEN. Yes; it follows out in substance what you find in paragraph 3, but I think it tightens up some of the conditions under which those payments shall be made.

Mr. BOILEAU. The gentleman is talking about advance payments. One thing I have clearly in mind, and those are payments we authorized last August in the Third Deficiency Appropriation Act providing $65,000,000 for the years 1938 and 1939 as an aid or benefit of the 1937 crop. Thus far we have done nothing for the 1938 crop, except what we do in the general farm program. Does the gentleman say that this provides for advance payment on the 1938 crop?

Mr. DIRKSEN. Oh, no. It seems to me that the gentleman from Georgia [Mr. PACE] clearly stated the case, and I think Mr. FULMER also did a few minutes ago.

Mr. BOILEAU. I thought that was the situation, but the gentleman's answer to my first inquiry rather confused me.

Mr. DIRKSEN. I believe the Treasury is properly safeguarded, and in case of failure to make refund, in case there is noncompliance, will receive a return of that money.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. Yes.

Mr. CRAWFORD. In what way does this amendment speed up the field work, so that the benefit payments can be made without further delay? Or does this amendment in some way eliminate the necessity of all that field work?

Mr. DIRKSEN. That was not the purpose of the amendment in the first place. It followed the purport provided on page 35, in order to accelerate such payment, and the purpose of the acceleration is because there has been delay in getting the 1938 act under way.

The SPEAKER pro tempore. The time of the gentleman from Illinois has expired.

Mr. CANNON of Missouri. Mr. Speaker, I yield 5 minutes to the gentleman from Wisconsin [Mr. BOILEAU].

Mr. BOILEAU. Mr. Speaker, last August during the closing days of the session, in passing the third deficiency appropriation bill, we wrote into it a provision for subsidy payments on the 1937 cotton crop. At that time I think no one else took the floor in opposition besides myself, although I have just been informed that some other Members did. One of the things I said at that time was that you could not have payments until you had complete compliance with the 1938 program, and at that time the 1938 program had not been enacted into law, and I pointed out that no one in the world could have any idea of who was to get benefit payments. That is one of the reasons I advanced for voting down that proposal at that time. Since that time we have had at least two or three attempts to correct the language in that original proposal. It seemed to me ridiculous to pass legislation at that time which would make payments on a piece of legislation that had not been written. But that is water over the dam, and although I opposed the original subsidy and would vote today to repeal it, I do not think it is justified, nevertheless, when it comes to this proposition. I do not want my position misunderstood. I think this particular proposition is well taken, and that this amendment should be agreed to, because it does facilitate these payments. The original language was so loosely drawn, and the attempts to correct it were so loosely and poorly drawn, that we must

make this third attempt, so the people will know what we mean.

I take this opportunity of protesting against the practice of amendments being written into appropriation bills changing the law, and having the matter come back to us here for consideration without having the benefit of consideration on the part of the legislative committees. I am not casting aspersions or reflections on the Committee on Appropriations, because this matter was handed over to them and they had to do something with it. I believe, however, if the Committee on Appropriations would hereafter take a very strong stand against the writing of legislation in these appropriation bills, and utilize the regular legislative committee for the purpose of drawing legislation, we would be a little better off in the long run.

Also, I want it understood that the remarks I made a little while ago were directed against the procedure rather than the merits of this legislation.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield? I have been endeavoring to get 2 or 3 minutes' time, and trying to ask some questions.

Mr. BOILEAU. I yield at least for the gentleman to ask a question.

Mr. CRAWFORD. Wherein does this amendment make it unnecessary for the field work to be done so that benefit payments can be speeded up? Here is one reason I raise the question. On September 1, 1937, the President signed the sugar bill providing for benefit payments on the 1937 crop of sugar beets.

Those benefit payments have been held up pending reports in detail from the field work. Now, can we make this work both ways? I have not any opposition to this and do not intend to offer any, but can we fix this situation so that it works for a fellow who grows sugar beets, cotton, peanuts, or whatever the crop may be? We plant sugar beets about as early as you plant cotton, but there is no sign of any benefit payments yet to beet growers in my section, because payments are awaiting the detailed work in the field. This is the question I would like to have answered.

Mr. BOILEAU. I will answer the gentleman's question by saying that either I do not understand his situation or else I am confused as to the purpose of this provision.

Mr. CRAWFORD. This is the first chance I have had to ask a question about it. I may be wrong.

Mr. BOILEAU. I have not had a chance to study it, but, as I understand, the purpose for which this legislation is designed is to secure subsidy payments on the 1937 cotton crop. It has nothing to do with the regular payment under the soil-conservation program or parity-price payments. This is merely for the purpose of speeding up payments on the 1937 crop.

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Speaker, I yield 5 minutes to the gentleman from Georgia [Mr. PACE].

Mr. PACE. Mr. Speaker——

Mr. LAMBERTSON. Mr. Speaker, will the gentleman yield?

Mr. PACE. I yield.

Mr. LAMBERTSON. I wish to say in the matter of offering amendments to appropriation bills that I have a resolution pending before the whole committee which pledges us not to do that thing, and I have argued it before the whole committee.

Mr. PACE. Mr. Speaker, I shall try to explain the difference between the Senate bill and the committee provision. First, the law now provides that in order to get a subsidy payment the farmer has to file his application by July 15 on forms prepared by the Secretary of Agriculture. It is now nearly June 15 and no measurements have been made and no application can be filed. The committee amendment authorizes the farmer to file his application after July 15 as well as before July 15.

Secondly, the law now authorizes a payment to a cotton farmer who had a cotton failure in 1937; that is, for example, it takes care of the poor fellow who usually would make 10 bales of cotton but made only 1. It provides that he can receive a payment under certain conditions on the other nine bales that his normal yield would have been. The committee amendment is very necessary to set up definite machinery as to how that shall be determined.

Mr. ANDRESEN of Minnesota. Mr. Speaker, will the gentleman yield?

Mr. PACE. I yield.

Mr. ANDRESEN of Minnesota. Does not the law provide that he shall get 3 cents a pound on normal production?

Mr. PACE. On normal yield; and if he has a drought or certain other conditions prevail he will get a little part of this subsidy payment. This amendment sets up the machinery.

Mr. ANDRESEN of Minnesota. That is already in the law.

Mr. PACE. But this machinery is necessary to define it, I am sure the gentleman will agree. It protects the United States Government and the other farmers who participate in this fund.

In the third place it accelerates the payment of this money. I hope you gentlemen will appreciate what we have been up against. When Congress adjourned last August every cotton producer in my district wanted to know where his subsidy payment was, and from that hour to this he has been wanting to know why he has not been paid his subsidy money.

Mr. BOILEAU. Mr. Speaker, will the gentleman yield?

Mr. PACE. I yield.

Mr. BOILEAU. Do they call it subsidy money down there?

Mr. PACE. It is often referred to in that way, but of course is more properly called price adjustment. I do not care what they call it, it was an effort to try to guarantee to the cotton producer 12 cents for his cotton, although it is not going to total that much in view of the enormous production we had last year, totalling 18,700,000 bales of cotton. The $130,000,000 appropriation will not pay 3 cents per pound on that many bales.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?

Mr. PACE. I yield.

Mr. CRAWFORD. The gentleman is describing almost an exact condition which prevails in my district.

Mr. PACE. I sympathize with the gentleman.

Mr. CRAWFORD. Why is it the sugar-beet situation has been overlooked since last September 1, 1937?

Mr. PACE. I am not familiar with the gentleman's industry, but I will gladly support the effort the gentleman from Michigan is making to hasten payment to his sugar-beet producers.

Mr. CRAWFORD. We have moved heaven and earth down here looking up the releases that have been made by the Secretary.

Mr. HOPE. Mr. Speaker, will the gentleman yield?

Mr. PACE. I yield.

Mr. HOPE. Has the language in the committee amendment been gone over by the Department's representatives, and do they give the assurance that this legislation will permit them to go ahead and make these payments?

Mr. PACE. The experts of the Department have approved this amendment. They have given us the assurance that with this amendment they can pay this money at an early date; and, of course, we all hope it will be within the next 30 days.

I hope you will vote to recede and then vote to concur in the Senate amendment as proposed to be amended by the committee. This money, the $130,000,000 which we appropriated last August for a cotton price adjustment, has been lying idle in the Treasury since that time, although our farmers have been and are now in desperate need of it.

Under the present law I am afraid it would be December, and possibly next January or February, before this money

could be paid to the farmers, because the Department would have to wait until the planting season is over, then measure every cottonfield in the United States, and then assemble all of these records and prepare the payments. This would be necessary in order to positively prove compliance with the 1938 cotton program. That is changed by the amendment by providing that the cotton farmer can immediately file his application for the subsidy payment and at the same time file a certificate that he has complied with the 1938 cotton program, and this will be accepted in lieu of actual measurement.

Also in this certificate the farmer agrees that he will refund the payment in case it is later found that he in fact failed to comply. There may be a few who may try to take advantage of this, but the number will be so small that we do not feel we should make our cotton farmers wait 6 or 8 months longer for this money.

I should mention that this amendment also makes it unnecessary for the farmer to sell his cotton in order to be eligible for his adjustment payment by providing that all cotton not sold prior to September 10, 1937, will be treated as if sold at less than 9 cents.

I hope this amendment will be promptly adopted, so our farmers can be assured that our promise to them of this subsidy or adjustment payment will soon be fulfilled.

The SPEAKER pro tempore (Mr. WARREN). The question is, Shall the House recede from its disagreement to Senate amendment No. 101?

The question was taken; and the House determined to recede from its disagreement to Senate amendment No. 101.

The SPEAKER pro tempore. The question now recurs to concurring in the Senate amendment with an amendment offered by the gentleman from Missouri [Mr. CANNON].

The question was taken; and the House determined to concur in the Senate amendment with an amendment.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment 102: Page 96, following amendment 101, insert: "*And provided further*, That in administering the naval stores conservation programs authorized in section 8 of the Soil Conservation and Domestic Allotment Act and in making payments thereunder to gum naval stores producers the Secretary may utilize the services of regional associations of such producers or any agency of the Government in lieu of the State, county, and other local committees utilized in the other agricultural conservation programs if he finds that more efficient administration will result, and the provisions of section 388 (b) of the Agricultural Adjustment Act of 1938 shall otherwise be applicable to the administration of said naval stores conservation programs."

Mr. CANNON of Missouri. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

Mr. DIRKSEN. Mr. Speaker, I ask for a division of the question.

The SPEAKER pro tempore. The question is, Shall the House recede from its disagreement to the Senate amendment?

The question was taken; and the House determined to recede from its disagreement to the Senate amendment.

The SPEAKER pro tempore. The question now recurs upon concurring in the Senate amendment.

The question was taken; and the House determined to concur in the Senate amendment.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment 104: Page 99, after line 9, insert:

"RETIREMENT OF COTTON POOL PARTICIPATION TRUST CERTIFICATES

"To enable the Secretary of Agriculture to carry into effect the provisions of title IV of the Agricultural Adjustment Act of 1938, approved February 16, 1938, fiscal year 1938, to remain available until June 30, 1939, $1,800,000: *Provided*, That the Secretary of Agriculture may, in his discretion, from time to time transfer to the General Accounting Office such sums as may be necessary to pay administrative expenses of the General Accounting Office in auditing payments under this title: *Provided further*, That the authority of the manager, cotton pool, to purchase and pay for participation trust certificates, Form C-5-I, shall extend to and include the 31st day of December 1938 but after the expiration of said limit, the purchase may be consummated of any such certificates tendered to the manager, cotton pool, on or before December 31, 1938, but where for any reason the purchase price shall not have been paid by the manager, cotton pool: *Provided further*, That the date May 1, 1938, appearing in title IV of the Agricultural Adjustment Act of 1938, as amended, shall not be applicable: *Provided further*, That in case any person who is entitled to payment on a participation trust certificate, Form C-5-I, dies, becomes incompetent, or disappears before receiving such payment or before application for such payment is executed, the Secretary of Agriculture shall provide by regulations, without regard to any other provisions of law, for such payment to such person as he may determine to be fairly and reasonably entitled thereto."

Mr. CANNON of Missouri. Mr. Speaker, I move that the House insist on its disagreement to the Senate amendment.

Mr. TARVER. Mr. Speaker, I offer a preferential motion.

The Clerk read as follows:

Mr. TARVER moves that the House recede from its disagreement to Senate amendment 104 and concur therein.

Mr. CANNON of Missouri. Mr. Speaker, I yeld 10 minutes to the gentleman from Georgia [Mr. TARVER].

Mr. TARVER. Mr. Speaker, may I point out that as I am advised the motion which I have submitted to recede and concur in the Senate amendment represents the views of three of the House conferees, one of whom felt, however, that the matter should be brought back to the House for a vote and for this reason did not believe he should vote in conference to concur in the Senate amendment.

I have no interest in this matter except that I believe that contracts of the Government of the United States should be kept and I believe further that explicit directions given by the Congress of the United States should be carried out by your Appropriations Committee.

This amendment involves the cotton pool participation certificates which were issued as the result of the plow-up campaign of 1933, at which time, as will be recalled, the farmers who plowed up part of their cotton were accorded the privilege of receiving cash payments or receiving part cash and options on Government-owned cotton. A great many of them accepted the part-cash and option plan. After options were issued to them on cotton, which at that time was priced at 6 cents per pound, they were thereafter accorded loans, first of 4 cents a pound and then 2 cents a pound; so that the total amount of the advance to them aggregated 12 cents per pound and at the time of the loan bringing the total amount to 12 cents per pound they were in position either to accept $3.10 per bale more than the cash which they received and surrender all of their rights, or accept these certificates which we are now considering and as to which the Congress is asked to appropriate $1 for each bale, representing a profit made in the operation of the cotton pool. Now, let us not be mistaken about this matter. If you will refer to page 39 of the hearings on Senate Joint Resolution 205, you will find a copy of the certificate in question, and I want to read it to you:

(A) The manager, after paying all charges incident to the operation of the pool, shall pay to the Secretary the proceeds derived from the sale of any cotton marketed up to an amount equal to 12 cents per pound of said cotton, that amount being the original option price of 6 cents per pound, plus the gross advances heretofore made to the producer, including carrying charges to October 1, 1934. After all debts and liens against the cotton shall have been discharged and all expenses incurred or fixed by the manager subsequent to October 1, 1934, in conjunction with the carrying, handling, and/or marketing of the said cotton, and in the conduct of the pool have been paid, the manager shall thereafter distribute the remaining proceeds ratably to the holders of record of participation trust certificates in accordance with their several interests as established by said certificates, and in accordance with applicable regulations.

So as a matter of contract with the Government of the United States, if profits were derived from the operation of the cotton pool, these certificate holders are entitled to those profits.

The evidence of Mr. Oscar Johnston, who was manager of the pool, delivered likewise before the Senate committee,

discloses that $1,803,000 was derived from the operations of the pool as profit.

I desire to read at this point from page 1254 of the Senate hearings on Senate Resolutions 103, 125, 172, and 182:

Mr. JOHNSTON. In the handling of Government accounting before that credit is set up to the pool the Comptroller General and the audit section are going to have to be convinced of each and every item that went into it when they undertake to break it down as proper charge. It is my judgment, both as a lawyer and as a manager, that every dime belongs to the pool.

I quote a further statement of Mr. Johnston on the same page, as follows:

Mr. JOHNSTON. The statement does not so disclose and does not so state, but that is a consolidated statement of the financial condition of the cotton operations as conducted as a continuous operation by the Secretary of Agriculture to date. As to what the participating trust certificate holders are entitled to is beside the point. My judgment is that they are entitled to all of it. His judgment may be that they are entitled to none of it. That is a matter yet to be determined.

I am not insisting that before the Subcommittee on Deficiency Appropriations officials of the A. A. A. did not appear and testify that this $1,800,000 were not profits of the cotton pool and testified in effect that instead of the cotton pool having made a profit it, in fact, had a deficit of $450,000.

They insisted, I very frankly state to you, that this $1,800,000 was derived from other operations of the Secretary of Agriculture in cotton, but between that evidence and that of the man who actually managed the pool and ought to be more familiar with its operations than anybody else there is a direct conflict.

It further appears that the Secretary of Agriculture in his handling of these trust assets of cotton belonging to these cotton farmers to whom it had been optioned throughout the country carried on various operations on the New York Cotton Exchange in the purchase and sale of cotton futures, and there is a great deal of evidence disclosed by the hearings which I have examined on whether the losses that he sustained and which have been undertaken to be charged against the cotton pool owners were sustained in their interest or in perhaps an unauthorized use of their assets and of the authority that he had as the trustee of their property and whether the profits he made should be credited to the pool. At any rate, after this conflict arose as to whether the $1,800,000, which is now in the Treasury of the United States, was the property of the owners of these cotton-pool-participation certificates and after the contentions of the representatives of the triple A had been made clear and the evidence of Mr. Johnston had been developed before a committee of the Senate, you took action. The Congress of the United States and the President of the United States settled the controversy. You passed the Agricultural Adjustment Act of 1938, and in title IV of that act you decided that this money belonged to the cotton-pool participants, and that it ought to be paid; and you wrote into that legislation the direction that it should be paid. I say, therefore, that if any basis for difference of opinion exists as to whether this $1,800,000 is the money of the cotton farmers who participated in this pool or is money derived from other operations of the Secretary of Agriculture in the handling of crop production loan cotton or in futures operations on the cotton market, if any ground for legitimate difference of opinion exists as to what is the truth of the matter, the question has been settled by the enactment of the legislation in question. I thought it was the duty of the conference committee, acting in behalf of the House in the consideration of this bill, to accept the direction which I conceived had been given to us by the enactment of the Agricultural Adjustment Act containing title IV, to which I have just made reference.

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Speaker, I yield 2 additional minutes to the gentleman from Georgia.

Mr. PATMAN. Mr. Speaker, will the gentleman yield for a question?

Mr. TARVER. I yield to the gentleman from Texas.

Mr. PATMAN. Is it not a fact that this money is in the hands of the Secretary of Agriculture at this time; and if the gentleman's motion prevails, it will not take any money out of the United States Treasury at all?

Mr. TARVER. No; this money has been turned over to the Treasury of the United States, as I understand.

Mr. PATMAN. At the same time it is in a special fund?

Mr. TARVER. It is in there; and under the terms of the trust certificates, if it was derived from the cotton represented by those certificates, it belongs, as a matter of law, to the cotton pool participation certificate owners.

Mr. WOODRUFF. Mr. Speaker, will the gentleman yield?

Mr. TARVER. I yield to the gentleman from Michigan.

Mr. WOODRUFF. As a matter of fact, a large portion of this money undoubtedly belongs to the cotton farmers of the South?

Mr. TARVER. Yes.

Mr. WOODRUFF. I, as one Member of the House, cannot see why we should place a limitation upon paying those men. It is their money.

Mr. TARVER. Let me say to my friend, in agreement with his question, that if the Secretary of Agriculture or those acting under him have mixed trust funds which were in their charge with other funds so that they cannot distinguish between them, then, under the rules applicable in every court of equity in this country, the cestuisque trust whose funds have thus been mixed with other funds so that they cannot be divided are entitled to the entire fund. However, the evidence I have referred to indicates that the entire amount, $1,800,000, belongs to these certificate holders.

Mr. ANDRESEN of Minnesota. Mr. Speaker, will the gentleman yield?

Mr. TARVER. I yield to the gentleman from Minnesota.

Mr. ANDRESEN of Minnesota. Part of the cotton that was covered in this pool was taken from the cotton held by the Farm Board.

Mr. TARVER. Yes, a great deal of it was bought from the cotton purchased by the Farm Board. That is where part of this controversy has arisen, because the Farm Board paid a great deal more for it than did the cotton pool. The Department of Agriculture wants to charge these cotton-pool participants with the derelictions of the Farm Board, but the cotton could have been bought on the open market for the price or even less than the price of 6 cents per pound which was paid to the Farm Board.

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Speaker, I yield 5 minutes to the gentleman from Minnesota [Mr. ANDRESEN].

Mr. ANDRESEN of Minnesota. Mr. Speaker, the gentleman from Georgia stated the cotton involved in this transaction came from the Farm Board. The Farm Board loaned the cotton farmers 16 cents a pound on this cotton and afterward sold it back to the farmers who had received the 16 cents a pound, for 5 and 6 cents a pound, so that the cotton farmers got 16 cents a pound, which is more than they have ever received during the 5 years and 4 months of the New Deal, and now they are coming in and asking to get this $1,800,000 in addition to the 16 cents and the profit they were able to make between the 6 cents they paid for it and the 12 cents for which they again sold it.

Mr. TARVER. Mr. Speaker, will the gentleman yield?

Mr. ANDRESEN of Minnesota. I yield to the gentleman from Georgia.

Mr. TARVER. The gentleman does not controvert the statement I have made that the Government could have bought the cotton in the open market for 6 cents a pound, just as it bought it from the Farm Board?

Mr. ANDRESEN of Minnesota. That is true, but the cotton farmers who are now asking for this $1,800,000 were paid 16 cents a pound on their cotton by the Farm Board on the loan that was made by the Farm Board to them, and the cotton farmers did not take the cotton back or redeem their pledge with the Board. Consequently, the Board became the owner of the cotton and they sold it back again to them, under the New Deal, at 6 cents a pound.

These are the facts, and if the cotton farmers are entitled to this extra money they should have it, but I do not believe they are and I do not believe they are entitled to the 3-cent subsidy voted to them here last August.

Mr. GILCHRIST. Mr. Speaker, will the gentleman yield?

Mr. ANDRESEN of Minnesota. I yield to the gentleman.

Mr. GILCHRIST. Is it not true that the representative of the cotton interests in the hearings at page 18 admitted, first, that there was no moral responsibility in any of the Government agencies to take up these certificates, and, secondly, that there was no legal responsibility?

Mr. ANDRESEN of Minnesota. The gentleman is correct; and further than that, representatives of the Department of Agriculture appeared before our committee in opposition to this payment saying that the cotton farmers had received everything they were entitled to receive when the money was distributed by the cooperative agency handling the sale of it.

Mr. SNELL. Mr. Speaker, will the gentleman yield?

Mr. ANDRESEN of Minnesota. I yield to the gentleman from New York.

Mr. SNELL. Who owns these certificates now? As I understand, there are a number of small certificates outstanding.

Mr. ANDRESEN of Minnesota. The ownership is not distributed very widely. These certificates were transferable, as I understand it, and a good many of them were picked up by speculators. They have a record of who owns them and you will find a good many are also owned by certain large operators.

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. Speaker, there is pending now before the House a motion by the gentleman from Georgia [Mr. TARVER] to recede and concur in the amendment which the Senate wrote in the pending bill to pay $1,800,000 on the cotton participation certificates. If the motion of the gentleman from Georgia prevails, we will pay $1,800,000 to wind up this particular bit of business. I am supporting the gentleman from Georgia.

Mr. CANNON of Missouri. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. Yes.

Mr. CANNON of Missouri. The gentleman recalls and the hearings show that the Department of Agriculture and those in charge have testified they have already wound up this matter?

Mr. DIRKSEN. Except the money.

Mr. CANNON of Missouri. And the pool owes the United States Government $459,000, so this is not a proposition to wind it up, it is already wound up, and this is a proposal to grant a gratuity.

Mr. DIRKSEN. This is a proposition to distribute what, in all conscience, is due to people with whom the Government entered into a solemn contract.

Mr. CANNON of Missouri. It was testified by both the Department of Agriculture and the Treasury Department that this would be a gratuity.

Mr. DIRKSEN. Mr. Speaker, let me say, particularly to my colleagues on this side of the aisle, I do not know what you think about the broad and sometimes seemingly academic question of Government morality, but it does appear to me that if there are no morals of Government and if the Federal Government does not stand by certain solemn undertakings which it has made with some of the producers of the country, then the whole moral structure falls to the ground, and this is the thing, in my judgment, that has persuaded me to go along with the Senate amendment.

Mr. CANNON of Missouri and Mr. GILCHRIST rose.

Mr. CANNON of Missouri. I trust the gentleman has read the hearings in which the Department of Agriculture testified not only that the United States Government was not legally bound, but that it was not morally bound, and since the gentleman has mentioned morals, the moral is that the United States Government is neither morally nor legally obligated. The moral obligation is to the taxpayers and the Treasury from which this money must be taken.

Mr. HEALEY. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. Let me proceed for a moment. You do not even know what I am going to say.

This matter of morals is purely a personal matter. Mr. Warren Chatfield Taylor, of the Treasury, may have one idea about morality and I may have another. Mr. Henry Wallace may have one idea about morality and I may have another. I am pursuing my own opinion and my own notion as to what I think are the morals of the case.

When the Senate wrote this provision into the pending bill I went to the Committee on Appropriations and took down a copy of the hearings that were held quite some time before, in fact, on the 14th of March, 1938, by the deficiency subcommittee on the question of the 1933 cotton pool participation trust certificates. I took that hearing down to my hotel and spent an evening going through it, and when I had gone through it I was prejudiced against this item in the Senate bill and had very carefully made up my mind that I was going to oppose the amendment. I did not know whether that was all of the case, so I went over and got myself some hearings from the Senate, to be specific, the hearings in 1936 and 1938. I examined copies of the so-called option contracts, and the other documents that were submitted, and on the basis of the whole testimony, I am urging you, or at least so far as I am concerned, I am going to vote to sustain the Senate, and I will tell you why.

It is very apparent, if you will read this hearing, that the situation sets itself up about as follows: In 1933 in the very first, all-inclusive farm bill, we set up a provision that cotton farmers might share on the basis of cotton option contracts and if he had $110 of cotton, as was indicated in these hearings, he could have it all in cash, or part cash, and the remainder in the form of a participation in cotton options on cotton which came into possession of the Federal Government through the operations of the Federal Farm Board. That was his benefit payment. That was a payment on account of the sacrifices that he made under the farm program, but he had an alternative.

The SPEAKER pro tempore. The time of the gentleman from Illinois has expired.

Mr. DIRKSEN. Mr. Speaker, will the gentleman yield me 5 minutes more?

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent that the hour for debate upon this amendment be extended 5 minutes, and that those 5 minutes be given to the gentleman from Illinois.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. DIRKSEN. Mr. Speaker, I thank the gentleman from Missouri. The cotton farmer had an option. He could take cash or part cash and an interest in a cotton option. After these options had been made, they set up a pool for the purpose of handling a lot of cotton that was an inheritance from the Farm Board. I know that as well as anybody. They sought to so administer this cotton as to not let two or three million bales get on the market at once, that the price structure might be saved. This pool was operating with some 450,000 or 460,000 interested parties. It finally got around to 1,900,000 bales. That constituted the real center of interest. They borrowed money from the Commodity Credit Corporation, and they gave them 4 cents a pound at first and later 2 cents a pound. Then it appears they were entitled to a balance of $1,800,000, and that is the question in issue at the present time. I said there is a moral question involved. So there is. Here is a copy of the 1933 cotton producers' pool that was approved by the Secretary of Agriculture, and paragraph (a) of section 3 says that, after certain expenses have been deducted, the managers shall thereafter distribute the remaining proceeds

ratably to the holders of record of participation certificates. That seems to be a very solemn undertaking under which we ought to pay the bill.

Mr. GILCHRIST. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. No. The fact of the matter is that all of these have been approved by the Secretary of Agriculture, and they constitute, in my judgment, a formal undertaking on the part of this country to pay, and the real issue now involved is whether or not some of these certificates have fallen into the hands of speculators and whether that fact should deny justice to some 340,000 actual farmer producers. I do not care whether they have fallen into the hands of speculators or not. When we passed the soldiers' bonus bill we were very careful to see to it that no transfer clause was inserted whereby they could alienate or assign. We did, however, put a transfer clause in this. They could sell these for 40 cents on a dollar or for 60 cents on the dollar. I am not going to look behind that contract to see whether or not 10 percent or 30 percent of these participation certificates are in the hands of speculators. Maybe they are, but the fact remains from all the testimony that I could get that about 80 or 85 percent of these certificates are still in the hands of the cotton-farmer producers. They are going to get the bulk of this, and if some of it finds its way into the coffers of speculators, well and good. We made it possible by a negotiable clause in this contract for them to transfer for a money consideration. So the whole thing involved is a moral question whereby Uncle Sam is expected to stand by and carry out the provisions of these undertakings and contracts and agreements that have been approved by the Secretary of Agriculture. Mr. Wayne Taylor and the Secretary of Agriculture can argue until they are blue in the face, but it does not controvert the fact that there is a moral undertaking in my opinion that we ought to pay them, even though some of these dollars may get into the hands of speculators.

Mr. HOPE. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. Yes.

Mr. HOPE. Is it not a fact that this money, $1,800,000, was made as a result of the cotton-pool transaction?

Mr. DIRKSEN. Yes.

Mr. HOPE. And those transactions would not have been carried on except for the cotton-pool operations?

Mr. DIRKSEN. Yes; and the other thing is this, that if a cotton producer instead of taking cash and a cotton option, had taken all cash and then taken the difference represented by the option and bought for himself cotton on the market at that time and speculated, just as the producers pool might have speculated, he would have made more money than he will get under this, even when the $1,800,000 is paid.

Mr. CANNON of Missouri. If he had speculated, he would have been entitled to the proceeds of the cotton he sold.

Mr. DIRKSEN. Yes.

Mr. CANNON of Missouri. But would he have been entitled to the proceeds of the cotton that some other man had sold?

Mr. DIRKSEN. Yes; by virtue of the fact that he was a participant in the pool. It was in September 1934 that Oscar Johnson went on the radio. He was the manager of the cotton pool. He told the people to go into the pool, and exactly what their benefits would be. He was an employee of the Federal Government when he went on the radio at that time, and we ought to stand by the representations and allegations that had been made.

Mr. CANNON of Missouri. He did not tell them that they would have the proceeds of some other man's cotton. He said they would have the proceeds of their own cotton only. And they have received that and $459,000 more.

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio [Mr. BIGELOW].

Mr. BIGELOW. Mr. Speaker, I have been tremendously inspirited by what I have heard on the floor today. I have been depressed as to why I could not better understand the bills that were coming before us, but the speech of the gentleman from Iowa has explained it. Those who did not hear the speech I urge to read it in tomorrow's RECORD.

If I have not understood this amendment it is because this is another one of these long-sentence amendments. This amendment is 27 lines long. It is just one long sentence of 27 lines. I have tried to understand it, however. It seems to me that it offers an opportunity to some of us from the North to express our spirit of cooperation to the South. Pretty soon we are going to need the cooperation of our friends from the South on the wage and hour legislation, and I have been anxious for every opportunity that I could justly avail myself of, of reciprocating with our Southern friends. It does seem to me that our people from the northern cities should vote for this amendment to retain the Senate amendment in this bill.

I had most unusual good luck as a new Member in that the first bill I introduced was passed. It was a bill to pay $2,500 to a humble colored man in the west end of Cincinnati. After the Congress had voted to do that, he would certainly have been very much disappointed if by subsequent action the Congress had reversed itself and deprived him of this appropriation. This, it seems to me, is what we are proposing to do in the effort to reject the Senate amendment. An obligation had been assumed and acknowledged, and certain people were counting on that being honored.

By our action, if we throw out this amendment we will dishonor that obligation. The strange argument is made that we should refuse to pay for these certificates now because they have passed into the hands of other people. That is precisely the argument Alexander Hamilton made at the beginning of this Government, and I think we have praised him for 150 years for establishing the sanctity of Government obligations.

Mr. BIERMANN. Mr. Speaker, will the gentleman yield?

Mr. BIGELOW. I yield.

Mr. BIERMANN. The gentleman has got Alexander Hamilton mixed with James Madison. Alexander Hamilton wanted these friends of his to get a reward on their speculation, and James Madison did not.

Mr. BIGELOW. Alexander Hamilton wanted the Government to pay its obligations.

Mr. BIERMANN. He wanted the speculator who had bought these obligations at 10 cents on the dollar to have the opportunity to profit by their speculation. James Madison did not want it done; but that is not the issue here. The issue here is not whether the colored man got $2,500 for his own injury; the issue is whether he got the $2,500 for somebody else's injury.

Mr. BIGELOW. The issue here is whether this Congress is going to pay for these certificates when it has already agreed to pay for them and acknowledged its obligation.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. BIGELOW. I yield.

Mr. TABER. The issue is whether the Government has already paid all that it agreed to pay on these certificates. There is no such question as the gentleman suggested. It has not arisen.

Mr. BIGELOW. The gentleman is opening up a question which has been decided by this Congress. We might argue that the Congress should not have agreed to pay the certificates; but having once made the agreement, how can this agreement be repudiated with honor?

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?

Mr. BIGELOW. I yield.

Mr. CRAWFORD. Do I understand correctly that in the 1938 agricultural act passed since the first of the year this Congress put in the statute books a provision that $1,800,000 should be paid under this plan?

Mr. BIGELOW. That is my understanding of the situation.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield for one further question?

Mr. BIGELOW. I yield.

Mr. CRAWFORD. Has any payment been made since Congress passed that act?

Mr. BIGELOW. I understand there has not been any payment made. These certificates are virtually notes of this Congress that should be redeemed. [Applause.]

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Speaker, I yield 5 minutes to the gentleman from Mississippi [Mr. DOXEY].

Mr. DOXEY. Mr. Speaker, I hesitate to ask the distinguished chairman of this committee for this time because I am not a member of this particular conference committee, but I was a member of the legislative conference committee that brought this legislation into being, legislation that was approved and passed by this Congress. In approving this legislation Congress clearly indicated its intention to pay this $1,800,000 to the farmer to whom it was and is due. I, therefore, heartily favor the amendment offered by the gentleman from Georgia.

Some confusion exists in regard to this entire proposition. The discussion here indicates not only a wide difference of opinion but different sources of information. As chairman of an agricultural subcommittee I have gone into this cotton-pool proposition rather extensively, as well as other matters discussed and voted upon here, such as the establishment of laboratories, payment of the cotton subsidy, and the tenant problem which we will soon vote on and I trust approve the $25,000,000 item.

I will not rehearse in detail the history of this cotton pool certificate transaction, but I want to point out some facts in this regard that have not been brought to your attention. May I say further that I deeply appreciate the action of the House this morning with reference to this conference report, wherein it agreed with the Senate in respect to the laboratory provision and with reference to the subsidy provision. Many of us have labored long and hard for these agricultural benefits. I believe it will take similar action with respect to this cotton pool certificate payment, because, Mr. Speaker, we cannot at this time endeavor to balance the Budget at the sole and only expense of agriculture. [Applause.] Everything that has been done, the appropriation we have made, is just carrying out the mandate that Congress has already given by legislation duly and legally passed by the Congress. Nobody will deny that this $1,800,000 was made by virtue of the farmers cooperating in the program. If any Member wishes to deny that, I yield to him to challenge my statement.

Mr. HEALEY. Will the gentleman yield?

Mr. DOXEY. I yield to the gentleman from Massachusetts.

Mr. HEALEY. May I ask the gentleman for information as to whether or not this fund accrued as the result of transactions in the farmers' cotton and certificate holders' cotton?

Mr. DOXEY. Absolutely and unequivocably. They had two sets of books down there at the Department. One of them was a cotton pool certificate book and the other was the Secretary's cotton account. The man who ran that whole business down there was Oscar Johnston, of Mississippi, and there never was a more efficient or capable Government representative, in my humble judgment. It was largely the result of his business ingenuity and the manner in which he handled it that the profit was made. He testified there was no way in the world to carry on the operations of this cotton producers' pool without combining the cotton-pool books and the Secretary's cotton-account books. When you liquidated you had a net profit of $1,800,000 that by contract and by law belongs to the producers of cotton.

These certificates have not all fallen into the hands of speculators, either, as has been charged, because we have provided in the law that nobody gets more than $1 a bale on these certificates. I have not time to discuss this in detail at this point, but I say to you, my colleagues, having passed the legislation, I hope the House will not, as I say, balance the Budget or endeavor to do so at the sole expense of agriculture. [Applause.]

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. CULKIN].

Mr. CULKIN. Mr. Speaker, I find myself in strong accord with the preferential motion of the gentleman from Georgia [Mr. TARVER]. The South from Civil War days has been buying in a protective market and selling in a world market. When I voted for the A. A. A. I intended to correct that gross differential. The situation that arises under this amendment of the Senate was grounded in authorizing law passed in this year of our Lord by this Congress. I am speaking here today because a former constituent of mine, now residing in the South, writes me that these certificates are now being held by the farmers themselves. He states they have held them relying on the word of the Government. Word has gone out that they are in the hands of speculators, and I understand that is the ground on which the Secretary of Agriculture has repudiated them. The fact is, as I am advised, 84 percent of these certificates are now in the hands of the dirt farmers themselves.

In view of the former agreements and express statutory covenants of the Government, I urge the adoption of the preferential motion offered by the gentleman from Georgia [Mr. TARVER]. [Applause.]

Mr. CANNON of Missouri. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. JOHNSON].

Mr. LUTHER A. JOHNSON. Mr. Speaker, it strikes me that we have consumed a good deal of time in the discussion of a question that has already been settled and crystallized into law. When we passed the farm bill of 1938 there was included in that bill, under title IV, legislation passing upon the validity of these certificates and a finding by Congress that the United States Government owed $1,800,000 to the holders of these cotton-pool certificates. This bill passed the House, it passed the Senate, and was approved by the President. After it was approved a communication was sent by the President of the United States to the Committee on Appropriations and recommended an appropriation of $1,800,000 for the payment of these certificates. The Director of the Bureau of the Budget also recommended that they should be paid.

Mr. WHITTINGTON. Congress has passed upon this matter?

Mr. LUTHER A. JOHNSON. Congress has passed upon it, the President has passed on it, the Bureau of the Budget has passed on it, and everybody has passed on it, and now we are called upon to repudiate the action of Congress, the recommendation of the President and the Director of the Budget, because some bureaucrat in the Department of Agriculture tells the Committee on Appropriations that there is no legal or moral obligation on the part of the Government to pay the holders of these certificates.

Mr. MAHON of Texas. Mr. Speaker, will the gentleman yield?

Mr. LUTHER A. JOHNSON. I yield to the gentleman from Texas.

Mr. MAHON of Texas. Is it not true that last year prior to the passage of the 1938 Farm Act the gentleman from Texas introduced a separate bill along this line and was very active in endeavoring to secure its passage?

Mr. LUTHER A. JOHNSON. On April 28, 1937, I introduced a bill, H. R. 6744, in connection with the matter covered by this provision of the Farm Act to pay the holders of these cotton-pool certificates, and I know the facts with reference to this matter.

It was called to my attention by farmers in my district, who own and hold these certificates and who wrote to inquire of me why they had not been paid, and I have continued to receive letters from many farmers in my district for the past 2 years.

I took the matter up, made a thorough investigation of it and became convinced that there was $1,800,000 profit from

the operation of this cotton pool and that this sum belonged to these farmers to whom were issued these cotton-pool certificates by the Government.

In 1933 the cotton producers' pool was created pursuant to the Agricultural Adjustment Act for the purpose of the orderly marketing of cotton presented by contracts of producers, the purpose of orderly marketing being to prevent the market being depressed by farmers all throwing their cotton upon the market for immediate sale.

Farmers who entered this pool were issued certificates which entitled them to their share of the profits derived from the handling of the cotton which they placed in the pool. Mr. Oscar Johnston was the manager of the so-called producers' pool.

There has been some conflict between the officials in the Department of Agriculture as to whether there was a profit or not, but the testimony of Mr. Oscar Johnston, the manager of the producers' pool, was to the effect that $1,800,000 was made as a profit, which should go to the holders of these certificates, and which, when divided among the holders of the certificates, would be at the rate of $1 per bale.

This $1,800,000 has never been paid to the farmers who hold these certificates. I believe it is a just claim. Whether you believe it is just or not, Congress has already decreed it to be just. It has already passed both Houses. I believe this House would be repudiating its own action and setting aside a judgment of Congress in denying this payment. I believe the preferential motion of the gentleman from Georgia should be adopted and the Senate amendment concurred in. [Applause.]

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan [Mr. CRAWFORD].

Mr. CRAWFORD. Mr. Speaker, my position on this bill resolves itself down to this, that in the 1938 Farm Act this was acknowledged as a liability and we should proceed to meet that obligation. I voted against that act, but when I make an obligation or am a party to an obligation I believe in paying the bill, as bad as it may be. [Applause.]

Mr. BIERMANN. Mr. Speaker, will the gentleman yield?

Mr. CRAWFORD. I have only 2 minutes.

Mr. BIERMANN. The gentleman does not mean to say that every time this House authorizes an appropriation the House afterward is obligated to make the appropriation?

Mr. CRAWFORD. I should say I do believe in that if innocent parties are involved in the picture as in this case where farmers have been so assured that their claims evidenced by the certificates would be protected, and if we would accept that philosophy we would be more careful in incurring obligations by passing bills of authorization. Do not the Members of this body feel the farmer is tricked often enough by those who are a little more sagacious and informed, without this Congress adopting the policy of adding to his burdens and just in order to get his vote at election time?

Mr. BIERMANN. What is the use of having a Committee on Appropriations then?

Mr. CRAWFORD. To give a double check on what is going on and to give us a chance to discuss some of these things subsequent to the passage of the act of authorization, and to somewhat coordinate the income and outgo of the Federal Treasury in the face of rash authorizations and promises made by those who are so anxious to purchase votes through such promising.

Mr. BIERMANN. There are hundreds and millions and probably billions of dollars authorized to be spent.

Mr. CRAWFORD. In my private life, as the record will show, I am careful about incurring obligations, but if there is anything in which I take delight it is in meeting an obligation after having made it, and it does not make any difference what the bill is. [Applause.]

I do not like to go against the chairman of the committee or the gentlemen on this side who oppose this appropriation, but if this is an obligation, let us pay it.

It does not make any difference who holds the certificates. The 1938 Agricultural Adjustment Act led the world to believe this obligation was not only recognized but that it would be paid in full. I still believe in the farmers of this country having the right to transfer their property when they like, whether it be a horse or a cow, pig or chicken, a cotton-pool certificate or a piece of land; and I believe the third party should be protected in that respect. For that reason, I expect to support the motion of the gentleman from Georgia. Let this obligation, previously recognized, be paid and then God help this great people of ours unless in the future Congress is less inclined to promise everything under the sun which an already overburdened and discouraged people are unable to pay for. If we would treat the public purse with as much consideration as a wise man does his own, what great difficulties we could go around through not incurring them. But so long as we sit here and vote billions of dollars of obligations, with little thought of ever paying them, but at all times having in mind the public will be led into voting "for us," then just so much nearer will our democracy approach its end.

CALL OF THE HOUSE

Mr. BIERMANN. Mr. Speaker, I make the point of order a quorum is not present.

The SPEAKER pro tempore (Mr. GRIFFITH). The Chair will count. [After counting.] One hundred and sixty-five Members are present, not a quorum.

Mr. CANNON of Missouri. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 104]

Allen, Pa.	Dockweiler	McAndrews	Scrugham
Ashbrook	Douglas	McClellan	Simpson
Atkinson	Farley	McGranery	Smith, Okla.
Boehne	Fernandez	McGrath	Smith, Wash.
Byrne	Fries, Ill.	McGroarty	Stack
Celler	Gasque	McMillan	Steagall
Champion	Gingery	McSweeney	Sullivan
Clark, Idaho	Gray, Pa.	Maloney	Sweeney
Clark, N. C.	Green	Mitchell, Tenn.	Taylor, Colo.
Cochran	Griswold	Mosier, Ohio	Taylor, Tenn.
Coffee, Nebr.	Hancock, N. C.	Murdock, Utah	Thurston
Cole, Md.	Harrington	O'Connor, Mont.	Wadsworth
Creal	Harter	O'Day	Wearin
Crosby	Hendricks	Owen	Weaver
Cullen	Hennings	Reed, N. Y.	Whelchel
Curley	Hildebrandt	Robertson	White, Idaho
Deen	Hook	Robinson, Utah	White, Ohio
DeMuth	Imhoff	Ryan	Wigglesworth
DeRouen	Johnson, Minn.	Sabath	Wood
Dickstein	Kopplemann	Sadowski	Woodruff
Disney	Kvale	Satterfield	
Ditter	Lemke	Schaefer, Ill.	

The SPEAKER. On this roll call 342 Members have answered to their names, a quorum.

Further proceedings under the call were dispensed with.

Mr. CANNON of Missouri. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, I feel the House should have a clear picture of this situation before it votes. In order that it may, I am going to read two or three items and call attention to two or three things that seem to me to be the key to this situation and the reason Members should not vote for this appropriation.

In the first place, when the A. A. A. took effect, the cotton farmers were given the option, if a man had 10 acres of cotton which he was told not to plant, of taking $110 in cash or taking $80 in cash, plus an option for about 3 bales of cotton at 6 cents a pound, with no obligation on his part to take the cotton over if he did not want it or if it went down. Out of this speculation these farmers who took an option at 6 cents a pound got for not planting 10 acres of cotton $160.70, where the farmer who took cash got $110. So those who took this option got $50.70 more than those who took cash.

Now, the rest of the story is that the Government operated this cotton pool and out of the pool it received and paid out

to the owners of these certificates all the money that it received for the sale of this particular cotton and in addition $469,999.25.

There is no legal authority for this overpayment, but it has been made.

These people who went into this cotton speculation were required by the terms of their option and contract to pay the expenses of that pool and those expenses were deducted before the payments were made to them.

Now, when the agricultural bill was passed last winter the Senate shoved in a provision that authorized an appropriation to pay these people who speculated an extra dollar a bale. This would mean $3 for every 10 acres. This would mean they would not only have an advantage of $50.70 over the fellow who took cash but they would have an advantage of $53.70. This provision of the agricultural bill only authorized the money to be appropriated. If it is not appropriated, there is no obligation whatever on the part of the Government to pay a single cent.

Having gone into this speculation and having been given all the proceeds of the operation of that pool and all the profits that resulted from the operation of that pool and $469,999.25 in addition, there is no moral or legal obligation anywhere on the Government to pay them another cent.

This is the reason I believe this House should refuse to vote for the motion of the gentleman from Georgia to recede and concur. [Applause.]

Mr. CANNON of Missouri. Mr. Speaker, there is no more thankless task than opposing proposals to spend money. It is much easier to be Santa Claus than to be Shylock, and I choose the latter role reluctantly. But you passed this bill. You sent us over to confer with the Senate conferees. You told us to adhere to the bill; not to add anything to it and not to take anything from it; and so, not in expression of any personal preference but in conformity with the instructions of the House, we have endeavored to shape these amendments to meet with the views expressed by you in the passage of the bill.

Many Members of the House are not familiar with the circumstances giving rise to the pending amendment. Although it was introduced in both the House and the Senate more than a year ago it was pigeonholed by the Agricultural Committees of both Houses and when submitted to the House Committee on Appropriations was rejected by a unanimous vote of the subcommittee, which held hearings on it. It is a very simple proposition.

When the Farm Board closed its unfortunate activities the Government found itself loaded with a tremendous amount of cotton hanging over the market, depressing the price of spot cotton beyond hope of recovery until disposed of.

This cotton was put in two baskets. In the first basket they put the cotton to be used in carrying out the farm program. Under that program they contracted with every farmer who would plow up one-third of his crop, to put to his credit the cotton he would have raised on the plowed third in a pool, each farmer to have the profits from the amount of cotton specified in his contract.

Much has been said about the contract but no one has quoted the contract. That is the crux of the matter. I wish you would turn now to page 2540 of the Appendix to the RECORD and there you will find printed the essential provisions of that contract. What did the United States Government promise the farmers in that contract? It promised them every cent of profit made on what? Made on the cotton that he would have raised, made on the cotton that went into the pool. And the United States Government kept that contract to the letter. It paid back to the farmer every penny that went into the pool and every penny that was made by the pool. As the Government paid the farmers, it issued certificates. It paid 4 cents and issued a yellow certificate. When more was made, the farmer was paid 2 cents, and received a brown certificate. The brown certificate is the one at issue in this amendment. What did the certificate promise? It promised the holder a share of any future profits made by the pool. At the time it was issued cotton was selling for 13 cents and if it had remained at that figure additional profits would have been made and a further dividend declared. Unfortunately cotton went down, and instead of making money the pool lost money and there was nothing to be divided among the last certificates.

As a matter of fact when they got through their last dividend, instead of the United States Government owing the pool anything, the pool owed the United States Government, as you will see in the tabulated statement of transactions in the RECORD. It is not a matter of anybody's opinion. There are the figures. They speak for themselves. No one reading them can have any doubt that the farmers not only got every cent they were entitled to, but that they got $496,000 more than they were entitled to. Who says that the United States Government owes anything on these certificates? The only man who has been mentioned here today by anybody who advocates this gratuity is this man Johnston, who is himself an interested person. He is an interested witness. He wanted more money. He wanted to justify his management. He wanted it, because he was in the cotton business himself.

The Committee on Appropriations sent down to the Department for a report on this man's testimony, and on page 11486 of the record there is a statement from the Department of Agriculture which I trust you will read.

The rest of the cotton was put in the other basket. After all the cotton had been used that could be used in the surplus-control program there still remained a large part of the cotton received from the Farm Board.

It had no connection with the pool. It was entirely different cotton; was not included in any contract with the producers and had no relation to the pool activities or transactions. The Secretary of Agriculture went to New York and borrowed money from New York bankers to finance the sale of this cotton. It was an entirely separate transaction and has no connection with the pool, and that $1,800,000 is the profit they made from the cotton in the other basket. This is not an offhand statement made in heat of debate. Look on page 11487 and note what the Department of Agriculture says and what the Secretary of the Treasury says.

There it is officially over their own signatures, and they say that instead of the Government owing the pool anything the pool owes the Government $459,000.

I am reminded of a story of Daniel Webster's early practice. One of his neighbors was a carpenter, a good workman, but a man of large family and very little means. He came to Daniel one afternoon and said, "Mr. Webster, I have a problem to put up to you. The banker hired me to do a couple of days' work and paid me $2.50, everything he owed me, but a week after that he met me on the street one day and paid me the $2.50 again. The money does not belong to me, of course, but I am a poor man and have a large family, while the banker is rich and will not miss it, but my conscience hurt me, so I want to ask you, Mr. Webster, what do you think I ought to do?"

Mr. Webster said, "Go and ask him for it again."

That is what the cotton pool is doing. The Government has not only paid them in full but has paid them the second time and now they are asking to be paid the third time. The demand has been rejected by every committee of Congress that has considered it and every Department of the Government that is concerned in the transaction. The testimony is that there are no grounds, either legal or moral, in support of this amendment.

[Here the gavel fell.]

The SPEAKER. The time of the gentleman from Missouri has expired; all time has expired.

Mr. CANNON of Missouri. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the preferential motion of the gentleman from Georgia to recede and concur in the Senate amendment.

The question was taken; and on a division (demanded by Mr. CANNON of Missouri) there were—ayes 179, noes 49.

Mr. CANNON of Missouri. Mr. Speaker, I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 219, nays 122, not voting 87, as follows:

[Roll No. 105]

YEAS—219

Allen, La.	Disney	Johnson, Okla.	Peterson, Fla.
Allen, Pa.	Dixon	Johnson, W. Va.	Peterson, Ga.
Amlie	Dorsey	Jones	Pfeifer
Anderson, Mo.	Doughton	Kee	Phillips
Arends	Doxey	Kelly, Ill.	Poage
Ashbrook	Drew, Pa.	Kelly, N. Y.	Quinn
Harden	Drewry, Va.	Kennedy, Md.	Ramsay
Barry	Driver	Kennedy, N. Y.	Rankin
Bates, Ky.	Duncan	Keogh	Rayburn
Beam	Edmiston	Kerr	Richards
Beiter	Elliott	Kitchens	Robertson
Bernard	Evans	Kleberg	Rogers, Okla.
Bigelow	Faddis	Kramer	Roy
Bland	Farley	Kvale	Ryan
Boileau	Ferguson	Lambeth	Sacks
Boland, Pa.	Fitzpatrick	Lanham	Sadowski
Boren	Flaherty	Lanzetta	Sanders
Boyer	Flannagan	Larrabee	Sauthoff
Boykin	Flannery	Lea	Schneider, Wis.
Bradley	Furand	Leavy	Scott
Brooks	Ford, Calif.	Lewis, Md.	Shanley
Brown	Ford, Miss.	McFarlane	Sheppard
Buckler, Minn.	Frey, Pa.	McGehee	Sirovich
Buckley, N. Y.	Fuller	McKeough	Smith, Va.
Bulwinkle	Fulmer	McReynolds	Smith, W. Va.
Burch	Gambrill, Md.	Maas	Somers, N. Y.
Burdick	Garrett	Magnuson	South
Caldwell	Gavagan	Mahon, S. C.	Sparkman
Carlson	Gehrmann	Mahon, Tex.	Starnes
Cartwright	Goldsborough	Martin, Colo.	Sumners, Tex.
Case, S. Dak.	Greenwood	Massingale	Swope
Casey, Mass.	Greever	Maverick	Tarver
Chandler	Gregory	Mead	Taylor, S. C.
Chapman	Griffith	Meeks	Teigan
Claypool	Haines	Merritt	Terry
Coffee, Wash.	Halleck	Mills	Thomas, Tex.
Cole, Md.	Hamilton	Mitchell, Ill.	Thomason, Tex.
Collins	Hancock, N. C.	Moser, Pa.	Tolan
Colmer	Hart	Mott	Transue
Connery	Havenner	Mouton	Turner
Cooley	Healey	Murdock, Ariz.	Umstead
Cooper	Hendricks	Nichols	Vincent, Ky.
Costello	Hildebrandt	O'Brien, Mich.	Vinson, Ga.
Cox	Hill	O'Connell, Mont.	Voorhis
Cravens	Hobbs	O'Connell, R. I.	Wallgren
Crawford	Honeyman	O'Leary	Walter
Culkin	Hope	O'Toole	Warren
Daly	Houston	Owen	Wene
Deen	Huil	Pace	West
Delaney	Izac	Parsons	Whittington
Dempsey	Jarman	Patman	Wilcox
DeRouen	Jenckes, Ind.	Patrick	Withrow
Dies	Johnson, Luther A.	Patterson	Woodruff
Dingell	Johnson, Lyndon	Patton	Zimmerman
Dirksen	Johnson, Minn.	Pearson	

NAYS—122

Aleshire	Gamble, N. Y.	Luckey, Nebr.	Romjue
Allen, Del.	Gearhart	Ludlow	Rutherford
Allen, Ill.	Gifford	Luecke, Mich.	Schuetz
Andresen, Minn.	Gilchrist	McLaughlin	Schulte
Andrews	Gildea	McLean	Secrest
Bacon	Gingery	Mapes	Seger
Bates, Mass.	Gray, Ind.	Martin, Mass.	Shafer, Mich.
Bell	Guyer	Mason	Shannon
Biermann	Gwynne	May	Short
Binderup	Hancock, N. Y.	Michener	Simpson
Cannon, Mo.	Harlan	Nelson	Smith, Conn.
Cannon, Wis.	Harrington	O'Brien, Ill.	Smith, Maine
Church	Harter	Oliver	Snell
Clason	Hoffman	O'Malley	Spence
Cluett	Holmes	O'Neal, Ky.	Stefan
Cole, N. Y.	Hunter	Palmisano	Sutphin
Crosser	Jacobsen	Pettengill	Taber
Crowe	Jarrett	Pierce	Thom
Crowther	Jenkins, Ohio	Polk	Thomas, N. J.
Dondero	Kinzer	Powers	Thompson, Ill.
Dowell	Kirwan	Rabaut	Tinkham
Eaton	Kniffin	Randolph	Tobey
Eberharter	Knutson	Reece, Tenn.	Towey
Eckert	Kocialkowski	Reed, Ill.	Treadway
Eicher	Lambertson	Rees, Kans.	Williams
Engel	Lamneck	Reilly	Wolcott
Englebright	Lesinski	Rich	Wolfenden
Fish	Lewis, Colo.	Rigney	Wolverton
Fitzgerald	Lord	Robsion, Ky.	Woodrum
Fieger	Lucas	Rockefeller	
Fletcher	Luce	Rogers, Mass.	

NOT VOTING—87

Arnold	DeMuth	McCormack	Schaefer, Ill.
Atkinson	Dickstein	McGranery	Scrugham
Barton	Ditter	McGrath	Smith, Okla.
Bloom	Dockweiler	McGroarty	Smith, Wash.
Boehne	Douglas	McMillan	Snyder, Pa.
Boylan, N. Y.	Dunn	McSweeney	Stack
Brewster	Fernandez	Maloney	Steagall
Buck	Fries, Ill.	Mansfield	Sullivan
Byrne	Gasque	Mitchell, Tenn.	Sweeney
Carter	Gray, Pa.	Moser, Ohio	Taylor, Colo.
Celler	Green	Murdock, Utah	Taylor, Tenn.
Champion	Griswold	Norton	Thurston
Citron	Hartley	O'Connor, Mont.	Wadsworth
Clark, Idaho	Hennings	O'Connor, N. Y.	Wearin
Clark, N. C.	Hook	O'Day	Weaver
Cochran	Imhoff	O'Neill, N. J.	Welch
Coffee, Nebr.	Keller	Plumley	Whelchel
Creal	Kopplemann	Ramspeck	White, Idaho
Crosby	Lemke	Reed, N. Y.	White, Ohio
Cullen	Long	Robinson, Utah	Wigglesworth
Cummings	McAndrews	Sabath	Wood
Curley	McClellan	Satterfield	

So the motion to recede and concur was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Hook (for) with Mr. Ditter (against).
Mr. O'Connor of Montana (for) with Mr. Reed of New York (against).
Mr. McClellan (for) with Mr. Douglas (against).
Mr. Gasque (for) with Mr. DeMuth (against).
Mr. Steagall (for) with Mr. Hartley (against).
Mr. Fernandez (for) with Mr. White of Ohio (against).
Mr. Maloney (for) with Mr. Wigglesworth (against).
Mr. Mansfield (for) with Mr. Plumley (against).

Until further notice:

Mr. Cochran with Mr. Carter.
Mr. McCormack with Mr. Wadsworth.
Mr. O'Connor of New York with Mr. Taylor of Tennessee.
Mr. Ramspeck with Mr. Barton.
Mr. Cullen with Mr. Welch.
Mr. Griswold with Mr. Brewster.
Mr. Mosier of Ohio with Mr. Lemke.
Mr. McMillan with Mr. Dunn.
Mr. Whelchel with Mr. Keller.
Mr. Arnold with Mr. Hennings.
Mr. Robinson of Utah with Mr. Byrne.
Mr. Boehne with Mr. Scrugham.
Mr. Long with Mr. Snyder of Pennsylvania.
Mr. Taylor of Colorado with Mr. Satterfield.
Mr. Bloom with Mr. Green.
Mr. Clark of Idaho with Mr. Atkinson.
Mr. Sabath with Mr. Smith of Washington.
Mr. Weaver with Mr. Boylan of New York.
Mr. Creal with Mr. Schaefer of Illinois.
Mr. Imhoff with Mr. Buck.
Mr. Kopplemann with Mr. Smith of Oklahoma.
Mr. Celler with Mr. McGranery.
Mr. Dockweiler with Mrs. Norton.
Mr. O'Neill of New Jersey with Mr. Wood.
Mr. Sullivan with Mr. Gray of Pennsylvania.
Mr. Murdock of Utah with Mr. Fries of Illinois.
Mrs. O'Day with Mr. Sweeney.
Mr. Dickstein with Mr. Clark of North Carolina.
Mr. McAndrews with Mr. Coffee of Nebraska.
Mr. McGrath with Mr. McSweeney.
Mr. White of Idaho with Mr. Crosby.
Mr. Mitchell of Tennessee with Mr. Cummings.
Mr. Wearin with Mr. Curley.
Mr. Champion with Mr. Stack.

Mr. SCHNEIDER of Wisconsin, Mr. FLANNAGAN, and Mr. GREENWOOD changed their vote from "nay" to "yea."

The result of the vote was announced as above recorded.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 105: Page 101, line 8, strike out "$15,000,000" and insert in lieu thereof "$25,000,000."

Mr. CANNON of Missouri. Mr. Speaker, I move that the House insist on its disagreement to the amendment of the Senate No. 105.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I offer a preferential motion which I ask to have read.

The SPEAKER. The gentleman from Missouri moves that the House insist on its disagreement to the amendment of the Senate No. 105.

The gentleman from Oklahoma offers a preferential motion, which the Clerk will report.

The Clerk read as follows:

Mr. JOHNSON of Oklahoma moves that the House recede and concur in the Senate amendment.

Mr. CANNON of Missouri. Mr. Speaker, I yield 10 minutes to the gentleman from Oklahoma [Mr. JOHNSON].

Mr. JOHNSON of Oklahoma. Mr. Speaker, my motion just offered to recede and concur in the Senate amendment proposes to appropriate $25,000,000 instead of $15,000,000, as proposed by the House conferees.

I assume that it is well understood that this is what is known as the farm-tenant provision of the agricultural appropriation bill. It is unnecessary, I hope, to review the history of this farm-tenant legislation. Many of you remember that for the past several years past administrations made glowing promises to farm tenants. Many beautiful speeches were made, but farm tenancy has been on a sharp increase. past Congresses made mere gestures, bills were introduced, but year after year Congress would adjourn without actually doing anything except talk. You may also recall that early in this administration President Roosevelt called attention of the Congress to the urgent necessity of dealing with this ever-growing and perplexing problem of farm tenancy. But not until during the first session of the Seventy-fifth Congress was it possible to actually enact any legislation dealing with this deplorable and tragic tenancy problem.

Permit me to say that I am glad to have been permitted to have a small part in that legislation. The Democratic steering committee of the House met with the chairman of the Committee on Agriculture of the House and the Committee on Agriculture of the Senate, and it was out of these meetings that the compromise bill was finally agreed upon. Some of us were insisting that the sum of $50,000,000 per year was the minimum that we could afford to start on to make the program successful. But we had to take the compromise or nothing. It was necessary to compromise or again suffer defeat. The compromise, as you will recall, provided that for the first year $10,000,000 of Federal funds would be authorized to become available to tenant farmers as loans over a long period of years at a small rate of interest. Not a grant, mind you, but a loan, every dollar of which must be paid back to the Federal Treasury. The bill further authorized $25,000,000 the second year and $50,000,000 thereafter. The tenant farmers of America had a right to expect Congress to actually appropriate the amount authorized, small though the sum be in comparison with the widespread needs. But what happened? You will recall that for the first year the committee refused to recommend $10,000,000 authorized and gave all kinds of excuses for so doing. Then it was that this House said that that authorization was a solemn obligation, and the House voted overwhelmingly to appropriate the sum of $10,000,000.

Then, despite the action of this House, you remember that when this agricultural appropriation bill was before the House about the middle of last April we found that the committee recommended only $15,000,000 to carry out the provisions of the act which authorized $25,000,000 for the second year. At that time the committee explained its action by advising us that the Farm Security Administration had not spent all of the first $10,000,000 appropriated. We were further told that the Farm Security Administration could not wisely expend the entire $25,000,000 during the next year.

It will be recalled that at that time I offered an amendment to increase the amount to $25,000,000, the full amount authorized by law, and I explained at that time that the machinery of this organization had just been set up, that the first loan had been made only a few weeks prior to that date, and I predicted then that by July 1 there would be sufficient eligible applications and funds obligated to use all or practically all of $10,000,000 appropriated for the first year. We were told then that very few applications for loans had been received. In that connection let me say that I hold in my hand some up-to-date, up-to-the-hour information, which I secured from the Farm Security Administration since today noon. I am advised that there have been received up to date 38,010 applications with sufficient funds for only 2,000 loans. All these 38,000 and more applications are from bona fide tenants who are eligible under the law for such loans. I am further advised that only 30 days' to 6 weeks' time was permitted to make applications for these loans. That time limit is now closed, and no further applications are being accepted.

With from 30 days to 6 weeks to make application, there are now 38,010 eligible and deserving farmers begging for an opportunity to live under their own roofs and sit by their own firesides. Of those 38,000 applications, the committees have been forced to turn down over 36,000 for no reason other than a lack of sufficient money. But 2,400 have been approved to the extent that the tenant has gone out and selected his farm, which is approximately 400 more than there is money now to make loans for this purpose. Of those 2,400 loans that have been approved to the extent that the tenant has actually selected his farm, 1,851 have not only been approved by the tenant but have been approved by the local committee and are now in the process of closing, and the money soon will be obligated.

Again I have today been reliably informed that practically every dollar of the first $10,000,000 is now or will be obligated by July 1 and, with the exception of 25 loans that are to be made in the Hawaiian Islands, every region will obligate practically every dollar allocated it by July 1. The fact is that Oklahoma alone, where more than 65 percent of our farms are tilled by tenants, could wisely expend the full $25,000,000 next year and yet not solve this problem in my State. The situation is similar in Texas, Arkansas, and several other Southern and Midwestern States.

Mr. McFARLANE. Will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield to the gentleman from Texas.

Mr. McFARLANE. In that regard, due to the lateness of the time in which this Farm Administration has set up the farm-tenancy program, as the gentleman suggested, they have had a very short period of time only to throw this open to the public and only got into some 300 counties of the Nation. The applications for loans, some 38,000 in number that the gentleman states, have come from these counties only that they have had the opportunity of going into.

Mr. JOHNSON of Oklahoma. Yes.

Mr. McFARLANE. Had they had the opportunity to throw this open to all the farmers of the Nation and the money made available, we would have had 10 times that number available and the same amount of money in proportion badly needed. I call that to the attention of the gentleman.

Mr. JOHNSON of Oklahoma. I thank the gentleman for his contribution. I may say that when the pending agricultural appropriation bill first passed the House, on the 14th day of April, there might have been some color of reason for not appropriating the full amount at that time, but if there was any reason at that time, there is certainly no excuse now. The same conditions do not exist now. Frankly, I am saying this for the benefit of some of you Members who, through lack of information or otherwise, voted to cut this amount $10,000,000 below the sum authorized by this Congress when the same item was being considered last April.

Of course, it is true, as pointed out by the gentleman from Texas, that the Farm Security Administration was slow in setting up its farm-tenancy machinery. But in my State at least it has been set up carefully and very efficiently. Undoubtedly they could more efficiently use $50,000,000, now that the machinery has been set up, than the $10,000,000 expended since the program began.

Mr. ROBSION of Kentucky. Will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield to the gentleman from Kentucky.

Mr. ROBSION of Kentucky. I voted for the bill, and I am very much in sympathy with the program.

Mr. JOHNSON of Oklahoma. I thank the gentleman.

Mr. ROBSION of Kentucky. Can the gentleman give us some information as to what it costs per farm? I notice in my own district one or two loans have been made, and the amount advanced was $7,500 per unit. There are some 3,000,000 of these tenant farmers in the United States, and if

we go on at that rate will we not be very much limited, whereas maybe a $4,000 farm would help many more people?

Mr. JOHNSON of Oklahoma. I cannot tell the gentleman what it will cost. They can spend $25,000,000 with the same or practically the same machinery with which the first $10,000,000 has been loaned, as I have endeavored to explain.

Mr. MEEKS. Will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield to the gentleman from Illinois.

Mr. MEEKS. Is the gentleman able to tell us in what parts of the country these applications have been received?

Mr. JOHNSON of Oklahoma. I am told that applications have been received from all parts of the country, from practically every State in the Union, 333 counties in number. If the full amount of $25,000,000 is appropriated, as provided in the pending Johnson amendment, loans will be made in some 400 additional counties, making 733 counties in all. But bear in mind that this will make possible making only 4,000 additional loans, or 6,000 of the 38,010 applications which are already on file.

Mr. MEEKS. Do any come from the Middle West?

Mr. JOHNSON of Oklahoma. Yes. They come from practically every congressional district in the United States. In some districts these projects have all been placed in one county. Sometimes they put two to six in one county, but in too many instances in some of the most needy counties in my State not a single loan under this act has yet been made. But simply because this is not a drop in the bucket, simply because this does not touch the surface with reference to what ought to be done, is no excuse why we should not appropriate the amount authorized by law. [Applause.]

May I add that within a day or two the relief bill will be finally called up, and we will find that the body at the other end of this Capitol has added $300,000,000 for what they call slum clearance in the great cities. This makes $800,000,000 for relieving the housing situation in the great cities of the country. I doubt if a single dollar of that amount will go to Oklahoma. I have consistently voted to assist the needy in the great congested cities. Those of us from the great agricultural sections have not hesitated to come to the assistance of Members from the cities. If $800,000,000 can be justified for a slum-clearance program in the cities, then I submit in all fairness that we are not greedy in calling on you to vote today the amount Congress told the tenant farmers it would provide for loans to them for the next year. The question is, Shall we keep the faith?

Your vote today will decide the future of this farm-tenancy program. If this appropriation is today cut $10,000,000 below the sum authorized, this committee would have every reason to make a drastic cut next year. Let this be a test vote. Let us say to the committee in no uncertain terms that this Congress meant what it said when it passed the Bankhead-Jones Act. Again I appeal to Members to keep the faith. [Applause.]

Mr. CANNON of Missouri. Mr. Speaker, I yield to the gentleman from Ohio [Mr. HARTER].

CARE OF MATERIAL, ETC., IN THE HANDS OF THE NATIONAL GUARD OF THE SEVERAL STATES

Mr. HARTER submitted a conference report and statement on the bill (H. R. 9721) authorizing the disbursement of funds appropriated for compensation of help for care of material, animals, armament, and equipment in the hands of the National Guard of the several States, Territories, and the District of Columbia, and for other purposes.

AGRICULTURE DEPARTMENT APPROPRIATION BILL, 1939

Mr. CANNON of Missouri. Mr. Speaker, I yield 5 minutes to the gentleman from Oklahoma [Mr. MASSINGALE].

Mr. MASSINGALE. Mr. Speaker, I feel as keenly as any man in this assembly the importance of this new governmental venture. I live in a community where there are fine farm lands, but where, because of the economic conditions under which the farmer lives, he cannot make a living. To me this program is a venture to build under this Government of ours a new foundation.

It is distressing to realize that I have seen the section that I represent go from a land of home owners to a land composed of a very large percent of tenants. In my portion of Oklahoma about 72 percent of the farms are farmed by tenants. You know and I know that this is a condition which no nation can stand. We are going to need in this country pretty soon, I apprehend, some stabilizers put out in various sections, and I do not know what you can do better than to put young and ambitious men and women on the farms of this country and make it possible for them to make a living there.

Let me tell you something about the operation of this law during the short period it has been tried out in Oklahoma. My home county happened to be selected as one of the counties of Oklahoma where men could apply to purchase homes for themselves. Every available allotment of money to buy a farm in that county was taken fortyfold, as far as applications were concerned. The people in my section want to buy a home and want to have some kind of security, so they may try again to see if they cannot contribute something to American life.

Only about 10 or 11 of the applicants were able to get farms under the money that was allotted for that purpose in the county of Oklahoma where I live. When a home was allotted under this program it was the cause of a celebration in the community where the farm was selected, the tenant approved, and the conveyance agreed upon. It is a matter of vital concern to the people of this country. However, it may be in some sections of the country, in the great Middle West, in the Plains country, we have a different condition of farm life from what prevails elsewhere. The farmers there have gone upon the theory that when the Government threw open that great country it gave the people to understand that farming was a kind of business, and that they were encouraged to plow under thousands of acres of that fertile land for the purpose, you might say, of having a contest to see who could raise the largest number of bushels of wheat or the largest number of bales of cotton per acre. The people became habituated to making a living out of selling farm products and making that business a commercial venture, with the result that we have gone to extremes out there. Now, I will tell you what we have under the policy that has been followed of mortgaging homes and mortgaging lands. We have a land of ownerless homes—a land of tenants. We owe it to those who think enough of farming to hang on to it under existing economic conditions to make it possible for as many as wish to become owners of these lands that are not owned by any farmer or local resident to take a new lease on life instead of being compelled to take a new lease each year on some absentee owner's land, if, indeed, such lease can be had at all. The safety of America will be assured when they—the sincere tenant farmers—become home owners. Remember, there are 3,500,000 of these tenants, and that great number of new home owners added to America's assets will be of more value than battleships or large armies without the homes. Let us avoid the odyssey of the poor of the Middle West in each autumn forced to a trek to southern California, where they may gather food enough in the outdoors to live upon. It is better to help them get homes at home.

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. JONES].

Mr. JONES. Mr. Speaker, I would have preferred to yield my time to the gentleman from Oklahoma, who was making such a very fine speech, and I believe a very effective one—a speech that went to the very heart of this proposition.

The principal criticism that was offered in the House when the original proposal was presented was that the program was not ambitious enough, that there was not enough money involved, and that if we had asked for a half billion or a billion dollars we might have gotten somewhere. However, when it was found that under the circumstances prevailing

at that time we could not get that amount of money, the House, in its wisdom, decided that, after all, it might be best to start modestly; and we started with $10,000,000 the first year, $25,000,000 the second year, and $5,000,000 per year thereafter.

Farm tenancy has been growing for many years.. One of the most disturbing conditions, I believe, that exist in America today is the tendency toward tenancy.

The beautiful songs that have become immortal because they glorified the home were not composed or sung about a rented shack or a temporary abode, but about a home in the real sense of the word. This Republic is anchored in the homes of its people, and is builded on the character of its home-loving citizenship.

The interest that is displayed in this proposition is shown by the fact that with the program being made available in only a comparatively limited number of counties, 38,000 applications were filed in a few weeks, whereas with the funds that are made available this year only 2,000 applications are permitted to be approved. It takes very little additional time to organize in more counties on the same basis. It took a little time to get the program into action. This fund was not made available until last fall.

The officials must organize on a Nation-wide basis because the tenant problem is Nation-wide. I cannot conceive of a more important problem, looking down the years, than to try to reverse this swing from a tendency toward tenancy to a tendency toward home ownership.

Mr. FERGUSON. Mr. Speaker, will the gentleman yield?

Mr. JONES. I yield.

Mr. FERGUSON. To show how modest the program is, or how modest it was last year under the $10,000,000 appropriation, three counties in my district were allotted $2,400 for the entire three counties, not enough for even one project.

Mr. JONES. Well, in most of the districts I think it was pretty well divided on the ratio of tenancy existing and the funds available and the territory to be covered. As the gentleman knows, this is a broad, big country—big in many ways. I believe in this country. I believe in her future. Knowing the glory of the past and the accomplishments of the past, I am not discouraged. I believe we will go forward to greater things. We are going through a process of change. We have reached the end of an epoch and we are going from that into another epoch. Nobody knows just what it means or what it will be like, but it will be all right if we will work and we will build. We are going forward. If we fall, we will fall uphill, for civilization is advancing. We cannot afford to go back on principles that have been shown to be the foundation of civilization.

Mr. GREENWOOD. Mr. Speaker, will the gentleman yield?

Mr. JONES. I yield.

Mr. GREENWOOD. We all recognize that $10,000,000 for the first year and $25,000,000 for the second year was a very modest beginning and we all wanted to help these tenants to own their own homes. The applications have now piled up. Some have received recognition and many, compared with those who have received recognition, have not received anything, and we ought to emphasize the fact that this is not a grant or a subsidy but is a loan on real estate to help men own their own homes. [Applause.]

Mr. JONES. The gentleman is quite right. That is a perfectly good statement and I endorse it. [Applause.]

Mr. CANNON of Missouri. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. MAVERICK].

SUM FOR FARM TENANCY NOT A DROP IN THE BUCKET

Mr. MAVERICK. Mr. Speaker, the matter we have before us today is an extremely important one—it concerns farm tenancy, landless people, and is vital to our Nation. The amount of money we authorized for farm tenancy was wholly inadequate in the first place.

It was to be $10,000,000 the first year and $25,000,000 the next year—nothing in comparison to the problem.

But if we go into the real facts concerning farm tenantry in this country, we realize that $25,000,000 is just a drop in the bucket.

So many of us from the South have talked today that this might look like a southern proposition, but this concerns the whole United States of America. The most conservative Republican ought to vote for this.

Farm tenancy is increasing in Wisconsin and Minnesota, which are said to be the best agricultural States in the Union. It is increasing in the Dakotas and it is increasing all over the United States of America. It is literally a national problem of stupendous proportions.

TWO HUNDRED MILLION ACRES DESTROYED—HOW ABOUT THE HUMANS?

We have in this country about 200,000,000 acres of land that have been destroyed, but the worst thing is the human destruction that is going on.

I want to tell you something else that is of extreme importance. This money is not going to any temporary bureau. This is not going to inexperienced men, but it is going to the Department of Agriculture which is permanently organized and well organized, and they will handle the work in a proper manner. We all know that the permanent bureaus of the Government handle their work better than the temporary ones.

We have allowed hundreds of millions of dollars for relief, and I have voted for it and I am glad I did. In the relief bill we passed, hundreds of millions of dollars are going for farm relief.

Why should we not take this money and put it in the farm-tenant problem so we can put men back on the farm where they can live like human beings instead of being on charity?

"CIVILIZATION BEGINS AND ENDS WITH THE PLOW"—GOVERNOR ROBERTS, OF TEXAS

There was an old man who lived in Texas and became a famous man and a Governor, who said, "Civilization begins and ends with the plow." It was Gov. O. M. Roberts. This was not just a speech; it was the truth. Civilization begins and ends with a plow.

This is not throwing money away, it is something that will really benefit the people of the United States, and I wish to make a particular appeal to my sidewalk-farmer friends from New York City and from Connecticut and Philadelphia and Chicago.

If you people want to sell things from your manufacturing districts in your big cities you should make it so that the rest of the people who live on the farms may have enough money to buy something from the factories on the sidewalks of New York and in the other cities of the country.

Some may say that there are not enough farmers for this project, but I say to you that if there is any opportunity whatever given to these people to get on the farms of the country there will be literally hundreds of thousands, not even tens of thousands, but hundreds of thousands of applications.

This amount of $25,000,000 is infinitesimal. It is the smallest amount you can think of, but this is as much as is authorized. If we ever hope to be effective and get at the tenant problem, the thing to do, the common-sense thing to do, and the conservative thing to do is to vote for this amendment appropriating $25,000,000.

Mr. MARTIN of Colorado. Mr. Speaker, will the gentleman yield for a question?

Mr. MAVERICK. I yield.

Mr. MARTIN of Colorado. I am supporting the Senate amendment, but I am not doing it on the theory that it will arrest the processes which are converting farm owners in this country into tenants; in fact, I am afraid it will not have any effect whatever in retarding farm tenancy.

Mr. MAVERICK. Then why are you voting for it?

Mr. MARTIN of Colorado. Because I am going to try everything that comes along that promises to help the farmer.

Mr. MAVERICK. All right; that is a good idea.

Mr. MURDOCK of Arizona. Mr. Speaker, will the gentleman yield?

Mr. MAVERICK. I yield.

Mr. MURDOCK of Arizona. I am heartily in favor of the amendment which the gentleman is advocating, and I want to ask him this question: Does not the gentleman believe that by putting the supervision of this expenditure in an old, conservative, well-established department, like the Department of Agriculture, that there will not be the relatively high overhead which we so often find when new projects are put in the hands of newly created bureaus?

Mr. MAVERICK. The gentleman is absolutely right.

I have been down to the Department of Agriculture and it is what you might call "infested" with Republicans, but even they are good men and they do a good job, and if this thing is done it will be a beneficial thing to the country. I am sure it will be handled in a proper way, so let us all vote for it and put it over. [Applause.]

Mr. CANNON of Missouri. Mr. Speaker, I yield 5 minutes to the gentleman from Kansas [Mr. HOPE].

Mr. HOPE. Mr. Speaker, I hope the motion to recede and concur will be adopted. It is not necessary to go into the arguments that have been made many times as to the value of a farm-tenancy program. Congress has accepted and adopted those arguments. The country has recognized their value, but there is no use in trying to carry out a program of that kind unless we are prepared to do it in an adequate way. Twenty-five million dollars is not adequate. We will all have to admit that, but that is all that is authorized to be appropriated this year. This program has been continually cut down. It started out as a billion-dollar proposition. That was impossible. Then we talked about $50,000,000 a year. When the bill finally was passed it was $10,000,000 for the first year, $25,000,000 for the second, and then $50,000,000. Now we are trying to cut this from $25,000,000 to $15,000,000, if we follow the bill as it passed the House. When you consider the $10,000,000 took care of only approximately 2,000 farmers, the $25,000,000 will take care of only approximately 5,000, and it is easy to see that that is the very minimum with which we ought to proceed at this time. We are undertaking a housing program and a slum-clearance program in the cities involving vast subsidies and the expenditure of hundreds of millions of dollars. I am not criticizing that program, but we have rural slums that are just as bad as any slums in our great cities, and here is a program which does not involve a subsidy. It is a program in which the Government is going to get its money back, a very modest program, one which is operating successfully, and which requires only adequate funds to become a success over a period of years. Every civilized country has faced this farm-tenancy problem, and every country that has attempted the program has made a success of it—Ireland, Denmark, and other nations have made a success of their farm-tenancy programs, but considering their resources and ours and the size of their problem and ours, we are going at the matter in a very meager way.

Mr. MAVERICK. Mr. Speaker, will the gentleman yield?

Mr. HOPE. Yes.

Mr. MAVERICK. As a matter of fact could not the gentleman use $25,000,000 and more, conscientiously and honestly in the single State of Kansas?

Mr. HOPE. Undoubtedly.

Mr. MAVERICK. Or in any State in the Union.

Mr. HOPE. Certainly. Today under the present program in the State of Kansas it is being carried out in only 6 of our 105 counties.

Mr. HOUSTON. Can the gentleman tell us how many tenant farmers we have in Kansas today? Is it not over 40 percent?

Mr. HOPE. Yes. I think it is nearer 50 percent.

Mr. HOUSTON. And what proportion of the $25,000,000 would go to Kansas?

Mr. HOPE. I could not give the gentleman those figures, but with $25,000,000, we would get two and a half times as much as we got this year.

Mr. JOHNSON of Oklahoma. And if the House should refuse to accept the Senate amendment, then that would be a precedent by which the committee could next year refuse to appropriate $50,000,000 which this Congress has authorized for the tenant farmers for next year.

Mr. HOPE. I think that is a fair assumption. I hope this House will again put itself on record as being favorable to this worthy program by appropriating the full $25,000,000 which is authorized.

The SPEAKER pro tempore. The time of the gentleman from Kansas has expired.

Mr. CANNON of Missouri. Mr. Speaker, I yield 5 minutes to the gentleman from Wisconsin [Mr. BOILEAU].

Mr. BOILEAU. Mr. Speaker, in support of this provision I want to make it clear that so far as I am concerned I do not think it is very much of a beginning in solving our farm-tenancy problem. As a member of the Committee on Agriculture, to which committee the President's recommendations were referred more than a year ago, I attempted to make a study of the recommendations of that committee, and after studying those recommendations very thoroughly, after conferring with men and women in this country who are vitally interested in this question of farm tenancy, I introduced a bill in the last session of Congress providing for a farm security corporation that would have a capital structure of $500,000,000 subscribed to by the Federal Treasury, because I believe that amount will be necessary to carry out the recommendations of the President's Committee on Farm Tenancy. The appropriation authorized by the bill passed last year of $10,000,000 the first year, $25,000,000 the second year, and $50,000,000 the third year, is merely a drop in the bucket, because the figures show conclusively that farm tenancy in this country has been increasing at the rate of 40,000 each year for a period of several years. With that increase of 40,000 farm tenants a year, one can readily understand that this meager appropriation of $25,000,000 which we are asking for is going only a very small part of the way in stamping out increased farm tenancy.

Even with this appropriation of $25,000,000 the farm tenancy of the following year will be greater than it is the coming year; but I feel that the beginning is worth more. If this $25,000,000 does nothing else it will at least provide sufficient funds to have this farm-tenancy program carried on in various sections throughout the entire country so that the people will be conscious of the great problem confronting us and will realize that it is possible to refinance these people who are now farm tenants, to place them in a position, not with a Government grant but with a Government loan that would be repaid, that the public will soon realize that it is possible to refinance these people and to place them upon farms that they can some day hope to own themselves.

Mr. SOUTH. Mr. Speaker, will the gentleman yield?

Mr. BOILEAU. I yield.

Mr. SOUTH. Does not the gentleman believe that the expenditure of this money, which will be paid back later, will obviate the need of relief legislation for this class of people?

Mr. BOILEAU. I do not think there is any question about that; I agree with the gentleman heartily. I believe that it would go a long way in that direction. When, however, we see tenancy increase year after year at the rate of 40,000 or more a year and realize that over a period of 25 or 50 years there has been a great increase in farm tenancy with a smaller percentage of our farmers owning their homes, we must realize that if we are to rehabilitate American agriculture, if we are to give to the great masses of our people an opportunity to own their own homes and their own farms, we must start on this problem and start with a degree of determination to stamp from American life this unworthy system of farm tenancy and share-cropping that we have in the country today. We must make a beginning. This $25,000,000 is a modest amount. I wish I were able to vote here for $150,000,000 or $200,000,000, because we must

tackle this problem and tackle it seriously. My only hope is that in increasing the bill to this small amount, this pitifully small amount of $25,000,000, it will be a beginning in the right direction, that it will hurry the day when American public opinion will demand that we tackle this problem in a fundamental way. [Applause.]

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. POAGE].

Mr. POAGE. Mr. Speaker, we have given considerable time and attention to the matter of removing slums in the great cities. We have appropriated vast sums of money, hundreds of millions of dollars of money for the removal of slums in the great cities, and I have supported it, and you have supported it. I think it is a worthy undertaking, but there are slums in the rural districts of this Nation just as surely as there are in the great cities.

We have appropriated for the eradication of the slums in the rural districts, $10,000,000, practically nothing as compared with what we have done for our urban population. At the same time, remember the appropriations for slum clearance in our great cities carry with them a subsidy provision of 50 percent. With a 50-percent subsidy the Administrator of that undertaking came before this Congress within the last month and told us that it was necessary still further to liberalize the loan, for the Government to give a larger portion in order to get anybody to take the money. Not so with our effort to remove rural slums.

There we do not give one dollar of subsidy. We ask that the poor tenant farmer with one mule and one walking plow repay every dollar to the Federal Government. There is no subsidy, yet we stand here and say we hesitate to give the money this Congress authorized for the eradication of the rural slums in which one-third of our people live in the rural territories of this Nation.

I submit, Mr. Speaker, that it is not fair, it is not sound business to spend $6,000 for a home in the great cities on which the Government pays 50 percent subsidy and refuse to spend $5,000—and I just got the figures from Mr. Allgood within the last 30 minutes, that that is what it has been costing in the rural areas. It costs less, Mr. Speaker, to place a tenant farmer on a farm of his own in the rural areas than it does to erect a home in the slum districts of the great cities. If you put a man there, you give him simply a place where he lives. If you put a man on the farm, you not only give him a place where he lives but a place where he makes his living; you have provided him a home and you have provided him a job. When you put him in a $6,000 home in Washington and New York you have put him in nothing but a home.

You have to supply the man with a job in order to give him a way to live in that home. Not so on the farm.

Mr. SABATH. Will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Illinois.

Mr. SABATH. I think the gentleman is mistaken. We do not allow subsidies. We merely make loans.

Mr. POAGE. In the slum-clearance program we make loans; then we subsidize the cities by direct grants for the whole period of time, where the Federal Government and localities together pay the entire cost of construction. You cannot escape the conclusion that it is a subsidy and that the Government will never get back 50 percent of the cost. That 50 percent never gets back to the Federal Treasury.

Under the Jones-Bankhead bill, for which we are making appropriations now, 100 cents on the dollar, together with 3-percent interest, comes back to the Federal Government. You cannot escape that, either.

While that man has been paying back the Government you have taken him off relief; you have provided him with decent living quarters; you have provided him with a means of making a living, by going out on his farm and tilling it. You cannot do that in any city slum-clearance project, no matter how worthy it may be. [Applause.]

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. Speaker, I find considerable delight in being able to follow my distinguished chairman, the gentleman from Missouri [Mr. CANNON] in insisting upon disagreement to this amendment. The House wrote into the bill $15,000,000 when it was pending before us. The bill went to the Senate and the Senate wrote in $25,000,000 for farm tenancy. The difference between those two sums constitutes what is now being ventilated before this body.

It was in July of 1937 that we passed the Farm Tenancy Act. It is not quite 11 months old. This thing is still in its infancy. I do not believe it is a good idea to venture too quickly unless we can be sure of the ultimate outcome of the implications of this program.

Much has been said that the House has authorized $25,000,000, but the House has not done anything of the kind. I believe that in the interest of accuracy we ought to be a little careful about the slipshod way in which we construe the language of statutes. Title I of Bankhead-Jones bill states that not to exceed $10,000,000 shall be appropriated the first year, not to exceed $25,000,000 the next year, and not to exceed $50,000,000 for succeeding years. It does not say that we have to appropriate $25,000,000 this year. You can start at the bottom with nothing and you can go up to $25,000,000.

The Farm Security Administration appeared before the committee. We had long hearings on this matter. So we thought we were doing the right thing in appropriating only $15,000,000 and take our time and patience in getting this program under way. I will tell you why I believe that is a good policy. It is estimated that there are 3,000,000 tenants in the country. It is admitted they are increasing at the rate of 40,000 per year and it is admitted also that it costs about $5,000 per family under the present act. Five thousand times three million is what? If we are going to take care of the tenancy problem it is going to cost $15,000,000,000. If you start too quickly and in too great volume upon this program we may learn a little bit later that perhaps we are moving in the wrong direction, making out of the Federal Government a mortgagee such as the world has never witnessed, taking into account farm tenancy, mortgages on farms, mortgages on homes, and mortgages on apartment buildings. We are going to set up the Federal Government as a mortgagee that will hold more mortgages than all the mortgage and financial lending institutions in this country and all other countries put together. I am not sure that we ought to project ourselves too quickly and to too great degree into this thing. Fifteen million dollars would take care of quite a number, a mere drop in the bucket, as the gentleman from Texas said, in proportion to the whole problem. If you are going to take care of the whole problem at the rate of $5,000 per person for 3,000,000 people, plus 40,000 accretions each year, it will take over 500 years, with only nominal appropriations, to finally catch up with the problem and then you would not have taken into account the 40,000 additions in each year.

You can see how gigantic this thing is. Do you want to go too far? The fact of the matter is that next year, if this $25,000,000 is approved, they will ask for $50,000,000. The next year it will not be $100,000,000, but may be two or three hundred million dollars. In a little while we will have so involved this Government as a landlord and mortgagee that we will not know where it will end.

Mr. SIROVICH. Will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from New York.

Mr. SIROVICH. What does the gentleman think of the interpolation of the paragraph in Oliver Goldsmith's Deserted Village which reads as follows:

> Well fares the land,
> To greater weal a way,
> Where men own farms,
> And there their children stay.

Mr. DIRKSEN. I might answer that by quoting Oliver Goldsmith, who talks about a "Bold peasantry, their country's pride, when once destroyed, can never be supplied."

I subscribe to that sentiment. But we are dealing here with a matter of practicability and reality. Since it is only 11 months old we ought to be careful and keep our feet on the ground.

I trust it is clear that I am not out of sympathy with the farm security program. I recognize the pressing nature of the farm-tenancy problem, but at the same time I want to emphasize the staggering immensity of the problem.

Once we have got well into the field it will be too late to turn back if we find that the program is a mistake. It will be too late to retreat. The demand for equality of treatment for all tenant farmers and those who are qualified to purchase farms under the provisions of the act will be so great that in a few years we shall be faced with outlays of a billion dollars a year. Even with such an outlay it would be a quarter of a century before we could completely master the problem, and when that happens the Federal Government, by means of farm-tenant mortgages and the requirement that tenants cooperate in all agricultural programs, will have socialized the land of this country. How many of you would care to commit yourself to such a program? Yet that is precisely what is at issue this afternoon.

Let us proceed slowly. Let us get our bearings. The enabling act has only been on the statute books for 11 months. We cannot hope with all the resources now available to the Treasury to do more than make a dent in this problem and what better reason is there for patience and caution in this gigantic undertaking.

I trust the House will follow the chairman of the subcommittee and vote to further disagree with the Senate.

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. JOHNSON].

Mr. LUTHER A. JOHNSON. Mr. Speaker, may I say that the able chairman of the subcommittee, and I have a very high regard for his ability and the way he safeguards the Treasury, in opening the discussion on this conference report stated that we had exceeded the Budget estimate by $25,000,000. The gentleman seemed to have some feeling against his conscience that he had done that. I may say to the gentleman that agriculture is the greatest industry in America and that the other industries of the country are taken care of not in the agricultural appropriation bill, but throughout various bills. They have the housing bill, they have the bills with reference to slum clearance, they have the bills with reference to loans to railroads and all of such things. They do not all concentrate in one committee like agriculture. Everything we have for agriculture, the greatest industry we have, has to come through this one committee.

With respect to this farm-tenancy problem we have either launched upon a right program or a wrong program. If it is right, why not go ahead, and if it is wrong, why not stop? I cannot understand why they say, "Go slow, go slow." Why go slow? Because, they say, we want to feel our way. Feel our way, why? The problem is here and the need is here. Why not proceed?

Mr. THOMASON of Texas. Mr. Speaker, will the gentleman yield?

Mr. LUTHER A. JOHNSON. I yield to the gentleman from Texas.

Mr. THOMASON of Texas. Does not the gentleman believe that if this House can appropriate $800,000,000 for slum clearance in the cities and build two battleships at approximately $70,000,000 per battleship, we ought to be able to squeeze out $25,000,000 for the tenant farmers?

Mr. LUTHER A. JOHNSON. The gentleman is exactly right. The cry of economy is not heard when we are legislating for other groups. Why invoke it against the farmers who need help? As was said by another speaker from Texas this afternoon, slum clearance will only furnish homes but this will furnish not only a place in which to live but the means by which to make a livelihood. This tenancy program will reduce other appropriations. It will take people off relief. It will help solve your other problems, because the foundation of civilization rests upon the farm home. When you bring happiness and prosperity there, these other problems will adjust themselves.

Mr. THOMASON of Texas. I wish to commend the gentleman for what he states and also to say I recall that almost 2 years ago the gentleman pioneered, along with others, in this field, and introduced a bill urging action upon this important subject in order to do away with the underprivileged in the country as well as in the city. I commend the gentleman as one of the able Members of the House who have led in that field. [Applause.]

Mr. LUTHER A. JOHNSON. I thank the gentleman.

Last year, on January 25, 1937, I introduced H. R. 3590, which authorized an appropriation of $1,000,000,000 to be loaned to tenant farmers with which to buy small farms, and this amount to be loaned by the Government to them at an interest rate of 2 percent. A number of other bills were introduced upon this subject, and the Committee on Agriculture had extensive hearings thereon, at which the authors of all the bills, including myself and other Congressmen, appeared and discussed at length the great need of such loans being made in order to reduce farm tenancy in this country.

The committee finally drafted a compromise bill, which embraced features of the various bills introduced, but authorized appropriations for only $85,000,000 at 3 percent interest, $10,000,000 to be appropriated for the first year, $25,000,000 for the second, and $50,000,000 for the third, and this compromise bill passed the House on June 29, 1937, and was signed by the President and became a law on July 22, 1937.

When this bill was considered in the House, I voted for it with misgivings, because it was the best that we could secure at that time, but in a speech which I delivered in the House, I expressed the belief that the $85,000,000 carried in the bill was grossly inadequate, but we were assured at that time that the amount would be greatly increased, if there was sufficient need and demand therefor.

The need of relief by tenant farmers is greater now than a year ago, and instead of increasing the amount, an effort is being made to reduce the amount $10,000,000 under that contained in the compromise bill.

This additional $10,000,000 is a drop in the bucket when compared with the great problem to be solved, but it will enable approximately 2,000 more farmers to buy homes.

The only reason assigned for the reduction of the appropriation is that the Farm Security Administration is unprepared to spend this amount and they must go slowly. The trouble is that those in charge of this program do not seem to understand its importance. They have merely been playing with it. For instance, in Texas there are 250 counties, and the farm-tenancy problem is serious in all of them, and yet during the past year in only 21 counties has the Farm Security Administration been buying homes for tenant farmers, and only a few purchases in each county.

The solution of the farm-tenancy problem will also tend to solve the unemployment problem and reduce expenditures for relief.

The money which we appropriate under this bill is not a gift to the tenant farmers, but a loan to them to enable them to buy small farms upon which to live. The Housing programs only provide homes in which to live, but the farm-tenant program provides not only homes for the tenant farmers in which to live, but also provides them with the means of making payment for those homes.

Congress should awaken to the seriousness of the farm-tenant problem. Fifty years ago 25 percent of the farmers were tenants, while today approximately 42 percent of all the farmers are tenants, and the number is increasing at the rate of over 40,000 each year.

If Congress would make an appropriation of $1,000,000,000, as provided in the bill which I introduced last year, the problem could then be attacked with some hope of solution. The farm homes of America constitute the foundation of our civilization, and if we can bring happiness and prosperity to them, then the problems of the people in the cities and the towns will adjust themselves.

I appeal to you, as you give billions to those without work in the cities, as you spend $800,000,000 for slum clearance in the cities, that you at least give this additional $10,000,000 to enable the small tenant farmer to buy homes so that they may enjoy the blessings of their own firesides, have a shelter for themselves and their families, and a means of livelihood so they can become real, independent American citizens. [Applause.]

Mr. Speaker, I hope the House will today concur in the Senate amendment and give us the full $25,000,000, which, although it is grossly inadequate, this $10,000,000 additional will at least provide homes and bring happiness to 2,000 more tenant farmers in the United States. [Applause.]

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Speaker, I yield 5 minutes to the gentleman from South Carolina [Mr. FULMER].

Mr. FULMER. Mr. Speaker, the arguments made in behalf of the motion offered by my good friend, the gentleman from Oklahoma, sound very good. I wish to say to you in speaking on this motion that in my earlier life I operated as a small tenant farmer. There is not a man on the floor of this House who has more sympathy for that class of farmer, or in fact, all farmers than have I. I have them on my farm today. I have supplied them from my general mercantile business and made loans to them at my bank. I know their problems, and I know just what they are up against.

Let me call to your attention the statement made by the gentleman from Wisconsin, that thousands of land owners, hard-working farmers who in a great many instances inherited their lands from their fathers and grandfathers, are going into the ranks of tenant farmers at the rate of 40,000 annually. May I make this further statement, and I want you to get this and I want you to remember this statement, that unless we can do something to maintain fair prices for farm products that you might just as well be placing this money in a rat hole. In other words, you cannot make land owners out of tenant farmers until you stop the thing that is making tenant farmers out of land owners. [Applause.]

Mr. Speaker, if we had at the head of the Farm Security Administration some good businessmen, men with experience in this line of work with a little common sense who would build the type of house that ought to be built and do the things that the tenant farmers might pay for, then the tenant farmers might become land owners.

Go down into my State, where they bought good land at $40 an acre—nothing wrong with land purchase—and built homes and surrounded them with wire fences and windmills and everything else that a real prosperous farmer should have, costing now about $10,000 to $16,000 for a one-horse farm. The best farmer in South Carolina, under present conditions, cannot pay for one of these farms.

I am voting for this amendment, but let me tell you that the only way to make landowners out of farmers is first to break up the monopolistic price fixing on practically everything that farmers have to buy or pass legislation fixing the prices on farm products on an equal basis with prices the farmers have to pay.

Farmers are being robbed by thousands of parasite middlemen operating between them and the consuming public.

Farmers need an up-to-date marketing and distributing system that would give to them some bargaining power in demanding a fairer price for their products. This Farm Security Administration shipped some time ago from Pennsylvania some 10 carloads of furniture to sell to these tenant farmers in my State. This furniture could have been purchased within 10 miles of this project from one of the best furniture factories in the Southeast and much cheaper. I could write quite a book on what is going on along this line, all of which is unbusinesslike and unfair. I want you to keep a close watch on this program in your districts which may be helpful to all of us in legislating and in appropriating and spending the taxpayers' money.

Mr. CANNON of Missouri. Mr. Speaker, I yield to the gentleman from Oklahoma [Mr. FERGUSON] such time as he may require.

Mr. FERGUSON. Mr. Speaker, I rise in support of the amendment offered by my colleague from Oklahoma [Mr. JOHNSON]. I have often said that the increase in the Federal debt will not ruin this country as long as there is a credit, an addition to the national wealth to offset Federal expense. Certainly purchasing farms for worthy tenant farmers comes in this category.

The twenty-five million provided in this amendment is hardly adequate. Under the ten million appropriated last year, only $2,500 was allocated to a district formed by three large counties in my district. Even the twenty-five million proposed in this amendment will only make one or two tenants able to buy a farm in this three-county district. I want to see this program succeed. However, I do not share the opinion of many of my colleagues who speak so glowingly of this program. It is only a step in the right direction. Unless we pay farmers who are now operating farms they have acquired by their own hard labor parity prices for farm products every year, 10 times as many thrifty and worthy farmers will lose their farms through foreclosure as are put back on the farm by this act.

The present farm bill does not solve the question, that is why I voted against it. Since its adoption 10 amendments have been put through Congress trying to make it workable. At this time I want to urge the House to accept the amendment put in the relief bill in the Senate providing $212,000,000 to make parity payments to farmers who conform to the agricultural program.

Every time the price of farm commodities falls business is stalemated and we have a recession. The farmer will accept regulated production when he receives cost of production for his products. That is why I voted to recommit the present farm bill in the hope of getting a real bill. I want to give the House this final note of warning. Unless farmers receive parity prices for their products the jackrabbits will always be miles ahead of the hounds, and no appropriation, no matter how large, will be able to put tenants back on farms as fast as low prices for agricultural products are forcing them off.

Mr. CANNON of Missouri. Mr. Speaker, I yield to the gentleman from Oklahoma [Mr. NICHOLS] such time as he may require.

Mr. NICHOLS. Mr. Speaker, I shall support the amendment which shall increase the appropriation to cure farm tenancy in the Nation from $15,000,000 to $25,000,000.

Many of you will remember that last year when this problem was before the House for consideration I had considerable to say about the subject and said at that time that the Government would not appropriate enough money to be of any material aid to the tenant farmers of the United States by giving them direct loans from the Government.

There are, at this time, 3,000,000 tenants in the United States and the experts in the Department of Agriculture estimate that tenancy is increasing by 40,000 farmers a year. Experts in the Department of Agriculture also estimate that it costs about $15,000 per farmer to make a landlord out of a tenant by this system.

Therefore if we were going to appropriate enough money to cure farm tenancy by this method we would have to appropriate approximately $45,000,000,000.

And, of course, the Congress is not going to do that.

And in the second place there is not a tenant in my congressional district who could make enough money off of a cotton farm to make a living for himself and family and pay back to the Government $15,000.

So why do we not quit fooling around with this all-important problem of farm tenancy? Why do we continue to kid

the farm tenants in the United States into thinking that they are going to receive some peculiar benefit from the appropriation of these millions of dollars?

Farm tenancy can be cured by a perfectly simple operation. And I have been working for the last 2 months, with the assistance of experts from the Department of Agriculture, on a bill which will be introduced at the first of the next session of Congress which will provide the solution.

That solution is to simply set up an agency of Government patterned after the Federal Housing Administration Act and by using the Government's credit and private capital fix it so that every farm tenant in the United States who is willing to work can become a landlord farmer. Last year we appropriated $10,000,000 for this purpose. This will be an appropriation of $25,000,000, which will make an appropriation of $35,000,000 in all that has been appropriated to relieve farm tenancy.

And I venture the assertion that there is not a Member in this House who has had more than 15 farmers taken care of under this plan.

Mr. DIRKSEN, from Illinois, a minute ago, just used figures to show that under this system it would take approximately 500 years to eliminate tenancy.

I hope that before we are called upon to appropriate the $50,000,000 provided for next year that my bill or a similar bill will have been adopted which will not make that appropriation necessary and which will give substantial relief to the tenant farmers of this country.

The money already appropriated is far more than it would have cost the Government to have done the job right under such a bill as I propose.

Mr. CANNON of Missouri. Mr. Speaker, I yield to the gentleman from Texas [Mr. SANDERS] such time as he may require.

OUR FARMERS DESERVE A CHANCE TO LIVE DECENT LIVES

Mr. SANDERS. Mr. Speaker, I heartily favor the Johnson amendment.

The thing we have got to remember is that by means of this amendment, which will make $25,000,000 available to attack the farm-tenancy problem with another effective broadside in 1938, we can go on with a progressive, constructive program to better our entire farm situation.

To get that into plainer, simpler English, if we go on with this work we have started in the proper, logical, sensible manner our good judgment dictates, we are going to be one step nearer the day when our cotton farmers and everybody depending on the soil for his existence will have a chance to live a decent American life.

I realize just as well as anyone else that financing the purchase of $25,000,000 worth of farms to give tenants a chance to own their own homes is but a drop in the bucket. Heaven knows it is a sufficiently small drop. It is not going to solve our farm problems by itself. But it is going to help.

I feel about this program and the whole constructive farm program of our administration a good deal like the east Texas country boy who decided he would like to take a trip down to see what the Gulf of Mexico looked like. He had heard a lot about it, but he wanted to see it for himself. He tried to find somebody who was going down to the Gulf, the whole 200 miles in one big jump, but he did not have any luck. Nobody from his town seemed to be going that way that summer.

He finally did locate one fellow who was going 35 miles down the road to fix a gin, so he took him up. After that he found a truck driver who was delivering some calves 20 miles farther on. Then he got a 15-mile lift. And a 10-mile lift. And some more little pick-ups. Nobody was going very far, but when he added the little distances all of them were going he got to the Gulf—his life ambition.

That is the way we have been going at this farm problem. There is not much use of our sitting around and griping because we cannot find anybody in a great big economic airship who can take us the whole trip from the hard times of today to the good times of the future between now and sunup. We had better begin taking the little rides we can catch in model T's and spring wagons and be thankful for them. This farm-tenant purchase program is one of those little rides. It is one of those little rides which, added to a lot more little rides, will eventually get us to the place we must reach—security for all our farmers.

A HOME IS EVERY FARMER'S AMERICAN RIGHT

Last year, with a few million dollars, we took a handful of good substantial tenants off the farms of our various States and set them up on their own, in their own homes, with all their debts financed so they could pay them.

Eventually these families will own their own homes—their right as American citizens.

Last year's few million dollars did not extend this advantage to very many people. This year's $25,000,000 cannot give very many more this chance. But when you add the results of both years together you are going to see that the start which is made is a very solid one. If we keep going on in this way you will see a real dent made in the problem. Mr. Speaker, we just cannot afford not to give some tenants their chance this year.

I live down in a cotton country and I know what this program can do for my people, for the South, and for the whole of America. That is why I am supporting it with every means at my command. The body and soul of our democracy is in the home owner, the man and woman with their little flock about them, rooted to the soil.

Whenever this man and this woman can look upon their own fireside and say to each other and to their boys and girls, "This is ours; this is the fortress of our living," we shall never have to fear that this democracy will go the way of the democracies of Europe we have seen skipping down the skids to collapse.

In the light of such truths, I believe we must all agree that we cannot spend one cent less than $25,000,000 in the next year to so entrench our democracy.

WE CANNOT RELAX OUR FIGHT FOR PARITY PRICE

We have all heard a great deal about what the ideal American farm picture should be.

It should be the farm family, living on its own, on land it has bought and paid for and cultivates with its own toil. It should be that farm family raising its crops, its herds of cattle, its pigs and chickens, and keeping its garden. It should be that family taking its products to market and selling them, paying its bills, banking a little money for a rainy day, and living a life benefited and improved and enlarged by all we have learned as a race in 10,000 slow years of getting civilized.

That is the ideal picture. But we all know that, smart as we are, we have not got that far. As able as we are to raise 80-story buildings, build dams miles long and hundreds of feet high, as able as we are to harness revolting rivers and put them to work, as able as we are to perform scientific miracles, all we have produced in the way of a farm economy up to the day the Roosevelt administration took hold is a second-hand old crippled hearse horse, half dead from starvation.

Now we are trying to take hold of things and get them ironed out. And we are getting them ironed out. By the new Agricultural Adjustment Act of 1938 we are smoothing out some of these problems. By this tenant purchase program we are ironing out some more. By a sane system of farm loans and in various other ways we are straightening out some more.

RELIEF IS A POOR REWARD FOR A LIFETIME'S TOIL

In our fight for parity price we are going to iron out yet more.

We all know we have got to have parity price. Parity price means that the farmer gets for his produce a pay which is scaled in the same manner that industrial and business prices are scaled—on what it costs to produce.

When a farmer produces cotton and sells it for 8 cents, although parity is about 17 cents—the price under which he can pay his expenses and make a little profit—there is something wrong. If he owns a home, he will have to lose it some day under such an arrangement. Relief and public

assistance, under such a foolish economy, are all he can hope to achieve.

That is why I have been fighting for parity price for our farmers all these years. I want to make it possible for them to buy their own homes, keep the homes they have already bought, and own now, by their own individual efforts.

That is the reason I introduced in this Congress a bill levying a manufacturer's tax. I have fought and worked for that measure all the way through. We have not got it yet, but we are still fighting for it. That measure of mine would have provided about $100,000,000 toward parity payments for cotton farmers. A small step, but, again, as in the case of the farm-tenant purchase program, a real step.

Because I want to get the farmer's income up toward parity, I have gone all the way down the line for such measures as the provision in the President's recovery bill to make available $212,000,000 for direct parity payments for farm commodities.

BUSINESS HAS PARITY—FARMERS ARE NOT GETTING RICH

We have got to achieve parity. Business has it. Industry has it. If they did not have it, they could not last 3 months. They are always talking about needing their profits. That is all right. That is perfectly honorable and legitimate and I have no objections. It is right and just.

But the farmer is always talking about something else. He has forgotten there are such things as profits. He is begging to get back his costs, this year, and for 10, 15, and 20 years which are gone. He will forget those past years if he can get on his feet. Get that point. He wants his costs. How long would business and industry take 8 cents for a product they could not turn out for less than 17 cents? It is silly to ask such a question. That is what the cotton farmer is doing, though, and has been doing for years. Yet everybody seems to wonder why he is not getting ahead, why he is not getting rich. Rich on 8-cent cotton. It just cannot be done.

No, Mr. Speaker; when I vote for parity prices for the cotton farmers, for all farmers, to give the farmers homes, to finance their loans, to help them in any other way, I am only insisting they have what everyone else demands, the right to exist.

I know I cannot get it for them all in one fell swoop. But I can get it for them in such ways as supporting a farm-tenant purchase program. I can get it for them in such ways as voting for the payment of $1,800,000 in cotton-pool certificates. I can get it for them by supporting parity payments in whatever form opportunity presents.

That is what I am doing and what I shall continue to do. It is the only means of our salvation.

Mr. CANNON of Missouri. Mr. Speaker, I yield to the gentleman from Arizona [Mr. MURDOCK] such time as he may desire.

Mr. MURDOCK of Arizona. Mr. Speaker, this proposition has had my sympathetic support from its beginning a year ago. I was deeply impressed in the first session of this Congress by the remarks of our distinguished Speaker in which he quoted pertinent lines of the poem The Man With the Hoe, and indicated their application. Naturally, I am for this amendment, which would increase the amount for this beginning work to the Senate figure of twenty-five millions. Acquainted as I am with the hardships and poverty of life on tenant farms in this, the richest agricultural country in the world, I feel that this appropriation is all too modest a beginning toward this great farm problem.

There has been some talk here today about Members who favor this increase having "heard from home." Now, I want to state that I am for this increase, and yet I have not had one word from Arizona demanding it. However, I do know that we have farm tenancy in Arizona—more than I wish we had.

It has been hinted that some Members are interested in their own situations alone. The RECORD will show that I voted for slum clearance, the housing program, and wage and hour legislation, not in a horse-trading fashion, but that we might have suitable provisions for the crowded industrial section of our country, if it could be had rightfully and without doing injury to my own section.

Some Members have called attention to the magnitude of our task in attempting to cope with the farm tenancy problem. I am dismayed by this task, but, is doing nothing about it a proper way to cope with it? This is too modest a beginning but, thank God, it is a beginning.

The remarks of the gentleman from South Carolina [Mr. FULMER] struck me with great force. He is right, that it is far more important that we attempt to do away with the causes of farm tenancy than that we try to cure farm tenancy. The two should go together. I am with the gentleman from South Carolina in all sound and fair remedial legislation that will strike at the root of the evil.

It does take one's breath away to realize that in this bill we are appropriating more than a billion dollars, but I think, to oppose the proposition before us because it increases this item from $15,000,000 to $25,000,000 without opposing the whole bill, is "straining at a gnat and swallowing a camel." Why do we hesitate to help put agriculture on a more sound, economic foundation? What better investment can we make than this appropriation presupposes? Only give us wise and efficient supervision of this fund, and the investment will prove the best possible for our Nation.

The previous question was ordered.

The SPEAKER pro tempore (Mr. DORSEY). The question is on the motion of the gentleman from Oklahoma [Mr. JOHNSON] that the House recede and concur in the Senate amendment.

The question was taken; and on a division (demanded by Mr. CANNON of Missouri) there were—ayes 102, noes 35.

Mr. CANNON of Missouri. Mr. Speaker, I object to the vote because of the absence of a quorum.

The SPEAKER pro tempore. The Chair will count. [After counting.] One hundred and seventy-eight Members are present, not a quorum.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 217, nays 103, answered "present" 1, not voting 107, as follows:

[Roll No. 106]

YEAS—217

Aleshire	Crowe	Griffith	Lesinski
Allen, Del.	Cummings	Guyer	Lewis, Colo.
Allen, La.	Daly	Gwynne	Luckey, Nebr.
Allen, Pa.	Deen	Hamilton	Luecke, Mich.
Amlie	Delaney	Hancock, N. C.	McCormack
Arnold	Dempsey	Harrington	McFarlane
Barden	DeRouen	Havenner	McGehee
Bates, Ky.	Dies	Healey	McGranery
Bernard	Dingell	Hendricks	McKeough
Bigelow	Disney	Hennings	McReynolds
Binderup	Dixon	Hildebrandt	Magnuson
Bloom	Dorsey	Hill	Mahon, S. C.
Boileau	Dowell	Hobbs	Mahon, Tex.
Boren	Doxey	Honeyman	Martin, Colo.
Boyer	Drew, Pa.	Hope	Massingale
Boykin	Driver	Houston	Maverick
Bradley	Duncan	Hull	Mead
Brewster	Eckert	Hunter	Meeks
Brooks	Edmiston	Izac	Mills
Brown	Eicher	Jacobsen	Mitchell, Ill.
Buck	Elliott	Jarman	Mott
Buckler, Minn.	Evans	Jenckes, Ind.	Mouton
Bulwinkle	Farley	Johnson, LutherA.	Murdock, Ariz.
Burdick	Ferguson	Johnson, Lyndon	Nelson
Caldwell	Flaherty	Johnson, Minn.	Nichols
Cannon, Wis.	Flannagan	Johnson, Okla.	O'Brien, Mich.
Carlson	Fleger	Johnson, W. Va.	O'Connell, Mont.
Case, S. Dak.	Ford, Miss.	Jones	O'Connell, R. I.
Chandler	Fries, Ill.	Kee	O'Malley
Chapman	Fuller	Keller	O'Neill, N. J.
Citron	Fulmer	Kelly, N. Y.	Owen
Claypool	Gambrill, Md.	Kennedy, Md.	Pace
Coffee, Wash.	Garrett	Kitchens	Patman
Collins	Gavagan	Kleberg	Patrick
Colmer	Gehrmann	Kniffin	Patterson
Cooley	Gildea	Knutson	Patton
Cooper	Gray, Ind.	Kramer	Pearson
Cox	Greenwood	Kvale	Peterson, Fla.
Cravens	Greever	Lanham	Pfeifer
Crosser	Gregory	Leavy	Phillips

Poage	Ryan	South	Vinson, Ga.
Polk	Sacks	Sparkman	Voorhis
Quinn	Sanders	Spence	Wallgren
Rabaut	Sauthoff	Starnes	Walter
Ramsay	Schneider, Wis.	Stefan	Warren
Ramspeck	Schulte	Sumners, Tex.	Welch
Randolph	Scott	Swope	Wene
Rankin	Secrest	Taylor, S. C.	West
Reece, Tenn.	Shanley	Teigan	Wilcox
Rees, Kans.	Shannon	Terry	Withrow
Richards	Sheppard	Thomas, Tex.	Wolverton
Rigney	Short	Thomason, Tex.	Zimmerman
Robsion, Ky.	Sirovich	Transue	
Rogers, Okla.	Smith, Conn.	Turner	
Romjue	Smith, W. Va.	Vincent, Ky.	

NAYS—103

Allen, Ill.	Eaton	Lambertson	Rockefeller
Anderson, Mo.	Eberharter	Lamneck	Rogers, Mass.
Andresen, Minn.	Englebright	Lanzetta	Rutherford
Andrews	Faddis	Lea	Schuetz
Arends	Fish	Lord	Seger
Bacon	Fitzgerald	Lucas	Simpson
Barry	Flannery	Luce	Smith, Maine
Bates, Mass.	Fletcher	Ludlow	Smith, Va.
Beam	Forand	McLaughlin	Snell
Beiter	Frey, Pa.	McLean	Somers, N. Y.
Bell	Gamble, N. Y.	Mapes	Sutphin
Biermann	Gifford	Martin, Mass.	Taber
Bland	Gingery	Mason	Tarver
Buckley, N. Y.	Haines	Merritt	Thom
Cannon, Mo.	Halleck	Michener	Thomas, N. J.
Casey, Mass.	Hancock, N. Y.	Moser, Pa.	Thompson, Ill.
Church	Harlan	O'Brien, Ill.	Tinkham
Clason	Hoffman	O'Leary	Tobey
Cole, N. Y.	Holmes	Oliver	Towey
Connery	Jarrett	O'Toole	Treadway
Costello	Jenkins, Ohio	Peterson, Ga.	Umstead
Crawford	Kelly, Ill.	Pettengill	Whittington
Crowther	Kennedy, N. Y.	Powers	Williams
Culkin	Keogh	Reed, Ill.	Wolcott
Dirksen	Kinzer	Rich	Wolfenden
Dondero	Kocialkowski	Robertson	

ANSWERED "PRESENT"—1

Engel

NOT VOTING—107

Ashbrook	Douglas	McClellan	Sadowski
Atkinson	Drewry, Va.	McGrath	Satterfield
Barton	Dunn	McGroarty	Schaefer, Ill.
Boehne	Fernandez	McMillan	Scrugham
Boland, Pa.	Fitzpatrick	McSweeney	Shafer, Mich.
Boylan, N. Y.	Ford, Calif.	Maas	Smith, Okla.
Burch	Gasque	Maloney	Smith, Wash.
Byrne	Gearhart	Mansfield	Snyder, Pa.
Carter	Gilchrist	May	Stack
Cartwright	Goldsborough	Mitchell, Tenn.	Steagall
Celler	Gray, Pa.	Mosier, Ohio	Sullivan
Champion	Green	Murdock, Utah	Sweeney
Clark, Idaho	Griswold	Norton	Taylor, Colo.
Clark, N. C.	Hart	O'Connor, Mont.	Taylor, Tenn.
Cluett	Harter	O'Connor, N. Y.	Thurston
Cochran	Hartley	O'Day	Tolan
Coffee, Nebr.	Hook	O'Neal, Ky.	Wadsworth
Cole, Md.	Imhoff	Palmisano	Wearin
Creal	Kerr	Parsons	Weaver
Crosby	Kirwan	Pierce	Whelchel
Cullen	Kopplemann	Plumley	White, Idaho
Curley	Lambeth	Rayburn	White, Ohio
DeMuth	Larrabee	Reed, N. Y.	Wigglesworth
Dickstein	Lemke	Reilly	Wood
Ditter	Lewis, Md.	Robinson, Utah	Woodruff
Dockweiler	Long	Roy	Woodrum
Doughton	McAndrews	Sabath	

So the motion to recede and concur was agreed to.

The Clerk announced the following additional pairs:

On this vote:

Mr. Gilchrist (for) with Mr. Maas (against).
Mr. Lemke (for) with Mr. Engel (against).
Mr. O'Connor of Montana (for) with Mr. Ditter (against).
Mr. Gasque (for) with Mr. Reed of New York (against).
Mr. McClellan (for) with Mr. Douglas (against).
Mr. Steagall (for) with Mr. Hartley (against).

General pairs:

Mr. Cochran with Mr. Carter.
Mr. Doughton with Mr. Wadsworth.
Mr. O'Connor of New York with Mr. Taylor of Tennessee.
Mr. Boland of Pennsylvania with Mr. Barton.
Mr. Woodrum with Mr. Cluett.
Mr. Griswold with Mr. Gearhart.
Mr. Drewry of Virginia with Mr. Shafer of Michigan.
Mr. McMillan with Mr. Dunn.
Mr. Burch with Mr. Woodruff.
Mr. Mosier of Ohio with Mr. Hart.
Mr. Whelchel with Mr. Palmisano.
Mr. Robinson of Utah with Mr. Byrne.
Mr. Boehne with Mr. Scrugham.
Mr. Long with Mr. Snyder of Pennsylvania.
Mr. Taylor of Colorado with Mr. Satterfield.
Mr. Green with Mr. Larrabee.
Mr. Clark of Idaho with Mr. Atkinson.
Mr. Sabath with Mr. Smith of Washington.
Mr. Wearin with Mr. Boylan of New York.
Mr. Creal with Mr. Schaefer of Illinois.
Mr. Imhoff with Mr. O'Neal of Kentucky.
Mr. Kopplemann with Mr. Smith of Oklahoma.
Mr. Celler with Mr. Kirwan
Mr. Dockweiler with Mrs. Norton.
Mr. Wood with Mr. Lewis of Maryland.
Mr. Sullivan with Mr. Gray of Pennsylvania.
Mr. Murdock of Utah with Mr. Fitzpatrick.
Mrs. O'Day with Mr. Sweeney.
Mr. Dickstein with Mr. Clark of North Carolina.
Mr. McAndrews with Mr. Coffee of Nebraska.
Mr. McGrath with Mr. McSweeney.
Mr. White of Idaho with Mr. Crosby.
Mr. Mitchell of Tennessee with Mr. Lambeth.
Mr. May with Mr. Plumley.
Mr. Parsons with Mr. Tolan.
Mr. Reilly with Mr. Wigglesworth.
Mr. Wearin with Mr. Curley.
Mr. Champion with Mr. Stack.
Mr. DeMuth with Mr. Fernandez.
Mr. Mansfield with Mr. Maloney.
Mr. Griswold with Mr. Pierce.
Mr. Cartwright with Mr. Ashbrook.
Mr. Kerr with Mr. Ford of California.
Mr. Cole of Maryland with Mr. Sadowski.

Mr. ENGEL. Mr. Speaker, I voted "no." I have a pair with the gentleman from North Dakota [Mr. LEMKE]. I withdraw my vote of "no" and ask to be marked present.

The result of the vote was announced as above recorded.

ORDER OF BUSINESS

Mr. RAYBURN. Mr. Speaker, when the House rises at the conclusion of the business now before the House, and whatever other business the Speaker takes up, I ask unanimous consent that it stand in recess until 8 o'clock this evening, and that it may then be in order to call individual bills on the Private Calendar and when that is finished to call bills on the Consent Calendar.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. SNELL. Mr. Speaker, I reserve the right to object. Will not the gentleman modify his request and begin the calling of the Consent Calendar where we left off the last time the calendar was called?

Mr. RAYBURN. I think that is a reasonable request, Mr. Speaker, and I include it in my unanimous-consent request.

Mr. O'MALLEY. Mr. Speaker, I reserve the right to object. Do I understand that we will call the Consent Calendar, beginning where we left off the last evening, and then start over again and call those bills on the Consent Calendar that were objected to once?

Mr. RAYBURN. That is not my request.

Mr. O'MALLEY. I am trying to get what the gentleman from New York intends.

Mr. SNELL. What I have in mind is that we start where we left off. We would not go over the bills again tonight that have already been objected to or have been passed over, but start with the next bills on the Consent Calendar.

Mr. O'MALLEY. And then return to those that have been objected to?

Mr. SNELL. Not tonight. There would not be time; but that might come later.

Mr. MOTT. Mr. Speaker, I reserve the right to object, to inquire if anyone knows about what length of time would be devoted to the calling of the Consent Calendar.

Mr. SNELL. That is a very hard question to answer.

The SPEAKER. As the Chair understands the request of the gentleman from Texas, it is contemplated under the agreement, if it is entered into, that the call of the Consent Calendar will commence where we left off on the last call, and that we would finish the Consent Calendar.

Mr. LANZETTA. Mr. Speaker, I reserve the right to object, to ask the majority leader if it is possible to take up those bills on the calendar not objected to, but bills that were passed over without prejudice. A number of bills on that calendar should be acted upon, and I do not see any reason why we cannot go back to those bills, in view of the fact that they were not objected to.

The SPEAKER. Will the gentleman from Texas please restate his request?

Mr. RAYBURN. My request is that at the conclusion of the business now under consideration the House shall stand in recess until 8 o'clock this evening, and that then individual bills on the Private Calendar may be called; and after that the Consent Calendar then would be called, beginning at the place where we last left off.

Answering the gentleman from New York, I may say that I agree to the request of the gentleman from New York because it is the best that we can get. If we cannot get that, if objection is made to my request, then those who have bills on the Private Calendar and the Consent Calendar which have not been called may not get them called during this session of Congress.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

AGRICULTURAL APPROPRIATION BILL, 1939

The SPEAKER. The Clerk will report the next Senate amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 107: Page 102, line 7, strike out "$19,500,000" and insert "$42,000,000".

Mr. CANNON of Missouri. Mr. Speaker, I offer the following motion, which I send to the desk.

The Clerk read as follows:

Mr. CANNON of Missouri, moves: That the House recede from its disagreement to the amendment of the Senate No. 107, and agree to the same with an amendment, as follows: In lieu of the sum proposed in said amendment, insert "$32,000,000".

The SPEAKER. The question is on the motion of the gentleman from Missouri.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 110: On page 102, line 23, strike out "That not over $25,000 of funds provided for in this paragraph shall be expended on any one project," and insert: "That not to exceed $50,000 of this appropriation shall be available for expenditure for any one project designed in whole or in part to benefit lands by the irrigation thereof and all project facilities and appurtenances which depend for their utility in whole or in part upon each other or upon any common facility shall be deemed one project, and the authority contained in said act shall not be deemed to authorize the construction of any project not in accord with this limitation."

Mr. CANNON of Missouri. Mr. Speaker, I move that the House recede from its disagreement to the amendment of the Senate No. 110 and concur in the same.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 113. On page 105, after line 15, insert:

"INTERCHANGE OF APPROPRIATIONS

"Not to exceed 5 percent of the foregoing amounts for the miscellaneous expenses of the work of any bureau, division, or office herein provided for shall be available interchangeably for expenditures on the objects included within the general expenses of such bureau, division, or office, but no more than 5 percent shall be added to any one item of appropriation except in cases of extraordinary emergency, and then only upon the written order of the Secretary of Agriculture: *Provided*, That a statement of any transfers of appropriations made hereunder shall be included in the annual Budget."

Mr. CANNON of Missouri. Mr. Speaker, I move that the House recede from its disagreement to the amendment of the Senate No. 113 and concur in the same with an amendment.

The Clerk read as follows:

Amendment No. 113: Mr. CANNON of Missouri moves: That the House recede from its disagreement to the amendment of the Senate No. 113, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"INTERCHANGE OF APPROPRIATIONS

"Not to exceed 5 percent of the foregoing amounts for the miscellaneous expenses of the work of any bureau, division, or office herein provided for shall be available interchangeably for expenditures on the objects included within the general expenses of such bureau, division, or office, but no more than 5 percent shall be added to any one item of appropriation except in cases of extraordinary emergency."

The motion was agreed to.

On motion of Mr. Cannon of Missouri, a motion to reconsider the several votes by which the conference report and the Senate amendments were agreed to was laid on the table.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. St. Claire, one of its clerks, announced that the Senate had adopted the following order:

Ordered, That Mr. OVERTON and Mr. MCNARY be appointed additional conferees on the bill (H. R. 10618) authorizing the construction of certain public works on rivers and harbors for flood control and for other purposes.

Ordered, That the Secretary be directed to return to the House of Representatives the engrossed bill (S. 2165) to amend the act entitled "An act to provide conditions for the purchase of supplies and the making of contracts by the United States, and for other purposes."

SUSAN LAWRENCE DAVIS

Mr. KENNEDY of Maryland. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 7759) for the relief of Susan Lawrence Davis, with a Senate amendment thereto, disagree to the Senate amendment, and ask for a conference.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Maryland? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. KENNEDY of Maryland, RAMSPECK, and CARLSON.

Mr. KENNEDY of Maryland. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 738) for the relief of Asa C. Ketcham, with a Senate amendment, and concur in the Senate amendment.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The Clerk read the Senate amendment, as follows:

Page 1, line 6, strike out "$2,500" and insert "$1,000."

The Senate amendment was concurred in.

BARBARA JEAN MATTHEWS

Mr. KENNEDY of Maryland. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4258) for the relief of Barbara Jean Matthews, a minor, with a Senate amendment, and concur in the Senate amendment.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The Clerk read the Senate amendment, as follows:

Page 1, line 6, strike out "$2,500" and insert "$1,500."

The Senate amendment was concurred in.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. DITTER (at the request of Mr. SNELL) for the balance of the session on account of illness.

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER. The Chair designates the gentleman from North Carolina [Mr. WARREN] to act as Speaker pro tempore at the session of the House this evening.

TAXICAB INSURANCE, DISTRICT OF COLUMBIA

Mr. PALMISANO, from the Committee on the District of Columbia, filed a conference report and statement on the bill (H. R. 7084) to provide that all cabs for hire in the District of Columbia be compelled to carry insurance for the protection of passengers, and for other purposes.

ANNOUNCEMENT

Mr. CARTWRIGHT. Mr. Speaker, I wish to announce that had I been present I would have voted for the farm-tenant amendment on the agricultural appropriation bill. I was unavoidably absent.

EXTENSION OF REMARKS

Mrs. ROGERS of Massachusetts asked and was given permission to revise and extend her remarks.

RECESS

Mr. RAYBURN. Mr. Speaker, I move that the House stand in recess until 8 o'clock.

The motion was agreed to; thereupon (at 6 o'clock and 22 minutes p. m.) the House, pursuant to its previous order, stood in recess until 8 o'clock p. m.

EVENING SESSION

The recess having expired, the House was called to order by the Speaker pro tempore [Mr. WARREN] at 8 o'clock p. m.

The SPEAKER pro tempore. Under previous order of the House the Clerk will call the first bill on the Private Calendar.

Mr. THOMAS of New Jersey. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore. The Chair will count. [After counting.] Eighty-two Members are present, not a quorum.

Mr. COOPER. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 107]

Allen, Ill.	Ditter	Knutson	Reilly
Andrews	Dockweiler	Kvale	Richards
Ashbrook	Doughton	Lanham	Robertson
Atkinson	Douglas	Larrabee	Robinson, Utah
Bacon	Drewry, Va.	Lemke	Robsion, Ky.
Barry	Driver	Lewis, Md.	Sabath
Bates, Ky.	Duncan	Ludlow	Sadowski
Beam	Eaton	McAndrews	Schaefer, Ill.
Biermann	Elliott	McClellan	Schuetz
Binderup	Fernandez	McCormack	Schulte
Bland	Fish	McGrath	Scrugham
Bloom	Fitzpatrick	McGroarty	Secrest
Boehne	Flannery	McLaughlin	Shannon
Boland, Pa.	Fleger	McMillan	Smith, Maine
Boylan, N. Y.	Gambrill, Md.	McReynolds	Smith, Okla.
Brewster	Gasque	McSweeney	Smith, Va.
Buckley, N. Y.	Gavagan	Maas	Smith, Wash.
Bulwinkle	Gildea	Magnuson	Somers, N. Y.
Burch	Gray, Pa.	Mansfield	Spence
Byrne	Green	Meeks	Stack
Carter	Greenwood	Mitchell, Ill.	Steagall
Cartwright	Gregory	Mitchell, Tenn.	Sullivan
Celler	Griswold	Mosier, Ohio	Sumners, Tex.
Champion	Guyer	Mouton	Sweeney
Chapman	Haines	Murdock, Utah	Taylor, Colo.
Citron	Hamilton	Nelson	Teigan
Clark, Idaho	Harlan	Nichols	Thurston
Clark, N. C.	Harrington	Norton	Tolan
Cluett	Harter	O'Brien, Ill.	Towey
Cochran	Hartley	O'Connell, Mont.	Vinson, Ga.
Coffee, Nebr.	Hildebrandt	O'Day	Wadsworth
Cole, Md.	Hobbs	Owen	Wearin
Colmer	Hook	Palmisano	Weaver
Creal	Hunter	Pearson	Welch
Crosby	Imhoff	Peterson, Fla.	Wene
Crosser	Jarrett	Peterson, Ga.	Whelchel
Curley	Keller	Pettengill	White, Idaho
Deen	Kelly, N. Y.	Plumley	Wigglesworth
Delaney	Kennedy, N. Y.	Poage	Withrow
Dempsey	Kinzer	Polk	Wood
De Muth	Kirwan	Randolph	Woodruff
Dickstein	Kleberg	Rayburn	
Dirksen	Kniffin	Reed, N. Y.	

The SPEAKER pro tempore. Two hundred and fifty-seven Members have answered to their names. A quorum is present.

On motion of Mr. COOPER, further proceedings under the call were dispensed with.

The SPEAKER pro tempore. Under previous order of the House, the Clerk will call the first individual bill on the Private Calendar.

PRIVATE CALENDAR

HARRIS A. ALISTER

The Clerk called the first bill on the Private Calendar, H. R. 6272, for the relief of Harris A. Alister.

The SPEAKER pro tempore. Without objection, the bill will be passed over.

There was no objection.

JOSEPH WEBBE

The Clerk called the next bill, H. R. 9012, for the relief of Joseph Webbe.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Joseph Webbe, of St. Louis, Mo., the sum of $1,000. Such sum represents the amount of a judgment on recognizance bond rendered against the said Joseph Webbe, surety, on June 3, 1936, because one Van Buren Martin, the principal, failed to appear in the Federal district court of Missouri on the day set for sentence. The said Joseph Webbe has paid the said judgment, although 8 days before the said judgment was rendered he supplied the Federal authorities with information which resulted in the apprehension of the said Van Buren Martin on June 6, 1936; said Van Buren Martin now being incarcerated in United States penitentiary under said judgment and sentence of aforesaid court.

With the following committee amendments:

Page 1, lines 6 and 7, strike out the period after the figures, insert a comma, strike out the words "Such sum represents", and insert "in full satisfaction of his claim against the United States for refund of."

Page 1, line 8, strike out the words "the said Joseph Webbe" and insert "him as."

Page 1, line 9, after the date, insert "and thereafter paid."

Page 1, line 10, strike out the words "Federal district court" and insert "United States district court for the eastern district."

Page 1, line 11, strike out the period after the word "sentence", insert a comma, strike out the remainder of the bill, and add the following: "although he was apprehended on June 6, 1936, with the assistance of said Joseph Webbe, and returned for sentence, without cost to the Government: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

J. T. AND BILLIE HERREN

The Clerk called the next bill, H. R. 9516, for the relief of J. T. and Billie Herren.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to J. T. Herren, of Utica, Miss., the sum of $88.50 for hospital and medical bills and the sum of $500 as damages for injuries sustained by his minor son, Billie Herren, which occurred on the grounds of the Wise Consolidated School, near Utica, Miss., where Civil Works Administration employees were at work on February 15, 1934: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 7, strike out the words and figures "the sum of $500 as damages" and insert "to said J. T. Herren, as legal guardian of his minor son, Billie Herren, the sum of $500, in full settlement of all claims against the United States."

Page 1, line 8, strike out the words "his minor son, Billie Herren, which occurred" and insert "said Billie Herren."

Page 1, line 10, strike out the word "where" and insert "when struck by a hose pipe used on a."

Page 1, lines 10 and 11, strike out the words "employees were at work on" and insert "project."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended to read as follows: "A bill for the relief of J. T. Herren and Billie Herren, a minor."

AMY M. GHENT

The Clerk called the next bill, H. R. 9535, for the relief of Amy M. Ghent.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Amy M. Ghent, Washington, District of Columbia, the sum of $1,500. The payment of such sum shall be in full settlement of all claims against the United States on account of personal injuries received by the said Amy M. Ghent as a result of a fall on the ice-covered steps of the old House Office Building on January 21, 1938, while the said Amy M. Ghent was en route to her work in such building.

With the following committee amendments:

In lines 6 and 7, strike out the figures and words "$1,500. The payment of such sum shall be" and insert "$250."

In lines 8 and 9, strike out the words "by the said Amy M. Ghent."

In line 11, strike out the words "the said Amy M. Ghent was."

At the end of the bill add:

"*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

VICTOR H. TODARO

The Clerk called the next bill, H. R. 9859, for the relief of Victor H. Todaro.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Victor H. Todaro, of Shreveport, La., the sum of $15,000, in full satisfaction of his claim against the United States for permanent injury received during the progress of the Civil Works Administration project on the State fair grounds in Shreveport on February 28, 1934: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 6, strike out the figures "$15,000" and insert "$5,000."

Page 1, line 8, after the word "received", insert "when the wall of a building caved in on him."

Page 1, line 9, after the words "on the", insert "Louisiana."

Page 1, line 10, strike out the word "That" and insert the following in lieu thereof: "That no part of the amount appropriated in this act shall be paid to or received by any person or company, as subrogee of the rights of the said Victor H. Todaro against the United States, and."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

MANUEL L. CLAY

The Clerk called the next bill, H. R. 9922, for the relief of Manuel L. Clay.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that the bill (S. 3719) for the relief of Manuel L. Clay may be considered in lieu of the House bill.

There being no objection, the Clerk read the Senate bill as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Manuel L. Clay, father of Carlton Clay, a minor, of Stonington, Conn., the sum of $3,000. The payment of such sum shall be in full settlement of all claims against the Government of the United States for the death of the said Carlton Clay, on January 13, 1938, as a result of his being struck by a vehicle in the service of the Works Progress Administration on the Boston Post Road in the town of Stonington, Conn.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. COSTELLO. Mr. Speaker, I offer sundry amendments to make the Senate bill conform to the House bill as amended.

The Clerk read as follows:

Amendments offered by Mr. COSTELLO to Senate 3719:

On page 1, line 7, after "$3,000" insert "and to the legal guardian of George P. Jones, a minor, of Mystic, Conn., the sum of $500."

Page 1, line 7, strike out the period and the words "the payment of such sum shall be."

Page 1, line 8, strike out the words "Government of the."

Page 1, line 10, strike out the word "his" and insert the word "their."

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 9922) was laid on the table.

F. A. RUMERY & SONS, OF PORTLAND, MAINE

The Clerk called the next bill, S. 82, for the relief of F. A. Rumery & Sons, of Portland, Maine.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to F. A. Rumery & Sons, of Portland, Maine, the sum of $1,215, in full satisfaction of all claims against the Government for extra expenses incurred in the construction of the United States inspection station at Houlton, Maine, under contract No. Tisa–3536, dated September 22, 1932: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 6, strike out the figures "$1,215" and insert "$1,020."

Page 1, line 7, strike out the word "Government" and insert "United States."

Page 1, line 8, after the words "United States" insert "customs."

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MABEL F. HOLLINGSWORTH

The Clerk called the next bill, S. 606, for the relief of Mabel F. Hollingsworth.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the provisions and limitations of sections 15 to 20, both inclusive, of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended, are hereby waived in the case of Mabel F. Hollingsworth, of West Allis, Wis., widow of William L. Hollingsworth, late a retired railway postal clerk, insofar as said Mabel F. Hollingsworth's claim for compensation for the death of said William L. Hollingsworth is concerned, and the United States Employees' Compensation Commission is authorized and directed to consider and act upon any claim filed with the Commission, within 1 year after the date of the enactment of this act, by said Mabel F. Hollingsworth for compensation under the provisions of such act

of September 7, 1916, as amended, for the death of said William L. Hollingsworth: *Provided*, That compensation, if any, shall commence from and after the date of the passage of this act.

With the following committee amendments:

Page 1, line 10, strike out the words "late a retired" and insert "who died August 18, 1935, from chronic silicosis and hypertrophy of the heart alleged to be the result of his employment as a."

Page 1, lines 10, 11, and 12, strike out the words "insofar as said Mabel F. Hollingsworth's claim for compensation for the death of said William L. Hollingsworth is concerned."

Page 2, line 3, strike out the words "1 year" and insert "6 months."

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JAMES D. M'EACHERN

The Clerk called the next bill, S. 866, for the relief of the estate of James D. McEachern.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $5,000 to the estate of James D. McEachern, in full settlement of all claims against the United States for the death of the said James D. McEachern resulting from an accident which occurred on December 16, 1935, at Cambridge, Mass., involving a Government-owned truck of the Department of the Interior: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 6, after the name "McEachern", insert "deceased, formerly of Cambridge, Mass.,".

Page 1, lines 8 and 9, strike out the words "an accident which occurred" and insert "injuries sustained when he was struck."

Page 1, line 10, strike out the words "involving a Government-owned" and insert "by an Emergency Conservation Work."

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

STILLWELL BROS., INC.

The Clerk called the next bill, S. 1346, for the relief of Stillwell Bros., Inc.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Stillwell Bros., Inc., the sum of $5,986.92 in full settlement of all claims against the Government for losses incurred by them as subcontractors in the performance of work done in the construction of a dock at the navy yard, Bremerton, Wash., in 1917: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

In line 6, page 1, after the word "Incorporated", insert "of Seattle, Washington."

In lines 7 and 8, strike out the words "Government for losses incurred by them" and insert "United States on account of wage increases paid."

In lines 8 and 9, strike out the words "in the performance of work done in" and insert "under contract No. 2381, dated July 17, 1917, with the Navy Department, for."

In line 10, strike out the words "in 1917" and insert "during 1917 and 1918."

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GEORGE EHRET, JR.

The Clerk called the next bill, S. 2541, for the relief of the estate of George Ehret, Jr.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That notwithstanding any limitation contained in section 301 (b) of the Revenue Act of 1926, as amended, with respect to the time within which State taxes shall have been paid and credits therefor claimed, the Commissioner of Internal Revenue is authorized and directed to consider any claim which may be filed within 60 days after the date of enactment of this act for a credit under such section in the case of the estate of George Ehret, Jr., late of the State of New York, and, in the consideration of such claim, to allow credit for any estate, inheritance, legacy, or succession taxes paid to the State of New York prior to the date of enactment of this act, and to refund to such estate the amount of any such credit allowed.

With the following committee amendment:

Page 2, line 3, after the word "allowed", insert "*Provided*, That in the settlement of said claim there shall be no allowance of interest."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LEONA DRAEGER

The Clerk called the next bill, S. 2895, for the relief of Leona Draeger.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Leona Draeger, the sum of $1,000, and the sum of $50 per month, in a total amount of not to exceed $4,000, such payments to be in full satisfaction of all claims of said Leona Draeger and her three minor children against the United States for damages sustained by them as a result of the death of William F. Draeger, husband of the said Leona Draeger; said William F. Draeger having been struck and killed on May 6, 1937, on Highway No. 29, about 5 miles north of Box Elder, Mont., by an automobile operated by William McMurphy, an employee of the National Youth Administration then engaged in the performance of his duties as such employee: *Provided*, That no part of the amount authorized to be paid in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with such claims. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount authorized to be paid in this act in excess of 10 percent thereof on account of services rendered in connection with such claims, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 5, after the name "Draeger", insert "of Box Elder, Mont."

Page 1, line 11, after the name "Draeger", strike out the semicolon and the words "said William F. Draeger having been" in lines 11 and 12, and insert in lieu thereof "who was."

Page 2, line 2, strike out the name "William McMurphy."

Page 2, lines 3 and 4, strike out the words "then engaged in the performance of his duties as such employee."

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHN FANNING

The Clerk called the next bill, S. 3057, for the relief of John Fanning.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to John Fanning, the sum of $2,500, in full satisfaction of his claim against the United States arising out of property damage and personal injuries suffered when he was struck by a truck driven by a Navajo Indian, near Flagstaff, Ariz., on May 30, 1936: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor

and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 5, after the name "Fanning", insert "of Tucson, Ariz."

Page 1, line 6, strike out the figures "$2,500" and insert "$2,000."

Page 1, line 8, strike out the word "he", and insert "the automobile he was driving."

Page 1, line 9, strike out the words "a Navajo Indian" and insert "an employee of the Indian Service, Interior Department, on United States Highway No. 66,".

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ESMERALD GOODMAN ET AL.

The Clerk called the next bill, S. 3540, for the relief of Esmerald Goodman, boatswain's mate, first class (lifesaving); Raymond H. Wilson, boatswain's mate, first class (lifesaving); Louis J. Burns, motor machinist's mate, first class (lifesaving); Silvie S. Langton, surfman; Eudorus J. Brown, surfman; Kenneth G. Sherwood, surfman; Alvin Combs, surfman; William E. Knight, surfman; Olaaf E. Starr, surfman; and Ejner E. Jensen, surfman.

There being no objection, the Clerk read the bill, as follows:

Be it enacted etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to personnel of the United States Coast Guard in full settlement of their claims against the United States for loss or destruction of, or damage to, personal property and effects as a result of the fire which occurred at the Coquille River Coast Guard Station, Bandon, Oreg., on September 27, 1936, as follows: Esmerald Goodman, boatswain's mate, first class (lifesaving), $110.70; Raymond H. Wilson, boatswain's mate, first class (lifesaving), $86.10; Louis J. Burns, motor machinist's mate, first class (lifesaving), $95.10; Silvie S. Langton, surfman, $80.75; Eudorus J. Brown, surfman, $65.60; Kenneth G. Sherwood, surfman, $41.25; Alvin Combs, surfman, $54.34; William E. Knight, surfman, $52.99; Olaaf E. Starr, surfman, $58.55; Ejner E. Jensen, surfman, $40.95.

With the following committee amendments:

Page 1, line 5, after the word "to", insert "the following-named".

At the end of the bill add:

": *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill for the relief of certain personnel of the Coquille River Coast Guard Station, Bandon, Oreg."

A motion to reconsider was laid on the table.

WILLIAM J. PITOCHELLI

The Clerk called the next bill, S. 3573, for the relief of William J. Pitochelli.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to William J. Pitochelli, of Lawrence, Mass., the sum of $837.13 in full satisfaction of his claim against the United States for injuries sustained by him as a result of an explosion of dynamite set off on a Works Progress Administration project at the city yard, Lawrence, Mass., on March 2, 1937: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with such claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with such claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 6, strike out "$837.13" and insert "$1,500."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

G. E. MAXWELL

The Clerk called the next bill, S. 3584, for the relief of G. E. Maxwell.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Dr. G. E. Maxwell, of Springerville, Ariz., the sum of $332.70 in full settlement of any and all claims against the Government on account of medical services rendered to John Holmes, agent and employee of the Government, in the service of the Works Progress Administration, at Springerville, Ariz., on April 30, 1936: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 7, strike out the word "Government" and insert "United States."

Page 1, line 8, after the word "of", insert "emergency."

Page 1, line 9, strike out the words "agent and employee of the Government in the service of" and insert "an employee of."

Page 1, lines 9 and 10, strike out the words "at Springerville, Ariz., on" and insert "on authority of officials of the Works Progress Administration."

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CERTAIN OFFICERS AND ENLISTED MEN OF THE COAST GUARD

The Clerk called the next bill, S. 3734, for the relief of certain officers and enlisted men of the United States Coast Guard.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to personnel of the United States Coast Guard, in full settlement of their claims against the United States for loss or destruction of, or damage to, personal property and effects as a result of the fire which occurred on the Connecticut Street Pier, Seattle, Wash., on June 3, 1937, as follows: Earl K. Rhodes, lieutenant, $175; Christopher C. Knapp, lieutenant (junior grade), $358.50; Irving J. Stephens, lieutenant (junior grade), $204.90; Edgar V. Carlson, lieutenant (junior grade), $188.25; Albert J. Carpenter, lieutenant (junior grade), $281.75; Ralph D. Dean, ensign, $107; Thomas A. Ross, chief boatswain, $138.50; Emil Moen, boatswain, $50; Ellis F. Gradin, gunner, $379.30; Obey C. Scott, machinist, $40; Virgil L. McLean, pay clerk, $47.44; Joseph H. Chagnot, carpenter, $80; Melvin J. Archambeau, chief boatswain's mate, $8; and George Wray, chief carpenter's mate, $58.

With the following committee amendments:

Page 1, line 5, after the word "to", insert "the following-named."

At the end of the bill, add: ": *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WILLIAM T. J. RYAN

The Clerk called the next bill, S. 2557, for the relief of William T. J. Ryan.

Mr. HALLECK and Mr. HANCOCK of New York objected, and, under the rule, the bill was recommitted to the Committee on Military Affairs.

GUY CARLTON BAKER

The Clerk called the next bill, H. R. 667, to correct the records of the War Department to show that Guy Carlton Baker and Calton C. Baker or Carlton C. Baker is one and the same person.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized and directed to amend the records of the War Department to show that Guy Carlton Baker is one and the same person as Calton C. Baker or Carlton C. Baker, who served in the War of 1812 as a private in Capt. Ezekiel Colburn's company, Lt. Col. Thomas B. Benedict's regiment, New York Militia.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WILLIAM E. RICH

The Clerk called the next bill, H. R. 1299, for the relief of William E. Rich.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers, William E. Rich, who was a member of the United States Army, shall hereafter be held and considered to have been honorably discharged from the military service of the United States.

With the following committee amendment:

At the end of the bill insert:
"*Provided*, That no bounty, back pay, pension, or allowances shall be held to have accrued prior to the passage of this act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HARRY J. SOMERVILLE

The Clerk called the bill (H. R. 9868) for the relief of Harry J. Somerville.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers Harry J. Somerville, who served as a private, Troop K, Eleventh Regiment United States Cavalry, shall be held and considered to have been honorably discharged from the United States Army in the rank of private on July 26, 1918.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EDWIN L. WADE

The Clerk called the bill (H. R. 725) for the relief of Edwin L. Wade.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Edwin L. Wade, of Schenectady, N. Y., the sum of $1,559. The payment of such sum shall be in full settlement of all claims against the United States for damages sustained by the said Edwin L. Wade as a result of personal injuries received by him and property damage to his automobile when such automobile was struck, on the Middleburgh-Schoharie Highway, approximately 4 or 5 miles from Schoharie, N. Y., on December 3, 1935, by a truck in the service of the Civilian Conservation Corps.

With the following committee amendments:

In lines 6 and 7, strike out the figures and words "$1,559. The payment of such sum shall be" and insert "$484."

In lines 8 and 9, strike out the words "damages sustained by the said Edwin L. Wade as a result of."

In lines 10 and 11, strike out the words "struck, on" and insert "forced from."

In lines 11 and 12, strike out the words "approximately 4 or 5 miles from" and insert "near."

At the end of the bill add: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to; and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ROY M. YOUNG

The Clerk called the bill (H. R. 4115) for the relief of Roy M. Young.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Roy M. Young, the sum of $650 in full settlement of all claims against the United States for compensation on account of personal injuries and expenses incident thereto as a result of a collision involving a vehicle of the United States Army at the junction of United States Highways Nos. 41 and 22, in the State of Illinois, on April 2, 1935: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 5, after the word "Young", insert "of Evanston, Ill."

Page 1, line 7, strike out the words "for compensation."

The committee amendments were agreed to; and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

ANNA MATTIL AND OTHERS

The Clerk called the bill (H. R. 7991) for the relief of Anna Mattil and others.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Anna Mattil, Rochester, N. Y., the sum of $20,000; to Mildred Reed, Coldwater, N. Y., the sum of $10,000; to John A. Mattil, Rochester, N. Y., the sum of $4,000; to John H. Mattil, Sr., Rochester, N. Y., the sum of $1,500; to Edward Kolb, Rochester, N. Y., the sum of $5,000; to Anna Fritz Starr, Rochester, N. Y., the sum of $1,000; to Deloris Clow, Rochester, N. Y., the sum of $5,000; to Julia Valentine, Rochester, N. Y., the sum of $3,000; to the legal guardian of Betty Jane Mosher, a minor, Rochester, N. Y., the sum of $10,000; to the legal guardian of Mary Ann Thesing, a minor, Rochester, N. Y., the sum of $5,000; to the legal guardian of Marjorie St. John, a minor, Rochester, N. Y., the sum of $20,000; to the legal guardian of George Mattil, a minor, Rochester, N. Y., the sum of $20,000; and to the legal guardian of Susie Spier, a minor, Rochester, N. Y., the sum of $5,000, in full settlement of all their claims against the Government of the United States for personal injuries sustained by them as the result of an explosion and fire caused by agents of the Bureau of Prohibition during a raid in the city of Rochester, N. Y., July 7, 1933: *Provided*, That no part of the amounts appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claims. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amounts appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claims, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 6, strike out the figures "$20,000" and insert "$1,250."
Page 1, line 7, strike out the figures "$10,000" and insert "$300."

Page 1, line 8, strike out the figures "$4,000" and insert "$300."
Page 1, line 10, strike out the figures "$1,500" and insert "$250."
Page 1, line 11, strike out the figures "$5,000" and insert "$300" and strike out the name "Anna" and insert "Anne."
Page 1, line 12, strike out the figures "$1,000" and insert "$300."
Page 1, line 13, strike out the figures "$5,000" and insert "$300."
Page 2, line 1, strike out the figures "$3,000" and insert "$100."
Page 2, line 3, strike out the figures "$10,000" and insert "$750."
Page 2, line 4, strike out the figures "$5,000" and insert "$500."
Page 2, line 6, strike out the figures "$20,000" and insert "$1,500."
Page 2, line 8, strike out the figures "$20,000" and insert "$1,000" and strike out the word "and."
Page 2, line 9, strike out the figures "$5,000" and insert the figures and words "$750; to the legal guardian of Richard Ormsby, a minor, Rochester, N. Y., the sum of $1,500; and to Richard Smith, Rochester, N. Y., the sum of $250."

The committee amendments were agreed to; and the bill, as amended, was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CELIA KOEHLER

The Clerk called the bill (H. R. 9132) for the relief of Celia Koehler.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Celia Koehler, Custer, S. Dak., the sum of $10,000, in full settlement of all claims against the United States for the death of her husband, Frank Koehler, a flagman on a highway construction crew, who was killed on duty October 13, 1937, when struck by a truck belonging to the United States Forest Service, which was driven by an enrollee of the Civilian Conservation Corps in line of duty on United States Highway No. 16 within the boundaries of the Harney National Forest.

With the following committee amendments:

In line 6, strike out the figures "$10,000" and insert "$5,000."
In line 9, strike out the word "duty."
In line 11, strike out the words "which was" and insert "and."
At the end of the bill strike out the period, insert a comma, and add: "near Custer, S. Dak.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

D. B. CARTER

The Clerk called the bill (H. R. 9282) for the relief of the estate of D. B. Carter, of Richmond, Va.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to the estate of D. B. Carter, of Richmond, Va., out of any money in the Treasury not otherwise appropriated, the sum of $10,000, in full settlement of all claims against the Government of the United States for personal injuries caused by an automobile truck leased to the United States Coast and Geodetic Survey and driven by an enlisted man named Frank Swoveland on January 14, 1934, about 5 miles west of Portsmouth, Va.: *Provided*, That the payment herein authorized shall not be subject to levy, garnishment, or other legal processes for any debts, except burial expenses: *Provided further*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 4, after the name "Carter", insert "deceased, formerly of."
Page 1, line 6, strike out the figures "$10,000" and insert "$3,000."
Page 1, line 8, strike out the words "caused by an automobile" and insert a comma and the words "or the death of said D. B. Carter on July 27, 1937, allegedly as a result thereof, sustained when the automobile he was driving was struck by a."
Page 2, lines 1, 2, 3, and 4, strike out the words "That the payment herein authorized shall not be subject to levy, garnishment, or other legal processes for any debts, except burial expenses: *Provided further*."

The committee amendments were agreed to; and the bill, as amended, was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider the vote by which the bill was passed was laid on the table.

The title was amended so as to read: "A bill for the relief of the estate of D. B. Carter."

RUSSELL ANDEREGG

The Clerk called the bill (H. R. 9451) for the relief of Russell Anderegg, a minor, and George W. Anderegg.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the legal guardian of Russell Anderegg, a minor, of Pittsburgh, Pa., the sum of $5,000 in full satisfaction of all claims against the United States for injuries sustained by him on August 25, 1936, when employees of the Works Progress Administration, while engaged on W. P. A. project No. 65–23–7310, located at Grandview Park, Mount Washington, Pittsburgh, Pa., negligently rolled a large locust post down the side of a hill, the post striking said Russell Anderegg; and to George W. Anderegg, of Pittsburgh, Pa., father of said injured minor, the sum of $2,071.34 in full satisfaction of all claims against the United States for all expenses incurred by him as a result of said injuries to his son: *Provided*, That no part of the amounts appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 7, strike out "$15,000" and insert "$5,000".

The committee amendment was agreed to; and the bill as amended was ordered to be engrossed and read a third time, was read the third time and passed and a motion to reconsider was laid on the table.

HAROLD E. THERIAULT

The Clerk called the bill (H. R. 9543) for the relief of Mr. and Mrs. Harold E. Theriault.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mr. and Mrs. Harold E. Theriault, of Avery, Idaho, the sum of $1,850, in full satisfaction of their claim against the United States for the destruction of their house as a result of blasting operations of the United States Forest Service on April 4, 1936, in connection with an Emergency Conservation road-construction project in the St. Joe National Forest.

With the following committee amendments:

In line 6, strike out the figures "$1,850" and insert "$844.20."
In line 10, after the word "Conservation", insert "Work."
At the end of the bill add: ": *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SHOSHONE GARAGE

The Clerk called the next bill, H. R. 9640, for the relief of the Shoshone Garage.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized to pay, out of any funds in the United States Treasury not otherwise appropriated, the sum of $1,200 to the Shoshone Garage, Pete H. Schultz, owner, of Cody, Wyo., in compensation for liquidated damages deducted from payments due the Shoshone Garage, Pete H. Schultz, owner, under a contract between the claimant and the Bureau of Reclamation of the Department of the Interior in March 1937 for unavoidable delay occasioned by floods and strikes beyond the control of claimant in the delivery of auto-

mobiles under said contract and from which no damage was suffered by the United States.

With the following committee amendments:

In line 3, after the word "authorized", insert "and directed."

In line 4, strike out the word "funds" and insert "money", and strike out the words "United States."

In line 7, strike out the word "compensation" and insert "settlement of all claims against the United States."

In line 9, after the word "contract", insert "numbered 12r–6941, dated February 11, 1937."

In lines 9 and 10, strike out the words "in March 1937 for" and insert "on account of."

At the end of the bill add: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to and the bill, as amended, was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

W. H. JOHNSTON, JR.

The Clerk called the next bill, H. R. 9888, for the relief of William Henry Johnston, Jr.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the guardian of William Henry Johnston, Jr., of Salt Lake City, Utah, a minor, for the use of said minor, the sum of $5,000, in full satisfaction of all claims against the United States for the death of the father of said minor, William Henry Johnston, who was killed on April 29, 1937, by a cave-in occurring in a trench which deceased was engaged in digging under direction of prison officials while an inmate of the United States Penitentiary, McNeil Island, Wash.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 5, after the words "to the", insert "legal."

Page 1, line 7, strike out the words and figures "for the use of said minor, the sum of $5,000" and insert "the sum of $3,500,".

Amend the title of the bill to read: "For the relief of William Henry Johnston, Jr., a minor."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

The title of the bill was amended so as to read: "A bill for the relief of William Henry Johnston, Jr., a minor."

GEORGE J. LEATHERWOOD

The Clerk called the next bill, S. 1987, for the relief of George J. Leatherwood.

Mr. Costello and Mr. Barden objected, and under the rule the bill was recommitted to the Committee on Claims.

CLARENCE DANIEL

The Clerk called the next bill, S. 2890, for the relief of Clarence Daniel.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated to the parents of Clarence Daniel, a minor, of Idabel, Okla., the sum of $3,500, in full satisfaction of all claims against the United States for damages for personal injuries received by the said Clarence Daniel when he was struck and run down, on May 5, 1937, by a Works Progress Administration truck which was carrying men to a work project: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 5, strike out the word "parents" and insert "legal guardian."

Page 1, line 8, strike out the words "for damages."

Page 1, line 9, strike out the words "and run down.".

Page 1, line 11, strike out the words "which was carrying men to a work project" and insert "on United States Highway numbered 70, near Idabel, McCurtain County, Oklahoma".

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title to the bill was amended so as to read: "An act for the relief of Clarence Daniel, a minor."

MR. AND MRS. P. F. NIXON

The Clerk called the next bill, S. 3587, for the relief of Mr. and Mrs. P. F. Nixon, parents of Herschel Lee Nixon, deceased minor son.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mr. and Mrs. P. F. Nixon, of Littlefield, Tex., parents of Herschel Lee Nixon, deceased minor son, the sum of $3,000 in full satisfaction of all their claims against the United States for compensation on account of fatal injuries received by the said Herschel Lee Nixon on October 6, 1937, when he was crushed by a truck negligently driven by an employee of the Works Progress Administration, near Spade, Tex., which injuries resulted in the immediate death of the said Herschel Lee Nixon: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SAM ALEXANDER

The Clerk called the next bill, S. 2594, authorizing the President of the United States to summon Sam Alexander before an Army retiring board, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the President of the United States be, and he is hereby, authorized to summon Sam Alexander, formerly a field clerk, Quartermaster Corps, United States Army, and major, Signal Corps, United States Army, before a retiring board for the purpose of hearing his case and inquiring whether at the time of his separation from the service he was incapacitated for active service, and whether such incapacity was a result of an incident of service and if, as a result of such hearing and inquiry, it is found that he was so incapacitated, the President is authorized to appoint the said Sam Alexander a warrant officer, Regular Army, and place him immediately thereafter upon the retired list of the Army, with the same privileges and retired pay as are now or may hereafter be provided by law or regulation for warrant officers of the Regular Army: *Provided*, That the said Sam Alexander shall not be entitled to any back pay or allowances by the passage of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CHARLES D. BIRKHEAD

The Clerk called the next bill, S. 1564, for the relief of Charles D. Birkhead.

Mr. HANCOCK of New York and Mr. HALLECK objected, and under the rule the bill was recommitted to the Committee on Military Affairs.

ALBERT RICHARD JESKE

The Clerk called the next bill, H. R. 7606, for the relief of Albert Richard Jeske.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. COSTELLO. Mr. Speaker, I object.

There being no further objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the immigration laws, relating to the issuance of immigration visas for admission to the United States for permanent residence and relating to admissions at ports of entry of aliens as immigrants for permanent residence in the United States, the provisions of section 3 of the Immigration Act of 1917 (39 Stat. 875), as amended (U. S. C., title 8, sec. 136 (e)), which exclude from admission into the United States "persons who have been convicted of or admit having committed a felony, or other crime or misdemeanor involving moral turpitude", shall not hereafter be held to apply to Albert Richard Jeske, who is the husband of Martha Jeske, an American citizen, on account of offenses alleged to have been committed in connection with obtaining a passport for admission to the United States. If he is found otherwise admissible under the immigration laws an immigration visa may be issued and admission granted to Albert Richard Jeske under this act upon application hereafter filed.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EMILY GERTRUDE TOBY

The Clerk called the next bill, S. 3758, for the relief of Emily Gertrude Toby.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the immigration laws Emily Gertrude Toby shall not be denied an immigration visa, nor denied admission to the United States for permanent residence, because of the fact that on or about December 20, 1923, she was convicted of petty larceny and fined $25 at Winnipeg, Canada, when at the age of 20 years.

The bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

WILLIAM KELLEY

The Clerk called the next bill, H. R. 5604, for the relief of William Kelley.

Mr. COSTELLO and Mr. HANCOCK of New York objected; and, under the rule, the bill was recommitted to the Committee on Claims.

JOHN B. JONES

The Clerk called the next bill, S. 652, for the relief of John B. Jones.

There being no objection the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers John B. Jones, who served as a first lieutenant, One Hundred and Forty-third Infantry, United States Army, shall hereafter be held and considered to have been discharged under honorable conditions from the military service of the United States on the 8th day of June 1918: *Provided*, That no back pay, compensation, benefit or allowance shall be held to have accrued prior to the passage of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHN W. BECK

The Clerk called the next bill, S. 1239, for the relief of John W. Beck.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the President of the United States be, and he is hereby, authorized to summon John W. Beck, a first lieutenant, United States Army, retired, before a retiring board, to inquire whether at the time of his retirement under section 24b, National Defense Act, as amended, he was incapacitated for active service, and whether such incapacity was a result of an incident of service, and if, as a result of such inquiry, it is found that he was so incapacitated, the President is authorized to nominate and appoint, by and with the consent of the Senate, the said John W. Beck, a first lieutenant, Regular Army, and place him immediately thereafter upon the retired list of the Army, with the same privileges and retired pay as are now or may hereafter be provided by law or regulation for officers of the Regular Army: *Provided*, That the said John W. Beck shall not be entitled to any back pay or allowances by the passage of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GEORGE H. LOWE, JR.

The Clerk called the next bill, S. 2883, for the relief of George H. Lowe, Jr.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of section 10 of the act entitled "An act to maintain the credit of the United States Government," approved March 20, 1933, George H. Lowe, Jr., who enlisted in the United States Army on June 7, 1917, and served in France, and was commissioned a first lieutenant in the United States Army to rank as such from September 8, 1918, shall be held and considered to have entered commissioned service prior to November 11, 1918, notwithstanding that he was unable by reason of wounds suffered in action to qualify and accept the commission until November 16, 1918.

The bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

BENJAMIN H. FAITH

The Clerk called the next bill, S. 3490, for the relief of Benjamin H. Faith.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the pension laws or any laws conferring rights, privileges, or benefits upon persons honorably discharged from the United States Army Benjamin H. Faith shall be held and considered to have been honorably discharged on July 7, 1919, as a private, Battery C, Fifteenth Regiment Field Artillery, United States Army; but no pension, pay, bounty, or other benefit, except the benefits of the World War Adjusted Compensation Act, as amended and supplemented, shall be held to accrue by reason of this act prior to its passage.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PRESENTATION OF GOLD MEDALS TO MRS. ROBERT ALDRICH AND POSTHUMOUSLY TO ANNA BOULIGNY

The Clerk called the next bill, S. 3917, authorizing the President to present gold medals to Mrs. Robert Aldrich and posthumously to Anna Bouligny.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the President be, and he is hereby, authorized to present a gold medal of appropriate design to Mrs. Robert Aldrich, nee Margaret Livingston Chanler, and posthumously to Anna Bouligny, deceased, who, during the War with Spain, voluntarily went to Puerto Rico and there rendered service of inestimable value to the Army of the United States in the establishment and operation of hospitals for the care and treatment of military patients in Puerto Rico. The posthumous presentation to Anna Bouligny, deceased, shall be made to such representative of the said Anna Bouligny, deceased, as the President may designate. There is hereby authorized to be appropriated such sum as may be necessary to carry out the provisions of this act.

Amend the title so as to read: "An act authorizing the President to present gold medals to Mrs. Richard Aldrich and posthumously to Anna Bouligny."

With the following committee amendment:

Page 1, line 4, strike out "Robert" and insert in lieu thereof "Richard."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "An act authorizing the President to present a gold medal to Mrs. Richard Aldrich and posthumously to Anna Bouligny."

ELMER W. HAAS

The Clerk called the next bill, H. R. 656, for the relief of Elmer W. Haas.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers Elmer W. Haas be held and considered to have been enlisted May 5, 1898, in Company H, Twenty-first Regiment Kansas Volunteer Infantry, and honorably discharged from said company on August 4, 1898: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

REINSTATEMENT OF FIRST LT. WILLIAM B. BLAUFUSS

The Clerk called the next bill, H. R. 8799, to provide for the reinstatement of First Lt. William B. Blaufuss, United States Army, retired, to the active list of the Regular Army as a first lieutenant.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized and directed to reinstate First Lt. William B. Blaufuss, retired from the Air Corps, United States Army, for physical disability, to the active list of the Regular Army as a first lieutenant, and the Secretary of War is further authorized and directed to effect the reinstatement of the said William B. Blaufuss not later than 60 days following enactment of this act.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following:

"That the President of the United States be, and is hereby, authorized to summon William B. Blaufuss, a first lieutenant, United States Army, retired, before a retiring board to inquire whether at the time of his retirement he was incapacitated for active service and whether such incapacity was a result of an incident of service, and to further determine if he is incapacitated for active service at the present time; and if not, the Secretary of War be, and he is hereby, authorized and directed to reinstate William B. Blaufuss a first lieutenant, United States Army, said reinstatement to be effected not later than 60 days following the finding of said retiring board that said William B. Blaufuss is not incapacitated for active service."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill for the relief of William B. Blaufuss."

OLIN J. SALLEY

The Clerk called the next bill, H. R. 1768, for the relief of Olin J. Salley.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Olin J. Salley the sum of $44, which was the expense to which he was put in qualifying under the direction of the Veterans' Administration for the purpose of administering the estate of Timothy Jones, XC-126314, on April 10, 1931.

With the following committee amendments:

In line 5, after the name "Salley", insert a comma and the words "of Salley, S. C."

In line 6, strike out the words "which was" and insert "in full satisfaction of his claim against the United States for."

At the end of the bill strike out the period, insert a comma, and add:

"in the probate court of Orangeburg County, S. C.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CAPT. FRANCIS H. S. M'KEON

The Clerk called the next bill, H. R. 5777, for the relief of Capt. Francis H. S. McKeon.

There being no objection, the Clerk read the bill, as follows:

Be it enacted etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated and in full settlement against the Government, the sum of $291.46 to Francis H. A. McKeon, captain, Twenty-ninth Regiment, United States Infantry, being the amount stopped against his pay by reason of clerical failure to enter on the pay rolls of said regiment certain allotments of enlisted men, made against the pay of certain enlisted men, covering allotments made by them.

Amend the title so as to read: "A bill for the relief of Captain Francis H. A. McKeon."

With the following committee amendments:

In lines 5 and 6, strike out the words "and in full settlement against the Government."

In line 7, strike out the words "Twenty-ninth Regiment" and insert "Thirteenth, Infantry."

In line 8, strike out the words "Infantry, being" and insert "Army, in full satisfaction of his claim against the United States for refund of."

In lines 9 and 10, strike out the words "by reason of clerical failure to enter on the pay rolls of said regiment" and insert "on account of errors made by personnel in his office in failing to deduct."

In lines 11 and 12, strike out the words "covering allotments made by them." and add the following: "while he was detailed as personnel adjutant, Twenty-Ninth Infantry, United States Army, Fort Benning, Ga., during 1921 and 1922: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill for the relief of Capt. Francis H. A. McKeon."

CURTISS AEROPLANE AND MOTOR CO., INC.

The Clerk called the next bill, H. R. 7144, for the relief of the Curtiss Aeroplane & Motor Co., Inc.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Curtiss Aeroplane and Motor Co., Inc., the sum of $53,072.38. Such sum represents additional costs incurred by such corporation in the performance of contracts with the Department of War dated June 24, 1932 (contract numbered W535-ac-5258), November 23, 1932 (contract numbered W535-ac-5536), February 27, 1933 (contract numbered W535-ac-5733), and September 29, 1933, bid August 2, 1933 (contract numbered W535-ac-6261).

With the following committee amendments:

In line 6, after the word "Incorporated", insert "of Buffalo, N. Y."

At the end of line 6 and at the beginning of line 7 strike out the figures and words "$53,072.38. Such sum represents" and insert "$45,191.89, in full satisfaction of its claim against the United States for."

In line 8, after the word "corporation" insert "as the result of compliance with the President's Reemployment Agreement, promulgated pursuant to the National Industrial Recovery Act."

At the end of the bill add:

"*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HYMAN GINSBERG

The Clerk called the next bill, H. R. 7170, for the relief of Hyman Ginsberg.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Hyman Ginsberg, Birmingham, Ala., the sum of $15,000. Such sum shall be in full settlement of all claims against the United States for damages sustained by the said Hyman Ginsberg as the result of being permanently disabled and wholly prevented from pursuing his occupation for the rest of his natural life from a collision involving the truck in which he was riding and a United States mail truck, the driver of which totally disregarded a "boulevard" sign driving the United States mail truck into the truck of Hyman Ginsberg: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, lines 6 and 7, strike out "$15,000. Such sum shall be" and insert "$4,000."

Page 1, line 8, start with the word "damages," strike out all of the bill through the word "from" in line 11, and insert "personal injuries and property damage sustained in."

Page 2, line 2, start with the word "the", strike out all of the bill through the name "Ginsberg" in line 2, page 2, and insert in lieu thereof "at the intersection of Twelfth Street South and Avenue H, Birmingham, Ala., on December 22, 1936."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EMMETT LEE PAYNE

The Clerk called the next bill, H. R. 7485, for the relief of Emmett Lee Payne.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that the bill, S. 2624, for the relief of Emmett Lee Payne, may be considered in lieu of the House bill.

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Emmett Lee Payne, of Coahoma County, Miss., the sum of $5,000, in full settlement of all claims against the Government of the United States for personal injuries and property damage sustained on January 29, 1937, about 4 miles south of Lula, Coahoma County, Miss., on United States Highway No. 61, as a result of a collision between the truck driven by the said Emmett Lee Payne and Civilian Conservation Corps service truck No. 7, bearing United States license No. 31195–D. A.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 7485) was laid on the table.

OLYMPIO MEDINA

The Clerk called the next bill, H. R. 7636, for the relief of Olympio Medina.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Olympio Medina the sum of $5,000. Such sum shall be in full satisfaction of all claims against the United States for damages resulting from serious injury of the said Olympio Medina who, on May 17, 1934, suffered serious injuries when he was accidentally shot by a Federal agent in the employ of the United States Government: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 5, strike out the name "Olympio Medina" and insert "Olimpio Medina, of New York City."

Page 1, line 6, strike out the figures and words "$5,000. Such sum shall be" and insert "$1,000."

Page 1, lines 7 and 8, strike out the words "damages resulting from serious injury of the said Olympio Medina who", and insert "personal injury sustained."

Page 1, line 9, strike out the words "suffered serious injuries"

Page 1, lines 10 and 11, strike out the words "by a Federal agent in the employ of the United States Government" and insert "while an agent of the Bureau of Narcotics, Treasury Department, was effecting an arrest, at One Hundred and Thirteenth Street and Lenox Avenue, New York City."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill for the relief of Olimpio Medina."

MRS. OLIVE FLETCHER CONKLIN

The Clerk called the next bill, H. R. 8199, for the relief of Mrs. Olive Fletcher Conklin.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Olive Fletcher Conklin, of Miami, Fla., the sum of $5,000, in full settlement of all claims against the Government of the United States for personal and permanent injuries suffered by the said Mrs. Olive Fletcher Conklin as a result of a collision with a truck operated by an employee of the Government, in the city of Miami, Fla., on or about December 15, 1935.

With the following committee amendments:

In line 6, strike out the figures "$5,000" and insert "$3,000,".

In line 7, strike out the words "Government of the."

In line 8, strike out the words "and permanent."

In lines 8 and 9, strike out the words "the said Mrs. Olive Fletcher Conklin" and insert "her."

In lines 9 and 10, strike out the words "with a truck operated by an employee of the Government" and insert "between the automobile in which she was a passenger and a United States Army truck,".

In line 11, strike out the words "or about."

At the end of the bill add:

": *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WILLIAM MONROE

The Clerk called the next bill, H. R. 9133, for the relief of William Monroe.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to William Monroe, of Mellette County, S. Dak., the sum of $125 for the loss of one horse and $10 for the unauthorized use of his team by Government truck drivers to pull a 5-ton truck owned by the Emergency Conservation Works uphill at the Rosebud Agency, Rosebud, S. Dak.,

October 26, 1936, during which use one of the horses was injured and died.

With the following committee amendment:

In line 6, start with the figures "$125" and strike out the remainder of the bill, and insert in lieu thereof the following: $100, in full satisfaction of his claim against the United States for loss of a horse which had been used by employees of an Indian Emergency Conservation Work project of the Rosebud Indian Agency, S. Dak., to pull a truck, on October 26, 1936, and which died shortly after such use: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SAM KIMZEY

The Clerk called the next bill, S. 824, for the relief of Sam Kimzey.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Sam Kimzey, of Cornelia, Ga., the sum of $1,500, in full satisfaction of his claim against the United States for damages arising out of the removal of certain buildings of an abandoned Civilian Conservation Corps camp from land owned by said Sam Kimzey: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 6, strike out the figures "$1,500" and insert "$500."
Page 1, line 8, strike out the word "an" and insert "the."
Page 1, line 9, after the word "camp", insert "P–79, at Cornelia, Habersham County, Ga."
Page 1, line 10, after the name "Kimzey", insert a comma and the words "after transfer of said camp on July 13, 1934, to the Federal Emergency Relief Administration."

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JAMES J. HOGAN

The Clerk called the next bill, S. 2505, for the relief of James J. Hogan.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury allocated by the President for the maintenance and operation of the Civilian Conservation Corps, to James J. Hogan, New Egypt, N. J., the sum of $380. Such sum shall be in full settlement of all claims against the United States for damages sustained by the said James J. Hogan on account of property damage received on January 13, 1937, when the car which he was driving on Pemberton-Wrightstown Highway, within the Camp Dix Military Reservation, Camp Dix, N. J., was involved in an accident with a Government truck operated in the service of the Civilian Conservation Corps: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, lines 5 and 6, strike out the words "allocated by the President for the maintenance and operation of the Civilian Conservation Corps," and insert "not otherwise appropriated."

Page 1, line 7, strike out the period after the figures, insert a comma, and strike out the words "Such sum shall be" in lines 7 and 8.

Page 1, line 9, strike out the words "for damages sustained by the said James J. Hogan."

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WILLIAM MOSELEY

The Clerk called the next bill, H. R. 6805, for the relief of William Moseley.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers William Moseley, who was a member of Company L, Ninth Regiment United States Volunteer Infantry, shall hereafter be held and considered to have been honorably discharged from the military service of the United States as a member of that organization on the 25th day of May 1899: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BUTLER LUMBER CO., INC.

The Clerk called the next bill, H. R. 10171, to amend the act entitled "An act giving jurisdiction to the Court of Claims to hear and determine the claim of the Butler Lumber Co., Inc."

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act entitled "An act giving jurisdiction to the Court of Claims to hear and determine the claim of the Butler Lumber Co., Inc.", approved March 3, 1927, be, and the same is hereby, amended to give the Court of Claims of the United States jurisdiction to hear and determine claims in addition to those already adjudicated by the Court of Claims in the case of the *Butler Lumber Co.* v. *The United States*, decided December 7, 1931 (73 C. Cls. 270), in favor of the Butler Lumber Co., as follows: A claim for the loss of land, timber, lumber, machinery, and cash through foreclosure in the total sum of $95,641, resulting from the furnishing of piling in the erection of a fueling station on Craney Island, in Norfolk Harbor, Va., which station was erected under a contract dated May 21, 1921, between W. S. Rendle and the United States Shipping Board, representing the United States of America, notwithstanding the said judgment of the Court of Claims, laches, or the statute of limitations. Suit in the Court of Claims may be brought by the receivers of the Butler Lumber Co., Inc., appointed by the Law and Equity Court of Richmond City, Va.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DAVID R. THOMPSON AND RALPH S. WARNER

The Clerk called the next bill, H. R. 10326, to authorize and direct the Commissioners of the District of Columbia to set aside the trial-board conviction of Policemen David R. Thompson and Ralph S. Warner and their resultant dismissal, and to reinstate David R. Thompson and Ralph S. Warner to their former positions as members of the Metropolitan Police Department.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Commissioners of the District of Columbia be, and they are hereby, authorized and directed to set aside the trial-board conviction of Policemen David R. Thompson and Ralph S. Warner and their resultant dismissal, and to reinstate David R. Thompson and Ralph S. Warner to their former positions as members of the Metropolitan Police Department of the District of Columbia.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WILLIAM J. COCKE

The Clerk called the next bill, S. 931, for the relief of the widow of the late William J. Cocke.

Mr. HANCOCK of New York and Mr. COSTELLO objected, and, under the rule, the bill was recommitted to the Committee on War Claims.

A. C. MESSLER CO.

The Clerk called the next bill, S. 3005, to confer jurisdiction on the Court of Claims to hear and determine the claim of the A. C. Messler Co.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Court of Claims of the United States be, and hereby is, given jurisdiction to hear and determine the claim of the A. C. Messler Co., of Providence, R. I., notwithstanding lapse of time or any statute of limitations and to award said company compensation for additional material furnished the Government under contract dated April 17, 1918, for the manufacture and delivery of cartridge clips.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WILLIAM J. PILLSBURY, EXECUTOR

The Clerk called the next bill, H. R. 3961, for the relief of the estate of Benjamin A. Pillsbury (William J. Pillsbury, executor).

There being no objection the Clerk read the bill as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the estate of Benjamin A. Pillsbury (William J. Pillsbury, executor) the sum of $2,989.09. Such sum shall be in full satisfaction of all claims against the United States for damages to the schooner *A. B. Sherman* in 1899 while that vessel was under charter by the Navy Department.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CHOCTAW COTTON OIL CO., ADA, OKLA.

The Clerk called the next bill, H. R. 8753, for the relief of the Choctaw Cotton Oil Co. of Ada, Okla.

There being no objection the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Choctaw Cotton Oil Co. of Ada, Okla., successors to the Farmers Cotton Oil Co. of Madill, Okla., the sum of $3,823.07, the balance due on cotton linters purchased by the United States Government under contract known as Seller's Contract of Sale No. 3250.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHN B. BRACK

The Clerk called the next bill, H. R. 7293, for the relief of the estate of John B. Brack.

Mr. MOTT and Mr. HALLECK objected and, under the rule, the bill was recommitted to the Committee on War Claims.

WARD BELL

The Clerk called the next bill, H. R. 342, for the relief of Ward Bell.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Ward Bell the sum of $5,208.90 in full settlement of his claim against the Government for injuries received while dismantling a still at Watertown, N. Y., under orders from a Federal prohibition agent.

With the following committee amendment:

Strike out all after the enacting clause and insert:

"That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to H. Ward Bell, of Watertown, N. Y., the sum of $1,708.90, in full satisfaction of his claim against the United States for personal injuries received on July 17, 1928, when an illegal still located in premises at Watertown, N. Y., which he was assisting in dismantling at the direction of a Federal prohibition agent, exploded as the result of alcoholic combustion therein: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill for the relief of H. Ward Bell."

W. GLENN LARMONTH

The Clerk called the next bill, H. R. 347, for the relief of W. Glenn Larmonth.

There being no objection, the Clerk read the bill, as follows:

Be it enacted etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to W. Glenn Larmonth the sum of $739.75 in full settlement of his claim against the Government for injuries received while dismantling a still at Watertown, N. Y.

With the following committee amendment:

Strike out all after the enacting clause and insert:

"That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to W. Glenn Larmonth, of Watertown, N. Y., the sum of $739.75, in full satisfaction of his claim against the United States for personal injuries received on July 17, 1928, while acting in his capacity as a United States Commissioner for the Northern District of New York, when an illegal still located in premises at Watertown, N. Y., which was being dismantled at the direction of a Federal prohibition agent exploded as the result of alcoholic combustion therein: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LUKE A. WESTENBERGER

The Clerk called the next bill, H. R. 7818, for the relief of Luke A. Westenberger.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Luke A. Westenberger, of Gettysburg, Pa., the sum of $2,500 in full settlement of all claims for the loss of an eye sustained by him on May 27, 1936, while a student at Gettysburg College and receiving student aid from the National Youth Administration.

With the following committee amendment:

Strike out all after the enacting clause and insert:

"That in the administration of the act entitled 'An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes', approved September 7, 1916, as extended and limited by the acts of February 15, 1934 (48 Stat. 351) and June 22, 1936 (49 Stat. 1608), the United States Employees' Compensation Commission is hereby authorized and directed to receive and consider the claim of Luke A. Westenberger, of Gettysburg, Pa., for loss of his left eye as the result of an injury on May 27, 1936, allegedly sustained in the performance of his duties at Gettysburg College, Pa., while a recipient of student aid under the National Youth Administration: *Provided*, That claim hereunder shall be filed within 6 months after the approval of this act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CAPT. JAMES L. ALVERSON

The Clerk called the bill (H. R. 7966) for the relief of Capt. James L. Alverson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized and directed to credit the salary account of Capt. James

L. Alverson with the amount of $2,307.61, that being the amount of pecuniary liability charged against the said Capt. James L. Alverson for which he is being held accountable by reason of certain irregularities and embezzlement on the part of subordinates under Captain Alverson between February 1, 1929, and June 1, 1929, while Capt. James L. Alverson was stationed as post quartermaster at Fort George Wright, in the State of Washington; *Provided*, That any part of said sum of $2,307.61 which has been refunded to the Government prior to the enactment of this act by said Capt. James L. Alverson, either in cash or by deductions from Army salary, shall be immediately reimbursed and said reimbursement shall be charged to the current appropriation for the pay of the Army.

With the following committee amendment:

Strike out all after the enacting clause and insert "That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Captain James L. Alverson, Quartermaster Corps, United States Army, the sum of $2,307.61, in full satisfaction of his claim against the United States for a refund of said sum, paid to the Government on account of a stoppage in his pay resulting from a loss of public funds and property due to embezzlements and irregularities by a noncommissioned officer in the post commissary at Fort George Wright, Washington, between February 1 and June 1, 1929, during which period Captain Alverson was post quartermaster and accountable officer for the commissary: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to; and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EDWARD FORBES

The Clerk called the bill (H. R. 8098), conferring jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claims of Edward Forbes, and others, as set out therein.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That jurisdiction is hereby conferred upon the Court of Claims of the United States to hear, determine, and render judgment, respectively, upon the claims of Edward Forbes; J. D. Lee; B. A. Dopcus; D. Shiver; W. P. Shepherd; T. A. Lee; C. J. Aspey; B. A. Morris; Ross Winnie; Gertrude Winnie; C. E. Thomas; A. F. Trivette; Fredde Anapu; Walter Danson; M. M. Richards; L. A. Knight; W. B. Shepherd; B. A. Morris and L. E. Aspey, a partnership; C. B. Rawls and W. J. Rawls, a partnership doing business as Rawls Brothers; G. J. Barstow and C. E. Thomas, a partnership; Knight & Co, Inc., a Florida corporation; and Tropical Produce Corporation, a Florida corporation, all of Palm Beach County, Fla., for damages or losses resulting from the construction of levees along the Caloosahatchee River and Lake Okeechobee drainage areas in Palm Beach County, Fla., by the War Department, and from high waters caused thereby.

SEC. 2. Suits upon such claims, respectively, may be instituted at any time within 1 year after the enactment of this act, notwithstanding the lapse of time or any statute of limitations, and proceedings for the determination of such claim, appeals therefrom, and payment of any judgment thereon shall be in the same manner as in the cases over which such court has jurisdiction under section 145 of the Judicial Code, as amended.

With the following committee amendment:

Strike out all after the enacting clause and insert: "That jurisdiction is hereby conferred upon the Court of Claims of the United States to hear, determine, and render judgment upon the claims of Edward Forbes; J. D. Lee; B. A. Dopcus; D. Shiver; W. P. Shepherd; T. A. Lee; C. J. Aspey; B. A. Morris and L E. Aspey, as joint adventurers; Ross Winne and Gertrude Winne, husband and wife; C. E. Thomas; Frede Anapu; A. Trivett; Walter T. Danson; M. M. Bryant; E. B. Steele; R. Y. Creech; Ida L. Creech; J. W. Ives; Roscoe Lee Braddock; H. A. Braddock; H. C. Warthen; H. H. Wedgworth; F. A. LeFils; R. H. Little; H. Robinson; J. R. Poland; Kreamer Sugar & Syrup Co.; C. B. Rawls and W. J. Rawls, a partnership doing business as Rawls Bros.; Tropical Produce Corporation, a Florida corporation, and B. A. Morris, as joint adventurers; G. J. Barstow and C. E. Thomas, as joint adventurers; and Knight & Co., Inc., a Florida corporation; all of Palm Beach County, Fla., or other persons engaged in farming on Kreamer, Torry, or Ritta Islands, in Lake Okeechobee, for damages to/or loss of crops, alleged to have resulted from the construction of levees along the Caloosahatchee River and Lake Okeechobee drainage areas in Palm Beach County, Fla., by the Corps of Engineers, War Department, and from high waters caused thereby: *Provided*, That suits hereunder shall be instituted within 1 year from the enactment of this act.

The committee amendment was agreed to; and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill conferring jurisdiction upon the Court of Claims to hear and determine the claims of Edward Forbes and others."

STANLEY MERCURI

The Clerk called the bill (H. H. 8401) for the relief of Stanley Mercuri.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $2,500 to Stanley Mercuri, in full settlement of all claims against the United States for personal injuries sustained by him as a result of a collision between the truck which he was driving, belonging to G. Fried & Sons, and a United States mail truck, said collision occurring on July 16, 1937, at Brooklyn, N. Y.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

In line 5, strike out the figures "$2,500" and insert "$1,250."

In line 6, after the name "Mercuri", insert a comma and the words "of Brooklyn, N. Y."

In line 9, strike out the words "belonging to G. Fried and Sons."

In line 10, strike out the word "at" and insert "on the Manhattan Bridge, between New York City and."

The amendments were agreed to; and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

IDA A. GUNDERSON

The Clerk called the bill (S. 213) for the relief of Ida A. Gunderson.

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury allocated by the President for the maintenance and operation of the Civilian Conservation Corps, to Ida A. Gunderson, of Bonners Ferry, Idaho, the sum of $5,000 in full satisfaction of all claims against the United States on account of the death of her husband, Gustave William Gunderson, who was killed near Wrencoe, Idaho, on May 19, 1934, when the automobile in which he was riding was struck by a Civilian Conservation Corps truck driven by Willis Mizier: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claims. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claims, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 5, strike out "allocated by the President for the maintenance and operation of the Civilian Conservation Corps" and insert "not otherwise appropriated."

The committee amendment was agreed to; and the bill as amended was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

MRS. JOHN OLSON

The Clerk called the bill (S. 375) for the relief of Mrs. John Olson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. John Olson, of Grafton, N. Dak., the

sum of $1,500, in full satisfaction of her claim against the United States for damages on account of personal injuries suffered when said Mrs. John Olson slipped and fell on the sidewalk in front of the post-office building at Grafton, N. Dak., on December 23, 1933: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 6, strike out the figures "$1,500" and insert "$750."

Page 1, line 7, strike out the words "for damages."

Page 1, line 8, strike out the words "said Mrs. John Olson" and insert "she."

Page 1, line 9, after the words "on the", insert "hazardous."

The committee amendments were agreed to; and the bill as amended was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

HENRY E. REENTS

The Clerk called the bill (S. 2052) for the relief of Henry E. Reents.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Henry E. Reents, out of any money in the Treasury not otherwise appropriated, the sum of $500, in full settlement of any and all claims against the Government for personal injuries sustained by him while in the performance of his duties as telegrapher for the Santa Fe Railway Co., at Strong City, Kans., June 11, 1936, when he was struck by mail sacks thrown from a moving train: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 4, after the name "Reents", insert "of Strong City, Kans."

Page 1, line 7, strike out the word "Government" and insert "United States."

Page 1, line 8, after the words "for the", insert "Atchison, Topeka, and."

Page 1, line 11, after the word "train", insert "by a railway mail clerk."

The amendments were agreed to; and the bill as amended was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

STUART C. PETERSON

The Clerk called the bill (S. 2072) for the relief of Stuart C. Peterson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Stuart C. Peterson, of Boone, Iowa, the sum of $750, in full satisfaction of his claim against the United States for injury to his right hand and index finger caused by the dropping of a heavy stamp window on it, at the United States post office, Boone, Iowa, October 31, 1936: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 6, strike out the word "Boone" and insert "Kalona" and strike out the figures "$750" and insert "$500."

The committee amendment was greed to; and the bill as amended was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

OSCAR JONES

The Clerk called the bill (S. 2437) for the relief of Oscar Jones.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the provisions and limitations of sections 15 to 20, both inclusive, of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended and supplemented, are hereby waived in the case of Oscar Jones, formerly employed by the Civil Works Administration on a sanitation project at Cresaps, W. Va., and the United States Employees' Compensation Commission is authorized and directed to consider and act upon any claim filed with the Commission, within 1 year after the date of the enactment of this act, by said Oscar Jones for compensation under the provisions of such act of September 7, 1916, as amended and supplemented by the act of February 15, 1934 (48 Stat. 351), for disability alleged to be due to injuries received by him in the performance of his duties as an employee of such Administration on or about January 29, 1934: *Provided*, That no benefits shall accrue prior to the approval of this act.

With the following committee amendments:

Page 1, line 7, after the word "amended", insert a comma, and strike out the words "and supplemented" in line 8.

Page 1, line 9, after the name "Jones", insert "of Moundsville, W. Va."

Page 2, line 1, strike out the words "1 year" and insert "6 months."

Page 2, line 4, strike out the words "amended and supplemented" and insert "extended and limited."

Page 2, line 5, after the word "disability", insert "to his left eye."

The committee amendments were agreed to; and the bill as amended was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

MRS. MORGAN R. BUTLER

The Clerk called the bill (S. 2994) for the relief of Mrs. Morgan R. Butler.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money allocated by the President for the maintenance and operation of the Civilian Conservation Corps, to Mrs. Morgan R. Butler, of Waukesha, Wis., the sum of $2,629, in full and final settlement of any and all claims against the United States for personal injuries received by her when the automobile which she was driving was struck by a truck operated by a Civilian Conservation Corps enrollee on Highway No. 51 near Minocqua, Wis., on August 14, 1935: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, lines 4, 5, and 6, strike out the words "allocated by the President for the maintenance and operation of the Civilian Conservation Corps," and insert "in the Treasury not otherwise appropriated."

Page 1, line 9, after the word "injuries" insert "and property damage."

The amendments were agreed to; and the bill as amended was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

LIMA LOCOMOTIVE WORKS, INC.

The Clerk called the bill (S. 3031) for the relief of the Lima Locomotive Works, Inc.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Lima Locomotive Works, Inc., Lima, Ohio, the sum of $19,177 in full settlement of all claims against the Government growing out of the assessment of the penalty under General Accounting Office Settlement No. 0430787, December 14, 1936, File A 85795: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any

person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 7, after the word "the", strike out the remainder of the line and all of lines 8, 9, and 10, and insert: "United States for a refund of liquidated damages withheld from payments due under its contract No. ER-Als-1652, dated June 26, 1936, with the Forest Service, Department of Agriculture, for the delivery of four power shovels equipped with Diesel engines, on account of delays incurred in exchanging said engines."

The committee amendment was agreed to; and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

SALVATORE SPAGNUOLO

The Clerk called the next bill, H. R. 10083, for the relief of Salvatore Spagnuolo.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of Labor is directed to cancel forthwith the outstanding warrant of arrest, order of deportation, warrant of deportation, and bond, if any, in the case of the alien, Salvatore Spagnuolo, and is directed not to issue any further such warrants or orders in the case of such alien, insofar as such future warrants or orders are based on the unlawful entry of such alien into the United States prior to the enactment of this act. Hereafter, for the purposes of the immigration and naturalization laws, such alien shall be considered to have been, at New York, N. Y., on June 12, 1920, lawfully admitted to the United States for permanent residence.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MIKE KOTIS

The Clerk called the next bill, H. R. 10627, for the relief of Mike Kotis.

Mr. HANCOCK of New York and Mr. MOTT objected, and, under the rule, the bill was recommitted to the Committee on Immigration and Naturalization.

ABERDEEN PROVING GROUND

The Clerk called Senate Joint Resolution 114, for the relief of certain persons who suffered damages occasioned by the establishment and operation of the Aberdeen Proving Ground.

Mr. THOMAS of New Jersey and Mr. TABER objected, and, under the rule, the joint resolution was recommitted to the Committee on Claims.

EDWARD N. JERRY

The Clerk called the next bill, S. 44, for the relief of Edward N. Jerry.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Administrator of Veterans' Affairs is authorized and directed to extend the benefits of the act entitled "An act making eligible for retirement, under certain conditions, officers and former officers of the Army, Navy, and Marine Corps of the United States, other than officers of the Regular Army, Navy, or Marine Corps, who incurred physical disability in line of duty while in the service of the United States during the World War", approved May 24, 1928, to Edward N. Jerry, who was appointed as captain, Coast Artillery Officers' Reserve Corps, November 27, 1917, and who was assigned to active duty the same date. The application of the said Edward N. Jerry for the benefits of such act of May 24, 1928, shall be filed with the Veterans' Administration within 6 months from the date of the approval of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOSEPH W. BOLLENBECK

The Clerk called the next bill, S. 1168, for the relief of Joseph W. Bollenbeck.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, or benefits upon retired officers of the United States Army, Joseph W. Bollenbeck, captain, United States Army, shall be held and considered, notwithstanding any other provision of law, to have been classified in class A and to have been retired on May 31, 1935, under section 1251 of the Revised Statutes for incapacity which was a result of an accident of service: *Provided*, That no back pay, allowance, compensation, pension, or other benefit shall be held to have accrued prior to the passage of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHN H. BALMAT, JR.

The Clerk called the next bill, S. 2408, for the relief of John H. Balmat, Jr.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Administrator of Veterans' Affairs be, and he is hereby, authorized and directed to consider and authorized to grant the application of John H. Balmat, Jr., former captain, One Hundred and Forty-seventh Regiment United States Field Artillery, for such of the benefits under the act entitled "An act making eligible for retirement, under certain conditions, officers and former officers of the Army, Navy, and Marine Corps of the United States, other than officers of the Regular Army, Navy, or Marine Corps, who incurred physical disability in line of duty while in the service of the United States during the World War", approved May 24, 1928, as the said John H. Balmat, Jr., may be entitled to in accordance with his disability rating: *Provided*, That the application of the said John H. Balmat, Jr., shall be filed with the Veterans' Administration within 6 months from the date of the approval of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CHARLES G. BOSTWICK

The Clerk called the next bill, H. R. 9448, for the relief of Charles G. Bostwick.

There being no objection the Clerk read the bill as follows:

Be it enacted, etc., That the Administrator of Veterans' Affairs be, and he is hereby, authorized and directed to furnish to Charles G. Bostwick, alias Carlos G. Bostwick, late of Company I, Second Regiment United States Infantry, hospital treatment or domiciliary care (and medical services in connection therewith) in a Veterans' Administration hospital or home.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HELRY P. M'CAIG

The Clerk called the next bill, H. R. 8055, for the relief of Helry P. McCaig.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers Helry P. McCaig, who was a member of Auxiliary Remount Depot 328 of the Veterinary Enlisted Corps of the National Army, shall hereafter be held and considered to have been honorably discharged from the military service of the United States as a member of that organization on the 13th day of February 1918.

With the following committee amendments:

At the end of the bill insert the following proviso:

"*Provided*, That no back pay, compensation, benefits, or allowances shall be held to have accrued prior to the passage of this act: *Provided further*, That no adjusted compensation shall be payable by virtue of this act."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ZISKIND SOKOLOW

The Clerk called the next bill, H. R. 10730, for the relief of Ziskind Sokolow.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of Labor is directed to cancel forthwith the outstanding warrant of arrest, order of deportation, warrant of deportation, and bond, if any, in the case of the alien Ziskind Sokolow, and is directed not to issue any further such warrants or orders in the case of such alien, insofar as such future warrants or orders are based on the unlawful entry of such alien into the United States prior to the enactment of this act, or on perjury or false statements in connection with such entry into the United States or with any application heretofore made for a reentry permit or extension thereof. Hereafter, for

the purposes of the immigration and naturalization laws, such alien shall be considered to have been lawfully admitted to the United States for permanent residence at New York, N. Y.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BARTHOLEMEW HARRINGTON

The Clerk called the next bill, H. R. 7294, for the relief of Bartholemew Harrington.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of Labor is hereby authorized and directed to cancel the outstanding order and warrant of deportation in the case of Bartholemew Harrington, any provision of the existing law to the contrary notwithstanding. From and after the approval of this act, Bartholemew Harrington shall not again be subject to deportation by reason of the same fact upon which the outstanding proceedings rest.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARIA BARTOLO

The Clerk called the next bill, S. 3063, for the relief of Maria Bartolo.

Mr. COSTELLO and Mr. HANCOCK of New York objected, and, under the rule, the bill was recommitted to the Committee on Immigration and Naturalization.

CHARLES E. BLACK

The Clerk called the next bill, H. R. 2231, for the relief of Charles E. Black.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Administrator of Veterans' Affairs be, and he is hereby, authorized and directed to pay to Charles E. Black, medical student, University of Tennessee at Memphis, only child of John Wesley Black, late private, Park Battery, Second Corps, Artillery Park, who was murdered on January 5, 1919, while a member of the American Expeditionary Forces, near Verdun, France, by Jay Morgan and Mack Holmes, soldiers in the United States Army, who were subsequently tried, convicted, and sentenced by a general court at Brest, to 25 and 15 years' imprisonment, respectively, the sum of $4,014.10 in full settlement of death compensation benefits under the War Risk Insurance Act, as amended, at the rate of $20 per month from January 6, 1919, to September 26, 1935, the date Charles E. Black reached the age of 21 years, payment to be made from the current appropriation, Military and Naval Compensation, Veterans' Administration 1937: *Provided, however*, That the Secretary of War is authorized and directed to certify to the Administrator of Veterans' Affairs in accordance with Public Law No. 120 (Adjusted Compensation Act), as amended, for payment, the amount of adjusted compensation payable in accordance with the foregoing act, upon receipt of a valid application from Charles E. Black, payment to be made by the Administrator of Veterans' Affairs from the current appropriation for payment of adjusted compensation benefits.

With the following committee amendments:

Page 1, line 11, after "court", insert the word "material."

Page 2, line 7, omit "1937" and strike out "however" and substitute therefor "further."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DUDLEY E. ESSARY

The Clerk called the next bill, H. R. 3761, for the relief of Dudley E. Essary.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Dudley E. Essary, of Harrogate, Tenn., the sum of $1,050. Such sum shall be in full settlement of all claims against the United States for losses sustained by the said Dudley E. Essary as the result of a Government truck in the service of the Civilian Conservation Corps striking and damaging a filling station leased by the said Dudley E. Essary at Cumberland Gap, Tenn.

With the following committee amendments:

In lines 6 and 7, strike out the figures and words "$1,050. Such sum shall be" and insert "$253.20."

In line 8, strike out the words "the said Dudley E. Essary" and insert "him."

In line 9, strike out the words "Government truck in the service of the".

In line 10, after the word "Corps", insert "truck."

At the end of the bill, strike out the period, insert a comma, and add: "on December 21, 1933: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SUE VANRYN

The Clerk called the next bill, H. R. 4996, for the relief of Sue Vanryn.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $25,932 to Sue VanRyn, Marshfield, Wis., in full settlement of all claims against the Government of the United States for personal and permanent injuries suffered by her on August 22, 1934, when the automobile in which she was riding was struck and completely demolished through the negligent operation of a Civilian Conservation Corps truck at the intersection of Federal Highway No. 10 and County Trunk Highway H, in Wood County, Wis.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for anay agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof, on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Amend the title so as to read: "A bill for the relief of Sue VanRyn; Donald A. VanRyn, a minor; and the estate of Margaret Breseman, deceased."

with the following committee amendment:

Strike out all of the bill after the enacting clause through the word "Wisconsin" in line 2, page 2, and insert in lieu thereof the following:

"That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Sue VanRyn, of Marshfield, Wis., the sum of $7,500, in full settlement of all claims against the United States for personal injuries and property damage sustained by herself, and for the death of her minor daughter, Teresa VanRyn; to the legal guardian of Donald A. VanRyn, a minor, of Marshfield, Wis., the sum of $2,500, in full settlement of all claims against the United States for personal injuries and property damage sustained by him; and to the administrator of the estate of Margaret Breseman, deceased, formerly of Marshfield, Wis., the sum of $343, in full settlement of all claims against the United States on account of her death; said injuries, deaths, and property damage having been received in a collision between the automobile in which they were passengers, driven by William A. VanRyn, and a Civilian Conservation Corps truck, on August 22, 1934, at the intersection of Spencer Road with Wood County Highway H, near Marshfield, Wis."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill for the relief of Sue VanRyn; Donald A. VanRyn, a minor; and the estate of Margaret Breseman, deceased."

JACK NELSON

The Clerk called the next bill, H. R. 6458, for the relief of Jack Nelson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Jack Nelson, Greensburg, Pa., the sum of $2,000. The payment of such sum shall be in full settlement of all claims against the United States for damages sustained by the said Jack Nelson as a result of personal injuries received on

April 13, 1936, when he was struck, at 3 o'clock p. m., on South Diamond Street, Mount Pleasant, Pa., by a Government motor vehicle (truck license No. U. S. 33-326 D. A.) operated by one Bruce McCleod of the Department of Agriculture.

With the following committee amendments:

In line 5, after the word "to", insert "the legal guardian of."

In line 5, also, strike out the word "Greensburg" and insert "a minor, Mount Pleasant."

In line 6, strike out the figures and words "$2,000. The payment of such sum shall be" and insert "$695."

In lines 7 and 8, strike out the words "damages sustained by the said Jack Nelson as a result of."

In line 10, strike out the words "at 3 o'clock p. m."

In line 11, start with the word "Government", strike out the remainder of the bill and insert in lieu thereof the following: "Department of Agriculture truck, driven by an Emergency Conservation Work employee: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill for the relief of Jack Nelson, a minor."

CHARLES P. M'CARTHY AND THE PAUL REVERE FIRE INSURANCE CO.

The Clerk called the next bill, H. R. 9569, for the relief of Charles P. McCarthy and the Paul Revere Fire Insurance Co.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated and in full settlement of all claims against the Government, the sum of $2,994.50 to Charles P. McCarthy and the sum of $913.44 to the Paul Revere Fire Insurance Co. for damages to a truck caused by a collision with a Works Progress Administration truck in Atlanta, Ga., on December 31, 1937.

With the following committee amendment:

Strike out all of the bill after the enacting clause and insert in lieu thereof the following:

"That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Charles P. McCarthy, of Gorham, Maine, the sum of $1,600, in full settlement of all claims against the United States for damages to his truck and trailer as the result of a collision December 31, 1937, with a Works Progress Administration truck, on College Avenue near Murray Hill Avenue, Atlanta, Ga.: *Provided*, That no part of the amount appropriated in this act shall be paid to or received by any person or company as subrogee of the rights of said Charles P. McCarthy against the United States as the result of said accident, and no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill for the relief of Charles P. McCarthy."

RELIEF OF CERTAIN CARPENTERS

The Clerk called the next bill, H. R. 10043, for the relief of certain carpenters whose tools were destroyed by fire while stored in a Works Progress Administration warehouse in Jersey City, N. J.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Thaddeu Tylick the sum of $62.25; to Gus Sundin the sum of $83.45; to Jack Jacobsen the sum of $48.54; to Peter Lynch the sum of $52.85; to Fred Koop the sum of $50.04; to John A. Daly the sum of $55.85; to Henry Nowinski the sum of $59.95; to Fred Barr the sum of $44.15; to John Wilson the sum of $63.20; to John Oswald Roseberg the sum of $39.28; to John Kenealy the sum of $39.45; to Zygment Kwiten the sum of $40.65; to Jerome S. Marsh the sum of $59.10; to Charles Watson the sum of $55.95; to Robert H. Hickman the sum of $49.05; to Patrick Morris the sum of $64.50; to William Hadder the sum of $62.90; to Michael Caporusso the sum of $35.90; to Gustave Barbato the sum of $48.45; to Harry Dnowski the sum of $72.19; to Sylvester Symanski the sum of $37.43; to Oscar Bodine the sum of $31.30; to Howard F. Welsh the sum of $72.45; to Joseph A. Ennis the sum of $64.50; to Bernard F. Garry the sum of $94.85; to Paul Pitush the sum of $60.80; to Gustav Richert the sum of $5.25; to Santo Morreele the sum of $77.35; to Felix Araneicke the sum of $55.50; to Charles Coombes the sum of $42.50; to William A. Gill, Jr., the sum of $80.70; to Walter Buskiewicz the sum of $69.45; to Christian Torre the sum of $42.73; to Harold Tribble the sum of $59.60; to A. Hazelwood the sum of $53.35; to Gustav Johnson the sum of $59.10; to Harold C. Kretzinger the sum of $65.21; to Axel Johnson the sum of $41.10; to Gustav Peterson the sum of $39.25; to Bruno Mattiello the sum of $94.89; to William Ward the sum of $52.30; to John W. Brunner the sum of $72.48; to John Murray the sum of $68.20; to Joseph Baumeister the sum of $35.40; to Andrew Canessa the sum of $70.20; to George Wybrandt the sum of $61.81; to Ingvald Gunderson the sum of $67.90; to John Ferguson the sum of $26.05; to Frank Loehr the sum of $30.50; to John De Bernardis the sum of $49.60; to Robert Eriksen the sum of $30.15; to Charles S. Dorsey the sum of $62.55; to William J. O'Connell the sum of $47.30; to William J. Stebner the sum of $84.65; to Barnett Katz the sum of $65.37; to Leon Halperin the sum of $61.25; to Albert H. Vietmeyer the sum of $69.90; to Carl Grimm the sum of $79; in all, the sum of $3,269.62, in full settlement of their claims against the United States for loss of tools which were destroyed by fire while stored in a Works Progress Administration warehouse at the Roosevelt Stadium, Jersey City, N. J., on March 11, 1937: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Strike out all of the bill after the enacting clause down through the word "*Provided*" in line 15, page 3, and insert in lieu thereof the following:

"That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, in accordance with such certifications as may be made by the Works Progress Administrator, or his duly authorized representative under this act, the claims of employees of the Works Progress Administration for their privately owned tools and personal property, which, while stored in a Works Progress Administration warehouse, were damaged or destroyed by fire that occurred on March 11, 1937, on a Works Progress Administration project located at Roosevelt Stadium, Droyer's Point, Jersey City, N. J.: *Provided*, That such payments as may be made hereunder shall be deemed to be in full settlement of all claims against the United States for said damage to, or loss of, tools and personal property: *Provided further*, That the total amount that may be paid hereunder by the Secretary of the Treasury in settlement of said claims shall not exceed the sum of $6,000. No payment shall be made under the provisions of this act unless application therefor shall be filed with the Works Progress Administration by or on behalf of the person entitled thereto within 6 months from the date of approval of this act. The Works Progress Administrator, or his duly authorized representative, shall determine the amount due on any application, and the person entitled thereto under the provisions of this act, and shall certify such determinations to the Secretary of the Treasury for payment of the claims, which determinations shall be final and conclusive upon the accounting officers of the Government: *And provided further*."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RICHARD D. KRENIK

The Clerk called the next bill, S. 3046, for the relief of Richard D. Krenik.

Mr. HANCOCK of New York and Mr. HALLECK objected, and, under the rule, the bill was recommitted to the Committee on Claims.

LT. COMDR. ROBERT R. BLAISDELL AND LT. EDWARD W. HAWKES

The Clerk called the next bill, S. 3142, for the relief of Lt. Comdr. Robert R. Blaisdell and Lt. Edward W. Hawkes (retired), Supply Corps, United States Navy.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to allow

credit in the respective accounts of Lt. Comdr. Robert R. Blaisdell, Supply Corps, United States Navy, in the sum of $189.30, and Lt. Edward W. Hawkes, Supply Corps, United States Navy, retired, in the sum of $695.07, which sums represent amounts paid by officers to Commander Herbert Dumstrey, Chaplain Corps, United States Navy, as rental allowance covering the periods from January 1, 1933, to March 31, 1933, and January 1, 1934, to November 20, 1934, while on duty at the United States Naval Station, Guam, and which were subsequently disallowed by the Comptroller General in said disbursing officers' accounts.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RICHARD K. GOULD

The Clerk called the next bill, S. 3446, for the relief of Richard K. Gould.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to settle and allow the claim of Richard K. Gould for compensation for services rendered as United States commissioner in the district of Maine, from January 1, 1935, to August 31, 1936, notwithstanding the fact that accounts therefor were not submitted by the commissioner within 1 year after the rendition of such services in accordance with the provisions of the act of March 1, 1933 (47 Stat. 1385).

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CHRIST RIEBER

The Clerk called the next bill, S. 3534, for the relief of Christ Rieber.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Christ Rieber, of Reichle, Mont., the sum of $1,000 in full satisfaction of his claim against the United States for damages resulting from the loss by fire on April 22, 1936, of a house and shed owned by him which was occupied by a Civilian Conservation Corps truck trails survey crew under the jurisdiction of the Department of Agriculture: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FORT HALL INDIAN IRRIGATION PROJECT, IDAHO

The Clerk called the next bill, S. 3561, for the relief of certain individuals in connection with the construction, operation, and maintenance of the Fort Hall Indian irrigation project, Idaho.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury, upon receipt of advice from the Secretary of the Interior to the effect that appropriate and properly executed easements have been obtained, be, and he is hereby, authorized and directed to pay, out of any money in the Treasury of the United States not otherwise appropriated, to the following individuals or their heirs, an amount not exceeding the amounts herein specified: Arthur C. Swanson, $5,750; Thomas W. Cully, $3,743; Walter H. Lewis, $2,500; Dora Winschell, $3,040; Leona Gordon, $358; Calvin W. Billingsley, $800; Richard Torgensen, $120; John O. Wallace, $80; Charles Lau, $85; Joseph E. Lau, $133; Celia E. Bump, $99; Jesse H. Dredge, $1,450; C. E. and Leonard R. Stedman, $47; Roy J. Dygert, $132; Cora M. Lewis, $650; Fred Smola, $1,829; J. S. Bowker and J. L. Wilson, $45; L. E. Winschell, $20; James R. Moore, $473; W. James Chester, $100; Leonard Gerking, $1,503; F. N. Merrill, $200; Walter J. Hogan, $100; Fern J. Condie, $500; Wright Bros., $5,000; W. R. Larkin, $1,300; F. C. Christensen, $3,000; in all not to exceed $33,057: *Provided*, That the foregoing amounts shall be in full settlement for any and all past and present damages to the lands or personal property of the above-named individuals in connection with the construction, operation, and maintenance of the Blackfoot Reservoir, Gray's Lake, and the conveyance channel from Gray's Lake to the Blackfoot Reservoir of the Fort Hall Indian irrigation project, Idaho, and in full payment for easements obtained from said individuals covering the right to flood, impound, withdraw at will, water on, over, and from all lands owned, claimed, or possessed by said individuals in connection with the future operation of said project; and the acceptance of said sums by the individuals and their heirs shall act as a quittance of any and all rights or claims that may previously have existed against the United States by reason of such construction and operation of the said project: *Provided further*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid, or delivered to, or received by any agent, or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in a sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BERTRAM RICH

The Clerk called the next bill, S. 662, for the relief of Bertram Rich.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, to Bertram Rich, out of any money in the Treasury not otherwise appropriated, the sum of $1,574, in full settlement of all claims against the Government for injuries sustained by his daughter, Jeanne Rich, when the automobile in which she was riding was struck by a United States mail truck on February 28, 1932, in Boston, Mass.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 4, after the word "pay", insert a comma and strike out the words "to Bertram Rich."

Page 1, line 5, after the word "appropriated", insert "to the legal guardian of Jeanne Rich, a minor, of Roxbury, Mass."

Page 1, line 6, strike out the figures "$1,574" and insert "$750."

Page 1, lines 6 and 7, strike out the words "Government for" and insert "United States for personal."

Page 1, line 7, also strike out the words "his daughter, Jeanne Rich" and insert "her."

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "An act for the relief of Jeanne Rich, a minor."

WILLIAM E. JONES, ET AL.

The Clerk called the next bill, S. 667, for the relief of William E. Jones, Walter M. Marston, William Ellery, Richard P. Hallowell, 2d, and Malcolm Donald, as executors under the will of Frank W. Hallowell; and Malcolm Donald as executor under the will of Gordon Donald.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Commissioner of Internal Revenue be, and he is hereby, authorized and directed to receive, consider, and determine, in accordance with law but without regard to any statute of limitations, any claims filed not later than 6 months after the passage of this act by William E. Jones, of Newton, Mass.; Walter M. Marston, of Newton, Mass.; William Ellery, of Brookline, Mass.; Richard P. Hallowell, 2d, and Malcolm Donald as executors under the will of Frank W. Hallowell, late of Newton, Mass.; and Malcolm Donald as executor under the will of Gordon Donald, late of Wellesley, Mass., for the refund of Federal income and excess-profits taxes collected from the said William E. Jones, Walter M. Marston, William Ellery, Frank W. Hallowell, and Gordon Donald for the year 1917 in excess of the amounts properly due; and any claim so filed shall be regarded and treated for all purposes as if it had been duly filed within the period fixed by any statute of limitations which, except for the passage of this act, would be applicable thereto: *Provided*, That in the settlement of any claim so filed there shall be no allowance of interest.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COMMUNITY INVESTMENT CO.

The Clerk called the next bill, S. 945, for the relief of the Community Investment Co., Inc.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Community Investment Co., Inc., a corporation organized under the laws of the State of California, the sum of $1,896.69. Such sum shall be in full settlement of its claim against the United States for a refund of income taxes for the year 1926, found by the Treasury Department to have been erroneously assessed, which claim was disallowed on the ground of failure to file within the statutory period of limitation: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FAYE B. MILLIE

The Clerk called the next bill, S. 3034, for the relief of Faye B. Millie.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Faye B. Millie, of Salem, Oreg., the sum of $176.13 in full satisfaction of all her claims against the United States for compensation for the performance of services as pay-roll clerk by her from September 16 to October 30, 1936, inclusive, in the office of the Oregon Recreational Demonstration Project No. 4 of the National Park Service, at Salem, Oreg.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with such claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with such claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ALPHA T. JOHNSON

The Clerk called the next bill, S. 3739, for the relief of Alpha T. Johnson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States is authorized and directed to credit the accounts of Alpha T. Johnson, postmaster at Fort Ransom, N. Dak., in the amount of $179.45, representing stamp and postal funds and stamp stock stolen from the Fort Ransom post office on August 18, 1936.

SEC. 2. The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the said Alpha T. Johnson a sum equal to the total sum of any amounts which have been paid by her to the United States in settlement of such funds and stamp stock.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

OSCAR L. MATHER

The Clerk called the next bill, S. 3940, authorizing the Comptroller General of the United States to adjust and settle the claim of Oscar L. Mather.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to settle and adjust the claim of Oscar L. Mather, Madison Lake, Minn., for $241.80, for timber removed from his land, without authority therefore, by employees of the Government stationed at Civilian Conservation Corps Camp S–53, Side Lake, Minn., and to allow in full and final settlement of the claim the sum of not to exceed $241.80. There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $241.80, or so much thereof as may be necessary, for the payment of the claim: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JAMES MEAGHER, DECEASED

The Clerk called the next bill, S. 1272, relative to the military record of James Meagher, deceased.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers James Meagher, deceased, who was a member of Company B, Eighty-eighth Regiment New York Volunteer Infantry, shall hereafter be held and considered to have been honorably discharged from the military service of the United States as a private on August 12, 1863: *Provided*, That no back pay, compensation, bounty, benefit, pension, or allowance shall be held to have accrued prior to the passage of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ISABELLA HOOPER CARAWAY AND JAMES RANDOLPH HOOPER

The Clerk called the next bill, H. R. 2646, for the relief of Isabella Hooper Caraway and James Randolph Hooper.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $6,000, to Isabella Hooper Caraway and James Randolph Hooper, in the amounts of $2,000 to the former and $4,000 to the latter, widow and son of James Randolph Hooper, who died as a result of injuries sustained in a collision of an automobile in which he was riding with a truck negligently operated by the driver of forestry truck No. 756390, United States National Park Service, on the night of June 1, 1935.

With the following committee amendments:

In line 5, strike out the figures "$6,000" and insert "$1,500."

In line 6, after the word "and" insert "the sum of $2,000, to the legal guardian of."

In lines 6 and 7, strike out the words and figures "in the amounts of $2,000 to the former and $4,000 to the latter," and insert "a minor, both of Newport, Tenn., in full satisfaction of their claims against the United States as."

In line 8, after the name "Hooper," insert "Senior."

In line 10, start with the word "truck", strike out the remainder of the bill, and insert in lieu thereof the following:

"Civilian Conservation Corps truck, on State Highway No. 112, near Cherokee, N. C., June 2, 1935: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill for the relief of Isabella Cooper Caraway and James Randolph Hooper, a minor."

MIRIAM THORNBER

The Clerk called the next bill, S. 2797, for the relief of Miriam Thornber.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Miriam Thornber, the sum of $3,500 in full satisfaction of her claim against the United States for damages arising out of personal injuries suffered when she was struck by a Civilian Conservation Corps truck, near Rillito, Ariz., on July 1, 1935: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 5, after the name "Thornber", insert "of Tucson, Ariz."

Page 1, line 7, strike out the words "damages arising out of."

Page 1, line 8, strike out the word "she" and insert "the automobile in which she was a passenger."

Page 1, line 9, after the word "truck", insert "on State Highway No. 84."

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LEWIS M. FOSTER

The Clerk called the next bill, S. 3470, for the relief of Lewis M. Foster.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That notwithstanding the provisions and limitations of sections 15 to 20, both inclusive, of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended, the United States Employees' Compensation Commission be, and the same is hereby, authorized and directed to receive and consider, when filed, the claim of Lewis M. Foster, of Warren, Ohio, for disability alleged to have been incurred by him on May 12, 1936, while employed by the Works Progress Administration in Ohio, and to determine said claim upon its merits under provisions of said act: *Provided*, That claim hereunder shall be filed within 6 months after the approval of this act: *Provided further*, That no benefits shall accrue prior to the enactment of this act.

With the following committee amendments:

Page 1, lines 11 and 12, strike out the words "disability alleged to have been" and insert "fracture of the left elbow."

Page 1, line 12, strike out the words "while employed by" and insert "allegedly while in the performance of his duties as an employee of."

Page 2, line 1, after the word "in" insert "Trumbull County."

Page 2, line 2, after the word "under", insert "the remaining."

Page 2, line 2, after the word "act", insert "as extended and limited by the act of February 15, 1934 (48 Stat. 351)."

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DIRECTING COURT OF CLAIMS TO REOPEN CERTAIN CASES

The Clerk called the next bill, H. R. 9171, directing the Court of Claims to reopen certain cases and to correct the errors therein, if any, by additional judgments against the United States.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Court of Claims of the United States be, and it is hereby, authorized and directed to reopen the following just-compensation cases on its docket, heretofore disposed of by said court, to wit: Willard R. Cook & Co., Inc., against United States (No. 33984); A. E. Krise, receiver of the Fidelity Land & Investment Corporation (formerly Fidelity Land & Investment Corporation) against United States (No. 33988); Pine Beach Hotel Corporation (now represented by Charles H. Consolvo and A. E. Campe, its receivers) and others against United States (No. 34049); Harry L. Lowenberg and others against United States (No. 34727); Norfolk-Hampton Roads Co. against United States (No. 34751) (all of Norfolk, Va.); William G. Maupin, Jr., and others (now represented by George W. Maupin, as administrator and in his own right, E. Griffith Maupin, S. Dawson Maupin, Alliene Maupin, and Ruth Maupin, all of Portsmouth, Va.), docket No. 34681; and to ascertain and determine from the special findings of fact as therein made and recorded by said court, and with due regard to the requirements of the act applicable thereto under which such properties were taken and the fifth amendment to the Constitution of the United States, as defined by the Supreme Court in the case of Seaboard Air Line Railway against United States (261 U. S. 299), and other like cases, the amount of just compensation by way of interest, if any, at the rate of 6 percent per annum, alleged to be due and owing by the United States to the parties plaintiff from the date of taking to the time of the payment to them of the original judgments in each of said cases for their lands situate at Hampton Roads, Va., and taken for public use by the United States on June 28, 1917, by authority of the act of Congress of June 15, 1917 (ch. 29, 40 Stat. 207–208), and taken for public use by the United States on September 20, 1918, by authority of acts of Congress of May 16, 1918 (40 Stat. 550–551), and June 4, 1918 (40 Stat. 595), and an Executive order of the President dated June 18, 1918.

SEC. 2. If said court in such determination from the record in said cases shall find that it failed to include in its judgment in said cases the item of interest at a proper rate, or the equivalent thereof, as an element or part of just compensation then due said parties plaintiff for their said property, then it shall correct the same and adjudge to said parties plaintiff and against the United States in each of the above-specified cases such additional sum of money as may be determined by the court under section 1 of this act, with interest thereon at the rate of 6 percent per annum from the date of payment of the several judgments therein, until March 5, 1925, irrespective of any delay upon the part of the executive departments to see that just compensation is accorded to said landowners in respect of the premises, or any existing statute of limitation, or any other law to the contrary notwithstanding, except that either party litigant shall have the right to petition the Supreme Court of the United States for a writ of certiorari, as in other cases in the Court of Claims.

SEC. 3. The said court shall promptly proceed in said causes, each and all, upon motions filed therein by the parties plaintiff with the clerk of said court, if so filed within 4 months after the date of the approval of this act.

With the following committee amendments:

On page 2, line 19, strike out the words "rate of 6 percent per annum" and insert in lieu thereof the words "proper rate."

On page 3, line 11, after the word "shall", insert "have jurisdiction to."

On page 3, lines 15 and 16, strike out the words "rate of 6 percent per annum" and insert in lieu thereof the words "proper rate."

Mr. COSTELLO. Mr. Speaker, I offer a substitute amendment for the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. COSTELLO as a substitute for the committee amendment: On page 2, in line 19, after the words "at the", strike out "rate of 6 percent per annum" and insert in lieu thereof "rate of 3 percent per annum"; and on page 3, line 15, after the words "at the", strike out "rate of 6 percent" and insert in lieu thereof "the rate of 3 percent per annum."

The substitute amendment was agreed to.

The committee amendment as amended by the substitute was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A. J. MOSES

The Clerk called the next bill, S. 2948, for the relief of A. J. Moses.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money allocated by the President for the maintenance and operation of the Civilian Conservation Corps, to A. J. Moses, of Jellico Creek, Ky., in his own right and as legal guardian of Gladys Moses, a minor, the sum of $2,500 in full and final settlement of any and all claims against the United States for damage to his automobile and for personal injuries sustained by Gladys Moses, age 10, when the automobile belonging to A. J. Moses was struck by a Government truck operated in connection with the Civilian Conservation Corps, on State Highway 92, near Williamsburg, Ky., on the night of September 12, 1936: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, lines 4, 5, and 6, strike out the words "allocated by the President for the maintenance and operation of the Civilian Conservation Corps" and insert "in the Treasury not otherwise appropriated."

Page 1, line 7, after the word "of", insert "his minor daughter."

Page 1, line 8, strike out the words "a minor."

Page 1, line 11, strike out the words "age 10."

Page 1, line 12, strike out the words "belonging to" and insert driven by."

Page 1, line 12, and page 2, line 1, strike out the words "a Government truck operated in connection with" and insert "truck of."

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "An act for the relief of A. J. Moses and Gladys Moses, a minor."

LESTER P. BARLOW

The Clerk called the next bill, H. R. 10801, to carry out the findings of the Court of Claims in the case of Lester P. Barlow against the United States.

Mr. TABER, Mr. THOMAS of New Jersey, and Mr. RICH objected, and, under the rule, the bill was recommitted to the Committee on War Claims.

The SPEAKER pro tempore (Mr. WARREN in the chair). Calendar No. 1166, the bill (H. R. 10885) is not eligible to be considered under the unanimous-consent agreement.

GEORGE J. LEATHERWOOD

Mr. BARDEN. Mr. Speaker, I ask unanimous consent to return to Calendar No. 1078, the bill (S. 1987) for the relief of George J. Leatherwood, for reconsideration.

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, I must object to returning to any bill. We have just gone through the calendar and we are now going to call the Consent Calendar, and I therefore must object.

Mr. BARDEN. Mr. Speaker, will the gentleman withhold his objection?

Mr. MARTIN of Massachusetts. I will withhold it, but I am going to object.

Mr. BARDEN. Please do not make that statement, because it happens that I objected to the consideration of the bill through mistake.

Mr. MARTIN of Massachusetts. I am sorry, but I shall have to object.

Mr. BARDEN. I hope the gentleman will not object, as I objected to the consideration of the bill through an error.

Mr. MARTIN of Massachusetts. I object, Mr. Speaker.

THE CONSENT CALENDAR

The SPEAKER pro tempore. Under the previous order of the House the Clerk will call the Consent Calendar beginning at No. 818.

NATIONAL CEMETERIES

The Clerk called the bill (H. R. 6925) to provide for a national cemetery in every State.

Mr. RICH. Mr. Speaker, this is not in accordance with the Budget, and therefore I shall object.

Mr. FADDIS. Mr. Speaker, will the gentleman withhold his objection?

Mr. RICH. I withhold it.

Mr. FADDIS. This does not cost the Government anything.

Mr. RICH. Let me read the gentleman this statement:

A similar bill (S. 948) was submitted to the Bureau of the Budget which reported that it would not be in accord with the program of the President.

HARRY H. WOODRING,
Secretary of War.

Therefore I do not believe, if it is not in accordance with the wishes of the War Department, we should permit the bill to come in now.

Mr. FADDIS. Will the gentleman read what the War Department reported on this bill? The War Department has consistently stated that the establishment of these cemeteries is a matter of policy for the Congress to determine. This has been their stand on the matter all the time.

Mr. RICH. I say that the Secretary of War does not believe it should be established and that is the only reason I am going to object to it. If it were not for that, I would not object.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. RICH. I object, Mr. Speaker.

COLONIAL NATIONAL HISTORICAL PARK

The Clerk called the bill (H. R. 9875) to revise the boundaries of the Colonial National Historical Park in the State of Virginia, and for other purposes.

The SPEAKER pro tempore. Is there objection?

Mr. RICH. Mr. Speaker, I object.

CALIFORNIA DEBRIS COMMISSION

The Clerk called the bill (H. R. 9881) to amend section 23 of the act to create the California Debris Commission, as amended.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 23 of the act approved March 1, 1893, entitled "An act to create the California Debris Commission and regulate hydraulic mining in the State of California," as amended by the act approved June 19, 1934, is hereby further amended by adding at the end thereof the following: "The Secretary of War is authorized to enter into contracts to supply storage for water and use of outlet facilities from debris storage reservoirs, for domestic and irrigation purposes and power development upon such conditions of delivery, use, and payment as he may approve: *Provided*, That the moneys received from such contracts shall be deposited to the credit of the reservoir project from which the water is supplied, and the total capital cost of said reservoir, which is to be repaid by tax on mining operations as herein provided, shall be reduced in the amount so received."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HAWAIIAN ORGANIC ACT

The Clerk called the bill (H. R. 10764) to amend section 73 of the Hawaiian Organic Act, approved April 30, 1900, as amended.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 73 of the Hawaiian Organic Act, as amended, be, and the same is hereby, further amended by adding at the end of paragraph (1) of said section 73 the following: ": *Provided, however*, That any such lot not taken or taken and forfeited, or any lot or part thereof surrendered with the consent of the Commissioner, may, instead of being disposed of as hereinabove provided, be disposed of for cash and forthwith patented to any citizen of the United States, possessing the qualifications of a homesteader as now provided by law, applying therefor and who has qualified for and received a loan under the provisions of the Bankhead-Jones Farm Tenant Act, approved July 22, 1937, for the acquisition of a farm: *And provided further*, That any patent issued upon any such sale shall contain the same restrictive provisions as are now contained in a patent issued after compliance with a right of purchase lease, cash freehold agreement, or special homestead agreements."

SEC. 2. This act shall be in force and effect from and after its passage.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

ADDITIONAL DISTRICT JUDGE, EASTERN DISTRICT, PENNSYLVANIA

The Clerk called the bill (H. R. 8854) to repeal section 2 of the act of June 16, 1936, authorizing the appointment of an additional district judge for the eastern district of Pennsylvania.

The SPEAKER pro tempore. Is there objection?

Mr. WOLCOTT. Mr. Speaker, I reserve the right to object to ask the gentleman from Pennsylvania if the judicial conference has passed favorably upon this recommendation?

Mr. WALTER. Mr. Speaker, this recommendation was made by the Department of Justice, and the provisions contained in this bill were in the omnibus judge bill that was

passed by the House. The Senate inadvertently removed its provision. Senator HATCH, when he found a mistake had been made, introduced a bill in the Senate.

Mr. WOLCOTT. And this is to correct error on the part of the Senate?

Mr. WALTER. Yes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

Mr. WALTER. Mr. Speaker, I ask unanimous consent to substitute Senate 4050.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That section 2 of the act entitled "An act authorizing the appointment of an additional district judge for the eastern district of Pennsylvania", approved June 16, 1936 (49 Stat. 1523), be, and it is hereby, repealed.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill was laid on the table.

WAPATO SCHOOL DISTRICT, YAKIMA COUNTY, WASH.

The Clerk called the bill (S. 1325) to provide funds for cooperation with Wapato School District No. 54, Yakima County, Wash., for extension of public-school buildings to be available for Indian children of the Yakima Reservation.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection?

Mr. HILL. Mr. Speaker, I reserve the right to object. Last Monday we passed H. R. 6970, which is a similar bill, and which had the adverse report of the Department, just like this one. It was passed by the Senate and was passed here by the House Committee on Indian Affairs. It provided for $25,000 cut of $30,000 and this provides for $50,000 out of $250,000.

Mr. WOLCOTT. I have not objected to the bill. I have asked that the bill go over without prejudice.

The SPEAKER pro tempore. The gentleman from Michigan asks unanimous consent that the bill be passed over without prejudice. Is there objection?

There was no objection.

STATE OF CONNECTICUT

The Clerk called the bill (H. R. 9981) for the relief of the State of Connecticut.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the State of Connecticut be, and it is hereby, relieved from all responsibility and accountability for certain quartermaster and other property to the approximate value of $4,152.75, the property of the War Department in possession of the Connecticut National Guard, which was lost, destroyed, or used for emergency relief work incident to the Connecticut floods of March 1936, and other relief work; and the Secretary of War is hereby authorized and directed to terminate all further accountability for said property.

With the following committee amendment:

Line 6, strike out "$4,152.75" and insert "$4,220.49."

The committee amendment was agreed to; and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PROHIBITING TRANSPORTATION OF STRIKEBREAKERS IN INTERSTATE COMMERCE

The Clerk called the next bill, S. 2403, to prohibit the transportation of certain persons in interstate or foreign commerce during labor controversies, and for other purposes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. RICH. Mr. Speaker, I object.

SECTION 128 OF THE JUDICIAL CODE

The Clerk called the next bill, S. 3469, to amend section 128 of the Judicial Code, as amended.

Mr. TABER. Mr. Speaker, reserving the right to object, will somebody explain the bill?

Mr. DIMOND. Mr. Speaker, this bill affects only Alaska and the Virgin Islands, and there is no objection to it from any source. It simply provides for an appeal from the District Court of Alaska and the Virgin Islands in all civil cases. It is recommended by the Attorney General and is supported by all the people of my country.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That paragraph "Third" of subsection (a) of section 128 of the Judicial Code, as amended (43 Stat. 936; U. S. C., title 28, sec. 225 (a)), be, and it is hereby, amended to read as follows:

"(a) The circuit courts of appeal shall have appellate jurisdiction to review by appeal final decisions—

"First. In the district courts, in all cases save where a direct review of the decision may be had in the Supreme Court under section 238.

"Second. In the United States District Court for Hawaii and for Puerto Rico, in all cases.

"Third. In the District Court for the District of Alaska, or any division thereof, and in the District Court of the Virgin Islands, in all cases; and in the United States District Court for the District of the Canal Zone in the cases and modes prescribed in sections 61 and 62, title 7, Canal Zone Code (48 Stat. 1122).

"Fourth. In the Supreme Courts of the Territory of Hawaii and of Puerto Rico, in all cases, civil or criminal, wherein the Constitution or a statute or treaty of the United States or any authority exercised thereunder is involved; in all other civil cases wherein the value in controversy, exclusive of interests and costs, exceeds $5,000, and in all habeas corpus proceedings.

"Fifth. In the United States Court for China, in all cases."

With the following committee amendment:

Page 1, line 3, strike out "paragraph 'Third' of".

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TRAVEL ALLOWANCE TO RAILWAY MAIL CLERKS

The Clerk called the next bill, H. R. 10051, to provide for travel allowance to railway mail clerks assigned to road duty.

Mr. RICH. Mr. Speaker, reserving the right to object, will the gentleman from New York explain the bill?

Mr. MEAD. Mr. Speaker, this is a bill that pertains to the travel pay of those in the Railway Mail Service. To illustrate the necessity of this bill let me point out that within the last 10 years the railway-mail travel allowance has been reduced by over $1,000,000. This results from the increased speed of trains. For example, today a railway-mail clerk in an 8-hour period will be farther away from his home base than he would have been 10 years ago perhaps in 10 or 12 hours. We have, for instance, a streamliner operating between Chicago and the Twin Cities making the trip in 5 hours. A railway-mail clerk, the only official of the Federal Government making that trip from Chicago to the Twin Cities, finds himself there in 5 hours. Under existing law he must remain there another 5 hours before he can get a meal item or a bed item. Other employees of the Post Office Department and of other departments begin to secure their expense item immediately upon leaving their base. Due to the increased speed of the trains, due to the fact that these men are doing more work than was done before, we are trying adequately to compensate them for this changed condition.

I may say to the gentleman from Pennsylvania that the bill originally presented to our committee requested a change from 10 hours to 6 to meet this dazzling speed. Our committee felt that a compromise between the 6 hours requested in the original bill and the 10 hours under present law would be reasonable. Our committee therefore set the figure at 8. This met the approval of all the members of the committee from both parties, and therefore it is before us tonight.

Mr. RICH. My reason for wanting an explanation was because these postal clerks have good jobs and receive good pay. This bill is going to require the Federal Government to expend an additional sum, according to the report, amounting to $885,000. I am not objecting to the postal clerks hav-

ing things more convenient and easier, but I ask the gentleman from New York, with conditions in the Post Office Department as they are today and with the conditions of the country as they are today, does not the gentleman think there are millions of people who would like to have a job even half as good as these men have?

Let us look at it from the standpoint of trying to be right and fair with everybody in this country. I appreciate the gentleman's position with the Post Office Department, and I am also interested in helping the post-office clerks. But I appeal to the Members of the Congress if they do not believe that adding to the cost of the Post Office at this time the sum of $885,000 to pay these men for not working for the time that elapses between the time they get to their destination and back home is not foolish? That is the only reason I bring this up, and I think you ought to explain that to the Members of the Congress. It ought to be a worth-while project if we approve it because we do not want to do too much for one class of people and not enough for another class.

Mr. MEAD. I will be glad to explain it in a minute.

Mr. HAINES. Will the gentleman yield?

Mr. MEAD. I yield to the gentleman from Pennsylvania.

Mr. HAINES. I believe my colleague from Pennsylvania wants to be fair about this matter.

Mr. RICH. Certainly. That is the reason I am asking about it.

Mr. HAINES. An injustice is being done these men who are sent away from home. There was a doubt in the minds of the members of our committee who heard the testimony on this bill. We do not believe that there will be entailed this amount of money in addition to what we are spending now.

Mr. RICH. Your report so shows.

Mr. HAINES. But we doubt that.

Mr. RICH. What is the salary received by these post-office clerks per annum?

Mr. HAINES. From $2,100 up.

Mr. RICH. Let me ask the gentleman as a member of this committee, as well as the gentleman from New York [Mr. MEAD], How many people in your districts have jobs that pay less than $2,100 a year?

Mr. HAINES. I do not think that is a fair question to ask. We would like to have everybody receive a salary of $2,100 or over.

Mr. MEAD. I may say that we are discussing a question that has brought about the very condition that you bring to our attention. We are discussing an amazing new age—an age of speed, power, and volume. As a result, one of these railway mail clerks today is doing the work that two or three railway clerks did at the turn of the century. It is the machine age in which we live that creates so many unemployed.

Every unemployed man in your district and my district would not only take a railway mail clerk's job perhaps for half pay, but he would take your job and my job for half pay. That is true whenever there is anyone out of work. But that is not the right gage to go by. May I say that in all justice to these men, we are trying to give them at least a small part of the compensation that they ought to have if we are going to give the human element the same compensation for the efficiency and for the results of the machine that is in evidence today.

Mr. RICH. I may say to the gentleman who has charge of the Post Office Department that we want to help the post-office employees.

Mr. MEAD. I know the gentleman does.

Mr. RICH. But let me tell the gentleman, you are going at the most rapid pace in this Congress that this Nation has ever seen. You are going along with the greatest spending any nation in the world has ever seen.

The regular order was demanded.

The SPEAKER pro tempore (Mr. WARREN). Is there objection to the present consideration of the bill?

Mr. RICH. Mr. Speaker, I want to answer.

The regular order was demanded.

Mr. RICH. Mr. Speaker, I want to show the gentleman from New York the speed at which we are going today.

The regular order was demanded.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. RICH. Mr. Speaker, I object, because I do not think this is justified at the present time.

STATE OF GEORGIA

The Clerk called the next bill, S. 3263, for the relief of the State of Georgia.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the State of Georgia and Maj. Leroy Cowart, United States property and disbursing officer for Georgia, are hereby relieved from accountability for certain property belonging to the United States, of the total money value of $4,491.65, which property was loaned to such State for use by the Georgia National Guard and was unavoidably lost or destroyed when issued for emergency relief work made necessary by tornadoes at Cordele, Washington, and Gainesville, Ga., in April 1936.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RELIEF FOR GOVERNMENT CONTRACTORS

The Clerk called the next bill, H. R. 10306, to confer jurisdiction upon the Court of Claims to hear, determine, and enter judgment upon the claims of Government contractors whose costs of performance were increased as a result of the National Industrial Recovery Act of June 16, 1933.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. O'MALLEY. Mr. Speaker, reserving the right to object, to get an explanation of this bill. I want to find out if this bill proposes to let men who have contracts for Government works go into the Court of Claims and if they can show that the N. R. A. increased their cost of performance, the Court of Claims can render a judgment?

Mr. HEALEY. Mr. Speaker, this bill merely permits those persons who had contracts with the Government, entered into prior to the enactment of the N. R. A., whose costs were greatly increased as a result of abiding by the terms and conditions of the N. R. A., to go into the Court of Claims and prove that they were put to a great deal more expense than they ordinarily would have had.

Mr. O'MALLEY. In other words, this bill sets up Government contractors as a special class?

Mr. HEALEY. It permits them to go into court and present their claims.

Mr. O'MALLEY. It would not permit a private-business man who had a contract the cost of which was increased to get his cost back. He can go nowhere to get his cost back.

Mr. HEALEY. We would have no jurisdiction of that.

Mr. O'MALLEY. This sets up the Government contractors as a special class to receive relief from the N. R. A. while all other business concerns which had their costs increased get no such relief.

Mr. HEALEY. Of course, we would have no jurisdiction to confer that right on a private contractor.

Mr. O'MALLEY. Why should the Government contractor get his costs back?

Mr. HEALEY. Because he had to go to a great deal more expense in complying with the contract.

Mr. O'MALLEY. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

Mr. HEALEY. If the gentleman is going to object, all right. I do not want to see the bill be passed over without prejudice. If the gentleman is going to object, go ahead.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin that the bill may be passed over without prejudice?

Mr. HEALEY. I object, Mr. Speaker.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. O'MALLEY, Mr. WOLCOTT, and Mr. COSTELLO objected.

Mr. O'MALLEY. Mr. Speaker, in accordance with the permission granted me to extend my remarks, I insert herewith the committee report on the measure which has just been under consideration, directing the particular attention of the Members of the House to the statements in the letter of the Secretary of War:

The Committee on the Judiciary, to whom was referred the bill (H. R. 10306) to confer jurisdiction upon the Court of Claims to hear, determine, and enter judgment upon the claims of Government contractors whose costs of performance were increased as a result of the National Industrial Recovery Act of June 16, 1933, after consideration, report the same favorably to the House with the recommendation that the bill do pass without amendment.

The purpose of the bill is to afford relief to such Government contractors, subcontractors, and completing sureties whose costs of performance of contracts entered into on or before August 10, 1933, were increased as a result of the enactment of the National Industrial Recovery Act.

Claims of contractors, subcontractors, and completing sureties have heretofore been filed as provided in the act of June 16, 1934, and the present bill precludes the filing of any new claims (except for the very few whose costs were increased during the short period from June 16 to August 10, 1933) and would restrict the jurisdiction of the Court of Claims to suits on claims heretofore filed with the exception mentioned.

The bill limits recovery to such contractors, subcontractors, and completing sureties whose claims for reimbursement were presented within the limitation period defined in section 4 of the act of June 16, 1934, and further provides that suits shall be instituted in the Court of Claims within 6 months after the enactment of this bill.

The War Department has reported upon an identical Senate bill (S. 3628). There is attached hereto and made a part of this report the recommendations of that Department on the Senate bill. The Secretary of War points out that the present bill is well designed, if enacted without change, to assure justice to all the claimants concerned while affording reasonable protection to the proper interests of the Government.

APRIL 21, 1938.

Hon. JOSIAH W. BAILEY,
Chairman, Committee on Claims, United States Senate.

DEAR SENATOR BAILEY: Careful consideration has been given to the bill, S. 3628, Seventy-fifth Congress, entitled "A bill to confer jurisdiction on the Court of Claims to hear, determine, and enter judgment upon the claims of Government contractors whose costs of performance were increased as a result of enactment of the National Industrial Recovery Act, June 16, 1933," which you transmitted to the War Department under date of March 11, 1938, with a request for copies of all pertinent papers in the War Department files relating to the matter, together with an opinion as to the merits of the bill.

Upon enactment of the National Industrial Recovery Act of June 16, 1933 (48 Stat. 195), it became apparent that the effect of that act, and of the codes and agreements to be made thereunder, would be generally to increase the costs of labor and materials, and thus to increase the costs of performance of then-pending Government contracts; the resulting manifest moral obligation of the Government to provide for the relief of the contractors against such increased costs of performance was promptly and definitely recognized in principle by the National Recovery Administration, in its Bulletin No. 4, issued in July 1933, which contained in paragraph 12 of the Official Explanation of the President's Reemployment Agreement, page 10 of the bulletin, the following:

"In some cases the final buyer is the Government, which, under existing laws, is generally not allowed to pay more than the contract price. The President has announced that he will recommend to Congress that appropriations be made to allow the Government to play its part by paying Government contractors who have signed the agreement for their increased costs."

No doubt it was in pursuance of the spirit of the assurance last quoted that the Government, during 1934, sought and obtained enactment of the act of June 16, 1934 (48 Stat. 974; U. S. C. 41; 28–33), mentioned at the end of the first section of the present bill. From the viewpoint of those who believe the Government to be morally obligated to make full and equitable reimbursement of the increased costs in question, the act last above mentioned has, in practical operation, fallen short of meeting that obligation. On account of certain restrictive terms, conditions, and limitations, and the construction placed thereon by the General Accounting Office, where final authority was lodged, that act has operated largely to defeat the remedial purposes for which the enactment of such legislation was sought. The foregoing reference to the General Accounting Office must not be understood as implying any criticism of that authority, or of the legal soundness of its rulings on claims presented under the act in question. This Department expresses no opinion as to the correctness of those rulings. The point made here is simply that the act, as construed and administered by the General Accounting Office, has not fully achieved the desired ends. Many of the contractors presenting claims regarded by the contracting departments as meritorious have had their claims rejected, wholly or in part, by reason of legal technicalities. (For examples: 14 C. C. 61, 318, 786; 15 C. C. 494, 529; 16 C. C. 700; 17 C. C. 201; A–56499, September 5, 1936; A–82020, January 11, 1937; and A–57021, October 28, 1937.) The act made no provisions for judicial review, but some claimants have in effect appealed from the decisions of the Comptroller General to the Congress, and have been granted relief by private acts. (For examples: Private Acts Nos. 260, 261, and 277, 75th Cong.)

Bills amendatory of the act of June 16, 1934, supra, designed to obviate or correct some of the unsatisfactory results of the original measure, were considered favorably in both Houses of the Seventy-fourth Congress. These were S. 4377 and H. R. 7293. The latter, having passed the House of Representatives, was also passed by the Senate with amendments, but failed of final passage (Rept. No. 1798, Committee on the Judiciary, House of Representatives, 74th Cong., 1st sess.; and Rept. No. 2293, Committee on Education and Labor, Senate, 74th Cong., 2d sess.). The bill S. 4377 was the subject of a letter under date of June 8, 1936, from the Acting Secretary of War to the chairman, Committee on Education and Labor, United States Senate, expressing approval of the bill, subject to certain suggestions for amendments therein.

The present bill, if enacted, would in effect largely repeal and supersede the original remedial act of June 16, 1934, supra. It would put an end to the authority of the Comptroller General under that act, and confer exclusive jurisdiction upon the Court of Claims to hear, determine, and adjudge the claims.

Such jurisdiction would, however, be limited to claims for increased costs incurred between June 16 and August 10, 1934, and to such other claims of the kind in question as were presented within the limitation period defined in section 4 of the act of June 16, 1934; that is to say, within 6 months from the date of approval of the act last mentioned or, at the option of the claimant, within 6 months after the completion of the contract, except, in the discretion of the Comptroller General, for good cause shown by the claimant. That jurisdiction would be further limited to claims on which suit shall have been instituted in the Court of Claims within 6 months after enactment of this bill or, at the option of the claimant, within 6 months after completion of the contract. The present bill would also in effect reopen to possible judicial review in the Court of Claims, at the suit of claimants, all settlements and adjustments of such claims already made, either by the Comptroller General under the act of June 16, 1934, or by any authority pursuant to private relief bills. It would eliminate many of the unduly restrictive terms and conditions of the original act, and leave the Court of Claims free to proceed with the adjudication of claims presented to it, subject only to the broad limitations on its jurisdiction above mentioned, its own rules and customs, and the ordinary principles of justice and equality.

From the viewpoint of this Department, the present bill is well designed, if it should be enacted without substantial change, to assure justice to all the claimants concerned, while affording reasonable protection of the proper interests of the Government. Accordingly, the War Department will interpose no objection to such enactment of the measure.

There are no papers in the files of the War Department relating to this matter that would appear likely to be of material assistance to the committee.

This proposed legislation was submitted to the Bureau of the Budget, which advised that there would be no objection to the submission of this report to the committee, with the understanding that no commitment would thereby be made with respect to the relationship of the proposed legislation to the program of the President.

Sincerely yours,

HARRY H. WOODRING,
Secretary of War.

MUIR WOOD TOLL ROAD

The Clerk called the next bill, H. R. 10752, to authorize Federal cooperation in the acquisition of the "Muir Wood Toll Road", located in Marin County, State of California, and for other purposes.

Mr. WOLCOTT. Reserving the right to object, Mr. Speaker, do I understand that a toll is being charged on this highway to the Muir Woods National Monument, and will a toll continue to be charged after the Government participates to the extent of $25,000?

Mr. LEA. The toll is charged at the present time, and if this road is acquired it is to be a free public road, maintained by the State or the county.

Mr. WOLCOTT. Then I understand that if this authorization goes through it will put this road upon the same basis as a Federal-aid road, and following that, no tolls will be charged on the road?

Mr. LEA. The gentleman is correct.

Mr. WOLCOTT. Can the gentleman tell me what are the approximate annual tolls?

Mr. LEA. If I recall rightly, an ordinary automobile pays 50 cents and a passenger is charged 25 cents if he goes in on the public bus.

Mr. WOLCOTT. What is the aggregate amount of the tolls collected?

Mr. LEA. I could not state the exact amount, but it is paying a very good income at the present time.

Mr. WOLCOTT. Do I understand this is a highway at the present time maintained by the State and leading to a national park?

Mr. LEA. No; it is maintained by private parties.

The regular order was demanded.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. TABER. I object, Mr. Speaker.

DISTRIBUTION OF PUBLIC DOCUMENTS TO DEPOSITORY LIBRARIES

The Clerk called the next bill, H. R. 5471, to amend the laws relating to the distribution of public documents to depository libraries.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 4 of the act (34 Stat. 1014) approved March 1, 1907 (U. S. C., title 44, sec. 85), be, and is hereby, amended to read as follows:

"85. Distribution of copies of publications to designated depositories and libraries; land-grant colleges as depositories: Upon request of the Superintendent of Documents, the Public Printer is hereby authorized and directed to either increase or diminish the number of copies of publications furnished for distribution, to designated depositories and State and Territorial libraries so that the number of copies delivered shall be equal to the number of libraries on the list: *Provided*, That the number thus delivered shall at no time exceed the number authorized under existing statute: *Provided further*, That the Public Printer shall not be precluded from furnishing the necessary number of copies as above provided, of the Journals of the Senate and House of Representatives, of all publications, printed upon the requisition of any congressional committee, of all Senate and House public bills and resolutions, and of all reports on private bills, concurrent or simple resolutions: *And provided further*, That of all publications and maps printed or reproduced elsewhere than at the Government Printing Office, the issuing agency shall not be precluded from furnishing the necessary number of copies to the Superintendent of Documents for distribution to depository libraries under this section. The allotment of copies furnished for distribution to libraries shall be increased or reduced, from time to time, as the redistricting of States or the rearrangement of depository lists under provisions of law shall demand, to such numbers as may be necessary to comply with the law. All land-grant colleges shall be constituted as depositories for public documents, subject to the provisions and limitations of the depository laws.

"Any provision contained in sections 54, 55, or 57 of the Printing Act of 1895 (28 Stat. 608, 609; U. S. C., title 44, secs. 131, 147, and 189, or any other act), which may be inconsistent herewith, is hereby repealed to the extent of such inconsistency only."

With the following committee amendments:

On page 2, line 6, strike out "not to be precluded from furnishing" and insert in lieu thereof the word "furnish."

On page 2, line 8, after the word "publications", insert in lieu thereof "not confidential in character."

On page 2, after the word "resolutions", strike out the colon and all thereafter down to and including the word "section", in line 17.

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DISTRIBUTION OF PUBLIC DOCUMENTS

The Clerk called the next bill, H. R. 10772, to amend certain sections of the act entitled "An act providing for the public printing and binding and the distribution of public documents," approved January 12, 1895, as amended.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That so much of chapter 23, section 73 (28 Stat. 615), of the Printing Act, approved January 12, 1895, as amended (U. S. C., Supp. III, title 1, sec. 30, and title 44, sec. 196), as relates to the compiling, editing, and indexing of the United States Statutes at Large, be, and is hereby, amended to read as follows:

"196. Statutes at Large; contents; admissibility in evidence: That the Secretary of State shall cause to be compiled, edited, indexed, and published the United States Statutes at Large, which shall contain all the laws and concurrent resolutions enacted during each regular session of Congress; all treaties to which the United States is a party that have been proclaimed since the date of the adjournment of the regular session of Congress next preceding; all international agreements other than treaties to which the United States is a party that have been signed, proclaimed, or with reference to which any other final formality has been executed, since that date; all proclamations by the President in the numbered series issued since that date; and also any amendments to the Constitution of the United States proposed or ratified pursuant to article V thereof since that date, together with the certificate of the Secretary of State issued in compliance with the provision contained in section 205 of the Revised Statutes of the United States (U. S. C., title 5, sec. 160). In the event of an extra session of Congress, the Secretary of State shall cause all the laws and concurrent resolutions enacted during said extra session to be consolidated with, and published as a part of, the contents of the volume for the next regular session. The United States Statutes at Large shall be legal evidence of the laws, concurrent resolutions, treaties, international agreements other than treaties, proclamations by the President, and proposed or ratified amendments to the Constitution of the United States therein contained, in all the courts of the United States, the several States, and the Territories and insular possessions of the United States."

SEC. 2. That so much of chapter 23, section 73 (28 Stat. 615), of the Printing Act, approved January 12, 1895, as amended (U. S. C., Supp. III, title 44, sec. 196a), as relates to the printing, binding, and distribution of the United States Statutes at Large, be, and is hereby, amended as follows:

(196a. Same; distribution.) In the phrase "and after the final adjournment of each session of Congress", insert the word "regular" before the word "session", so that such phrase will read as follows: "and after the final adjournment of each regular session of Congress."

In the phrase "To the Senate Library, not to exceed 25 copies", strike out the word "25" and insert "75", so that the phrase will read as follows: "To the Senate Library, not to exceed 75 copies."

In the phrase "To the House Library, not to exceed 50 copies", strike out the word "50" and insert "100", so that the phrase will read as follows: "To the House Library, not to exceed 100 copies."

SEC. 3. That chapter 23, section 5 (28 Stat. 602), of the Printing Act, approved January 12, 1895 (U. S. C., title 44, sec. 7), relative to the opening of bids for furnishing paper and envelopes for the public printing and binding and blank paper required for the use of the Government, be, and is hereby, amended to read as follows:

"(7. Opening bids; bonds.) The sealed proposals to furnish paper and envelopes shall be opened in the presence of the Joint Committee on Printing and the contracts shall be awarded by them to the lowest and best bidder for the interest of the Government; but they shall not consider any proposal which is not accompanied by a bond with security or certified check in the amount of $5,000 guaranteeing that the bidder or bidders, if his or their proposal is accepted, will enter into a formal contract with the United States to furnish the paper or envelopes specified; nor shall any proposal from persons unknown to them be considered unless accompanied by satisfactory evidence that the person making the proposal is a manufacturer of or dealer in the description of paper or envelopes proposed to be furnished."

SEC. 4. That all acts or parts of acts inconsistent with this act are hereby repealed.

SEC. 5. That this act shall be effective as of the beginning of the third session of the Seventy-fifth Congress, January 3, 1938.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ISSUANCE OF BONDS BY COUNTY OF KAUAI, HAWAII

The Clerk called the next bill, H. R. 10835, to authorize the county of Kauai to issue bonds of such county in the year 1938 under the authority of act 186 of the Session Laws of Hawaii, 1937, in excess of 1 percent of the assessed value of the property in said county as shown by the last assessment for taxation.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the county of Kauai, Hawaii, be, and it is hereby, authorized to issue bonds of such county in the year 1938 under the authority for issuance of such bonds contained in act 186 of the Session Laws of Hawaii, 1937, regardless of whether or not the issuance of such bonds results in the incurring of indebtedness by said county in that year in excess of 1 percent of the assessed value of the property in the county as shown by the last assessment for taxation, regardless of any provision of the Organic Act or any other act of this Congress limiting the amount of indebtedness which said county can incur in any one year.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JUVENILE DELINQUENTS

The Clerk called the next bill, H. R. 10694, to provide for the care and treatment of juvenile delinquents.

Mr. SACKS. Reserving the right to object, Mr. Speaker, may we have an explanation of this bill?

Mr. HEALEY. This is a bill to provide machinery in the Federal courts for the treatment of juvenile delinquents, under 17 years of age.

Mr. WOLCOTT. Mr. Speaker, I demand the regular order.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

Mr. HEALEY. Mr. Speaker, I ask unanimous consent that the bill (S. 4090) to provide for the care and treatment of juvenile delinquents may be considered in lieu of the House bill.

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That for the purposes of this act a "juvenile" is a person 17 years of age or under, "juvenile delinquency" is an offense against the laws of the United States committed by a juvenile and not punishable by death or life imprisonment.

SEC. 2. Whenever any juvenile is charged with the commission of any offense against the laws of the United States, other than an offense punishable by death or life imprisonment, and such juvenile is not surrendered to the authorities of any State, pursuant to the provisions of the act of June 11, 1932 (47 Stat. 301; U. S. C., title 18, sec. 662a), he shall be prosecuted as a juvenile delinquent if the Attorney General in his discretion so directs and the accused consents to such procedure. In such event such person shall be prosecuted by information on the charge of juvenile delinquency, and no prosecution shall be instituted for the specific offense alleged to have been committed by him. The said consent required to be given by such juvenile shall be given by him in writing before a judge of the district court of the United States having cognizance of the offense, who shall fully apprise the juvenile of his rights and of the consequences of such consent.

SEC. 3. The district court of the United States having jurisdiction of the offense shall have jurisdiction to try persons prosecuted as juvenile delinquents. For such purposes the court may be convened at any time and place within the district, in chambers or otherwise. The trial shall be without a jury. The consent on the part of the juvenile to be prosecuted on a charge of juvenile delinquency shall be deemed a waiver of a trial by jury.

SEC. 4. In the event that the court finds such juvenile guilty of juvenile delinquency, it may place him on probation under the provisions of the act of March 4, 1925, as amended (43 Stat. 1259; U. S. C., title 18, secs. 724 to 728), except that the period of probation may include but may not exceed the minority of the delinquent; or it may commit the delinquent to the custody of the Attorney General for a period not exceeding his minority, but in no event exceeding the term for which the juvenile could have been sentenced if he had been tried and convicted of the offense which he had committed. The Attorney General may designate any public or private agency for the custody, care, subsistence, education, and training of the juvenile during the period for which he was committed. The cost of such custody and care may be paid from the appropriation for "Support of United States prisoners" or such other appropriation as the Attorney General may designate.

SEC. 5. Whenever a juvenile is arrested on a charge of having committed an offense against the laws of the United States, the arresting officer shall immediately notify the Attorney General of such fact. If such juvenile is not forthwith taken before a committing magistrate, he may be detained in such juvenile home or other suitable place of detention as the Attorney General may designate for such purposes, but shall not be detained in a jail or similar place of detention, unless, in the opinion of the arresting officer, such detention is necessary to secure the custody of such juvenile, or to insure his safety or that of others. In no case shall such detention be for a longer period than is necessary to produce such juvenile before a committing magistrate. The committing magistrate may release such juvenile on bail, upon his own recognizance or that of some responsible person, or in default of bail may commit him to the custody of the United States marshal, who shall lodge him in such juvenile home or other suitable place of detention as the Attorney General may designate for that purpose. Such juvenile shall not be committed to a jail or other similar institution, unless in the opinion of the marshal it appears that such commitment is necessary to secure the custody of the juvenile or to insure his safety or that of others. A juvenile detained in a jail or similar institution shall be held in custody in a room or other place apart from adults if facilities for such segregation are available.

SEC. 6. The Director of the Bureau of Prisons may contract with public or private agencies for the custody, care, subsistence, education, and training of juvenile delinquents and may defray the cost of such custody, care, subsistence, education, and training from the appropriation for "Support of United States prisoners" or such other appropriation as the Attorney General may designate.

SEC. 7. A juvenile delinquent committed under this act who has, by his conduct, given sufficient evidence that he has reformed, may be released on parole at any time by the Board of Parole established by the act of May 13, 1930 (46 Stat. 272, ch. 255; U. S. C., title 18, sec. 723, subsecs. (a)–(c)). If it shall appear to the satisfaction of such Board that there is reasonable probability that such juvenile will, if conditionally released, remain at liberty without violating the law, then the Board may, in its discreton, parole such juvenile under conditions and regulations as the Board may deem proper.

SEC. 8. Nothing in this act shall be construed to supersede or repeal any provisions of law relative to the custody, care, subsistence, education, or training of juveniles, which are now or may hereafter be made particularly applicable to the District of Columbia.

SEC. 9. This act may be cited as "The Federal Juvenile Delinquency Act."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 10694) was laid on the table.

BOARD OF REGENTS OF THE SMITHSONIAN INSTITUTION

The Clerk called the joint resolution (H. J. Res. 711) providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution of the class other than Members of Congress.

There being no objection, the Clerk read the joint resolution, as follows:

House Joint Resolution 711

Resolved, etc., That the vacancy in the Board of Regents of the Smithsonian Institution, of the class other than Members of Congress, caused by the expiration of the term of R. Walton Moore, June 29, 1938, be filled by the appointment of R. Walton Moore, a citizen of Virginia, to succeed himself, for the statutory term of 6 years.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FILLING OF VACANCY IN THE BOARD OF REGENTS, SMITHSONIAN INSTITUTION

The Clerk called the joint resolution (H. J. Res. 712) providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution of the class other than Members of Congress.

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, I wonder if the chairman of the Library Committee would inform the House of the manner of making the selection of these members of the Board of Regents other than Members of Congress?

Mr. KELLER. Mr. Speaker, I shall be pleased to do that. It is done in this way. Where a man has not so far been a member of the Board of Regents he is elected for some unusual service in one direction or another.

Mr. WOLCOTT. Who selects them?

Mr. KELLER. It is all agreed upon ahead of time with the Board itself as a rule.

Mr. WOLCOTT. Does the Board recommend the successors?

Mr. KELLER. Yes.

Mr. WOLCOTT. To whom do they make the recommendation?

Mr. KELLER. The Board meets and discusses these matters and takes them up with the chairman of the Library Committee of the House.

Mr. WOLCOTT. To whom does the Board of Regents make the recommendation?

Mr. KELLER. Let me illustrate by the one you have called up here.

Mr. SACKS. Mr. Speaker, regular order.

Mr. WOLCOTT. Mr. Speaker, I make the point of order a quorum is not present.

Mr. MARTIN of Massachusetts. Mr. Speaker, I make the point of order that the demand for the regular order is not in order because the gentleman who made it did not rise and address the Chair.

The SPEAKER pro tempore. The Chair sustains the point of order made by the gentleman from Massachusetts [Mr. MARTIN]. The gentleman who demanded the regular order did not stand and address the chair. The gentleman from Michigan is recognized.

Mr. WOLCOTT. Mr. Speaker, I understand, then, we are in status quo and I withdraw the point of order.

Mr. KELLER. These men have very generally been appointed from along the eastern seaboard, and finally I insisted with the Secretary that he should go west for one, and after conferring with the Governor of Illinois and several other men in that State who are interested in these matters we sent in the name of Mr. Compton, one of the noted physicists of the world and a winner of the Nobel Prize as a physicist.

Mr. WOLCOTT. I have no objection to Mr. Compton. I think his record shows he will be a very desirable member of this Board. The information I wanted was with respect to who makes the recommendation and who receives the recommendation.

Mr. KELLER. Of course, that goes to the Committee on the Library, but generally we confer. I conferred with Mr. Abbot.

Mr. WOLCOTT. Then the Board of Regents recommends to the Congress successors to fill vacancies on the Board?

Mr. KELLER. Sometimes they do and sometimes they get away with it and sometimes they do not. They wanted to appoint somebody else from the eastern seaboard and I objected. I said we ought to have somebody from out West and they finally gave me Mr. Compton.

The SPEAKER pro tempore. Is there objection to the present consideration of the joint resolution?

There being no objection, the Clerk read the joint resolution, as follows:

Resolved, etc., That the vacancy in the Board of Regents of the Smithsonian Institution, of the class other than Members of Congress, caused by the death of Augustus P. Loring, be filled by the appointment of Arthur H. Compton, a citizen of Illinois, for the statutory term of 6 years.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NOTICE OF DISCONTINUANCE OF MAIL TRAINS

The Clerk called the next bill, H. R. 10590, requiring 60 days' notice before discontinuance of any train carrying United States mails.

The Clerk read the title of the bill.

Mr. RICH. Mr. Speaker, I ask unanimous consent that the bill go over without prejudice.

Mr. HAINES. Mr. Speaker, will the gentleman reserve his objection?

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, I hope the gentleman from Pennsylvania will not insist upon that. This bill, as I understand it, is to protect not only the efficiency of the mail but also the employees on these roads from a railroad immediately going out of business and thereby removing that railroad from responsibility for carrying the mail. I think this is a meritorious bill.

Mr. RICH. If that is the purpose of the bill, I am perfectly satisfied to let the bill go through. I thought it was for a different purpose.

Mr. MEAD. Mr. Speaker, I may say to the gentleman, if he will yield, these railroads notify the railroad commissions, and they have to do that as a matter of course; and we are just asking them to notify the Post Office Department as well.

Mr. RICH. The Post Office Department would want the same notice?

Mr. MEAD. That is right. We can then make arrangements for supplementary service.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the twenty-second paragraph (relating to additional or discontinued railway mail service) of section 5 of the act of Congress approved July 28, 1916 (39 Stat. 412, at 427; U. S. C., 1934 ed., title 39, sec. 564), is amended by inserting before the period at the end thereof a colon and the following: "*Provided further*, That the railroad company shall give 60 days' advance notice to the Postmaster General of the discontinuance of any train on which mails are carried, and the company shall not be relieved of the duty of carrying the mails on such train unless such notice is given."

With the following committee amendments:

Page 1, line 9, strike out "60" and insert "30."
Page 2, line 2, after the word "train", insert "or otherwise."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill requiring 30 days' notice before discontinuance of any train carrying United States mails."

PERISHABLE AGRICULTURAL COMMODITIES ACT

The Clerk called the bill (H. R. 10785) to amend the Perishable Agricultural Commodities Act, 1930, as amended.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 7 (a) of the Perishable Agricultural Commodities Act, 1930, as amended, is further amended by changing the semicolon at the end thereof to a period and adding the following language: "If, after the respondent has filed his answer to the complaint, it appears therein that the respondent has admitted liability for a portion of the amount claimed in the complaint as damages, the Secretary under such rules and regulations as he shall prescribe, unless the respondent has already made reparation to the person complaining, may issue an order directing the respondent to pay to the complainant the undisputed amount on or before the date fixed in the order, leaving the respondent's liability for the disputed amount for subsequent determination. The remaining disputed amount shall be determined in the same manner and under the same procedure as it would have been determined if no order had been issued by the Secretary with respect to the undisputed sum."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

BRIDGE ACROSS MISSISSIPPI RIVER, NATCHEZ, MISS.

The Clerk called the bill (S. 3597) to extend the times for commencing and completing the construction of a bridge across the Mississippi River, at or near Natchez, Miss., and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of the bridge across the Mississippi River, at or near Natchez, Miss., authorized to be built by the city of Natchez and the county of Adams, State of Mississippi, by the act of Congress approved August 30, 1935, heretofore extended by acts of Congress approved May 1, 1936, and August 5, 1937, are hereby further extended 1 and 3 years, respectively, from the date of approval hereof.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE ACROSS MISSOURI RIVER, DECATUR, NEBR.

The Clerk called the bill (S. 3611) to further extend the times for commencing and completing the construction of a bridge across the Missouri River between the towns of Decatur, Nebr., and Onawa, Iowa.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of a bridge across the Missouri River, between the towns of Decatur, Nebr., and Onawa, Iowa, authorized to be built by the county of Burt, State of Nebraska, by section 29 of the act of Congress approved August 30, 1935, heretofore extended by act of Congress approved June 19, 1936, and further extended by act of Congress approved March 24, 1937, are hereby further extended 1 and 3 years, respectively, from August 30, 1938.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NORTH DAKOTA STATE HIGHWAY DEPARTMENT

The Clerk called the bill (S. 3367) authorizing the North Dakota State Highway Department and the Department of Highways of the State of Minnesota to construct, maintain, and operate a free highway bridge across the Red River.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in order to facilitate interstate commerce, improve the postal service, and provide for military and other purposes, the North Dakota State Highway Department and the Department of Highways of the State of Minnesota are authorized to construct, maintain, and operate a free highway bridge and approaches thereto across the Red River, at a point suitable to the interests of navigation, from a point in Walsh County, N. Dak., at or near the terminus of North Dakota State Highway No. 17, such point being located near the dividing line between sections 18 and 19, township 157 north, range 51 west, fourth principal meridian, to a point in Marshall County, Minn., located near the dividing line between sections 17 and 20, township 157 north, range 50 west, fourth principal meridian, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. There are hereby conferred upon the North Dakota State Highway Department and the Department of Highways of the State of Minnesota all such rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use real estate and other property needed for the location, construction, operation, and maintenance of such bridge and its approaches as are possessed by railroad corporations for railroad purposes or by bridge corporations for bridge purposes in the State in which real estate or other property is situated, upon making just compensation therefor, to be ascertained and paid according to the laws of such State, and the proceedings therefor shall be the same as in the condemnation or expropriation of property for public purposes in such State.

SEC. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CITY OF DUBUQUE BRIDGE COMMISSION

The Clerk called the bill (S. 3892) creating the City of Dubuque Bridge Commission and authorizing said commission and its successors to purchase and/or construct, maintain, and operate a bridge or bridges across the Mississippi River at or near Dubuque, Iowa, and East Dubuque, Ill.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in order to facilitate interstate commerce, improve the postal service, and provide for military and other purposes, the City of Dubuque Bridge Commission (hereinafter created, and hereinafter referred to as the "Commission"), and its successors and assigns, be, and are hereby, authorized to construct, maintain, and operate a bridge or bridges and approaches thereto, across the Mississippi River at or near the cities of Dubuque, Iowa, and East Dubuque, Ill., at a point suitable to the interest of navigation, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters", approved March 23, 1906, subject to the conditions and limitations contained in this act. For like purposes said Commission, or its successors and assigns, are hereby authorized to purchase, maintain, and operate all or any existing bridges for vehicular traffic crossing the Mississippi River at or near the city of Dubuque, Iowa, and may acquire control of any or all such existing bridges by purchase of stock in any corporation owning any such bridges, or by a conveyance from such corporation, and, in any case, said Commission shall be authorized to maintain and operate said bridge or bridges subject to the conditions and limitations contained in this act.

SEC. 2. There is hereby conferred upon the Commission and its successors and assigns the right and power to enter upon such lands and to acquire, condemn, occupy, possess, and use such real estate and other property in the State of Iowa and the State of Illinois, including real estate and other property acquired for or devoted to a public use or other purposes by the State of Illinois or the State of Iowa, or any governmental or political subdivisions thereof, as may be needed for the location, construction, operation, and maintenance of any such bridge and its approaches, upon making just compensation therefor, to be ascertained and paid according to the laws of the State in which such real estate or other property is situated, and the proceedings therefor shall be the same as in the condemnation of private property for public purpose in said State, respectively.

SEC. 3. The Commission and its successors and assigns are hereby authorized to fix and charge tolls for transit over such bridge or bridges in accordance with the provisions of this act, subject to the approval of the Secretary of War as provided by the act of Congress approved March 23, 1906.

SEC. 4. The Commission and its successors and assigns are hereby authorized to provide for the payment of the cost of such bridge or bridges as may be purchased or constructed, as provided herein, and approaches (including the approach highways which, in the judgment of the Commission, it is necessary or advisable to construct or cause to be constructed to provide suitable and adequate connection with existing improved highways) and the necessary land, easements, and appurtenances thereto, by an issue or issues of negotiable bonds of the Commission, bearing interest at the rate or rates of not more than 6 percent per annum, the principal and interest of which bonds, and any premium to be paid for retirement thereof before maturity, shall be payable solely from the sinking fund provided in accordance with this act, and such payments may be further secured by mortgage of the bridge or bridges. In like manner, bonds may be issued to pay the cost of improvements and permanent repairs to any bridge or bridges purchased. All such bonds may be registerable as to principal alone or both principal and interest, shall be in such form not inconsistent with this act, shall mature at such time or times not exceeding 25 years from their respective dates, shall be in such denominations, shall be executed in such manner, and shall be payable in such medium and at such place or places as the Commission may determine. The Commission may repurchase and may reserve the right to redeem all or any of said bonds before maturity in such manner and at such price or prices, not exceeding 105 and accrued interest, as may be fixed by the Commission prior to the issuance of the bonds. The Commission, when it deems it to be to the best interest of the Commission, may issue refunding bonds to repurchase and redeem any outstanding bonds, before the maturity thereof: *Provided*, That the refunding bonds shall mature at such time or times, not exceeding 50 years from the date of approval of this act, as the Commission may determine. The Commission may enter into any agreement with any bank or trust company in the United States as trustee having the power to make such agreement, setting forth the duties of the Commission in respect to the purchase, construction, maintenance, operation, repair, and insurance of the bridge or bridges, the conservation and application of all funds, the security for the payment of the bonds, the safeguarding of money on hand or on deposit, and the rights and remedies of said trustee and the holders of the bonds, restricting the individual right of action of the bondholders as is customary in trust agreements respecting bonds of corporations. Such trust agreement may contain such provisions for protecting and enforcing the rights and remedies of the trustee and the bondholders as may be reasonable and proper and not inconsistent with the law.

The bridge or bridges purchased or constructed under the authority of the act shall be deemed to be Federal instrumentalities for interstate commerce, the Postal Service, and military and other purposes authorized by the Government of the United States, and said bridge or bridges and the bonds issued in connection therewith and the income derived therefrom shall be exempt from all Federal, State, municipal, and local taxation. Said bonds shall be sold in such manner and at such time or times and at such price as the Commission may determine, but no such sale shall be made at a price so low as to require the payment of more than 6-percent interest on the money received therefor, computed with relation to the absolute maturity of the bonds in accordance with standard tables of bond values, and the face amount thereof shall be so calculated as to produce, at the price of their sale, the cost of the bridge or bridges, acquired and/or constructed, and approaches and the land, easements, and appurtenances used in connection therewith when added to any other funds made available to the Commission for the use of said purposes. The cost of the bridge or bridges acquired hereunder and the cost of the bridge to be constructed as provided herein, together with approaches and approach highways, shall be deemed to include interest during construction of the said bridge, and for 12 months thereafter, and all engineering, legal, architectural, traffic-surveying, and other expenses incident to the construction of the bridge and the acquisition of the necessary property, incident to the financing thereof, including the cost of acquiring existing franchises, riparian rights, plans, and works of and relating to the bridge or bridges now owned by any person, firm, or corporation, and the cost of purchasing all or any part of the shares of stock of any such corporate owner, or by conveyance from such corporation, if, in the judgment of the Commission, such purchases should be found expedient. If the proceeds of the bonds issued shall exceed the cost as finally determined, the excess shall be placed in the sinking fund hereinafter provided. Prior to the preparation of definite bonds the Commission may, under like restrictions, issue temporary bonds or interim certificates, with or without coupons, of

any denomination whatsoever, exchangeable for definite bonds when such bonds that have been executed are available for delivery.

SEC. 5. In fixing the rates of toll to be charged for the use of such bridge or bridges, in accordance with the act of Congress approved March 23, 1906, the same shall be so adjusted as to provide a fund sufficient to pay for the reasonable cost of maintaining, repairing, and operating the bridge or bridges and approaches under economical management, and to provide a sinking fund sufficient to pay the principal and interest of such bonds as the same shall fall due and the redemption or repurchase price of all or any thereof redeemed or repurchased before maturity as herein provided. All tolls and other revenues from said bridge or bridges are hereby pledged to such uses and to the application thereof as hereinafter in this section required. After payment or provision for payment therefrom of all such cost of maintaining, repairing, and operating and the reservation of an amount of money estimated to be sufficient for the same purpose during an ensuing period of not more than 6 months, the remainder of tolls collected shall be placed in the sinking fund, at intervals to be determined by the Commission prior to the issuance of the bonds. An accurate record of the cost of the bridge or bridges and approaches; the expenditures for maintaining, repairing, and operating the same; and of the daily tolls collected, shall be kept and shall be available for the information of all persons interested. The Commission shall classify in a reasonable way all traffic over the bridge or bridges so that the tolls shall be so fixed and adjusted by it as to be uniform in the application thereof to all traffic falling within reasonable classes, regardless of the status or character of any person, firm, or corporation participating in such traffic, and shall prevent all use of such bridge or bridges for traffic except upon payment of tolls so fixed and adjusted. No toll shall be charged officials or employees of the Commission, nor shall toll be charged officials of the Government of the United States while in the discharge of duties incident to their office or employment, nor shall toll be charged members of the fire department or peace officers when engaged in the performance of their official duties.

Within a reasonable time after the construction of any bridge or bridges, or the purchase of any bridge or bridges, the Commission shall file with the Bureau of Public Roads of the United States Department of Agriculture a sworn itemized statement showing the cost of constructing or purchasing the bridge or bridges and their approaches, the cost of acquiring any interest in real or other property necessary therefor, and the amount of bonds, debentures, or other evidence of indebtedness issued in connection with the construction or purchase of said bridge or bridges.

SEC. 6. Nothing herein contained shall require the Commission or its successors to maintain or operate any bridge or bridges purchased hereunder, if and when all bonds issued for account of such bridge or bridges shall have been retired or provision for the payment of interest on and retirement of such bonds from the revenues from any other bridge or bridges shall have been made at the time of issuance of such bonds. Any bridge or bridges so purchased, with appurtenances and property thereto connected and belonging, may be sold or otherwise disposed of or may be abandoned or dismantled whenever in the judgment of the Commission or its successors, and subject to the approval of the Chief of the Bureau of Public Roads, United States Department of Agriculture, and the United States Secretary of War, it may be declared expedient so to do, and provisions with respect to and regulating any such sale, disposal, abandonment, or dismantlement may be included in proceedings for the issuance and sale of bonds for account of any such bridge or bridges. The Commission and its successors may fix such rates of toll for the use of such bridge or bridges as it may deem proper, subject to the same conditions as are hereinabove required as to tolls for traffic over the bridge to be constructed provided tolls shall be fixed and revised from time to time for traffic over all bridges so as not to adversely reflect upon the earnings of any bridge or bridges for account of which bonds may be outstanding. An accurate record of the cost of pufchasing or constructing each such bridge; the expenditures for maintaining, repairing, and operating the same; and of the daily tolls collected shall be kept and shall be available for the information of all persons interested.

SEC. 7. After payment of the bonds and interest, or after a sinking fund sufficient for such payment shall have been provided and shall be held for that purpose, the Commission shall deliver deeds or other suitable instruments of conveyance of the interest of the Commission in and to the bridge or bridges extending between the State of Iowa and the State of Illinois, that part of said bridge or bridges within Iowa to the State of Iowa or any municipality or agency thereof as may be authorized by or pursuant to law to accept the same (hereafter referred to as the "Iowa interests") and that part of said bridge or bridges within Illinois to the State of Illinois or any municipality or agency thereof as may be authorized by or pursuant to law to accept the same (hereinafter referred to as the "Illinois interests"); likewise the Commission shall deliver deeds or other suitable instruments of conveyance of the interest of the Commission in and to any bridge that may cross the Mississippi River between the city of Dubuque, Iowa, and the State of Wisconsin, that part of said bridge within Iowa to the State of Iowa or any municipality or agency thereof as may be authorized by or pursuant to law to accept the same (hereafter referred to as the "Iowa interests"), and that part of said bridge within Wisconsin to the State of Wisconsin or any municipality or agency thereof as may be authorized by or pursuant to law to accept the same (hereafter referred to as the "Wisconsin interests"), under the condition that the bridge or bridges shall thereafter be free of tolls and be properly maintained, operated, and repaired by the Iowa interests, the Illinois interests, and the Wisconsin interests, as may be agreed upon; but if the Iowa, Illinois, or Wisconsin interests, as the case may be, fail to accept, or are not authorized to accept, their respective portions of said bridge or bridges, then the Commission may deliver deeds, or other suitable instruments or conveyance of said portions, to any other interest which may accept and may be authorized to accept the same, under the condition that the bridge or bridges shall thereafter be free of toll and be properly maintained, operated, and repaired by said interests to whom said conveyances are delivered; but if either the Iowa interests or the Illinois interests or the Wisconsin interests, or any other interest hereinabove mentioned, shall not be authorized to accept or shall not accept the same under such conditions, then the bridge or bridges shall continue to be owned, maintained, operated, and repaired by the Commission, and the rates of tolls shall be so adjusted as to provide a fund of not to exceed the amount necessary for the proper maintenance, repair, and operation of the bridge or bridges and approaches under economical management, until such time as the Iowa interests, the Illinois interests, the Wisconsin interests, or any other interest hereinabove mentioned, shall be authorized to accept and shall accept such conveyance under such conditions. The rate or rates of toll for crossing any bridge now existing or hereafter constructed which abuts upon or enters into the corporate limits of the city of Dubuque, Iowa, shall not be reduced below the rate or rates now in effect on existing bridges so long as any indebtedness of said Commission for the account of any bridge or bridges shall be outstanding and unpaid.

(a) Notwithstanding any restrictions or limitation imposed by the act entitled "An act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes," approved July 11, 1916, or by the Federal Highway Act, or by an act amendatory of or supplemental to either thereof, the Secretary of Agriculture or any other Federal department or agency of the United States Government may extend Federal aid under such acts for the construction of said bridge or bridges out of any moneys allocated to the State of Iowa with the consent of the State highway commission of said State, and out of moneys allocated to the State of Illinois with the consent of the department of highways of said State.

SEC. 8. For the purpose of carrying into effect the objects stated in this act, there is hereby created the City of Dubuque Bridge Commission, and by that name, style, and title said body shall have perpetual succession; may contract and be contracted with, sue and be sued, implead and be impleaded, complain and defend in all courts of law and equity; may make and have a common seal; may purchase or otherwise acquire and hold or dispose of real estate and other property; may accept and receive donations or gifts of money or property and apply same to the purposes of this act; and shall have and possess all powers necessary, convenient, or proper for carrying into effect the objects stated in this act.

The Commission shall consist of W. M. Clemens, Charles G. Kretschmer, Charles T. Landon, Thomas M. Stampfer, of Dubuque, Iowa, and R. E. Werner of East Dubuque, Ill.; such Commission shall be a public body corporate and politic. Each member of the Commission shall qualify within 30 days after the approval of this act by filing in the office of the Secretary of Agriculture an oath that he will faithfully perform the duties imposed upon him by this act, and each person appointed to fill a vacancy shall qualify in like manner within 30 days after his appointment. Any vacancy occurring in said Commission by reason of failure to qualify as above provided, or by reason of death or resignation, shall be filled by the Secretary of Agriculture. Before the issuance of bonds as hereinabove provided, each member of the Commission shall give such bond as may be fixed by the Chief of the Bureau of Public Roads of the Department of Agriculture, conditioned upon the faithful performance of all duties required by this act, the cost of such surety prior to and during the construction of the bridge shall be paid or reimbursed from the bond proceeds and thereafter such costs shall be deemed an operating expense. The Commission shall elect a chairman and a vice chairman from its members, and may establish rules and regulations for the government of its own business. A majority of the members shall constitute a quorum for the transaction of business.

SEC. 9. The Commission shall have no capital stock or shares of interest or participation, and all revenues and receipts thereof shall be applied to the purposes specified in this act. The members of the Commission shall be entitled to a per diem compensation for their services of $10 for each day actually spent in the business of the Commission, but the maximum compensation of the chairman in any year shall not exceed $1,200, and of each other member shall not exceed $600. The members of the Commission shall also be entitled to receive traveling-expense allowance of 10 cents a mile for each mile actually traveled on the business of the Commission. The Commission may employ a secretary,

treasurer, engineers, attorneys, and other such experts, assistants, and employees as they may deem necessary, who shall be entitled to receive such compensation as the Commission may determine. All salaries and expenses shall be paid solely from the funds provided under the authority of this act. After all bonds and interest thereon shall have been paid and all other obligations of the Commission paid or discharged, or provision for all such payment shall have been made as hereinbefore provided, and after the bridge or bridges shall have been conveyed to the Iowa interests, the Illinois interests, and the Wisconsin interests, as herein provided, or otherwise disposed of as provided herein, the Commission shall be dissolved and shall cease to have further existence by an order of the Chief of the Bureau of Public Roads made upon his own initiative or upon application of the Commission or any member or members thereof, but only after a public hearing in the city of Dubuque, Iowa, notice of the time and place of which hearing and the purpose thereof shall have been published once, at least 30 days before the date thereof, in a newspaper published in the city of Dubuque, Iowa. At the time of such dissolution all moneys in the hands of or to the credit of the Commission shall be divided and distribution made between the interests of the States, as may be determined by the Chief of the Bureau of Public Roads of the United States.

SEC. 10. Notwithstanding any of the provisions of this act, the Commission shall have full power and authority to negotiate and enter into a contract or contracts with the State Highway Commission of Iowa and the Department of Highways of Illinois, the State Highway Department of Wisconsin, the city of Dubuque, Dubuque County, Iowa, or any county or municipality in the State of Illinois, whereby the Commission may receive financial aid in the construction or maintenance of a bridge or bridges and approaches thereto, and said Commission in its discretion may avail itself of all of the facilities of the State Highway Commission of the State of Iowa and the Department of Highways of the State of Illinois with regard to the construction of said proposed bridge or bridges, and the Commission may make and enter into any contract or contracts which it deems expedient and proper with the State Highway Commission of Iowa and the Department of Highways of Illinois, whereby said highway departments or either of them may construct, operate, and maintain or participate with the Commission in the construction, operation, maintenance of said bridge or bridges to be constructed hereunder, and approaches. It is hereby declared to be the purpose of Congress to facilitate the construction of a bridge and proper approaches across the Mississippi River at or near Dubuque, Iowa, and East Dubuque, Ill., and to authorize the Commission to promote said object and purposes, with full power to contract with either the State Highway Commission of Iowa or the Department of Highways of Illinois or with any agency or department of the Federal Government, or both, in relation to the purchase of condemnation, construction, operation, and maintenance of said bridges and approaches.

SEC. 11. Nothing herein contained shall be construed to authorize or permit the Commission or any member thereof to create any obligation or incur any liability other than such obligations and liabilities as are dischargeable solely from funds contemplated to be provided by this act. No obligation created or liability incurred pursuant to this act shall be a personal obligation or liability of any member or members of the Commission but shall be chargeable solely to the funds herein provided, nor shall any indebtedness created pursuant to this act be an indebtedness of the United States.

SEC. 12. The design and construction of any bridge which may be built pursuant to this act shall be in accordance with the standard specifications for highway bridges adopted by the American Association of State Highway Officials.

SEC. 13. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE ACROSS PISCATAQUA RIVER, N. H.

The Clerk called the bill (S. 3898), to extend the times for commencing and completing the construction of a bridge across the Piscataqua River at or near Portsmouth, N. H.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the time for commencing and completing the construction of the bridge across the Piscataqua River, at or near Portsmouth, N. H., authorized to be built by the Maine-New Hampshire Interstate Bridge Authority, by an act of Congress approved July 28, 1937, are hereby extended 1 and 3 years, respectively, from the date of approval hereof.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE ACROSS MISSOURI RIVER, GARRISON, N. DAK.

The Clerk called the bill (S. 3907) to further extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Garrison, N. Dak.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of a bridge across the Missouri River, at or near Garrison, N. Dak., authorized to be built by the State of North Dakota, by the act of Congress approved February 10, 1932, and heretofore extended by acts of Congress approved February 14, 1933, and June 12, 1934, May 24, 1935, and June 5, 1936, are hereby further extended 2 and 4 years, respectively, from June 12, 1937.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE ACROSS MISSISSIPPI RIVER, ST. LOUIS, MO.

The Clerk called the bill (H. R. 10506) to extend the times for commencing and completing the construction of a bridge across the Mississippi River between St. Louis, Mo., and Stites, Ill.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of a bridge across the Mississippi River at or near a point on Broadway between Florida and Mullanphy Streets, in the city of St. Louis, Mo., and a point opposite thereto, in the town of Stites, in the county of St. Clair, State of Illinois, and connecting with St. Clair Avenue extended in said town, authorized to be built by the county of St. Clair, Ill., by an act of Congress approved August 30, 1935, are hereby extended 1 and 3 years, respectively, from August 30, 1938.

With the following committee amendments:

Page 2, line 1, after the figures "1935", insert "and heretofore extended by acts of Congress approved May 1, 1936, and June 9, 1937."

Page 2, line 2, after the word "hereby", insert the word "further."

The committee amendments were agreed to; and the bill as amended was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

BRIDGE ACROSS MISSISSIPPI RIVER, ST. LOUIS, MO.

The Clerk called the next bill, H. R. 10507, to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near a point between Morgan and Wash Streets in the city of St. Louis, Mo., and a point opposite thereto in the city of East St. Louis, Ill.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of a bridge across the Mississippi River, at or near a point between Morgan and Wash Streets in the city of St. Louis, Mo., and a point opposite thereto in the city of East St. Louis, Ill., authorized to be built by the city of East St. Louis, Ill., by an act of Congress approved August 5, 1935, are hereby further extended 1 and 3 years, respectively, from May 3, 1938.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendment:

Page 1, line 9, after "approved", strike out "August 5, 1935, are" and insert "May 3, 1934, and heretofore extended by acts of Congress approved August 5, 1935, May 1, 1936, and June 2, 1937, are."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE ACROSS MISSOURI RIVER AT MIAMI, MO.

The Clerk called the next bill, H. R. 10539, to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Miami, Mo.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent to substitute the bill S. 3990, a similar bill.

The SPEAKER pro tempore. Is there objection?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of a bridge across the Missouri River at or near Miami, authorized to be built by Saline County, Mo., by an act of Congress approved January 16, 1936, and heretofore extended by an act of Congress approved June 19, 1936, are hereby further extended 1 and 3 years, respectively, from the date of approval hereof.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A House bill (H. R. 10539) was laid on the table.

BRIDGE ACROSS MISSOURI RIVER, ARROW ROCK, MO.

The Clerk called the next bill, H. R. 10540, to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Arrow Rock, Mo.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of a bridge across the Missouri River, at or near Arrow Rock, Mo., authorized to be built by the county court of Saline County, Mo., by an act of Congress approved August 12, 1937, are hereby extended 1 and 3 years, respectively, from August 12, 1938.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE ACROSS DES MOINES RIVER AT KEOSAUQUA, IOWA

The Clerk called the next bill, H. R. 10610, granting the consent of Congress to the Iowa State Highway Commission to reconstruct or construct, maintain, and operate a free highway bridge across the Des Moines River at or near Keosauqua, Iowa.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the Iowa State Highway Commission to reconstruct or construct, maintain, and operate a free highway bridge and approaches thereto across the Des Moines River, at a point suitable to the interests of navigation, at or near Keosauqua, Iowa, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. Said bridge may be reconstructed or constructed with the aid of any Federal funds appropriated and apportioned to the State of Iowa for expenditure under the Federal Highway Act, as amended and supplemented.

SEC. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendments:

Page 2, lines 3 to 6, strike out all of section 2 of the bill.
Page 2, line 7, change "3" to "2."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE ACROSS ST. LOUIS RIVER, DULUTH, MINN.

The Clerk called the next bill, H. R. 10632, authorizing the Port Authority of Duluth, Minn., and the Harbor Commission of Superior, Wis., to construct a highway bridge across the St. Louis River from Rice's Point in Duluth, Minn., to Superior in Wisconsin.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in order to facilitate interstate commerce, improve the postal service, and provide for military and other purposes the Port Authority of Duluth, Minn., and the Harbor Commission of Superior, Wis., their successors and assigns, are hereby authorized to construct, maintain, and operate a highway bridge and approaches thereto over and across the St. Louis River from the lower end of Rice's Point in Duluth, Minn., to the vicinity of the lower end of Banks Avenue extended to the shore line in Superior, Wis., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. There is hereby conferred upon the Port Authority of Duluth, Minn., and the Harbor Commission of Superior, Wis., all such rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use real estate and other property needed for the location, construction, operation, and maintenance of such bridge and its approaches as are possessed by railroad corporations for railroad purposes or by bridge corporations for bridge purposes in the State in which real estate or other property is situated, upon making a just compensation therefor, to be ascertained and paid according to the laws of such State, and the proceedings therefor shall be the same as in the condemnation or expropriation of property for public purposes in such State.

SEC. 3. Notwithstanding any restriction or limitation imposed by the act entitled "An act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes," approved July 11, 1916, or by the Federal Highway Act, or by any act amendatory of or supplemental to either thereof, the Secretary of Agriculture may extend Federal aid under such acts, for the construction of said bridge, out of any moneys allocated to the State of Minnesota, with the consent of the department of highways of said State, and out of any moneys allocated to the State of Wisconsin, with the consent of the department of highways of said State: *Provided*, That notwithstanding any of the provisions of this act, the port authorities shall have full power and authority to negotiate and enter into a contract or contracts with the State Highway Commission of the State of Wisconsin and the State Highway Commission of the State of Minnesota, or with either of them, or with any other public body, whereby the port authorities may receive financial aid in the construction of the bridge and approaches thereto, and the port authorities may make and enter into any contract or contracts which they deem expedient and proper with both the said State highway commissions, or either of them, whereby both said State highway departments, or either of them, may construct, operate, and maintain, or participate with the port authorities in the construction, operation, and maintenance of said bridge and approaches.

SEC. 4. It is hereby declared to be the purpose of Congress to facilitate the construction of a bridge and proper approaches across the St. Louis River between Duluth, Minn., and Superior, Wis., and to authorize the port authorities to promote said object and purposes for the greater safety of navigation, in accordance with this act.

SEC. 5. The port authorities or their successors and assigns are hereby authorized to provide for the payment of the cost of the bridge and its approaches by an issue or issues of negotiable bonds or negotiable certificates of indebtedness of the port authorities bearing interest at not more than 6 percent per annum, the principal and interest of which bonds or certificates of indebtedness and any premium to be paid for retirement thereof before maturity shall be payable solely from the sinking fund provided in accordance with the act. Such bonds or certificates of indebtedness may be registrable as to principal alone or both principal and interest, shall be in such form not inconsistent with this act, shall mature at such time or times not exceeding 30 years from their respective dates, shall be in such denominations, shall be executed in such manner, and shall be payable in such medium and at such place or places as the port authorities may determine. The port authorities may repurchase and may reserve the right to redeem all or any of said bonds or certificates of indebtedness before maturity in such manner and at such price or prices, not exceeding 105 and accrued interest, as may be fixed by them prior to the issuance of the bonds or certificates of indebtedness. Nothing contained in this act shall be construed as limiting the powers now possessed or hereafter conferred under any applicable law of the State of Minnesota or the State of Wisconsin authorizing and empowering the Port Authority of Duluth or the Harbor Commission of Superior to issue and sell negotiable bonds or negotiable certificates of indebtedness; and the provisions of this act shall be deemed supplemental and in addition to all powers now possessed or hereafter conferred upon either of the said Port Authority of the city of Duluth and the said Harbor Commission of the city of Superior.

SEC. 6. Subject to and in accordance with the provisions of the General Bridge Act approved March 23, 1906, the Harbor Commission of Superior and the Port Authority of Duluth may jointly or severally make written application to the Secretary of War for the approval of the location and plans of said bridge. Upon the filing of said application, due notice to all interested parties of the filing of such application, and notice of hearing thereon, shall be given. If such application be approved, the instrument of approval shall be issued to the Duluth Port Authority and the Harbor Commission of Superior, jointly, unless the said port authority or the said harbor commission shall file with the Secretary of War, within 30 days of the receipt of such notice of approval, its refusal to accept such instrument of approval. Upon any such refusal being filed with the Secretary of War, the instrument of approval shall forthwith be issued to the port authority or harbor

commission, as the case may be, which shall file with the Secretary of War its written acceptance of such approval.

SEC. 7. The port authorities are hereby authorized to fix and charge tolls for transit over such bridge and the rates of toll so fixed shall be the legal rates until changed by the Secretary of War under the authority contained in the act of March 23, 1906.

In fixing the rates of toll to be charged for the use of such bridge the same shall be so adjusted as to provide a fund sufficient to pay for the reasonable cost of maintenance, repairing, and operating the bridge and its approaches under efficient and economical management, and to provide a sinking fund sufficient to amortize the cost of such bridge and its approaches, including reasonable interest and financing cost, as soon as possible, under reasonable charges, but within a period of not to exceed 30 years from the completion thereof. After a sinking fund sufficient for such amortization and for the maintenance of said bridge and the approaches thereto, shall have been so provided, such bridge shall thereafter be maintained and operated free of tolls. An accurate record of the cost of the bridge and its approaches, the expenditure for maintaining, repairing, and operating the same, and of the daily tolls collected shall be kept and shall be available for the information of all persons interested.

SEC. 8. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE ACROSS WABASH RIVER, MEROM, IND.

The Clerk called the next bill, H. R. 10670, to extend the times for commencing and completing the construction of a bridge across the Wabash River at or near Merom, Sullivan County, Ind.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of a bridge across the Wabash River, at or near Merom, Sullivan County, Ind., authorized to be built by Sullivan County, Ind., or any board or commission of said county which is or may be created or established for the purpose, by an act of Congress approved February 10, 1932, heretofore extended by an act of Congress approved April 30, 1934, and June 27, 1935, and May 1, 1936, and July 5, 1937, are hereby extended 1 and 4 years, respectively, from the date of approval hereof.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendments:

Page 1, line 9, after "by", strike out "An act" and insert "acts."
Page 1, line 10, after "1934", strike out "and."
Page 1, line 10, after "June", change "27" to "28."
Page 1, line 10, after "1935", strike out "and."
Page 2, line 1, after "and", strike out "four" and insert "three."
Page 2, line 2, after "from", strike out "the date of approval hereof" and insert "July 5, 1938."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

VEHICULAR TUNNEL UNDER DELAWARE RIVER

The Clerk called the next bill, H. R. 10739, granting the consent of Congress to the State of New Jersey and the Commonwealth of Pennsylvania to enter into compacts or agreements with respect to constructing, maintaining, and operating a vehicular tunnel under the Delaware River.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. ALLEN of Delaware. Mr. Speaker, I object.

BRIDGE ACROSS PUGET SOUND, WASH.

The Clerk called the next bill, H. H. 10780, to amend section 1 of an act entitled "An act granting the consent of Congress to the county of Pierce, a legal subdivision of the State of Washington, to construct, maintain, and operate a toll bridge across Puget Sound, State of Washington, at or near a point commonly known as 'The Narrows,'" and to extend the times for commencing and completing the construction of such bridge.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent to substitute the bill S. 4144, a similar bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That section 1 of an act entitled "An act granting the consent of Congress to the county of Pierce, a legal subdivision of the State of Washington, to construct, maintain, and operate a toll bridge across Puget Sound, State of Washington, at or near a point commonly known as 'The Narrows'," approved May 28, 1934, be amended to read as follows:

"SECTION 1. That the consent of Congress is hereby granted to the county of Pierce, a legal subdivision of the State of Washington, or to Washington Toll Bridge Authority, a legal agency of the State of Washington, to construct, maintain, and operate a bridge and approaches thereto across Puget Sound, State of Washington, at or near a point commonly known as 'The Narrows,' at a point suitable to the interests of navigation, in accordance with the provisions of an act entitled 'An act to regulate the construction of bridges over navigable waters,' approved March 23, 1906, and subject to the conditions and limitations contained in this act."

SEC. 2. That the times for commencing and completing the construction of such bridge, heretofore extended by acts of Congress approved August 27, 1935, and July 5, 1937, are hereby further extended 1 and 3 years, respectively, from July 5, 1938.

SEC. 3. That right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A House bill (H. R. 10780) was laid on the table.

LOUISIANA-VICKSBURG BRIDGE COMMISSION

The Clerk called the next bill, H. R. 10791, creating the Louisiana-Vicksburg Bridge Commission; defining the authority, power, and duties of said commission; and authorizing said commission and its successors and assigns to purchase, maintain, and operate a bridge across the Mississippi River at or near Delta Point, La., and Vicksburg, Miss.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. McGEHEE. Mr. Speaker, I object.

CONSTRUCTION OF A BRIDGE AT SOUTH SIOUX CITY, NEBR.

The Clerk called the next bill, H. R. 10818, to amend the act authorizing the construction of a bridge at South Sioux City, Nebr.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that the bill S. 4126 be substituted for the House bill.

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That all rights, powers, and duties conferred upon and vested in the county of Dakota, State of Nebraska, by section 30 of the act of August 30, 1935 (49 Stat. 1073), as extended, are hereby vested in and conferred upon Ira Z. Thorn, John Sohn, and Thomas J. Hartnett, county commissioners of the county of Dakota, State of Nebraska, and their successors in office, and Malcolm R. Smith, county attorney of the county of Dakota, State of Nebraska, and his successors in office, acting as a bridge commission, and to be known and designated as South Sioux City Missouri River Bridge Commission (hereafter called the "commission"). No act of said commission shall be valid unless concurred in by not less than three members thereof. The commission shall select a chairman and a secretary and treasurer from its own members. The commission shall have all the ordinary and usual powers necessary to carry out the purposes of section 30 of such act of 1935, as hereby amended, and in connection therewith may adopt rules of procedure and bylaws; enter into contracts and employ such managers, agents, and clerical help as may be necessary; and fill any vacancy caused by the death, resignation, or refusal or failure to act of any of its members. The term of any person selected by the commission to fill a vacancy shall terminate upon the election and qualification of an official member successor in office.

SEC. 2. (a) In order to promote interstate commerce, improve the postal service, and provide for military and other purposes, the commission, in addition to the rights, powers, and duties conferred upon and vested in it by such act of 1935, as amended, is authorized to acquire by purchase, gift, or otherwise and thereafter to operate and maintain an existing bridge over the Missouri River which (including approaches) abuts upon or enters into the corporate limits of either or both the cities of South Sioux City, Nebr., and Sioux City, Iowa.

(b) There is hereby conferred upon the commission all such rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use real estate and other property needed for the maintenance and operation of such bridge and its approaches as are possessed by railroad corporations for railroad purposes or by bridge corporations for bridge purposes in the State in which

such real estate or other property is situated, upon making just compensation therefor, to be ascertained and paid according to the laws of such State, and the proceedings therefor shall be the same as in the condemnation or expropriation of property for public purposes in such State.

(c) The said commission is hereby authorized to fix and charge tolls for transit over such bridge, and the rates of toll so fixed shall be the legal rates until changed by the Secretary of War under the authority contained in the act of March 23, 1906.

(d) In fixing the rates of toll to be charged for the use of such bridge the same shall be so adjusted as to provide a fund sufficient to pay for the reasonable cost of maintaining, repairing, and operating the bridge and its approaches under economical management, and to provide a sinking fund sufficient to amortize the cost of such bridge and its approaches, including reasonable interest and financing cost, as soon as possible, under reasonable charges, but within a period of not to exceed 20 years from the acquisition thereof. After a sinking fund sufficient for such amortization shall have been so provided, such bridge shall thereafter be maintained and operated free of tolls, or the rates of toll shall thereafter be so adjusted as to provide a fund of not to exceed the amount necessary for the proper maintenance, repair, and operation of the bridge and its approaches under economical management. An accurate record of the cost of the bridge and its approaches; the expenditures for maintaining, repairing, and operating the same; and of the daily tolls collected shall be kept and shall be available for the information of all persons interested.

SEC. 3. The commission is authorized and empowered to issue revenue bonds for the purposes of acquiring and constructing the bridges provided for in this act, said bonds to be paid out of the tolls collected from said bridges. Such revenue bonds shall bear interest at not more than 6 percent per annum, payable semiannually, and may be redeemable at the option of the commission, at not more than the par value thereof, plus a premium of 5 percent. Such bridges, and the bonds issued in connection therewith, and the income derived therefrom, shall be exempt from any Federal, State, municipal and local taxation. The commission may secure said revenue bonds and the interest thereon by a mortgage or deed of trust of its bridge properties. The State of Nebraska and the State of Iowa, acting separately or jointly, may at any time acquire and take over all right, title, and interest in either or both such bridges, including approaches, and including any interest in real property necessary therefor, then owned and operated by the commission and may charge and collect tolls for transit over either or both such bridges to provide bonds to meet reasonable annual maintenance, repair, and operation costs, and to create a sinking fund sufficient to amortize the cost of acquiring such bridges, or either of them, including reasonable interest and financing costs, and after a sinking fund sufficient for such amortization shall have been so provided, such bridge, or bridges, thereafter shall be maintained and operated free of toll. It shall not be necessary to condemn or expropriate such property but the said commission shall deliver same by proper instrument of conveyance, and no damages or compensation whatsoever shall be allowed for any such right, title, and interest; but such conveyance shall be made and taken subject to the bonds, debentures, or other notes of indebtedness of said commission then outstanding, including accrued interest thereon.

SEC. 4. In the event such bridges, or either of them, shall at any time be taken over or acquired by said States, or either of them, all rights, powers, and duties conferred upon and vested in the commission by this act shall be conferred upon and vested in said States.

SEC. 5. The times for commencing and completing the construction of the bridge authorized to be built by section 30 of such act of 1935, as amended and extended, are hereby further extended 1 and 3 years, respectively, from August 30, 1938.

SEC. 6. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 10818) was laid on the table.

EXEMPTION OF PUBLICLY OWNED HIGHWAY BRIDGES FROM LOCAL TAXATION

The Clerk called the next bill, S. 252, to exempt publicly owned interstate highway bridges from local taxation.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. THOMPSON of Illinois. Mr. Speaker, I object.

BOARD OF REGENTS OF THE SMITHSONIAN INSTITUTION

The Clerk called the joint resolution (S. J. Res. 264) providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution of the class other than Members of Congress.

There being no objection, the Clerk read the Senate joint resolution, as follows:

Resolved, etc., That the vacancy in the Board of Regents of the Smithsonian Institution, of the class other than Members of Congress, caused by the death of Robert W. Bingham, be filled by the appointment of Harvey N. Davis, a citizen of New Jersey, for the statutory term of 6 years.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REPAYMENT TO RIO GRANDE CONSERVANCY DISTRICT

The Clerk called the next bill, H. R. 9524, to authorize an appropriation for repayment to Middle Rio Grande Conservancy District, a subdivision of the State of New Mexico, of the share of the said district's construction and operation and maintenance costs applicable to certain properties owned by the United States, situated in Bernalillo County, N. Mex., within the exterior boundaries of the district; to authorize the Secretary of the Interior to contract with said district for future operation and maintenance charges against said lands; to authorize appropriation for extra construction work performed by said district for the special benefit of certain Pueblo Indian lands; and to authorize appropriation for construction expenditures benefiting certain acquired lands of Pueblo Indians of the State of New Mexico.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. TABER. Mr. Speaker, I would like to have an explanation of this bill.

Mr. GREEVER. Mr. Speaker, I may say for the benefit of the gentleman that this authorizes the United States by paying a certain sum to that district, which was constructed by white settlers, to allow certain Indians within the district to participate in the conservancy district. It is very desirable that that be done because of the necessary water supply they need for their land. The other people have undertaken the whole cost and this gives the Pueblo Indians the right to participate in it by payment of their proportionate cost, which has already been appraised.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., (1) That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $20,470.71 for repayment to Middle Rio Grande Conservancy District, a corporate political subdivision of the State of New Mexico, of the unpaid share of the construction costs of said district for conservation, irrigation, drainage, and flood control applicable to the following-described lands in the county of Bernalillo, State of New Mexico, within the exterior boundaries of said district:

One hundred and forty-two and nine one-hundredths acres in Bernalillo County, N. Mex., known and described as the lands of the Albuquerque Indian School of the Department of the Interior, United States of America.

The lands so described being owned by the United States and having been materially benefited by the construction works of the said district, and the share of the costs of such construction having been determined by an appraisal of benefits made by the said district's board of appraisers at the same time and in the same manner and on the same basis as appraisals made against other lands in the said district, and the assessments made thereon by the board of commissioners of said district being the same as that made against like lands similarly situated.

(2) That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $1,539.65 for repayment to Middle Rio Grande Conservancy District for the equal and pro rata assessment for operation and maintenance costs for the year 1934, 1935, 1936, and 1937 against lands described in paragraph (1).

(3) That the Secretary of the Interior be, and he is hereby, authorized and directed to enter into an agreement with Middle Rio Grande Conservancy District for the payment of future operation and maintenance costs which shall be levied and assessed against the properties described in paragraph (1), the said agreement to provide that all assessments and levies thereunder shall be on the same equal basis as assessments and levies against other lands similarly situated or assessed in said district.

The said operation and maintenance charge to be upon all lands included within the Albuquerque Indian School in Bernalillo County, N. Mex.

(4) That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $3,339.17 for repayment to Middle Rio Grande Conservancy District of the cost of extra construction works performed by the district for the special benefit of certain Indian lands belonging to certain Pueblo Indians of New Mexico situate within the exterior

boundaries of said district, such works not having been provided for in the district's approved official plan but which were constructed at the instance and request of agents of the Bureau of Indian Affairs.

(5) That there is hereby authorized to be appropriated, out of any funds in the Treasury not otherwise appropriated, the sum of $10,378.26 for repayment to Middle Rio Grande Conservancy District for assessed construction costs upon the following-described lands in Sandoval County, N. Mex., within the exterior boundaries of the Middle Rio Grande Conservancy District:

Pueblo lands' board description	Acres purchased	Conservancy district appraisal record		Acres benefited
		Description		
		Map	Tract	
COCHITI PUEBLO				
P. C. 60, p. 1	1.555	2	3	1.56
P. C. 58, p. 1	2.321	2	4	2.32
P. C. 58, p. 2	3.019	2	2	3.02
P. C. 55, p. 1	6.262	2	9	6.26
P. C. 79, p. 2	5.514			
P. C. 7, p. 4	1.475	2	30	16.31
P. C. 79, p. 1 (pt.)	0.369			
P. C. 51, p. 2 (pt.)	10.231			
P. C. 116, p. 1	14.512	3	69	14.41
P. C. 50, p. 1	5.080	2	22a	4.08
		2	22b	1.00
		2	21	14.75
P. C. 7, p. 6	17.748	2	46a	2.47
		2	46b	.10
Total	68.086			66.28
SANTO DOMINGO PUEBLO				
P. C. 13, p. 1	35.530	4	49	14.90
P. C. 4, p. 1	21.410	4	74	11.64
P. C. 10, p. 1	18.570	4	69	11.56
P. C. 1, p. 1	13.230	4	78	9.23
P. C. 11, p. 1	33.710	4	68	5.14
P. C. 14, p. 1		4	47	11.15
Total	122.440			63.62
SAN FELIPE PUEBLO				
P. C. 1, p. 1	7.836	5	89	7.84
P. C. 8	3.480	6	60	3.48
P. C. 4	92.360	6	57	21.20
P. C. 5		6	58	2.15
P. C. 6		6	64	49.50
P. C. 2, p. 1	5.894	5	88	4.67
P. C. 7, p. 1	1.610	6	59	1.61
P. C. 11, p. 1	3.860	6	63	3.86
P. C. 10	1.810	6	62	1.81
P. C. 14	37.100	6	66	38.42
P. C. 13	3.630	6	65	3.86
Total	157.580			138.40
Total, all pueblos	348.106			238.30

The said lands having been purchased by the United States for certain Pueblo Indians of New Mexico under and by virtue of the act of June 7, 1924; and that prior to such purchase the said district had placed assessments on said lands in the amounts set forth above as their pro rata share of the costs of the construction works of said district; and the moneys hereby authorized to be appropriated are to be full and complete payment for such assessments.

(6) That the provisions of the act of August 27, 1935 (49 Stat. 887), authorizing the Secretary of the Interior to provide by agreement with Middle Rio Grande Conservancy District, a subdivision of the State of New Mexico, for maintenance and operation on newly reclaimed Pueblo Indian lands in the Rio Grande Valley, N. Mex., reclaimed under previous act of Congress, and authorizing an annual appropriation to pay the cost thereof for a period of not to exceed 5 years, are hereby extended for an additional period of 5 years to 1945.

With the following committee amendments:

On page 2, line 1, eliminate the figure and parentheses "(1)" and after the word "hereby", insert the words "authorized to be."

On page 2, line 3, after the word "to", insert the word "the."

On page 2, line 14, change the period to a comma, and at the beginning of line 15 use a small "t."

On page 3, line 1, change the figure and parentheses "(2)" to "Sec. 2", and after the word "hereby", insert the following words "authorized to be."

On page 3, line 3, after the word "to" insert the word "the."

On page 3, line 6, strike out "paragraph (1)" and insert in lieu thereof the words "section 1 of this act."

On page 3, line 7, change the figure and parentheses "(3)" to "Sec. 3."

On page 3, line 9, after the word "with" insert the word "the."

On page 3, line 12, strike out the word and figure "paragraph (1)" and insert in lieu thereof the words "section 1."

On page 3, line 19, change the figure and parentheses "(4)" to "SEC. 4", and after the word "hereby" insert the words "authorized to be."

On page 3, line 20, after the word "appropriated", insert the words "to be reimbursed in accordance with existing law."

On page 3, line 21, after the word "to", insert the word "the."

On pages 4 and 5, strike out all of paragraph (5), commencing with line 6 on page 4 and all on page 5, and insert the following:

"SEC. 5. That the provisions of the act of August 27, 1935 (49 Stat. 887), authorizing the Secretary of the Interior to provide by agreement with the Middle Rio Grande Conservancy district, a subdivision of the State of New Mexico, for maintenance and operation on newly reclaimed Pueblo Indian lands in the Rio Grande Valley, N. Mex., reclaimed under previous act of Congress, and authorizing an annual appropriation to pay the cost thereof for a period of not to exceed 5 years, are hereby extended for an additional period of 5 years to 1945, and the provisions of this section shall be applicable to lands purchased by the United States for certain Pueblo Indians of New Mexico under and by virtue of the act of June 7, 1924 (43 Stat. 636), as amended."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. CASE of South Dakota. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. CASE of South Dakota. Mr. Speaker, may I ask whether or not the remaining bills on the calendar are eligible to be called? I make this inquiry to ascertain whether they have been on the calendar long enough. May I inquire further, if I fail to make that point of order at this time, when a later bill is called, which I desire to put over, will I lose my right to make the point of order?

The SPEAKER pro tempore. Under the unanimous consent agreement entered into this afternoon, it was agreed that all bills on the Consent Calendar shall be called.

Mr. TABER. Mr. Speaker, of course that was to begin with No. 818.

The SPEAKER pro tempore. Yes, beginning where we started tonight. The Chair would hold therefore that the bills that have not been called are eligible to be called.

EXCHANGE OF LAND BETWEEN SAN DIEGO, CALIF., AND THE UNITED STATES

The Clerk called the next bill, S. 2629, to authorize an exchange of lands between the city of San Diego, Calif., and the United States.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Navy be, and he is hereby, authorized to transfer to the city of San Diego, Calif., free from all encumbrances and without cost to said city of San Diego, all right, title, and interest to the land contained within that part of the naval supply depot described as follows:

All that portion of the former military reservation heretofore known as the San Diego Barracks, situated in the city of San Diego, State of California, comprising block 31 of New San Diego according to the map of New San Diego made by A. B. Gray and J. D. Johns, and on file in the office of the county recorder of San Diego County, said lot being also shown on P. W. drawing No. NT4-4/31-13(2), bearing the legend "Naval Operating Base, San Diego, Calif., Supply Depot, Block 31—New San Diego, Transferred from War Department to Navy Department by Executive Order 7451 dated September 17, 1936",

in consideration of the transfer to the United States by said city of San Diego, free from all encumbrances and without cost to the United States all right, title, and interest to the lands contained within the following-described areas:

Parcel No. 1: Beginning at the northeast corner of block 18, according to map of municipal tidelands subdivision tract No. 1, filed in the office of the city clerk of the city of San Diego and numbered Document No. 100007; thence north 89°58'20" west along the northerly boundary of said block 18, 200 feet to its northwesterly corner; thence south 0°1'40" west on a line parallel to and distant 200 feet easterly from the existing United States bulkhead line for the Bay of San Diego, a distance of 300.15 feet to a point; thence south 89°58'20" east at right angles to last-described course a distance of 200 feet to a point; thence north 0°1'40" east at right angles to the last-described course, a distance of 300.15 feet to the point or place of beginning, containing 60,030 square feet or 1.3781 acres of land, more or less.

Parcel No. 2: Beginning at the northwesterly corner of block 19, according to map of municipal tidelands subdivision tract No. 1, filed in the office of the city clerk of the city of San

Diego, and numbered document No. 100007; thence south 0°1'40" west on a line parallel to and distant 500 feet easterly from the existing United States bulkhead line for the bay of San Diego a distance of 300.15 feet to a point; thence south 89°58'20" east at right angles to the last-described course a distance of 180.16 feet to a point; thence north 0°1'40" east on a line parallel to and distant 680.16 feet easterly from the said United States bulkhead line a distance of 300.15 feet to a point; thence north 89°58'20" west at right angles to the last-described course a distance of 180.16 feet to the point or place of beginning, containing 54,075 square feet or 1.2414 acres of land, more or less.

With the following committee amendments:

Page 2, line 12, after "United States", insert "except as hereinafter provided."

Page 4, line 7, change the period to a colon and add: "*Provided*, That the Secretary of the Navy may acquire by purchase the outstanding leasehold interest in and existing improvements on said block 19.

"SEC. 2. There is authorized to be appropriated, out of any money in the Treasury of the United States not otherwise appropriated, such sums as may be necessary to effectuate the purposes of this act, but not to exceed $18,000."

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PROHIBITION OF USE OF COMMUNICATION FACILITIES FOR CRIMINAL PURPOSES

The Clerk called the next bill, S. 3756, to prohibit the use of communication facilities for criminal purposes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. O'MALLEY. Mr. Speaker, reserving the right to object, this is a rather all-inclusive bill. The possibilities and dangers of going too far in restriction of the communication system by any Government officer or any Government official makes me feel this type of bill should not be passed under this procedure. It does not allow time to study it and I hope the gentleman will request that it be passed over without prejudice.

Mr. QUINN. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

TRANSFER TO PENNSYLVANIA A CERTAIN TRACT OF LAND IN DELAWARE COUNTY, PA.

The Clerk called the next bill, H. R. 10355, to transfer, assign, and convey to the Commonwealth of Pennsylvania a certain tract of land, containing about 6½ acres situate in Tinicum Township, Delaware County, Pa.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

Mr. WALTER. Mr. Speaker, will the gentleman withhold that request? If that is done the possibility of having the bill enacted into law during the present session will be entirely removed.

Mr. COSTELLO. I may state to the gentleman that my reason for making the request is that the committee report fails to give any information whatsoever as to why this tract of 6½ acres should be transferred to the State of Pennsylvania. There is no information as far as the report is concerned as to how the land was acquired, what department of the Government owns it, or whether any department of the Government is in any way opposed to or in any way approves of this bill.

Mr. WALTER. I have not seen the report, but the fact is that this land was acquired by the Government to be used for a quarantine station. In 1912 the State of Pennsylvania gave to the Federal Government land to be used for that purpose, for a dollar a year. The site on Tinicum Island selected for that purpose was abandoned. In view of the fact the State has given the land to the Federal Government for a dollar a year, we believe we are entirely justified in seeking this tract of land to be used as a State park.

Mr. COSTELLO. In other words, no department of the Government at present would be affected by the transfer of this land?

Mr. WALTER. No; I do not believe so.

Mr. COSTELLO. The land is not being used at the present time.

Mr. WALTER. Oh, no; it is not being used at all.

Mr. COSTELLO. Then I withdraw my request, Mr. Speaker.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Whereas the United States of America is the owner of a certain tract of land, containing 6½ acres, situate in Tinicum Township, Delaware County, Pa., and described as more fully set forth hereafter, which land was purchased in 1799 for the purpose of establishing a quarantine station for the port of Philadelphia, in conjunction with the lazaretto or board of health station established in 1799 by the Commonwealth of Pennsylvania, on land adjoining the said tract; and

Whereas on or about 1893 the said lazaretto and quarantine stations were transferred from Tinicum Island to Marcus Hook, Pa.; and

Whereas on or about 1919 the Commonwealth of Pennsylvania closed its lazaretto or board of health station in Marcus Hook and authorized the lease or transfer of the said property to the United States of America, to be used for the purposes of its quarantine station; and

Whereas the Commonwealth of Pennsylvania has, since 1919, leased its Marcus Hook station to the United States of America at the annual rental of $1 per year, thereby making a gift of the said property to this Government; and

Whereas the Commonwealth of Pennsylvania, in conjunction with the United States Government, through the United States Delaware Valley Tercentenary Commission, established by Congress, is now celebrating the three-hundredth anniversary of the establishment of its first permanent white settlement, first law courts, first schools, first churches, which were established in 1638 in New Sweden, which included Tinicum Island, Pa.; and

Whereas the said tract of land purchased by the United States of America in 1799, in Tinicum Township, is part of the site of the said first permanent white settlement in Pennsylvania, and is believed to contain many relics of historic interest and value to the Commonwealth of Pennsylvania and to the United States of America; and therefore the said tract has recently been approved by the Advisory Board on National Parks, Historic Sites, Buildings, and Monuments as a site of State and National historical significance; and the Treasury Department, Procurement Division, at the request of the National Park Service, is now holding the said property for transfer to the National Park Service or to the Commonwealth of Pennsylvania for the purpose of developing it and preserving it as a historic site; and

Whereas the Commonwealth of Pennsylvania recently acquired, by gift from the Swedish Colonial Society, another tract of land, containing 7¼ acres, which tract is adjacent to the United States Government tract and is also part of the site of the first permanent white settlement in Pennsylvania; and the said Commonwealth of Pennsylvania has established a memorial park thereon, known as Governor Printz Park; and

Whereas the said Commonwealth of Pennsylvania has requested the United States of America to transfer to it the said tract of 6½ acres adjoining Governor Printz Park, for the purpose of adding it to the said park and developing, improving, and maintaining it as a historic memorial park: Therefore

Be it enacted, etc., That the United States of America hereby assigns, transfers, and grants, as a gift, to the Commonwealth of Pennsylvania, to be turned over to the Pennsylvania Historical Commission to be administered by it as a part of the Governor Printz Park, a certain tract of land, situate on the Delaware River, in Tinicum Township, County of Delaware, Commonwealth of Pennsylvania, containing 6½ acres and described as follows:

Beginning at a stake at the side of the said Delaware River, the corner of this land and a certain other tract of land known as "Old Lazaretto"; thence extending along the said "Old Lazaretto" north four degrees thirty minutes east nine hundred and fifteen and seventy-five one-hundredths feet to a point in the south side of Second Street (sixty feet wide); thence extending along the south side of the said Second Street north eighty-five degrees thirty minutes west three hundred feet to a point; thence extending along a line at right angles to the said Second Street south four degrees thirty minutes west eight hundred and seventy-seven and eight-tenths feet to a point in the shore line of the said Delaware River; thence extending along the said river three hundred and twenty-one feet to the first-mentioned point and place of beginning. Being the same premises which John Taylor and Mary Taylor, his wife, by indenture bearing date November 21, 1799, and recorded in the office for the recording of deeds in and for the said Delaware County, at Media, in Deed Book E, page 151, granted and conveyed unto the United States of America, in fee.

SEC. 2. This land is hereby transferred and assigned to the Commonwealth of Pennsylvania as a gift for the purpose of adding it to the memorial park known as Governor Printz Park, which the said Commonwealth has established on land adjacent to the above-described land in the said township of Tinicum, county of Delaware, and which park memorializes the site of the establishment of the first white settlement, first law courts, first schools, and first churches in Pennsylvania.

SEC. 3. In order to carry out the purpose and intent of this act the Secretary of the Interior and other officers of the United States of America are hereby authorized and directed to make, execute, and deliver to the said Commonwealth of Pennsylvania such deeds, grants, and conveyances as may be necessary to vest title to the said lands in the Commonwealth of Pennsylvania in fee simple.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DEPOSIT AND INVESTMENT OF INDIAN FUNDS

The Clerk called the next bill, S. 2163, to authorize the deposit and investment of Indian funds.

Mr. WOLCOTT. Reserving the right to object, Mr. Speaker, it seems to me the department is defeating its purpose in the enactment of this bill. Under the Federal Deposit Insurance Act, as I understand it, if these Indian funds are transferred from the Federal Treasury and deposited in any bank, they will then be insured only up to $5,000. If that bank happens to close no preference is given to these funds. I notice the bill provides that permission is granted to deposit these funds in banks without segregating the shares of each individual member. I believe it is a very dangerous thing to take these Indian funds from a safe depository, such as the Treasury of the United States, and put them into a depository of doubtful safety. I have no particular objection to the investment of these funds in Federally guaranteed bonds, but I do believe the first provision should be deleted.

For that reason, Mr. Speaker, I ask unanimous consent that the bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

APACHE TRIBE OF THE MESCALERO RESERVATION, N. MEX.

The Clerk called the next bill, S. 2827, to authorize the purchase of certain lands for the Apache Tribe of the Mescalero Reservation, N. Mex.

Mr. TABER. Reserving the right to object, Mr. Speaker, I have tried to get a copy of this bill but have been unable to do so. I shall have to ask someone to explain it.

Mr. Speaker, in the absence of an explanation, I ask unanimous consent that the bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

SHOSHONE (WIND RIVER) INDIAN RESERVATION

The Clerk called the next bill, S. 3415, to purchase certain private lands within the Shoshone (Wind River) Indian Reservation.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That upon conveyance to the United States of America in trust for the Indians of the Shoshone (Wind River) Reservation, Wyo., of title, satisfactory to the Secretary of the Interior, to the lands described below, the Secretary of the Treasury is hereby authorized and directed to pay to A. L. Simpson, out of any money in the Treasury not otherwise appropriated, the sum of $2,700: The northeast quarter northwest quarter section 26, southeast quarter southwest quarter section 23, and a tract beginning at the southwest corner of the southeast quarter northwest quarter section 23; thence north 1,042 feet; thence south 46°51' east approximately 907.3 feet to the east line of the west half southeast quarter northwest quarter section 23; thence south to the southeast corner of the southwest quarter southeast quarter northwest quarter section 23; thence west to the point of beginning, all being in township 1 south, range 3 east, Wind River meridian, Wyoming, containing approximately 91.107 acres.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COLORADO-BIG THOMPSON PROJECT

The Clerk called the next bill, H. R. 10713, providing that excess-land provisions of Federal reclamation laws shall not apply to certain lands that will receive a supplemental water supply from the Colorado-Big Thompson project.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

Mr. COSTELLO. Mr. Speaker, I ask that the bill (S. 4027) providing that excess-land provisions of Federal reclamation laws shall not apply to certain lands that will receive a supplemental water supply from the Colorado-Big Thompson project may be considered in lieu of the House bill.

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the excess-land provisions of the Federal reclamation laws shall not be applicable to lands which now have an irrigation water supply from sources other than a Federal reclamation project and which will receive a supplemental supply from the Colorado-Big Thompson project.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 10713) was laid on the table.

AMENDMENT OF THE FEDERAL CROP INSURANCE ACT

The Clerk called the joint resolution (H. J. Res. 705) to amend the Federal Crop Insurance Act.

Mr. TABER. Reserving the right to object, Mr. Speaker, what is the object of this bill?

Mr. JONES. The object of this bill is to permit in respect of insurance matters that every farmer may pay his premiums for 2 years. If the farmer happens to have a good crop year and wants to pay his premium for 2 years he will be permitted to pay the premium for not only the current year but the succeeding year. That is the way we have amended it. The suggestion was made that the farmer be permitted to pay the premiums for any number of years, but the committee thought it should be limited to 2 years.

Mr. TABER. Does the farmer get a lower rate, or what?

Mr. JONES. No, he just pays a certain percentage of the production of wheat, depending upon the number of bushels for which he insures. He can pay it in either wheat or cash, but it may be paid on the basis of the average production of that area.

This would simply permit him to pay 2 years, if he wanted to, when he happened to have a crop.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

Mr. JONES. Mr. Speaker, there is a similar Senate bill (S. 4076), passed without this limitation, and I ask unanimous consent that the Senate bill may be considered in lieu of the House bill with an amendment to the Senate bill making it conform with the House bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the Senate bill (S. 4076), as follows:

Be it enacted, etc., That section 508 (a) of the Federal Crop Insurance Act (title V of Public, No. 430, 75th Cong.), approved February 16, 1938, is hereby amended by striking out the period at the end of the first sentence thereof and inserting in lieu thereof a colon and the following: "*Provided further*, That the Corporation may, upon such terms and conditions as it shall determine, accept payments from producers in any year to be applied toward premiums on their insurance contracts for future years."

Mr. JONES. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JONES: On page 1, line 11, after the word "for", strike out the words "future years" and insert "the current and next succeeding year."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill was laid on the table.

The Clerk called the joint resolution (H. J. Res. 710) to prescribe the acreage allotments for wheat for 1939.

Mr. CASE of South Dakota. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

Mr. JONES. Mr. Speaker, will the gentleman yield a moment on that?

Mr. CASE of South Dakota. Yes.

Mr. JONES. The expression here does not state the purpose of the bill. This simply fixes a minimum. It does not fix the amount, but fixes a minimum below which the allotment cannot go.

Mr. CASE of South Dakota. I have the bill before me and what I am afraid of is that the minimum fixed will become the maximum.

Mr. JONES. If the gentleman will permit an explanation, there is a formula in the bill under which, if there is a big crop, and it looks like there might be a big crop this year, it would force the acreage down to forty or forty-five million acres, which is too big a cut.

Mr. CASE of South Dakota. I would like to see an amendment to provide that in the distribution of the acreage allotment of the proposed 52,000,000 acres, or whatever it may be, that market classifications be recognized so that proportionate cuts could be made in accordance with the true sources of wheat surplus, if any. Within the past week, the wheat people from Minnesota, North Dakota, and South Dakota have been meeting with respect to the problem that confronts them in applying acreage allotments to the hard wheats. They contend that the hard wheats do not create the surplus of the country, and unless I can be assured the gentleman will offer some amendment that will provide protection to the hard wheat growers, I shall be obliged to object.

Mr. JONES. We would not want to start at this time making any changes that would be a matter of administration. That would be something that should be covered by the terms of the bill. I may say that the gentleman may find himself in this position, and this is one reason I am anxious about the matter. Under the formula in the bill we might find ourselves cut to forty or forty-five million acres, according to the interpretation of the Department, at least, and we would have a good deal larger cut than if we would say the cut should not be below 52,000,000 acres. We will not be any worse off and the only effect of this would be to lift the acreage allotment in the event the formula would make it too low.

Mr. CASE of South Dakota. Would not the gentleman be willing to have the bill go over so we can consider the matter further? This is a very complex matter and a very important one. It seems to me that it should not be passed after 10:30 at night without any debate.

Mr. JONES. We are expecting to adjourn shortly, and this would have to be passed by the Senate.

Mr. BOILEAU. Mr. Speaker, if the gentleman will permit, it was reported to the committee that, unless this bill was passed, the matter the gentleman is fearful about would be exaggerated, and the intention was to relieve the very situation about which the gentleman complains. In other words, unless we do pass this bill, you will have only about 44,000,000 acres the following year. This puts it up to 52,000,000 acres.

Mr. CASE of South Dakota. The growers at least will then have an opportunity to say whether they want to reduce or not. What will be the benefit payments? Will they be correspondingly adjusted?

Mr. JONES. They will not be affected. There will not be quotas unless the farmers vote it, but if the situation develops where they have quotas, and you drive down to 44,000,000 acres, you will have run yourself into a jam.

Mr. CASE of South Dakota. Is there objection to letting this bill go over until tomorrow? It has just been reported out; it is very controversial and it deserves consideration from many angles.

Mr. JONES. The Consent Calendar may not be called again. We have three or four conference reports, and the wage and hour bill coming in, next week, and this bill has to go through the Senate.

Mr. CASE of South Dakota. Today I received a letter from one man who said that if we could do something to protect the hard-wheat growers we would do more for that country than the whole relief program can do. Unless I can be assured of your being willing to go over until we have an opportunity to know what the bill does, and whether there is any way to protect the wheat growers in the hard-wheat country, I shall have to object.

Mr. JONES. That would not be germane to this.

Mr. CASE of South Dakota. It all deals with allotment of wheat acreage.

Mr. BOILEAU. As I understand it, this year there are 79,000,000 acres; and, unless we do something about it, next year it will be cut from 79,000,000 acres to 44,000,000 acres. The purpose of this amendment is to give you greater acreage, and that is why the members of the committee voted out the bill.

The SPEAKER pro tempore. Is there objection?

Mr. CASE of South Dakota. Mr. Speaker, I object.

GEORGE J. LEATHERWOOD

Mr. BARDEN. Mr. Speaker, I ask unanimous consent to return to Calendar No. 1078, S. 1937, for the relief of George J. Leatherwood.

The SPEAKER pro tempore. Is there objection?

Mr. O'BRIEN of Illinois. I object.

TRIBAL AFFAIRS, OSAGE INDIANS OF OKLAHOMA

Mr. DISNEY. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 4036) relating to the tribal and individual affairs of the Osage Indians of Oklahoma.

The SPEAKER pro tempore. Is there objection?

Mr. TABER. Mr. Speaker, I reserve the right to object. It was understood that we should have no business except that particularly specified tonight.

Mr. WOLCOTT. Mr. Speaker, the gentleman from Oklahoma [Mr. DISNEY] and the gentleman from North Dakota each has a bill which I understand was inadvertently left off the calendar. It was to go on the calendar today. The calendar was printed yesterday. They came to us and told us the situation and we gave our consent as much as we could that they could bring it up, because it was eligible to be on the calendar.

Mr. TABER. What does the bill do?

Mr. DISNEY. Mr. Speaker, the gentleman from Michigan [Mr. WOLCOTT] is not quite correct about this being inadvertently left off the calendar. I asked the Speaker's permission to call it up because I have to be away probably the rest of the session. It is not inadvertently left off the calendar. The report was made today. It is an accommodation to me personally.

Mr. WOLCOTT. I had been informed that it was eligible to be on the calendar.

Mr. DISNEY. I understand that. The bill provides for the administrative management of the Osage Indians.

Mr. TABER. Is there any charge against the Government?

Mr. DISNEY. No; it is the Indians' own money.

Mr. TABER. The expenditure of tribal funds?

Mr. DISNEY. Yes.

Mr. TABER. To what extent?

Mr. DISNEY. It provides that the Secretary of the Interior may pay taxes from the individual funds on his unrestricted land at the discretion of the Secretary of the Interior. That is the substance of the first section. The second section relates to the segregation of not over 160 acres of land for homestead purposes.

Mr. TABER. Did the Indian Bureau approve it?

Mr. DISNEY. Yes.

Mr. O'MALLEY. When did the Committee on Indian Affairs report out that bill?

Mr. DISNEY. The committee was polled today.

Mr. O'MALLEY. The committee was polled?

Mr. DISNEY. Yes.

Mr. O'MALLEY. I may say to the gentleman that I am a member of the committee and I was not polled.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

Mr. TABER. Mr. Speaker, I must object.

EXTENSION OF REMARKS

Mr. O'MALLEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD at the point where I objected to the bill (H. R. 10306), and to include therein and at that point the committee report on that bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. O'MALLEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a letter from the Central Labor Union, a proposed amendment by the labor union, and a letter from the American Federation of Labor on the taxicab-liability law, conference report on which was filed today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. VOORHIS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein three short quotations.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

GEORGE J. LEATHERWOOD

Mr. BARDEN. Mr. Speaker, I ask unanimous consent to return to Calendar No. 1078, and for the present consideration of the bill, S. 1987, for the relief of George J. Leatherwood.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted etc. That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to George J. Leatherwood, the sum of $750, in full settlement of all claims against the United States on account of an injury sustained by him at Murphy, N. C., on or about the 7th day of October 1930, in an attempt to assist in apprehending Jess McPherson, Walter Bryson, and Casey Bryson, who had robbed a post office at Coker Creek, Tenn., the said George J. Leatherwood having been summoned by A. M. Carringer, chief of police at Murphy, N. C., to assist in the apprehension of said robbers: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 6, after the name "Leatherwood", insert a comma and the words "of Murphy, N. C."

Page 1, line 8, strike out the words "or about."

Page 1, line 9, strike out the words "in an attempt to assist in apprehending" and insert "while assisting in the apprehension of."

Page 1, line 12, after the word "summoned", insert "and deputized."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. PHILLIPS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein correspondence and a newspaper article on the subject of planetarium.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

SENATE BILLS AND JOINT RESOLUTION REFERRED

Bills and a joint resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 2165. An act to amend the act entitled "An act to provide conditions for the purchase of supplies and the making of contracts by the United States, and for other purposes; to the Committee on the Judiciary.

S. 2412. An act for the relief of A. Pritzker & Sons, Inc.; to the Committee on Claims.

S. 2651. An act to name the bridge to be erected over the Anacostia River in the District of Columbia after the late "March King," John Philip Sousa, composer of the Stars and Stripes Forever; to the Committee on the District of Columbia.

S. 2702. An act for the relief of James A. Ellsworth; to the Committee on Claims.

S. 2750. An act to amend the Packer and Stockyards Act, 1921; to the Committee on Agriculture.

S. 2792. An act to authorize the withdrawal of national-forest lands for the protection of watersheds from which water is obtained for municipalities, and for other purposes; to the Committee on Agriculture.

S. 2811. An act to amend the Judicial Code by adding thereto a new section, to be numbered 659 (1), relating to the certification, authentication, and use in evidence of documents of record or on file in public offices in the state of Vatican City; to the Committee on the Judiciary.

S. 2844. An act relating to the disposition of certain funds held by the State of Mississippi on behalf of veterans of the Spanish-American War; to the Committee on War Claims.

S. 2854. An act conferring jurisdiction upon the Court of Claims to hear and determine the claims of the Prairie Band or Tribe of Pottawatomie Indians of Kansas and Wisconsin against the United States; to the Committee on Indian Affairs.

S. 2927. An act to regulate the times and places of holding court in Oklahoma; to the Committee on the Judiciary.

S. 3048. An act authorizing the Secretary of Commerce to convey a certain tract of land to the State of Oregon for use as a public park and recreational site; to the Committee on Merchant Marine and Fisheries.

S. 3062. An act for the relief of Thomas H. Eckfeldt; to the Committee on Claims.

S. 3132. An act granting to certain needy persons the right to obtain fuel from lands of the agricultural experiment station near Miles City, Mont.; to the Committee on Agriculture.

S. 3157. An act to empower the President of the United States to create new national forest units and make additions to existing national forests in the State of Montana; to the Committee on Public Lands.

S. 3203. An act to amend the act entitled "An act for the retirement of employees of the Alaska Railroad, Territory of Alaska, who are citizens of the United States," approved June 29, 1936, and for other purposes; to the Committee on Civil Service.

S. 3225. An act for the relief of Otto C. Asplund; to the Committee on Claims.

S. 3230. An act to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto; to the Committee on the Judiciary.

S. 3251. An act for the relief of Alice Minnick; to the Committee on Claims.

S. 3265. An act for the relief of the officers of the Russian Railway Service Corps organized by the War Department under authority of the President of the United States for service during the war with Germany; to the Committee on Military Affairs.

S. 3283. An act to authorize the Secretary of the Interior to place certain records of Indian tribes of Nebraska with the Nebraska State Historical Society at Lincoln, Nebr., under rules and regulations to be prescribed by him; to the Committee on Indian Affairs.

S. 3286. An act to authorize the addition of certain lands to the Wenatchee National Forest; to the Committee on Public Lands.

S. 3292. An act to afford an opportunity of selection and promotion to certain officers of the United States Naval Academy, class of 1909; to the Committee on Naval Affairs.

S. 3337. An act to amend section 2 of the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1919, and for other purposes," approved July 1, 1918, to increase the authorized percentage of privates, first-class, in the Marine Corps from 25 to 40 percent of the whole number of privates; to the Committee on Naval Affairs.

S. 3405. An act conferring jurisdiction upon the Court of Claims of the United States to hear, examine, adjudicate, and render judgment on the claim of the legal representative of the estate of Rexford M. Smith; to the Committee on Claims.

S. 3493. An act providing for the suspension of annual assessment work on mining claims held by location in the United States; to the Committee on Mines and Mining.

S. 3503. An act to liberalize the laws providing pensions for veterans and the dependents of veterans of the Regular Establishment for disabilities or deaths incurred or aggravated in line of duty other than in wartime; to the Committee on Pensions.

S. 3513. An act to authorize the Chief of Engineers of the Army to enter into agreements with local governments adjacent to the District of Columbia for the use of water for purposes of fire fighting only; to the Committee on Military Affairs.

S. 3517. An act for the relief of David B. Monroe; to the Committee on Military Affairs.

S. 3548. An act to amend section 9 of the Civil Service Retirement Act, approved May 29, 1930, as amended; to the Committee on the Civil Service.

S. 3682. An act for the relief of Lofts & Son; to the Committee on Claims.

S. 3694. An act to provide for the issuance of a license to practice the healing art in the District of Columbia to Dr. Sigfried Speyer; to the Committee on the District of Columbia.

S. 3706. An act to establish and promote the use of standard methods of grading cottonseed, to provide for the collection and dissemination of information on prices and grades of cottonseed and cottonseed products, and for other purposes; to the Committee on Agriculture.

S. 3708. An act for the relief of Jack Lecel Haas; to the Committee on Naval Affairs.

S. 3745. An act to amend Public Law No. 383, Seventy-third Congress (48 Stat. L. 984), relating to Indians, by exempting from the provisions of such act any Indian tribe on the Standing Rock Reservation located in the States of North and South Dakota; to the Committee on Indian Affairs.

S. 3763. An act to increase the period for which leases may be made for grazing and agricultural purposes of public lands donated to the States of North Dakota, South Dakota, Montana, and Washington by the act of February 22, 1889, as amended; to the Committee on Public Lands.

S. 3787. An act awarding a Navy Cross to Hector Mercado; to the Committee on Naval Affairs.

S. 3805. An act to adjust the lineal positions on the Navy list of certain officers of the Supply Corps of the United States Navy; to the Committee on Naval Affairs.

S. 3817. An act for the relief of John Haslam; to the Committee on Claims.

S. 3830. An act for the relief of William C. Willahan; to the Committee on Claims.

S. 3886. An act for the relief of Otis M. Culver, Samuel E. Abbey, Robert E. Patterson, and Joseph Reger; to the Committee on Military Affairs.

S. 3891. An act to provide for the reimbursement of certain enlisted men of the Navy for the value of personal effects lost in a fire at the Naval Air Station, Hampton Roads, Va., May 15, 1936; to the Committee on Claims.

S. 3916. An act for the relief of George Francis Burke; to the Committee on Military Affairs.

S. 3921. An act for the relief of Remijio Ortiz; to the Committee on Claims.

S. 3938. An act to authorize the transfer to the jurisdiction of the Secretary of the Treasury of portions of the property within the military reservation known as the Morehead City Target Range, N. C., for the construction of improvements thereon, and for other purposes; to the Committee on Military Affairs.

S. 3969. An act to amend section 23 of the act of March 4, 1909, relating to copyrights; to the Committee on Patents.

S. 3986. An act to amend subsection (d) of section 202 of the Agricultural Adjustment Act of 1938, as amended; to the Committee on Agriculture.

S. 3989. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Arrow Rock, Mo.; to the Committee on Interstate and Foreign Commerce.

S. 4005. An act for the relief of Ida May Swartz; to the Committee on Claims.

S. 4007. An act authorizing the county of Lawrence, Ky., to construct, maintain, and operate a free highway bridge across the Big Sandy River at or near Louisa, Ky.; to the Committee on Interstate and Foreign Commerce.

S. 4011. An act to extend the time for completing the construction of a bridge across the Mississippi River at or near a point between Cherokee and Osage Streets, St. Louis, Mo.; to the Committee on Interstate and Foreign Commerce.

S. 4048. An act to amend section 4197, of the Revised Statutes, as amended (46 U. S. C. 91), and section 4200 of the Revised Statutes (46 U. S. C. 92), and for other purposes; to the Committee on Merchant Marine and Fisheries.

S. 4069. An act to authorize the Secretary of War to lend certain property to the Reunion Committee of the United Confederate Veterans to be used at their annual encampment to be held at Columbia, S. C., from August 30 to September 2, 1938; to the Committee on Military Affairs.

S. 4070. An act to authorize the attendance of the Marine Band at the United Confederate Veterans' 1938 Reunion at Columbia, S. C., from August 30 to September 2, 1938, both dates inclusive; to the Committee on Military Affairs.

S. 4076. An act to amend the Federal Crop Insurance Act; to the Committee on Agriculture.

S. 4096. An act to authorize the erection within the Canal Zone of a suitable memorial to the builders of the Panama Canal and others whose distinguished services merit recognition by the Congress; to the Committee on Merchant Marine and Fisheries.

S. 4132. An act limiting the hours of labor of certain officers and seamen on certain vessels navigating the Great Lakes and adjacent waters; to the Committee on Merchant Marine and Fisheries.

S. J. Res. 212. Joint resolution to investigate the claims against the United States of certain members of the Wisconsin Band of Pottawatomie Indians; to the Committee on Indian Affairs.

ENROLLED BILLS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 7560. An act to authorize alterations and repairs to certain naval vessels, and for other purposes;

H. R. 8673. An act for the relief of certain persons at certain projects of the Farm Security Administration, United States Department of Agriculture;

H. R. 9014. An act to authorize the conveyance to the Lane S. Anderson Post, No. 297, Veterans of Foreign Wars of the United States, of a parcel of land at lock No. 6, Kanawha River, South Charleston, W. Va.;

H. R. 9610. An act to amend the National Firearms Act;

H. R. 10076. An act to create the White County Bridge Commission; defining the authority, power, and duties of said commission; and authorizing said commission and its successors and assigns to purchase, maintain, and operate a bridge across the Wabash River at or near New Harmony, Ind.;

H. R. 10261. An act creating the Arkansas - Mississippi Bridge Commission; defining the authority, power, and duties of said commission; and authorizing said commission and its successors and assigns to construct, maintain, and operate a bridge across the Mississippi River at or near Friar Point, Miss., and Helena, Ark., and for other purposes;

H. R. 10459. An act to amend certain provisions of law relative to the production of wines, brandy, and fruit spirits so as to remove therefrom certain unnecessary restrictions; to facilitate the collection of internal-revenue taxes thereupon; and to provide abatement of certain taxes upon wines, brandy, and fruit spirits where lost or evaporated while in the custody and under the control of the Government without any fault of the owner; and

H. R. 10722. An act to authorize the attendance of the Marine Band at the National Encampment of the Grand Army of the Republic to be held at Des Moines, Iowa, September 4 to 8, inclusive, 1938.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 2532. An act for the relief of Mr. and Mrs. Guy R. Syth;

S. 2876. An act for the relief of Mark H. Doty;

S. 3079. An act for the relief of George W. Breckenridge;

S. 3227. An act for the relief of Mr. and Mrs. Chester A. Smith; and

S. 3512. An act for the relief of Elizabeth Cory.

BILLS AND JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills and joint resolutions of the House of the following titles:

H. R. 1252. An act for the relief of Ellen Kline;

H. R. 1476. An act for the relief of Mrs. W. E. Bouchey;

H. R. 1737. An act for the relief of Marie Frantzen McDonald;

H. R. 1744. An act for the relief of Grant H. Pearson, G. W. Pearson, John C. Rumohr, and Wallace Anderson;

H. R. 2347. An act for the relief of Drs. M. H. DePass and John E. Maines, Jr., and the Alachua County Hospital;

H. R. 3313. An act for the relief of William A. Fleek;

H. R. 4033. An act for the relief of Antonio Masci;

H. R. 4232. An act for the relief of Barber-Hoppen Corporation;

H. R. 4304. An act for the relief of Hugh O'Farrell, and the estate of Thomas Gaffney;

H. R. 4544. An act to divide the funds of the Chippewa Indians of Minnesota between the Red Lake Band and the remainder of the Chippewa Indians of Minnesota, organized as the Minnesota Chippewa Tribe;

H. R. 4668. An act for the relief of James Shimkunas;

H. R. 5166. An act to relinquish the title or interest of the United States in certain lands in Houston (formerly Dale) County, Ala., in favor of Jesse G. Whitfield or other lawful owners thereof;

H. R. 5592. An act to amend an act entitled "An act extending the homestead laws and providing for right-of-way for railroads in the District of Alaska, and for other purposes," approved May 14, 1898 (30 Stat. 409, 414);

H. R. 5904. An act for the relief of L. P. McGown;

H. R. 5957. An act for the relief of LeRoy W. Henry;

H. R. 6243. An act to authorize a survey of the old Indian trail and the highway known as "Oglethorpe Trail" with a view of constructing a national roadway on this route to be known as "The Oglethorpe National Trail and Parkway";

H. R. 6404. An act for the relief of Martin Bevilacque;

H. R. 6508. An act for the relief of Gladys Legrow;

H. R. 6646. An act for the relief of Dr. A. J. Cottrell;

H. R. 6689. An act for the relief of George Rendell, Alice Rendell, and Mabel Rendell;

H. R. 6847. An act for the relief of the Berkeley County Hospital and Dr. J. N. Walsh;

H. R. 6936. An act for the relief of Joseph McDonnell;

H. R. 6950. An act for the relief of Andrew J. McGarraghy;

H. R. 7040. An act for the relief of Forest Lykins;

H. R. 7421. An act for the relief of E. D. Frye;

H. R. 7548. An act for the relief of J. Lafe Davis and the estate of Mrs. J. Lafe Davis;

H. R. 7560. An act to authorize alterations and repairs to certain naval vessels, and for other purposes;

H. R. 7590. An act to quiet title and possession to certain islands in the Tennessee River in the counties of Colbert and Lauderdale, Ala.;

H. R. 7639. An act for the relief of Al D. Romine and Ann Romine;

H. R. 7734. An act conferring jurisdiction upon the United States District Court for the Southern District of Ohio to hear, determine, and render judgment upon the claim of A. L. Eldridge;

H. R. 7761. An act for the relief of Sibbald Smith;

H. R. 7817. An act for the relief of C. G. Bretting Manufacturing Co.;

H. R. 7834. An act to amend the act entitled "An act to provide compensation for disability or death resulting from injuries to employees in certain employments in the District of Columbia, and for other purposes";

H. R. 7855. An act for the relief of Frieda White;

H. R. 7880. An act to amend the Veterans' Regulation No. 10, pertaining to "line of duty" for peacetime veterans, their widows and dependents, and for other purposes;

H. R. 7933. An act to facilitate the control of soil erosion and/or flood damage originating upon lands within the exterior boundaries of the San Bernardino and Cleveland National Forests in Riverside County, Calif.;

H. R. 7998. An act for the relief of the First National Bank & Trust Co. of Kalamazoo, Kalamazoo, Mich.;

H. R. 8134. An act to quiet title and possession to certain lands in the Tennessee River in the counties of Colbert and Lauderdale, Ala.;

H. R. 8192. An act for the relief of Herbert Joseph Dawson;

H. R. 8193. An act for the relief of the Long Bell Lumber Co.;

H. R. 8252. An act to quiet title and possession to a certain island in the Tennessee River in the county of Lauderdale, Ala.;

H. R. 8376. An act for the relief of James D. Larry, Sr.;

H. R. 8543. An act for the relief of Earl J. Lipscomb;

H. R. 8565. An act defining the compensation of persons holding positions as deputy clerks and commissioners of United States district courts, and for other purposes;

H. R. 8665. An act to amend section 3336 of the Revised Statutes, as amended, pertaining to brewers' bonds, and for other purposes;

H. R. 8673. An act for the relief of certain persons at certain projects of the Farm Security Administration, United States Department of Agriculture;

H. R. 8729. An act granting pensions and increases of pensions to needy war veterans;

H. R. 8773. An act to authorize the Secretary of the Interior to dispose of surplus buffalo and elk of the Wind Cave National Park herd, and for other purposes;

H. R. 8794. An act to provide for holding terms of the District Court of the United States for the Eastern District of Virginia at Newport News, Va.;

H. R. 8835. An act for the relief of Fred H. Kocor;

H. R. 8916. An act for the relief of N. W. Ludowese;

H. R. 9014. An act to authorize the conveyance to the Lane S. Anderson Post No. 297, Veterans of Foreign Wars of the United States, of a parcel of land at lock No. 6, Kanawha River, South Charleston, W. Va.;

H. R. 9200. An act for the relief of Filomeno Jiminez and Felicitas Dominguez;

H. R. 9201. An act for the relief of the Federal Land Bank of Berkeley, Calif., and A. E. Colby;

H. R. 9203. An act for the relief of certain postmasters and certain contract employees who conducted postal stations;

H. R. 9214. An act for the relief of C. O. Hall;

H. R. 9227. An act to amend an act entitled "An act to authorize boxing in the District of Columbia, and for other purposes";

H. R. 9287. An act to authorize the Cairo Bridge Commission, or the successors of said Commission, to acquire by purchase, and to improve, maintain, and operate a toll bridge across the Mississippi River at or near Cairo, Ill.;

H. R. 9371. An act authorizing the grant of a patent for certain lands in New Mexico to Mitt Taylor;

H. R. 9374. An act for the relief of the Robert E. Lee Hotel;

H. R. 9404. An act to provide for the establishment of a commissary or vending stand in the Washington asylum and jail;

H. R. 9417. An act to amend the District of Columbia Alcoholic Beverage Control Act;

H. R. 9468. An act to amend the act of May 13, 1936, providing for terms of the United States district court at Wilkes-Barre, Pa.;

H. R. 9475. An act to create a commission to procure a design for a flag for the District of Columbia, and for other purposes;

H. R. 9523. An act to add certain lands to the Ochoco National Forest, Oreg.;

H. R. 9557. An act to authorize the Secretary of Commerce to dispose of material of the Bureau of Lighthouses to the sea scout department of the Boy Scouts of America;

H. R. 9610. An act to amend the National Firearms Act;

H. R. 9611. An act to permit sales of surplus scrap materials of the Navy to certain institutions of learning;

H. R. 9683. An act to amend the act of June 25, 1910, relating to the construction of public buildings, and for other purposes;

H. R. 9707. An act to authorize the conveyance of the old lighthouse keeper's residence in Manitowoc, Wis., to the Otto Oas Post, No. 659, Veterans of Foreign Wars of the United States, Manitowoc, Wis.;

H. R. 9848. An act to require that horses and mules belonging to the United States which have become unfit for service be destroyed or put to pasture;

H. R. 9933. An act to authorize the United States Golden Gate International Exposition Commission to produce and sell certain articles, and for other purposes;

H. R. 9975. An act to extend the times for commencing and completing the construction of a bridge over Lake Sabine at or near Port Arthur, Tex.;

H. R. 9983. An act authorizing the city of Greenville, Miss., and Washington County, Miss., singly or jointly, to construct, maintain, and operate a toll bridge across the Mississippi River from a point at or near the city of Greenville, Washington County, Miss., to a point at or near Lake Village, Chicot County, Ark.;

H. R. 10075. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Brownville, Nebr.;

H. R. 10076. An act to create the White County Bridge Commission; defining the authority, power, and duties of said commission; and authorizing said commission and its successors and assigns to purchase, maintain, and operate a bridge across the Wabash River at or near New Harmony, Ind.;

H. R. 10154. An act to authorize the Secretary of War to lend War Department equipment for use at the 1938 National Encampment of Veterans of Foreign Wars of the United States to be held in Columbus, Ohio, from August 21 to August 26, 1938;

H. R. 10155. An act to permit articles imported from foreign countries for the purpose of exhibition at the Seventh World's Poultry Congress and Exposition, Cleveland, Ohio, 1939, to be admitted without payment of tariff, and for other purposes;

H. R. 10261. An act creating the Arkansas-Mississippi Bridge Commission; defining the authority, power, and duties of said commission; and authorizing said commission and its successors and assigns to construct, maintain, and operate a bridge across the Mississippi River at or near Friar Point, Miss., and Helena, Ark.; and for other purposes;

H. R. 10275. An act to extend the times for commencing and completing the construction of a bridge and causeway across the water between the mainland, at or near Cedar Point and Dauphin Island, Ala.;

H. R. 10297. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Rulo, Nebr.;

H. R. 10312. An act to amend section 3 of the act entitled "An act to protect the lives and health and morals of women and minor workers in the District of Columbia, and to establish a Minimum Wage Board, and to define its powers and duties, and to provide for the fixing of minimum wages for such workers, and for other purposes", approved September 19, 1918 (40 Stat. 960, 65th Cong.);

H. R. 10455. An act to authorize the Secretary of War to proceed with the construction of certain public works in connection with the War Department in the District of Columbia;

H. R. 10459. An act to amend certain provisions of law relative to the production of wines, brandy, and fruit spirits so as to remove therefrom certain unnecessary restrictions; to facilitate the collection of internal-revenue taxes thereupon; and to provide abatement of certain taxes upon wines, brandy, and fruit spirits where lost or evaporated while in the custody and under the control of the Government without any fault of the owner;

H. R. 10462. An act to amend the act entitled "An act creating the Mount Rushmore National Memorial Commission and defining its purposes and powers," approved February 25, 1929, as amended;

H. R. 10488. An act to provide for allowing to the Gem Irrigation District and Ontario-Nyssa Irrigation District of the Owyhee project terms and payment dates for charges deferred under the Reclamation Moratorium Acts similar to those applicable to the deferred construction charges of other projects under said acts, and for other purposes;

H. R. 10530. An act to extend for 2 additional years the 3½-percent interest rate on certain Federal land-bank loans, and to provide for a 4-percent interest rate on land bank commissioner's loans until July 1, 1940;

H. R. 10611. An act to extend the times for commencing and completing the construction of a bridge across the Coosa River at or near Gilberts Ferry in Etowah County, Ala.;

H. R. 10643. An act to amend the act of August 9, 1935 (Public, No. 259, 74th Cong., 1st sess.);

H. R. 10652. An act to provide for the ratification of all joint resolutions of the Legislature of Puerto Rico and of the former legislative assembly;

H. R. 10673. An act to exempt the property of the Young Women's Christian Association in the District of Columbia from national and municipal taxation;

H. R. 10722. An act to authorize the attendance of the Marine Band at the national encampment of the Grand Army of the Republic to be held at Des Moines, Iowa, September 4 to 8, inclusive, 1938;

H. R. 10737. An act to authorize the Secretary of War to grant rights-of-way for highway purposes and necessary storm sewer and drainage ditches incident thereto upon and across Kelly Field, a military reservation in the State of Texas; to authorize an appropriation for construction of the road, storm sewer, drainage ditches, and necessary fence lines;

H. J. Res. 582. Joint resolution supplementing and amending the act for the incorporation of Washington College of Law, organized under and by virtue of a certificate of incorporation pursuant to class 1, chapter 18, of the Revised Statutes of the United States relating to the District of Columbia;

H. J. Res. 631. Joint resolution to provide for the erection of a monument to the memory of Gen. Peter Gabriel Muhlenberg;

H. J. Res. 655. Joint resolution amending paragraph (4) of subsection (n) of section 12B of the Federal Reserve Act, as amended;

H. J. Res. 658. Joint resolution for the designation of a street or avenue to be known as "Maine Avenue"; and

H. J. Res. 672. Joint resolution for the designation of a street to be known as "Oregon Avenue," and for other purposes.

ADJOURNMENT

Mr. COOPER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 10 o'clock and 47 minutes p. m.) the House adjourned until tomorrow, Saturday, June 11, 1938, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1424. A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to provide and maintain an adequate supply of suitable seed for production of food for the population of Hawaii in times of emergency, was taken from the Speaker's table and referred to the Committee on Agriculture.

1425. A letter from the Secretary of War, transmitting a draft of a bill to amend and clarify the provisions of the act of June 15, 1936 (49 Stat. 1507), and for other purposes, was taken from the Speaker's table and referred to the Committee on Military Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. DIES: Committee on Rules. House Resolution 524. Resolution providing for the consideration of S. 3104, an act for the payment of awards and appraisals heretofore made in favor of citizens of the United States on claims presented under the General Claims Convention of September 8, 1923, United States and Mexico; without amendment (Rept. No. 2676). Referred to the House Calendar.

Mr. O'CONNOR of New York: Committee on Rules. House Resolution 92. Resolution authorizing the Speaker to appoint a committee of seven Members of the House of Representatives to investigate the allegations and charges that a monopoly or monopolies exist in radio broadcasting; without amendment (Rept. No. 2678). Referred to the House Calendar.

Mr. SMITH of Virginia: Committee on Rules. House Resolution 498. Resolution providing for an investigation and study of the Committee on Merchant Marine and Fisheries; without amendment (Rept. No. 2679). Referred to the House Calendar.

Mr. COX: Committee on Rules. House Resolution 526. A resolution providing for the consideration of House Joint Resolution 671, to create a Bureau of Fine Arts in the Department of the Interior for the promotion of art and literature through the use of copyrighted and copyrightable material and to define the powers and duties of said bureau, and for other purposes; without amendment (Rept. No. 2680). Referred to the House Calendar.

Mr. RAMSPECK: Committee on the Civil Service. S. 3525. An act to amend the act entitled "An act to extend the benefits of the Civil Service Retirement Act of May 29, 1930, as amended, to certain employees in the legislative and judicial branches of the Government," approved July 13, 1937; with amendment (Rept. No. 2682). Referred to the Committee of the Whole House on the state of the Union.

Mr. RAMSPECK: Committee on the Civil Service. House Joint Resolution 551. Joint resolution providing compensation for certain employees; with amendment (Rept. No. 2683). Referred to the Committee of the Whole House on the state of the Union.

Mr. SWEENEY: Committee on the Post Office and Post Roads. House Joint Resolution 663. Joint resolution to provide for the operation of the Peru & Indianapolis Railway post office by motor vehicle over the public highways; without amendment (Rept. No. 2690). Referred to the Committee of the Whole House on the state of the Union.

Mr. DEROUEN: Committee on the Public Lands. S. 3890. An act to extend the provisions of the act of June 8, 1906 (34 Stat. 225), entitled "An act for the preservation of American antiquities," and for other purposes; with amendment (Rept. No. 2691). Referred to the Committee of the Whole House on the state of the Union.

Mr. ROMJUE: Committee on the Post Office and Post Roads. H. R. 9803. A bill to extend to custodial service employees employed by the Post Office Department certain benefits applicable to postal employees; with amendment (Rept. No. 2692). Referred to the Committee of the Whole House on the state of the Union.

Mr. CHANDLER: Committee on the Judiciary. H. R. 10753. A bill to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States" approved July 1, 1898, and acts mendatory thereof and supplementary thereto; without amendment (Rept. No. 2693). Referred to the House Calendar.

Mr. MALONEY: Committee on Interstate and Foreign Commerce. H. R. 10620. A bill to remove existing reductions in compensation for transportation of Government property and troops incident to railroad land grants; without amendment (Rept. No. 2694). Referred to the Committee of the Whole House on the state of the Union.

Mr. ROGERS of Oklahoma: Committee on Indian Affairs. S. 4036. An act relating to the tribal and individual affairs of the Osage Indians of Oklahoma; with amendment (Rept. No. 2700). Referred to the Committee of the Whole House on the state of the Union.

Mr. SUMNERS of Texas: Committee on the Judiciary. House Joint Resolution 697. Joint resolution to create a temporary national economic committee; with amendment (Rept. No. 2701). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. EBERHARTER: Committee on Claims. H. R. 8318. A bill for the relief of C. R. Henderson; with amendment (Rept. No. 2684); referred to the Committee of the Whole House.

Mr. SUTPHIN: Committee on Naval Affairs. S. 3171. An act for the relief of William Server Rhodes, chief boatswain's mate, United States Navy, retired; without amendment (Rept. No. 2686). Referred to the Committee of the Whole House.

Mr. PALMISANO: Committee on the District of Columbia. S. 3694. An act to provide for the issuance of a license to practice the healing art in the District of Columbia to Dr. Sigfried Speyer; without amendment (Rept. No. 2687). Referred to the Committee of the Whole House.

Mr. PHILLIPS: Committee on Naval Affairs. S. 3810. An act to extend to Chief Quartermaster Clerk David C. Buscall, United States Marine Corps (retired), the benefits of the act of May 7, 1932, providing highest World War rank to retired warrant officers; without amendment (Rept. No. 2688). Referred to the Committee of the Whole House.

Mr. MAAS: Committee on Naval Affairs. H. R. 10659. A bill to adjust the lineal positions on the Navy list of certain officers of the Supply Corps of the United States Navy; without amendment (Rept. No. 2689). Referred to the Committee of the Whole House.

Mr. GILDEA: Committee on Immigration and Naturalization. H. R. 9729. A bill for the relief of Guiseppi Quercia; without amendment (Rept. No. 2695). Referred to the Committee of the Whole House.

Mr. GILDEA: Committee on Immigration and Naturalization. H. R. 6754. A bill to authorize the cancelation of deportation proceedings in the case of Apostolos Vasili Percas; with amendment (Rept. No. 2696). Referred to the Committee of the Whole House.

Mr. SCHULTE: Committee on Immigration and Naturalization. S. 3064. An act for the relief of George Henry Levins; without amendment (Rept. No. 2697). Referred to the Committee of the Whole House.

Mr. SCHULTE: Committee on Immigration and Naturalization. S. 2090. An act authorizing the naturalization of Vernice May McBroom, and for other purposes; without amendment (Rept. No. 2698). Referred to the Committee of the Whole House.

Mr. SCHULTE: Committee on Immigration and Naturalization. S. 3633. An act authorizing the naturalization of Albin H. Youngquist, and for other purposes; without amendment (Rept. No. 2699). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. FISH: A bill (H. R. 10886) to prohibit the payment of ransom money to kidnapers; to the Committee on the Judiciary.

By Mr. GEARHART: A bill (H. R. 10887) to amend section 334 (h) of the Agricultural Adjustment Act of 1938 to prescribed cotton-acreage allotments for farms; to the Committee on Agriculture.

By Mr. SHEPPARD: A bill (H. R. 10888) granting wartime benefits to veterans of campaigns and expeditions; to the Committee on World War Veterans' Legislation.

By Mr. VINSON of Georgia: Resolution (H. Res. 527) providing for the consideration of S. 1131 and prescribing the time to be used to consider said bill; to the Committee on Rules.

By Mr. FLETCHER: Resolution (H. Res. 528) approving an international economic conference; to the Committee on Foreign Affairs.

By Mr. SUMNERS of Texas: Joint resolution (H. J. Res. 715) in respect of salaries of judges and justices appointed under the act of May 31, 1938; to the Committee on the Judiciary.

By Mr. DINGELL: Joint resolution (H. J. Res. 716) authorizing the payment of compensation to certain judges appointed, prior to the beginning of the first session of the Seventy-sixth Congress, during recesses of the Senate; to the Committee on the Judiciary.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of New Jersey, memorializing the President and the Congress of the United States to consider their Assembly Concurrent Resolution No. 4, dated January 24, 1938, with reference to taxes on the sale of gasoline; to the Committee on Ways and Means.

Also, memorial of the Legislature of the State of Ohio, memorializing the President and the Congress of the United States to consider their Resolution No. 168, dated May 24, 1938, with reference to legislation affecting Cowen Creek project in Clinton County, Ohio; to the Committee on Appropriations.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DIXON: A bill (H. R. 10889) for the relief of Robert Green; to the Committee on Claims.

By Mr. GRISWOLD: A bill (H. R. 10890) authorizing the President of the United States to appoint Pvt. John R. Kissinger as a major in the United States Army and then place him on the retired list; to the Committee on Military Affairs.

By Mr. KEE: A bill (H. R. 10891) for the relief of Thomas Goode; to the Committee on Military Affairs.

By Mr. KERR: A bill (H. R. 10892) for the relief of Pomeroy Parker; to the Committee on Naval Affairs.

By Mr. RANDOLPH: A bill (H. R. 10893) for the relief of Mary S. Arthur, as executrix of the estate of Richard M. Arthur, deceased; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

5338. By Mr. BUCKLEY of New York: Petition of the United Federal Workers of America, requesting support of the Federal workers' appeals bill (H. R. 8428), the Federal Workers' Minimum Wage Act (H. R. 9158), and the Federal Workers' Overtime Act (H. R. 9157); to the Committee on the Civil Service.

5339. By Mr. KENNEDY of New York: Petition of the National League of District Postmasters, concerning House bill 1531; to the Committee on the Civil Service.

5340. Also, petition of the American Federation of State, County, and Municipal Employees, Buffalo, N. Y., concerning Senate bill 2165 and House bill 6449; to the Committee on the Judiciary.

5341. By Mr. SUTPHIN: Petition of the New Jersey State Assembly (the State Senate concurring), memorializing Congress to abandon the Federal gasoline sales tax and surrender to the States exclusively the power to tax such sales in the future; to the Committee on Ways and Means.

5342. By the SPEAKER: Petition of the Mariposa County Board of Supervisors, Mariposa County, Calif., petitioning consideration of their resolution with reference to House bill 4199, known as the General Welfare Act; to the Committee on Ways and Means.

5343. Also, petition of the city of Cincinnati, State of Ohio, petitioning consideration of their resolution dated June 8, 1938, pertaining to the compromise bill providing for control of pollution in the Ohio River; to the Committee on Rivers and Harbors.

5344. Also, petition of the Kings County Consolidated Civic League, Brooklyn, N. Y., petitioning consideration of their petition with reference to the Home Owners' Loan Corporation legislation; to the Committee on Banking and Currency.

5345. Also, petition of the Board of Supervisors of Douglas County, State of Wisconsin, petitioning consideration of their resolution with reference to House bill 4199, known as the General Welfare Act; to the Committee on Ways and Means.

5346. Also, petition of C. E. Glander and others, of Columbus, Ohio, petitioning consideration of their petition with reference to Works Progress Administration; to the Committee on Ways and Means.

HOUSE OF REPRESENTATIVES

SATURDAY, JUNE 11, 1938

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our blessed Heavenly Father, we entreat Thee to hear our supplication. The hushed voices of our hearts, unheard and unsung, to them Thou wilt turn an attentive ear. We pray Thee that Thou mayest have Thy rightful way in our thought and practice, that high endeavor may be inspired in our daily circumstances. Thy will be done, O God; it bids the weak be strong and commands the strong to be just. May we seek that life which is eternal now; this is life eternal, to know God and His only begotten Son whom He has sent. We praise Thee, our Father, that He fulfills the old-world dreams, hopes, and aspirations. In His holy name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 10536. An act authorizing the United States Maritime Commission to sell or lease the Hoboken Pier Terminals, or any part thereof, to the city of Hoboken, N. J.

The message also announced that the Senate had passed bills and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 457. An act to further amend the Civil Service Retirement Act, approved May 29, 1930;

S. 4044. An act to authorize the President to permit citizens of the American Republics to receive instruction at professional educational institutions and schools maintained and administered by the Government of the United States or by Departments or agencies thereof; and

S. Con. Res. 31. Concurrent resolution to establish a Joint Committee on Forestry.

The message also announced that the Senate agrees to the reports of the committees of conference on the disagreeing votes of the two Houses on the amendments of the Senate to bills of the House of the following titles:

H. R. 2191. An act for the relief of Roberta Carr;

H. R. 6246. An act to provide for placing educational orders to familiarize private manufacturing establishments with the production of munitions of war of special or technical design, noncommercial in character;

H. R. 6618. An act for the relief of Miriam Grant; and

H. R. 7084. An act to provide that all cabs for hire in the District of Columbia be compelled to carry insurance for the protection of passengers, and for other purposes.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House of Representatives to the bill (S. 5) entitled "An act to prohibit the movement in interstate commerce of adulterated and misbranded food, drugs, devices, and cosmetics, and for other purposes."

The message also announced that the Senate insists upon its amendment to the bill (H. R. 3610) entitled "An act to adjust the salaries of rural letter carriers," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. McKELLAR, Mr. HAYDEN, and Mr. FRAZIER to be the conferees on the part of the Senate.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 8046. An act to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto; and to repeal section 76 thereof and all acts and parts of acts inconsistent therewith.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House thereon, and appoints Mr. O'MAHONEY, Mr. CONNALLY and Mr. AUSTIN to be the conferees on the part of the Senate.

ATTENDANCE OF MARINE BAND AT UNITED CONFEDERATE VETERANS 1938 REUNION AT COLUMBIA, S. C.

Mr. MAY. Mr. Speaker, I ask unanimous consent that the bill (S. 4070) to authorize the attendance of the Marine Band at the United Confederate Veterans 1938 Reunion at Columbia, S. C., from August 30 to September 2, 1938, both dates, inclusive, be rereferred to the Committee on Naval Affairs.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

EXTENSION OF REMARKS

Mr. CUMMINGS. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD and to include a short article.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. TAYLOR of Tennessee. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a statement which I have given to the press relative to the work of the conferees on the wage and hour bill.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. HILL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an article from Fortune Magazine, June issue, entitled "Business and Government."

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. GRAY of Indiana. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

THE DEPRESSION—THE CAUSE AND THE REMEDY

FOURTH: SPEAKING ON THE CAUSE OF THE 1937 DEPRESSION

Mr. GRAY of Indiana. Mr. Speaker and fellow Members of Congress, the immediate World War depression here in 1920 and the panics following in 1929 and 1937 have all resulted from one and the same cause, or a continuation or repetition of the same cause. And the causes only differing and varying from each other as the facts and conditions of the times have differed under which the different depressions have come.

The world panic and the depressions following here all came with the same fall of prices and values, with the same failure of earnings and income, the same failure of private employment and the buying and consuming power of the people, and with the same want and scarcity of money, and the same rising and increasing values of money.

ALL THE SAME CAUSE

When all these causes coming or are repeated, in falling prices or commodity values and rising and increasing value of money, we know the same causes are operating; that like causes produce like effects, and an understanding of all the depressions is not more difficult than the solution for one.

We can all understand better and appreciate an occurrence more recent or near at hand, and we can understand better and appreciate the explanation of the cause of the 1937 depression. And, for this reason, the cause of this last depression will be of necessity explained briefly for an explanation of the causes of the others.

In 1936 recovery in this country was on the way. The different spending and relief agencies were adding to and increasing the money supply and, under the laws of money operations, prices or commodity values were rising, wages, earnings, and income were increasing, and employment was following up with better times.

SPENDING OPERATIONS THE SAME AS INCREASING MONEY

It makes no difference whether the operations are spending or whether new and additional money is going into circulation. The effect is the same to increase prices and commodity values, to raise wages, earnings and income, and increase employment. The only difference is the temporary effect of money on prices. The force of the expenditure is exhausted with the payments.

The same laws and operations of money which raise prices or commodity values, increase wages, earnings and income, and bring increased employment, produce the opposite effect

upon money, reduces the relative value of money, and to the same extent prices or values are increased.

THE PANIC AND MONEY VALUES

In 1936 the men more interested in money and holding money or contracts for money were awake to the effect of rising prices and values upon their money, bonds, and contracts for money. Their money and contracts for the payment of money were being lowered from the higher value gained during the existence of the hard times of depression; and the higher the prices, wages, and values raised the lower would be the value of their money.

These financiers were shrewd, crafty businessmen, were not only informed of the laws and principles of money and knew how to stop and change the operations, but they were in full control of the public currency. Congress had long abdicated its constitutional power to issue, regulate, and control the money of the country, and had surrendered and given over that power for exercise by private, interested bankers and financiers.

FINANCIERS KNOW EXACTLY WHAT TO DO TO PRESERVE MONEY VALUES

These men, knowing precisely what to do, and knowing exactly how to do it, and being in control of the public currency, and in position to direct money movements reversed the operations raising prices and commodity values and decreasing the value of money.

THE FACTS CAUSING THE DEPRESSION

I can only give you a brief outline of these money operations carried on. On July 14, 1936, the Federal Reserve Board increased bank reserves 50 percent, made effective August 15. On January 30, 1937, bank reserves were again increased 50 percent, and the increase made effective March 1 and May 1, 1937. The effect of these operations was to withdraw loans and credit and take over $3,000,000,000 out of circulation.

PROPERTY VALUES FELL 100 BILLIONS IN VALUE

Following these ordered money operations and many others not required to be of record, prices or commodity and property values fell in rapid decline over $100,000,000,000 until labor and labor commodities and products were worth $100,000,000,000 less and money and contracts for the payment of money were worth $100,000,000,000 more.

The fall of prices and commodity values left labor, labor products, and commodities with $100,000,000,000 less power in value to pay debts, contracts, and money obligations, or requiring that much more of labor and products with which to pay the same debts and obligations, and took away $100,000,000,000 of buying and consuming power.

It was this diminishing buying and consuming power which left the warehouses overflowing with manufactured goods without demand. The merchants overstocked were unable to sell. Factories, mills, and workshops were without orders and the 1937 depression was on, with every evil symptom of 1920 and 1929 recurring.

A PANIC WAS INEVITABLE

If, after these public currency movements in secret and the sterilization of incoming gold, and the devaluation of the gold ounce, if this 1937 depression had not come it would have been a mystery in science, and an economic phenomenon; a contravention of all monetary laws.

For a better understanding of the effect of the money operations on prices and values, and the reverse effect upon the value of money, I refer listeners to my second address which I have or will mail out on request, where a more full and complete explanation of the effect of these money operations is made.

ILLUSTRATION OF BLOOD IN THE VEINS

A certain, precise, and exact amount of blood is required in the veins and arteries of the body for normal health, growth, and strength, which the unerring hand of nature controls. A greater amount of blood in the body would stimulate an abnormal or overgrowth, a less amount would dwarf and impoverish the body.

A CERTAIN AMOUNT OF MONEY IS REQUIRED

Money flowing in the channels of industry corresponds to the blood in the arteries and veins of the body to facilitate industrial operations and the conduct of enterprise. Too much money in use and circulation will overstimulate and make a boom in industry; too little money in use and circulation will slow down industry and make a panic.

Both money and industry are artificial, and without the regulating hand of nature, requires the scientific, guarded control of an exacting governmental agency to maintain the volume of money in circulation in even, normal, sufficient supply to safeguard industry against booms and depressions.

VOLUME OF MONEY LEFT TO PRIVATE CONTROL

But instead of such regulation and control, the public currency of the country, upon which all industrial operations are vitally dependent, is left to the secret, private control of men interested in the manipulation of speculating investments carried on under alternating booms and depressions, and always gaining profit from a want and scarcity of money.

Under this secret, private control of money the mystery is not that panics come, but far greater is the mystery existing that the calamities and disasters of panics are not of more continuous or of frequent occurrence, and that the people after suffering their losses are able to survive and recover from the ordeal.

THE CONSTITUTION AND MONEY

Clause 5, section 8, article I, of the Federal Constitution clearly provides that Congress shall regulate and control public money. But Congress has long abdicated that power, has surrendered, given up that authority to private interested bankers and financiers for the secret management and control of money, and under this surrender every panic has come.

The temptation for private bankers and financiers to use the powers of public currency and credit for advantage in the conduct of their financial operations is too great a temptation for men to resist under the impulse of selfish human nature, the one most controlling over the conduct of men.

While other agencies and departments of the Government are administered by public officials sworn and under bond, with operations held in the glare of publicity, yet the vital department of the public currency is allowed to be administered secretly by private corporations interested in low prices to maintain higher money values.

And these private interested financiers are left in the secret control of the public money department to use the currency and credit of the Government, and to withdraw money from business and industry in their stock market and investment operations until industry, commerce, and trade are paralyzed, and to make the explanation that "panics are a mystery."

But how can such a fraud be held upon the people all these years? The answer can be read from human experience and recorded time over again in history. The complex nature and intricacies of money, like the mysteries of nature and religious beliefs, are taken advantage of to bewilder and hold the people.

While the evils and abuses of the private control of money are fast being realized by Congress and the people, the people are waiting upon Congress and Congress is waiting upon the people, apprehensive of the misleading hue and cry of "inflation," to take the initiative, the first step in this pressing reform, to be sustained and assured of their support.

SOME GREAT REFORMS MUST COME UP FROM THE PEOPLE

There are some great reform movements which must begin with and come up from the people to overcome the resisting and opposing forces. And the experience of the last 50 years has proven that public currency reform is one of such great, vital movements, and for this reform I am making this appeal to the people.

With the Nation held in the strangle hold of depression, with industry paralyzed and coming near a standstill, with unemployment going back to fourteen millions, with 20,000,000

people on the relief rolls, and the clamor for further relief increasing, the demand for a business breathing spell is as fallacious as advising consulting physicians to leave the sick chamber for the patient to recover.

CONGRESS SHOULD REMAIN IN SESSION

This Congress should remain in session until the constitutional powers over public currency are recovered back from the secret control of private, interested bankers and financiers and a more certain and positive recovery measure is enacted and put in administration and started on the way before adjournment.

FACILITATION OF SOIL EROSION AND FLOOD DAMAGE WITHIN ANGELES NATIONAL FOREST, CALIF.

The SPEAKER laid before the House the following order from the Senate:

Ordered, That the Secretary be directed to request the House of Representatives to return to the Senate the bill (H. R. 5685) to facilitate the control of soil erosion and flood damage originating upon lands within the exterior boundaries of the Angeles National Forest in the State of California, together with Senate engrossed amendments thereto.

The SPEAKER. Without objection, the request will be granted.

There was no objection.

Mr. THOMAS of New Jersey. Mr. Speaker, I make a point of order that a quorum is not present.

The SPEAKER. Obviously a quorum is not present.

Mr. RAYBURN. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll and the following Members failed to answer to their names:

[Roll No. 108]

Amlie	Deen	Kennedy, Md.	Phillips
Ashbrook	Delaney	Kirwan	Plumley
Atkinson	Dempsey	Kleberg	Ramspeck
Barry	DeMuth	Kniffin	Randolph
Bell	Dickstein	Kopplemann	Reed, N. Y.
Bloom	Ditter	Kvale	Reilly
Boehne	Dockweiler	Lemke	Richards
Boylan	Douglas	Lesinski	Sabath
Byrne	Drewry, Va.	Lewis, Md.	Sacks
Caldwell	Dunn	McAndrews	Scrugham
Cartwright	Eaton	McGranery	Smith, Maine.
Celler	Ferguson	McGrath	Smith, Okla.
Champion	Fernandez	McGroarty	Stack
Citron	Fish	McLean	Steagall
Clark, Idaho	Fries, Ill.	McMillan	Sullivan
Clark, N. C.	Gasque	McSweeney	Sweeney
Cochran	Gavagan	Mansfield	Taylor, Colo.
Coffee, Nebr.	Green	Mead	Towey
Cole, Md.	Griswold	Mitchell, Tenn.	Wadsworth
Cole, N. Y.	Hancock, N. Y.	Mosier, Ohio	Wearin
Costello	Hartley	Mouton	Weaver
Crawford	Hook	Murdock, Utah	Whelchel
Crosby	Imhoff	Norton	White, Idaho
Crowther	Jacobsen	O'Connor, Mont.	White, Ohio
Cullen	Keller	O'Day	Wood
Curley	Kelly, N. Y.	Parsons	Woodrum
			Zimmerman

The SPEAKER. Three hundred and twenty-three Members have answered to their names, a quorum.

Further proceedings under the call were dispensed with.

MIDDLE RIO GRANDE CONSERVANCY DISTRICT

Mr. GREEVER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 3426) to authorize an appropriation for repayment to the Middle Rio Grande Conservancy District, a subdivision of the State of New Mexico, of the share of the said district's construction and operation and maintenance costs applicable to certain properties owned by the United States, situate in Bernalillo County, N. Mex., within the exterior boundaries of the district; to authorize the Secretary of the Interior to contract with said district for future operation and maintenance charges against said lands; to authorize appropriation for extra construction work performed by said district for the special benefit of certain Pueblo Indian lands and to authorize appropriation for construction expenditures benefiting certain acquired lands of Pueblo Indians of the State of New Mexico.

The Clerk read the title of the bill.

The SPEAKER. The Chair understands that a similar House bill passed the House last night and that the gentleman desires to substitute the Senate bill.

Mr. GREEVER. The Chair is correct.

The SPEAKER. Is there objection to the request of the gentleman from Wyoming?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated out of any money in the Treasury not otherwise appropriated, the sum of $20,470.71 for repayment to the Middle Rio Grande Conservancy District, a corporate political subdivision of the State of New Mexico, of the unpaid share of the construction costs of said district for conservation, irrigation, drainage, and flood control applicable to the following-described lands in the county of Bernalillo, State of New Mexico, within the exterior boundaries of said district:

One hundred and forty-two and nine one-hundredths acres in Bernalillo County, N. Mex., known and described as the lands of the Albuquerque Indian School of the Department of the Interior, United States of America.

The lands so described being owned by the United States and having been materially benefited by the construction works of the said district, and the share of the costs of such construction having been determined by an appraisal of benefits made by the said district's board of appraisers at the same time and in the same manner and on the same basis as appraisals made against other lands in the said district, and the assessments made thereon by the board of commissioners of said district being the same as that made against like lands similarly situated.

SEC. 2. That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $1,539.65 for repayment to the Middle Rio Grande Conservancy District for the equal and pro rata assessment for operation and maintenance costs for the years 1934, 1935, 1936, and 1937 against lands described in section 1 of this act.

SEC. 3. That the Secretary of the Interior be, and he is hereby, authorized and directed to enter into an agreement with the Middle Rio Grande Conservancy District for the payment of future operation and maintenance costs which shall be levied and assessed against the properties described in section 1, the said agreement to provide that all assessments and levies thereunder shall be on the same equal basis as assessments and levies against other lands similarly situated or assessed in said district.

The said operation and maintenance charge to be upon all lands included within the Albuquerque Indian School in Bernalillo County, N. Mex.

SEC. 4. That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, to be reimbursed in accordance with existing law, the sum of $3,338.17 for repayment to the Middle Rio Grande Conservancy District of the cost of extra construction works performed by the district for the special benefit of certain Indian lands belonging to certain Pueblo Indians of New Mexico situate within the exterior boundaries of said district, such works not having been provided for in the district's approved official plan but which were constructed at the instance and request of agents of the Bureau of Indian Affairs.

SEC. 5. That the provisions of the act of August 27, 1935 (49 Stat. 887), authorizing the Secretary of the Interior to provide by agreement with the Middle Rio Grande Conservancy District, a subdivision of the State of New Mexico, for maintenance and operation on newly reclaimed Pueblo Indian lands in the Rio Grande Valley, N. Mex., reclaimed under previous act of Congress, and authorizing an annual appropriation to pay the cost thereof for a period of not to exceed 5 years, are hereby extended for an additional period of 5 years to 1945, and the provisions of this section shall be applicable to lands purchased by the United States for certain Pueblo Indians of New Mexico under and by virtue of the act of June 7, 1924 (43 Stat. 636), as amended.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER. Without objection, the proceedings by which the House bill (H. R. 9524) was passed last night will be vacated and the House bill laid on the table.

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. MARTIN of Colorado. Mr. Speaker, I ask unanimous consent that on Tuesday next at the conclusion of the legislative program of the day I may be permitted to address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

EDUCATIONAL ORDERS FOR MUNITIONS OF WAR

Mr. MAY submitted a conference report and statement on the bill (H. R. 6246) to provide for placing educational orders to familiarize private manufacturing establishments with the production of munitions of war of special or technical design, noncommercial in character.

EXTENSION OF REMARKS

Mr. LUECKE of Michigan. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a report by the Department of Agriculture on the farm situation in Michigan.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

TRAVEL ALLOWANCE FOR RAILWAY MAIL CLERKS

Mr. HENDRICKS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. HENDRICKS. Mr. Speaker, I do not want to be harsh with any Member of this House, but I had a bill on the Consent Calendar, 10056, which related to travel allowance for railway mail clerks, and the gentleman from Pennsylvania [Mr. RICH] objected to the consideration of the bill, in spite of the fact that he had a committee which studied the effects of this bill and refused to object. On numerous occasions Mr. RICH, without having any knowledge of a bill, apparently, has objected.

Mr. RICH gave as his reason for objecting to this bill that these clerks were drawing $2,100 per year and did not need more. However, it is evident that he failed to notice that officials in the same branch of the Department, drawing from $3,500 to $4,100, are being allowed more travel pay.

Any Member has a perfect right to object to a bill on the Consent Calendar, but with that right goes the duty to study the bill carefully before objecting, and I hope the gentleman will do so in the future. The gentleman does not seem to realize that he is being made a goat by his own Members. When they do not care to object to a bill, they ask him to do so. In this particular instance it was very noticeable that the gentleman from New York [Mr. TABER] urged Mr. RICH and asked him to object.

I wish to commend the following to the attention of Mr. RICH for his study:

The travel-allowance law for railway postal clerks was passed in 1911 and was signed by President Taft.

The present law provides for a fixed sum in lieu of actual expenses, but no expenses are allowed for the first 10-hour period after the clerk goes to work and leaves on his run. Not more than $3 per day can be allowed.

A more liberal law operates for the officials; if they are out more than the 10-hour period, they get expense allowance from the time they leave their headquarters. For example, if the chief clerk at Harrisburg, Pa., went to Erie to inspect the railway post office that operates between Erie and Williamsport, Pa., the following situation prevails—this line runs through Congressman RICH's district:

Train 580 leaves Erie at 6:05 p. m. The clerks go to work about 5 p. m. Therefore, they are not entitled to be reimbursed for any money paid out for any meal eaten before 3 a. m. They, naturally, would eat around midnight, at which time the train arrives at the end of their run, Renovo, Pa. They cannot be given an allowance for that meal. They leave Renovo at 3 a. m. and arrive at Erie at 9 a. m. The only expense that could be paid would be for breakfast, or one item of 75 cents.

The chief clerk making the inspection would be entitled to his midnight meal—which is disallowed the clerks—and also his breakfast. These officials receive $4 travel allowance per day, or $1 for each item. In other words, the chief clerk could receive $2 during the trip, compared to the 75 cents that is allowed the clerks. Salaries for chief clerks, class B, are from $3,500 to $4,100 per annum; class A chief clerks cannot receive more than $3,800 per annum.

The original travel-allowance law, passed in 1911, was for $1 per day, after 10 hours had expired. It was raised to $2 per day, with the same hour limitation, in 1919 and signed by President Wilson. In 1925 it was raised to $3 per day, in the act of February 28, and that law was signed by Calvin Coolidge.

Perhaps the gentleman from Pennsylvania [Mr. RICH] can explain to the railway mail clerks the justice of his contention.

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker, the gentleman from Florida [Mr. HENDRICKS] as much as said I did not know what I was talking about when I objected last night to the consideration of the bill to which he just referred. If the gentleman from Florida thinks I do not know what I am talking about he is badly misinformed. I may say to the gentleman from Florida I know what that bill was. I know that we should not be trying to increase the salaries of men receiving $2,100 a year and over at this particular time when we have millions of people who are without jobs and getting nothing—men who travel the streets for jobs, 13,000,000 of them. It seems to me we ought to do what we can to help everybody in this country, not just a few. I am interested in helping everybody in this country. The gentleman from Florida has lots of people in his district who do not have jobs and are not making $2,100 a year, and he ought to give some consideration to them. I am interested in the railway mail clerks and all other Government employees and wish they could get more money, but we should now help those without jobs get work. The gentleman from Florida would do more good if he would not be doing all he can to spend, spend, spend the Government funds and eventually wreck all Government jobs and the Government itself. When the gentleman from Florida [Mr. HENDRICKS] says I objected just because Mr. TABER, of New York, asked me to, is not the truth. There is no truth in it at all, and he should get the facts before he makes such a statement. I read the bill. I read the report. I acted on my own responsibility; and I want him to know I am not a "rubber stamp" for any person, not even the gentleman in the White House. With a deficit this year of over $2,000,000,000, a national debt of $38,000,000,000, and already having spent twice our income for next year, what does this gentleman from Florida think he is doing?

[Here the gavel fell.]

FOOD AND DRUGS BILL

Mr. LEA submitted a conference report and statement on the bill (S. 5) to prohibit the movement in interstate commerce of adulterated and misbranded food, drugs, devices, and cosmetics, and for other purposes.

CIVIL AERONAUTICS AUTHORITY

Mr. LEA. Mr. Speaker, I call up for immediate consideration the conference report on the bill (S. 3845) to create a Civil Aeronautics Authority, and to promote the development and safety and to provide for the regulation of civil aeronautics.

The Clerk read the title of the bill.

Mr. LEA. Mr. Speaker, I ask unanimous consent that the statement may be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The conference report and statement are as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 3845) to create a Civil Aeronautics Authority, and to promote the development and safety and to provide for the regulation of civil aeronautics, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House, and agree to the same with an amendment as

follows: In lieu of the matter proposed to be inserted by the House amendment, insert the following:

"That this Act, divided into titles and sections according to the following table of contents, may be cited as the 'Civil Aeronautics Act of 1938':

"TABLE OF CONTENTS

"TITLE I—GENERAL PROVISIONS

"Sec. 1. Definitions.
"Sec. 2. Declaration of policy.
"Sec. 3. Public right of transit.

"TITLE II—ORGANIZATION OF AUTHORITY

"Sec. 201. Creation of Authority.
"(a) Appointment of members of Authority.
"(b) Administrator.
"(c) Qualifications of members.
"(d) Quorum, principal office, and seal.
"Sec. 202. Organization of Authority.
"(a) Officers and employees.
"(b) Temporary personnel.
"Sec. 203. Personnel, property, and appropriations.
"(a) Personnel and property.
"(b) Appropriations.
"Sec. 204. Authorization of expenditures and travel.
"(a) General authority.
"(b) Purchase of aircraft.
"(c) Travel.
"Sec. 205. General powers and duties of the Authority.
"(a) General powers.
"(b) Cooperation with State aeronautical agencies.
"(c) Exchange of information.
"(d) Publications.
"Sec. 206. Annual report.

"TITLE III—POWERS AND DUTIES OF ADMINISTRATION

"Sec. 301. Fostering of air commerce.
"Sec. 302. Civil airways and facilities.
"(a) General.
"(b) Method of establishment.
"(c) Airport survey.
"Sec. 303. Expenditure of Federal funds.
"Sec. 304. Meteorological service.
"Sec. 305. Development of facilities.
"Sec. 306. Collection and dissemination of information.
"Sec. 307. Development planning.
"Sec. 308. Other duties of Administrator.

"TITLE IV—AIR CARRIER ECONOMIC REGULATION

"Sec. 401. Certificate of public convenience and necessity.
"(a) Certificate required.
"(b) Application for certificate.
"(c) Notice of application.
"(d) Issuance of certificate.
"(e) Existing air carriers.
"(f) Terms and conditions of certificate.
"(g) Effective date and duration of certificate.
"(h) Authority to modify, suspend, or revoke.
"(i) Transfer of certificate.
"(j) Certain rights not conferred by certificate.
"(k) Application for abandonment.
"(l) Compliance with labor legislation.
"(m) Requirement as to carriage of mail.
"(n) Application for new mail service.
"Sec. 402. Permits to foreign air carriers.
"(a) Permit required.
"(b) Issuance of permit.
"(c) Existing permits.
"(d) Application for permit.
"(e) Notice of application.
"(f) Terms and conditions of permit.
"(g) Authority to modify, suspend, or revoke.
"(h) Transfer of permit.
"Sec. 403. Tariffs of air carriers.
"(a) Filing of tariffs required.
"(b) Observance of tariffs; rebating prohibited.
"(c) Notice of tariff change.
"(d) Filing of divisions of rates and charges required.
"Sec. 404. Rates for carriage of persons and property.
"(a) Carrier's duty to provide service, rates, and divisions.
"(b) Discrimination.
"(c) Foreign rate study.
"Sec. 405. Transportation of mail.
"(a) Continuation and termination of mail contracts.
"(b) Continuation and termination of foreign-mail contracts.
"(c) Termination of bonds.
"(d) Rules and regulations.
"(e) Mail schedules.
"(f) Maximum mail load.
"(g) Tender of mail.
"(h) Foreign postal arrangements.
"(i) Transportation of foreign mail.
"(j) Evidence of performance of mail service.
"(k) Emergency mail service.
"(l) Experimental air-mail service.
"(m) Free travel for postal employees.
"Sec. 406. Rates for transportation of mail.
"(a) Authority to fix rates.
"(b) Rate-making elements.
"(c) Statement of Postmaster General and carrier.
"(d) Weighing of mail.
"(e) Availability of appropriations.
"(f) Payments to foreign air carriers.
"Sec. 407. Accounts, records, and reports.
"(a) Filing of reports.
"(b) Disclosure of stock ownership.
"(c) Disclosure of stock ownership by officer or director.
"(d) Form of accounts.
"(e) Inspection of accounts and property.
"Sec. 408. Consolidation, merger, and acquisition of control.
"(a) Acts prohibited.
"(b) Power of Authority.
"(c) Interests in ground facilities.
"(d) Jurisdiction of accounts of noncarriers.
"(e) Investigation of violations.
"Sec. 409. Prohibited interests.
"(a) Interlocking relationships.
"(b) Profit from transfer of securities.
"Sec. 410. Loans and financial aid.
"Sec. 411. Methods of competition.
"Sec. 412. Pooling and other agreements.
"(a) Filing of agreements required.
"(b) Approval by Authority.
"Sec. 413. Form of control.
"Sec. 414. Legal restraints.
"Sec. 415. Inquiry into air carrier management.
"Sec. 416. Classification and exemption of carriers.
"(a) Classification.
"(b) Exemptions.

"TITLE V—NATIONALITY AND OWNERSHIP OF AIRCRAFT

"Sec. 501. Registration of aircraft nationality.
"(a) Registration required.
"(b) Eligibility for registration.
"(c) Issuance of certificate.
"(d) Applications.
"(e) Suspension or revocation.
"(f) Effect of registration.
"Sec. 502. Registration of engines, propellers, and appliances.
"Sec. 503. Recordation of aircraft ownership.
"(a) Establishment of recording system.
"(b) Conveyances to be recorded.
"(c) Form of conveyance.
"(d) Index of conveyances.
"(e) Regulations.
"(f) Previously unrecorded ownership.

"TITLE VI—CIVIL AERONAUTICS SAFETY REGULATION

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"TITLE I—GENERAL PROVISIONS

"DEFINITIONS

"SECTION 1. As used in this Act, unless the context otherwise requires—

"(1) 'Aeronautics' means the science and art of flight.

"(2) 'Air carrier' means any citizen of the United States who undertakes, whether directly or indirectly or by a lease or any other arrangement, to engage in air transportation: *Provided*, That the Authority may by order relieve air carriers who are not directly engaged in the operation of aircraft in air transportation from the provisions of this Act to the extent and for such periods as may be in the public interest.

"(3) 'Air commerce' means interstate, overseas, or foreign air commerce or the transportation of mail by aircraft or any operation or navigation of aircraft within the limits of any civil airway or any operation or navigation of aircraft which directly affects, or which may endanger safety in, interstate, overseas, or foreign air commerce.

"(4) 'Aircraft' means any contrivance now known or hereafter invented, used, or designed for navigation of or flight in the air.

"(5) 'Aircraft engine' means an engine used, or intended to be used, for propulsion of aircraft and includes all parts, appurtenances, and accessories thereof other than propellers.

"(6) 'Airman' means any individual who engages, as the person in command or as pilot, mechanic, or member of the crew, in the navigation of aircraft while under way; and (except to the extent the Authority may otherwise provide with respect to individuals employed outside the United States) any individual who is directly in charge of the inspection, maintenance, overhauling, or repair of aircraft, aircraft engines, propellers, or appliances; and any individual who serves in the capacity of aircraft dispatcher or air-traffic control-tower operator.

"(7) 'Air navigation facility' means any facility used in, available for use in, or designed for use in, aid of air navigation, including landing areas, lights, any apparatus or equipment for disseminating weather information, for signaling, for radio-directional finding, or for radio or other electrical communication, and any other structure or mechanism having a similar purpose for guiding or controlling flight in the air or the landing and take-off of aircraft.

"(8) 'Airport' means a landing area used regularly by aircraft for receiving or discharging passengers or cargo.

"(9) 'Air-space reservation' means air space, identified by an area on the surface of the earth, in which the flight of aircraft is prohibited or restricted.

"(10) 'Air transportation' means interstate, overseas, or foreign air transportation or the transportation of mail by aircraft.

"(11) 'Appliances' means instruments, equipment, apparatus, parts, appurtenances, or accessories, of whatever description, which are used, or are capable of being or intended to be used, in the navigation, operation, or control of aircraft in flight (including parachutes and including communication equipment and any other mechanism or mechanisms installed in or attached to aircraft during flight), and which are not a part or parts of aircraft, aircraft engines, or propellers.

"(12) 'Authority' means the Civil Aeronautics Authority.

"(13) 'Citizen of the United States' means (a) an individual who is a citizen of the United States or of one of its possessions, or (b) a partnership of which each member is such an individual, or (c) a corporation or association created or organized under the laws of the United States or of any State, Territory, or possession of the United States, of which the president and two-thirds or more of the board of directors and other managing officers thereof are such individuals and in which at least 75 per centum of the voting interest is owned or controlled by persons who are citizens of the United States or of one of its possessions.

"(14) 'Civil aircraft' means any aircraft other than a public aircraft.

"(15) 'Civil aircraft of the United States' means any aircraft registered as provided in this Act.

"(16) 'Civil airway' means a path through the navigable air space of the United States, identified by an area on the surface of the earth, designated or approved by the Administrator as suitable for interstate, overseas, or foreign air commerce.

"(17) 'Conditional sale' means (a) any contract for the sale of an aircraft or portion thereof under which possession is delivered to the buyer and the property is to vest in the buyer at a subsequent time upon the payment of part or all of the price, or upon the performance of any other condition or the happening of any contingency; or (b) any contract for the bailment or leasing of an aircraft or portion thereof by which the bailee or lessee contracts to pay as compensation a sum substantially equivalent to the value thereof, and by which it is agreed that the bailee or lessee is bound to become, or has the option of becoming, the owner thereof upon full compliance with the terms of the contract. The buyer, bailee, or lessee shall be deemed to be the person by whom any such contract is made or given.

"(18) 'Conveyance' means a bill of sale, contract of conditional sale, mortgage, assignment of mortgage, or other instrument affecting title to, or interest in, property.

"(19) 'Foreign air carrier' means any person, not a citizen of the United States, who undertakes, whether directly or indirectly or by a lease or any other arrangement, to engage in foreign air transportation.

"(20) 'Interstate air commerce,' 'overseas air commerce,' and 'foreign air commerce,' respectively, mean the carriage by aircraft of persons or property for compensation or hire, or the carriage of mail by aircraft, or the operation or navigation of aircraft in the conduct or furtherance of business or vocation, in commerce between, respectively—

"(a) a place in any State of the United States, or the District of Columbia, and a place in any other State of the United States, or the District of Columbia; or between places in the same State of the United States through the air space over any place outside thereof; or between places in the same Territory or possession (except the Philippine Islands) of the United States, or the District of Columbia;

"(b) a place in any State of the United States, or the District of Columbia, and any place in a Territory or possession of the United States; or between a place in a Territory or possession of the United States, and a place in any other Territory or possession of the United States; and

"(c) a place in the United States and any place outside thereof,

whether such commerce moves wholly by aircraft or partly by aircraft and partly by other forms of transportation.

"(21) 'Interstate air transportation', 'overseas air transportation', and 'foreign air transportation,' respectively, mean the carriage by aircraft of persons or property as a common carrier for compensation or hire or the carriage of mail by aircraft, in commerce between, respectively—

"(a) a place in any State of the United States, or the District of Columbia, and a place in any other State of the United States, or the District of Columbia; or between places in the same State of the United States through the air space over any place outside thereof; or between places in the same Territory or possession (except the Philippine Islands) of the United States, or the District of Columbia;

"(b) a place in any State of the United States, or the District of Columbia, and any place in a Territory or possession of the United States; or between a place in a Territory or possession of the United States, and a place in any other Territory or possession of the United States; and

"(c) a place in the United States and any place outside thereof, whether such commerce moves wholly by aircraft or partly by aircraft and partly by other forms of transportation.

"(22) 'Landing area' means any locality, either of land or water, including airports and intermediate landing fields, which is used, or intended to be used, for the landing and take-off of aircraft, whether or not facilities are provided for the shelter, servicing, or repair of aircraft, or for receiving or discharging passengers or cargo.

"(23) 'Mail' means United States mail and foreign-transit mail.

"(24) 'Navigable air space' means air space above the minimum altitudes of flight prescribed by regulations issued under this Act.

"(25) 'Navigation of aircraft' or 'navigate aircraft' includes the piloting of aircraft.

"(26) 'Operation of aircraft' or 'operate aircraft' means the use of aircraft, for the purpose of air navigation and includes the navigation of aircraft. Any person who causes or authorizes the operation of aircraft, whether with or without the right of legal control (in the capacity of owner, lessee, or otherwise) of the aircraft, shall be deemed to be engaged in the operation of aircraft within the meaning of this Act.

"(27) 'Person' means any individual, firm, copartnership, corporation, company, association, joint-stock association, or body politic; and includes any trustee, receiver, assignee, or other similar representative thereof.

"(28) 'Propeller' includes all parts, appurtenances, and accessories thereof.

"(29) 'Possessions of the United States' means (a) Puerto Rico, notwithstanding the provisions of the act of March 2, 1917, entitled 'An Act to provide a civil government for Puerto Rico,' and any other Act or Acts which are inconsistent with the provisions of this Act; (b) the Canal Zone, but nothing herein shall impair or affect the jurisdiction which has heretofore been, or may hereafter be, granted to the President in respect of air navigation in the Canal Zone; (c) the Philippine Islands, except that the operation of civil aircraft within the jurisdiction of the Philippine Islands shall be governed by laws enacted by the legislature of the islands and by executive regulations designating air-space reservations or other prohibited areas; and (d) all other possessions of the United States.

"(30) 'Public aircraft' means an aircraft used exclusively in the service of any government or of any political subdivision thereof, including the government of any State, Territory, or possession of the United States, or the District of Columbia, but not including any Government-owned aircraft engaged in carrying persons or property for commercial purposes.

"(31) 'United States' means the several States, the District of Columbia, and the several Territories and possessions of the United States, including the Territorial waters and the overlying air space thereof.

"DECLARATION OF POLICY

"SEC. 2. In the exercise and performance of its powers and duties under this Act, the Authority shall consider the following, among other things, as being in the public interest, and in accordance with the public convenience and necessity—

"(a) The encouragement and development of an air-transportation system properly adapted to the present and future needs of the foreign and domestic commerce of the United States, of the Postal Service, and of the national defense;

"(b) The regulation of air transportation in such manner as to recognize and preserve the inherent advantages of, assure the highest degree of safety in, and foster sound economic conditions in, such transportation, and to improve the relations between, and coordinate transportation by, air carriers;

"(c) The promotion of adequate, economical, and efficient service by air carriers at reasonable charges, without unjust discriminations, undue preferences or advantages, or unfair or destructive competitive practices;

"(d) Competition to the extent necessary to assure the sound development of an air-transportation system properly adapted to the needs of the foreign and domestic commerce of the United States, of the Postal Service, and of the national defense;

"(e) The regulation of air commerce in such manner as to best promote its development and safety; and

"(f) The encouragement and development of civil aeronautics.

"PUBLIC RIGHT OF TRANSIT

"SEC. 3. There is hereby recognized and declared to exist in behalf of any citizen of the United States a public right of freedom of transit in air commerce through the navigable air space of the United States.

"TITLE II—ORGANIZATION OF AUTHORITY

"CREATION OF AUTHORITY

"Appointment of Members of Authority

"SEC. 201. (a) An agency is created and established to be known as the 'Civil Aeronautics Authority' which shall be composed of five members who shall be appointed by the President, by and with the advice and consent of the Senate, as soon as practicable after the passage of this Act, and who shall continue in office as designated by the President at the time of nomination through the last day of the second, third, fourth, fifth, and sixth calendar years, respectively, following the passage of this Act. The President shall designate annually one of the members of the Authority as chairman and one of the members as vice chairman who shall act as chairman in the absence or incapacity of the chairman. The successors of the members shall be appointed for terms of six years in the same manner as the members originally appointed under this Act, except that any person appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed only for the remainder of such term. The members of the Authority may be removed by the President for inefficiency, neglect of duty, or malfeasance in office. No more than three of the members shall be appointed from the same political party. Each member of the Authority shall receive a salary at the rate of $12,000 per annum.

"Administrator

"(b) There shall be in the Authority an Administrator who shall be appointed by the President by and with the advice and consent of the Senate, and who shall receive a salary at the rate of $12,000 per annum.

"Qualification of Members

"(c) The members of the Authority shall be appointed with due regard to their fitness for the efficient dispatch of the powers and duties vested in and imposed upon the Authority by this Act. Each member of the Authority, and the Administrator, shall be a citizen of the United States, and no member of the Authority, or the Administrator, shall have any pecuniary interest in or own any stock in or bonds of any civil aeronautics enterprise. No member of the Authority, or the Administrator, shall engage in any other business, vocation, or employment.

"Quorum, Principal Office, and Seal

"(d) Three of the members shall constitute a quorum of the Authority. The principal office of the Authority shall be in the District of Columbia where its general sessions shall be held, but whenever the convenience of the public or of the parties may be promoted, or delay or expense may be prevented, the Authority may hold hearings or other proceedings at any other place. The Authority shall have an official seal which shall be judicially noticed and which shall be preserved in the custody of the secretary of the Authority.

"ORGANIZATION OF AUTHORITY

"Officers and Employees

"SEC. 202. (a) The Authority shall, without regard to the civil-service laws, appoint and prescribe the duties of a secretary of the Authority and a secretary for each member, and, subject to such noncompetitive tests of fitness as the Civil Service Commission may prescribe, appoint and prescribe the duties of a general counsel, a director for each bureau, and such assistant directors and heads of divisions or sections as may be necessary. Subject to the provisions of the civil-service laws, the Authority shall employ such other officers and employees as it shall deem necessary in exercising and performing its powers and duties. The Administrator shall, without regard to the civil-service laws, appoint and prescribe the duties of a secretary, and, subject to the civil-service laws, appoint and prescribe the duties of such other officers and employees as he shall deem necessary in exercising and performing his powers and duties. The compensation of all officers and employees appointed by the Authority or by the Administrator under this subsection shall be fixed in accordance with the Classification Act of 1923, as amended.

"Temporary Personnel

"(b) The Authority, and the Administrator, may, from time to time, without regard to the provisions of the civil-service laws, engage for temporary service such duly qualified consulting engineers or agencies, or other qualified persons as are necessary in the exercise and performance of the powers and duties of each, and fix the compensation of such engineers, agencies, or persons without regard to the Classification Act of 1923, as amended, and the expenses of such employment shall be paid out of the appropriation for the administration of this Act.

"PERSONNEL, PROPERTY, AND APPROPRIATIONS

"Personnel and Property

"SEC. 203. (a) Such officers and employees of the Bureau of Air Mail of the Interstate Commerce Commission and of the Bureau of Air Commerce of the Department of Commerce, and such property

(including office equipment and official records), as the President shall determine to have been employed by the Secretary of Commerce in the exercise and performance of the powers and duties vested in and imposed upon him by the Air Commerce Act of 1926, as amended (44 Stat. 568; U. S. C., 1934 ed., title 49, sec. 171 et seq.), and by the Secretary of Commerce and the Interstate Commerce Commission in the exercise and performance of the powers and duties vested in and imposed upon them by the Air Mail Act of 1934, approved June 12, 1934, as amended (48 Stat. 933; U. S. C., 1934 ed., Supp. II, title 39, sec. 469 et seq.), are transferred to the Authority upon such date or dates as the President shall specify by Executive order: *Provided*, That the transfer of such personnel shall be without reduction in classification or compensation, except that this requirement shall not operate until after the end of the fiscal year during which such transfer is made to prevent the adjustment of classification or compensation to conform to the duties to which such transferred personnel may be assigned: *Provided further*, That such of the personnel so transferred as do not already possess a classified civil-service status shall not acquire such status by reason of such transfer except (1) upon recommendation of the Authority within 1 year after such personnel have been so transferred and certification within such period by the Authority to the Civil Service Commission that such personnel have served with merit for not less than 6 months prior to the transfer, and (2) upon passing such suitable noncompetitive examinations as the Civil Service Commission may prescribe: *And provided further*, That no officer or employee taking such examination shall be discharged or reduced in grade or compensation pending the results thereof, except for cause in the manner provided by law.

"Appropriations

"(b) Such of the unexpended balances of appropriations available for use by the Secretary of Commerce in the exercise and performance of the powers and duties vested in and imposed upon him by the Air Commerce Act of 1926, as amended, and by the Secretary of Commerce and the Interstate Commerce Commission in the exercise and performance of the powers and duties vested in and imposed upon them by the Air Mail Act of 1934, approved June 12, 1934, as amended, as the President shall deem necessary and specify by Executive order, are transferred to the Authority upon such date or dates as the President shall specify by Executive order, and shall be available for use in connection with the exercise and performance of the powers and duties vested in and imposed upon the Authority, the Administrator, and the Air Safety Board by this Act.

"AUTHORIZATION OF EXPENDITURES AND TRAVEL

"General Authority

"SEC. 204. (a) The Authority is empowered to make such expenditures at the seat of government and elsewhere as may be necessary for the exercise and performance of the powers and duties vested in and imposed upon the Authority, the Administrator, and the Air Safety Board by law, and as from time to time may be appropriated for by Congress, including expenditures for (1) rent and personal services at the seat of government and elsewhere; (2) travel expenses; (3) office furniture, equipment and supplies, lawbooks, newspapers, perodicals, and books of reference (including the exchange thereof); (4) printing and binding; (5) membership in and cooperation with such organizations as are related to, or are part of, the civil-aeronautics industry or the art of aeronautics in the United States or in any foreign country; (6) attendance at meetings and conventions when in the public interest; (7) making investigations and conducting studies in matters pertaining to aeronautics; and (8) acquisition (including exchange), operation, and maintenance of passenger-carrying automobiles and aircraft, and such other property as is necessary in the exercise and performance of the powers and duties of the Authority, the Administrator, and the Air Safety Board: *Provided*, That no aircraft or motor vehicle, purchased under the provisions of this section, shall be used otherwise than for official business. The Authority may include, among expenditures for travel, reasonable expenditures for transportation between airports and centers of population whether or not such transportation is incidental to travel by aircraft.

"Purchase of Aircraft

"(b) The Authority, within the limits of appropriations made available by Congress, may purchase and exchange modern aircraft, completely equipped in such manner that such aircraft can be used in testing and checking every phase of flight operation; and may purchase and exchange for the use of the Administrator and the Air Safety Board modern aircraft similar to aircraft used or suitable for use in air transportation, completely equipped in such manner that they can be used in testing and checking every phase of flight operation encountered in air transportation. The Authority is authorized to obtain necessary space, facilities, and personnel for the storage, maintenance, operation, and navigation of such aircraft.

"Travel

"(c) Travel by personnel of the United States Government on commercial aircraft, domestic or foreign, including travel between airports and centers of population or posts of duty when incidental to travel on commercial aircraft, shall be allowed at public expense when authorized or approved by competent authority, and transportation requests for such travel may be issued upon such authorizations. Such expense shall be allowed without regard to comparative costs of transportation by aircraft with other modes of transportation.

"GENERAL POWERS AND DUTIES OF THE AUTHORITY

"General Powers

"SEC. 205. (a) The Authority is empowered to perform such acts, to conduct such investigations, to issue and amend such orders, and to make and amend such general or special rules, regulations, and procedure, pursuant to and consistent with the provisions of this Act, as it shall deem necessary to carry out such provisions and to exercise and perform its powers and duties under this Act.

"Cooperation With State Aeronautical Agencies

"(b) The Authority is empowered to confer with or to hold joint hearings with any State aeronautical agency, or other State agency, in connection with any matter arising under this Act, and to avail itself of the cooperation, services, records, and facilities of such State agencies as fully as may be practicable in the administration and enforcement of this Act.

"Exchange of Information

"(c) The Authority is empowered to exchange with foreign governments, through appropriate agencies of the United States, information pertaining to aeronautics.

"Publications

"(d) Except as may be otherwise provided in this Act, the Authority shall make a report in writing in all proceedings and investigations under this Act in which formal hearings have been held, and shall state in such report its conclusions together with its decision, order, or requirement in the premises. All such reports shall be entered of record and a copy thereof shall be furnished to all parties to the proceeding or investigation. The Authority shall provide for the publication of such reports, and all other reports, orders, decisions, rules, and regulations issued by it under this Act in such form and manner as may be best adapted for public information and use. Publications purporting to be published by the Authority shall be competent evidence of the orders, decisions, rules, regulations, and reports of the Authority therein contained in all courts of the United States, and of the several States, Territories, and possessions thereof, and the District of Columbia, without further proof or authentication thereof.

"ANNUAL REPORT

"SEC. 206. The Authority shall make an annual report to the Congress, copies of which shall be distributed as are other reports transmitted to Congress. Such report shall contain in addition to a report of the work performed under this Act, such information and data collected by the Authority, the Administrator, and the Air Safety Board as may be considered of value in the determination of questions connected with the development and regulation of civil aeronautics, together with such recommendations as to additional legislation relating thereto as the Authority may deem necessary. The Authority may also transmit recommendations as to such additional legislation more frequently.

"TITLE III—POWERS AND DUTIES OF ADMINISTRATOR

"FOSTERING OF AIR COMMERCE

"SEC. 301. The Administrator is empowered and directed to encourage and foster the development of civil aeronautics and air commerce in the United States, and abroad, and to encourage the establishment of civil airways, landing areas, and other air navigation facilities. The Administrator and the Air Safety Board shall cooperate with the Authority in the administration and enforcement of this Act.

"CIVIL AIRWAYS AND FACILITIES

"General

"SEC. 302. (a) The Administrator is empowered to designate and establish civil airways and, within the limits of available appropriations made by the Congress, (1) to acquire, establish, operate, and maintain along such airways all necessary air navigation facilities; (2) to chart such airways and arrange for the publication of maps of such airways, utilizing the facilities and assistance of existing agencies of the Government so far as practicable; (3) to acquire, establish, operate, and maintain, in whole or in part, air navigation facilities at and upon any municipally owned or other landing area approved for such installation, operation, or maintenance by the Administrator; and (4) to provide necessary facilities and personnel for the regulation and protection of air traffic moving in air commerce: *Provided*, That the Administrator shall not acquire any airport by purchase or condemnation. The Administrator is empowered to approve the establishment of such civil airways, not designated or established by the Administrator, as may be required in the interest of the public. No exclusive rights shall be granted for the use of any civil airway, landing area, or other air navigation facility.

"Method of Establishment

"(b) The Administrator shall insofar as practicable designate and establish civil airways with relation to visual, mechanical, electrical, radio, or other like aids along the ground for air navigation, and in such manner that not more than one airway shall embrace the same air space, except to the extent necessary for intersection of airways at landing areas or elsewhere, or except when such action is necessary in the interest of safety or efficient operation of aircraft, or when the operation of aircraft over one airway will not interfere with the operation of aircraft over another airway embracing the same air space: *Provided*, That nothing herein shall be construed to affect the promulgation or enforcement of any rules and regulations under this act for the control of traffic.

"Airport Survey

"(c) The Authority shall, through the Administrator, make a field survey of the existing system of airports and shall present to the Congress not later than February 1, 1939, definite recommendations (1) as to whether the Federal Government should participate in the construction, improvement, development, operation, or maintenance of a national system of airports, and (2) if Federal participation is recommended, the extent to which, and the manner in which, the Federal Government shall so participate.

"EXPENDITURE OF FEDERAL FUNDS

"SEC. 303. No Federal funds, other than those expended under this Act, shall be expended, other than for military purposes (whether or not in cooperation with State or other local governmental agencies), for the acquisition, establishment, construction, alteration, repair, maintenance, or operation of any landing area, or for the acquisition, establishment, construction, maintenance, or operation of air navigation facilities thereon, except upon written recommendation and certification by the Administrator, made after consultation with the Authority, that such landing area, or facility is reasonably necessary for use in air commerce or in the interests of national defense. Any interested person may apply to the Administrator, under regulations prescribed by him, for such recommendation and certification with respect to any landing area or air navigation facility proposed to be established, constructed, altered, repaired, maintained, or operated by, or in the interests of, such person. There shall be no exclusive right for the use of any landing area or air navigation facility upon which Federal funds have been expended.

"METEOROLOGICAL SERVICE

"SEC. 304. The Administrator is empowered and directed to make recommendations to the Secretary of Agriculture for providing meteorological service necessary for the safe and efficient movement of aircraft in air commerce.

"DEVELOPMENT OF FACILITIES

"SEC. 305. The Administrator is empowered to undertake or supervise such developmental work and service testing as tends to the creation of improved air navigation facilities, aircraft, aircraft engines, propellers, and appliances. For such purpose, the Administrator is empowered, subject to the approval of the Authority, to make purchases (including exchange) by negotiation or otherwise of experimental aircraft, aircraft engines, propellers, appliances, air navigation facilities, and radio apparatus, which seem to offer special advantage to aeronautics.

"COLLECTION AND DISSEMINATION OF INFORMATION

"SEC. 306. The Administrator is empowered and directed to collect and disseminate information relative to civil aeronautics (other than information collected and disseminated by the Authority under titles IV and VI of this Act and by the Air Safety Board); to study the possibilities of the development of air commerce and the aeronautical industry; and to exchange with foreign governments, through appropriate governmental channels, information pertaining to civil aeronautics.

"DEVELOPMENT PLANNING

"SEC. 307. The Administrator is empowered and directed to make plans for such orderly development and location of landing areas, airways, and all other aids and facilities for air navigation, as will best meet the needs of, and serve the interests of safety in, civil aeronautics.

"OTHER DUTIES OF ADMINISTRATOR

"SEC. 308. The Administrator shall exercise and perform the powers and duties vested in and imposed upon him by this Act, and such powers and duties vested in and imposed upon the Authority by this Act (except the powers under sections 202, 203, 204, and 206, and the powers and duties under titles IV and VI) as may, from time to time, be assigned to him by the Authority, and shall so exercise and perform his powers and duties as best to effectuate the policies declared in, and the purposes of, this Act. The Authority may request the administrator to make reoprts to it of his work under this Act.

"TITLE IV—AIR CARRIER ECONOMIC REGULATION

"CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

"Certificate Required

"SEC. 401. (a) No air carrier shall engage in any air transportation unless there is in force a certificate issued by the Authority authorizing such air carrier to engage in such transportation: *Provided*, That if an air carrier is engaged in such transportation on the date of the enactment of this Act, such air carrier may continue so to engage between the same terminal and intermediate points for one hundred and twenty days after said date, and thereafter until such time as the Authority shall pass upon an application for a certificate for such transportation if within said one hundred and twenty days such air carrier files such application as provided herein.

"Application for Certificate

"(b) Application for a certificate shall be made in writing to the Authority and shall be so verified, shall be in such form and contain such information, and shall be accompanied by such proof of service upon such interested persons, as the Authority shall by regulation require.

"Notice of Application

"(c) Upon the filing of any such application, the Authority shall give due notice thereof to the public by posting a notice of such application in the office of the secretary of the Authority and to such other persons as the Authority may by regulation determine. Any interested person may file with the Authority a protest or memorandum of opposition to or in support of the issuance of a certificate. Such application shall be set for public hearing, and the Authority shall dispose of such application as speedily as possible.

"Issuance of Certificate

"(d) (1) The Authority shall issue a certificate authorizing the whole or any part of the transportation covered by the application, if it finds that the applicant is fit, willing, and able to perform such transportation properly, and to conform to the provisions of this Act and the rules, regulations, and requirements of the Authority hereunder, and that such transportation is required by the public convenience and necessity; otherwise such application shall be denied.

"(2) In the case of an application for a certificate to engage in temporary air transportation, the Authority may issue a certificate authorizing the whole or any part thereof for such limited periods as may be required by the public convenience and necessity, if it finds that the applicant is fit, willing, and able properly to perform such transportation and to conform to the provisions of this Act and the rules, regulations, and requirements of the Authority hereunder.

"Existing Air Carriers

"(e) (1) If any applicant who makes application for a certificate within one hundred and twenty days after the date of enactment of this Act shall show that, from May 14, 1938, until the effective date of this section, it, or its predecessor in interest, was an air carrier, continuously operating as such (except as to interruptions of service over which the applicant or its predecessor in interest had no control), the Authority, upon proof of such fact only, shall, unless the service rendered by such applicant for such period was inadequate and inefficient, issue a certificate or certificates, authorizing such applicant to engage in air transportation (A) with respect to all classes of traffic for which authorization is sought, except mail, between the terminal and intermediate points between which it, or its predecessor, so continuously operated between May 18, 1938, and the effective date of this section, and (B) with respect to mail and all other classes of traffic for which authorization is sought, between the terminal and intermediate points between which the applicant or its predecessor was authorized by the Postmaster General prior to the effective date of this section, to engage in the transportation of mail: *Provided*, That no applicant holding an air-mail contract shall receive a certificate authorizing it to serve any point not named in such contract as awarded to it and not served by it prior to April 1, 1938, if any other air carrier competitively serving the same point under authority of a contract as awarded to such air carrier shall prove that it is adversely affected thereby, and if the Authority shall also find that transportation by the applicant to and from such point is not required by the public convenience and necessity.

"(2) If paragraph (1) of this subsection does not authorize the issuance of a certificate authorizing the transportation of mail between each of the points between which air-mail service was provided for by the Act of Congress making appropriations for the Treasury Department and the Post Office Department, approved March 28, 1938, the Authority shall, notwithstanding any other provision of this Act, issue certificates authorizing the transportation of mail, and all other classes of traffic for which authorization is sought, between such points, namely, (A) from Wichita, Kansas, to Pueblo, Colorado, via intermediate cities; (B) from Bismarck, North Dakota, to Minot, North Dakota; (C) from Detroit, Michigan, to Sault Sainte Marie, Michigan, via intermediate cities; (D) from Brownsville, Texas, via Corpus Christi, to Houston to San Antonio, Texas; (E) from Phoenix, Arizona, to Las Vegas, Nevada, via intermediate cities; (F) from Jacksonville, Florida, to New Orleans, Louisiana, via intermediate cities; (G) from Tampa, Florida, to Memphis, Tennessee, via intermediate cities, and from Tampa, Florida, to Atlanta, Georgia, via intermediate cities (which projects have been advertised); and (H) by extension from Yakima, Washington, to Portland, Oregon; and (I) by extension from Grand Rapids, Michigan, to Chicago, Illinois.

"Terms and Conditions of Certificate

"(f) Each certificate issued under this section shall specify the terminal points and intermediate points, if any, between which the air carrier is authorized to engage in air transportation and the service to be rendered; and there shall be attached to the exercise of the privileges granted by the certificate, or amendment thereto, such reasonable terms, conditions, and limitations as the public interest may require. A certificate issued under this section to engage in foreign air transportation shall, insofar as the operation is to take place without the United States, designate the terminal and intermediate points only insofar as the Authority shall deem practicable, and otherwise shall designate only the general route or routes to be followed. Any air carrier holding a certificate for foreign air transportation shall be authorized to handle and transport mail of countries other than the United States. No term, condition, or limitation of a certificate shall restrict the right of an air carrier to add

to or change schedules, equipment, accommodations, and facilities for performing the authorized transportation and service as the development of the business and the demands of the public shall require. No air carrier shall be deemed to have violated any term, condition, or limitation of its certificate by landing or taking off during an emergency at a point not named in its certificate or by operating in an emergency, under regulations which may be prescribed by the Authority, between terminal and intermediate points other than those specified in its certificate. Any air carrier may make charter trips or perform any other special service, without regard to the points named in its certificate, under regulations prescribed by the Authority.

"Effective Date and Duration of Certificate

"(g) Each certificate shall be effective from the date specified therein, and shall continue in effect until suspended or revoked as hereinafter provided, or until the Authority shall certify that operation thereunder has ceased, or, if issued for a limited period of time under subsection (d) (2) of this section, shall continue in effect until the expiration thereof, unless, prior to the date of expiration, such certificate shall be suspended or revoked as provided herein, or the Authority shall certify that operations thereunder have ceased: *Provided*, That if any service authorized by a certificate is not inaugurated within such period, not less than ninety days, after the date of the authorization as shall be fixed by the Authority, or if, for a period of ninety days or such other period as may be designated by the Authority, any such service is not operated, the Authority may by order, entered after notice and hearing, direct that such certificate shall thereupon cease to be effective to the extent of such service.

"Authority to Modify, Suspend, or Revoke

"(h) The Authority, upon petition or complaint or upon its own initiative, after notice and hearing, may alter, amend, modify, or suspend any such certificate, in whole or in part, if the public convenience and necessity so require, or may revoke any such certificate, in whole or in part, for intentional failure to comply with any provision of this title or any order, rule, or regulation issued hereunder or any term, condition, or limitation of such certificate: *Provided*, That no such certificate shall be revoked unless the holder thereof fails to comply, within a reasonable time to be fixed by the Authority, with an order of the Authority commanding obedience to the provision, or to the order (other than an order issued in accordance with this proviso), rule, regulation, term, condition, or limitation found by the Authority to have been violated. Any interested person may file with the Authority a protest or memorandum in support of or in opposition to the alteration, amendment, modification, suspension, or revocation of a certificate.

"Transfer of Certificate

"(i) No certificate may be transferred unless such transfer is approved by the Authority as being consistent with the public interest.

"Certain Rights Not Conferred by Certificate

"(j) No certificate shall confer any proprietary, property, or exclusive right in the use of any air space, civil airway, landing area, or air-navigation facility.

"Application for Abandonment

"(k) No air carrier shall abandon any route, or part thereof, for which a certificate has been issued by the Authority, unless, upon the application of such air carrier, after notice and hearing, the Authority shall find such abandonment to be in the public interest. Any interested person may file with the Authority a protest or memorandum of opposition to or in support of any such abandonment. The Authority may, by regulations or otherwise, authorize such temporary suspension of service as may be in the public interest.

"Compliance With Labor Legislation

"(l) (1) Every air carrier shall maintain rates of compensation, maximum hours, and other working conditions and relations of all of its pilots and copilots who are engaged in interstate air transportation within the continental United States (not including Alaska) so as to conform with decision numbered 83 made by the National Labor Board on May 10, 1934, notwithstanding any limitation therein as to the period of its effectiveness.

"(2) Every air carrier shall maintain rates of compensation for all of its pilots and copilots who are engaged in overseas or foreign air transportation or air transportation wholly within a Territory or possession of the United States, the minimum of which shall be not less, upon an annual basis, than the compensation required to be paid under said decision 83 for comparable service to pilots and copilots engaged in interstate air transportation within the continental United States (not including Alaska).

"(3) Nothing herein contained shall be construed as restricting the right of any such pilots or copilots, or other employees, of any such air carrier to obtain by collective bargaining higher rates of compensation or more favorable working conditions or relations.

"(4) It shall be a condition upon the holding of a certificate by any air carrier that such carrier shall comply with title II of the Railway Labor Act, as amended.

"(5) The term "pilot" as used in this subsection shall mean an employee who is responsible for the manipulation of or who manipulates the flight controls of an aircraft while under way including take-off and landing of such aircraft, and the term "copilot" as used in this subsection shall mean an employee any part of whose duty is to assist or relieve the pilot in such manipulation, and who is properly qualified to serve as, and holds a currently effective airman certificate authorizing him to serve as, such pilot or copilot.

"Requirement as to Carriage of Mail

"(m) Whenever so authorized by its certificate, any air carrier shall provide necessary and adequate facilities and service for the transportation of mail, and shall transport mail whenever required by the Postmaster General. Such air carrier shall be entitled to receive reasonable compensation therefor as hereinafter provided.

"Application for New Mail Service

"(n) Whenever, from time to time, the Postmaster General shall find that the needs of the Postal Service require the transportation of mail by aircraft between any points within the United States or between the United States and foreign countries, in addition to the transportation of mail authorized in certificates then currently effective, the Postmaster General shall certify such finding to the Authority and file therewith a statement showing such additional service and the facilities necessary in connection therewith, and a copy of such certification and statement shall be posted for at least twenty days in the office of the secretary of the Authority. The Authority shall, after notice and hearing, and if found by it to be required by the public convenience and necessity, make provision for such additional service, and the facilities necessary in connection therewith, by issuing a new certificate or certificates or by amending an existing certificate or certificates in accordance with the provisions of this section.

"PERMITS TO FOREIGN AIR CARRIERS

"Permit Required

"SEC. 402. (a) No foreign air carrier shall engage in foreign air transportation unless there is in force a permit issued by the Authority authorizing such carrier so to engage: *Provided*, That if any foreign air carrier is engaged in such transportation on the date of the enactment of this Act, such carrier may continue so to engage between the same terminal and intermediate points for one hundred and twenty days after said date, and thereafter until such time as the Authority shall pass upon an application for a permit for such transportation if within said one hundred and twenty days such carrier files such application as provided in this section.

"Issuance of Permit

"(b) The Authority is empowered to issue such a permit if it finds that such carrier is fit, willing, and able properly to perform such air transportation and to conform to the provisions of this Act and the rules, regulations, and requirements of the Authority hereunder, and that such transportation will be in the public interest.

"Existing Permits

"(c) Any such carrier who holds a permit issued by the Secretary of Commerce under section 6 of the Air Commerce Act of 1926, as amended, which was in effect on May 14, 1938, and which authorizes such carrier to operate between any foreign country and the United States, shall be entitled to receive a permit under this section upon proof of that fact only.

"Application for Permit

"(d) Application for a permit shall be made in writing to the Authority, shall be so verified, shall be in such form and contain such information, and shall be accompanied by such proof of service upon such interested persons, as the Authority shall by regulation require.

"Notice of Application

"(e) Upon the filing of an application for a permit the Authority shall give due notice thereof to the public by posting a notice of such application in the office of the secretary of the Authority and to such other persons as the Authority may by regulation determine. Any interested person may file with the Authority a protest or memorandum of opposition to or in support of the issuance of a permit. Such application shall be set for public hearing and the Authority shall dispose of such applications as speedily as possible.

"Terms and Conditions of Permit

"(f) The Authority may prescribe the duration of any permit and may attach to such permit such reasonable terms, conditions, or limitations as, in its judgment, the public interest may require.

"Authority to Modify, Suspend, or Revoke

"(g) Any permit issued under the provisions of this section may, after notice and hearing, be altered, modified, amended, suspended, canceled, or revoked by the Authority whenever it finds such action to be in the public interest. Any interested person may file with the Authority a protest or memorandum in support of or in opposition to the alteration, modification, amendment, suspension, cancelation, or revocation of a permit.

"Transfer of Permit

"(h) No permit may be transferred unless such transfer is approved by the Authority as being in the public interest.

"TARIFFS OF AIR CARRIERS

"Filing of Tariffs Required

"SEC. 403. (a) Every air carrier and every foreign air carrier shall file with the Authority, and print, and keep open to public inspection, tariffs showing all rates, fares, and charges for air transportation between points served by it, and between points served

by it and points served by any other air carrier or foreign air carrier when through service and through rates shall have been established, and showing to the extent required by regulations of the Authority, all classifications, rules, regulations, practices, and services in connection with such air transportation. Tariffs shall be filed, posted, and published in such form and manner, and shall contain such information, as the Authority shall by regulation prescribe; and the Authority is empowered to reject any tariff so filed which is not consistent with this section and such regulations. Any tariff so rejected shall be void. The rates, fares, and charges shown in any tariff shall be stated in terms of lawful money of the United States, but such tariffs may also state rates, fares, and charges in terms of currencies other than lawful money of the United States, and may, in the case of foreign air transportation, contain such information as may be required under the laws of any country in or to which an air carrier or foreign air carrier is authorized to operate.

"Observance of Tariffs; Rebating Prohibited

"(b) No air carrier or foreign air carrier shall charge or demand or collect or receive a greater or less or different compensation for air transportation, or for any service in connection therewith, than the rates, fares, and charges specified in its currently effective tariffs; and no air carrier or foreign air carrier shall, in any manner or by any device, directly or indirectly, or through any agent or broker, or otherwise, refund or remit any portion of the rates, fares, or charges so specified, or extend to any person any privileges or facilities, with respect to matters required by the Authority to be specified in such tariffs, except those specified therein. Nothing in this Act shall prohibit such air carriers or foreign air carriers, under such terms and conditions as the Authority may prescribe, from issuing or interchanging tickets or passes for free or reduced-rate transportation to their directors, officers, and employees and their immediate families; witnesses and attorneys attending any legal investigation in which any such air carrier is interested; persons injured in aircraft accidents and physicians and nurses attending such persons; and any person or property with the object of providing relief in cases of general epidemic, pestilence, or other calamitous visitation; and, in the case of overseas or foreign air transportation, to such other persons and under such other circumstances as the Authority may by regulations prescribe.

"Notice of Tariff Change

"(c) No change shall be made in any rate, fare, or charge, or any classification, rule, regulation, or practice affecting such rate, fare, or charge, or the value of the service thereunder, specified in any effective tariff of any air carrier or foreign air carrier, except after thirty days' notice of the proposed change filed, posted, and published in accordance with subsection (a) of this section. Such notice shall plainly state the change proposed to be made and the time such change will take effect. The Authority may in the public interest, by regulation or otherwise, allow such change upon notice less than that herein specified, or modify the requirements of this section with respect to filing and posting of tariffs, either in particular instances or by general order applicable to special or peculiar circumstances or conditions.

"Filing of Divisions of Rates and Charges Required

"(d) Every air carrier or foreign air carrier shall keep currently on file with the Authority, if the Authority so requires, the established divisions of all joint rates, fares, and charges for air transportation in which such air carrier or foreign air carrier participates.

"RATES FOR CARRIAGE OF PERSONS AND PROPERTY

"Carrier's Duty to Provide Service, Rates, and Divisions

"SEC. 404. (a) It shall be the duty of every air carrier to provide and furnish interstate and overseas air transportation, as authorized by its certificate, upon reasonable request therefor and to provide reasonable through service in such air transportation in connection with other air carriers; to provide safe and adequate service, equipment, and facilities in connection with such transportation; to establish, observe, and enforce just and reasonable individual and joint rates, fares, and charges, and just and reasonable classifications, rules, regulations, and practices relating to such air transportation; and, in case of such joint rates, fares, and charges, to establish just, reasonable, and equitable divisions thereof as between air carriers participating therein which shall not unduly prefer or prejudice any of such participating air carriers.

"Discrimination

"(b) No air carrier or foreign air carrier shall make, give, or cause any undue or unreasonable preference or advantage to any particular person, port, locality, or description of traffic in air transportation in any respect whatsoever or subject any particular person, port, locality, or description of traffic in air transportation to any unjust discrimination or any undue or unreasonable prejudice or disadvantage in any respect whatsoever.

"Foreign Rate Study

"(c) The Authority is empowered and directed to investigate and report to the Congress within one year from the effective date of this section, to what extent, if any, the Federal Government should further regulate the rates, fares, and charges of air carriers engaged in foreign air transportation, and the classifications, rules, regulations, and practices affecting such rates, fares, or charges.

"TRANSPORTATION OF MAIL

"Continuation and Termination of Mail Contracts

"SEC. 405. (a) Each contract between the United States and any person for the carriage of mail, entered into or continued under the provisions of the Air Mail Act of 1934, as amended, and each contract for the carriage of mail by aircraft in Alaska, shall be continued in effect until canceled in accordance with this subsection. Each such contract shall be canceled upon the issuance to the holder of such contract of a certificate of public convenience and necessity authorizing the transportation of mail by aircraft between the points covered by such contract, or upon the failure of the holder of such contract to apply for such certificate within one hundred and twenty days after the date of enactment of this Act, or upon a determination by the Authority that such certificate should not be issued. Until the Authority fixes rates under section 406 of this Act, the Postmaster General shall pay compensation for the transportation of mail by aircraft at the rates provided by each such contract or, where rates have been heretofore or shall hereafter be fixed by orders of the Interstate Commerce Commission, pursuant to proceedings instituted prior to the date of enactment of this Act, shall pay compensation for such transportation in accordance with such orders as if this Act had not been enacted.

"Continuation and Termination of Foreign Mail Contracts

"(b) Each contract between the United States and any person heretofore entered into under the provisions of the Act of March 8, 1928, as amended (45 Stat. 248), shall be continued in effect until canceled in accordance with this subsection. Each such contract shall be canceled upon the issuance of a certificate of public convenience and necessity to the holder of such contract authorizing the transportation of mail by aircraft between the points covered by such contract, or upon the effective date of any order of the Authority hereunder fixing a fair and reasonable rate of compensation for the transportation of mail by aircraft between the points covered by such contract, whichever is later, or upon the failure of the holder of such contract to apply for such certificate within one hundred and twenty days after the date of enactment of this Act, or upon a determination by the Authority that such certificate should not be issued.

"Termination of Bonds

"(c) Upon the cancelation, pursuant to the provisions of this Act, of any contract for the transportation of mail by aircraft, the bond or bonds required from the holder thereof shall terminate and cease to be effective, and such holder and his or its surety or sureties thereon shall be released and discharged from all obligations thereunder, and all securities deposited with such bond or bonds shall forthwith be returned to such holder: *Provided*, That the foregoing provision shall not be construed to terminate or make ineffective any bond or bonds of such holder, or to release or discharge from any obligation thereunder such holder or his or its surety or sureties thereon, in respect of any matter arising prior to the date of the cancelation of such contract, and such holder or his or its surety or sureties thereon shall not be released or discharged prior to disposition of any such matter: *Provided further*, That nothing in this Act shall be construed to affect any right which may have accrued to any air carrier prior to the date of the cancelation, pursuant to the provisions of this Act, of any contract for the transportation of mail by aircraft.

"Rules and Regulations

"(d) The Postmaster General is authorized to make such rules and regulations, not inconsistent with the provisions of this Act, or any order, rule, or regulation made by the Authority thereunder, as may be necessary for the safe and expeditious carriage of mail by aircraft.

"Mail Schedules

"(e) Each air carrier shall, from time to time, file with the Authority and the Postmaster General a statement showing the points between which such air carrier is authorized to engage in air transportation, and all schedules, and all changes therein, of aircraft regularly operated by the carrier between such points, setting forth in respect of each such schedule the points served thereby and the time of arrival and departure at each such point. The Postmaster General may designate any such schedule for the transportation of mail between the points between which the air carrier is authorized by its certificate to transport mail, and may, by order, require the air carrier to establish additional schedules for the transportation of mail between such points. No change shall be made in any schedules designated or ordered to be established by the Postmaster General except upon ten days' notice thereof filed as herein provided. The Postmaster General may by order disapprove any such change or alter, amend, or modify any such schedule or change. No order of the Postmaster General under this subsection shall become effective until ten days after its issuance. Any person who would be aggrieved by any such order of the Postmaster General under this subsection may, before the expiration of such ten-day period, apply to the Authority, under such regulations as it may prescribe, for a review of such order. The Authority may review, and, if the public convenience and necessity so require, amend, revise, suspend, or cancel such order; and, pending such review and the determination thereof, may postpone the effective date of such order. The Authority shall give preference to proceedings under this subsection over all proceedings pending before it. No air carrier

shall transport mail in accordance with any schedule other than a schedule designated or ordered to be established under this subsection for the transportation of mail.

"Maximum Mail Load

"(f) The Authority may fix the maximum mail load for any schedule or for any aircraft or any type of aircraft; but, in the event that mail in excess of the maximum load is tendered by the Postmaster General for transportation by any air carrier in accordance with any schedule designated or ordered to be established by the Postmaster General under subsection (e) of this section for the transportation of mail, such air carrier shall, to the extent such air carrier is reasonably able as determined by the Authority, furnish facilities sufficient to transport, and shall transport, such mail as nearly in accordance with such schedule as the Authority shall determine to be possible.

"Tender of Mail

"(g) From and after the issuance of any certificate authorizing the transportation of mail by aircraft, the Postmaster General shall tender mail to the holder thereof, to the extent required by the Postal Service, for transportation between the points named in such certificate for the transportation of mail, and such mail shall be transported by the air carrier holding such certificate in accordance with such rules, regulations, and requirements as may be promulgated by the Postmaster General under this section.

"Foreign Postal Arrangements

"(h) (1) Nothing in this Act shall be deemed to abrogate or affect any arrangement made by the United States with the postal administration of any foreign country with respect to transportation of mail by aircraft, or to impair the authority of the Postmaster General to enter into any such arrangement with the postal administration of any foreign country.

"(2) The Postmaster General may, in any case where service may be necessary by a person not a citizen of the United States who may not be obligated to transport the mail for a foreign country, make arrangements, without advertising, with such person for transporting mail by aircraft to or within any foreign country.

"Transportation of Foreign Mail

"(i) (1) Any air carrier holding a certificate to engage in foreign air transportation and transporting mails of foreign countries shall transport such mails subject to control and regulation by the United States. The Postmaster General shall from time to time fix the rates of compensation that shall be charged the respective foreign countries for the transportation of their mails by such air carriers, and such rates shall be put into effect by the Postmaster General in accordance with the provisions of the postal convention regulating the postal relations between the United States and the respective foreign countries, or as provided hereinafter in this subsection. In any case where the Postmaster General deems such action to be in the public interest, he may approve rates provided in arrangements between any such air carrier and any foreign country covering the transportation of mails of such country, under which mails of such country have been carried on scheduled operations prior to January 1, 1938, or in extensions or modifications of such arrangements, and may permit any such air carrier to enter into arrangements with any foreign country for the transportation of its mails at rates fixed by the Postmaster General in advance of the making of any such arrangement. The Postmaster General may authorize any such air carrier, under such limitations as the Postmaster General may prescribe, to change the rates to be charged any foreign country for the transportation of its mails by such air carrier within that country or between that country and another foreign country.

"(2) In any case where such air carrier has an arrangement with any foreign country for transporting its mails, made or approved in accordance with the provisions of subdivision (1) of this subsection, it shall collect its compensation from the foreign country under its arrangement, and in case of the absence of any arrangement between the air carrier and the foreign country consistent with this subsection, the collections made from the foreign country by the United States shall be for the account of such air carrier: *Provided*, That no such air carrier shall be entitled to receive compensation both from such foreign country and from the United States in respect of the transportation of the same mail or the same mails of foreign countries.

"(3) In the case of any air carrier holding a contract under the provisions of the Act of March 8, 1928, as amended (45 Stat. 248), providing for the carriage of mails of foreign countries for the account of the United States, this subsection shall apply only upon the cancelation of such contract as provided in this section.

"Evidence of Performance of Mail Service

"(j) Air carriers transporting or handling United States mail shall submit, under oath, when and in such form as may be required by the Postmaster General, evidence of the performance of mail service; and air carriers transporting or handling mails of foreign countries shall submit, under oath, when and in such form as may be required by the Postmaster General, evidence of the amount of such mails transported or handled, and the compensation payable and received therefor.

"Emergency Mail Service

"(k) In the event of emergency caused by flood, fire, or other calamitous visitation, the Postmaster General is authorized to contract, without advertising, for the transportation by aircraft of any or all classes of mail to or from localities affected by such calamity, where available facilities of persons authorized to transport mail to or from such localities are inadequate to meet the requirements of the Postal Service during such emergency. Such contracts may be only for such periods as may be necessitated, for the maintenance of mail service, by the inadequacy of such other facilities. No operation pursuant to any such contract, for such period, shall be air transportation within the purview of this Act. Payment of compensation for service performed under such contracts shall be made, at rates provided in such contracts, from appropriations for the transportation of mail by the means normally used for transporting the mail transported under such contracts.

"Experimental Air-Mail Service

"(l) Nothing contained in this Act shall be construed to repeal in whole or in part the provisions of sections 1, 2, and 6 of the Act entitled 'An Act to provide for experimental air-mail service, to further develop safety, efficiency, economy, and for other purposes,' approved April 15, 1938 (Public, Numbered 486, Seventy-fifth Congress; chapter 157, third session). The transportation of mail under contracts entered into under such sections shall not, except for sections 401 (l) and 416 (b), be deemed to be 'air transportation' as used in this Act and the rates of compensation for such transportation of mail shall not be fixed under this Act. Such Act of April 15, 1938, is amended by striking out so much of the first section as reads 'the Secretary of Commerce shall prescribe in accordance with the authority vested in him under the Air Commerce Act of 1926, as amended' and inserting in lieu thereof the following: 'may be prescribed in accordance with the Civil Aeronautics Act of 1938.'

"Free Travel for Postal Employees

"(m) Every air carrier carrying the mails shall carry on any plane that it operates and without charge therefor, the persons in charge of the mails when on duty, and such duly accredited agents and officers of the Post Office Department, and post office inspectors, while traveling on official business relating to the transportation of mail by aircraft, as the Authority may by regulation prescribe, upon the exhibition of their credentials.

"RATES FOR TRANSPORTATION OF MAIL

"Authority to Fix Rates

"SEC. 406. (a) The Authority is empowered and directed, upon its own initiative or upon petition of the Postmaster General or an air carrier, (1) to fix and determine from time to time, after notice and hearing, the fair and reasonable rates of compensation for the transportation of mail by aircraft, the facilities used and useful therefor, and the services connected therewith (including the transportation of mail or by an air carrier by other means than aircraft whenever such transportation is incidental to the transportation of mail by aircraft or is made necessary by conditions of emergency arising from aircraft operation), by each holder of a certificate authorizing the transportation of mail by aircraft, and to make such rates effective from such date as it shall determine to be proper; (2) to prescribe the method or methods, by aircraft-mile, pound-mile, weight, space, or any combination thereof, or otherwise, for ascertaining such rates of compensation for each air carrier or class of air carriers; and (3) to publish the same; and the rates so fixed and determined shall be paid by the Postmaster General from appropriations for the transportation of mail by aircraft.

"Rate-Making Elements

"(b) In fixing and determining fair and reasonable rates of compensation under this section, the Authority, considering the conditions peculiar to transportation by aircraft and to the particular air carrier or class of air carriers, may fix different rates for different air carriers or classes of air carriers, and different classes of service. In determining the rate in each case, the Authority shall take into consideration, among other factors, the condition that such air carriers may hold and operate under certificates authorizing the carriage of mail only by providing necessary and adequate facilities and service for the transportation of mail; such standards respecting the character and quality of service to be rendered by air carriers as may be prescribed by or pursuant to law; and the need of each such air carrier for compensation for the transportation of mail sufficient to insure the performance of such service, and, together with all other revenue of the air carrier, to enable such air carrier under honest, economical, and efficient management, to maintain and continue the development of air transportation to the extent and of the character and quality required for the commerce of the United States, the Postal Service, and the national defense.

"Statement of Postmaster General and Carrier

"(c) Any petition for the fixing of fair and reasonable rates of compensation under this section shall include a statement of the rate the petitioner believes to be fair and reasonable. The Postmaster General shall introduce as part of the record in all proceedings under this section a comprehensive statement of all service to be required of the air carrier and such other information in his possession as may be deemed by the Authority to be material to the inquiry.

"Weighing of Mail

"(d) The Postmaster General may weigh the mail transported by aircraft and make such computations for statistical and

administrative purposes as may be required in the interest of the mail service. The Postmaster General is authorized to employ such clerical and other assistance as may be required in connection with proceedings under this Act. If the Authority shall determine that it is necessary or advisable, in order to carry out the provisions of this Act, to have additional and more frequent weighing of the mails, the Postmaster General, upon request of the Authority, shall provide therefor in like manner, but such weighing need not be for continuous periods of more than thirty days.

"Availability of Appropriations

"(e) Except as otherwise provided in section 405 (k), the unexpended balances of all appropriations for the transportation of mail by aircraft pursuant to contracts entered into under the Air Mail Act of 1934, as amended, and the unexpended balances of all appropriations available for the transportation of mail by aircraft in Alaska, shall be available, in addition to the purposes stated in such appropriations, for the payment of compensation by the Postmaster General, as provided in this Act, for the transportation of mail by aircraft, the facilities used and useful therefor, and the services connected therewith, between points in the continental United States or between points in Hawaii or in Alaska or between points in the continental United States and points in Canada within one hundred and fifty miles of the international boundary line. Except as otherwise provided in section 405 (k), the unexpended balances of all appropriations for the transportation of mail by aircraft pursuant to contracts entered into under the Act of March 8, 1928, as amended, shall be available, in addition to the purposes stated in such appropriations, for payment to be made by the Postmaster General, as provided by this Act, in respect of the transportation of mail by aircraft, the facilities used and useful therefor, and the services connected therewith, between points in the United States and points outside thereof, or between points in the continental United States and Territories or possessions of the United States, or between Territories or possessions of the United States.

"Payments to Foreign Air Carriers

"(f) In any case where air transportation is performed between the United States and any foreign country, both by aircraft owned or operated by one or more air carriers holding a certificate under this title and by aircraft owned or operated by one or more foreign air carriers, the Postmaster General shall not pay to or for the account of any such foreign air carrier a rate of compensation for transporting mail by aircraft between the United States and such foreign country, which, in his opinion, will result (over such reasonable period as the Postmaster General may determine, taking account of exchange fluctuations and other factors) in such foreign air carrier receiving a higher rate of compensation for transporting such mail than such foreign country pays to air carriers for transporting its mail by aircraft between such foreign country and the United States, or receiving a higher rate of compensation for transporting such mail than a rate determined by the Postmaster General to be comparable to the rate such foreign country pays to air carriers for transporting its mail by aircraft between such foreign country and an intermediate country on the route of such air carrier between such foreign country and the United States.

"ACCOUNTS, RECORDS, AND REPORTS

"Filing of Reports

"SEC. 407. (a) The Authority is empowered to require annual, monthly, periodical, and special reports from any air carrier, to prescribe the manner and form in which such reports shall be made; and to require from any air carrier specific answers to all questions upon which the Authority may deem information to be necessary. Such reports shall be under oath whenever the Authority so requires. The Authority may also require any air carrier to file with it a true copy of each or any contract, agreement, understanding, or arrangement, between such air carrier and any other carrier or person, in relation to any traffic affected by the provisions of this Act.

"Disclosure of Stock Ownership

"(b) Each air carrier shall submit annually, and at such other times as the Authority shall require, a list showing the names of each of its stockholders or members holding more than 5 per centum of the entire capital stock or capital, as the case may be, of such air carrier, together with the name of any person for whose account, if other than the holder, such stock is held; and a report setting forth a description of the shares of stock, or other interests, held by such air carrier, or for its account, in persons other than itself.

"Disclosure of Stock Ownership by Officer or Director

"(c) Each officer and director of an air carrier shall annually and at such other times as the Authority shall require transmit to the Authority a report describing the shares of stock or other interests held by him in any air carrier, any person engaged in any phase of aeronautics, or any common carrier, and in any person whose principal business, in purpose or in fact, is the holding of stock in, or control of, air carriers, other persons engaged in any phase of aeronautics, or common carriers.

"Form of Accounts

"(d) The Authority shall prescribe the forms of any and all accounts, records, and memoranda to be kept by air carriers, including the accounts, records, and memoranda of the movement of traffic, as well as of the receipts and expenditures of money, and the length of time such accounts, records, and memoranda shall be preserved; and it shall be unlawful for air carriers to keep any accounts, records, or memoranda other than those prescribed or approved by the Authority: *Provided*, That any air carrier may keep additional accounts, records, or memoranda if they do not impair the integrity of the accounts, records, or memoranda prescribed or approved by the Authority and do not constitute an undue financial burden on such air carrier.

"Inspection of Accounts and Property

"(e) The Authority shall at all times have access to all lands, buildings, and equipment of any carrier and to all accounts, records, and memoranda, including all documents, papers, and correspondence, now or hereafter existing, and kept or required to be kept by air carriers; and it may employ special agents or auditors, who shall have authority under the orders of the Authority to inspect and examine any and all such lands, buildings, equipment, accounts, records, and memoranda. The provisions of this section shall apply, to the extent found by the Authority to be reasonably necessary for the administration of this Act, to persons having control over any air carrier, or affiliated with any air carrier within the meaning of section 5 (8) of the Interstate Commerce Act, as amended.

"CONSOLIDATION, MERGER, AND ACQUISITION OF CONTROL

"Acts Prohibited

"SEC. 408. (a) It shall be unlawful, unless approved by order of the Authority as provided in this section—

"(1) For two or more air carriers, or for any air carrier and any other common carrier or any person engaged in any other phase of aeronautics, to consolidate or merge their properties, or any part thereof, into one person for the ownership, management, or operation of the properties theretofore in separate ownerships;

"(2) For any air carrier, any person controlling an air carrier, any other common carrier, or any person engaged in any other phase of aeronautics, to purchase, lease, or contract to operate the properties, or any substantial part thereof, of any air carrier;

"(3) For any air carrier or person controlling an air carrier to purchase, lease, or contract to operate the properties, or any substantial part thereof, of any person engaged in any phase of aeronautics otherwise than as an air carrier;

"(4) For any foreign air carrier or person controlling a foreign air carrier to acquire control, in any manner whatsoever, of any citizen of the United States engaged in any phase of aeronautics;

"(5) For any air carrier or person controlling an air carrier, any other common carrier, or any person engaged in any other phase of aeronautics, to acquire control of any air carrier in any manner whatsoever;

"(6) For any air carrier or person controlling an air carrier to acquire control, in any manner whatsoever, of any person engaged in any phase of aeronautics otherwise than as an air carrier; or

"(7) For any person to continue to maintain any relationship established in violation of any of the foregoing subdivisions of this subsection.

"Power of Authority

"(b) Any person seeking approval of a consolidation, merger, purchase, lease, operating contract, or acquisition of control, specified in subsection (a) of this section, shall present an application to the Authority, and thereupon the Authority shall notify the persons involved in the consolidation, merger, purchase, lease, operating contract, or acquisition of control, and other persons known to have a substantial interest in the proceeding, of the time and place of a public hearing. Unless, after such hearing, the Authority finds that the consolidation, merger, purchase, lease, operating contract, or acquisition of control will not be consistent with the public interest or that the conditions of this section will not be fulfilled, it shall by order, approve such consolidation, merger, purchase, lease, operating contract, or acquisition of control, upon such terms and conditions as it shall find to be just and reasonable and with such modifications as it may prescribe: *Provided*, That the Authority shall not approve any consolidation, merger, purchase, lease, operating contract, or acquisition of control which would result in creating a monopoly or monopolies and thereby restrain competition or jeopardize another air carrier not a party to the consolidation, merger, purchase, lease, operating contract, or acquisition of control: *Provided further*, That if the applicant is a carrier other than an air carrier, or a person controlled by a carrier other than an air carrier or affiliated therewith within the meaning of section 5 (8) of the Interstate Commerce Act, as amended, such applicant shall for the purposes of this section be considered an air carrier and the Authority shall not enter such an order of approval unless it finds that the transaction proposed will promote the public interest by enabling such carrier other than an air carrier to use aircraft to public advantage in its operation and will not restrain competition.

"Interests in Ground Facilities

"(c) The provisions of this section and section 409 shall not apply with respect to the acquisition or holding by any air carrier, or any officer or director thereof, of (1) any interest in any ticket office, landing area, hangar, or other ground facility reasonably incidental to the performance by such air carrier of any of its services, or (2) any stock or other interest or any office or directorship in any person whose principal business is the maintenance or operation of any such ticket office, landing area, hangar, or other ground facility.

"Jurisdiction of Accounts of Noncarriers

"(d) Whenever, after the effective date of this section, a person, not an air carrier, is authorized, pursuant to this section, to acquire control of an air carrier, such person thereafter shall, to the extent found by the Authority to be reasonably necessary for the administration of this Act, be subject, in the same manner as if such person were an air carrier, to the provisions of this Act relating to accounts, records, and reports, and the inspection of facilities and records, including the penalties applicable in the case of violations thereof.

"Investigation of Violations

"(e) The Authority is empowered, upon complaint or upon its own initiative, to investigate and, after notice and hearing, to determine whether any person is violating any provision of subsection (a) of this section. If the Authority finds after such hearing that such person is violating any provision of such subsection, it shall by order require such person to take such action, consistent with the provisions of this Act, as may be necessary, in the opinion of the Authority, to prevent further violation of such provision.

"PROHIBITED INTERESTS

"Interlocking Relationships

"SEC. 409. (a) After one hundred and eighty days after the effective date of this section, it shall be unlawful, unless such relationship shall have been approved by order of the Authority upon due showing, in the form and manner prescribed by the Authority, that the public interest will not be adversely affected thereby—

"(1) For any air carrier to have and retain an officer or director who is an officer, director, or member, or who as a stockholder holds a controlling interest, in any other person who is a common carrier or is engaged in any phase of aeronautics.

"(2) For any air carrier, knowingly and willfully, to have and retain an officer or director who has a representative or nominee who represents such officer or director as an officer, director, or member, or as a stockholder holding a controlling interest, in any other person who is a common carrier or is engaged in any phase of aeronautics.

"(3) For any person who is an officer or director of an air carrier to hold the position of officer, director, or member, or to be a stockholder holding a controlling interest, or to have a representative or nominee who represents such person as an officer, director, or member, or as a stockholder holding a controlling interest, in any other person who is a common carrier or is engaged in any phase of aeronautics.

"(4) For any air carrier to have and retain an officer or director who is an officer, director, or member, or who as a stockholder holds a controlling interest, in any person whose principal business, in purpose or in fact, is the holding of stock in, or control of, any other person engaged in any phase of aeronautics.

"(5) For any air carrier, knowingly and willfully, to have and retain an officer or director who has a representative or nominee who represents such officer or director as an officer, director, or member, or as a stockholder holding a controlling interest, in any person whose principal business, in purpose or in fact, is the holding of stock in, or control of, any other person engaged in any phase of aeronautics.

"(6) For any person who is an officer or director of an air carrier to hold the position of officer, director, or member, or to be a stockholder holding a controlling interest, or to have a representative or nominee who represents such person as an officer, director, or member, or as a stockholder holding a controlling interest, in any person whose principal business, in purpose or in fact, is the holding of stock in, or control of, any other person engaged in any phase of aeronautics.

"Profit From Transfer of Securities

"(b) After this section takes effect it shall be unlawful for any officer or director of any air carrier to receive for his own benefit, directly or indirectly, any money or thing of value in respect of negotiation, hypothecation, or sale of any securities issued or to be issued by such carrier, or to share in any of the proceeds thereof.

"LOANS AND FINANCIAL AID

"SEC. 410. The Authority is empowered to approve or disapprove, in whole or in part, any and all applications made after the effective date of this section for or in connection with any loan or other financial aid from the United States or any agency thereof to, or for the benefit of, any air carrier. No such loan or financial aid shall be made or given without such approval, and the terms and conditions upon which such loan or financial aid is provided shall be prescribed by the Authority.

"METHODS OF COMPETITION

"SEC. 411. The Authority may, upon its own initiative or upon complaint by any air carrier or foreign air carrier, if it considers that such action by it would be in the interest of the public, investigate and determine whether any air carrier or foreign air carrier has been or is engaged in unfair or deceptive practices or unfair methods of competition in air transportation. If the Authority shall find, after notice and hearing, that such air carrier or foreign air carrier is engaged in such unfair or deceptive practices, or unfair methods of competition, it shall order such air carrier or foreign air carrier to cease and desist from such practices or methods of competition.

"POOLING AND OTHER AGREEMENTS

"Filing of Agreements Required

"SEC. 412. (a) Every air carrier shall file with the Authority a true copy, or, if oral, a true and complete memorandum, of every contract or agreement (whether enforceable by provisions for liquidated damages, penalties, bonds, or otherwise) affecting air transportation and in force on the effective date of this section or hereafter entered into, or any modification or cancelation thereof, between such air carrier and any other air carrier, foreign air carrier, or other carrier for pooling or apportioning earnings, losses, traffic, service, or equipment, or relating to the establishment of transportation rates, fares, charges, or classifications, or for preserving and improving safety, economy, and efficiency of operation, or for controlling, regulating, preventing, or otherwise eliminating destructive, oppressive, or wasteful competition, or for regulating stops, schedules, and character of service, or for other cooperative working arrangements.

"Approval by Authority

"(b) The Authority shall by order disapprove any such contract or agreement, whether or not previously approved by it, that it finds to be adverse to the public interest, or in violation of this Act, and shall by order approve any such contract or agreement, or any modification or cancelation thereof, that it does not find to be adverse to the public interest, or in violation of this Act.

"FORM OF CONTROL

"SEC. 413. For the purposes of this title, whenever reference is made to control, it is immaterial whether such control is direct or indirect.

"LEGAL RESTRAINTS

"SEC. 414. Any person affected by any order made under sections 408, 409, or 412 of this Act shall be, and is hereby, relieved from the operations of the 'antitrust laws', as designated in section 1 of the Act entitled 'An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes', approved October 15, 1914, and of all other restraints or prohibitions made by, or imposed under, authority of law, insofar as may be necessary to enable such person to do anything authorized, approved, or required by such order.

"INQUIRY INTO AIR CARRIER MANAGEMENT

"SEC. 415. For the purpose of exercising and performing its powers and duties under this Act, the Authority is empowered to inquire into the management of the business of any air carrier and, to the extent reasonably necessary for any such inquiry, to obtain from such carrier, and from any person controlling or controlled by, or under common control with, such air carrier, full and complete reports and other information.

"CLASSIFICATION AND EXEMPTION OF CARRIERS

"Classification

"SEC. 416. (a) The Authority may from time to time establish such just and reasonable classifications or groups of air carriers for the purposes of this title as the nature of the services performed by such air carriers shall require; and such just and reasonable rules, and regulations, pursuant to and consistent with the provisions of this title, to be observed by each such class or group, as the Authority finds necessary in the public interest.

"Exemptions

"(b) (1) The Authority, from time to time and to the extent necessary, may (except as provided in paragraph (2) of this subsection) exempt from the requirements of this title or any provision thereof, or any rule, regulation, term, condition, or limitation prescribed thereunder, any air carrier or class of air carriers, if it finds that the enforcement of this title or such provision, or such rule, regulation, term, condition, or limitation is or would be an undue burden on such air carrier or class of air carriers by reason of the limited extent of, or unusual circumstances affecting, the operations of such air carrier or class of air carriers and is not in the public interest.

"(2) The Authority shall not exempt any air carrier from any provision of subsection (i) of section 401 of this title, except that (A) any air carrier not engaged in scheduled air transportation, and (B), to the extent that the operations of such air carrier are conducted during daylight hours, any air carrier engaged in scheduled air transportation, may be exempted from the provisions of paragraphs (1) and (2) of such subsection if the Authority finds, after notice and hearing, that, by reason of the limited extent of, or unusual circumstances affecting, the operations of any such air carrier, the enforcement of such paragraphs is or would be such an undue burden on such air carrier as to obstruct its development and prevent it from beginning or continuing operations, and that the exemption of such air carrier from such paragraphs would not adversely affect the public interest: *Provided*, That nothing in this subsection shall be deemed to authorize the Authority to exempt any air carrier from any requirement of this title, or any provision thereof, or any rule, regulation, term, condition, or limitation prescribed thereunder which provides for maximum flying hours for pilots or copilots.

"TITLE V—NATIONALITY AND OWNERSHIP OF AIRCRAFT

"REGISTRATION OF AIRCRAFT NATIONALITY

"Registration Required

"SEC. 501. (a) It shall be unlawful for any person to operate or navigate any aircraft eligible for registration if such aircraft is

not registered by its owner as provided in this section, or (except as provided in section 6 of the Air Commerce Act of 1926, as amended) to operate or navigate within the United States any aircraft not eligible for registration: *Provided*, That aircraft of the national defense forces of the United States may be operated and navigated without being so registered if such aircraft are identified, by the agency having jurisdiction over them, in a manner satisfactory to the Authority. The Authority may, by regulation, permit the operation and navigation of aircraft without registration by the owner for such reasonable periods after transfer of ownership thereof as the Authority may prescribe.

"Eligibility for Registration

"(b) An aircraft shall be eligible for registration if, but only if—

"(1) It is owned by a citizen of the United States and is not registered under the laws of any foreign country; or

"(2) It is an aircraft of the Federal Government, or of a State, Territory, or possession of the United States, or the District of Columbia, or of a political subdivision thereof.

"Issuance of Certificate

"(c) Upon request of the owner of any aircraft eligible for registration, such aircraft shall be registered by the Authority and the Authority shall issue to the owner thereof a certificate of registration.

"Applications

"(d) Applications for such certificates shall be in such form, be filed in such manner, and contain such information as the Authority may require.

"Suspension or Revocation

"(e) Any such certificate may be suspended or revoked by the Authority for any cause which renders the aircraft ineligible for registration.

"Effect of Registration

"(f) Such certificate shall be conclusive evidence of nationality for international purposes, but not in any proceeding under the laws of the United States. Registration shall not be evidence of ownership of aircraft in any proceeding in which such ownership by a particular person is, or may be, in issue.

"REGISTRATION OF ENGINES, PROPELLERS, AND APPLIANCES

"SEC. 502. The Authority may establish reasonable rules and regulations for registration and identification of aircraft engines, propellers, and appliances, in the interest of safety, and no aircraft engine, propeller, or appliance shall be used in violation of any such rule or regulation.

"RECORDATION OF AIRCRAFT OWNERSHIP

"Establishment of Recording System

"SEC. 503. (a) The Authority shall establish and maintain a system for recording all conveyances affecting the title to, or interest in, any civil aircraft of the United States.

"Conveyances to be Recorded

"(b) No conveyance made or given on or after the effective date of this section, which affects the title to, or interest in, any civil aircraft of the United States, or any portion thereof, shall be valid in respect of such aircraft or portion thereof against any person other than the person by whom the conveyance is made or given, his heir or devisee, and any person having actual notice thereof, until such conveyance is recorded in the office of the secretary of the Authority. Every such conveyance so recorded in the office of the secretary of the Authority shall be valid as to all persons without further recordation. Any instrument, recordation of which is required by the provisions of this section, shall take effect from the date of its recordation, and not from the date of its execution.

"Form of Conveyance

"(c) No conveyance shall be recorded unless it states the interest in the aircraft of the person by whom such conveyance is made or given or, in the case of a contract of conditional sale, the interest of the vendor, and states the interest transferred by the conveyance, and unless it shall have been acknowledged before a notary public or other officer authorized by law of the United States, or of a State, Territory, or possession thereof, or the District of Columbia, to take acknowledgment of deeds.

"Index of Conveyances

"(d) The Authority shall record conveyances delivered to it in the order of their reception, in files to be kept for that purpose, and indexed to show—

"(1) the identifying description of the aircraft;

"(2) the names of the parties to the conveyance;

"(3) the time and date of reception of the instrument and the time and date of recordation thereof;

"(4) the interest in the aircraft transferred by the conveyance; and

"(5) if such conveyance is made as security for indebtedness, the amount and date of maturity of such indebtedness.

"Regulations

"(e) The Authority is authorized to provide by regulation for the endorsement upon certificates of registration, or aircraft certificates, of information with respect to the ownership of the aircraft for which each certificate is issued, for the recording of discharges and satisfactions of recorded instruments and other transactions affecting title to, or interest in, aircraft, and for such other records, proceedings, and details as may be necessary to facilitate the determination of the rights of parties dealing with civil aircraft of the United States.

"Previously Unrecorded Ownership

"(f) The person applying for the issuance or renewal of an airworthiness certificate for an aircraft with respect to which there has been no recordation of ownership as provided in this section shall present with his application such information with respect to the ownership of the aircraft as the Authority shall deem necessary to show the persons who are holders of property interests in such aircraft and the nature and extent of such interests.

"TITLE VI—CIVIL AERONAUTICS SAFETY REGULATION

"GENERAL SAFETY POWERS AND DUTIES

"Minimum Standards; Rules and Regulations

"SEC. 601. (a) The Authority is empowered, and it shall be its duty to promote safety of flight in air commerce by prescribing and revising from time to time—

"(1) Such minimum standards governing the design, materials, workmanship, construction, and performance of aircraft, aircraft engines, and propellers as may be required in the interest of safety;

"(2) Such minimum standards governing appliances as may be required in the interest of safety;

"(3) Reasonable rules and regulations and minimum standards governing, in the interest of safety, (A) the inspection, servicing, and overhaul of aircraft, aircraft engines, propellers, and appliances; (B) the equipment and facilities for such inspection, servicing, and overhaul; and (C) in the discretion of the Authority, the periods for, and the manner in, which such inspection, servicing, and overhaul shall be made, including provision for examinations and reports by properly qualified private persons whose examinations or reports the Authority may accept in lieu of those made by its officers and employees;

"(4) Reasonable rules and regulations governing the reserve supply of aircraft, aircraft engines, propellers, appliances, and aircraft fuel and oil, required in the interest of safety, including the reserve supply of aircraft fuel and oil which shall be carried in flight;

"(5) Reasonable rules and regulations governing, in the interest of safety, the maximum hours or periods of service of airmen, and other employees, of air carriers; and

"(6) Such reasonable rules and regulations, or minimum standards, governing other practices, methods, and procedure, as the Authority may find necessary to provide adequately for safety in air commerce.

"(7) Air traffic rules governing the flight of, and for the navigation, protection, and identification of, aircraft, including rules as to safe altitudes of flight and rules for the prevention of collisions between aircraft, and between aircraft and land or water vehicles.

"Needs of Service to Be Considered; Classifications of Standards, and so Forth

"(b) In prescribing standards, rules, and regulations, and in issuing certificates under this title, the Authority shall give full consideration to the duty resting upon air carriers to perform their services with the highest possible degree of safety in the public interest and to any differences between air transportation and other air commerce; and it shall make classifications of such standards, rules, regulations, and certificates appropriate to the differences between air transportation and other air commerce. The Authority may authorize any aircraft, aircraft engine, propeller, or appliance, for which an aircraft certificate authorizing use thereof in air transportation has been issued, to be used in other air commerce without the issuance of a further certificate. The Authority shall exercise and perform its powers and duties under this Act in such manner as will best tend to reduce or eliminate the possibility of, or recurrence of, accidents in air transportation, but shall not deem itself required to give preference to either air transportation or other air commerce in the administration and enforcement of this title.

"AIRMAN CERTIFICATES

"Power to Issue Certificate

"SEC. 602. (a) The Authority is empowered to issue airman certificates specifying the capacity in which the holders thereof are authorized to serve as airmen in connection with aircraft.

"Issuance of Certificate

"(b) Any person may file with the Authority an application for an airman certificate. If the Authority finds, after investigation, that such person possesses proper qualifications for, and is physically able to perform the duties pertaining to, the position for which the airman certificate is sought, it shall issue such certificate, containing such terms, conditions, and limitations as to duration thereof, periodic or special examinations, tests of physical fitness, and other matters as the Authority may determine to be necessary to assure safety in air commerce. Any person whose application for the issuance or renewal of an airman certificate is denied may file with the Authority a petition for reconsideration, and the Authority shall thereupon assign such application for hearing at a place convenient to the applicant's place of residence or employment: *Provided*, That the Authority may, in its discretion, prohibit or restrict the issuance of airman certificates to

aliens, or may make such issuance dependent on the terms of reciprocal agreements entered into with foreign governments.

"Form and Recording of Certificate

"(c) Each certificate shall be numbered and recorded by the Authority; shall state the name and address of, and contain a description of, the person to whom the certificate is issued; and shall be entitled with the designation of the class covered thereby. Certificates issued to all pilots serving in scheduled air transportation shall be designated 'air-line transport pilot' of the proper class.

"AIRCRAFT CERTIFICATES

"Type Certificates

"SEC. 603. (a) (1) The Authority is empowered to issue type certificates for aircraft, aircraft engines, and propellers; to specify in regulations the appliances for which the issuance of type certificates is reasonably required in the interest of safety; and to issue such certificates for appliances so specified.

"(2) Any interested person may file with the Authority an application for a type certificate for an aircraft, aircraft engine, propeller, or appliance specified in regulations under paragraph (1) of this subsection. Upon receipt of an application, the Authority shall make an investigation thereof and may hold hearings thereon. The Authority shall make, or require the applicant to make, such tests during manufacture and upon completion as the Authority deems reasonably necessary in the interest of safety, including flight tests and tests of raw materials or any part or appurtenance of such aircraft, aircraft engine, propeller, or appliance. If the Authority finds that such aircraft, aircraft engine, propeller, or appliance is of proper design, material, specification, construction, and performance for safe operation, and meets the minimum standards, rules, and regulations prescribed by the Authority, it shall issue a type certificate therefor. The Authority may prescribe in any such certificate the duration thereof and such other terms, conditions, and limitations as are required in the interest of safety. The Authority may record upon any certificate issued for aircraft, aircraft engines, or propellers, a numerical determination of all of the essential factors relative to the performance of the aircraft, aircraft engine, or propeller for which the certificate is issued.

"Production Certificate

"(b) Upon application, and if it satisfactorily appears to the Authority that duplicates of any aircraft, aircraft engine, propeller, or appliance for which a type certificate has been issued will conform to such certificate, the Authority shall issue a production certificate authorizing the production of duplicates of such aircraft, aircraft engines, propellers, or appliances. The Authority shall make such inspection and may require such tests of any aircraft, aircraft engine, propeller, or appliance manufactured under a production certificate as may be necessary to assure manufacture of each unit in conformity with the type certificate or any amendment or modification thereof. The Authority may prescribe in any such production certificate the duration thereof and such other terms, conditions, and limitations as are required in the interest of safety.

"Airworthiness Certificate

"(c) The registered owner of any aircraft may file with the Authority an application for an airworthiness certificate for such aircraft. If the Authority finds that the aircraft conforms to the type certificate therefor, and, after inspection, that the aircraft is in condition for safe operation, it shall issue an airworthiness certificate. The Authority may prescribe in such certificate the duration of such certificate, the type of service for which the aircraft may be used, and such other terms, conditions, and limitations as are required in the interest of safety. Each such certificate shall be registered by the Authority and shall set forth such information as the Authority may deem advisable. The certificate number, or such other individual designation as may be required by the Authority, shall be displayed upon each aircraft in accordance with regulations prescribed by the Authority.

"AIR CARRIER OPERATING CERTIFICATES

"Power to Issue

"SEC. 604. (a) The Authority is empowered to issue air carrier operating certificates and to establish minimum safety standards for the operation of the air carrier to whom any such certificate is issued.

"Issuance

"(b) Any person desiring to operate as an air carrier may file with the Authority an application for an air carrier operating certificate. If the Authority finds, after investigation, that such person is properly and adequately equipped and able to conduct a safe operation in accordance with the requirements of this Act and the rules, regulations, and standards prescribed thereunder, it shall issue an air carrier operating certificate to such person. Each air carrier operating certificate shall prescribe such terms, conditions, and limitations as are reasonably necessary to assure safety in air transportation, and shall specify the points to and from which, and the civil airways over which, such person is authorized to operate as an air carrier under an air carrier operating certificate.

"MAINTENANCE OF EQUIPMENT IN AIR TRANSPORTATION

"Duty of Carriers and Airmen

"SEC. 605. (a) It shall be the duty of each air carrier to make, or cause to be made, such inspection, maintenance, overhaul, and repair of all equipment used in air transportation as may be required by this Act, or the orders, rules, and regulations of the Authority issued thereunder. And it shall be the duty of every person engaged in operating, inspecting, maintaining, or overhauling equipment to observe and comply with the requirements of this Act relating thereto, and the orders, rules, and regulations issued thereunder.

"Inspection

"(b) The Authority shall employ inspectors who shall be charged with the duty (1) of making such inspections of aircraft, aircraft engines, propellers, and appliances designed for use in air transportation, during manufacture, and while used by an air carrier in air transportation, as may be necessary to enable the Authority to determine that such aircraft, aircraft engines, propellers, and appliances are in safe condition and are properly maintained for operation in air transportation; and (2) of advising and cooperating with each air carrier in the inspection and maintenance thereof by the air carrier. Whenever any inspector shall, in the performance of his duty, find that any aircraft, aircraft engine, propeller, or appliance, used or intended to be used by any air carrier in air transportation, is not in condition for safe operation, he shall so notify the carrier, in such form and manner as the Authority may prescribe; and, for a period of five days thereafter, such aircraft, aircraft engine, propeller, or appliance shall not be used in air transportation, or in such manner as to endanger air transportation, unless found by the Authority or its inspector to be in condition for safe operation.

"AIR NAVIGATION FACILITY RATING

"SEC. 606. The Authority is empowered to inspect, classify, and rate any air navigation facility available for the use of civil aircraft of the United States, as to its suitability for such use. The Authority is empowered to issue a certificate for any such air navigation facility.

"AIR AGENCY RATING

"SEC. 607. The Authority is empowered to provide for the examination and rating of (1) civilian schools giving instruction in flying or in the repair, alteration, maintenance, and overhaul of aircraft, aircraft engines, propellers, and appliances, as to the adequacy of the course of instruction, the suitability and airworthiness of the equipment, and the competency of the instructors; (2) repair stations or shops for the repair, alteration, maintenance, and overhaul of aircraft, aircraft engines, propellers, or appliances, as to the adequacy and suitability of the equipment, facilities, and materials for, and methods of, repair, alteration, maintenance, and overhaul of aircraft, aircraft engines, propellers, and appliances, and the competency of those engaged in the work or giving any instruction therein; and (3) such other air agencies as may, in its opinion, be necessary in the interest of the public. The Authority is empowered to issue certificates for such schools, repair stations, and other agencies.

"FORM OF APPLICATIONS

"SEC. 608. Applications for certificates under this title shall be in such form, contain such information, and be filed and served in such manner as the Authority may prescribe, and shall be under oath whenever the Authority so requires.

"AMENDMENT, SUSPENSION, AND REVOCATION OF CERTIFICATES

"SEC. 609. The Authority may, from time to time, reinspect any aircraft, aircraft engine, propeller, appliance, air navigation facility, or air agency, may reexamine any airman, and, after investigation, and upon notice and hearing, may alter, amend, modify, or suspend, in whole or in part, any type certificate, production certificate, airworthiness certificate, airman certificate, air carrier operating certificate, air navigation facility certificate, or air agency certificate if the interest of the public so requires, or may revoke, in whole or in part, any such certificate for any cause which, at the time of revocation, would justify the Authority in refusing to issue to the holder of such certificate a like certificate. In cases of emergency, any such certificate may be suspended, in whole or in part, for a period not in excess of thirty days, without regard to any requirement as to notice and hearing. The Authority shall immediately give notice of such suspension to the holder of such certificate and shall enter upon a hearing which shall be disposed of as speedily as possible. During the pendency of the proceeding the Authority may further suspend such certificate, in whole or in part, for an additional period not in excess of thirty days.

"PROHIBITIONS

"Violations of Title

"SEC. 610. (a) It shall be unlawful—

"(1) For any person to operate in air commerce any civil aircraft for which there is not currently in effect an airworthiness certificate, or in violation of the terms of any such certificate;

"(2) For any person to serve in any capacity as an airman in connection with any civil aircraft used in air commerce without an airman certificate authorizing him to serve in such capacity, or in violation of the terms of any such certificate;

"(3) For any person to employ for service in connection with any civil aircraft used in air commerce an airman who does not have an airman certificate authorizing him to serve in the capacity for which he is employed;

"(4) For any person to operate as an air carrier without an air carrier operating certificate, or in violation of the terms of any such certificate; and

"(5) For any person to operate aircraft in air commerce in violation of any other rule, regulation, or certificate of the Authority under this title.

"Exemption of Foreign Aircraft and Airmen

"(b) Foreign aircraft and airmen serving in connection therewith may, except with respect to the observance by such airmen of the air traffic rules, be exempted from the provisions of subsection (a) of this section, to the extent, and upon such terms and conditions, as may be prescribed by the Authority as being in the interest of the public.

"TITLE VII—AIR SAFETY BOARD

"CREATION AND ORGANIZATION OF BOARD

"Appointment of Board

"SEC. 701. (a) There is created and established within the Authority an Air Safety Board. Such Board shall consist of three members to be appointed by the President by and with the advice and consent of the Senate. One of the members shall, at the time of his nomination, be an active airline pilot and shall have flown not less than three thousand hours in scheduled air transportation. Each member of the Board shall be a citizen of the United States and shall continue in office as designated by the President at the time of nomination until the last day of the second, fourth, and sixth calendar years, respectively, following the passage of this Act, but their successors shall be appointed for terms of six years, except that any person appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed only for the remainder of such term. Any member of the Board may be appointed to succeed himself. The Board shall annually elect one of its members as chairman of the Board. Each member of the Board shall receive a salary of $7,500 per annum. No member of the Board shall have any pecuniary interest in or own any stock in or bonds of any civil aeronautics enterprise.

"Personnel

"(b) Subject to the provisions of the civil-service laws and the Classification Act of 1923, as amended, the Board shall appoint, fix the salaries, and prescribe the duties, of such assistants and other employees as it shall deem necessary in exercising and performing its powers and duties under this Act. Such of the personnel transferred to the Authority from the Department of Commerce under section 203 of this Act as were regularly employed in the investigation and analysis of accidents in air commerce prior to such transfer may, upon request of the Board, be transferred to the Board.

"Temporary Personnel

"(c) The Board may, without regard to the civil-service laws, engage, for temporary service in the investigation of any accident involving aircraft, persons other than officers or employees of the United States and may fix their compensation without regard to the Classification Act of 1923, as amended; and may, with the consent of the head of the executive department or independent establishment under whose jurisdiction the officer or employee is serving, secure for such service any officer or employee of the United States.

"Authorization of Expenditures

"(d) All expenses incurred by the Board in the investigation of accidents, or for the maintenance or operation of aircraft acquired for the use of the Board, shall be allowed upon vouchers approved by the chairman of the Board. The members and assistants of the Board are authorized to travel in the same manner as employees of the Authority.

"Preservation of Records and Reports

"(e) The records and reports of the Board shall be preserved in the custody of the secretary of the Authority in the same manner and subject to the same provisions respecting publication as the records and reports of the Authority, except that any publication thereof shall be styled 'Air Safety Board of the Civil Aeronautics Authority', and that no part of any report or reports of the Board or the Authority relating to any accident, or the investigation thereof, shall be admitted as evidence or used in any suit or action for damages growing out of any matter mentioned in such report or reports.

"DUTIES OF THE BOARD

"General Duties

"SEC. 702. (a) It shall be the duty of the Board to—

"(1) Make rules and regulations, subject to the approval of the Authority, governing notification and report of accidents involving aircraft;

"(2) Investigate such accidents and report to the Authority the facts, conditions, and circumstances relating to each accident and the probable cause thereof;

"(3) Make such recommendations to the Authority as, in its opinion, will tend to prevent similar accidents in the future;

"(4) Make such reports and recommendations public in such form and manner as may be deemed by it to be in the public interest; and

"(5) Assist the Authority in ascertaining what will best tend to reduce or eliminate the possibility of, or recurrence of, accidents by investigating such complaints filed with the Authority or the Board, and by conducting such special studies and investigations, on matters pertaining to safety in air navigation and the prevention of accidents, as may be requested or approved by the Authority.

"Matter of Performance

"(b) The Board shall exercise and perform its powers and duties independently of the Authority and shall not be assigned any duties in, or in connection with, any other section or unit of the Authority.

"Conduct of Investigations

"(c) In conducting any hearing or investigation, any member of the Board or any other officer or employee of the Board or any other person engaged or secured under subsection (c) of section 701 shall have the same powers as the examiners or other employees of the Authority have with respect to hearings or investigations conducted by the Authority.

"Aircraft

"(d) Any aircraft, aircraft engine, propeller, or appliance affected by, or involved in, an accident in air commerce shall be preserved in accordance with, and shall not be moved except in accordance with, regulations prescribed by the Board.

"TITLE VIII—OTHER ADMINISTRATIVE AGENCIES

"THE PRESIDENT OF THE UNITED STATES

"SEC. 801. The issuance, denial, transfer, amendment, cancelation, suspension, or revocation of, and the terms, conditions, and limitations contained in, any certificate authorizing an air carrier to engage in overseas or foreign air transportation, or air transportation between places in the same Territory or possession, or any permit issuable to any foreign air carrier under section 402, shall be subject to the approval of the President. Copies of all applications in respect of such certificates and permits shall be transmitted to the President by the Authority before hearing thereon, and all decisions thereon by the Authority shall be submitted to the President before publication thereof. This section shall not apply to the issuance or denial of any certificate issuable under section 401 (e) or any permit issuable under section 402 (c) or to the original terms, conditions, or limitations of any such certificate or permit.

"THE DEPARTMENT OF STATE

"SEC. 802. The Secretary of State shall advise the Authority of, and consult with the Authority concerning, the negotiation of any agreements with foreign governments for the establishment or development of air navigation, including air routes and services.

"WEATHER BUREAU

"SEC. 803. In order to promote the safety and efficiency of aircraft to the highest possible degree, the Chief of the Weather Bureau, under the direction of the Secretary of Agriculture, shall in addition to any other functions or duties pertaining to weather information for other purposes, (1) make such observations, measurements, investigations, and studies of atmospheric phenomena, and establish such meteorological offices and stations, as are necessary or best suited for ascertaining, in advance, information concerning probable weather conditions; (2) furnish such reports, forecasts, warnings, and advices to the Authority, and to such air carriers and other persons engaged in civil aeronautics as may be designated by the Authority, and to such other persons as the Chief of the Weather Bureau may determine, and such reports shall be made in such manner and with such frequency as will best result in safety in air navigation; (3) cooperate with any person employed by air carriers in meteorological service; and (4) detail annually not to exceed ten members of the Weather Bureau personnel for training at Government expense, either at civilian institutions or otherwise, in advanced methods of meteorological science: *Provided*, That no such member shall lose his individual status or seniority rating in the Bureau merely by reason of absence due to such training.

"TITLE IX—PENALTIES

"CIVIL PENALTIES

"Safety and Postal Offenses

"SEC. 901. (a) Any person who violates (1) any provision of titles V, VI, and VII of this Act, or any provision of subsection (a) (1) of section 11 of the Air Commerce Act of 1926, as amended, or (2) any rule or regulation issued by the Postmaster General under this Act, shall be subject to a civil penalty of not to exceed $1,000 for each such violation. Any such penalty may be compromised by the Authority or the Postmaster General, as the case may be. The amount of such penalty, when finally determined, or the amount agreed upon in compromise, may be deducted from any sums owing by the United States to the person charged.

"Liens

"(b) In case an aircraft is involved in such violation and the violation is by the owner or person in command of the aircraft, such aircraft shall be subject to lien for the penalty: *Provided*, That this subsection shall not apply to a violation of a rule or regulation of the Postmaster General.

"CRIMINAL PENALTIES

"General

"SEC. 902. (a) Any person who knowingly and willfully violates any provision of this Act (except titles V, VI, and VII), or any order, rule, or regulation issued under any such provision or any term, condition, or limitation of any certificate or permit issued

under title IV, for which no penalty is otherwise herein provided, shall be deemed guilty of a misdemeanor and upon conviction thereof shall be subject for the first offense to a fine of not more than $500, and for any subsequent offense to a fine of not more than $2,000. If such violation is a continuing one, each day of such violation shall constitute a separate offense.

"Forgery of Certificates

"(b) Any person who knowingly and willfully forges, counterfeits, alters, or falsely makes any certificate authorized to be issued under this Act, or knowingly uses or attempts to use any such fraudulent certificate, shall be deemed guilty of a misdemeanor and upon conviction thereof shall be subject to a fine of not exceeding $1,000 or to imprisonment not exceeding three years, or to both such fine and imprisonment.

"Interference With Air Navigation

"(c) A person shall be subject to a fine of not exceeding $5,000 or to imprisonment not exceeding five years, or to both such fine and imprisonment, who—

"(1) with intent to interfere with air navigation within the United States, exhibits within the United States any light or signal at such place or in such manner that it is likely to be mistaken for a true light or signal established pursuant to this Act, or for a true light or signal in connection with an airport or other air navigation facility; or

"(2) after due warning by the Administrator, continues to maintain any misleading light or signal; or

"(3) knowingly removes, extinguishes, or interferes with the operation of any such true light or signal.

"Granting Rebates

"(d) Any air carrier or foreign air carrier, or any officer, agent, employee, or representative thereof, who shall, knowingly and willfully, offer, grant, or give, or cause to be offered, granted, or given, any rebate or other concession in violation of the provisions of this Act, or who, by any device or means, shall, knowingly and willfully, assist, or shall willingly suffer or permit, any person to obtain transportation or services subject to this Act at less than the rates, fares, or charges lawfully in effect, shall be deemed guilty of a misdemeanor and, upon conviction thereof, shall be subject for each offense to a fine of not less than $100 and not more than $5,000.

"Failure to File Reports; Falsification of Records

"(e) Any air carrier, or any officer, agent, employee, or representative thereof, who shall, knowingly and willfully, fail or refuse to make a report to the Authority as required by this Act, or to keep or preserve accounts, records, and memoranda in the form and manner prescribed or approved by the Authority, or shall, knowingly and willfully, falsify, mutilate, or alter any such report, account, record, or memorandum, or shall knowingly and willfully file any false report, account, record, or memorandum, shall be deemed guilty of a misdemeanor and, upon conviction thereof, be subject for each offense to a fine of not less than $100 and not more than $5,000.

"Divulging Information

"(f) If any member of the Authority or the Air Safety Board, or the Administrator, or any officer or employee of any of them, shall knowingly and willfully divulge any fact or information which may come to his knowledge during the course of an examination of the accounts, records, and memoranda of any air carrier, or which is withheld from public disclosure under section 1104, except as he may be directed by the Authority, or the Air Safety Board in the case of information ordered to be withheld by it, or by a court of competent jurisdiction or a judge thereof, he shall upon conviction thereof be subject for each offense to a fine of not more than $5,000 or imprisonment for not more than two years, or both.

"Refusal to Testify

"(g) Any person who shall neglect or refuse to attend and testify, or to answer any lawful inquiry, or to produce books, papers, or documents, if in his power to do so, in obedience to the subpena or lawful requirement of the Authority or the Air Safety Board, shall be guilty of a misdemeanor and, upon conviction thereof, shall be subject to a fine of not less than $100 nor more than $5,000, or imprisonment for not more than one year, or both.

"VENUE AND PROSECUTION OFFENSES

"Venue

"SEC. 903. (a) The trial of any offense under this Act shall be in the district in which such offense is committed; or if the offense is committed upon the high seas, or out of the jurisdiction of any particular State or district, the trial shall be in the district where the offender may be found or into which he shall be first brought. Whenever the offense is begun in one jurisdiction and completed in another it may be dealt with, inquired of, tried, determined, and punished in either jurisdiction in the same manner as if the offense had been actually and wholly committed therein.

"Procedure in Respect of Civil Penalties

"(b) (1) Any civil penalty imposed under this Act may be collected by proceedings in personam against the person subject to the penalty and, in case the penalty is a lien, by proceedings in rem against the aircraft, or by either method alone. Such proceedings shall conform as nearly as may be to civil suits in admiralty, except that either party may demand trial by jury of any issue of fact, if the value in controversy exceeds $20, and the facts so tried shall not be reexamined other than in accordance with the rules of the common law. The fact that in a libel in rem the seizure is made at a place not upon the high seas or navigable waters of the United States shall not be held in any way to limit the requirement of the conformity of the proceedings to civil suits in rem in admiralty.

"(2) Any aircraft subject to such lien may be summarily seized by and placed in the custody of such persons as the Authority may by regulation prescribe, and a report of the cause shall thereupon be transmitted to the United States attorney for the judicial district in which the seizure is made. The United States attorney shall promptly institute proceedings for the enforcement of the lien or notify the Authority of his failure so to act.

"(3) The aircraft shall be released from such custody upon payment of the penalty or the amount agreed upon in compromise; or seizure in pursuance of process of any court in proceedings in rem for enforcement of the lien, or notification by the United States attorney of failure to institute such proceedings; or deposit of a bond in such amount and with such sureties as the Authority may prescribe, conditioned upon the payment of the penalty or the amount agreed upon in compromise.

"(4) The Supreme Court of the United States, and under its direction other courts of the United States, may prescribe rules regulating such proceedings in any particular not provided by law.

"TITLE X—PROCEDURE

"CONDUCT OF PROCEEDINGS

"SEC. 1001. The Authority may conduct its proceedings in such manner as will be conducive to the proper dispatch of business and to the ends of justice. No member of the Authority shall participate in any hearing or proceeding in which he has a pecuniary interest. Any person may appear before the Authority and be heard in person or by attorney. Every vote and official act of the Authority shall be entered of record, and its proceedings shall be open to the public upon the request of any interested party unless the Authority determines that secrecy is requisite on grounds of national defense.

"COMPLAINTS TO AND INVESTIGATIONS BY THE AUTHORITY

"Filing of Complaints Authorized

"SEC. 1002. (a) Any person may file with the Authority a complaint in writing with respect to anything done or omitted to be done by any person in contravention of any provision of this Act, or of any requirement established pursuant thereto. If the person complained against shall not satisfy the complaint and there shall appear to be any reasonable ground for investigating the complaint, it shall be the duty of the Authority to investigate the matters complained of. Whenever the Authority is of the opinion that any complaint does not state facts which warrant an investigation or action on its part, it may dismiss such complaint without hearing.

"Investigations on Initiative of Authority

"(b) The Authority is empowered at any time to institute an investigation, on its own initiative, in any case and as to any matter or thing concerning which complaint is authorized to be made to or before the Authority by any provision of this Act, or concerning which any question may arise under any of the provisions of this Act, or relating to the enforcement of any of the provisions of this Act. The Authority shall have the same power to proceed with any investigation instituted on its own motion as though it had been appealed to by complaint.

"Entry of Orders for Compliance With Act

"(c) If the Authority finds, after notice and hearing, in any investigation instituted upon complaint or upon its own initiative, that any person has failed to comply with any provision of this Act or any requirement established pursuant thereto, the Authority shall issue an appropriate order to compel such person to comply therewith.

"Power to Prescribe Rates and Practices of Air Carriers

"(d) Whenever, after notice and hearing, upon complaint, or upon its own initiative, the Authority shall be of the opinion that any individual or joint rate, fare, or charge demanded, charged, collected or received by any air carrier for interstate or overseas air transportation, or any classification, rule, regulation, or practice affecting such rate, fare, or charge, or the value of the service thereunder, is or will be unjust or unreasonable, or unjustly discriminatory, or unduly preferential, or unduly prejudicial, the Authority shall determine and prescribe the lawful rate, fare, or charge (or the maximum or minimum, or the maximum and minimum thereof) thereafter to be demanded, charged, collected, or received, or the lawful classification, rule, regulation, or practice thereafter to be made effective: *Provided*, That as to rates, fares, and charges for overseas air transportation, the Authority shall determine and prescribe only a just and reasonable maximum or minimum or maximum and minimum rate, fare, or charge.

"Rule of Rate Making

"(e) In exercising and performing its powers and duties with respect to the determination of rates for the carriage of persons or property, the Authority shall take into consideration, among other factors—

"(1) The effect of such rates upon the movement of traffic;

"(2) The need in the public interest of adequate and efficient transportation of persons and property by air carriers at the lowest cost consistent with the furnishing of such service;

"(3) Such standards respecting the character and quality of service to be rendered by air carriers as may be prescribed by or pursuant to law;

"(4) The inherent advantages of transportation by aircraft; and

"(5) The need of each air carrier for revenue sufficient to enable such air carrier, under honest, economical, and efficient management, to provide adequate and efficient air carrier service.

"Removal of Discrimination in Foreign Air Transportation

"(f) Whenever, after notice and hearing, upon complaint, or upon its own initiative, the Authority shall be of the opinion that any individual or joint rate, fare, or charge demanded, charged, collected, or received by any air carrier or foreign air carrier for foreign air transportation, or any classification, rule, regulation, or practice affecting such rate, fare, or charge or the value of the service thereunder, is or will be unjustly discriminatory, or unduly preferential, or unduly prejudical, the Authority may alter the same to the extent necessary to correct such discrimination, preference, or prejudice and make an order that the air carrier or foreign air carrier shall discontinue demanding, charging, collecting, or receiving any such discriminatory, preferential, or prejudicial rate, fare, or charge, or enforcing any such discriminatory, preferential, or prejudicial classification, rule, regulation, or practice.

"Suspension of Rates

"(g) Whenever any air carrier shall file with the Authority a tariff stating a new individual or joint (between air carriers) rate, fare, or charge for interstate or overseas air transportation or any classification, rule, regulation, or practice affecting such rate, fare, or charge, or the value of the service thereunder, the Authority is empowered, upon complaint or upon its own initiative, at once, and, if it so orders, without answer or other formal pleading by the air carrier, but upon reasonable notice, to enter upon a hearing concerning the lawfulness of such rate, fare, or charge, or such classification, rule, regulation, or practice; and pending such hearing and the decision thereon, the Authority, by filing with such tariff, and delivering to the air carrier affected thereby, a statement in writing of its reasons for such suspension, may suspend the operation of such tariff and defer the use of such rate, fare, or charge, or such classification, rule, regulation, or practice, for a period of ninety days, and, if the proceeding has not been concluded and a final order made within such period, the Authority may, from time to time, extend the period of suspension, but not for a longer period in the aggregate than one hundred and eighty days beyond the time when such tariff would otherwise go into effect; and, after hearing, whether completed before or after the rate, fare, charge, classification, rule, regulation, or practice goes into effect, the Authority may make such order with reference thereto as would be proper in a proceeding instituted after such rate, fare, charge, classification, rule, regulation, or practice had become effective. If the proceeding has not been concluded and an order made within the period of suspension, the proposed rate, fare, charge, classification, rule, regulation, or practice shall go into effect at the end of such period: *Provided*, That this subsection shall not apply to any initial tariff filed by any air carrier.

"Power to Prescribe Divisions of Rates

"(h) Whenever, after notice and hearing, upon complaint or upon its own initiative, the Authority is of the opinion that the divisions of joint rates, fares, or charges for air transportation are or will be unjust, unreasonable, inequitable, or unduly preferential or prejudicial as between the air carriers or foreign air carriers parties thereto, the Authority shall prescribe the just, reasonable, and equitable divisions thereof to be received by the several air carriers. The Authority may require the adjustment of divisions between such air carriers from the date of filing the complaint or entry of order of investigation, or such other date subsequent thereto as the Authority finds to be just, reasonable, and equitable.

"Power to Establish Through Air Transportation Service

"(i) The Authority shall, whenever required by the public convenience and necessity, after notice and hearing, upon complaint or upon its own initiative, establish through service and joint rates, fares, or charges (or the maxima or minima, or the maxima and minima thereof) for interstate or overseas air transportation, or the classifications, rules, regulations, or practices affecting such rates, fares, or charges, or the value of the service thereunder, and the terms and conditions under which such through service shall be operated: *Provided*, That as to joint rates, fares, and charges for overseas air transportation the Authority shall determine and prescribe only just and reasonable maximum or minimum or maximum and minimum joint rates, fares, or charges.

"JOINT BOARDS

"Designation of Boards

"SEC. 1003. (a) The Authority and the Interstate Commerce Commission shall direct their respective chairmen to designate, from time to time, a like number of members of each to act as a joint board to consider and pass upon matters referred to such board as provided in subsection (c) of this section.

"Through Service and Joint Rates

"(b) Air carriers may establish reasonable through service and joint rates, fares, and charges with other common carriers. In case of through service by air carriers and common carriers subject to the Interstate Commerce Act or the Motor Carrier Act, 1935, it shall be the duty of the carriers parties thereto to establish just and reasonable joint rates, fares, or charges and just and reasonable classifications, rules, regulations, and practices affecting such joint rates, fares, or charges, or the value of the service thereunder, and just, reasonable, and equitable divisions of such joint rates, fares, or charges as between the carriers participating therein. Any air carrier, and any common carrier subject to the Interstate Commerce Act or the Motor Carrier Act, 1935, which is participating in such through service and joint rates, fares, or charges, shall include in its tariffs, filed with the Authority or the Interstate Commerce Commission, as the case may be, a statement showing such through service and joint rates, fares, or charges.

"Jurisdiction of Boards

"(c) Matters relating to such through service and joint rates, fares, or charges may be referred by the Authority or the Interstate Commerce Commission, upon complaint or upon its own initiative, to a joint board created as provided in subsection (a). Complaints may be made to the Interstate Commerce Commission or the Authority with respect to any matter which may be referred to a joint board under this subsection.

"Power of Boards

"(d) With respect to matters referred to any joint board as provided in subsection (c), if such board finds, after notice and hearing, that any such joint rate, fare, or charge, or classification, rule, regulation, or practice, affecting such joint rate, fare, or charge or the value of the service thereunder is or will be unjust, unreasonable, unjustly discriminatory, or unduly preferential or prejudicial, or that any division of any such joint rate, fare, or charge, is or will be unjust, unreasonable, inequitable, or unduly preferential or prejudicial as between the carriers parties thereto, it is authorized and directed to take the same action with respect thereto as the Authority is empowered to take with respect to any joint rate, fare, or charge, between air carriers, or any divisions thereof, or any classification, rule, regulation, or practice affecting such joint rate, fare, or charge or the value of the service thereunder.

"Judicial Enforcement and Review

"(e) Orders of the joint boards shall be enforceable and reviewable as provided in this Act with respect to orders of the Authority.

"EVIDENCE

"Power to Take Evidence

"SEC. 1004. (a) Any member or examiner of the Authority, when duly designated by the Authority for such purpose, may hold hearings, sign and issue subpenas, administer oaths, examine witnesses, and receive evidence at any place in the United States designated by the Authority. In all cases heard by an examiner or a single member the Authority shall hear or receive argument on request of either party.

"Power to Issue Subpena

"(b) For the purposes of this Act the Authority shall have the power to require by subpena the attendance and testimony of witnesses and the production of all books, papers, and documents relating to any matter under investigation. Witnesses summoned before the Authority shall be paid the same fees and mileage that are paid witnesses in the courts of the United States.

"Enforcement of Subpena

"(c) The attendance of witnesses, and the production of books, papers, and documents, may be required from any place in the United States, at any designated place of hearing. In case of disobedience to a subpena, the Authority, or any party to a proceeding before the Authority, may invoke the aid of any court of the United States in requiring attendance and testimony of witnesses and the production of such books, papers, and documents under the provisions of this section.

"Contempt

"(d) Any court of the United States within the jurisdiction of which an inquiry is carried on may, in case of contumacy or refusal to obey a subpena issued to any person, issue an order requiring such person to appear before the Authority (and produce books, papers, or documents if so ordered) and give evidence touching the matter in question; and any failure to obey such order of the court may be punished by such court as a contempt thereof.

"Deposition

"(e) The Authority may order testimony to be taken by deposition in any proceeding or investigation pending before it, at any stage of such proceeding or investigation. Such depositions may be taken before any person designated by the Authority and having power to administer oaths. Reasonable notice must first be given in writing by the party or his attorney proposing to take such deposition to the opposite party or his attorney of record, which notice shall state the name of the witness and the time and place of the taking of his deposition. Any person may be compelled to appear and depose, and to produce books, papers, or documents, in the same manner as witnesses may be compelled to appear and testify and produce like documentary evidence before the Authority, as hereinbefore provided.

"Method of Taking Depositions

"(f) Every person deposing as herein provided shall be cautioned and shall be required to swear (or affirm, if he so request) to testify the whole truth, and shall be carefully examined. His

testimony shall be reduced to writing by the person taking the deposition, or under his direction, and shall, after it has been reduced to writing, be subscribed by the deponent. All depositions shall be promptly filed with the Authority.

"Foreign Depositions

"(g) If a witness whose testimony may be desired to be taken by deposition be in a foreign country, the deposition may be taken, provided the laws of the foreign country so permit, by a consular officer or other person commissioned by the Authority, or agreed upon by the parties by stipulation in writing to be filed with the Authority, or may be taken under letters rogatory issued by a court of competent jurisdiction at the request of the Authority.

"Fees

"(h) Witnesses whose depositions are taken as authorized in this Act, and the persons taking the same, shall severally be entitled to the same fees as are paid for like services in the courts of the United States: *Provided*, That with respect to commissions or letters rogatory issued at the initiative of the Authority, executed in foreign countries, the Authority shall pay such fees, charges, or expenses incidental thereto as may be found necessary, in accordance with regulations on the subject to be prescribed by the Authority.

"Compelling Testimony

"(i) No person shall be excused from attending and testifying, or from producing books, papers, or documents before the Authority, or in obedience to the subpena of the Authority, or in any cause or proceeding, criminal or otherwise, based upon or growing out of any alleged violation of this Act, or of any rule, regulation, requirement, or order thereunder, or any term, condition, or limitation of any certificate or permit, on the ground, or for the reason, that the testimony or evidence, documentary or otherwise, required of him may tend to incriminate him or subject him to a penalty or forfeiture; but no individual shall be prosecuted or subjected to any penalty or forfeiture for or on account of any transaction, matter, or thing concerning which he is compelled, after having claimed his privilege against self-incrimination, to testify or produce evidence, documentary or otherwise, except that any individual so testifying shall not be exempt from prosecution and punishment for perjury committed in so testifying.

"ORDERS, NOTICES, AND SERVICE

"Effective Date of Orders; Emergency Orders

"SEC. 1005. (a) Except as otherwise provided in this Act, all orders, rules, and regulations of the Authority shall take effect within such reasonable time as the Authority may prescribe, and shall continue in force until its further order, rule, or regulation, or for a specified period of time, as shall be prescribed in the order, rule, or regulation: *Provided*, That whenever the Authority is of the opinion that an emergency requiring immediate action exists in respect of safety in air commerce, the Authority is authorized, either upon complaint or upon its own initiative without complaint, at once, if it so orders, without answer or other form of pleading by the interested person or persons, and with or without notice, hearing, or the making or filing of a report, to make such just and reasonable orders, rules, or regulations, as may be essential in the interest of safety in air commerce to meet such emergency: *Provided further*, That the Authority shall immediately initiate proceedings relating to the matters embraced in any such order, rule, or regulation, and shall, insofar as practicable, give preference to such proceedings over all others under this Act.

"Designation of Agent for Service

"(b) It shall be the duty of every air carrier and foreign air carrier within sixty days after the effective date of this section to designate in writing an agent upon whom service of all notices and process and all orders, decisions, and requirements of the Authority may be made for and on behalf of said carrier, and to file such designation in the office of the secretary of the Authority, which designation may from time to time be changed by like writing similarly filed. Service of all notices and process and orders, decisions, and requirements of the Authority may be made upon such carrier by service upon such designated agent at his office or usual place of residence with like effect as if made personally upon such carrier, and in default of such designation of such agent, service of any notice or other process in any proceeding before said Authority, or of any order, decision, or requirement of the Authority, may be made by posting such notice, process, order, requirement, or decision in the office of the secretary of the Authority.

"Other Methods of Service

"(c) Service of notices, processes, orders, rules, and regulations upon any person may be made by personal service, or upon an agent designated in writing for the purpose, or by registered mail addressed to such person or agent. Whenever service is made by registered mail, the date of mailing shall be considered as the time when service is made.

"Suspension or Modification of Order

"(d) Except as otherwise provided in this Act, the Authority is empowered to suspend or modify its orders upon such notice and in such manner as it shall deem proper.

"Compliance With Order Required

"(e) It shall be the duty of every person subject to this Act, and its agents and employees, to observe and comply with any order, rule, regulation, or certificate issued by the Authority under this Act affecting such person so long as the same shall remain in effect.

"Form and Service of Orders

"(f) Every order of the Authority shall set forth the findings of fact upon which it is based, and shall be served upon the parties to the proceeding and the persons affected by such order.

"JUDICIAL REVIEW OF AUTHORITY'S ORDERS

"Orders of Authority Subject to Review

"SEC. 1006. (a) Any order, affirmative or negative, issued by the Authority under this Act, except any order in respect of any foreign air carrier subject to the approval of the President as provided in section 801 of this Act, shall be subject to review by the circuit courts of appeals of the United States or the United States Court of Appeals for the District of Columbia upon petition, filed within sixty days after the entry of such order, by any person disclosing a substantial interest in such order. After the expiration of said sixty days a petition may be filed only by leave of court upon a showing of reasonable grounds for failure to file the petition theretofore.

"Venue

"(b) A petition under this section shall be filed in the court for the circuit wherein the petitioner resides or has his principal place of business or in the United States Court of Appeals for the District of Columbia.

"Notice of Authority; Filing of Transcript

"(c) A copy of the petition shall, upon filing, be forthwith transmitted to the Authority by the clerk of the court; and the Authority shall thereupon certify and file in the court a transcript of the record, if any, upon which the order complained of was entered.

"Power of Court

"(d) Upon transmittal of the petition to the Authority, the court shall have exclusive jurisdiction to affirm, modify, or set aside the order complained of, in whole or in part, and if need be, to order further proceedings by the Authority. Upon good cause shown, interlocutory relief may be granted by stay of the order or by such mandatory or other relief as may be appropriate: *Provided*, That no interlocutory relief may be granted except upon at least five days' notice to the Authority.

"Findings of Fact by Authority Conclusive

"(e) The findings of facts by the Authority, if supported by substantial evidence, shall be conclusive. No objection to an order of the Authority shall be considered by the court unless such objection shall have been urged before the Authority or, if it was not so urged, unless there were reasonable grounds for failure to do so.

"Certification or Certiorari

"(f) The judgment and decree of the court affirming, modifying, or setting aside any such order of the Authority shall be subject only to review by the Supreme Court of the United States upon certification or certiorari as provided in sections 239 and 240 of the Judicial Code.

"JUDICIAL ENFORCEMENT

"Jurisdiction of Court

"SEC. 1007. (a) If any person violates any provision of this Act, or any rule, regulation, requirement, or order thereunder, or any term, condition, or limitation of any certificate or permit issued under this Act, the Authority, its duly authorized agent, or, in the case of a violation of section 401 (a) of this Act, any party in interest, may apply to the district court of the United States, for any district wherein such person carries on his business or wherein the violation occurred, for the enforcement of such provision of this Act, or of such rule, regulation, requirement, order, term, condition, or limitation; and such court shall have jurisdiction to enforce obedience thereto by a writ of injunction or other process, mandatory or otherwise, restraining such person, his officers, agents, employees, and representatives, from further violation of such provision of this Act or of such rule, regulation, requirement, order, term, condition, or limitation, and enjoining upon them obedience thereto.

"Application for Enforcement

"(b) Upon the request of the Authority, it shall be the duty of any district attorney of the United States to whom the Authority may apply to institute in the proper court and to prosecute under the direction of the Attorney General all necessary proceedings for the enforcement of the provisions of this Act or any rule, regulation, requirement, or order thereunder, or any term, condition, or limitation of any certificate or permit, and for the punishment of all violations thereof, and the costs and expenses of such prosecutions shall be paid out of the appropriations for the expenses of the courts of the United States.

"PARTICIPATION BY AUTHORITY IN COURT PROCEEDINGS

"SEC. 1008. Upon request of the Attorney General, the Authority shall have the right to participate in any proceeding in court under the provisions of this Act.

"JOINDER OF PARTIES

"SEC. 1009. In any proceeding for the enforcement of the provisions of this Act, or any rule, regulation, requirement, or order thereunder, or any term, condition, or limitation of any certificate or permit, whether such proceedings be instituted before the Authority or be begun originally in any court of the United States,

it shall be lawful to include as parties, or to permit the intervention of, all persons interested in or affected by the matter under consideration; and inquiries, investigations, orders, and decrees may be made with reference to all such parties in the same manner, to the same extent, and subject to the same provisions of law as they may be made with respect to the persons primarily concerned.

"TITLE XI—MISCELLANEOUS

"HAZARDS TO AIR COMMERCE

"SEC. 1101. The Authority shall, by rules and regulations, or by order where necessary, require all persons to give adequate public notice, in the form and manner prescribed by the Authority, of the construction or alteration, or of the proposed construction or alteration, of any structure along or near the civil airways where notice will promote safety in air commerce.

"INTERNATIONAL AGREEMENTS

"SEC. 1102. In exercising and performing its powers and duties under this Act, the Authority shall do so consistently with any obligation assumed by the United States in any treaty, convention, or agreement that may be in force between the United States and any foreign country or foreign countries, shall take into consideration any applicable laws and requirements of foreign countries and shall not, in exercising and performing its powers and duties with respect to certificates of convenience and necessity, restrict compliance by any air carrier with any obligation, duty, or liability imposed by any foreign country: *Provided*, That this section shall not apply to any obligation, duty, or liability arising out of a contract or other agreement, heretofore or hereafter entered into between an air carrier, or any officer or representative thereof, and any foreign country, if such contract or agreement is disapproved by the Authority as being contrary to the public interest.

"NATURE AND USE OF DOCUMENTS FILED

"SEC. 1103. The copies of tariffs, and of all contracts, agreements, understandings, and arrangements filed with the Authority as herein provided, and the statistics, tables, and figures contained in the annual or other reports of air carriers and other persons made to the Authority as required under the provisions of this Act shall be preserved as public records (except as otherwise provided in this Act) in the custody of the secretary of the Authority, and shall be received as prima facie evidence of what they purport to be for the purpose of investigations by the Authority and in all judicial proceedings; and copies of, and extracts from, any of such tariffs, contracts, agreements, understandings, arrangements, or reports, certified by the secretary of the Authority, under the seal of the Authority, shall be received in evidence with like effect as the originals.

"WITHHOLDIND OF INFORMATION

"SEC. 1104. Any person may make written objection to the public disclosure of information contained in any application, report, or document filed pursuant to the provisions of this Act or of information obtained by the Authority, the Administrator, or the Air Safety Board pursuant to the provisions of this Act, stating the grounds for such objection. Whenever such objection is made, the Authority, or the Air Safety Board if the information was obtained by it, shall order such information withheld from public disclosure when, in its judgment, a disclosure of such information would adversely affect the interests of such person and is not required in the interest of the public. The Authority is authorized to withhold publication of records containing secret information affecting national defense.

"COOPERATION WITH GOVERNMENT AGENCIES

"SEC. 1105. The Authority, the Administrator, and the Air Safety Board may avail themselves of the assistance of the National Advisory Committee for Aeronautics and any research or technical agency of the United States on matters relating to aircraft fuel and oil and to the design, materials, workmanship, construction, performance, maintenance, and operation of aircraft, aircraft engines, propellers, appliances, and air navigation facilities. Each such agency is authorized to conduct such scientific and technical researches, investigations, and tests as may be necessary to aid the Authority, the Administrator, and the Air Safety Board in the exercise and performance of their powers and duties. Nothing contained in this Act shall be construed to authorize the duplication of the laboratory research activities of any existing governmental agency.

"REMEDIES NOT EXCLUSIVE

"SEC. 1106. Nothing contained in this Act shall in any way abridge or alter the remedies now existing at common law or by statute, but the provisions of this Act are in addition to such remedies.

"AMENDMENTS AND REPEALS

"SEC. 1107. (a) Section 3964 of the Revised Statutes is hereby amended by adding 'and all air routes', after the words 'or parts of railroads'.

"(b) The Act of May 24, 1928, as amended (45 Stat. 728), is further amended by striking out the words 'Secretary of Commerce' wherever they appear and inserting in lieu thereof the words 'Civil Aeronautics Authority'.

"(c) The Independent Offices Appropriation Act, 1934, as amended (48 Stat. 283), is further amended by striking out in section 6 thereof the words 'any air mail contract or'.

"(d) The Act approved February 21, 1925 (43 Stat. 960), as amended by the Act approved August 24, 1935 (49 Stat. 744), and the Act approved August 29, 1937 (50 Stat. 725), is further amended by striking out the words '; and he is authorized, in his discretion, to contract, after advertisement in accordance with law, for the carriage of all classes of mail to, from, or within the Territory of Alaska, by airplane, payment therefor to be made from the appropriation for star-route service in Alaska.'

"(e) The ninth paragraph of the Act approved March 3, 1915 (38 Stat. 930), as amended by the Act of March 2, 1929 (45 Stat. 1451; U. S. C., 1934 ed., title 50, sec. 151), is further amended by inserting after the words 'naval aeronautics;' in that paragraph the following: 'two members from the Civil Aeronautics Authority;', by striking out the word 'eight' in that paragraph and inserting in lieu thereof the word 'six', and by striking out the colon after the words 'allied sciences' and inserting in lieu thereof a period and the following: 'The members of the National Advisory Committee for Aeronautics, not representing governmental agencies, in office on the date of enactment of the Civil Aeronautics Act of 1938, shall continue to serve as members of the Committee until the effective date of section 1107 of the Civil Aeronautics Act of 1938. Upon the expiration of their terms of office, the President is authorized to appoint successors to six of such members for terms of office to expire, as designated by the President at the time of appointment, two at the end of one year, two at the end of three years, and two at the end of five years from December 1, 1938. Successors to those first appointed shall be appointed by the President for terms of five years from the date of the expiration of the terms of the members whom they succeed, except that any such successor, appointed to fill a vacancy occurring prior to the expiration of a term, shall be appointed only for the unexpired term of the member whom he succeeds:'.

"(f) Section 5 (a) of the Federal Trade Commission Act, approved September 26, 1914, as amended (38 Stat. 719; U. S. C., 1934 ed., title 15, sec. 41), is further amended by inserting before the words 'and persons' the following: 'air carriers and foreign air carriers subject to the Civil Aeronautics Act of 1938,'.

"(g) Section 11 of the Act of October 15, 1914, as amended (38 Stat. 734; U. S. C., 1934 ed., title 15, sec. 21), is amended by inserting after the word 'energy;' the following: 'in the Civil Aeronautics Authority where applicable to air carriers and foreign air carriers subject to the Civil Aeronautics Act of 1938;' and by inserting after the word 'commission' wherever it appears in that section a comma and the word 'authority,'.

"(h) The Department of Commerce Appropriation Act, 1939, is amended by striking out the words 'Secretary of Commerce', wherever they appear in the second paragraph under the reading 'Bureau of Air Commerce', and inserting in lieu thereof the words 'Administrator in the Civil Aeronautics Authority, with the approval of the Civil Aeronautics Authority'.

"(i) The Air Commerce Act of 1926, as amended, is further amended—

"(1) By striking out the words 'Secretary of Commerce' wherever they appear (except in section 7 and section 11 (a), (b), and (c)) and inserting in lieu thereof in section 6 (c) and section 10 the words 'Civil Aeronautics Authority' and in sections 5 (f), 9 (j), and 11 (e) the words 'Administrator in the Civil Aeronautics Authority'.

"(2) By inserting after the word 'Act' in the first line of subsection (f) of section 5 the words 'or the Civil Aeronautics Act of 1938'.

"(3) By striking out the first sentence of section 6 and inserting in lieu thereof the following: 'The United States of America is hereby declared to possess and exercise complete and exclusive national sovereignty in the air space above the United States, including the air space above all inland waters and the air space above those portions of the adjacent marginal high seas, bays, and lakes, over which by international law or treaty or convention the United States exercises national jurisdiction.'

"(4) By striking out so much of subsection (b) of section 6 as reads '; and if so authorized, such aircraft and airmen serving in connection therewith, shall be subject to the requirements of section 3, unless exempt under subdivision (c) of this section'.

"(5) By striking out so much of subsection (c) of section 6 as reads ', and may by regulation exempt such aircraft, and/or airmen serving in connection therewith, from the requirements of section 3, other than the air traffic rules; but no foreign aircraft shall engage in interstate or intrastate air commerce.', and by inserting in lieu thereof the following: 'no foreign aircraft shall engage in air commerce otherwise than between any State, Territory, or possession of the United States (including the Philippine Islands) or the District of Columbia, and a foreign country'.

"(6) By striking out '51 per centum' in subsection (a) of section 9 thereof and inserting in lieu thereof '75 per centum'.

"(7) By inserting after the word 'Act' in subsection (f) of section 9 of the words 'or the Civil Aeronautics Act of 1938'.

"(8) By striking out so much of section 10 as reads 'under section three'.

"(9) By striking out so much of subsection (b) of section 11 as reads 'any provision of subdivision (a) of this section or any entry or clearance regulation made under section 7 (b)' and inserting in lieu thereof 'any entry or clearance regulation made under section 7 (c)'.

"(j) Section 203 (b) of the Motor Carrier Act, 1935, is amended by inserting after the words '(7) motor vehicles used exclusively in the distribution of newspapers' a semicolon and the following: 'or (7a) the transportation of persons or property by motor vehicle when incidental to transportation by aircraft'.

"(k) Sections 2 (b) (2) and (3), 3, 4, 5, 6, 7, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, and 21, and so much of section 8 as reads '; and any person not ineligible under the terms of this Act who qualified under the other requirements of this Act, shall be

eligible to contract for carrying air mail, notwithstanding the provisions of section 3950 of the Revised Statutes (Act of June 8, 1872)', of the Act of June 12, 1934, as amended (48 Stat. 933); the joint resolution of June 26, 1934 (48 Stat. 1243); the Act of March 8, 1928 (45 Stat. 248), as amended; sections 2, 3, and 3a, subsections (a), (b), (e), and (g) of section 5, the second sentence of section 8, and paragraphs (2), (3), (4), and (5) of subsection (a) of section 11 of the Air Commerce Act of 1926, as amended (44 Stat. 568; U. S. C., 1934 ed., title 49, sec. 177); and all other Acts or parts of Acts inconsistent with any provision of this Act are hereby repealed.

"EFFECT OF TRANSFERS, REPEALS, AND AMENDMENTS

"Effectiveness of Existing Orders, Regulations, and So Forth

"SEC. 1108. (a) All orders, determinations, rules, regulations, permits, contracts, certificates, licenses, and privileges which have been issued, made, or granted by the Interstate Commerce Commission, the Department of Commerce, or the Postmaster General, or any court of competent jurisdiction, under any provision of law repealed or amended by this Act, or in the exercise of duties, powers, or functions transferred to the Authority by this Act, and which are in effect at the time this section takes effect, shall continue in effect until modified, terminated, superseded, set aside, or repealed by the Authority, or by any court of competent jurisdiction, or by operation of law.

"Pending Administrative Proceedings

"(b) The provisions of this Act shall not affect any proceedings pending before the Secretary of Commerce or the Postmaster General, or proceedings pending before the Interstate Commerce Commission for the determination of rates for the transportation of air mail by aircraft, on the date of the enactment of this Act; but any such proceedings shall be continued, orders therein issued, appeals therefrom taken, and payments made by the Postmaster General pursuant to such orders, as if this Act had not been enacted; and orders issued in any such proceeding shall continue in effect until modified, terminated, superseded, or repealed by the Authority or by operation of law: *Provided*, That the rates determined by the Interstate Commerce Commission shall be determined without regard to that portion of section 6 (e) of the Air Mail Act approved June 12, 1934, which provides as follows: 'which, in connection with the rates fixed by it for all other routes, shall be designed to keep the aggregate cost of the transportation of air mail on and after July 1, 1938, within the limits of the anticipated postal revenue therefrom'.

"Pending Judicial Proceedings

"(c) The provisions of this Act shall not affect suits commenced prior to the date of the organization of the Authority; and all such suits shall be continued, proceedings therein had, appeals therein taken, and judgments therein rendered, in the same manner and with the same effect as if this Act had not been passed. No suit, action, or other proceeding lawfully commenced by or against any agency or officer of the United States, in relation to the discharge of official duties, shall abate by reason of any transfer of authority, power, or duties from such agency or officer to the Authority under the provisions of this Act, but the court, upon motion or supplemental petition filed at any time within twelve months after such transfer, showing the necessity for a survival of such suit, action, or other proceeding to obtain a settlement of the questions involved, may allow the same to be maintained by or against the Authority.

"Records Transferred to Authority

"(d) All records transferred to the Authority under this Act shall be available for use by the Authority to the same extent as if such records were originally records of the Authority.

"SEPARABILITY

"SEC. 1109. If any provision of this Act or the application thereof to any person or circumstance is held invalid, the remainder of the Act and the application of such provision to other persons or circumstances shall not be affected thereby.

"EFFECTIVE DATE

"SEC. 1110. The provisions of this Act, except this section, title II, and section 408, shall become effective sixty days after enactment: *Provided*, That the Authority shall, if it finds such action necessary or desirable in the public interest, by general or special order, postpone the effective date of any provision of this Act, except this section, title II, and section 408, to such time as the Authority shall prescribe, but not beyond the one hundred and eightieth day following the enactment of this Act."

And the House agree to the same.

CLARENCE F. LEA,
ROBERT CROSSER,
A. L. BULWINKLE,
EDWARD C. EICHER,
J. W. WADSWORTH,
PEHR G. HOLMES,
Managers on the part of the House.

ROYAL S. COPELAND,
PAT MCCARRAN,
HARRY S. TRUMAN,
VIC DONAHEY,
WALLACE H. WHITE, JR.,
HIRAM W. JOHNSON,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 3845) to create a Civil Aeronautics Authority, and to promote the development and safety and to provide for the regulation of civil aeronautics, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

Although the House amendment is in the nature of a complete substitute for the Senate bill, the general purposes and policies of the two are substantially the same and many of their provisions are identical. The discussion below follows the order of the House amendment and indicates the nature of its sections, the nature of the comparable provisions, if any, of the Senate bill, and the treatment of the matter in the conference agreement. At the end of the statement is a discussion of provisions from the Senate bill which are included in the conference agreement and are not discussed in connection with comparable provisions of the House amendment.

Title I. General Provisions

SECTION 1. DEFINITIONS

This section, section 1 of the Senate bill, and section 1 of the conference agreement all contain definitions. The only differences in the definitions which make a substantial difference in the effect of the bill are as follows:

1. "Airman." This term is of importance because under the bill all airmen are required to obtain certificates from the Authority. The term was defined in the Senate bill so as to include, among others, all individuals engaged in or directly in charge of the inspection, maintenance, overhauling, or repair of aircraft or other aeronautical equipment. The House amendment defines the term so as to include individuals directly in charge of such work, but not individuals otherwise engaged in it. The House provision was adopted and appears as section 1 (6) of the conference agreement.

2. "Civil airway." The important difference between the definitions of this term in the Senate bill and the House amendment is that under the definition in the Senate bill civil airways could be designated only within the United States, while there is no such limitation in the House amendment. The conference agreement retains the limitation of the Senate bill permitting civil airways to be designated only in the United States. The provision appears as section 1 (16) of the conference agreement.

Section 2. Public right of transit: This section declares that any citizen of the United States has the right of freedom of transit through the navigable air space of the United States in interstate, overseas, and foreign air commerce and is the same in substance as section 4 of the Senate bill and section 3 of the conference agreement.

Title II. Organization of Authority

Section 201. Creation of Civil Aeronautics Authority: This section provides for the creation of a Civil Aeronautics Authority to be composed of three persons appointed by the President and confirmed by the Senate for 6-year staggered terms. The section also provides for the appointment by the President, by and with the advice and consent of the Senate, of an Administrator within the Authority. This section further prescribes the qualifications of the members of the Authority and the Administrator, and fixes their salaries at $10,000 per year. Section 201 of the Senate bill provides that the Authority should be composed of five members, who would receive salaries of $12,000, and does not provide for the Administrator. The conference agreement provides for a five-man Authority, the Administrator, and salaries of $12,000. The House amendment provides that members of the Authority can be removed by the President for inefficiency, neglect of duty, or malfeasance in office and places no limitation on the power of the President to remove the Administrator. The Senate bill places no limitation on the power of the President to remove members of the Authority. The conference agreement follows the House amendment in this respect.

Section 202. Officers and employees: This section empowers the Authority to appoint such officers and employees as it shall deem necessary to carry out its powers and duties and those of the Administrator. The comparable section in the Senate bill is section 202 (a). The two sections differ in that while under the House bill all permanent employees are under civil service, under the Senate bill the secretary of the Authority, a secretary for each member, all directors and assistant directors of bureaus, and heads of divisions are exempt from civil service. Under the conference agreement the Secretary of the Authority and a secretary for each member are to be appointed without regard to civil service, the general counsel and all directors and assistant directors of bureaus and heads of divisions and sections are appointed "subject to such noncompetitive tests of fitness as the Civil Service Commission may prescribe" and all the remainder of the permanent employees will be subject to the provisions of the civil-service laws.

Section 203. Personnel, property, and appropriations: This section and section 202 (b) and (c) of the Senate bill provide for the transfer to the Authority of such personnel, property, and appropriations of the Department of Commerce and the Interstate Commerce Commission as are employed in connection with the administration of the Air Commerce Act of 1926 and the Air Mail Act of 1934. Under the House provision the transfer is made

upon such dates as the President shall hereafter specify by Executive order, while under the Senate provision the transfer is made upon the enactment of the act. The conference agreement follows the House amendment.

Section 204. Expenditures: This section empowers the Authority to purchase aircraft and to make such expenditures as are required in the performance of its duties, those of the Administrator and those of the Director of the Safety Division. The comparable provisions of the Senate bill, section 203 (a) and (b), are substantially identical, as are the provisions of the conference agreement.

Section 205. Travel: This section provides that the cost of travel by aircraft by any officer or employee of the United States on official business shall be paid as travel expense by the United States. Section 203 (d) of the Senate bill is substantially identical to this section. This section was agreed upon and appears in the conference agreement as section 204 (c).

Title III. Fostering of Civil Aeronautics

Section 301. Fostering of air commerce: This section directs the Administrator to foster the development of air commerce and civil aeronautics. Section 204 (a) of the Senate bill prescribes a similar duty, but imposes the duty upon the Authority. The conference agreement in section 301 follows the House amendment by imposing this duty on the Administrator. That section also requires the Administrator and the Air Safety Board to cooperate with the Authority in the administration and enforcement of the act.

Section 302. Civil airways and facilities: This section empowers the Administrator to designate, establish, and chart civil airways and to establish and operate necessary air-navigation facilities on such airways. The section also requires the Authority to investigate, through the Administrator, the existing system of airports in the United States and recommend to Congress a definite policy to be followed with respect to Federal participation in the building of airports. The comparable sections of the Senate bill (secs. 302, 303 (b) and (c), 304 (a) and (b), and 305 (a) and (b)) differ in two respects from those of the House bill: (1) In the House amendment the powers and duties provided for are vested in the Administrator, while in the Senate bill they are vested in the Authority. The conference agreement (title III) follows the House amendment in this respect. (2) The Senate bill provides (sec. 305) that no Federal funds shall be expended on a landing area or air-navigation facility, other than those expended under this act or for military purposes, without the approval of the Authority. This provision was accepted (except that the duty of giving approval was vested in the Administrator) and appears in section 303 of the conference agreement. Moreover, in the conference agreement the Administrator is given this power to acquire, as well as to establish, air-navigation facilities. This will authorize the Administrator, in the event that facilities have been or may be established by others, to purchase or otherwise acquire such facilities where desirable.

Section 303. Meteorological service: This section directs the Administrator to make recommendations to the Secretary of Agriculture with respect to meteorological service. The Senate bill, section 204 (a) (4), and the conference agreement, section 304, contain comparable provisions which are similar in substance.

Section 304. Development of facilities: This section empowers the Administrator to undertake developmental work and service testing of experimental aircraft, aircraft engines, propellers, appliances, air navigation facilities, and radio apparatus. Section 203 (c) of the Senate bill vests a similar power in the Authority. The conference agreement follows the House amendment by vesting this power in the Administrator.

Section 305. Other duties of Administrator: This section requires the Administrator to exercise and perform the powers and duties vested in and imposed upon him by the act and also such other powers and duties as may be assigned to him by the Authority. The Senate bill contains no such provision. The conference agreement in section 308 contains the House provision with certain amendments. By an exception which has been inserted in the conference agreement, the Authority will be prevented from assigning to the Administrator the power of choosing the employees of the Authority, of making an annual report, and of making the actual expenditure of funds. Also by this exception the Authority will be prevented from assigning to the Administrator the exercise of its quasi-legislative and quasi-judicial powers under titles IV and VI. However, this exception will not prevent the Authority from assigning to the Administrator the executive duties which are incidental to the exercise of the quasi-legislative and quasi-judicial powers prescribed in titles IV and VI.

Title IV. Air-carrier Economic Regulation

Section 401. Declaration of policy: This section, and section 2 of the Senate bill, set forth the congressional policy to guide the Authority in performing its duties, and are substantially similar. The conference agreement (sec. 2) embodies the substance of both the House and Senate provisions.

Section 402. Certificates of public convenience and necessity: This section prohibits any air carrier from engaging in interstate, overseas, or foreign air transportation, or the transportation of mail by aircraft, unless the carrier holds a certificate issued by the Authority authorizing it to do so, and vests in the Authority certain powers, and imposes upon air carriers certain duties, in respect of air transportation. Comparable provisions are contained in section 401 of the Senate bill, and section 401 of the conference agreement. The substantive differences between the House and Senate provisions, and the conference agreement with respect thereto, are as follows:

(1) The Senate bill provides that in issuing a certificate of convenience and necessity to an air carrier the Authority shall consider the ability of the carrier to operate safely. The House amendment, on the other hand, does not specifically make safety an element of certificates of convenience and necessity, but only of air carrier operating certificates. The conference agreement follows the House amendment in this respect.

(2) There is some difference between the so-called "grandfather" clauses of the House amendment and the Senate bill.

Under the House provision unless the Authority finds that the service of a particular air carrier has been inadequate and inefficient, the Authority is required to issue a certificate to any air carrier who operated continuously from May 15, 1938, until the effective date of the section, authorizing the carrier to engage in the carriage of persons and property over the routes over which it continuously operated during that period. The Senate provision contains a similar requirement, except that the period of continuous operation as an air carrier which the applicant must show is from December 1, 1937, to the effective date of the section, and the issuance of such a certificate is authorized with respect to routes over which the applicant continuously operated from April 15, 1938, to the effective date of the section.

The House provision also requires the Authority to issue certificates to carriers who hold mail contracts on the effective date of the section, or who receive new contracts or extensions let by the Postmaster General for service over the routes authorized by the Treasury-Post Office Appropriation Act of March 28, 1938, such certificates to authorize the transportation of mail and other classes of traffic over the routes covered by such contracts or extensions. The Senate provision, while it requires the issuance of certificates for the transportation of mail for the same routes as are covered by the House amendment (except as hereinafter noted), unlike the House provision, conditions the issuance of certificates to mail contractors upon the contractors' having continuously operated as air carriers over some route from December 1, 1937, until the effective date of the section. With respect to the issuance of certificates for the transportation of mail, the House provision does not require any such general showing of continuous operation as an air carrier.

With respect to the routes for which the issuance of certificates for the transportation of mail is authorized by these provisions, the Senate provision fails to specify the following routes which are specified under the House provision as being authorized under the act of March 28, 1938: (a) From Bismarck, N. Dak., to Minot, N. Dak., and (b) from Tampa, Fla., to Atlanta, Ga.

The Senate provision contains a proviso, not present in the House amendment, which would prohibit the issuance of a certificate to an air-mail contractor under the grandfather clause with respect to routes to and from points not named in his contract as awarded, whenever protest to such issuance is made by an interested person.

The conference agreement follows the House provision in requiring (a) the issuance of certificates authorizing the carriage of persons and property over the routes over which there was continuous operation during the period from May 18, 1938 (in the House amendment, May 15, 1938) to the effective date of the section, and (b) the issuance of certificates authorizing the carriage of mail over routes over which the carriage of mail was authorized on the effective date of the section.

The conference agreement, however, deals with the routes authorized under the Treasury-Post Office Appropriation Act of March 28, 1938, in a different manner than do either the House or Senate provisions. Under the House and Senate provisions, the Authority is required to issue a certificate covering these routes to the carrier who obtains a contract therefor from the Postmaster General, whether or not such contract is made before or after the effective date of the section. Under the conference agreement, while the Authority is required to issue a certificate for air transportation over the routes authorized by that act, it is not required to issue the certificate to a particular carrier except over such of those routes for which the Postmaster lets contracts prior to the effective date of the section.

The conference agreement retains the proviso of the Senate provision, referred to above, in modified form. As modified, the proviso would remove from the benefits of the grandfather clause services to or from points not named in the carrier's contract as originally awarded which it had not served prior to April 1, 1938, if protest is made by another air carrier who is competitively serving the same point and who received in its original contract the right to carry mail to such point, and upon proof by the latter carrier that it would be adversely affected by the issuance of a certificate for such service.

(3) With respect to the labor provisions relating to wages, hours, and working conditions of pilots and copilots of air carriers, the Senate bill makes it mandatory upon the Authority to suspend forthwith the certificate of public convenience and necessity of an air carrier if it violates any provision of the Railway Labor Act. The House amendment does not contain such a mandatory requirement. The conference agreement follows the House amendment in this respect.

(4) With respect to the duty placed upon air carriers to carry mail, the Senate bill would require all air carriers holding certificates of convenience and necessity from the Authority to transport mail whenever required by the Postmaster General, without

regard to whether the carrier was expressly authorized to do so in its certificate. The House amendment would only permit and require an air carrier to transport mail if it is expressly authorized to do so in its certificate of convenience and necessity. The conference agreement follows the House amendment in this respect.

(5) Both the House amendment and the Senate bill contain identical language empowering the Authority to fix maximum mail loads for schedules and aircraft, but the House amendment contains a saving clause, not present in the Senate bill, which provides that no order of the Authority fixing a maximum mail load shall relieve the air carrier from its responsibility to transport mail when mail is tendered by the Postmaster General and to furnish additional equipment when the mail tendered is in excess of the maximum mail load. The conference agreement adopts this saving clause of the House amendment with certain clarifying changes.

(6) Both the House amendment and the Senate bill contain a provision empowering the Authority to exempt an air carrier or class of air carriers from any of the economic provisions of the act. The House provision permits such an exemption if, due to the limited character of the operations of such air carrier or class of air carriers, the enforcement of any of the economic provisions would be such an undue burden on the air carrier or class of air carriers as to obstruct its development. In addition, the House provision prohibits any exemption with respect to maximum flying hours for pilots or copilots. The Senate provision provides for the exemption of any air carrier or class of air carriers if the Authority finds that the enforcement of the economic provisions, by reason of unusual circumstances affecting the operations of the air carrier or class of air carriers, would be an undue burden on the air carrier or class of air carriers. The Senate provision further provides that no air carrier shall be exempt from the labor provisions if it is engaged in scheduled air transportation or in the transportation of mail.

The conference agreement provides that any air carrier or class of air carriers may be exempt from the economic provisions of the title if, due to the limited extent of, or the unusual circumstances affecting, the operations of such air carrier or class of air carriers, the enforcement of such provisions would be an undue burden on such air carrier or class of air carriers and is not in the public interest.

Specific provision is made for the exemption of air carriers from the labor provisions. Any air carrier not engaged in scheduled air transportation may be exempt, and, to the extent that the operations of such air carrier are conducted during daylight hours, any air carrier engaged in scheduled air transportation may be exempt from the labor provisions if, due to the limited extent of, or unusual circumstances affecting, the operations of the air carrier, the enforcement of the labor provisions would be such an undue burden on the carrier as to obstruct its development and prevent the initiation or continuation of its operation. The Authority is prohibited from making any exemption with respect to requirements for maximum flying hours for pilots and copilots.

Section 403. Foreign air carrier permits: This section prohibits any foreign air carrier from operating to the United States unless it holds a permit issued by the Authority empowering it to do so. The issuance of any such permit, other than one to an existing carrier, would be subject to the approval of the President. The comparable section of the Senate bill (sec. 402) is substantially identical. The provision of the House amendment was agreed upon and appears as section 402 in the conference agreement.

Section 404. Tariffs of air carriers: Every air carrier and foreign air carrier is required to file with the Authority its tariffs showing its rates, regulations, and practices, is required to adhere to its tariffs, and is forbidden to charge discriminatory rates or enforce discriminatory regulations. The comparable provisions of the Senate bill (secs. 403 and 404 (b)) are substantially identical and are included in the conference agreement as sections 403 and 404 (b).

Section 405. Standards as to rates: This section sets forth the congressional policy to guide the Authority in determining rates for the carriage of persons and property. The comparable section of the Senate bill (sec. 1002 (e)) is identical. The section appears in the conference agreement as section 1002 (e).

Section 406. Rates for the carriage of persons and property: This section imposes a duty upon air carriers to provide interstate or overseas air transportation upon request, to provide adequate service in interstate or overseas air transportation, and to enforce just and reasonable rates, regulations, and practices, and establish just and reasonable divisions of joint rates for interstate or overseas air transportation. The section empowers the Authority to change rates, regulations, or practices for interstate and overseas air transportation which it finds to be unreasonable by fixing the exact rate in the case of interstate air transportation and by fixing maximum and minimum or maximum or minimum rates for overseas air transportation. The section further empowers the Authority to establish through service and joint rates for interstate or overseas air transportation and to require just and equitable divisions between air carriers of joint rates for air transportation. The Authority is also empowered to prevent and to adjust discriminatory rates for foreign air transportation and is required to investigate and determine whether it should be given additional rate-making power in foreign air transportation. The comparable provisions of the Senate bill (secs. 404 (a) and (c), 1002 (d), (f), (g), (h), and (i)) are substantially identical and appear as sections 404 (a) and (c) and 1002 (d), (f), (g), (h), and (i) of the conference agreement.

Section 407. Joint boards. This section requires the chairman of the Authority and the Interstate Commerce Commission, respectively, to designate, from time to time, one or more members of the Authority and a like number of members of the Interstate Commerce Commission to constitute a joint board to coordinate transportation between air carriers and common carriers subject to the jurisdiction of the Interstate Commerce Commission. Air carriers are permitted to establish through service and joint rates with other common carriers, and, when such through service and joint rates between air carriers and common carriers subject to the jurisdiction of the Interstate Commerce Commission have been established, the joint boards will have the authority to regulate the through service, joint rates, and divisions of such rates. A case can be brought before a joint board upon the initiative of either the Interstate Commerce Commission or the Authority, or upon complaint filed with either the Interstate Commerce Commission or the Authority. There is no counterpart in the Senate bill of this section. It was agreed upon and appears as section 1003 in the conference agreement, with clarifying changes.

Section 408. Rates for the carriage of mail: This section empowers the Authority to fix mail rates and sets forth the congressional policy to guide the Authority in fixing such rates and enables the Authority to adjust rates so that the policy of Congress may be properly carried out in the case of each carrier or class of carriers according to the needs of the particular case. The comparable provisions of the Senate bill (secs. 406 (a), (b), and (c)), are substantially identical. These provisions appear in the conference agreement as section 406 (a), (b), and (c).

Section 409. Transportation of mail: This section provides for the cancelation of existing mail contracts and sets forth the conditions under which foreign mail may be carried by American air carriers. Subsection (e) of this section provides that air carriers shall fix the schedules of their aircraft carrying mail in the first instance and empowers the Postmaster General to alter any such schedule. Persons aggrieved by orders of the Postmaster General altering such schedules, may appeal to the Authority. The Authority is authorized to revise or revoke the orders of the Postmaster General if the public interest requires. The comparable provisions of the Senate bill (sec. 405 (a), (b), (c), (d), and (g)) are substantially identical. These provisions, with certain changes which clarify the policy regarding the filing and designation of schedules, appear as subsections (a), (b), (c), (d), and (g) of section 405 of the conference agreement.

Section 410. Consolidation, merger, and acquisition of control: This section prohibits consolidations, mergers, or interlocking relationships between air carriers and between air carriers and certain other types of companies unless approved by the Authority. This section also requires all air carriers to file with the Authority all pooling or other operating arrangements entered into by them and prescribes the conditions under which the Authority may approve them. The comparable provisions of the Senate bill (secs. 409 and 413) are similar in substance. The Senate provision was agreed upon and appears as sections 408 and 412 of the conference agreement with clarifying changes.

Section 411: Interlocking directorates: This section prohibits an officer or director of an air carrier from being an officer, director, member, or stockholder holding a controlling interest, in another air carrier, common carrier, aeronautical company, or aeronautical holding company, unless such relationship is approved by the Authority and prohibits any air carrier from employing such an officer or director without such approval. The Senate bill contains a similar section, which differs principally in that it prohibits, without prior approval, the holding of any stock by an officer or director of an air carrier in one of the designated enterprises, in contrast to the House amendment, which prohibits only the holding of a controlling interest. The conference agreement (sec. 409) follows the House amendment.

Section 412. Exemption from antitrust laws: This section exempts from the antitrust laws any person affected by an order of the Authority approving a consolidation, merger, interlocking relationship, or operating contract to the extent necessary to permit such person to do anything authorized by the order. Section 415 of the Senate bill and section 414 of the conference agreement contain identical provisions.

Section 413. Unfair competition: This section empowers the Authority to order any air carrier or foreign air carrier to cease and desist from engaging in unfair or deceptive practices or unfair methods of competition in air transportation. Section 412 of the Senate bill and section 411 of the conference agreement contain identical provisions.

Section 414. Accounts, records, and reports: This section empowers the Authority to require reports from air carriers and prescribe the forms of the air carriers' accounts. Section 408 (a), (b), (c), (d), (e), and (g) of the Senate bill and sections 407 and 1104 of the conference agreement contain substantially similar provisions. The Senate bill also contains provisions (sec. 407) requiring the Authority to make annual audits of the books of every air carrier. The conference agreement omits this provision as adequate authority for making all necessary audits is contained in section 407.

Section 415. Inquiry into air-carrier management: This section empowers the Authority, for the purpose of performing its duties, to inquire into the management of the business of any air

carrier. Section 416 of the Senate bill and section 415 of the conference agreement contain identical provisions.

Section 416. Financial aid: This section requires all loans or other financial aid granted to an air carrier by any agency of the United States to be approved by the Authority and requires the terms and conditions upon which such aid is given to be prescribed by the Authority. Section 411 (d) of the Senate bill and section 410 of the conference agreement contain identical provisions.

Title V. Nationality and Ownership of Aircraft

Section 501. Registration of aircraft nationality: This section provides for the registration of aircraft. Section 501 of the Senate bill and section 501 of the conference agreement contain substantially identical provisions.

Section 502. Effect of registration: This section declares registration shall be conclusive evidence of the nationality of aircraft for international purposes. Section 501 (f) of the Senate bill and section 501 (f) of the conference agreement contain identical provisions.

Section 503. Recording of transfer of aircraft ownership: This section requires the recordation with the Authority of every transfer made after the effective date of the section, of any interest in a civil aircraft of the United States. The conveyance evidencing each such transfer is to be recorded with an index in a recording system to be established by the Authority. Section 503 of the Senate bill contains a provision which is substantially identical except that recording of such transfers is not required until after July 1, 1939. Section 503 of the conference agreement embodies these provisions and follows the House amendment with respect to the date after which recording is required.

Title VI. Civil Aeronautics Safety Regulation

Section 601. General safety powers and duties: This section requires the Authority to regulate the operation of aircraft in interstate, overseas, and foreign air commerce in the interests of safety, to impose minimum standards regarding the operation, repair, etc., of aircraft, and to prescribe air traffic rules. Section 601 (a) and 606 of the Senate bill and section 601 (a) of the conference agreement contain provisions which are identical in substance.

Section 602. Aircraft certificates: This section empowers the Authority to issue various types of safety certificates for aircraft, namely, type certificates, production certificates, and airworthiness certificates. Section 603 (a), (b), and (c) of the Senate bill and section 603 of the conference agreement contain substantially identical provisions, except that the Senate bill contains a provision authorizing the Authority to require an applicant to make tests in connection with the issuance of a type certificate, which is embodied in the conference agreement.

Section 603. Airman certificates: This section empowers the Authority to issue airman certificates. Section 602 of the Senate bill and section 602 of the conference agreement contain substantially identical provisions, except that the Senate bill contains a provision, not present in the House amendment, requiring the recording of certain information upon certificates, which is embodied in the conference agreement.

Section 604. Air-carrier operating certificates: This section empowers the Authority to issue an operating certificate to an air carrier if it finds that the air carrier is prepared to operate safely. Section 603 (d) of the Senate bill contains an identical provision. The provision appears as section 604 of the conference agreement.

Section 605. Air navigation facility rating: This section empowers the Authority to inspect and rate air navigation facilities. Section 607 of the Senate bill and section 606 of the conference agreement contain identical provisions.

Section 606. Air agency rating: This section empowers the Authority to examine and rate flying schools, aircraft repair stations, and similar agencies. Section 608 of the Senate bill and section 607 of the conference agreement contain provisions which are substantially the same.

Section 607. Amendment, suspension, and revocation of certificates: This section empowers the Authority to amend, suspend, or revoke the various types of safety certificates. Section 610 of the Senate bill and section 609 of the conference agreement contain substantially identical provisions.

Section 608. Prohibitions: This section contains the prohibitions applicable to the provisions of the bill dealing with safety. Section 611 of the Senate bill and section 610 of the conference agreement contain provisions which are identical in substance.

Title VII. Safety Division

Section 701. Organization and duties of division: This section provides for the establishment within the Authority of a Safety Division headed by a Director charged with the duty of investigating accidents. Sections 701 and 702 of the Senate bill contain comparable provisions. The differences between the House amendment and the Senate bill and the conference agreement with respect thereto are as follows:

(1) The House amendment creates a Safety Division within the Authority, headed by a single Director with power to secure persons outside the Government service to assist him in the investigation of accidents. The Senate bill creates an Air Safety Board of five members. The conference agreement creates an Air Safety Board composed of three members.

(2) The Senate bill contains elaborate qualifications regarding the members of the Air Safety Board which are not present in the House amendment with respect to the Director. The conference agreement does not contain any qualifications regarding the members of the Board other than that one member shall at the time of his nomination be an active air-line pilot with a record of not less than 3,000 hours of flight in scheduled air transportation and that each member shall be a citizen of the United States and shall have no pecuniary interest in or own any stock in, or bonds of, any civil aeronautics enterprise.

(3) Under the House amendment no term of office is prescribed with respect to the Director of the Safety Division and no limitation is placed upon the power of the President to remove him from office. Under the Senate bill the members of the Air Safety Board hold office for terms of 6 years, and are not subject to removal by the President except for cause. The conference agreement prescribes terms of 6 years for the members of the Air Safety Board, but contains no limitation upon the President's power to remove the members.

(4) Under the House amendment the Director of the Safety Division is authorized to employ his own personnel. Under the Senate bill the personnel of the Air Safety Board is to be provided by the Authority, except that the Board may employ temporary personnel in connection with field investigations. The conference agreement follows the House amendment in this respect.

(5) Under the House amendment the Director of the Safety Division is expressly authorized to engage for temporary-service employees of the United States or other persons in connection with the investigation of accidents. The Senate bill contains no such authority. The conference agreement follows the House amendment in this respect.

(6) Under the House amendment the Director of the Safety Division is authorized to make general investigations regarding safety matters, other than investigations of accidents, only when requested by the Authority to do so. Under the Senate bill the Air Safety Board is authorized to make independent investigations relating to safety upon its own initiative. The conference agreement follows the House amendment in this respect except that the Air Safety Board is permitted to conduct such general safety investigation as may be approved by the Authority as well as upon the request of the Authority.

Title VIII. Other Administrative Agencies

Section 801. The President of the United States: This section provides that the action of the Authority with respect to certificates and permits authorizing overseas and foreign air transportation or air transportation within a Territory or possession shall be subject to the approval of the President. Section 801 of the Senate bill and section 801 of the conference agreement contain provisions which are identical in substance except that the conference agreement embodies a provision of the Senate bill, not present in the House amendment, which specifically requires that copies of all applications, and decisions of the Authority, in respect of such certificates and permits shall be transmitted to the President.

Section 802. Department of State: This section authorizes the negotiation by the State Department of agreements with foreign governments for the establishment of air routes and services between the United States and foreign countries and provides that these agreements shall be subject to the approval of the Authority and the President. The Senate bill does not contain such a provision. Section 802 of the conference agreement merely requires the State Department to advise the Authority of all negotiations relating to such matters and consult with the Authority with respect to them.

Section 803. The Post Office Department: This section contains general provisions relating to the transportation of mail by aircraft. Comparable provisions are found in sections 401 (n), 405 (d), (e), (f), (h), (i), (j), and 406 (d), (e), (f) of the Senate bill and in corresponding sections of the conference agreement. The substantive differences in the House and Senate provisions and the conference agreement in respect thereto, are as follows:

(1) Both the House amendment and the Senate bill make available for the transportation of mail under certificates of convenience and necessity the appropriations which are now available for the transportation of mail under contracts. Under the Senate provision, however, the appropriations for the carriage of mail between the United States and its Territories and possessions and between the United States and foreign countries could be used for the carriage of mail within the continental United States, and likewise the appropriations for the carriage of mail within the continental United States could be used to pay for the transportation of mail outside thereof. The House provision requires that the appropriations for these two types of service shall be kept separate and be used only for the service for which they were originally appropriated. The conference agreement follows the House amendment in this respect.

(2) The House amendment contains a provision, not present in the Senate bill, which requires air carriers transporting mail to carry without cost employees of the Post Office Department when traveling on official business. The conference agreement contains such a provision, but it provides that the Authority shall prescribe the officers and employees of the Post Office Department to be transported without charge.

Title IX. Penalties

Section 901. Civil Penalties: This section prescribes civil penalties for violations of titles V, VI, and VII of the act. The provisions

of the Senate bill (secs. 901 and 903 (c)) are substantially the same, except that the House amendment contains provisions authorizing the remission and mitigation of the penalties, which are not in the Senate bill. The conference agreement (secs. 901 and 903 (b)) omits the provisions authorizing remission and mitigation, but contains in lieu thereof provisions authorizing such penalties to be compromised.

Section 902. Criminal penalties: This section, prescribing criminal penalties for violations of the act, is the same in substance as sections 902 of the Senate bill and 902 of the conference agreement.

Section 903. Venue: This section, relating to the venue of offenses, is the same as sections 903 (a) of the Senate bill and 903 (a) of the conference agreement.

Title X. Procedure

Section 1001. Conduct of proceedings: The provisions of this section, section 1001 of the Senate bill, and section 1001 of the conference agreement are substantially the same. A provision of this section of the House amendment relating to the withholding of secret information affecting national defense is contained in section 1104 of the conference agreement.

Section 1002. Complaints and investigations: The substance of this section of the House amendment is contained in section 1002 of the Senate bill, together with provisions found in other parts of the House amendment prescribing the action the Authority is empowered to take upon the basis of its investigations. The conference agreement follows the Senate bill as to the arrangement of these provisions.

Section 1003. Cooperation with State aeronautics agencies: This section is the same in substance as section 204 (b) of the Senate bill and section 205 (b) of the conference agreement.

Section 1004. Judicial review: This section is substantially the same as section 1005 of the Senate bill. The conference agreement (sec. 1006) follows the House amendment.

Section 1005. Judicial enforcement: This section, section 1006 of the Senate bill, and section 1007 of the conference agreement are identical.

Section 1006. Evidence: This section, section 1003 of the Senate bill, and section 1004 of the conference agreement are identical in substance.

Section 1007. Joinder of parties: This section, section 1008 of the Senate bill, and section 1009 of the conference agreement are the same in substance.

Sections 1008 and 1009. Service and provisions relating to orders: These sections, relating to the service of notices, orders, etc., are the same in substance as section 1004 of the Senate bill, except that the Senate bill contains provisions relating to the effective date of orders, emergency orders, and requirements as to compliance, which are not contained in the House amendment. The conference agreement (sec. 1005) follows the Senate bill.

Section 1010. Remedies not exclusive: This section, section 1104 of the Senate bill, and section 1106 of the conference agreement are identical.

Title XI. Miscellaneous

Section 1101. General powers: This section empowers the Authority to classify air carriers and perform all acts, issue all orders, and make all regulations necessary to carry out the act. Sections 204 (a) (1) and 417 (a) of the Senate bill and sections 205 (a) and 416 (a) of the conference agreement contain provisions which are identical in substance.

Section 1102. International agreements: This section requires the Authority in administering the act to act in accordance with the international obligations of the United States and to take into consideration applicable laws of foreign countries. The section also forbids the Authority to restrict compliance by any air carrier with any obligation imposed upon it by a foreign country, unless such obligation arises out of a contract between the carrier and a foreign country which is disapproved by the Authority. The Senate bill does not contain such a provision. Section 1102 of the conference agreement contains this provision of the House amendment.

Section 1103. Publications: This section requires the Authority to provide for the publication of official documents. Section 204 (c) of the Senate bill and section 205 (d) of the conference agreement contain provisions which are in substance identical.

Section 1104. Annual report: This section requires the Authority to make an annual report to Congress. Section 204 (d) of the Senate bill and section 206 of the conference agreement contain substantially similar provisions. The conference agreement, however, makes provision for including in the annual report the reports of the Administrator and the Air Safety Board with respect to work performed by them.

Section 1105. Nature and use of documents filed: This section provides that copies of all documents filed with the Authority shall be preserved as public records except those withheld from publication as confidential. Section 202 (d) of the Senate bill and section 1103 of the conference agreement contain provisions which are similar in substance.

Section 1106. Collection and disseminaton of information: This section empowers the Administrator to conduct studies and disseminate information relative to the development of civil aeronautics. The Senate bill, section 204 (a) (3) contains a similar provision but vests the power granted by the section in the Authority. Section 206 of the conference agreement follows the House amendment by vesting this power in the Administrator except as to information collected and disseminated by the Authority under titles IV and VI and by the Air Safety Board.

Section 1107. Cooperation with Government agencies: This section provides that the Authority may avail itself of the assistance of research and technical agencies of the United States. Section 204 (a) (5) of the Senate bill contains comparable provisions. The Senate bill, however, unlike the House amendment, contains a provision which expressly prohibits the Authority from establishing a laboratory or research agency. Section 1105 of the conference agreement contains the substance of both the House amendment and the Senate bill with the following changes: (1) It strikes out the prohibition of the Senate bill against the establishment of a laboratory or research agency by the Authority and inserts in lieu thereof a provision which states that the act shall not be construed to authorize the duplication of the laboratory research activities of any existing governmental agency, and (2) it broadens the scope of the provision by extending the authority granted thereby to the Administrator and the Air Safety Board, as well as to the Authority.

Section 1108. Amendments and repeals: This section contains the statutes amended or repealed by the act. Section 1105 of the Senate bill contains a comparable provision. The differences between the House and Senate provisions and the conference agreement in respect thereto are as follows:

(1) The House amendment contains a provision which amends the Clayton Act of October 15, 1914, by vesting the administration of sections 2, 3, 7, and 8 of that act when applicable to air carriers and foreign air carriers in the Civil Aeronautics Authority. The Senate bill does not contain such a provision. The conference agreement embodies the House provision.

(2) The House amendment contains a provision which provides that two members of the Civil Aeronautics Authority shall be ex-officio members of the National Advisory Committee for Aeronautics and which increases the number of members on that body from 15 to 17. The Senate bill does not contain such a provision. The conference agreement, like the House provision, provides that two members of the Authority shall be ex-officio members of the National Advisory Committee for Aeronautics. The conference agreement, however, does not increase the number of the members of that body but retains the present size of that body, namely, 15 members, by providing for a reduction of two in the number of the members who are chosen from outside the Government service. It further provides that the terms of office of the present nongovernmental members shall terminate on the effective date of the section and that the President shall appoint their successors for 5-year staggered terms.

(3) The Senate bill repeals all of the Air Commerce Act, rewriting in the text of the bill such of the provisions of that act as it is necessary to preserve. The House amendment, on the other hand, repeals most of that act but preserves in existence and amends in certain respects other provisions thereof. Thus, the House amendment does not repeal (a) section 4 of that act, dealing with the setting aside of air space reservations; (b) subsections (c) and (d) of section 5, dealing with the use of air navigation facilities and landing areas owned by governmental agencies; (c) subsection (e) of section 5, dealing with weather-reporting service; (d) subsection (f) of section 5 dealing with the designation of military airways; (e) those portions of section 6 which deal with the sovereignty of the air space of the United States and the admission of foreign aircraft into the United States, (f) section 7, dealing with the application of the navigation and shipping laws, customs laws, entry and clearance laws, and immigration laws to air commerce; (g) the first sentence of section 8, which created the office of Assistant Secretary of Commerce for Aeronautics; and (h) such portions of section 11 as provide penalties for violations of those parts of the act which are preserved.

The conference agreement follows the provisions of the House amendment with the following exceptions;

(1) Section 5 (e) of the Air Commerce Act, dealing with weather-reporting service and other duties of the Weather Bureau is repealed and section 803 of the conference agreement rewrites in the text of the bill the substance of that section. In rewriting the section, the principal substantive change made is to authorize the Weather Bureau to detail annually not to exceed 10 members of its personnel for training at Government expense at civilian or other institutions in meteorological science.

(2) The Motor Carrier Act, 1936, is amended so as to render its provisions inapplicable (with certain specified exceptions) to the transportation of persons or property by motor vehicle when incidental to transportation by aircraft.

(3) The Department of Commerce Appropriation Act, 1939, is amended so as to permit the Administrator, with the approval of the Authority, to exercise the power, given to the Secretary of Commerce under that act, to enter into contracts up to $2,000,000 for the establishment of air-navigation facilities in advance of receiving an appropriation therefor.

Section 1109. Effect of transfers, repeals, and amendments: This section contains saving provisions with respect to orders, regulations, contracts, and certificates in force, and administrative and judicial proceedings pending on the effective date of the act. Section 1106 of the Senate bill and section 1108 of the conference agreement contain provisions which are identical in substance.

Section 1110. Separability: This section contains the customary separability clause. Section 1107 of the Senate bill and section 1109 of the conference agreement are identical.

Section 1111. Effective date: This section prescribes the effective dates of the various provisions of the act. Section 1108 of the Senate bill and section 1110 of the conference agreement are identical.

Provisions of conference agreement not present in House amendment

Section 601 (b). Needs of service to be considered; classifications of standards: This section provides that the Authority shall make classifications of its standards, rules, regulations, and certificates appropriate to the differences between air transportation and other air commerce and directs that the Authority shall not give preference to air transportation or other air commerce in the administration of the act. This provision is analogous to section 601 (b) of the Senate bill and is not contained in the House amendment.

Section 605. Maintenance of equipment in air transportation: This section expressly makes it the duty of air carriers and their employees to comply with the regulations of the Authority regarding the inspection, maintenance, overhaul, and repair of equipment. The section also prescribes the powers and duties of the inspectors of the Authority with respect to the inspection or maintenance of the equipment of air carriers used in air transportation. The section further provides that if an inspector finds that any equipment of an air carrier is not in condition for safe operation, he shall notify the carrier and it shall, for 5 days thereafter, be unlawful to use such equipment in air transportation unless, within that time, the Authority or the inspector finds that the equipment has been placed in safe condition. The House amendment contains no comparable express provisions, and therefore an inspector could not himself ground equipment but could only do so through an order of the Authority. On the other hand, section 604 of the Senate bill empowers an inspector himself to require equipment to be kept out of service until the air carrier either alters the equipment so as to comply with the inspector's order or appeals to the Authority and secures a reversal of the inspector's decision.

Section 1101. Hazards to air commerce: This section provides that the Authority shall require by regulation that all persons give adequate public notice of the construction or alteration of structures along or near the civil airways where such notice will promote safety in air commerce. The House amendment contains no comparable provision. The Senate bill contains a provision, section 1101, which deals with the subject of hazards to air commerce by providing that persons, owning or operating structures on the civil airways which the Authority deems to be hazards to air commerce, should maintain signals thereon, the cost of such signals to be borne by the Authority.

CLARENCE F. LEA,
ROBERT CROSSER,
A. L. BULWINKLE,
EDWARD C. EICHER,
J. W. WADSWORTH,
PEHR G. HOLMES,
Managers on the part of the House.

Mr. LEA. Mr. Speaker, the conferees of the Senate and House have agreed unanimously on the report presented to the House today.

The Senate and House bills ran, generally speaking, on parallel lines. They cover practically the same subject and they were treated substantially in the same way. There were, however, certain differences of importance between the House and the Senate bills which were finally agreed upon as now presented.

One of the principal controversies between the House and the Senate was with respect to how many members should constitute the authority under the bill. The Senate insisted on five and the House provision provided for three. The House conferees yielded to the Senate and the conference report as now presented provides for an authority of five members.

There was considerable discussion in reference to the administrator, particularly as to his functions. The conference report left the provision in relation to the administrator, including his dutes, substantially as in the House bill as it went to the Senate.

Another subject of particular interest to the House was in reference to the so-called grandfather clause, with which the House Members are generally familiar. The solution finally reached was substantially the provision contained in the House bill. The principal difference was that the conference report, as adopted, permits contracts let pursuant to advertisements of the Post Office Department to be perfected up to the effective date of the act, which is 60 days after its enactment. The provision as it left the House permitted these contracts to be perfected indefinitely after the bill went into effect. This is the principal and substantial difference between the grandfather clause as now embodied in the conference report as contrasted with the bill as it went from the House.

There was a controversy over the labor provisions that occupied some attention of the House and considerable attention of the conferees. The restriction upon the exemption as applied to the present law fixing the compensation of air pilots was somewhat further restricted by confining the exemption in any case to daylight flying and requiring also that, in effect, the exemptions be granted in favor of the small carrier, requiring the applicant for an exemption to show that the wages now fixed by law for air pilots would obstruct development and prevent the carrier from initiating or continuing his operation.

Another controversy, somewhat more acute, as between the House and the Senate was as to the provisions of safety. The House provision called for a director of safety, a one-man organization. The Senate insisted on five members on a safety board. An agreement was reached by which we agreed on a safety board of three members. The only qualification required for membership as specified in the act is that one member of the safety board must have been an air pilot with as much as 3,000 hours of flying; otherwise the duties required of the safety board as set up by the conference are substantially the same as the House provision.

These are the main differences that are embodied in the conference report.

Mr. MEAD. Mr. Speaker, will the gentleman yield?

Mr. LEA. I yield to the gentleman from New York.

Mr. MEAD. May I ask the gentleman how many members are to be appointed on the safety board?

Mr. LEA. Three.

Mr. MEAD. For what term?

Mr. LEA. Six years.

Mr. MEAD. And will the gentleman tell me whether or not the administrator is independent of the civil aeronautics board or whether he is dependent upon them or under their direction or supervision?

Mr. LEA. He is fundamentally independent. It is his obligation to perform such duties as are requested by the Authority, but he is independent in his position and has certain main independent duties that he performs regardless of the authority.

Mr. MEAD. The administrator, then, will carry out what might be termed the executive or administrative functions while the Civil Aeronautics Authority will be a quasi-judicial body to determine rates and practices and matters of that character?

Mr. LEA. Yes; we retain the distinction that was made in the House bill between an independent commission and an administrative authority, and we retain the limitation on the President's power of removal as to the authority, but give the President unlimited authority of removal as to the administrator and safety board.

Mr. MEAD. That is as it should be. Will the board be bipartisan?

Mr. LEA. Bipartisan.

Mr. MEAD. Both parties will be represented?

Mr. LEA. Yes.

Mr. MEAD. Will labor be represented on the safety board?

Mr. LEA. Yes. The conference agreement requires that one member of the safety board be an air pilot with 3,000 hours' flying experience.

Mr. MEAD. I am very anxious to know, and I know that many Members of the House are anxious to know, whether the extensions, authorized by appropriations, to existing air-mail lines, will be permitted by the Post Office Department under the terms of the conference report now before us.

Mr. LEA. Yes.

Mr. MEAD. All of those extensions to the air-mail service that were discussed in the House when the bill was

under consideration and for which money has been provided will become a reality under the terms of the conference report?

Mr. LEA. Yes; and even though there is a bid that has been rejected, another bid could follow any time within the effective date of the act; and in case the bid was not perfected within that period, the territory would, nevertheless, receive the service. The service would be set up under the authority instead of the Post Office Department after the effective date of the act.

Mr. MEAD. I conclude by complimenting the chairman and his associates upon the splendid service they have performed in connection with the presentation of this bill.

Mr. MURDOCK of Arizona. When the gentleman says "all," does he mean all that were included in the Mead amendment?

Mr. LEA. Yes. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. MAPES].

Mr. MAPES. Mr. Speaker, this is a unanimous report of the conferees. I was not a member of the conference committee. The conferees were the same as the members of the subcommittee of the Committee on Interstate and Foreign Commerce which considered the legislation when it was before the committee. I have kept in touch with the members of the minority during the conference. They signed the conference report and favor its adoption. Except for the substitution of a three-man safety board for an engineer inspector, the conferees accepted, in the main, the provisions of the House bill. The principal, or at least one of the principal, controversial points when the bill was under consideration in the House was whether there would be a separate commission or authority created to regulate air commerce or whether the Interstate Commerce Commission should do it. The House expressed itself on that question so that it was not in conference.

Except for the creation of the new authority the legislation meets with general approval. It is well drafted and covers the subject in a very satisfactory manner. It is a good bill and ought to be passed. It meets with very general approval of the industry and those who have made a study of the subject as well as of the Members of the House who have been the most instrumental in piloting it through Congress. Personally I am glad to join in support of the conference report.

In addition to the statement of the chairman of the committee I desire to call attention to one provision of the conference report. I refer to the provision limiting the power of the President to remove the members of the authority. The Senate bill would have allowed the President to remove them in his discretion, but the House conferees insisted on the language of the House bill in that respect. The provision of the conference report on that subject is as follows:

> The members of the Authority may be removed by the President for inefficiency, neglect of duty, or malfeasance in office.

I know of no objection to the adoption of the report.

Mr. LEA. Mr. Speaker, I yield myself 2 additional minutes. It is the belief of the committee that we have written a bill in harmony with the Humphrey decision. We limit the power of the President to remove the members of the authority. We leave him unlimited authority to remove the members of the safety board and the administrator, because those officers are manifestly executive officers, concerning whom the President has the right of removal.

In this connection I express my fine appreciation of the cooperation that we have had from the members of the committee regardless of politics in trying to work out as good a bill as it was possible for us to write.

I yield 5 minutes to the gentleman from New York [Mr. FISH].

Mr. FISH. Mr. Speaker, I am in no way opposed to this bill. I think all Members, regardless of partisanship, want a constructive aviation law that will put the responsibility in the hands of the proper authorities to develop civil aviation in America. I wish to ask the chairman of the committee some questions and to get certain information at this time. Is there any cooperation between civil aviation, military aviation, and naval aviation? For instance, in foreign lands where they have dictatorial forms of government, such as Germany, Italy, or Soviet Russia, and where there is only one party, various cities have their own aviation fields and their own civil aviation system and airplanes and equipment, and the public is air-minded. There are innumerable pilots and mechanics in and around these different centers of population. In our own country it seems to me that the War and Navy Departments have a monopoly of aviation as far as defense is concerned. We have one aviation military training school down in Texas, and all those who want to become aviators for national-defense purposes must go to school in Texas, whereas, in these other countries, if a boy wants to become an aviator, he can go out and join the aviation force of his town, his city, or wherever the nearest field may exist.

I am very fearful that we are falling behind in national defense in aviation, that there is no cooperation between the civil and military branches of aviation either in the use of the fields or the development of the fields, or the training of mechanics and pilots.

Speaking, however, primarily from the point of view of the city of New York, it must be obvious to everybody that if there is an air attack, and that is what we are defending our country against by these huge appropriations for military and naval aviation, that the first attack would most likely be upon the city of New York either from Bermuda, from the sea, or from Canada. As far as I know we have no adequate defense against air attack on New York City. For example, the National Guard of the State of New York, which is one of the best, has no defense against air attacks. It has a few observation planes which are used with the ground troops, but nothing in the way of pursuit ships or bombers to defend the city of New York if attacked. Furthermore, the National Guard, as you and I know, is a training school for officers and men, but mostly in the infantry and artillery. In that particular State we have no training school in the National Guard or elsewhere for mechanics or aviators. It seems to me that we are open to attack in the State of New York because there is no cooperation between civil, military, and naval aviation; that we have no training schools in which to prepare pilots and mechanics who want to enter the air forces, we have little opportunity in the National Guard; and I am wondering if the Congress has looked into this situation. I discovered it myself only a short time ago, because as a delegate to the State constitutional convention at Albany, I was appointed chairman of the military affairs committee. We have a very inadequate national defense in aviation, we have practically none at all. We have no more than Kansas, Iowa, or Oklahoma in the very center of America and far from foreign air attacks, yet as everybody knows we are subject to attack, and the city of New York would probably be the first city to be bombed.

[Here the gavel fell.]

Mr. LEA. Mr. Speaker, I yield 3 additional minutes to the gentleman from New York.

Mr. FISH. I am wondering when we are considering legislation of this kind dealing primarily with civil aviation whether we should not call upon this commission to cooperate with the National Guard, the Regular Army, and naval air forces throughout the country so that the fields, particularly around great cities such as New York, Philadelphia, and Boston could be used in case of emergency without great expense by our armed forces.

I am sure that if this commission were empowered to consider a question of this kind it could work out a program that would be helpful from the point of view of national defense.

Certainly if we appropriate hundreds of millions of dollars, yes, billions of dollars for our Navy and for our Army, and huge sums for our Air Force, we should make sure that we are protecting our larger cities, because they will be the first objects of attack and the first subjected to aerial bombing.

Mr. MEAD. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield.

Mr. MEAD. I am very much interested in the gentleman's discussion, and I appreciate the grasp the gentleman has of the situation and the interest he manifests in the development of aviation.

Some few years ago I introduced a bill which would create a national military reserve school for pilots who are now engaged in the Air Mail Service. I may say to the gentleman from New York that we have about a thousand pilots and copilots in the domestic and foreign Air Mail Service. By the terms of the bill we would set up a school for air-mail pilots and provide 2 months' annual military training for them under the supervision of the War Department. We would have this splendid reserve of pilot personnel ready for national defense and they would be properly distributed, as is the Air Mail Service, over all the States of the Union.

We would have pilots accustomed to flying in the frigid north, in the warm southern climes, over mountain terrain, and over the ocean.

Mr. FISH. What has happened to the bill. I am in hearty accord with that proposal. At a very small expense we could have a large reserve air force of pilots and mechanics.

Mr. MEAD. It is a matter of having the Army and Navy, as well as the Civil Aeronautics Commission, interested in concerted action. The gentleman is making a fine contribution to the bringing of that situation about by his statement at this time.

Mr. FISH. If the gentleman is correct and we could do that, we would be able to have at very little expense a real air reserve force instead of depending entirely upon the Regular Army and Navy fliers.

Mr. MEAD. I have provided in the bill for their pay while attending military aviation training school. The pilots are enthusiastic for a bill of that kind.

[Here the gavel fell.]

Mr. LEA. Mr. Speaker, I yield the gentleman 4 additional minutes.

Mr. FISH. Mr. Speaker, I hope the gentleman from New York [Mr. MEAD] will press that legislation because I do not believe we have available enough money simply to train pilots for the Regular Army or Navy the year round, which results in enormous expense. The proposal of my colleague from New York would soon double or triple the number of efficient reserve pilots. If we should use the present aviation facilities, as well as the facilities of the National Guard, we could have a strong air reserve at limited expense, which would increase our air defense in case of war. It takes a year or 2 years to train a real war pilot, and if we should be attacked from overseas we could not wait 2 years to defend our shores.

Mr. BULWINKLE. Will the gentleman yield?

Mr. FISH. I yield to the gentleman from North Carolina.

Mr. BULWINKLE. I call the attention of the gentleman from New York to the declaration of policy in this bill, reading as follows:

> Competition to the extent necessary to assure the sound development of an air-transportation system properly adapted to the needs of the foreign and domestic commerce of the United States, of the Postal Service, and of the national defense.

That is part of the policy.

Mr. FISH. That is fine. I have not heard that mentioned before in the debate, and I think it is a splendid idea.

Mr. BULWINKLE. In addition to that, I call the attention of the gentleman to the fact that the Air Safety Board can call in experts from any governmental agency in order to help find out what was the cause of an accident.

Mr. FISH. Does the gentleman think under the powers granted by this bill that the commission can cooperate fully with the War Department, the Navy Department, and the National Guard to construct an efficient program of national defense?

Mr. BULWINKLE. I would say so; yes.

Mr. FISH. In a cooperative way?

Mr. BULWINKLE. Yes.

Mr. FISH. If that is the case, I am that much more for the bill and I thank the gentleman for giving me the opportunity to express my views.

Mr. HARTER. Will the gentleman yield?

Mr. FISH. I yield to the gentleman from Ohio.

Mr. HARTER. I am thoroughly in sympathy with what the gentleman has said in reference to a proper air defense so far as this country is concerned; but of course the bill now under consideration is a civil aeronautics bill. May I ask the gentleman whether he does not think this bill is a step in the right direction so that we may coordinate our efforts with reference to civil aviation?

Mr. FISH. I think it is a very constructive bill and I am glad also to know that the civil aeronautics authority may cooperate with the national defense forces to further promote national defense from the air.

Mr. HARTER. I may say to the gentleman further that the pilots serving on the commercial lines of the country today have been trained at our Army Air Corps training school at San Antonio, Tex., or at least 50 percent of them have been so trained.

Mr. BULWINKLE. May I call the attention of the gentleman to another part of the declaration of policy as follows:

> The encouragement and development of an air transportation system properly adapted to the present and future needs of the foreign and domestic commerce of the United States, of the postal service, and of the national defense.

Mr. FISH. May I point out to the gentleman also that our situation in America is different from that existing in foreign countries where they have a one-party government. The people of those countries are air-minded. They have their own aviation fields, equipment, and aviators. They have 10 times as many aviators as we have. There are thousands, yes, tens of thousands, of young boys in America who want to become aviators and do not know how. They do not know where to go, because they cannot go to the National Guard. There is no training there. They have a limited field down in Texas used solely to train pilots for the Regular Army.

Mr. Speaker, I thank the gentleman from California [Mr. LEA] for his courtesy in giving me time to speak on the pending bill and to express my views and hope of more extensive cooperation between civilian and military aviation in order to afford greater opportunity for the training of American youth as pilots and to promote a larger force of reserve pilots and a stronger aviation defense.

In conclusion, I urge that attention be given to equipping the air fields near New York City with movable antiaircraft guns and in training crews to operate these guns efficiently.

Mr. LEA. Mr. Speaker, I yield myself 2 additional minutes.

Mr. Speaker, I may say that the committee, in providing the administrator as set up in this bill, made an arrangement that will add to the efficiency and operation of this independent authority. We relieve the members of detailed duties such as frequently interfere with many of our quasi-judicial and legislative bodies.

The gentleman from North Carolina [Mr. BULWINKLE] deserves the credit of being the originator of this general idea. We believe this policy of separating such duties according to the functions performed could well be applied to many organizations in the Federal Government. We expect to see this policy given a wider application.

In reference to the question of cooperation for military purposes, I would call attention to the fact that the provisions of this bill as to the executive functions, particularly in reference to foreign relations and operations of American aircraft abroad, provide for cooperation between the executive department and civil and military aviation; also that we have a National Advisory Commission on Aeronautics that works for the development of civil and military aviation alike.

As to the training of the pilots, the Army is now largely the school for pilot training; the Navy to a degree, and the Coast Guard to a lesser degree. It was the fine cooperation of Pan America that greatly contributed to the success of the recent successful flight of the Army flyers to South America. The advantages they gave to the Army flyers in the way of land-

ing fields, navigation aids, and weather reports, as well as information based on experience, were very great.

Mr. Speaker, I move the adoption of the conference report.

The SPEAKER. The question is on the motion of the gentleman from California.

The conference report was agreed to.

A motion to reconsider was laid on the table.

JOINT COMMITTEE ON FORESTRY

Mr. FULMER. Mr. Speaker, Senate Concurrent Resolution 31, which is identical with House Concurrent Resolution 54, having passed the Senate, I move to suspend the rules and pass Senate Concurrent Resolution 31 with an amendment.

CALL OF THE HOUSE

Mr. THOMAS of New Jersey. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. COOPER. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 109]

Allen, Ill.	Cullen	Hook	O'Connor, Mont.
Ashbrook	Curley	Imhoff	O'Day
Atkinson	Deen	Jacobsen	Phillips
Beiter	Delaney	Jenckes, Ind.	Plumley
Biermann	Dempsey	Johnson, Okla.	Reed, N. Y.
Boehne	DeMuth	Kennedy, N. Y.	Reilly
Boylan, N. Y.	Dickstein	Kirwan	Sabath
Buckley, N. Y.	Ditter	Kopplemann	Sacks
Bulwinkle	Dockweiler	Lemke	Scrugham
Byrne	Douglas	Lesinski	Smith, Okla.
Cartwright	Drewry, Va.	McAndrews	Stack
Casey, Mass.	Eaton	McGrath	Steagall
Celler	Eicher	McGroarty	Sullivan
Champion	Fernandez	McLaughlin	Sweeney
Citron	Flaherty	McLean	Taylor, Colo.
Clark, Idaho	Ford, Calif.	McMillan	Towey
Cochran	Fries, Ill.	McSweeney	Wadsworth
Coffee, Nebr.	Gasque	Mansfield	Wearin
Cole, Md.	Gavagan	Mitchell, Tenn.	Weaver
Cole, N. Y.	Griswold	Mosier, Ohio	Whelchel
Crawford	Hancock, N. C.	Mouton	White, Idaho
Crosby	Hennings	Murdock, Utah	Wood

The SPEAKER. Three hundred and forty-one Members have answered to their names, a quorum.

Further proceedings under the call were dispensed with.

JOINT COMMITTEE ON FORESTRY

The SPEAKER. The gentleman from South Carolina moves to suspend the rules and pass Senate Concurrent Resolution 31, with an amendment.

The Clerk read as follows:

Senate Concurrent Resolution 31

Resolved by the Senate (the House of Representatives concurring), That there is hereby established a joint congressional committee to be known as the Joint Committee on Forestry and to be composed of five Senators, appointed by the President of the Senate, and five Members of the House of Representatives, appointed by the Speaker of the House of Representatives. The chairman of the joint committee shall be appointed by the members of the joint committee.

SEC. 2. The committee is authorized and directed to study and make an investigation of the present and prospective situation with respect to the forest land of the United States, its condition, ownership, and management, as it affects a balanced timber budget, watershed protection, and flood control and the other commodities and social and economic benefits which may be derived from such lands, with a view to ascertaining, among other things:

(a) The adequacy and effectiveness of present activities in protecting public and private forest lands from fire, insects, and diseases, and of cooperative efforts between the Federal Government and the States.

(b) Other measures, Federal and State, which may be necessary and advisable to insure that timber cropping on privately owned forest lands may be conducted as continuous operations, with the productivity of the lands built up against future requirements.

(c) The need for extension of Federal, State, and community ownership of forest lands, and of planned public management of them.

(d) The need for such public regulatory control as will adequately protect private as well as the broad public interests in all forest lands.

(e) Methods and possibilities of employment in forestry work on private and public forest lands, and possibilities of liquidating such public expenditures as are or may be involved.

(f) The need for additional legislation, authorizations, appropriations, research, and other measures to insure adequate administration and development of the forest lands in Federal ownership.

The committee shall make a report to Congress immediately after said investigation has been concluded, but in any event not later than April 1, 1939, and in said report the committee shall make such recommendations as it may deem proper, including the legislative action necessary to effectuate its recommendations.

SEC. 3. For the purposes of this resolution the committee, or any subcommittee thereof, is authorized and directed to hold such hearings, to sit and act at such times and places in the District of Columbia and the principal forest regions of the continental United States, to employ such experts and such clerical, stenographic, and other assistants, to require the attendance of such witnesses and the production of such books, papers, and documents, to take such testimony, to have such printing and binding done, and to make such expenditures as it deems necessary; and oaths or affirmations may be administered by any member of the committee. The committee is further authorized to request the fullest cooperation in the conduct of this investigation from such departments of the Government as the committee may deem necessary, and to request the use of the facilities of such technical agencies in the executive branches of the Government as deal with our forest problem, in such ways as the committee may desire. The expenses of the committee shall not exceed $10,000, which shall be paid one-half from the contingent fund of the Senate and one-half from the contingent fund of the House of Representatives upon vouchers approved by the chairman of the committee.

SEC. 4. The committee shall cease to exist upon submission of its report to the Congress in accordance with the provisions of this resolution.

The SPEAKER. Is a second demanded?

Mr. SNELL. Mr. Speaker, I demand a second.

Mr. FULMER. Mr. Speaker, I ask unanimous consent that a second may be considered as ordered.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The SPEAKER. The gentleman from South Carolina is recognized for 20 minutes.

Mr. FULMER. Mr. Speaker, I do not believe there is a single Member of Congress who does not recognize the great importance of just what we want to undertake under this resolution. In the Southeast we have around 20,000,000 acres of cut-over land. Much of this land is privately owned but very little is being done to reforest same. I am speaking now largely in connection with the problem in the Southeast, yet the problem exists in every State in this country. Recently there have been moving into that section of the country something like 38 large pulp and paper mills. Today they are slaughtering whatever forests we have remaining in that section, and, as stated, nothing or very little is being done to reforest this land, nothing in the way of cutting regulations or the assisting of land owners in securing a fair price.

Mr. HOPE. Mr. Speaker, will the gentleman yield?

Mr. FULMER. In just a minute.

At every session of Congress Members bring in bills dealing with some small phase of this problem, mostly concerned in local problems. I believe it is high time that the Congress appointed a congressional committee interested in this problem to investigate and offer to the Congress a broad and constructive program to do the thing about which we have been talking and the thing we have been spending quite a lot of money in trying to do in the past. In the Southeast our forests are one of the greatest resources we have. We must have something to take the place of cotton, the production of which we are cutting down and which is selling below the cost of production.

The most important development in industry in the South during 1937 was occasioned by the continued expansion of the pulp and paper industry in this region. This rapid expansion of an industry whose most important single item of cost is wood increases the opportunity for the practice of forestry, but also presents dangers which should not be overlooked. This growing industry brings into the South additional capital, employment, and business, but its rapid growth has raised important questions concerning the quantities and availability of raw material which it needs and the effect which it may exert on the sources of supply of existing industries also dependent on the forest.

On January 1, 1938, in the 10 Southern States from Virginia to Texas, there were in operation or under construction a total of 38 pulp mills with a total reported capacity of about

10,000 tons of pulp per day. Most of these mills are close to the coast line of either the Atlantic Ocean or the Gulf of Mexico, but progressively more mills are being built back from the coast in areas of high potential value from the standpoint of raw material. The distribution of these pulp mills by States is as follows:

Alabama	3
Arkansas	2
Florida	5
Georgia	2
Louisiana	7
Mississippi	3
North Carolina	4
South Carolina	3
Texas	2
Virginia	7

It is estimated that these mills will require approximately 5,000,000 standard cords of rough wood annually and that they will provide employment on a yearly basis for about 39,000 men, of which 23,000 will be employed in the mills and 16,000 in the woods. It is also estimated that the total investment in these 38 plants approximates $200,000,000. Most of these mills manufacture sulphate or kraft pulp, and a few are making bleached sulphate pulp. The majority of these mills run entirely on southern pine, but a few use hardwoods or a combination of pine and hardwoods.

Because of these pulp and paper mills now operating in the South, the forest problem in that region is becoming acute, and something on a large and constructive program must be put into operation to take care of this situation. This, no doubt, is true in other sections of the country, but I am speaking practically altogether about the forest problem of the Southeast.

Furthermore, the pulp and paper industry is not the only one dependent upon the southern forest. Preceding it by many years are the lumber, naval stores, pole and piling, and other wood-using industries.

During 1935, over 5,000 wood-using industry establishments, employing an average of nearly 180,000 wage earners with a pay roll of $84,000,000, and products valued at nearly $335,000,000, were operating on these southern forest lands.

We have perhaps around 7,000 sawmills. With recent, rapid expansion of the pulp and paper industry in the South, along with these 5,000 woodworking plants and 7,000 sawmills, unless something is done and done promptly, under a broad and constructive program to properly protect our forests and reforest the millions of cut-over acres of land, certainly the great inherent values from these industries in the way of giving purchasing power, and employment, will be impossible.

You will note that the President, in his message to the Congress on March 14, referred to the need of public regulatory control, that would adequately protect private as well as the broad, public interest in our forest lands.

It may be of interest to you, to know that since 1920, because of the financial condition of farmers in the South, they have slaughtered their forest reserves, having to sell their timber either to sawmills, for crossties, or pulp-wood without any regulations as to the cutting of timber, or any bargaining power as to prices, and in the meantime nothing, or a very little, has been done to reforest these cut-over lands.

We can no longer go on draining away our resources, converting them into money and calling it wealth. We must put the money back into these areas, and restore them to a condition where they can again support the population that they once were capable of supporting. Under the program that it is hoped to be able to submit to the next Congress I am hoping that the committee that is to have charge of making this investigation will be able to have the States of the Union realize the seriousness of the forest situation, with the hope that they will cooperate with the Federal Government, by passing necessary legislation for proper regulation and protection of the forest resources, that are today being depleted to the extent that it will within the next few years bring about the closing down of many industries in the South, and the bringing about of much unemployment.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. FULMER. I yield to the gentleman from Kentucky.

Mr. MAY. May I suggest to the gentleman that in the southern forests that have already been cut over once, where the pulpwood producers and the small sawmills are operating, they always leave the laps and tops of the trees on the ground and create a perfect setting for fires. The States have not enacted the necessary laws or provided the necessary fire protection, and in that way they are literally wiping out the young trees that remain in these forests.

Mr. FULMER. That is true. May I say to the gentleman that while we are spending perhaps one and one-half to two and one-half millions for fire protection, there are millions and millions of acres unprotected that are being burned over annually, and therefore we should, perhaps, spend more money and do it in a manner which will really preserve the forests.

What about work for our C. C. C. boys, and would it not be money well spent if putting people to work under the W. P. A. that thousands of unemployed be placed in the various lines of work connected with a forestry program? This could be done under the State forest service in cooperation with the Federal Government.

The thing that this administration has been trying to do is to increase the purchasing power of the people and putting people to work.

What will it mean to the Southeast, to say nothing of the rest of the country if we can, on a broad and constructive program, with the States, and private landowners cooperating, build up our forest reserves for future years? Is there any other problem that we can tackle at this time, which, if properly handled, would tend to give a more steady, annual increase in the way of purchasing power and employment?

Mr. SNELL. What is the gentleman's own State, for instance, doing in connection with reforestation and protection of the burned-over lands?

Mr. FULMER. South Carolina and most of the Southern States have been for the last 2 or 3 years, and are now appropriating money for this purpose, realizing the importance of the problem. They have State forest services and are getting the people generally interested to the extent that they are doing considerably more than ever before in the history of the Southeast.

Mr. SNELL. They have just started it in the last 2 or 3 years?

Mr. FULMER. That is true. Think just what it would mean to the poverty-stricken farmers of the Southeast in the way of purchasing power, to the unemployed, trucking operations, and the railroads, which are badly in need of revenue had we put on an active program along this line 20 or 30 years ago.

Mr. SNELL. My State has been doing this for 40 years.

Mr. FULMER. I may say to the gentleman that your State has done more work along this line and has been more interested in this matter than any other State in the Union.

I want to refer to my own State:

THE URGENT WORK AHEAD

Forest statistics, recently compiled, show that South Carolina's forest capital is 45,000,000 cords. They show that annual use exceeds present growth by almost a million cords.

In spite of the excellent progress made thus far in South Carolina, much remains to be done and we must face the facts squarely. To avoid diminished employment, migrating forest industries, loss of tax base and forest bankruptcy a 10-point plan of action is needed. The 10 items listed here briefly outline a forest-land policy and plan of action for our State as well as every State in the United States.

1. Increase in State fire-control budget annually until State is under a complete forest-fire-control system.

2. Expansion of program of education, demonstrations, and service in forest management.

3. Continuation of program of providing forest-tree seedlings for reforestation purposes.

4. Acquisition of State forests and resettlement areas for demonstration and research in forestry practices and for recreation.

5. A cooperative program of tax-delinquent land administration between State and county.
6. Establishment of cooperative forest associations for a joint program of timber production, protection, management, and marketing.
7. A thorough study of the possibilities of tax revision for forest lands.
8. The adoption of a program under which those concerned with proper forest management are protected against the competition of unfair forest practices.
9. The acquisition of submarginal areas in sections where they predominate and contribute to the economic problems, and their use as State forests.
10. In order to effectuate the above, the necessary intensive studies and investigations should be made.

A serious situation exists which calls for prompt and adequate action to speed up and make more general the practice of forestry by individuals, corporations, and communities.

We want to take into consideration having the States pass legislation to cooperate and provide for some regulation with respect to cutting or destroying this timber, and, also, something with respect to the price. I may say to you that down in the South today they are putting this pulpwood on the market at a price whereby the farmer is not receiving enough to pay for cutting and hauling it to the pulp mill or the railroad station, and all in competition with cheap cotton.

Mr. ANDRESEN of Minnesota. Mr. Speaker, will the gentleman yield?

Mr. FULMER. I yield.

Mr. ANDRESEN of Minnesota. Is it not a fact there is so much free wood coming in from foreign countries that it is ruining the price in this country?

Mr. FULMER. I may say to the gentleman that we have had that to contend with to a certain extent, but while everybody is now forestry-minded and interested in this most important problem, I know of no better time to get started on a large and constructive program.

Mr. KRAMER. Mr. Speaker, will the gentleman yield?

Mr. FULMER. I yield to the gentleman.

Mr. KRAMER. I see that the gentleman is asking for $25,000, and I imagine that will come from the contingent fund of the House?

Mr. FULMER. Yes.

Mr. KRAMER. I may say to the gentleman that just a few days ago the Committee on Accounts had a meeting and we cleaned the cash drawer. There is not a dime left in the cash drawer to pay for this, and there has been no additional appropriation made in the deficiency bill. I do not know where we are going to get the money, although I am for this investigation if it is going to help California, especially in those regions where we have had fires in our forests, but I do not know where we are going to get the money.

Mr. FULMER. May I state to the gentleman that he need not worry about California? California is looking out for her interest and your State is deeply interested in the passage of this resolution, which, by the way, was introduced in the Senate by your Senator [Mr. McADOO]. May I say to the gentleman that we have been assured that we will get the money?

Mr. KRAMER. I do not know how, as our cash drawer is empty.

Mr. WARREN. Mr. Speaker, will the gentleman yield?

Mr. FULMER. Yes.

Mr. WARREN. I understood the gentleman to inquire whether the resolution carried $25,000. That, of course, is an error, is it not?

Mr. FULMER. May I state that my original resolution carried one hundred thousand, which was cut to $25,000, but we are now considering the Senate resolution that carries $10,000.

Mr. KRAMER. It says here in the resolution $25,000.

Mr. FULMER. That is the House resolution.

Mr. KRAMER. How much is the House supposed to contribute to this investigation?

Mr. FULMER. Five thousand dollars, and the Senate $5,000.

Mr. SNELL. I also thought the resolution carried $25,000.

Mr. WARREN. No; it does not. We are considering, as I understand, the Senate resolution, which only carries $10,000, and the only change, if the gentleman from South Carolina will permit, is that the Senate provided for a committee of three from each House and the House resolution five from each House, and the gentleman from South Carolina is now insisting that there be five Members from each body.

Mr. FULMER. The gentleman from North Carolina is correct in his statement.

Mr. SNELL. I have before me the House concurrent resolution.

Mr. JENKINS of Ohio. Mr. Speaker, will the gentleman yield?

Mr. FULMER. I yield to my friend from Ohio.

Mr. JENKINS of Ohio. I would like to ask the gentleman this question: I am strongly in favor of anything that will help preserve the forests and disseminate information with reference to them. I am just as much interested in that as anybody in the world could possibly be, because I am thoroughly sold on the proposition; but I can hardly see why we need this resolution, in view of the fact that I believe our Forestry Service is one of the most competent and one of the most unbiased and one of the most thoroughly qualified organizations in the Government. We have all these facts that the gentleman has been talking about and the Forestry Service has all the facilities to make such an investigation. What does the gentleman believe this commission will discover or uncover that we do not know already or that the Forestry Service cannot tell us?

Mr. FULMER. May I state to the gentleman that we hope to ascertain and bring back to the Congress the facts that the Forest Service already has, together, with other facts, secured from the States and private landowners and the various State forest services with the hope of being able to impress the Congress with the importance of doing the thing that Congress has not done up to this time.

You know we have been attacking this problem by piecemeal, and I may say to the gentleman that that is one of the troubles with the various bills we pass in Congress. It is more like a merry-go-round; we get on and get off at the end of the year and nothing is accomplished.

Mr. JENKINS of Ohio. If the gentleman's program has for its major purpose the matter of organizing the State or working out some sort of compact among the States so that each State may have the benefit of the fire-prevention laws, and so on, of the others, that would be a very good thing.

Mr. FULMER. One of the real purposes is to get the States to pass uniform legislation and cooperate with the Federal Government. I think this is very important.

Mr. JENKINS of Ohio. Is that provided in this resolution?

Mr. FULMER. Yes; it is the purpose of this resolution to cover every phase of this important program.

May I quote from the resolution for the information of the Members:

1. The adequacy and effectiveness of present activities in protecting public and private forest lands from fire, insects, and diseases, and of cooperative efforts between the Federal Government and the States.
2. Other measures, Federal and State, which may be necessary and advisable to insure that timber cropping on privately owned forest lands may be conducted as continuous operations, with the productivity of the lands built up against future requirements.
3. The need of extension of Federal, State, and community ownership of forest lands, and of planned public management of them.
4. The need for such public regulatory controls as will adequately protect private, as well as the broad public interests in all forest lands.
5. Methods and possibilities of employment in forestry work on private and public forest lands, and possibilities of liquidating such public expenditures as are or may be involved.

Mr. HOPE. Mr. Speaker, can the gentleman tell us whether any national investigation of this subject has ever been conducted before?

Mr. FULMER. I do not know of any national investigation having been made.

Mr. HOPE. Is there any demand for this investigation from private forestry interests of the country? Where is the demand coming from?

Mr. FULMER. I wish I had the time to read the hundreds of letters that I am receiving from every State in the Union, letters that are coming into the Forest Service, begging that something be done. I received a letter this morning from Texas, where they are about to put up the largest paper-manufacturing plant in the country.

I am quoting a few excerpts from just a few of these letters.

MY DEAR CONGRESSMAN: The recent announcement that construction of a newsprint mill will shortly get under way in eastern Texas reemphasizes the importance of the rapid development of the pulp and paper industry to this section of the country. This newsprint mill will utilize second-growth southern pines and will be the first mill to make newsprint in the South. The recent trend of the pulp and paper industry southward not only opens wider opportunities for utilizing the South's most valuable natural resource—its forests—but also, offers additional employment and improved living conditions for the people of this region. While all indications point to a continued decrease in cotton acreage, it will be particularly advantageous if something can be found to take its place. (E. L. Demmon, Director, Forest Service, New Orleans, La.)

DEAR CONGRESSMAN FULMER: If the work of this committee would acquaint Congress with the need for making adequate appropriations for the acquisition of forest lands by the States under the Fulmer Act, I think it would be a splendid thing.

Cut-over and burned-over forest lands in many cases tax delinquent and abandoned by the original owners, already constitute a serious problem. If these lands could be acquired by the State under the Fulmer Act, they could be properly managed, made productive, and become an asset rather than a liability. (Franklin Girard, State forester, Boise, Idaho.)

DEAR SIR: One-third of the United States is in forest. The timber resource has been abused and in many localities exploited by nonconservative methods of management and utilization. Its rehabilitation is one of the great land-use problems facing the country. Before rehabilitation can be planned and carried on, an authoritative appraisal of the amount and condition of our forest land and timber resources is necessary. (President, the Society of American Foresters, Washington, D. C.)

DEAR MR. FULMER: An accurate survey of the timber resources in Florida is very necessary to the planning of a State-wide fire-control system and the creation of an effective management plan for one of the State's most important natural resources. This is especially true since the influx of the paper and pulp industry in the South. (Harry Lee Baker, State forester and park executive, Tallahassee, Fla.)

DEAR CONGRESSMAN: As you doubtless realize, the kind of forestry program that will really bring back Minnesota's forests and provide for their management on a long-time basis is so big that the amount of Federal aid available is going to be a very important factor in determining how soon we get the job done. Therefore, I believe you will agree that Minnesota has a vital interest in seeing a fully adequate Federal program formulated. The designation of a committee such as is proposed, and a study such as it might conduct if properly financed, should do a great deal toward getting a program adequate to really deal with the situation.

The matter is important, not only from the standpoint of Minnesota but is of the broadest national interest, directly affecting the lives and well-being of several million families living in the forest regions, particularly of the Eastern States. In the forest regions of these States destructive timber cutting has left a part of the farmers stranded on part-time farms without their normal source of part-time work in the woods and in timber industries. From the national standpoint these families are the most important in the United States because they have the largest families and raise the largest proportion of tomorrow's population. At the present time a large part of the children in these regions are being raised under the poorest conditions of nutrition, housing, clothing, education, and medical attention. Their youths pour in steady streams into the industrial centers where they are tragically ill-equipped to compete. The restoration of forests and their management to meet the need of these forest-region people for jobs and income is one of the most important long-time measures needed to really put our country on a sound basis of good living for its people. (E. A. Foster, director of forestry, State of Minnesota.)

DEAR MR. FULMER: I am indeed glad that such a committee is in the making, for I think our forestry problems are most important and deserve careful study by the Congress. Preservation and restoration of our forest lands, in my opinion, have a distinct bearing on our general agricultural well-being. I shall be glad to do anything I can to aid the project. (Charley Brand, executive secretary and treasurer, the National Fertilizer Association, Washington, D. C.)

Mr. DONDERO. Mr. Speaker, will the gentleman yield?

Mr. FULMER. Yes.

Mr. DONDERO. I am greatly interested in the subject because of the large area of cut-over lands in the State of Michigan? Who is it wants this commission?

Mr. FULMER. I am really one of the movers of this proposition, with the hope that I may be able to do something along business lines, and may I state this is in line with the President's message submitted to the Congress March 14, 1938.

Mr. DONDERO. I am not unsympathetic.

Mr. FULMER. This resolution has a very strong endorsement from the Department of Agriculture, Secretary Wallace. I am quoting the last paragraph of Mr. Wallace's letter, which indicates the hearty approval of the Bureau of the Budget:

Upon reference of this matter to the Bureau of the Budget, as required by Budget Circular 344, the Acting Director thereof advised the Department of Agriculture, under date of May 12, 1938, that the proposed legislation would be in accord with the program of the President.

I want to quote from a statement made by Mr. Harry L. Brown, Assistant Secretary of Agriculture:

"As ye sow, so shall ye reap." The South stands now at the crossroads. If she is not to repeat the sorry cycle of wrecked forest lands, stranded communities, eroded farms, flooded cities, and the break-down of local and regional farm markets she must act with intelligence, restraint, and forethought; with a sound understanding of the natural and economic laws that govern and justify timber farming as an integral and necessary part of modern agriculture.

Mr. Speaker, as stated by the gentleman from New York [Mr. SNELL], we should have a much larger appropriation for this work on account of the importance of this investigation. However, the amount as carried in the resolution will permit us to at least start in on doing the thing that should have been done many years ago, and I am hoping that the resolution will be passed. [Applause.]

Mr. Speaker, I yield 5 minutes to the gentleman from Mississippi [Mr. DOXEY].

Mr. DOXEY. Mr. Speaker, I appreciate the time yielded to me by the distinguished gentleman from South Carolina, a member of our House Committee on Agriculture, and the reason I asked for this time is to elaborate a little more on what my friend, the gentleman from South Carolina, has said, and also to try to answer in a little more detailed way some of the questions that have been asked. To men who are forestry-minded, and I expect that most of you are because of the very great national interest in this broad problem, I say in answer to the question asked here as to the reasons for this Joint Committee on Forestry that the committee of the House that has jurisdiction of all forestry legislation is the House Committee on Agriculture. We have a subcommittee of that committee that usually takes charge of and considers all forestry bills that are introduced. I have the distinguished honor of being chairman of that subcommittee, and I say to you frankly that my committee has not had the time to do the type of job we would like to do. It takes time to shape and fashion legislation and our Agriculture Committee has had its hands full with other types of legislation.

Many other things have happened, and the full committee has been so busy that it has been impossible to give this far-reaching subject the consideration it deserves. I agree with the gentleman from Ohio [Mr. JENKINS] that there is no more efficient service in this Government than the Forest Service, and there is no department of the Government that has done better work than they with the funds that they have had, but they cannot be presumptuous and suggest legislation. They do not draft legislation. They are a part of the executive branch of our Government. We have bills here for sustained forest yields, and that is an important subject to the entire country. We can only touch it in spots. The

Senate has the same type of legislation before it. The Senate Subcommittee on Forestry has not had time to give a thorough study to a national constructive forest program.

There is now a National Forest Reservation Commission of which the gentleman from Michigan [Mr. WOODRUFF] is a member from that side of the House, and I happen to be the other House Member on the Commission from this side. The Commission has no jurisdiction or authority to investigate or submit any type of legislation to Congress. The Commission is engaged in the land-acquisition program for forestry purposes. Forestry is a subject of many factors. There is the land-acquisition program, the sustained-yield forest program, the cut-over-land program, and then you have the projects in connection with floods, watersheds, and reforestation in the various areas, the shelterbelt program, and many others. All these projects combined with farm forestry constitute an urgent necessity for general forest legislation, national in scope, and up to now we have not done very much in regard to it. We have passed the Norris-Doxey bill in regard to farm forestry, but to date we have not succeeded in getting any appropriation to administer it. However, all of us who have studied the matter and who have been close to the situation recognize the need to do something constructive, permanent, and general toward a real forestry program for this country. The President of the United States is forestry-minded. He recognizes the need for broad forest programs and wonders possibly why Congress has not done more about it. On March 14 of this year he sent a message to Congress asking that a joint committee on forestry be appointed, five members from the House and five from the Senate. As a result of that message, my distinguished friend from South Carolina [Mr. FULMER] introduced this resolution and it was introduced in the Senate also. When gentlemen of this House ask who wants it, who is in favor of it, I say to you that regardless of who wants it, or who is in favor of it, it is an urgent necessity, a dire need that somebody assume the responsibility and not only make the investigation, but recommend to Congress and to the proper committee legislation that should be passed by Congress. Such an investigation will of course take time, effort, and money. It is a big job.

Mr. McKEOUGH. Mr. Speaker, will the gentleman yield?

Mr. DOXEY. Yes; gladly.

Mr. McKEOUGH. The gentleman has had some experience in connection with this matter as chairman of this subcommittee.

Mr. DOXEY. A little. We have had all kinds of programs before our committee.

Mr. McKEOUGH. Will the gentleman tell me what he expects to develop in the way of additional information by this special committee that the subcommittee has not been able to develop?

Mr. DOXEY. Yes. I could dwell on that at length. The only thing that my subcommittee of the House Committee on Agriculture has been able to do is to call in some employees of the Forest Service, and they would say, "What do you want us to discuss?" and we have said to them, "We want you to discuss the Doxey sustained-yield bill, or the McNary bill, or some other particular phase of the forest problem."

They will give you what they know on that particular subject, but it is usually a local situation or is a matter dealing with only one phase of the forest problem. The Department responds to our requests; but our forestry program so far has not been unified.

Mr. McKEOUGH. Is it not safe to assume that the Forest Service of the Department of Agriculture has all the information that this proposed committee may hope to develop?

Mr. DOXEY. That all depends on the make-up of the committee. I say that this would be $10,000 well spent if the members of the committee would fulfill their responsibility and get the information and the data. I could give the gentleman with reference to timber operations and the sustained forest yield a picture where some great corporations owning great tracts of land use just such methods as they see fit; they slaughter the timber and take everything from the land and put nothing in it. It may be that their land is next to a national forest owned by the Government, or in close proximity to it.

It would be most desirable if we had some way worked out whereby we would enter into agreements with the owners of this privately held land for the Government to supervise the management of it. It would do the people in the valleys an untold amount of good, protect them from floods, and would enhance the value of all the timber around there. I can see untold benefit to be derived from the work of such a committee. In my judgment we have neglected to enact legislation looking forward to a real constructive forest program throughout the United States.

Mr. McKEOUGH. Is it not true that the Forest Service is quite efficient?

Mr. DOXEY. They certainly are. I cannot compliment them too highly.

Mr. McKEOUGH. I have understood they were very efficient in their lobbying against the reorganization bill.

Mr. DOXEY. The gentleman is injecting an entirely foreign issue into this discussion. I do not know anything about that. If the gentleman wants to talk about the concurrent resolution under consideration, I shall be glad to have him do so.

Mr. JENKINS of Ohio. Mr. Speaker, will the gentleman yield?

Mr. DOXEY. I yield to the gentleman from Ohio.

Mr. JENKINS of Ohio. I appreciate what the gentleman said with reference to the Forest Service. The gentleman mentioned the Acquisition Commission of which he is a member and of which the distinguished gentleman from Michigan [Mr. WOODRUFF] is a member. Does not the gentleman think that if we enlarge the activities of that Commission, in addition to have it act as an advisory commission on acquisition, to empower them to put forward a program, a cooperative program between the various forestry departments of the various States, that this program might be headed up, that it would be of a great deal of benefit?

Mr. DOXEY. The gentleman from Ohio has brought up a subject I am very proud of, the National Forest Reservation Commission. I think this National Forest Commission has done a wonderful work. There are, however, but two Members of the House on it whereas there are three Cabinet officers and two Senators on the Commission. The Commission is engaged in a land-acquisition program. Its authority is limited to that. I want this Joint Committee on Forestry to have broad powers, to think not only of the land-acquisition program but of forestry protection, of the sustained yield program and all phases of the subject, to treat forestry as a national proposition; so I would rather withhold any comment about the gentleman's suggestion. Anyway, we do not have that proposition before us; what we do have before us is this House concurrent resolution.

Mr. JENKINS of Ohio. If we pass this resolution would not this committee bring back the same information we already have? If nothing is done about it we will be just where we were when we started.

Mr. DOXEY. We could say that about anything of a pioneering nature started by the Government. It all depends on the membership of the committee, and I do not know a thing about who will be on the committee. I do know, however, that a man who has studied this thing as I have sees the necessity for really doing something in a constructive way toward making the Nation forest-minded, toward getting some laws on the statute books that will protect the forests, insure their proper use, their growth, and protection. As the gentleman knows, there are many States that will not cooperate. In many of the States, the Federal Government has not gone in and offered any inducement. There are other States, such as New York, which have programs far ahead of the Federal Government program; but States such as Ohio have not cooperated. We would like to give them some incentive to cooperate and show them that the Federal Government is endeavoring to

make their State forests what they should be. I want the Government to help the States financially and encourage each State in a constructive forest program.

Mr. JENKINS of Ohio. I expect to support the gentleman's resolution. I hope it works out that way.

Mr. DOXEY. I hope so, too. I hope this resolution is passed without a dissenting vote and that we obtain the results we hope for. [Applause.]

[Here the gavel fell.]

Mr. SNELL. Mr. Speaker, I have not had an opportunity to read the resolution as it passed the Senate, but, as I understand, it is practically the same as House Concurrent Resolution 54.

Mr. FULMER. It is identically the same.

Mr. BOILEAU. Except for the number of members.

Mr. FULMER. Except for the number of members. The Senate bill proposed three, we propose five.

Mr. SNELL. Mr. Speaker, I think I have probably spent as much time studying this question as any Member of this House. I have been very deeply interested in this subject matter from early manhood.

My own State is farther advanced, and spent a larger amount of money along the line of conservation and reforestation, than any other State in the Union. I was one of those who has always supported this work, and I have done everything I could to get our State to do the things it ought to do in order to preserve the timber life of the State. I would not for a moment oppose anything that I thought was in the interest of real, honest conservation in this country. But if any man can tell me what two or three Members of the House and two or three Members of the Senate can do in connection with an investigation as broad and as comprehensive, one that covers as much territory as this resolution does, in the next 5 or 6 months, I would like to have him rise on the floor of this House and tell me now. It is an absolute impossibility to do what you have asked them to do.

Mr. FULMER. May I say to the gentleman, in reply to his statement, I realize, as the gentleman states, this is a very large problem, but unless we can start we will just simply do what we have done in the past. If we get the right kind of men on the committee, men who are deeply interested in this thing—and it is one of the most important matters before the Congress—we will be able to get a lot of information and arouse the interest and concern of the various States for the purpose of cooperation.

Mr. SNELL. May I say, along that line, that we have a bureau to do exactly what this resolution calls for in the Department of Agriculture, which is one of the most extensive and efficient departments in the city of Washington. That Department has chiefs who represent and look after practically each one of the subjects mentioned in this bill. It has timber management, range management, recreation lands, engineering, fire protection, and everything else. There is not a single thing that you expect the three Members of the House and three Members of the Senate to examine and inquire into in the next 5 or 6 months that the Department of Agriculture has not today 10 times as much information as anybody that may be appointed on this commission could possibly get under the best of conditions.

If you want to make an examination, start it out on a plan that will amount to something. The sum of $10,000 that you are asking for to carry on this investigation will not pay the traveling expenses of this commission to the various parks of the country, to say nothing of looking over timberland. How much timberland will the average Member of Congress, either Senator or House Member, look over? I know how you have to travel to look over timberland in order to get some definite ideas. There is not a man in either branch that can or will do it.

Mr. FULMER. Will the gentleman yield?

Mr. SNELL. I yield to the gentleman from South Carolina.

Mr. FULMER. I agree thoroughly with the gentleman with reference to the amount of money we ought to have, and I regret exceedingly that this House is perfectly willing to spend hundreds of thousands of dollars to take junketing trips and to make certain political investigations; but when it comes to a businesslike, constructive proposition, it is the hardest matter to get any amount that is within reason.

Mr. SNELL. The gentleman knows I have never upheld these junketing trips, so he cannot accuse me of that.

Mr. FULMER. I had $100,000 in the bill, and it had been whittled down until now it is only $10,000.

Mr. ANDRESEN of Minnesota. Will the gentleman yield?

Mr. SNELL. I yield to the gentleman from Minnesota.

Mr. ANDRESEN of Minnesota. There are 4 months that will elapse between now and cold weather. It would do no good to make an investigation after the cold weather sets in. Does the gentleman think we will get away from here before cold weather so that this committee can get out?

Mr. SNELL. If we do, we will all spend most of our time campaigning.

Mr. Speaker, you are asking these men to do a physical impossibility and I know it. It is one of the hardest things in the world for a young man even to look over timberland. If you are going to take the word of someone else in making this investigation, then why do you not take the word of the rangers who already know about every acre of Government land in the United States, and also about the lands in private hands? It is just an absolute fallacy to spend $10,000 for a few Members of Congress who say they are going to make an investigation of the timberlands of this country.

Let us read just what you are asking them to do—

> The committee is authorized and directed to study and make an investigation of the present and prospective situation with respect to the forest land of the United States, its condition, ownership, and management, as it affects a balanced timber budget.

The objectives of this resolution are fine. No man will say anything against that. But it is folly of the worst kind to think you are going to get a Member of Congress to make an investigation of this kind between now and next January.

Furthermore, I am against joint investigations anyway because from the experience I have had in the House they never amount to anything. A House investigation may not always be good, but on the whole, it is better than a joint investigation. Furthermore, we have spent millions of dollars in a National Resources Council to make exactly the same kind of investigation that you are seeking to have made at this time by a few Members of Congress.

I find that the National Resources Committee has issued a pamphlet which contains sections on forest lands, resources, requirements, problems, and policy, containing 114 pages which that committee has written and published as the result of the work it has done.

Now, let us use a little common sense and just a little judgment. If you really want to go into scientific forestry and management more than you are already doing under the Department of Agriculture, then let us start in in a sensible, reasonable way. What you are talking about now and what you are thinking of doing between now and next January would be absolute duplication. The Department today has more information along that line that you could get in an hour down there than this committee could possibly get any time, because there is not a Member who will be on that committee who is educated in scientific forestry or who has any real experience in it.

Mr. PIERCE. Mr. Speaker, will the gentleman yield?

Mr. SNELL. I yield to the gentleman from Oregon.

Mr. PIERCE. Is it not worth that much money for the publicity that we will get out of it? It seems to me we must have public sentiment behind us.

Mr. SNELL. You cannot get much publicity out of that $10,000. Why, you would not get a dollar's worth of publicity out of it.

Mr. PIERCE. It seems to me it would be worth while in creating the public sentiment we must have to back us up in appropriating the millions of dollars we must appropriate to buy up timberlands and start reforestation in earnest.

Mr. SNELL. If we want to create public sentiment, let us go at it in real man fashion. Let us appropriate some real money and go at it. The expenditure of $10,000 to have Members of the House and Members of the Senate travel in Pullman cars over this country would not amount to as much as last year's straw hat. There is not a man in this House who knows anything about the proposition who does not know this statement is true.

Mr. KERR. Mr. Speaker, will the gentleman yield?

Mr. SNELL. I yield to the gentleman from North Carolina.

Mr. KERR. Would the gentleman be willing to increase this appropriation to $50,000?

Mr. SNELL. If you want to make an appropriation of $100,000 and allow the committee to investigate for 2 years, I will not object; but this is a waste of time and a waste of money.

Mr. FULMER. I will be pleased to offer such an amendment. That is what I carried in the bill I introduced. I believe the gentleman is correct about what we ought to have.

Mr. SNELL. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. Speaker, yesterday this House enacted a conference report on the agricultural appropriation bill for 1939. This appropriation bill carried appropriations for the Forest Service; in fact, the bill carried appropriations of almost $20,000,000 for the Forest Service of the United States.

You have recited in the pending resolution a duplication of all the activities and the functions of the Forest Service. You want to know something about forest fires. The Forest Service can tell you all that is to be known about forest fires. All it takes is more money to protect and carry on their program.

You want to know about forest diseases. The Chief Forester of the United States Government can tell you more about white-pine blister rust and other diseases that are affecting the timber supply of this country than any man I know of. We had him before the subcommittee for 2 days testifying at length on all aspects of our timber resources and forest supplies.

In this resolution you want to know about timber cropping on privately owned forest lands. The Chief Forester can tell you to the foot the number of board feet of timber that was taken off the public ranges last year and the amount of timber that was cut down by private operators. So you are not getting anything new by a recital of that kind in this resolution, and you are not going to add to the accumulation of material that already exists. They in the Forest Service have enough informative charts and enough informative graphs and maps and data in splendid form to cover absolutely every square foot of all the walls of this Chamber at the present time. It is generally conceded that our Forest Service knows more about forestry than the forest services of any country on the globe. Mr. Silcox, the Chief of the Forest Service, has traveled in most of the civilized countries of the world.

The Service has accumulated a vast supply of forestry information. The only thing it takes on the part of Congress is not more investigation, not more junketing up and down the countryside, but more "dough" for the Forest Service. That is all they need. So why send five Members of the Senate and five Members of the House on a junketing expedition up and down the countryside when they cannot add one iota to the sum total of human knowledge on the subject of forestry that is not already incorporated in the files of the Service down at the other end of Pennsylvania Avenue? It is sheer silliness, it is a waste of time and a waste of money, and it is something of a reflection, I believe, upon any group that presumes to tell the Forest Service how to run its business.

In the bill we finally enacted yesterday there was carried $11,000,000 for forest management, $3,000,000 for forest acquisition, $1,610,000 for forest-fire cooperation, $10,000 for water rights, $100,000 for fighting forest fires, $200,000 for private forestry cooperation, $638,000 for forest management, $225,000 for range investigation, $628,000 for forest products and new uses for forest products, $250,000 for forest surveys, $100,000 for forest economics, $114,000 for forest influences, $100,000 for cooperative farm forestry, and then $3,000,000 for the acquisition of forest land. They will tell you every acre in the country they would like to buy, hundreds of millions of acres. They do not need any more information. What they need is money, and that is all, and you are not going to add to available information by this resolution, whether you put in it $5,000, $10,000, $50,000, or $100,000. I am against it if you put a single dollar into it.

Mr. COOLEY. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from North Carolina.

Mr. COOLEY. Is it not a fact that notwithstanding all the information which is available in all the departments, not one of the departments of the Government has submitted to the Congress a very comprehensive plan with reference to forests? Is it not likewise a fact——

Mr. DIRKSEN. Right there, will the gentleman stop?

Mr. COOLEY. Yes.

Mr. DIRKSEN. I wish the gentleman could have sat with the committee early in the spring when Mr. Silcox related in detail plans and specifications that they would like to carry out if the Congress should ever give them the money. They know where to go.

[Here the gavel fell.]

Mr. SNELL. Mr. Speaker, I yield the gentleman 2 additional minutes.

Mr. BOILEAU and Mr. FULMER rose.

Mr. DIRKSEN. I yield first to the gentleman from Wisconsin.

Mr. BOILEAU. I do not believe this $10,000 is enough for us to effect any junket. I do believe, however, this amount will be sufficient to enable the committee to hear the testimony of these experts the gentleman has talked about, to sit around the table and work out a comprehensive program and coordinate the activities of the C. C. C., the forest acquisition department and all the various departments and and recommend to the Congress a comprehensive forest program that will properly and sensibly deal with millions of acres of lands that are now not being used and the millions of men who could properly be put to work on them.

Mr. DIRKSEN. Let me answer the gentleman by saying they have worked out a coordinated program so far as the C. C. C. is concerned. They are using them at the present time to eradicate the wild gooseberry bushes that convey blister rust to the pine trees, and you do not have to give them any blueprints to work out such plans because they have them already.

Mr. BOILEAU. I mean with reference to the national forests.

Mr. DIRKSEN. Yes.

Mr. BOILEAU. I do not have in mind the poison weeds, but a comprehensive reforestation program.

Mr. DIRKSEN. The bill that we agreed to yesterday contains $11,000,000 for forest administration and forest management, and there you have the whole layout and you are not going to add one iota to what those gentleman know now.

We also had the State foresters——

Mr. MAVERICK. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. Not now.

We had the State foresters before the committee, and they are cooperating on a national scale. There is close cooperation between them, I would say, and when it comes to the Forest Service and the forest departments of the different States indicating what they want, in my judgment, they have got the finest organization for putting pressure on Congress of any organization I know in the country, and I am not opposed to it either. These gentlemen do not need any publicity. They are adept in the art of presenting their problems to Congress, and all power to them, because I am wholeheartedly sympathetic with the things they are trying to do.

[Here the gavel fell.]

Mr. SNELL. Mr. Speaker, I yield the gentleman from Illinois 1 more minute.

Mr. McKEOUGH. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. McKEOUGH. Is it not the gentleman's opinion that if an inquiry were addressed to the Forest Service of the Department of Agriculture asking them to submit their data with respect to the questions that are to be investigated here, you would get an answer by a franked letter from that Department?

Mr. DIRKSEN. Exactly, and they will send you a carload of charts and data to go along with it.

Mr. WARREN. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from North Carolina.

Mr. WARREN. Is not the reason no comprehesnive plan has been submitted that we here in Congress are permitting 18 different agencies of the Government to handle forestry matters?

Mr. DIRKSEN. Yes. And if we follow the Chief Forester all of these difficulties can be overcome and we can get a comprehensive program without any further investigation and expenditure of public funds. I trust this resolution will be enthusiastically defeated.

The SPEAKER. The time of the gentleman from Illinois has expired.

Mr. FULMER. Mr. Speaker, I yield 3 minutes to the gentleman from North Carolina [Mr. COOLEY].

Mr. COOLEY. Mr. Speaker, we are dealing with a vital question, one which is vital to every section of this Nation. I hope no Member of the House will underrate its importance. It is, perhaps, only natural for some of our Republican brethren to underrate the efforts and impugn the motives of this Democratic majority. The matter is so important that the President of the United States sent a special message to Congress about it on March 14, and any Member who has not read this message can well afford to take the time to read it, because it contains some very valuable information. I do not believe that the President of the United States would have sent this message if he had considered the information which has been collected by the various departments of the Government sufficient. Notwithstanding all the information which has been collected in all of these various departments engaged in some kind of forestry activity, 17 in number, no comprehensive program has been submitted to Congress. I believe that the very fact that Congress has, year in and year out, appropriated huge sums of money to be spent on forestry in a haphazard fashion by several different agencies in all sections of the country is one good reason why this House and the Senate should devote some time and funds to a study of the subject and collect and bring together the information which has been gathered by the various boards and departments, and submit recommendations to Congress at the next session to the end that a comprehensive program may be enacted.

The SPEAKER. The time of the gentleman from North Carolina has expired.

Mr. SNELL. Mr. Speaker, I yield the remaining portion of my time to the gentleman from Oregon [Mr. MOTT].

Mr. MOTT. Mr. Speaker, I intend to support this resolution, not because I think it amounts to very much but because I believe that any investigation of this subject made by a committee of forestry-minded gentleman, such as will be appointed under the resolution, will be worth $10,000 to the House, and that is all the appropriation this resolution carries.

My objection to the resolution is that the scope of the proposed investigation does not reach far enough. The conservation problem has been practically solved, at least as far as my own State of Oregon is concerned, and so has the problem of production. All we need now are funds with which to put into more effective practice the policies upon which we are already agreed. But the most difficult problem in the lumber business is a problem which the sponsors of this resolution apparently have never considered; and that is the preservation of the American market for American lumber producers. This committee in its proposed investigation should cover that angle which, in my opinion, is the most important one of all.

We have already been sold down the river by the State Department so far as the lumber industry is concerned, by the Canadian reciprocal-trade agreement, and we are likely to be sold still farther down the river if the proposed trade treaty with Great Britain is negotiated without rectifying the mistake made in the Canadian treaty. In every one of these trade agreements in which lumber has been involved the lumber industry of this country has been injured.

The same is true of all wood products. Sixty percent of the newsprint used in this country, for example, is imported from foreign countries. We have enough pulpwood in the Pacific Northwest alone to supply the entire market of the United States. Yet we cannot have that market. We cannot employ the people in that industry who ought to be employed in it, because the Government, under its present tariff system, continues to allow this pulp and newsprint and other wood products, made by cheap foreign labor, to compete unfairly with ours in our own markets by letting it come into the country free of duty. The scope of the committee to be appointed under this resolution ought to be broadened to include an investigation of the free-trade policy which is ruining the industry which the sponsors of the resolution are seeking to preserve.

The SPEAKER. The time of the gentleman from Oregon has expired.

Mr. FULMER. Mr. Speaker, I yield 2 minutes to the gentleman from Wisconsin [Mr. BOILEAU].

Mr. BOILEAU. Mr. Speaker, I come from a section of the country which at one time had the finest forest lands of the Nation. Those forests have been denuded, and although Wisconsin has done a great deal of work in the last 30 or 40 years in reforestation, still in Wisconsin and in other Great Lakes States there are millions of acres of land unfitted for agricultural purposes that are lying idle, that have not been reforested. In addition to that, there are millions of acres of land in the country that are now being utilized for agricultural purposes that are not fit for agricultural purposes. They are submarginal lands, and those lands cannot properly be used excepting through a system of reforestation. In addition to leaving those millions of acres of land idle without replanting them, because of improper fire protection we are permitting other millions of acres of land every year, both public and private, to be destroyed by fire. When we see that picture of millions and millions and millions of acres of lands that could be used profitably for the benefit of future generations lying idle because of the lack of a proper program, and when we have millions and millions of men in this country who cannot find employment, it seems to me that we should adopt a proper program of coordination which will put idle men to work on idle acres, and arrange a forest crop for the welfare of succeeding generations.

There has been some talk about this committee being a junketing committee. With $10,000 you cannot expect this committee to be cruisers, and to cruise the timberlands of the country. That would be impossible, but they will have sufficient funds to meet in Washington, or perhaps in some other section of the country, where they can get expert opinion from men who have given a lifetime to the study of reforestation, and bring back a program to this Congress that is comprehensive and which will end this wastefulness of land and put men to work in a program that will be self-liquidating and which will not cost the Government a cent.

The SPEAKER. The time of the gentleman from Wisconsin has expired. All time has expired. The question is on the motion of the gentleman from South Carolina to suspend the rules and pass the Senate concurrent resolution.

The question was taken; and on a division, demanded by Mr. DIRKSEN and Mr. SNELL, there were—ayes 95, noes 36.

Mr. SNELL. Mr. Speaker, I make the point of order that a quorum is not present and object to the vote on the ground there is not a quorum present.

The SPEAKER. Evidently there is not a quorum present. The Sergeant at Arms will notify absent Members, the Doorkeeper will close the doors, and the Clerk will call the roll.

The question was taken; and there were—yeas 236, nays 91, not voting 101, as follows:

[Roll No. 110]

YEAS—236

Aleshire	Eicher	Lambeth	Robinson, Utah
Allen, Del.	Englebright	Lanham	Rogers, Okla.
Allen, La.	Evans	Lanzetta	Roy
Allen, Pa.	Faddis	Lea	Ryan
Amlie	Fitzpatrick	Leavy	Sacks
Anderson, Mo.	Flaherty	Lewis, Colo.	Sadowski
Andresen, Minn.	Flannagan	Lucas	Sanders
Arnold	Flannery	Luckey, Nebr.	Satterfield
Barry	Fleger	Ludlow	Sauthoff
Bates, Ky.	Ford, Calif.	Luecke, Mich.	Schuetz
Beiter	Ford, Miss.	McClellan	Schulte
Bell	Frey, Pa.	McCormack	Scott
Bernard	Fries, Ill.	McFarlane	Secrest
Biermann	Fuller	McGehee	Shanley
Bigelow	Fulmer	McGranery	Shannon
Bland	Gambrill, Md.	McLaughlin	Sheppard
Bloom	Garrett	McReynolds	Smith, Conn.
Boileau	Gearhart	Maas	Smith, Va.
Boland, Pa.	Gehrmann	Magnuson	Smith, Wash.
Brooks	Gildea	Mahon, S. C.	Smith, W. Va.
Brown	Gingery	Mahon, Tex.	Snyder, Pa.
Buck	Gray, Ind.	Maloney	Somers, N. Y.
Buckler, Minn.	Gray, Pa.	Massingale	South
Bulwinkle	Greenwood	Maverick	Sparkman
Burch	Greever	May	Spence
Cannon, Mo.	Gregory	Mead	Starnes
Cannon, Wis.	Griffith	Meeks	Stefan
Chandler	Guyer	Merritt	Sumners, Tex.
Chapman	Haines	Mills	Sutphin
Citron	Hamilton	Mott	Swope
Clark, N. C.	Harrington	Mouton	Tarver
Claypool	Hart	Murdock, Ariz.	Taylor, S. C.
Coffee, Wash.	Harter	Nichols	Telgan
Collins	Havenner	O'Brien, Mich.	Terry
Colmer	Hendricks	O'Connell, Mont.	Thom
Connery	Hildebrandt	O'Connor, N. Y.	Thomas, Tex.
Cooley	Hill	O'Malley	Thomason, Tex.
Cooper	Hobbs	O'Neal, Ky.	Thompson, Ill.
Costello	Honeyman	O'Neill, N. J.	Tobey
Cravens	Hope	Pace	Tolan
Creal	Hull	Parsons	Towey
Crosser	Hunter	Patman	Transue
Crowe	Izac	Patrick	Turner
Cummings	Jacobsen	Patton	Umstead
Daly	Jarman	Pearson	Vincent, Ky.
DeRouen	Jenkins, Ohio	Peterson, Fla.	Vinson, Ga.
Dies	Johnson, Luther A.	Peterson, Ga.	Voorhis
Dingell	Johnson, LyndonB.	Pettengill	Wallgren
Disney	Johnson, Minn.	Pfeifer	Walter
Dorsey	Johnson, Okla.	Phillips	Warren
Doughton	Johnson, W. Va.	Pierce	Welch
Doxey	Jones	Poage	Wene
Drew, Pa.	Kennedy, Md.	Rabaut	West
Driver	Kerr	Ramspeck	White, Ohio
Duncan	Kitchens	Randolph	Whittington
Dunn	Kleberg	Rankin	Wilcox
Eberharter	Kocialkowski	Rayburn	Withrow
Eckert	Kramer	Richards	Wood
Edmiston	Kvale	Robertson	Zimmerman

NAYS—91

Allen, Ill.	Fitzgerald	Lamneck	Reece, Tenn.
Andrews	Fletcher	Larrabee	Reed, Ill.
Arends	Forand	Long	Rees, Kans.
Bacon	Gamble, N. Y.	Lord	Rich
Bates, Mass.	Gavagan	Luce	Rigney
Beam	Gifford	McKeough	Robsion, Ky.
Binderup	Gilchrist	Mapes	Rockefeller
Boyer	Gwynne	Martin, Colo.	Rogers, Mass.
Bradley	Halleck	Martin, Mass.	Romjue
Carlson	Hancock, N. Y.	Mason	Rutherford
Carter	Harlan	Michener	Seger
Case, S. Dak.	Hoffman	Mitchell, Ill.	Shafer, Mich.
Casey, Mass.	Holmes	Moser, Pa.	Short
Church	Houston	Nelson	Snell
Clason	Jarrett	O'Connell, R. I.	Taber
Crowther	Kee	O'Leary	Taylor, Tenn.
Culkin	Kelly, Ill.	Oliver	Thomas, N. J.
Dirksen	Kelly, N. Y.	O'Toole	Treadway
Dixon	Keogh	Palmisano	Wigglesworth
Dondero	Kinzer	Patterson	Williams
Dowell	Kniffin	Polk	Wolcott
Engel	Knutson	Powers	Woodruff
Fish	Lambertson	Ramsay	

NOT VOTING—101

Ashbrook	Brewster	Clark, Idaho	Crosby
Atkinson	Buckley, N. Y.	Cluett	Cullen
Barden	Burdick	Cochran	Curley
Barton	Byrne	Coffee, Nebr.	Deen
Boehne	Caldwell	Cole, Md.	Delaney
Boren	Cartwright	Cole, N. Y.	Dempsey
Boykin	Celler	Cox	DeMuth
Boylan, N. Y.	Champion	Crawford	Dickstein
Ditter	Imhoff	Murdock, Utah	Stack
Dockweiler	Jenckes, Ind.	Norton	Steagall
Douglas	Keller	O'Brien, Ill.	Sullivan
Drewry, Va.	Kennedy, N. Y.	O'Connor, Mont.	Sweeney
Eaton	Kirwan	O'Day	Taylor, Colo.
Elliott	Kopplemann	Owen	Thurston
Farley	Lemke	Plumley	Tinkham
Ferguson	Lesinski	Quinn	Wadsworth
Fernandez	Lewis, Md.	Reed, N. Y.	Wearin
Gasque	McAndrews	Reilly	Weaver
Goldsborough	McGrath	Sabath	Whelchel
Green	McGroarty	Schaefer, Ill.	White, Idaho
Griswold	McLean	Schneider, Wis.	Wolfenden
Hancock, N. C.	McMillan	Scrugham	Wolverton
Hartley	McSweeney	Simpson	Woodrum
Healey	Mansfield	Sirovich	
Hennings	Mitchell, Tenn.	Smith, Maine	
Hook	Mosier, Ohio	Smith, Okla.	

So two-thirds having voted in the affirmative, the Senate concurrent resolution was agreed to.

The Clerk announced the following additional pairs:

On this vote:

Mr. Drewry of Virginia and Mr. Hook (for) with Mr. Reed of New York (against).

Mr. O'Connor of Montana and Mr. Imhoff (for) with Mr. Ditter (against).

Mr. DeMuth and Mr. Hennings (for) with Mr. Wolfenden (against).

Mr. Murdock of Utah and Mr. Kirwan (for) with Mr. Eaton (against).

Mr. Mosier of Ohio and Mr. Fernandez (for) with Mr. Cole of New York (against).

Until further notice:

Mr. Mansfield with Mr. Wadsworth.
Mrs. Norton with Mr. Hartley.
Mr. Cochran with Mr. Plumley.
Mr. Woodrum with Mr. McLean.
Mr. Cullen with Mr. Brewster.
Mr. Sullivan with Mr. Cluett.
Mr. McMillan with Mr. Simpson.
Mr. Griswold with Mr. Wolverton.
Mr. Boehne with Mr. Barton.
Mr. Cox with Mr. Crawford.
Mr. Gasque with Mr. Tinkham.
Mr. Kennedy of New York with Mr. Douglas.
Mr. Andrews with Mr. Smith of Maine.
Mr. Boylan of New York with Mr. Lemke.
Mr. Atkinson with Mr. Burdick.
Mr. Barden with Mr. Schneider of Wisconsin.
Mr. Quinn with Mr. Scrugham.
Mr. Weaver with Mr. Crosby.
Mr. Delaney with Mr. Taylor of Colorado.
Mr. Farley with Mr. Celler.
Mr. Byrne with Mr. Healey.
Mr. Sirovich with Mr. Lesinski.
Mr. Dockweiler with Mr. Mitchell of Tennessee.
Mr. Boren with Mr. Ashbrook.
Mr. Elliott with Mr. Boykin.
Mr. Ferguson with Mr. O'Brien of Illinois.
Mrs. O'Day with Mr. Cartwright.
Mr. Sabath with Mr. Sweeney.
Mr. Whelchel with Mr. Coffee of Nebraska.
Mr. Dempsey with Mr. Cole of Maryland.
Mr. Buckley of New York with Mr. Reilly.
Mr. Hancock of North Carolina with Mr. Clark of Idaho.
Mr. McGroarty with Mr. White of Idaho.
Mr. Curley with Mr. Dean.
Mr. McGrath with Mr. Wearin.
Mr. Lewis of Maryland with Mr. Keller.
Mr. Smith of Oklahoma with Mr. Green.
Mrs. Jenckes of Indiana with Mr. Caldwell.
Mr. Dickstein with Mr. Owen.
Mr. Schaefer of Illinois with Mr. Stack.

Mr. BINDERUP and Mr. MICHENER changed their vote from "yea" to "nay."

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

Mr. O'CONNOR of New York. Mr. Speaker, I ask unanimous consent to lay on the table House Resolution 518 and House Concurrent Resolution No. 54 dealing with this same matter.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

EMERGENCY OFFICERS' RETIREMENT PAY

Mr. LEWIS of Colorado. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 521.

The Clerk read as follows:

House Resolution 521

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 8176, a bill providing for continuing retirement pay, under

certain conditions, of officers and former officers of the Army, Navy, and Marine Corps of the United States, other than officers of the Regular Army, Navy, or Marine Corps, who incurred physical disability while in the service of the United States during the World War, and for other purposes. That after general debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Military Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

Mr. LEWIS of Colorado. Mr. Speaker, I yield 30 minutes to the gentleman from Massachusetts [Mr. MARTIN].

Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include therein certain statements of veterans' organizations.

The SPEAKER. Without objection it is so ordered.

There was no objection.

Mr. LEWIS of Colorado. Mr. Speaker, this is an open rule providing for the consideration of H. R. 8176, a bill which is commonly known as the Emergency Officers' Retirement Act, or amendments thereto.

I am informed that all of the veterans' organizations, the American Legion, the Veterans of Foreign Wars, and the Disabled American Veterans favor this bill. The following statement was prepared by a representative of one of these service organizations:

There is no new principle involved in this legislation. The principle of retirement for emergency officers permanently disabled in line of duty during the World War was established by the act of May 24, 1928, and continued under the provisions of section 10, Public, No. 2, Seventy-third Congress (Economy Act).

Congress again recognized the necessity for providing equal treatment for emergency officers and officers of the Regular Establishments in passing Public, No. 140, Seventy-third Congress. This act provided for loaning flying equipment, landing fields, and personnel of the Army flying service to the Post Office Department for carrying the mails after the cancelation of air-mail contracts in 1934. Section 5 of this act provides in part as follows:

"SEC. 5. Reserve officers performing duty hereunder shall be deemed to be in the active military service and if injured or killed such officer and/or his dependents and beneficiaries shall be entitled to the same benefits as in the case of officers of the Regular Army and/or their dependents and beneficiaries."

During the debate on the act on the floor of the House of Representatives it was pointed out that the Government could not expect Reserve officers (emergency officers) to accept hazardous assignments during an emergency unless they could be assured they would be given the same treatment as officers of the Regular Establishments in the event of death or permanent disability.

During the active World War period (April 6, 1917, to November 11, 1918), 40 American combat divisions served in France. Of these 7 were Regular Army, 15 National Guard, and 18 National Army divisions. Of the 33 National Guard and National Army divisions practically all of the officers below the grade of general were emergency officers. Most of the officers making up the service of supply and special units such as Tank Corps, Chemical Warfare, Pioneer Infantry, Engineers, and so forth, were emergency officers, many of them specialists. The Army Medical Corps in France was headed by the outstanding surgeons of the United States such as Drs. Mayo, of Rochester, Minn.; Crile, of Cleveland; Cushing, of Boston; and Finney, of Johns Hopkins. Under them were hundreds of other outstanding surgeons who were the first to give up their practice and enlist for war service. Most of these were older men, and it is natural that many were broken in health by the arduous duties to which they were not accustomed.

It has been publicly stated many of the 200,000 emergency officers who served in the World War had only a few days' training. This is not true. Many of the National Guard and Reserve officers had trained for years at their own expense and on their own time, preparing themselves for war service. All of the doctors, although some of them were old men, were subjected to strenuous military training. Many of the casualties to this group can be directly traced to the hard training they were called on to do in the early days of the war. It is a slander to state that any appreciable number of the emergency officer group who would benefit by the bill were noncombatants.

Each year since the enactment of the Economy Act the American Legion, Veterans of Foreign Wars, and Disabled American Veterans of the World War, composed almost entirely of enlisted men, have unanimously adopted resolutions calling for a change in the present law affecting emergency officers. It seems that these organizations are better qualified to speak for the veterans of the World War than any individual, regardless of his position.

It has been stated that the emergency officer should be subjected to the same tests as the regular officer before being placed on the retired list. If they were given retirement for the same disabilities as regulars, several thousand more would be on the retired list today. Under this bill it is required that the officer show a 30 percent or more permanent disability, found by the Veterans' Administration to have been incurred in line of duty and directly connected with active World War service without benefit of presumption of any kind, the Government having the right to rebut any evidence by clear and unmistakable evidence or official records. The test for retirement in the Regular Army and Navy is that the officer be found disabled to such a degree that he cannot perform full field or sea duty. For example, a Regular Army officer whose second, or trigger, finger has been amputated would be placed on the retired list. Under the Veterans' Administration's rating schedule the emergency officer would fall far short of sufficient disability for retirement. The average disability of the emergency officer is 60 percent. Those who gave up their civil pursuits to go into the war and suffered such disabilities have surely made the Army or Navy their life work, at least it has prevented most of them carrying on their former occupations. Again stating the case of these emergency officers, this legislation simply eliminates the discrimination between the officer who was injured in combat and the officer who came out of the service with a permanent disability brought on by disease. The degree of disability is much higher among this latter group and the death rate far greater than among those disabled by accidents or gunshot wounds.

The drastic restrictions contained in this bill will definitely prevent the return to the retired list the so-called undesirable cases who were retired under the original act. And if the floodgates were thrown open as has been suggested to this committee the fault would lie with the administration and not with the law. The Veterans' Administration have been very successful in holding the line under the causative factor requirement and there is no reason to believe they would allow the return to the retired list of persons who could not qualify.

Mr. Speaker, I yield 5 minutes to the gentleman from West Virginia [Mr. EDMISTON], the author of the bill.

Mr. EDMISTON. Mr. Speaker——

Mr. O'MALLEY. Mr. Speaker, will the gentleman yield for a question?

Mr. EDMISTON. I yield.

Mr. O'MALLEY. Is this the bill for retirement pay for emergency officers that the Committee on Military Affairs withdrew voluntarily early in the session?

Mr. EDMISTON. That is right.

Mr. O'MALLEY. This is the same bill. We now have a rule on the bill.

Mr. EDMISTON. It is the same bill but with two committee amendments.

Mr. O'MALLEY. But it contains the same general principle as the bill the committee withdrew.

Mr. EDMISTON. That is right.

Mr. O'MALLEY. And the committee now has a rule on it.

Mr. EDMISTON. That is correct. If the gentleman will kindly give me his attention I shall try to convert him to the right side of this legislation.

Mr. O'MALLEY. The gentleman does not have to convert me. Earlier in the session I was on the right side.

Mr. EDMISTON. Mr. Speaker, this bill has had a rather difficult course due to the fact that a wrong interpretation was put on the intent of Congress by the Veterans' Administration which has very unfairly to my mind discriminated against 1,500 or 1,800 disabled emergency officers of the World War. The Veterans' Administration invented a clause of their own which they called "causative factor." Any World War officer wounded in action receives his retirement pay under existing law, but the man who has had tuberculosis, a bad-heart condition, or who is insane, cannot prove the causative factor of his disability, that he actually contracted the germs that gave him the disease while on active duty in the Army of the United States. Consequently these men are removed from the benefit of the Retirement Act.

Mr. Speaker, this is not new legislation, this has been on the statute books since 1928. The act was abused by certain groups of officers getting themselves on the retired list when they had no right to be there. The Committee on Military Affairs feels they have reported out a bill which will correct the injustices, that it will keep the "gold bricks" off the roll, that it is fair and just legislation to men who were disabled in line of duty. The average disability of the

men affected is 60 percent according to the rating of the Veterans' Administration. To me there is nothing fair in the proposition that two platoon commanders, one from the Regular Army and the other from the National Guard, serving in the same company during the same emergency, should be treated differently.

Mr. RANKIN. So, then, if one of these men were a buck private in the ranks and the other an officer, under this law we would pay the officer about 10 times as much as we would pay the buck private? This is a penion based upon rank, and is an unjust discrimination against the enlisted men.

Mr. EDMISTON. The high officers are not affected by the bill. Ninety-three percent of the disabled emergency officers are captains, first and second lieutenants.

Mr. RANKIN. The gentleman knows that under this law you would pay a captain, although he was injured in the Q. M. C. in Dallas, Tex., or Vicksburg, Miss.——

Mr. EDMISTON. He has to be injured in line of duty.

Mr. RANKIN. He does not have to be on the battle front. You would pay him $150 a month for the same disability you would pay his brother, an enlisted man, $30 a month. This is a rank injustice against the enlisted men.

Mr. MARTIN of Massachusetts. Mr. Speaker, I yield 10 minutes to the gentleman from New York [Mr. ANDREWS].

Mr. ANDREWS. Mr. Speaker, there is no new principle involved in this legislation. The principle of retirement for emergency officers permanently disabled in line of duty during the World War was established by the act of May 24, 1928, and continued under the provisions of section 10, Public, No. 2, Seventy-third Congress (Economy Act).

Congress again recognized the necessity for providing equal treatment for emergency officers and officers of the Regular Establishments in passing Public, No. 140, Seventy-third Congress. This act provided for loaning flying equipment, landing fields, and personnel of the Army flying service to the Post Office Department for carrying the mails after the cancelation of air-mail contracts in 1934. Section 5 of this act provides in part as follows:

SEC. 5. Reserve officers performing duty hereunder shall be deemed to be in the active military service, and if injured or killed such officer and/or his dependents and beneficiaries shall be entitled to the same benefits as in the case of officers of the Regular Army and/or their dependents and beneficiaries.

During the debate on the act on the floor of the House of Representatives it was pointed out that the Government could not expect Reserve officers—emergency officers—to accept hazardous assignments during an emergency unless they could be assured they would be given the same treatment as officers of the Regular Establishments in the event of death or permanent disability.

During the active World War period—April 6, 1917, to November 11, 1918—40 American combat divisions served in France. Of these, 7 were Regular Army, 15 National Guard, and 18 National Army divisions. Of the 33 National Guard and National Army divisions, practically all of the officers below the grade of general were emergency officers. Most of the officers making up the service of supply and special units such as Tank Corps, Chemical Warfare, Pioneer Infantry, Engineers, and so forth, were emergency officers, many of them specialists. The Army Medical Corps in France was headed by the outstanding surgeons of the United States, such as Drs. Mayo, of Rochester, Minn.; Crile, of Cleveland; Cushing, of Boston; and Finney, of Johns Hopkins. Under them were hundreds of other outstanding surgeons, who were the first to give up their practice and enlist for war service. Most of these were older men, and it is natural that many were broken in health by the arduous duties to which they were not accustomed.

It has been publicly stated many of the emergency officers who served in the World War had only a few days' training. This is not true. Many of the National Guard and Reserve officers had trained for years at their own expense and on their own time, preparing themselves for war service. All of the doctors, although some of them were old men, were subjected to strenuous military training. Many of the casualties to this group can be directly traced to the hard training they were called on to do in the early days of the war. It is a slander to state that any appreciable number of the emergency officer group who would benefit by the bill were noncombatants.

Each year since the enactment of the economy act the American Legion, Veterans of Foreign Wars, and Disabled American Veterans of the World War composed almost entirely of enlisted men, have unanimously adopted resolutions calling for a change in the present law affecting emergency officers. It seems that these organizations are better qualified to speak for the veterans of the World War than any individual, regardless of his position.

It has been stated that the emergency officer should be subjected to the same tests as the Regular officer before being placed on the retired list. If they were given retirement for the same disabilities as Regulars, several thousand more would be on the retired list today. Under this bill it is required that the officer show a 30-percent or more permanent disability, found by the Veterans' Administration to have been incurred in line of duty and directly connected with active World War service without benefit of presumption of any kind, the Government having the right to rebut any evidence by clear and unmistakable evidence or official records. The test for retirement in the Regular Army and Navy is that the officer be found disabled to such a degree that he cannot perform full field or sea duty. For example, a Regular Army officer, whose second, or trigger finger has been amputated would be placed on the retired list. Under the Veterans' Administration's rating schedule the emergency officer would fall far short of sufficient disability for retirement. The average disability of the emergency officer is 60 percent. Those who gave up their civil pursuits to go into the war and suffered such disabilities have surely made the Army or Navy their life work, at least it has prevented most of them carrying on their former occupations. Again stating the case of these emergency officers, this legislation simply eliminates the discrimination between the officer who was injured in combat and the officer who came out of the service with a permanent disability brought on by disease. The degree of disability is much higher among this latter group and the death rate far greater than among those disabled by accidents or gunshot wounds.

The drastic restrictions contained in this bill will definitely prevent the return to the retired list of the so-called undesirable cases who were retired under the original act. And if the floodgates were thrown open, as has been suggested, the fault would lie with the administration and not with the law. The Veterans' Administration has been very successful in holding the line under the causative factor requirement and there is no reason to believe they would allow the return to the retired list of persons who could not qualify. [Applause.]

Mr. Speaker, I call the attention of the House particularly to the committee amendments on page 2 of the bill. On page 2, line 8, you will note that with the amendment the bill reads as follows: "Incurred in such service in fact in line of duty."

On page 2, line 14, after the word "service", there are inserted the words "in fact in line of duty."

There can be no question of interpretation by the officials of the Veterans' Administration.

Mr. O'MALLEY. Will the gentleman yield?

Mr. ANDREWS. I yield to the gentleman from Wisconsin.

Mr. O'MALLEY. The last four lines show that any of these injuries will be considered to have directly resulted from performance of duty unless otherwise shown by official record, or clear and unmistakable evidence.

Does that same rule apply to the private in active service?

Mr. ANDREWS. Yes; it does.

Mr. O'MALLEY. That same rule applies to a veteran who wants to service connect his injury?

Mr. ANDREWS. In line of duty, in fact. I yield to the gentleman from West Virginia [Mr. EDMISTON], to corroborate my answer.

Mr. EDMISTON. What was the question?

Mr. O'MALLEY. I asked whether or not a veteran of the World War can go in and get service connected when the records do not show he has service connection, as lines 16, 17, and 18, page 2, will allow these officers to do.

Mr. EDMISTON. That is not an advantage that any veteran does not have.

Mr. O'MALLEY. Will the gentleman assure me a veteran, when the records do not show he was service connected, can have it so presumed by the Veterans' Administration?

Mr. EDMISTON. No; and neither does this bill permit anyone else to do that.

Mr. O'MALLEY. Well, I do not read it that way.

[Here the gavel fell.]

Mr. LEWIS of Colorado. Mr. Speaker, I yield 3 minutes to the gentleman from Wisconsin [Mr. O'MALLEY].

Mr. RANKIN. Will the gentleman yield?

Mr. O'MALLEY. I yield to the gentleman from Mississippi.

Mr. RANKIN. I want to answer the question the gentleman asked a while ago. He asked whether or not an enlisted man could have his case service connected when the record did not show it was service connected.

Mr. O'MALLEY. That is right.

Mr. RANKIN. The answer is, He cannot.

Mr. O'MALLEY. But this bill allows these officers to do that, and gives them a further preference, if I properly interpret the language.

Mr. Speaker, the principal reason I am opposed to the bill and the principal reason it was referred back to the committee is because it will pay one of these emergency retired officers 10 or more times the amount of retirement pay or pension a private gets for the same disease. It is a pension bill based on rank and a rank pension bill.

The Members of the House forced this committee to withdraw this bill early in the session, and now they come in here with a rule. One duty the Members of this House can perform in the closing days of this session is to wait here and vote down these propositions that are slipped in on the floor and which all during the rest of the session were so unconscionable that the Members of the House would not vote for them. This is a bill that proposes to give to emergency retirement officers, many of whom received their injuries in swivel chairs in the Quartermaster's Department, a pension which is 10 to 15 times higher than a veteran who served his country on the field of battle gets for the same injury or the same disease.

Mr. ANDREWS. Mr. Speaker, will the gentleman yield?

Mr. O'MALLEY. I yield to the gentleman from New York.

Mr. ANDREWS. The gentleman mentioned swivel chairs. I hope the gentleman recalls that I said the bill states "in fact in line of duty."

Mr. O'MALLEY. "In line of duty" might cover a colonel in the quartermaster's department.

Mr. RANKIN. If he contracted tuberculosis, or any other disease, he did not have to be on the battle front. The gentleman from New York a while ago was very badly mistaken when he said that an overwhelming majority got their disabilities on the battle front.

Mr. O'MALLEY. The proposed legislation, according to the report, is not in line with the President's program. The Veterans' Administration recommends against the adoption of the bill. Further, a Democratic committee brings in here a bill the report of which states:

> Advice has been received from the Acting Director, Bureau of the Budget, that the proposed legislation would not be in accord with the program of the President.

I sometimes marvel and am amazed at the kind of bills that can get before this House under a special rule in the closing days of a session. The way to dispose of this matter now is to vote down the rule and get rid of it. It is an unfair bill. It does for these retired officers what the House has never done for the privates, and I certainly believe if the retired officers are to get any pensions for disability they should not get one nickel more than the private gets for the same disability.

Mr. MARTIN of Massachusetts. Mr. Speaker, I yield 5 minutes to the gentlewoman from Massachusetts [Mrs. ROGERS].

Mrs. ROGERS of Massachusetts. Mr. Speaker, first of all, I wish to say I have been over the country several times talking to the veterans in and out of hospitals in different sections of the country, and never once in all those trips have I heard an enlisted man object to the officers having their retirement pay, and letting them have the pay they would like to have but could not have. Some would make the enlisted men appear as terribly selfish, but they are not selfish; in fact, they are very unselfish. They want these officers to have the retirement pay, the pay they would like to have. But just because, due to their numbers, they do not get so much, they do not want to stop the officers from receiving it.

May I also state to the House that the enlisted men do not have less advantage than the officers regarding service connection but presumption? The officers would not fare any better relating to the presumption of service connection than would the enlisted men. They would fare in exactly the same way as the enlisted men under that provision, as the presumptive clause is not in this bill. Officers cannot be given retirement by presumption under this bill.

We all know it was our intention not to have the causative factor considered in retiring these men. The causative factor was introduced in a regulation issued by General Hines, of the Veterans' Administration, which makes it almost impossible for any man with a heart disability, a mental disability, tuberculosis, a kidney disability, or disabilities of that sort, to have such disabilities considered as service connected. I recall when I used to make reports to Calvin Coolidge with respect to the condition of the men in the hospitals, their cases, how they were rated, and so forth, his always saying to me, "I do not suppose we have the slightest conception of the mental strain those men were under overseas." Many of you Members are yourselves veterans. You were in the service and saw untold horrors.

I happen to know what they were, as I saw some of them myself for a short time overseas. You know what that strain was so much better than does anyone else. Every one of us felt the cases, which are spoken of in this bill, would be taken care of when the Congress put back on the rolls, as we thought, many of the emergency officers. This merely makes the intent of Congress stronger than in previous bills, and will prevent unfair Administration rulings. There is one other very small group that will be taken care of under this bill, and that is the group of men who were wounded and who were commissioned while they were lying wounded in the hospitals, and thereby were not able to get their commissions as officers, because they were unable to return to their organizations before November 11, 1918, and thereby accept their commissions. Of course, the Congress meant those men, wounded in action, to come under the provisions of the law. Some of them were cited for bravery.

Mr. McCORMACK. Mr. Speaker, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield gladly to the gentleman from Massachusetts.

Mr. McCORMACK. May I call attention to the fact that the argument of discrimination of rank applies in the Regular Army.

Mrs. ROGERS of Massachusetts. Yes; it does.

Mr. McCORMACK. The officers naturally get a higher retirement pay than the privates.

Mrs. ROGERS of Massachusetts. Certainly. They did in the World War, also. While the privates would like that pay, they know they cannot all get it. I believe it is terribly unfair to the enlisted men to say they do not want this bill passed. They have always wanted the officers to have retirement and have always fought for it. I earnestly hope this bill will pass and undo the very cruel regulations of the Veterans' Administration. Frankly, I believe that is the reason they do not want this bill passed and do not recommend its passage. They made a regulation that was very unfair and impossible to meet.

Mr. O'MALLEY. Mr. Speaker, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield to the gentleman from Wisconsin.

Mr. O'MALLEY. Can the gentlewoman tell me, as has been represented, when the Veterans of Foreign Wars or the American Legion as a body in convention ever approved of this proposition?

Mrs. ROGERS of Massachusetts. I believe they have done that a number of times.

Mr. O'MALLEY. When?

Mrs. ROGERS of Massachusetts. I believe they do every year.

Mr. O'MALLEY. I would like to have placed in the RECORD the evidence of the approval on the part of those organizations of this particular type of bill.

Mrs. ROGERS of Massachusetts. I shall be very pleased to get it and put it in the RECORD.

Mr. O'MALLEY. I hope someone will do that.

Mrs. ROGERS of Massachusetts. I will do that. I have in my files here in Washington and I have at home at Lowell letters from those organizations, from various camps and posts in those organizations, asking that this proposed legislation be passed.

Mr. OLIVER. Mr. Speaker, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I will be pleased to yield.

Mr. OLIVER. As I read this bill, it sets up more stringent regulations insofar as presumption of service-connected disability is concerned for emergency officers than it does for enlisted men.

Mrs. ROGERS of Massachusetts. It gives the officers no advantage at all in that respect. They cannot be retired under this bill for a disability connected by service by presumption.

Mr. OLIVER. So the understanding we have had here from the colloquy previous to the gentlewoman's talk is probably misconceived.

Mrs. ROGERS of Massachusetts. That is misconceived, I may say to the gentleman.

Mr. CARLSON. Mr. Speaker, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield with pleasure.

Mr. CARLSON. If this measure is enacted, would it remove the de facto clause or requirement completely?

Mrs. ROGERS of Massachusetts. No. The veteran must prove that he was ill or injured in fact in service. So, in a way, I do not believe it is quite strong enough or that the officer is quite sufficiently protected, but it is better than the very unjust regulation which was issued by the Veterans' Administration.

There is no new principle involved in this bill; it is not new legislation, as I said before. It merely states, in effect, that the unjust regulations of the Veterans' Administration shall cease. The following is a part of the report of the Military Affairs Committee:

On March 19, 1933, there were approximately 6,300 emergency officers retired with pay. After the original review under Public, No. 2, Seventy-third Congress, 1,518 remained. Some 4,700 had been removed by reason of the fact they could not meet the so-called causative-factor requirement as contained in veterans' regulation No. 5, issued March 31, 1933. On April 5, 1937, the Veterans' Administration reported that 97 of those on the retired list and 401 of those removed from the retired list under the provisions of Public, No. 2, Seventy-third Congress, had died since March 19, 1933. No doubt others have died since this report. Under the causative-factor requirement the emergency officer was asked to prove that he was performing some specific military duty under competent orders at the time of the incurrence of the disability. In the case of those whose disabilities were incurred in combat, or resulted directly from injuries, there was no trouble in establishing the causative factor. But for those who suffered permanent disabilities from disease incurred during World War service, this requirement was practically impossible to meet, as no one could say definitely the exact moment of the incurrence of the disease or prove that they were performing some military duty under orders from a superior officer. This strict application of the causative-factor requirement and the ambiguity of the term brought so much criticism that new instructions were issued by the Veterans' Administration on April 10, 1935.

Under the new instructions the use of the causative factor was dropped, and since that time the Veterans' Administration has used the requirement contained in section 10, Public, No. 2, "that the disease or injury or aggravation of disease or injury directly resulted from the performance of military or naval duty." The interpretation and the application of the act under the new instructions was practically as strict as under the causative-factor requirement. The emergency officer under these instructions is required by the Veterans' Administration to prove by a preponderance of evidence that but for the performance of duty his disability would not have reasonably been expected to have arisen. Although he may show by official Army and Navy Department records, or by acceptable affidavit, evidence that his disability did in fact arise during his service in line of duty, and that he was subjected to exposure and required to perform strenuous military duty, his case is still denied.

It is the contention of your committee that it is practically impossible for a person disabled by disease during World War service to prove by a preponderance of evidence that his disability would not have been incurred had he remained in civilian life. The requirement under this bill is that the officer's disability had its incurrence during active war service. Had he been in the Regular Army or Navy he would have been placed on the retired list instead of being discharged and placed on compensation.

Estimates submitted by the Veterans' Administration indicate that the disabilities of practically all those returned to the emergency officers' retired list were directly incurred in combat, or that the officer had considerable combat service. Many of the worst disabilities due to war service, such as tuberculosis, neuropsychiatric, and heart conditions were suffered by those not privileged to serve in combat. In the opinion of your committee, it would be an injustice to require combat incurrence or combat service in order to be returned to the retired list.

[Here the gavel fell.]

Mr. LEWIS of Colorado. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. PATMAN].

Mr. MARTIN of Massachusetts. Mr. Speaker, I yield the gentleman from Texas [Mr. PATMAN] 5 minutes.

Mr. PATMAN. Mr. Speaker, I believe I have demonstrated by my votes that I am just as generous toward World War veterans and their dependents as any Member of this House. This is not a question of giving particular benefits, it is a question of giving special benefits.

All these retired emergency officers who would like to get back on the roll are not off the roll now. They are drawing compensation. They are drawing the same amount of compensation as the men who served right with them in the service. They are receiving exactly the same amount. This bill is for the purpose of putting men on the roll that will receive up to $375 a month instead of $30 a month that the other men receive for the same disability or for the same injury resulting at the same time.

The gentleman from Mississippi [Mr. RANKIN] has often said, and he is exactly right, that it is a pension based upon rank, and I have heard him bring out oftentimes that after the War between the States the veterans on the side of the North always defeated such a proposition as this. They opposed it. They said, "We do not want a pension based upon rank," and it was never adopted. The veterans of the War between the States never asked for it because they did not want a pension based upon rank.

This bill was passed, under circumstances which I do not have time to explain, in 1928, and it was a real scandal. There has been a real scandal in connection with this law and that scandal many of you are acquainted with, and I myself cannot defend a vote for it.

Who cut these men off? The President of the United States, under the Economy Act, cut them off the roll. Now, suppose we restore them, are you going to restore the $375-a-month men first? What about the $12-a-month man, the $18 man, or the $24 man? They were all cut off under that act and you are leaving them off, and the first thing you are attempting to do, or the first restoration is to restore men who were drawing as much as $375 a month. I know of one man, a case that has been reported to me, who is the legal counsel for a big railroad company in this country. He makes $50,000 a year, and under this proposal he would get——

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I cannot yield—I do not have the time.

Mr. MAY. The gentleman has 10 minutes.

Mr. PATMAN. Under this proposal, this is recognizing the principle of giving him $375 a month for the same disability that the private soldier or the sergeant or any enlisted man receives only $30 a month for.

There are many reasons why this bill should not be passed. It is said the veterans' organizations are for it. Yes; some of the leaders of the veterans' organizations are for it, but I challenge any veteran in this country to name me a case where this law has been fairly presented before any veterans' group and where those veterans have voted in favor of it. They cannot do it. I have seen it tried, and the rank and file of the veterans in this country are against this bill and they will oppose it, and they will fight me if I vote for it, if they know what it is all about.

Mr. O'MALLEY. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I am sorry; I have not the time to yield.

The gentleman from West Virginia [Mr. EDMISTON] makes the most forceful argument that can be made, and it is one that appeals to many people who do not look into all the facts. This argument is that here is a Regular Army officer who is in one company and an emergency officer is in another company, and these two officers are injured in the same way at the same time and under the same circumstances.

Mr. EDMISTON. They may be in the same company.

Mr. PATMAN. Yes; they may be in the same company. The Regular Army officer gets retirement pay, and it is right that the Regular Army officer gets retirement pay. I defend it under existing law. Why? He made a contract with the United States Government. He devoted his life to the service of this country. He knows nothing else except military. He went to West Point or he went to the Naval Academy, and if he is disqualified or if he is disabled——

Mr. EDMISTON. What kind of contract did he make?

Mr. PATMAN. Wait a minute.

If he is disabled, he is disqualified from following his life's occupation and he is out of business. It is right he should receive retirement pay under the present law, but men who go into the service for an emergency, they are not devoting their lives to the service of the Nation. They are just going in for the emergency, and if they are disabled to a certain degree they are entitled to pay, such pay as the other men who went in at the same time receive for the same disability under the same circumstances.

I admit they can show at first blush a discrimination there, but if you attempt to correct it, you carry out a greater discrimination against the hundreds and thousands of other men who served with them.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. Yes.

Mr. RANKIN. Here is another violent discrimination. If these emergency officers entirely recover, they continue to draw this pension for life. If the enlisted man recovers, he is taken off the rolls. If the Regular Army officer recovers, he is put back into the service.

Mr. PATMAN. That is correct. If we could give to all of the veterans who were in the service with the same pay, well and good. I would give it to a lot of them, and a lot of them would go back on this roll; but why pick them out and give it just to them? Let me show you what we would be getting into. They are setting a precedent. They would come back and say, "Give us that pay from the time the Economy Act was passed up to now." Not only that, but there are other groups of these veterans who would come in later and say, "We are just as much entitled to it as those who were put on on June 11, 1938," and they would be right. Do not forget that President Roosevelt is against it. He has said that he is against it, and he refused to put them on. The Veterans' Administration could put them on if they wanted to, but the Veterans' Administration is not going to do it, because it is not right to do it. In this case, in the matter of a Regular Army officer, he is exempt, and if he is found 30-percent disabled, he is retired; yes, but as the gentleman from Mississippi suggested, if he gets better, he goes back into the service. These men are never examined again. They continue for life to receive these enormous benefits over and above those others with whom they served, and I think if we are going to start amending the law to put more veterans on the pension roll, it is better to put 20 of those $12-a-month men back than it is to put one colonel back who would receive the same amount that these 20 $12-a-month men would. If these colonels were entitled to it, well and good, and if you believe honestly in your own mind that it is right to pay a pension based upon rank, and based upon rank only, you may consistently vote for this bill, but if you vote for it, there will be bills here providing that you should pension their widows, according to rank held by their deceased husbands.

You will have to carry that policy a little further and pension the widows according to the rank held by their deceased husbands. So that we are getting into a matter that is setting a bad precedent. It has already been established, but we should not extend it. I have a letter here from a retired emergency officer himself. He says:

> The act discriminates between emergency officers and enlisted or drafted men. That is clear. Whether this is justifiable I do not know, but as a general rule I am inclined to believe it is not. To broaden such an act would in this event only increase the original error.

So, the question is, if there has been a mistake, we should not increase that original error.

Mr. COLMER. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. Yes.

Mr. COLMER. As I understand the gentleman, this is a rank discrimination.

Mr. PATMAN. It certainly is a pension based on rank discrimination, so that we should kill this rule.

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. LEWIS of Colorado. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. MCCORMACK].

Mr. MARTIN of Massachusetts. Mr. Speaker, I yield the gentleman 3 minutes.

Mr. McCORMACK. Mr. Speaker, the gentleman from Texas [Mr. PATMAN] failed to tell you that this bill does not, if it becomes law, put into operation new law. Retirement for emergency officers is already the law, but this bill, if it becomes law, meets the abuses which prompted the action which resulted from the passage of the Economy Act and at the same time gives to those officers who were adversely affected thereby when the so-called causative factor regulation was promulgated and went to extremes, the right to receive the retirement that they were entitled to. There is not a man in this body but who has some friend in his district, or who has been contacted by some emergency officer in his district, who, in the opinion of the Member contacted, is a deserving case, and this bill is aimed to enable those men to receive the justice and consideration that they are entitled to. The gentleman from Texas [Mr. PATMAN] picked out a man with an income of $50,000 per year, but he does not tell you that that is one man. What about all the other men who have very little, if any, income?

I have but one general, a man who devoted his entire life to the National Guard of Massachusetts, Gen. John H. Dunn, the only living man I know who is an emergency officer, who was a general—an outstanding citizen and a gentleman of the highest type. He served in the Spanish-American War. Since he was a boy he has been in the National Guard of Massachusetts. He is one of the few men who served overseas as an emergency officer with the rank of major general.

My friend from Texas talks about the West Pointers. I agree with him that the Regular Army and Navy officers should receive retirement pay.

Mr. ANDREWS. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. ANDREWS. The gentleman from Texas spoke about the contract with the Regular Army officers. I want to know what the gentleman thinks of the contract made with the National Guard officers and officers of the National Army.

Mr. PATMAN. Mr. Speaker, if the gentleman will yield, he cannot name any such contract.

Mr. McCORMACK. My friend having been referred to, I will yield to him, but not for a speech.

Mr. PATMAN. The gentleman cannot name any such contract. If the gentleman can name any such contract I will vote for the bill. Prove the contract and I will vote for the bill.

Mr. McCORMACK. The very fact that the gentleman says "Prove the contract and I will vote for the bill," shows the weakness of his argument and his position.

Mr. PATMAN. There is no contract, moral or legal, expressed or implied.

Mr. McCORMACK. The gentleman asks a distinct and direct question as to whether or not a contract exists. I will answer that question in the way that I think it should be answered. Let us take the case of anyone of you gentlemen and JOHN McCORMACK. When the World War was declared we were in civilian life. Let us assume that both of us were lawyers, or doctors, or clerks, or in any other business or employment—it is immaterial what we were doing. Let us take the gentleman from Texas, Mr. PATMAN, and JOHN McCORMACK. We both enlisted. We did not care whether we enlisted in the Regular Army or in the National Guard. We wanted to serve our country, we wanted to get into the service of the country. I wore a private's uniform and I have two brothers who wore private's uniforms, and WRIGHT PATMAN wore a private's uniform. [Applause.] We enlist. We get commissions. JOHN McCORMACK gets a commission in the Regular Army. I enlist for the duration of the war, that was my intention, but through the operation of events I get a commission in the Regular Army. WRIGHT PATMAN received a commission as an emergency officer. Through the strange happenings that occur in life WRIGHT PATMAN and JOHN McCORMACK get into the same company, the gentleman from Texas and the gentleman from Massachusetts who left their little world, went into the World War, and then came into each other's world; they got into the same company. While serving in the same company we both contract pneumonia and out of that develops tuberculosis. The gentleman from Texas gets retirement pay under the law; the gentleman from Massachusetts does not get it as the law now exists. Where is the justice there?

There is your contract, and that is the type of case we are concerned with. We are not concerned with men who have enlisted in the Army, graduates of West Point and Annapolis; that is a different character of retirement. This is retirement pay for officers who serve in time of war, compensation for injuries received during service in a war in which our country was engaged. Comparison with West Point and Annapolis, I respectfully submit, is not a justifiable comparison.

Let me ask my friend, the gentleman from Texas, if he denies the accuracy of what I say.

Mr. PATMAN. If I deny what?

Mr. McCORMACK. That if you and I enlisted in the World War, and the gentleman from Texas received a Regular Army commission and I received a commission as an emergency officer, we both are 30 percent or more disabled with tuberculosis by reason of the same circumstances, would not the gentleman from Texas be receiving retirement pay now?

Mr. PATMAN. A Regular officer is entitled to it under the law. That is his life business. His understanding when he entered the service.

Mr. McCORMACK. Yes; but as an officer of the Regular Army the gentleman was lucky to get his commission; but I, JOHN McCORMACK, serving in the same company, disabled under the same circumstances, would not, nor would other officers in similar circumstances who gave their service receive retirement pay. They would not be receiving retirement pay. That is why I cannot see the justice of this situation. The gentleman from Texas, like myself, in fact, enlisted for the duration of the war. Both contract the same disease, and are disabled to the same extent. Both intend to return to private life after the war is over. The gentleman from Texas, simply because he was lucky enough to be commissioned in the Regular Army, receives retirement pay. I do not. Where is there equality under the law there? Where is the justice there?

Mr. BOILEAU. Is it not a fact that the enlisted personnel of the National Guard, the National Army, and the Regular Army were treated alike? Why should not the officers be treated alike?

Mr. MAVERICK. They are treated alike.

Mr. BOILEAU. The enlisted men are treated alike.

Mr. McCORMACK. The gentleman is correct. Any other argument is class appeal. The gentleman from Wisconsin's observation is absolutely correct.

[Here the gavel fell.]

Mr. LEWIS of Colorado. Mr. Speaker, I yield 5 minutes to the gentleman from Mississippi [Mr. RANKIN].

Mr. MARTIN of Massachusetts. Mr. Speaker, I yield 3 minutes to the gentleman from Mississippi [Mr. RANKIN].

Mr. RANKIN. Mr. Speaker, I merely wish to make a short statement.

This is a pension based on rank. The ones who have advocated it have used the Regular Army officers as a butt on which to base their argument or as a straw man to attack. There is no comparison at all. In the first place the Regular Army officer goes into the Army for life. He is only retired when the board says he is disabled to a certain extent; then if he recovers he goes back into the service, but these men get themselves on the pension roll and stay there for life, no matter what happens. They do not go back into the service when they get well.

They have been attacking the Regular Army officers here. Let us compare the situation with the enlisted men. An enlisted man in the same service with a disability of 30 percent would probably get $30 a month. An emergency captain would get $150 a month and a major about $250 a month. Now, listen to this, if the enlisted man recovers, he goes off the roll; but these men never go off the roll. If you would take this list of individuals drawing retirement pay now and put them up against a Regular Army board down here, a great number of them would go off the roll and would have been off the roll many years.

This is the only war that ever happened which injured more doctors than it did infantry officers and artillery officers. It was a known fact, which helped to provoke the Economy Act, that there were more doctors on this retirement roll than there were artillery officers and infantry officers combined.

Mr. EDMISTON. Will the gentleman yield?

Mr. RANKIN. For a question only.

Mr. EDMISTON. That condition did exist.

Mr. RANKIN. Yes; that is all. I do not care to yield further.

Mr. EDMISTON. But this bill does not have anything to do with that.

Mr. RANKIN. This is a step toward carrying the thing to its ultimate conclusion and putting them all on. That is what it means.

After the Civil War there were a few men who wanted to bring this same matter up in the old days. But your fathers, those old men who wore the Blue, who fought my people from Bull Run to Gettysburg, spurned it with contempt because they said, "We are not willing to pension an officer at a greater rate than we pension a private soldier with the same disability." Every Southern State adopted a Confederate pension law, but they also spurned with contempt every suggestion that an officer should have a greater pension than an enlisted man. What would they have said if the suggestion had been made to put the officers on indefinitely, but take the private soldiers off as soon as they recover?

There were the men who came from the towns, cities, farms, hills, and valleys of this Republic in 1898, when the Spanish-American War came on, when it looked as if a world war would break out. They went into a tropical country to face unknown enemies. After the war, they went back to private life to serve American institutions and to build American

enterprises. They too spurned any effort to pension officers at a greater rate than the private soldiers.

I want to tell you something about these widows. They will be driving for a pension. They have started already. You pass this bill providing for 6, 8, or 10 times as much as you pay a widow, or the mother of a private soldier and see what happens.

I have fought your battles in this House. I have had a great responsibility as chairman of the Veterans' Committee, and I have not come in here to embarrass you with legislation that was questionable. However, I have taken care of the disabled veterans, their widows, orphans, and dependent parents as best I could. I want to tell you now, if you pension a second lieutenant at a minimum of $105 a month, then you may expect legislation to bring the private soldiers up with them. [Applause.]

Something was said about a great American who has passed away—Calvin Coolidge. He was not of my party, but he was my friend. We laid this measure before him—and remember the men who opposed this measure then were also World War veterans, one of whom has passed to the great beyond. He served in the trenches overseas. President Coolidge vetoed this bill because he said it was a discrimination against the men in the rank and file. In fact, there has never been a President of the United States who would sign it, from George Washington to Franklin D. Roosevelt. Just as surely as you send this bill to him, if you do not get away before it gets back—you are going to have to vote on a veto and say whether or not you are willing to establish this as a permanent policy to pension officers all the way from five to fifteen times as much as men in the rank and file with the same disability.

So I submit this rule ought to be defeated and that this bill ought never to have come to the floor of the House. [Applause.]

Mr. LEWIS of Colorado. Mr. Speaker, I yield 6 minutes to the gentleman from Texas [Mr. MAVERICK].

THE BRETHREN COME FORTH AND CRY "PRIVATE JOHN ALLEN"

Mr. MAVERICK. Mr. Speaker, this is a great opportunity for the brethren to come forth and cry over the private soldier.

When old Private John Allen came from the State of Mississippi he had a campaign and was running against a Confederate colonel. They were out campaigning, and Private John Allen said, "All the colonels can vote for the colonel, and all the privates should vote for me."

A REGULAR ARMY LEG IS NO BETTER THAN AN EMERGENCY ONE

That is what this proposition is today. It is talk to the private to prejudice him against officers—and it is political bunkum.

But let us talk about the justice of the case.

Let me ask you, if you get your leg shot off, or get any severe war injury as an emergency officer, is that any less valuable than a Regular Army leg?

If you get tuberculosis, is it any less virulent than it is if you get it as a Regular Army officer?

I will tell you, if anybody can show me that a Regular Army germ is worse than an emergency germ, I will vote against the bill.

THE EMERGENCY OFFICER HAD THE SAME CONTRACT AS THE REGULAR

I want to talk sense to you now. Listen, I will read you the law. The contractual obligation of the United States Government was exactly the same to the emergency officer as it was to the Regular officer. It was the same to all who served in either the Regular or emergency service.

Here is what the law states:

> That all officers and enlisted men of the forces herein provided for other than the Regular Army shall be in all respects upon the same footing as to pay, allowances, and pensions as officers and enlisted men in corresponding grades of length of service of the Regular Army.

I knew a fellow who went in the Army at the same time I did. He went through training camp. He got a Regular commission, and was in the Army 120 days. He fell off a horse and hurt his leg. He really hurt it. He was a Regular Army officer, a second lieutenant. He was retired. He is still getting that pay, and he had only 120 days' service.

Take the case of an emergency officer who served his country for 2 years and was wounded in France, or got some disease in line of service. Then they say, "Well, you are an emergency officer, so you cannot get this pay."

They say this bill is discrimination. It is nothing of the kind. All the enlisted men I know in my district—and this is going in the RECORD and all the enlisted men are going to read it—want the emergency officer to be given the same dignity by the Congress of the United States as the Regular Army officer. [Applause.]

Why not?

The gentleman from Texas [Mr. PATMAN] says there is nobody more generous than he to the enlisted man. No one doubts his generosity. He brought about the payment of the bonus, and I voted for it. Another Member talks about how he loves the enlisted man. But there is just one question involved in this: Are we going to treat the officer who happened to be in the emergency Army 2 years as well as we treat the professional officer? They say, "But this man devoted his life to the service." He went to West Point. He was appointed by a Congressman. He got a free college education and was paid a salary to get an education. He walks out on the battlefield and gets his leg shot off or is seriously injured. The same thing happens to a man who paid for his own education, an emergency officer, and they say, "To hell with you; you are just an emergency officer."

That is the truth. If we have a policy of giving certain pay to the officers of the Regular Army we ought to give it to the emergency officers as well. If we want to be square we will pass this rule and give them the same right.

Mr. DINGELL. Mr. Speaker, will the gentleman yield?

Mr. MAVERICK. I yield to the gentleman from Michigan.

Mr. DINGELL. The gentleman asked if there was any difference between the leg of a Regular Army officer and the leg of an emergency Army officer, but what I should like to know is this: Is there any difference between the leg of a buck private and the leg of a general?

Mr. MAVERICK. That is the same old story we were talking about before. My answer is the Regular gets it, so why not the emergency officer? Oh, that is bringing the enlisted man in here to appeal to him on a false basis.

I say the emergency officer ought to get the same treatment as the Regular officer. If you want to pass a law to take away pensions from the Regular officer, go ahead and do it.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. MAVERICK. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. Is it not true that we are really not passing any legislation that has not already been passed? We are simply correcting a very cruel and unjust regulation of the Veterans' Administration. That is all we are doing. In fact, in doing this we are only trying to insist that the Veterans' Administration enforce our laws.

Mr. MAVERICK. That is absolutely true. We are not passing any new legislation. We are making it possible for people to qualify; to be entitled to his rights.

Then we talk about scandal. This matter has been before our committee for 2 years, and there is no scandal in it.

It is a fair bill.

Mr. PATMAN. Mr. Speaker, will the gentleman yield?

Mr. MAVERICK. I yield to the gentleman from Texas.

Mr. PATMAN. The emergency officer who is a lawyer or doctor and loses a leg is not disabled from continuing his life's vocation or profession, but the soldier who has made soldiering his life's business and who knows nothing else is disabled for life.

Mr. MAVERICK. Well, I cannot see why losing a leg is any worse by being a professional man. If I got my leg shot off, and I was a doctor, or a lawyer, or a preacher, it would be worth just as much to me. [Laughter and applause.]

Mr. MARTIN of Massachusetts. Mr. Speaker, I yield the balance of my time to the gentleman from Minnesota [Mr. MAAS].

Mr. MAAS. Mr. Speaker, the question that is before the House is not whether an emergency officer should receive retirement pay or a pension. That is not the question before us. That has been settled long ago. The question is whether a small number, a very small number, of officers are to be discriminated against, and all this measure is doing is returning to these officers something that we once gave them and that the Economy Act took away from them. [Applause.] Every other group had its rights restored but this small number of officers.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. MAAS. Yes; I yield to the chairman of the Committee on Military Affairs.

Mr. MAY. Not necessarily what the Economy Act took away from them but what a regulation made in the Veterans' Bureau took away from them.

Mr. MAAS. You are right. It was not the Economy Act itself, but under the Economy Act it was done by Executive order. It was never ordered by this Congress and I do not believe it was the intention of the Congress to put this unreasonable restriction on these officers.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. MAAS. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. With respect to this argument about a lawyer or a doctor enlisting and then going back into civil life, every man we send to Annapolis or West Point the Government specially trains and when they retire they go out as engineers or they go out into some other profession.

Mr. MAAS. Yes; and in time of war if your leg is shot off, it is just as much shot off whether you are from civil life or whether you are an Annapolis or West Point graduate.

I served all during the war as a private—well, as a corporal part of the time. I was fighting with that great outfit that modestly admits it won the war—the marines. I am sure you have all heard about the marines. They are a real outfit. [Applause.] Take my own case. I enlisted as a common buck private, and in 2 short years I rose from the ranks—to a corporal. [Laughter and applause.] I served as an enlisted man all through the war, a year of it overseas, and I want to tell you that every veterans' organization in this country has endorsed this bill. And every one of these organizations is made up of a majority of enlisted men, and they have all endorsed it. Since I served as an enlisted man I will never be eligible to any benefits under this act, so I have no personal motive in it. But I believe it to be just simple justice and plain fairness.

If the principle that you are talking about here is correct, that you should not discriminate between officers and enlisted men, why do you not pay generals and privates the same pay? You pay an officer more than you pay an enlisted man because he has more initiative, more energy, more leadership, is better trained and prepared, and because he takes more responsibility. The principle is the same in compensating them after the war. In the vast majority of cases the officer had a greater earning capacity in civil life and should be compensated accordingly. When a war is over the officers, no matter how they became officers nor how they may have received their disability, should all be treated alike. We treat all enlisted men alike, whether they are temporarily enlisted for wartime or Regular enlisted men or a part of the Reserve. When they are disabled in time of war they are all treated alike, and so, too every class of officer should be treated alike during a war. [Applause.]

Mr. BEAM. Mr. Speaker, will the gentleman yield?

Mr. MAAS. I yield.

Mr. BEAM. I am very much interested in the appealing argument the gentleman is making, and I wonder if he could enlighten the House as to the number of officers that would be affected by this enabling legislation?

Mr. MAAS. The gentleman from West Virginia can answer that exactly.

Mr. EDMISTON. Between 1,500 and 1,800.

Mr. MAAS. Out of all the hundreds of thousands of officers that served in the war, only this small group is affected by the unfair regulation we are about to repeal.

No officer or enlisted man who receives benefits under any other act is restricted to an actual wound incurred in battle. All this bill does is to put this small group of 1,500 or 1,800 officers in the same position with respect to benefits growing out of their disabilities as all the rest of the 4,000,000 Americans who served in the World War. [Applause.]

[Here the gavel fell.]

Mr. LEWIS of Colorado. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

Mr. PATMAN. Mr. Speaker, I make the point of order there is not a quorum present.

The SPEAKER. The Chair will count. [After counting.] Two hundred and one Members are present, not a quorum.

Mr. LEWIS of Colorado. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 111]

Atkinson	Delaney	Kerr	Rogers, Okla.
Barden	Dempsey	Kirwan	Sabath
Barton	DeMuth	Koppiemann	Schneider, Wis.
Boehne	DeRouen	Lemke	Scrugham
Boyland, N. Y.	Ditter	Lesinski	Smith, Okla.
Brewster	Dockweiler	Lewis, Md.	Stack
Buckley, N. Y.	Douglas	McGrath	Steagall
Burdick	Drewry, Va.	McGroarty	Sweeney
Byrne	Eaton	McLean	Taylor, Colo.
Caldwell	Eckert	McMillan	Wadsworth
Cartwright	Ford, Calif.	McSweeney	Wearin
Celler	Gasque	Mitchell, Tenn.	Weaver
Champion	Green	Mosier, Ohio	Whelchel
Clark, Idaho	Griswold	Murdock, Utah	White, Idaho
Cluett	Guyer	Norton	Wolfenden
Cochran	Haines	O'Connor, Mont.	Wolverton
Coffee, Nebr.	Hancock, N. C.	O'Day	Wood
Cole, Md.	Hart	O'Toole	Woodruff
Crawford	Hartley	Pettengill	Woodrum
Creal	Hendricks	Plumley	
Crosby	Hennings	Quinn	
Cullen	Hook	Reece, Tenn.	
Cummings	Imhoff	Reed, N. Y.	
Curley	Keller	Reilly	

The SPEAKER. On this call 337 Members have answered to their names, a quorum.

Mr. RAYBURN. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The SPEAKER. The question is on agreeing to the resolution.

The question was taken; and the Chair announced himself in doubt.

The House divided; and there were—ayes 130, noes 105.

Mr. RANKIN. Mr. Speaker, I demand tellers.

The SPEAKER. The gentleman from Mississippi demands tellers. Those in favor of taking the vote by tellers will rise and stand until counted. [After counting.] Thirty-three Members have risen, not a sufficient number, and tellers are refused.

Mr. RANKIN. Mr. Speaker, I demand the yeas and nays.

The SPEAKER. Those in favor of ordering the yeas and nays will rise and stand until counted. [After counting.] Twenty-seven Members have risen, not a sufficient number, and the yeas and nays are refused.

So the resolution was agreed to.

Mr. MAY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 8176) providing for continuing retirement pay, under certain conditions, of officers and former officers of the Army, Navy, and Marine Corps of the United States, other than officers of the Regular Army, Navy, or Marine Corps, who incurred physical

disability while in the service of the United States during the World War, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 8176, with Mr. SMITH of Virginia in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Without objection the first reading of the bill will be dispensed with.

There was no objection.

The CHAIRMAN. Under the rule the gentleman from Kentucky [Mr. MAY] is entitled to 1 hour, and the gentleman from New York [Mr. ANDREWS] for 1 hour.

Mr. PATMAN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. PATMAN. I am wondering if those who oppose this bill will have any time allotted to us.

The CHAIRMAN. That is not a parliamentary inquiry.

Mr. MAY. Mr. Chairman, under the resolution just adopted 2 hours of general debate are provided. I should like to reach an agreement if I can with those on the other side about the length of the general debate. What about 30 minutes, 15 minutes on a side, 15 minutes to be controlled by the gentleman from West Virginia [Mr. EDMISTON] and 15 minutes by the gentleman from New York [Mr. ANDREWS]?

Mr. SNELL. Oh, the rule provides the amount of general debate, and we cannot change that in committee. The House has adopted the rule.

Mr. MAY. Mr. Chairman, I yield 15 minutes to the gentleman from West Virginia [Mr. EDMISTON].

Mr. EDMISTON. Mr. Chairman, there has been a good deal of rather heated debate upon this subject on the adoption of the rule, so I shall not take much more time of the House. I think gentlemen pretty well understand the measure. I do want to explain one thing, and that is a committee amendment which will be offered to the bill on page 2, line 10, after the word "Provided", to strike out down to the words "Provided further", in line 12, page 2, and insert the following:

That such person rendered active service as a commissioned officer within the period of between April 6, 1917, and November 11, 1918.

In other words, we are eliminating any officer who did not serve during the stage of the World War not the official termination of the war, but the actual termination of the war on November 11, 1918, Armistice Day. That still more limits the bill. That is a committee amendment and it will be offered.

Mr. Chairman, it is easy to take this floor and demagog the buck private, because there are a whole lot more buck privates than there are officers who have votes. At the same time there are about 1,800 officers disabled in line of duty. We have written the language in the bill as strong as we know how, to keep out the goldbricks from this list. We do not want them on the list. I do not want these goldbricks on the list any more than does the gentleman from Texas [Mr. PATMAN] or the gentleman from Mississippi [Mr. RANKIN]. The veterans' organizations do not want them on, but a grave injustice has been done to 1,800 ex-officers who have been discriminated against because they held commissions in the National Guard or the Reserve Corps instead of in the Regular Army. When my friend from Texas [Mr. PATMAN] gets on the floor and ballyhoos about the $370 a month that these men get on the existing roll, I remind you that there are no general officers on this list. There are 5 colonels, 22 lieutenant colonels, 100 majors, 415 captains, 725 first lieutenants, and 668 "shavetails." Ninety-three percent of that list is from captain down in grade, and there is not a single general on it. So that when you come to talk about the general and the buck private, that is just the bunk. I do not see why this debate should continue. The hour is getting late. The proponents of the measure feel that they have made a good case and we are willing to quit now and leave it to the House to decide the measure.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. EDMISTON. Yes.

Mr. PATMAN. Would the gentleman yield me 5 minutes, and if the gentleman from Mississippi wants 5 minutes, yield him 5 minutes?

Mr. EDMISTON. And then call it a day?

Mr. PATMAN. As far as I am concerned it will be all right.

Mr. EDMISTON. Is that all right with the gentleman from New York [Mr. ANDREWS]?

Mr. WOLCOTT. Mr. Chairman, surely the gentleman does not want the two in opposition to this bill to speak without some rebuttal on the part of those who are in favor of it.

Mr. EDMISTON. We want the gentleman from New York [Mr. ANDREWS] to offer that rebuttal, and then we will quit.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. EDMISTON. I yield.

Mrs. ROGERS of Massachusetts. This is not new legislation except for a small group who did not get their officer's commission because they were in hospitals. The rest of the bill will simply prevent the Veterans' Administration from doing what I think all of us here who have had cases there feel they do, and that is cheating the veterans by having placed this causative factor in the regulations which was never in the law and never intended by the Congress.

Mr. EDMISTON. That was purely a "brain child" of the Veterans' Administration.

Mrs. ROGERS of Massachusetts. That is the whole purpose of the bill.

Mr. EDMISTON. That is true.

[Here the gavel fell.]

Mr. ANDREWS. Mr. Chairman, I yield 5 minutes to the gentleman from Kentucky [Mr. ROBSION].

Mr. ROBSION of Kentucky. Mr. Chairman, I am in favor of this bill and am very glad to be here to speak and vote for it. I was a Member of the House in 1928 when the original disabled emergency officers' retirement pay bill was passed. I was not a Member of the House in 1933 when the Economy Act was passed, when the law favorable to the disabled emergency officers was stricken from the statute books. I am glad to see it restored.

The officers of the Regular Army who are retired because of disabilities contracted in service will receive more than these emergency officers who were disabled in line of duty. I cannot understand why we should discriminate against emergency officers who were disabled in line of duty in defense of their country.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. ROBSION of Kentucky. I yield.

Mr. MAY. There was considerable discussion by the gentleman from Texas and the gentleman from Mississippi on the rule with regard to the distinction between a soldier who had chosen a military career and the emergency officer who served for the duration of the war. When it comes to the question of disability, the same kind of disability received from the same kind of injury in the same service, the injury lasts just as long with the one as it does with the other and the suffering in each case is the same.

Mr. ROBSION of Kentucky. Yes; that is very true. We should not deny these disabled officers this retirement pay. Congress has provided more retirement pay for the Regular officers of the Army and Navy than is proposed in this bill for the disabled emergency officers. Why should not the man who was taken from his business, his profession, his farm, or his store and put into the Army as an officer, and while in that service was disabled in line of duty, receive at least some consideration.

Mr. KLEBERG. Mr. Chairman, will the gentleman yield?

Mr. ROBSION of Kentucky. I yield.

Mr. KLEBERG. Is it not a fact that the original act setting up compensation for officers in the Army, emergency or otherwise, made no discrimination whatsoever?

Mr. ROBSION of Kentucky. As I recall, that is true.

Mr. KLEBERG. Is it not also perfectly true that what we are attempting to do here in Congress this afternoon is to set aside the effect of regulations by the Veterans' Administration in order that we may carry out the original intent of this body?

Mr. ROBSION of Kentucky. To wipe out a discrimination created more by regulation than by legislative act of Congress. That is what we are trying to do.

Mr. KLEBERG. The gentleman is correct.

Mr. BIERMANN. Mr. Chairman, will the gentleman yield?

Mr. ROBSION of Kentucky. I yield.

Mr. BIERMANN. When these emergency officers and emergency enlisted men are retired the officers get from 6 to 15 times as much as the enlisted men. The purpose of this bill is to continue that disproportion in their pension schedule. Is not that right?

Mr. ROBSION of Kentucky. The gentleman says to continue the disproportion?

Mr. BIERMANN. Yes. This bill proposes that a disabled emergency officer shall get from 6 to 15 times as much as a disabled private.

[Here the gavel fell.]

Mr. ANDREWS. Mr. Chairman, I yield 4 additional minutes to the gentleman from Kentucky.

Mr. ROBSION of Kentucky. Is my friend from Iowa against this bill?

Mr. BIERMANN. I am against this bill.

Mr. ROBSION of Kentucky. The Economy Act took their compensation away from these emergency officers and took it away from some 200,000 private soldiers and sailors and tens of thousands of widows and children of veterans. I want to say to my friend, the gentleman from Texas [Mr. PATMAN] that I have always supported legislation for the private soldiers and sailors, their widows and their orphans. Why does not the gentleman from Texas, my friend [Mr. PATMAN], if he is so interested in these private soldiers, join with me and others in our efforts to repeal that feature of the Economy Act that cut these tens of thousands of disabled veterans, soldiers, and sailors, from the pension rolls?

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. ROBSION of Kentucky. I mentioned the gentleman's name. I gladly yield.

Mr. PATMAN. The gentleman is in the position of paying $375 a month to the officer who retires but only $12, $18, or $24 to the men.

Mr. ROBSION of Kentucky. The gentleman is in error. Why does the gentleman say they will get $375 a month? They will not get that under this bill.

Mr. PATMAN. They certainly will.

Mr. ROBSION of Kentucky. They will not. A general would, but there are no generals to come under this bill.

Mr. PATMAN. The brigadier generals would get $375 a month.

Mr. ROBSION of Kentucky. May I say to the gentleman if he should die while a Member of this House, his widow would get $10,000 compensation or pension. Why should we not pay a small sum to the disabled emergency officers of the Army and Navy, who were injured in line of duty, and place them in a measure on a parity with the Regular officers of the Army and Navy? Why discriminate longer against the disabled emergency officers. They served side by side with the Regular officers. We passed on this matter in 1928. These benefits were taken from them by the Economy Act and by regulations. We now restore these rights. I hope some day to have a chance to vote for the repeal of other provisions of the Economy Act and restore the benefits to veterans' widows and children. The administration is against this bill and is opposed to repeal of the Economy Act.

Mr. MAY. Mr. Chairman, I yield 5 minutes to the gentleman from Texas [Mr. PATMAN].

Mr. PATMAN. Mr. Chairman, the proponents of this measure admit that all emergency retired officers should get this pay. If they are consistent, as soon as this becomes law, if it should over the President's veto—and I am sure it will require a vote on a veto before it becomes law—then they will bring in another bill permitting all emergency officers to come in. They cannot be consistent unless they do that. Their whole argument is in favor of all of them receiving these benefits.

Mr. Chairman, let me tell you where this is wrong. Let us assume two brothers going into the service at the same time for the emergency. One of them happens to become an officer. Of course, all of these men cannot become officers. But one of these two brothers becomes an officer. They go into the same outfit, they engage in the same battle, and they are injured in the same way. If the brother who is an officer happens to be a major, he will receive $200 a month for a 30-percent disability. His brother, who went in for the same length of time, injured the same way, in the same battle, would receive only $30 a month.

All who want to vote a pension according to rank have a right to vote for this bill, because this is a bill based on rank; but just as sure as you vote for it you will regret it. I know it would trouble me all my life if I did. I presume those who are in favor of the measure will be able to justify their votes, but no one I have ever known has ever been able to justify voting for a pension according to rank. After this goes through, then the widows will come in for a pension on rank, and all the other classes and groups.

Mr. ANDREWS. Will the gentleman yield?

Mr. PATMAN. If the gentleman will yield me a couple of additional minutes.

Mr. ANDREWS. I yield the gentleman 2 additional minutes.

Mr. PATMAN. I yield to the gentleman.

Mr. ANDREWS. The gentleman keeps referring to a pension based on rank. Does the gentleman believe a private should be paid the same as a sergeant?

Mr. PATMAN. When he goes into the service?

Mr. ANDREWS. Yes.

Mr. PATMAN. As far as military service is concerned?

Mr. ANDREWS. Yes.

Mr. PATMAN. The officer furnishes his uniform, he furnishes his meals, and he furnishes many things that the privates are furnished free. They are paid about the same amount. If you figure out the expenses that the officer pays himself, and then figure what the private gets and what is furnished him, you find they receive practically the same amount.

Mr. BOILEAU. Will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Wisconsin.

Mr. BOILEAU. Does the gentleman believe that retired officers of the Regular Army should receive the same pay as retired privates in peacetime?

Mr. PATMAN. No. The retired officers of the Regular Army are different. Let me refer to this man who loses a leg. If lawyers and doctors go into the service just for an emergency, with their brothers and friends, and should lose a leg or an arm, possibly it would incapacitate them, but not as much as one not in a profession of that kind. Possibly it would incapacitate a lawyer a little bit, but it does not entirely incapacitate him for his life's business. On the contrary, the Regular Army officer goes into the Regular Army for life. He is qualified for nothing else. If he is disabled in his life's business, he is disabled for life, and there is a big difference. The lawyer should be paid the same as others but not paid a pension based on rank.

Mr. BOILEAU. How about a mail carrier who goes in for the time of emergency?

Mr. PATMAN. This will rise up and haunt you the remainder of your congressional service just as sure as you vote for it. It sets a bad precedent.

Mr. MAVERICK. Will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Texas.

Mr. MAVERICK. The gentleman talks about these two brothers, one being an officer, the other a private. Suppose the two brothers who went into the service and one became

a Regular lieutenant and the other gets to be a Reserve lieutenant. Would the gentleman deprive the Reserve lieutenant of what the Regular lieutenant got?

Mr. PATMAN. The gentleman has asked me an involved question.

Mr. MAVERICK. The gentleman is talking about these two brothers over here.

Mr. PATMAN. Let me tell the gentleman about this matter.

Mr. MAVERICK. Is the gentleman going to answer the question?

Mr. PATMAN. No; I have not the time.

Mr. Chairman, a captain or other officer will come to the Members and say, "I am entitled to be on that roll, but they have cut me off." He is still on the roll that his brother is on who was injured the same way, in the same battle, who has the same disability, receiving the same amount of money. They are not entirely cut off, however. They are merely placed on an equality with those who went into the service for the same length of time, for the same purpose, the emergency, not taking up the Army as a life business or as a life profession, but just went in for the emergency.

Mr. Chairman, may I make one further statement in conclusion about this bill. It is just a bad precedent, a precedent you will always regret if you vote for it. A serious mistake was made in 1928, when the original act was passed. If you enlarge upon it, you will likely see the day, if the issue is clearly brought up, that you will regret your action.

I have visited many veterans' organizations in this country and I have never heard this question discussed before any group of veterans where both sides were fairly presented that the veterans did not almost unanimously turn it down. I know they come in here and say the veterans' organizations are supporting it. Why? They will have a committee in a veterans' organization, and most of the members, or a large number of the committee, are retired emergency officers, and they will get a resolution through. This resolution goes through in one second's time and is never discussed on the floor. The rank and file do not even know what happens. They may pass a hundred resolutions or a thousand in just a few days' time, and the rank and file cannot know what they are. It is my belief that the rank and file of the veterans would be opposed to this, but the people who have been on these rolls and have received from $106 a month, the lowest, up to $375 a month, the highest, for the same disability for which the private gets $30 a month, want to get back on the rolls, for these large amounts.

[Here the gavel fell.]

Mr. EDMISTON. Mr. Chairman, I yield 7 minutes to the gentleman from Wisconsin [Mr. O'MALLEY].

Mr. O'MALLEY. Mr. Chairman, one thing that has not been mentioned all during the course of this debate is the fact that these retired officers who have been injured and are in such distress physically must be getting disability allowances under the rating tables of the Veterans' Administration. The impression has been given that a retired emergency officer with a leg off is being entirely neglected by the Government, but this is not the situation. A retired emergency officer who has service connected his disability and meets the requirements of the rating table for the percentage of that disability receives an allowance to compensate for it. But when this bill is passed, if an emergency officer has only a 40 percent disability rating he can waive his disability allowance and go on the pay roll for life and receive up to $375 a month if his rank was high enough. If I am wrong on that I hope some member of the committee will correct me. Is it not a fact that a disabled emergency officer receiving a disability allowance under the rating-table rate of 40 percent can, if this bill is passed, waive that disability allowance—in fact, he has to waive it—and go on the rolls for $375 a month if he was a general?

Mr. EDMISTON. But there are no generals on the rolls.

Mr. PATMAN. The gentleman does not know that. There possibly will be.

Mr. O'MALLEY. How does the gentleman from West Virginia know there will not be?

Mr. MAVERICK. We have the list and they are not on there.

Mr. EDMISTON. Most of the officers who were generals during the World War are now dead.

Mr. O'MALLEY. The impression that was given here was that the retired emergency officer who had lost his leg was being neglected by the Government. If he has lost his leg he is getting one of the highest rates of disability allowance this law allows, depending on his profession. In addition, because he is a retired emergency officer, he can practice his profession of law or medicine or anything else, and make from $10,000 to $50,000 a year, as some of these retired officers do.

Mr. MAVERICK. Could not a regular officer do that, too?

Mr. O'MALLEY. This emergency officer retirement pay was one of the principal evils that brought down upon the heads of the veterans of the United States the infamous economy bill, which I am proud to say I voted against as one of the first votes I cast in this House.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. O'MALLEY. I know what the gentleman is going to ask me.

Mr. MAY. Did not the gentleman vote against the causative factor?

Mr. O'MALLEY. I voted against the economy bill.

Mr. MAY. That is what the causative factor came from.

Mr. O'MALLEY. The economy bill forced out of the hospitals a lot of veterans who were unable to leave and had to be carted out because of their disabilities, because parasites with fake disabilities had created a stink and a scandal by getting on the pay roll through scratching each other's backs. I do not want to see the privates and the men who were injured in line of service be again punished because of the evils this bill would bring back. Everybody knows how it was possible to pass the so-called Economy Act. It was because the sponsors were able to show the country that there were emergency officers drawing $375 a month and at the same time holding down a $10,000 corporation job. Amid the hostility created by the knowledge of that evil this House passed a bill which resulted in bed-ridden veterans in my district being carried from veterans' hospitals over to the county hospitals and in the cutting off of many cases of deserving veterans that we have since restored. If you are going to restore these emergency officers, why not amend this bill to restore the $12- and $16-a-month veterans who did the dirty work over in the trenches? [Applause.]

You can bring a bill like this to the floor after it has been held up in committee three times, and once withdrawn, for 1,800 emergency officers. I am unable to understand why the committee cannot feel the same pain and the same distress over the thousands and thousands of privates who were stricken from the rolls by the infamous Economy Act, voted for by many now advocating this measure, when they were only getting $12 and $16.

If you want to bring another economy act down on the heads of the veterans, if you want to bring another veterans' economy league into existence, with all their hysterical propaganda that misled the country and this House in 1933, pass a bill like this. When you pass it the Executive who cited in his message when he asked for the economy bill this very evil will have to veto it if his past statements in 1933 are any indication of his continued opinion.

I hope this House will not pass this proposition.

Mr. SIROVICH. Is the War Department for this bill?

Mr. O'MALLEY. The report of the committee puts the Veterans' Administration against it, the Budget Director against it, and in that report it is stated that it conflicts with the financial program of the administration.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. O'MALLEY. I yield.

Mr. PATMAN. I do not believe any of us have called the attention of the Members to the fact that this bill will place

back on the rolls peacetime officers who went in and were injured before July 2, 1921.

Mr. O'MALLEY. I am glad to have the gentleman call that to my attention.

Mr. EDMISTON. Do not be unfair about that.

Mr. PATMAN. The amendment is not in there. I am glad you are yielding that much. I knew nothing about the amendment.

[Here the gavel fell.]

Mr. ANDREWS. Mr. Chairman, I yield 10 minutes to the gentleman from Michigan [Mr. WOLCOTT.]

Mr. WOLCOTT. Mr. Chairman, I cannot see any particular connection between this bill and the Economy Act. The Economy Act, as you will recall, was passed in an endeavor to balance the Federal Budget. The Economy Act is practically nonexistent so far as its original purpose was concerned and we are confronted with this particular situation, divorced entirely from any effort on our part to balance the Federal Budget.

Much has been said here today about the distinction between a Regular Army officer and an emergency officer. There has been comment upon the fact that the emergency officer did not have a contract with the Federal Government which entitled him to compensation for or a diminished purchasing power caused by an injury received in actual combat.

Let me call attention to this fact. The Selective Service Act of May 18, 1917, section 10, had this to say with respect to emergency officers:

> That all officers and enlisted men of the forces herein provided for, other than the Regular Army, shall be in all respects upon the same footing as to pay, allowances, and pensions as officers and enlisted men of corresponding grades and length of service in the Regular Army.

Mr. PATMAN. Does it say "retirements"?

Mr. LAMNECK. Pensions.

Mr. WOLCOTT. Several Judge Advocates General of the Army in interpreting section 10 have held in substance that retirement pay is in fact a pension and now let us start out from that premise.

I started in as a private, and later on in my career I became a second lieutenant. I did not have to accept that commission. There was not an emergency officer, a National Guard officer, or a National Army officer—which was my classification—who had to receive his commission; but the law distinctly said that in consideration of his accepting his commission, with all of the attending expenses and responsibilities, he would be treated just the same as any Regular Army officer.

Do you know that immediately following the war the Secretary of the Navy actually retired the emergency naval and marine officers, that the Secretary of War did not do it, and that because of the conflict the Congress was asked to clarify that situation?

Some of you have been here long enough to remember the very outstanding, estimable gentleman who was a Member of Congress when the very estimable and honorable Josephus Daniels was Secretary of the Navy, a gentleman by the name of Burton Sweet.

He said:

> I addressed a communication to Congress recommending further legislation which would in no uncertain language either authorize retirement for naval officers for physical disability in line of duty, or prohibit such retirement, as Congress may see fit, and in this communication I submit a draft of proposed legislation to accomplish either result.

It was apparent that when this legislation passed the Congress setting up the officer personnel of the wartime Army that we intended to treat emergency officers exactly the same as officers in the Regular Establishment. Is there any difference between calling a Reserve officer into actual service to go out under gunfire, under artillery fire, in gas and under bomb fire, to lay down his life for his country, and calling a Reserve officer into the service of his country to pilot an airplane to carry the United States mails? Let us give thought to that fact. Is there any distinction between calling a Reserve officer into the Army to fight the actual battles of his country and calling a Reserve officer into active duty to pilot a plane to carry the mails of this country? They are equally hazardous. A Reserve officer under the legislation as it now exists, and until this act is passed, does not share and share alike with his brother of the Regular Army, an officer who has seen actual service in time of battle under shell fire. Under the orders and the clear mandate of this Congress in 1934 when a Reserve officer was called into the service of his country to fly the mails of this Nation he took the same status as the Regular Army officers.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. In just a minute. I want to call the gentleman's attention to something before I get through. I call the gentleman's attention to Public Act No. 140 of the Seventy-third Congress, H. R. 7966, which is entitled "An act to authorize the Postmaster General to accept and use equipment, landing fields, men, and material of the War Department for carrying the mails by air, and for other purposes." Section 5 of that enactment provides as follows:

> Reserve officers performing duty hereunder shall be deemed to be in active military service and if injured or killed such officer and/or his dependents and beneficiaries shall be entitled to the same benefits as in the case of officers of the Regular Army and/or their dependents and beneficiaries.

In 1934 we provided that when Reserve officers were called into actual service to carry the mails, they would take the status for all purposes of a Regular Army officer. How can the gentleman from Texas [Mr. PATMAN] justify that? How can the gentleman from Wisconsin [Mr. O'MALLEY] justify that? How can the gentleman from Iowa [Mr. BIERMANN] justify that? How can the gentleman from Mississippi [Mr. RANKIN] justify that inconsistency?

Mr. PATMAN. The gentleman is talking about Reserve officers. Does he mean that Reserve officers are the same as retired officers?

Mr. WOLCOTT. If the gentleman will read this act, he will know what I mean.

Mr. PATMAN. They are not necessarily retired emergency officers.

Mr. BIERMANN. Mr. Chairman, will the gentleman yield? He mentioned my name.

Mr. WOLCOTT. And on page 3155 of the CONGRESSIONAL RECORD of 1934 the gentleman from Texas voted to do that, the gentleman from Wisconsin voted to do that, the gentleman from Iowa voted to do that, the gentleman from Mississippi voted to do that. Where is the consistency? Oh, consistency, thou art a jewel!

Mr. ANDREWS. Mr. Chairman, I yield 3 minutes to the gentleman from Kansas [Mr. CARLSON].

Mr. CARLSON. Mr. Chairman, it is not my intention to discuss the merits or the demerits of this legislation. We have all heard that for the last 2 hours, but I have a letter here written to me from the national legislative committee of the American Legion, which I shall read:

THE AMERICAN LEGION,
NATIONAL LEGISLATIVE COMMITTEE,
Washington, D. C., May 7, 1938.

Hon. FRANK CARLSON,
House Office Building, Washington, D. C.

MY DEAR MR. CARLSON: The national legislative representatives of the major veteran organizations, acting as a committee, have made a careful study of the legislation proposed for the relief of emergency officers disabled in line of duty during active World War service. This is the only sizable group of directly service-connected war disabled that has received no relief from the stringent provisions of Public, No. 2, Seventy-third Congress (Economy Act).

Knowing of your desire to eliminate the causative-factor requirement as it is applied to the disabled emergency officer under the Veterans' Administration's interpretation of section 10, Public, No. 2, we earnestly solicit your help in securing the enactment of the Edmiston bill (H. R. 8176) before this Congress adjourns.

On May 24, 1937, the Senate unanimously passed S. 423, a bill similar to the House bill. The Committee on Military Affairs reported favorably the House bill (H. R. 8176), which is more restrictive than the Senate bill. The House bill requires, in addition to a 30-percent permanent disability incurred in line of duty, that it be directly service-connected without benefit of presumption of any kind, that is, that the disability occurred or had its inception during active World War service. This bill (H. R. 8176)

will restore to the rolls only those who would have been retired had they been in the regular service.

There is no new principle involved in this legislation. Congress recognized the justice of retirement for disabled emergency officers with the enactment of Public, No. 506, Seventieth Congress, and extended the privilege under section 10, Public, No. 2, Seventy-third Congress. Had the authors of the Economy Act been in doubt as to the justice of this principle, repeal of the entire act would have been proposed at that time.

The chairman of the Military Affairs Committee called up H. R. 8176 on Calendar Wednesday, January 26, 1938, but the House refused to consider the bill on a standing vote. The plea was made that the bill should not be considered at that time as the chairman of the Committee on World War Veterans' Legislation and another Member who wished to oppose the bill were absent on account of illness. We believe we are now entitled to a vote on this measure, which when enacted into law will not return to the retired list a number of officers whom Congress and others believe should not have been given this benefit.

On May 3 the Military Affairs Committee by unanimous vote instructed the chairman, Mr. MAY, to introduce a resolution calling for a rule to bring the bill (H. R. 8176) to the floor for discussion and vote. The resolution was introduced (H. Res. 489) and referred to the Rules Committee.

We will not go into a detailed discussion of this subject, but request that you make a study of the enclosed brief we prepared and which was placed in the RECORD by Congressman JOHN W. MCCORMACK. This brief covers the situation in detail and we are sure a reading of it will convince you as to the equity of our request.

We earnestly request your active assistance in securing the adoption of House Resolution 489 and the passage of the bill H. R. 8176.

As chairman of the committee I am forwarding this to you on behalf of The American Legion, Disabled American Veterans of the World War, The Disabled Emergency Officers of the World War, Military Order of the World War, and Veterans of Foreign Wars of the United States.

Sincerely yours,

JOHN THOMAS TAYLOR,
Director of Legislation, The American Legion.

Mr. ANDREWS. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. FISH].

Mr. FISH. Mr. Chairman, it seems to me we are making a mountain out of a molehill. You just heard the gentleman from Kansas read a statement from the combined veterans' organizations of this country in which all of them unanimously endorse this particular bill.

An attempt has been made on the floor of the House to defeat the bill by trying to make the House believe that the enlisted men that served in the World War are against the bill. I know of no enlisted man in my congressional district who is opposing this legislation and I do not believe there are any appreciable numbers throughout the country.

Another reason urged for voting against the bill is the statement that the President of the United States will veto it. That is not a very good reason as the President has been against almost everything the veterans have advocated. I am not exactly in the President's confidence, although I represent his congressional district. I have not been informed personally by the President whether he will veto this bill or not, but I repeat what I have said constantly in this House, that it is the duty of the President if he wants to veto any legislation he deems advisable. On the other hand, it is our duty to legislate, and pass legislation that we deem meritorious regardless of the attitude of the President. If the President vetoes this bill we can override that veto if we care to.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. FISH. I yield.

Mr. MAY. The gentleman remembers that quite a number of us voted to pay the soldiers' bonus, or the adjusted-service certificates. The President vetoed that bill, but a larger number of us voted to override his veto. What was good then ought to be good now.

Mr. FISH. What is sauce for the goose is sauce for the gander. I agree with the gentleman from Kentucky, I have repeatedly voted to override the veto of Republican Presidents on bonus legislation, and I have always been glad of it.

Mr. TERRY. Mr. Chairman, will the gentleman yield?

Mr. FISH. I yield.

Mr. TERRY. Did the officers covered by this bill below the rank of captain get the bonus?

Mr. FISH. Those below the rank of captain received the bonus.

Mr. TERRY. They received the bonus. This is an additional bonus the enlisted men did not receive.

Mr. FISH. Oh, I admit that if you are looking for discrimination you can find discrimination. It does discriminate between an emergency officer and an enlisted man who served in the war. The purpose of the bill, however, is to correct a discrimination that existed between Regular Army officers and emergency officers. It has all been gone into very fully by various Members who have spoken in the House. The fact is that none of the enlisted men are opposing this bill, that every veterans' organization is for it, and that we have passed upon this issue before. Ten years ago, in 1928, we adopted by overwhelming vote the emergency officers' retirement bill. That bill was negatived, or rather undermined in certain features and parts by regulations of the Veterans' Bureau. We are now remedying that particular situation. The will of Congress was defeated 10 years ago. It has taken 10 years for us to reach this stage and get a vote upon this bill and accomplish what we proposed to do and intended to do 10 years ago.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. FISH. I yield.

Mr. ROBSION of Kentucky. I think it is true that all of the veterans' organizations, the Legion, the Veterans of Foreign Wars, and the D. A. V. have endorsed this legislation. Is that true or not?

Mr. FISH. That is perfectly true.

Mr. O'MALLEY. Mr. Chairman, will the gentleman yield?

Mr. FISH. I yield.

Mr. O'MALLEY. The gentleman makes a very positive statement that all of the veterans' organizations have endorsed this bill and that no enlisted men among the veterans are against it. Can the gentleman tell me whether or not the Veterans of Foreign Wars in convention last year did or did not reject this proposition when it came in as a resolution?

Mr. FISH. I cannot answer the gentleman, but I understand from that letter of John Thomas Taylor that the Veterans of Foreign Wars are also in favor of it. That is one of the most powerful of the veteran organizations, and I believe they favor it.

[Here the gavel fell.]

Mr. ANDREWS. Mr. Chairman, I yield 1 additional minute to the gentleman from New York?

Mr. WHITE of Ohio. Mr. Chairman, will the gentleman yield?

Mr. FISH. I yield.

Mr. WHITE of Ohio. Is it not true that the national officers of the American Legion never support a bill unless it has been approved by the national convention of that organization?

Mr. FISH. That is true. But, more than that, regardless of the fact whether the veterans' organization is for it or not, this Congress already has acted upon this measure 10 years ago, on its merits.

We are called upon now to do the same thing and I hope it will be passed by an overwhelming vote.

[Here the gavel fell.]

Mr. ANDREWS. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. ALLEN].

Mr. ALLEN of Illinois. Mr. Chairman, some weeks ago I addressed this body with reference to the message from the President of the United States on the question of monopolies and quoted the following from his message:

> Among us today a concentration of private power without equal in history is growing.
>
> This concentration is seriously impairing the economic effectiveness of private enterprise as a way of providing employment for labor and capital.

Now, Mr. Chairman, agreeable to the Presidential request comes a proposal from the Senate appropriating the sum of $400,000 to investigate so-called monopolies and monopolistic practice.

Again we find that the upper House of Congress has abdicated its legislative powers to the Chief Executive and his departmental satellites of the Government. Are the Members of this lawmaking body to be again harrassed into turning their functional duties over to a horde of bureaucrats to be appointed in various executive departments and paid with funds voted by Congress?

The Senate bill as it passed that House provides that the entire appropriation of $400,000 for this so-called investigation is to be allotted by the President, and in his sole discretion among his own personal political appointees to be installed in various bureaus.

My personal views of this procedure are entirely at variance with those of the Senate. They are likewise at variance with such of my colleagues of this body who hope to build political fences through continued unwarranted, untimely, and injudicious attacks upon all American business at such a time as this, when millions of our citizens are virtually facing starvation and further millions are entirely dependent upon a Government bounty for their very sustenance.

During the whole 5 years that have passed under the Roosevelt administration, and despite the billions upon billions of dollars that have been poured down the ratholes of extravagance and waste, through the eternal experimentation and tinkerings with the historic economic system of our country, economically, we are worse off today than ever before in our Nation's history.

With a $20,000,000,000 increase, or more, in our national debt, with twelve to fifteen millions of our people unemployed, with a mounting increase in the imports of agricultural products from foreign countries, with greater farm surpluses in our domestic markets than ever before in history; in spite of the New Deal production control, under its planned economy, cotton last week, on the basis of our old gold dollar, was selling at its lowest price in the history of that staple which is the main support of the people of our southlands.

I warn you, Mr. Chairman, and you also, my fellow Members of this body, that by virtue of the reign of terror that is inspired by such political inquisitions as are now the subject matter of approval by this House and the other restrictions placed upon private capital and the use of private initiative, that this country is today confronted with national distress of the most critical character, and one that will find its very peak during the coming winter months.

Unemployment increasing, business frightened, with personal political preferments uppermost in the minds of the accredited leaders of the majority, personal ambitions splitting the Democratic Party itself asunder, class hatreds, suspicions and distrust of one another are now rampant to the detriment of the national welfare.

These are the natural offspring of the dragons' teeth sown by the Ickeses, the Wallaces, the Corcorans, the Cohens, and the Hopkinses, and other high priests of the New Deal for American farmers, American labor, and American industry.

These present and convincing proofs of the debacle of "the new era" must be heeded by all thoughtful citizens of every political faith and economic creed, if we, as a nation, are to survive the darker days of depression that lie in the months immediately ahead.

I speak these truths, Mr. Chairman, almost in the very hour that Mr. Jesse Jones, Chairman of the Reconstruction Finance Corporation, gives announcement to the fact that the American system of railroads in its practical entirety is now faced by actual bankruptcy.

Thirty-three percent of these railroads are now actually either in receivership, or the bankrupt court. Further, Mr. Chairman, it is conservatively estimated that 66 percent of all railroads will be in actual bankruptcy by the time snow flies.

Yet, Mr. Chairman, the Members of this Congress, the one public body in all our land capable of meeting this critical situation now calmly talk of adjourning and getting back to their homes.

If ever any legislative body were capable of, and even guilty of treason to their country and their constituency, Mr. Chairman, history will so record this body and the Members of this, the Seventy-fifth Congress, if we adjourn this session without honestly and fearlessly exercising the powers reposed in us by the Constitution to settle this problem of the railroads before the day of impending doom.

Every Senator and every Member of this House is conscious of that fact yet the majority have steadfastly refused to act.

Hear me now on this question, Mr. Chairman: I ask you, sir, and I ask also the distinguished gentleman and leader of the majority party on the other side of this House; where is the much boasted leadership that his party have held was reposed in the big White House on the other end of Pennsylvania Avenue?

Is the country to muddle through this rail crisis as they were compelled to muddle through every other crisis that has confronted the Chief Executive of the Nation since his induction into office? Is President Roosevelt going to run away from this question and take another fishing trip as he did when the C. I. O. through the sit-down strike took possession of the plants and brought the leaders of American industry to their knees, while the President in the White House looked on in silence and approval? Is he going on another cross-country political barnstorming trip in order to run away from the present problem of the American railroad system as he did when the question of the fitness of Justice Black to sit on the bench of the Supreme Court was before the American people?

Mr. Chairman, let us face the intrinsic problem of the American railroads in this House today. Let us not talk twaddle, nor of watered stocks nor of predatory interests nor of mismanagement. I have no patience nor do the facts support the wild statements we hear on every hand today about monopoly when a member discusses any corporation with a private capital investment of more than $10,000.

So far as inefficiency of operation is concerned let me here and now say that there is no group of labor, be it common, skilled, technical, or professional, engaged in the operation, maintenance, or administration of any industry, either public or private, in the United States that is superior or more loyal to its shareholders, its bondholders, or its Government and the public which they serve than those who actually operate and administer the rail transportation of this Nation.

Do you realize, Mr. Chairman, that while it takes as many as 20 workers per mile to operate the government-owned railroads of Russia and of Germany, that there are but 5 Americans employed to operate the supersystem of American railroad transportation per mile.

There is no doubt but what there is a problem confronting our railroads today. A problem brought about in part by the competition being met in the progress made by transportation, by land and water, in these last three decades. Particularly is this true of motor vehicles, pipe lines, river traffic, the substitution of water power for that of coal in the production of electricity, the location of great plants in oil, gas, and coal fields, to furnish, heat, light, and power.

Despite the fact that the American people travel more than any others on the face of the earth due to the improvement in automobile transportation, the American railroads are today carrying fewer passengers per mile than those of Italy, Germany, France, or Russia.

Despite the productiveness of the rich country which they serve and the sorry plight of their financial condition, the American system of railroads still continues to afford superior transportation facilities to a greater volume of freight than any other country or system of railroads on the face of the earth.

Mr. Chairman, I say fearlessly and challenge successfully the contradiction of the fact, that a larger percentage of the present problems of the American railroads was given birth to, right in this Chamber. It was through the expenditure of tax moneys, Federal, State, and county, much of which was extracted from the railroads themselves, with

which we built and even now continue to add to the $15,000,000,000 system of highways in these United States, that now carry the bulk of the motor-vehicle traffic that has brought the railroads to this plight. It is the appropriations made by this body that is building Muscle Shoals, the T. V. A., and other federally subsidized power operations which are at present destroying our mining and transportation industry of the State of Illinois, as well as other States. Even as I speak these words the great systems of railways are advising the various counties in your State and my State of their inability to pay their current taxes to the various counties. Does this mean, Mr. Chairman, that our county services, our schools, and other activities dependent on receipt of these taxes for their existence, are to be suspended until we in Congress solve the national problems of our national transportation financial distress. Does it seem to you that the proper thing to do is to wait? Or should we act now?

Is it any wonder, Mr. Chairman, that I ponder upon the economic value of projecting these newer modern industries through the destruction of a historic and frequently even more valuable investment. Are we not, Mr. Chairman, in our present power policy, financed by Federal funds not tearing down our ancient structures reared in stone and bronze to build a prettier but newer structure of but paper and wood?

The American railroads are our railroads. Our people built and our people paid for them. They are not willing to abandon them to the ill fortunes of political maladministration and operation. We need them not alone for war, we need them for our every peaceful pursuits. Without the railroads to transport 7 tons of minerals and ores for every ton of steel we produce, we could not have steel. Without steel there could be neither automobiles to traverse our highways, ships to float on our inland waters, nor could we even build the generators and transmission lines that make possible the utilization of our hydroelectric power operations.

Our railroads are and will for decades continue to be the very sinews of our national life, to serve our cities, our mines, our factories, and our farms. Let us not, Mr. Chairman, leave the Capital this session until we have done all that is necessary to insure the continued profitable operation of our national system of railroads. Let us not go home and watch the value of the securities of this great industry fall to levels that will again threaten not alone the American system of railroad transportation but the very existence of our great insurance companies and other investments of the public.

Billions upon billions of the stocks and bonds of these roads are today held by our insurance and trust companies, building and loan associations, by individuals. Their impending collapse would bring loss and untold suffering to every single holder of an insurance policy, to widows and orphans, whose sole "nest egg" is the paid value of their policies. Here is in fact a real national emergency. Let us not prove unfaithful to the trust that is ours, that of affording the American railroads the security of national legislation, now necessary to their very continued existence and operation.

More than a million of our people on the rolls of the unemployed are railroad workers. Let us in their behalf make it possible to revive the motive power of our railroads. Let us lay down heavier rails, eliminate the sharp curves and dangerous crossings, install safety signals, build lighter rolling stock of newer, lighter steel in efficient streamline design.

Remember, Mr. Chairman, that the railroads through the history of our country have always been the greatest consumers of steel, that they in turn haul the 7 tons of ore, coal, and other materials necessary in the production of every ton of that metal, that rails and steel are the great employers of American labor.

In conclusion, Mr. Chairman, let me ask the Congress of the United States not to sell the American railroads short. Give them the assistance to which they as our own properties are entitled. Rehabilitate our rails and with millions of our citizens restored to the rolls of the gainfully employed in the mines, the mills, and the factories of the land America will have won back the confidence of its people in the wisdom of its Government and we as a Nation will have achieved our first real victory over the depression.

Mr. MAY. Mr. Chairman, I yield such time as he may desire, to the gentleman from Massachusetts [Mr. FLAHERTY].

Mr. FLAHERTY. Mr. Chairman, I know of no more important resolution acted upon in this House than that sponsored by the gentleman from Texas [Mr. DIES].

This resolution, as it indicates, is for the purpose of investigating activities of subversive and un-American groups in this country, who apparently believe that the United States of America is fertile ground for the propagation of their peculiar governmental ideas. It is aimed, not only at ferreting out the foreign sponsors of such propaganda, but is also designed to tear the masks from individuals and groups in this country, who, hiding behind a thin veil of so-called Americanism, are plotting not only the destruction of this Government but of our social order as well.

Do not misunderstand me. I am not in sympathy with any effort that may be made anywhere to throttle free speech or a free press, for activity of that kind would nullify the main purposes for which the Constitution was designed. We have had experience along that line in the early days of this Republic under the alien and sedition laws.

I think it salutary and wise, however, that if there are subversive activities and propaganda going on in this country directed against our Government and our institutions by those, who, taking advantage of free speech, a free press, and a free country, are working toward their abolition and destruction, it is time we know who they are.

I have no desire to open floodgates of racial and religious prejudice, nor does any Member of this House, but I think it is high time that we took cognizance of a situation that if left uninvestigated and unchecked will sap the very foundation of our democratic Government.

I do not have to stand on this floor with my name and my blood to warn you as to how significantly dangerous these activities, of which we are all conscious, are. No man of Irish blood can countenance on the one hand a type of propaganda that would destroy a government that has been a haven of refuge for the oppressed of all lands, nor on the other, stand idly by and see raised in this country the banner of a movement that would liquidate a race.

I have no quarrel with the German people. They have contributed of their blood and their substance and have played a great and important part in the history of our common country. But, I can distinguish between a people and a fanatical minority, who, taking advantage of the necessities of the great majority, has been able to saddle a military oligarchy upon them.

The bitter, cruel, and purblind persecution of the Jew, which is the shame of Germany, will not be tolerated in the United States any more than we will tolerate in this country the persecution of any segment of our population because of their racial origin or religious belief.

We are all Americans, no matter what our origins may be. Descendants, perhaps not of the Pilgrims who came here in the *Mayflower*, but of the pilgrims of freedom, driven because of the political and religious hates of the older world to the haven of the new. We are determined to continue to keep America free, not only politically free but free from the bitterness and the hate that has plunged Europe for centuries into the abyss of war, and even now at this very moment is driving it once more to that brink.

I voted for this investigation because I despise communism, which aims both at the altars of our freedom and our faiths; and I abhor nazi-ism and any other kind of "isms," that have as their foundation stone the doctrine of hate and the spread of that gospel.

Our history is the history of men who wrested a nation from the wilderness and dedicated it upon the altar of human

freedom and personal liberty. In that achievement both Gentile and Jew, Americans all, played their important part.

I stand here making no defense of the American who follows the Star of David and to whom the Ark of the Covenant is still the symbol of man's fellowship with God. He needs none, for the American Jew has proved his Americanism, his allegiance to and his faith in his country. No idle lip service his, for a score of fields crimson with the blood of the American Jew rise up to give mute but eloquent testimony to his valor and his sacrifice for America and her institutions.

To stand idly by and to permit the hate of nazi-ism to permeate the free air of this country is to prove false to every American tradition; nor can we permit the vile and insidious propaganda of the Communist to go unchallenged and unchecked. To do so would foul the nest of freedom and to hurl back into the faces of our illustrious battle dead the fact that we have proven false to the heritage which is ours.

From every source we hear of the vicious efforts that are being made by Nazi and Communist organizations and allied movements that are in sympathy with them. I am not an alarmist, but when I hear of Nazi camps in actual existence in certain parts of this country, and when I hear of men marching in uniforms other than those of the United States, and when I see that emblem of hate, the swastika, being openly flaunted in the free air of America, then I think it time that we should take official cognizance of what is going on.

When I see the Communist, the anarchist, and the syndicalist coming out in the open under our guaranty of a free speech and a free press, something that is unknown in the countries of their origin, and taking advantages of our constitutional guaranties only to work out their destruction, and that of our Government under which they are granted, it seems to me the time has come when the American people should find out just how far reaching this conspiracy against their liberties has gone, and to take such action as is necessary to protect our people, our institutions, and our Government. [Applause.]

Mr. MAY. Mr. Chairman, I yield such time to the gentleman from Arizona [Mr. MURDOCK] as he may desire.

Mr. MURDOCK of Arizona. Mr. Chairman, I find in the far Southwest, where the climate attracts ex-service men, that there are a great many retired Army officers, and also privates, for that matter, who are unable to prove service-connected disability, although they contracted tuberculosis or some such disease during the time of their service. If this measure makes it easier to prove in fact such service-connected disability, or if the presumption is in the veteran's favor without evidence to the contrary, then I approve this legislation. Many in Arizona suffer unjustly today, being unable to prove service-connected disability because of the present rigid provisions.

The last proviso in section 1 of the bill, on page 2, seems to shift the burden of proof somewhat from the veteran. With such diseases as tuberculosis it is very difficult to be exact as to the time or cause of its origin. If we can ease up the burden of proof fairly, and if we can also make this a fair measure, fairly operated, I feel it is good legislation.

Mr. EDMISTON. There are no more requests for time.

The Clerk read as follows:

Be it enacted, etc., That, notwithstanding the provisions of any law of the United States, any person who served as an officer of the Army, Navy, or Marine Corps of the United States during the World War, other than as an officer of the Regular Army, Navy, or Marine Corps during the World War, who made valid application for retirement under the provisions of Public Law No. 506, Seventieth Congress, enacted May 24, 1928 (U. S. C., Supp. VII, title 38, secs. 581 and 582), and who prior to the passage of this act has been granted retirement with pay, shall be entitled to continue to receive retirement pay at the monthly rate paid him on March 19, 1933, if the disability for which he has been retired resulted from disease or injury or aggravation of a preexisting disease or injury incurred in such service in line of duty and directly resulting from the performance of duty: *Provided*, That such person entered active service between April 6, 1917, and November 11, 1918, and served as an officer prior to July 2, 1921: *Provided further*, That where the disability is now or hereafter determined to be directly incurred in or aggravated during active service, without benefit of any statutory or regulatory presumption of any kind, it will be considered to have directly resulted from performance of duty, unless otherwise shown by official record, or clear and unmistakable evidence.

With the following committee amendment:

Page 2, line 8, after the word "service", insert "in fact."
Page 2, line 14, after the word "service", insert "in fact in line of duty."

The committee amendments were agreed to.

Mr. EDMISTON. Mr. Chairman, I offer a committee amendment.

The Clerk read as follows:

Committee amendment offered by Mr. EDMISTON: Page 2, line 10, after the word *"Provided"*, strike out down to the words *"Provided further"*, in line 12, and insert the following: "That such person rendered active service as a commissioned officer within the period between April 6, 1917, and November 11, 1918."

The amendment was agreed to.

The Clerk read as follows:

SEC. 2. Payment of emergency officers' retirement pay shall be effective from the date of enactment of this act in all cases where entitlement thereto is authorized solely by the provisions of this act.

With the following committee amendment:

Page 2, line 22, after the word "act", insert the following: "No beneficiary under this act shall receive any retirement pay for any period prior to the date of this act."

Mr. PATMAN. Mr. Chairman, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. PATMAN to the committee amendment: Page 2, line 24, strike out the period, insert a comma, and add the following: "And shall not receive an amount in excess of $100 a month."

Mr. PATMAN. Mr. Chairman, this amendment will limit the amount that anyone may receive under this act as a retired emergency officer to $100 a month. It occurs to me that is liberal for the reason it is giving them just as much, though they are disabled only 30 percent, as 100-percent disabled veterans who went into the service at the same time with them, served with them in the same outfit, were injured in the same way, and disabled in the same way.

Certainly, this would be liberal and generous enough. I insist that the limitation of $100 a month is right, and I hope the committee will agree to it.

Mr. EDMISTON. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, that is the same argument we have had here all afternoon that the gentleman from Texas has been advocating, and it is just an attempt to ruin the measure. If the Regular Army officer and the emergency officer should be upon an equal footing, then this bill should pass as we have reported it out of the committee. If you want to ruin the bill, adopt the amendment.

Mr. BOILEAU. Mr. Chairman, will the gentleman yield?

Mr. EDMISTON. I yield to the gentleman from Wisconsin.

Mr. BOILEAU. The gentleman from Texas has been talking against discrimination. Under his amendment, if I understand it correctly, a man with a 30-percent disability would receive the same amount as a man with a 90-percent disability.

Mr. EDMISTON. The gentleman is correct.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas to the committee amendment.

The amendment to the committee amendment was rejected.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

Mr. EDMISTON. Mr. Chairman, I offer a committee amendment.

The Clerk read as follows:

Committee amendment offered by Mr. EDMISTON: On page 2, line 19, after "Sec. 2", strike out down to and including "provisions of this act" in line 22.

Mr. EDMISTON. Mr. Chairman, this is just a clarifying amendment.

The committee amendment was agreed to.

Mr. PATMAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PATMAN: On page 2, line 24, strike out the period and insert a comma and add "provided, no payment shall be made to any person whose annual income the preceding income tax paying year exceeded $6,000."

Mr. PATMAN. Mr. Chairman, if this amendment passes, a retired emergency officer who receives from $6,000 up may continue to claim his compensation just like everyone else in the service and may collect the same amount for the same disability on the same circumstances. If it is $40 a month or $50 or $60 a month he will continue to collect that. However, if he is drawing $6,000 a year or more he will not be permitted to receive up to $375 a month as provided in this bill as retired pay.

I do not care to discuss the amendment further. I believe it is very plain what the amendment is intended to do.

Mr. EDMISTON. Mr. Chairman, the gentleman from Texas is still demagoging good. He is just trying to mess up the detail. That is all he is trying to do.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas.

The question was taken; and on a division (demanded by Mr. PATMAN and Mr. O'MALLEY) there were—ayes 25, noes 51.

So the amendment was rejected.

The Clerk read as follows:

SEC. 3. That subsection (b) of section 212 of Public Law No. 212, Seventy-second Congress, shall be amended to read as follows:

"(b) This section shall not apply to any person whose retired pay plus civilian pay amounts to less than $3,000: *Provided*, That this section shall not apply to regular or emergency commissioned officers retired for disability incurred in combat with an enemy of the United States or for disabilities resulting from an explosion of an instrumentality of war in line of duty during an enlistment or employment as provided in Veterans' Regulation No. 1 (a), part I, paragraph I."

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. SMITH of Virginia, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee having had under consideration the bill (H. R. 8176) providing for continuing retirement pay, under certain conditions, of officers and former officers of the Army, Navy, and Marine Corps of the United States, other than officers of the Regular Army, Navy, or Marine Corps, who incurred physical disability while in the service of the United States during the World War, and for other purposes, pursuant to House Resolution 521, he reported the same back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

Mr. PATMAN. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. PATMAN. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. PATMAN moves to recommit the bill to the Committee on Military Affairs with instructions to report it back forthwith with the provision added to section 2 that no person under the provisions of this act shall receive an amount in excess of $106 a month or whose net annual income the preceding income taxable year exceeded $6,000.

Mr. EDMISTON. Mr. Speaker, I move the previous question on the motion to recommit.

Mr. BOILEAU. Mr. Speaker, I make the point of order against the motion to recommit that the amendment contained therein is not germane to the section of the bill to which it is offered.

Mr. PATMAN. Mr. Speaker, I make the point of order that the point of order of the gentleman from Wisconsin comes too late. The gentleman from West Virginia had already moved the previous question.

Mr. BOILEAU. I was on my feet seeking recognition to make the point of order, Mr. Speaker.

The SPEAKER. The Chair does not believe the point of order comes too late, but the Chair is of the opinion that the motion to recommit is in order. It simply seeks to add a new provision to section 2.

Mr. BOILEAU. May I be heard on the point of order, Mr. Speaker?

The SPEAKER. Yes.

Mr. BOILEAU. Mr. Speaker, the only language left in this particular section of the bill is this:

No beneficiary under this act shall receive any retirement pay for any period prior to the date of this act.

There is no limitation in this section as to amounts. There is no limitation on the amount of retirement pay that shall be paid to any of the beneficiaries.

This amendment attempts to limit the amount to be paid, and in view of the fact there is nothing in this section limiting the amount to be paid, it seems to me, Mr. Speaker, it is clearly not germane to this section.

The SPEAKER. In answer to the argument of the gentleman from Wisconsin, section 2 retains the language "no beneficiary under this act shall receive any retirement pay for any period prior to the date of this act." The motion to recommit offered by the gentleman from Texas, it occurs to the Chair, merely seeks to add a new sentence as a limitation on that part of the bill, and the Chair therefore overrules the point of order.

Mr. EDMISTON. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion offered by the gentleman from Texas to recommit the bill.

The question was taken; and on a division (demanded by Mr. PATMAN) there were—ayes 27, noes 110.

Mr. COLLINS. Mr. Speaker, I make the point of order there is not a quorum present and object to the vote on that ground.

The SPEAKER. The Chair will count. [After counting.] One hundred and eighty-seven Members are present, not a quorum.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 62, nays 254, not voting 112, as follows:

[Roll No. 112]

YEAS—62

Allen, Del.	Fulmer	Mahon, Tex.	Schuetz
Biermann	Garrett	Maloney	Schulte
Bigelow	Gray, Ind.	Massingale	Smith, Wash.
Bland	Griffith	Mouton	Taber
Burch	Gwynne	Murdock, Ariz.	Taylor, S. C.
Coffee, Wash.	Hill	Nelson	Terry
Collins	Houston	Oliver	Thom
Colmer	Jarrett	O'Malley	Turner
Cooley	Jones	Owen	Umstead
Daly	Knutson	Patman	Wallgren
Dies	Lambeth	Pierce	Warren
Doxey	Lanzetta	Poage	West
Eicher	Leavy	Rankin	Whittington
Engel	Luce	Rich	Williams
Fletcher	McGehee	Richards	
Fuller	McReynolds	Romjue	

NAYS—254

Aleshire	Arends	Beiter	Boyer
Allen, Ill.	Arnold	Bell	Boykin
Allen, Pa.	Bacon	Bernard	Bradley
Amlie	Barden	Bloom	Brooks
Anderson, Mo.	Barry	Boileau	Brown
Andresen, Minn.	Bates, Ky.	Boland, Pa.	Buck
Andrews	Bates, Mass.	Boren	Buckler, Minn.

Bulwinkle	Gifford	McFarlane	Rutherford
Burdick	Gilchrist	McGranery	Ryan
Cannon, Mo.	Gildea	McKeough	Sabath
Carlson	Gingery	McLaughlin	Sacks
Carter	Gray, Pa.	Maas	Sanders
Case, S. Dak.	Greever	Magnuson	Satterfield
Casey, Mass.	Gregory	Mapes	Sauthoff
Chandler	Guyer	Martin, Colo.	Schaefer, Ill.
Chapman	Halleck	Martin, Mass.	Scott
Church	Hamilton	Mason	Secrest
Citron	Hancock, N. Y.	Maverick	Seger
Clark, N. C.	Harlan	May	Shafer, Mich.
Clason	Harrington	Mead	Shanley
Claypool	Hart	Meeks	Shannon
Connery	Harter	Merritt	Sheppard
Cooper	Havenner	Michener	Short
Costello	Healey	Mills	Simpson
Cravens	Hildebrandt	Moser, Pa.	Sirovich
Creal	Hobbs	Mott	Smith, Conn.
Crosser	Hoffman	O'Brien, Ill.	Smith, Va.
Crowe	Holmes	O'Brien, Mich.	Smith, W. Va.
Crowther	Honeyman	O'Connell, Mont.	Snell
Culkin	Hope	O'Connell, R. I.	Snyder, Pa.
Deen	Hull	O'Connor, N. Y.	Somers, N. Y.
DeRouen	Hunter	O'Leary	South
Dirksen	Jacobsen	O'Neal, Ky.	Sparkman
Disney	Jarman	O'Neill, N. J.	Spence
Dixon	Jenckes, Ind.	Pace	Starnes
Dondero	Jenkins, Ohio	Palmisano	Stefan
Dorsey	Johnson, Luther A.	Parsons	Sutphin
Dowell	Johnson, L. B.	Patrick	Swope
Drew, Pa.	Johnson, Minn.	Patterson	Tarver
Driver	Johnson, Okla.	Patton	Taylor, Tenn.
Duncan	Johnson, W. Va.	Pearson	Teigan
Dunn	Kee	Peterson, Fla.	Thomas, Tex.
Eberharter	Kelly, Ill.	Peterson, Ga.	Thomason, Tex.
Edmiston	Kelly, N. Y.	Pettengill	Thompson, Ill.
Elliott	Kennedy, Md.	Pfeifer	Tobey
Englebright	Kennedy, N. Y.	Phillips	Towey
Evans	Kinzer	Polk	Transue
Farley	Kitchens	Powers	Treadway
Fish	Kleberg	Rabaut	Vincent, Ky.
Fitzgerald	Kniffin	Ramsay	Vinson, Ga.
Fitzpatrick	Kocialkowski	Ramspeck	Voorhis
Flaherty	Kramer	Randolph	Walter
Flannagan	Kvale	Rayburn	Welch
Flannery	Lambertson	Reece, Tenn.	White, Ohio
Fleger	Lamneck	Reed, Ill.	Wigglesworth
Forand	Lanham	Rees, Kans.	Wilcox
Ford, Calif.	Lea	Rigney	Withrow
Frey, Pa.	Lewis, Colo.	Robertson	Wolcott
Fries, Ill.	Long	Robinson, Utah	Wolfenden
Gamble, N. Y.	Lord	Robsion, Ky.	Wolverton
Gambrill, Md.	Ludlow	Rockefeller	Woodruff
Gavagan	Luecke, Mich.	Rogers, Mass.	Zimmerman
Gearhart	McClellan	Rogers, Okla.	
Gehrmann	McCormack	Roy	

NOT VOTING—112

Allen, La.	Delaney	Izac	O'Toole
Ashbrook	Dempsey	Keller	Plumley
Atkinson	DeMuth	Keogh	Quinn
Barton	Dickstein	Kerr	Reed, N. Y.
Beam	Dingell	Kirwan	Reilly
Binderup	Ditter	Kopplemann	Sadowski
Boehne	Dockweiler	Larrabee	Schneider, Wis.
Boylan, N. Y.	Doughton	Lemke	Scrugham
Brewster	Douglas	Lesinski	Smith, Maine
Buckley, N. Y.	Drewry, Va.	Lewis, Md.	Smith, Okla.
Byrne	Eaton	Lucas	Stack
Caldwell	Eckert	Luckey, Nebr.	Steagall
Cannon, Wis.	Faddis	McAndrews	Sullivan
Cartwright	Ferguson	McGrath	Sumners, Tex.
Celler	Fernandez	McGroarty	Sweeney
Champion	Ford, Miss.	McLean	Taylor, Colo.
Clark, Idaho	Gasque	McMillan	Thomas, N. J.
Cluett	Goldsborough	McSweeney	Thurston
Cochran	Green	Mahon, S. C.	Tinkham
Coffee, Nebr.	Greenwood	Mansfield	Tolan
Cole, Md.	Griswold	Mitchell, Ill.	Wadsworth
Cole, N. Y.	Haines	Mitchell, Tenn.	Wearin
Cox	Hancock, N. C.	Mosier, Ohio	Weaver
Crawford	Hartley	Murdock, Utah	Wene
Crosby	Hendricks	Nichols	Whelchel
Cullen	Hennings	Norton	White, Idaho
Cummings	Hook	O'Connor, Mont.	Wood
Curley	Imhoff	O'Day	Woodrum

So the motion to recommit was rejected.

The Clerk announced the following pairs:

General pairs:

Mr. Mansfield with Mr. Wadsworth.
Mrs. Norton with Mr. Hartley.
Mr. Cochran with Mr. Plumley.
Mr. Woodrum with Mr. McLean.
Mr. Cullen with Mr. Brewster.
Mr. Sullivan with Mr. Thomas of New Jersey.
Mr. McMillan with Mr. Cluett.
Mr. Boehne with Mr. Barton.
Mr. Cox with Mr. Crawford.
Mr. Gasque with Mr. Tinkham.
Mr. Griswold with Mr. Douglas.
Mr. McAndrews with Mr. Smith of Maine.
Mr. Boylan of New York with Mr. Lemke.
Mr. Atkinson with Mr. Schneider of Wisconsin.
Mr. Doughton with Mr. Ditter.
Mr. Kerr with Mr. Eaton.
Mr. DeMuth with Mr. Cole of New York.
Mr. Drewry of Virginia with Mr. Reed of New York.
Mr. Quinn with Mr. Scrugham.
Mr. Weaver with Mr. Crosby.
Mr. Delaney with Mr. Taylor of Colorado.
Mr. Byrne with Mr. Lesinski.
Mr. Dockweiler with Mr. Mitchell of Tennessee.
Mrs. O'Day with Mr. Cartwright.
Mr. Wheichel with Mr. Coffee of Nebraska.
Mr. Dempsey with Mr. Cole of Maryland.
Mr. Buckley of New York with Mr. Reilly.
Mr. Hancock of North Carolina with Mr. Clark of Idaho.
Mr. McGroarty with Mr. White of Idaho.
Mr. McGrath with Mr. Wearin.
Mr. Smith of Oklahoma with Mr. Green.
Mr. Caldwell with Mr. Mosier of Ohio.
Mr. Greenwood with Mr. Izac.
Mr. Dickstein with Mr. Kirwan.
Mr. Imhoff with Mr. O'Connor of Montana.
Mr. Fernandez with Mr. Murdock of Utah.
Mr. Ashbrook with Mr. Ferguson.
Mr. Curley with Mr. Sweeney.
Mr. Celler with Mr. Champion.
Mr. Lewis of Maryland with Mr. Beam.
Mr. Hennings with Mr. Tolan.
Mr. Steagall with Mr. Keogh.
Mr. Faddis with Mr. Cummings.
Mr. Mahon of South Carolina with Mr. Allen of Louisiana.
Mr. Dingell with Mr. Cannon of Wisconsin.
Mr. Ford of Mississippi with Mr. Larrabee.
Mr. Lucas with Mr. O'Toole.
Mr. Luckey of Nebraska with Mr. Eckert.
Mr. Mitchell of Illinois with Mr. Sadowski.
Mr. Sumners of Texas with Mr. Wood.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the passage of the bill.

The question was taken and the bill was passed, and a motion to reconsider was laid on the table.

Mr. EDMISTON. Mr. Speaker, I ask unanimous consent to take up a similar Senate bill (S. 423), strike out all after the enacting clause, and substitute the House bill just passed.

Mr. RANKIN. I object, Mr. Speaker.

EXTENSION OF REMARKS

Mr. WOODRUFF. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing a speech delivered on the capital-gains tax.

The SPEAKER. Is there objection?

There was no objection.

CORRECTION

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent to correct the RECORD. On roll call 107, last evening, I am not recorded among those who failed to answer to their names. I was not here, and I should be so recorded, and I ask unanimous consent that the RECORD and the Journal be corrected accordingly.

The SPEAKER. Without objection, the RECORD and the Journal will be corrected in accordance with the statement of the gentleman from Texas.

There was no objection.

WAGE AND HOUR BILL

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent that the chairman of the House Committee on Labor may have until midnight tomorrow night to file a conference report on the wage and hour bill.

Mr. RICH. Mr. Speaker, reserving the right to object, may I ask the gentleman if he expects to work all day Sunday and then file the report on Sunday?

Mr. RAMSPECK. No; but I will say to the gentleman that the conferees have reached an agreement, but, of course, as the gentleman is aware, having been in conferences himself, it takes time to prepare the papers.

Mr. RICH. Why not file it tonight and rest and go to church tomorrow?

Mr. RAMSPECK. We will not have enough time.

Mr. WHITE of Ohio. Mr. Speaker, reserving the right to object, can the gentleman give those of us who are trying to make other plans some information as to when it is proposed to bring the bill before the House?

Mr. RAMSPECK. I could not answer that question, I will say to the gentleman.

Mr. RAYBURN. I may say to the gentleman that the purpose is to bring it up on Tuesday.

Mr. BIERMANN. Mr. Speaker, I reserve the right to object to ask the gentleman from Georgia a question. Does this mean that a copy of the conference report will be available Monday morning?

Mr. RAMSPECK. Yes; I understand so.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

CLASSIFIED CIVIL SERVICE FOR POSTMASTERS OF THE FIRST, SECOND, AND THIRD CLASSES

Mr. RAMSPECK. Mr. Speaker, I call up the conference report on the bill (H. R. 1531) extending the classified civil service to include postmasters of the first, second, and third classes, and for other purposes, and ask unanimous consent that the statement may be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

Mr. TABER. I object, Mr. Speaker.

The SPEAKER. The Clerk will read the conference report.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 1531) extending the classified civil service to include postmasters of the first, second, and third classes, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert:

"That postmasters of the first, second, and third classes shall hereafter be appointed in the classified service without term by the President by and with the advice and consent of the Senate: *Provided*, That postmasters now serving may continue to serve until the end of their terms, but they shall not acquire a classified civil service status at the expiration of such terms of office except as provided in section 2 hereof.

"SEC. 2. Appointments to positions of postmaster at first-, second-, and third-class post offices shall be made by the reappointment and classification, non-competitively, of the incumbent postmaster, or by promotion from within the Postal Service in accordance with the provisions of the Civil Service Act and Rules, or by competitive examination, in accordance with the provisions of the Civil Service Act and Rules. No person shall be eligible for appointment under this section unless such person has actually resided within the delivery of the office to which he is appointed, or within the city or town where the same is situated for one year next preceding the date of such appointment, if the appointment is made without competitive examination; or for one year preceding the date fixed for the close of receipt of applications for examination, if the appointment is made after competitive examination.

"SEC. 3. Appointments of acting postmasters in all classes of post offices shall be made by the Postmaster General: *Provided*, That acting postmasters shall serve not to exceed six months from the date of their designation, except that the Postmaster General may extend the period of service of any acting postmaster beyond such six months' period with the permission of the Civil Service Commission.

"SEC. 4. All Acts or parts of Acts inconsistent herewith are hereby repealed."

And the Senate agree to the same.

ROBERT RAMSPECK,
WILLIAM I. SIROVICH,
JENNINGS RANDOLPH,
Managers on the part of the House.

CARL HAYDEN,
M. M. LOGAN,
JOSEPH C. O'MAHONEY,
ROBERT M. LA FOLLETTE, JR.,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 1531) extending the classified civil service to include postmasters of the first, second, and third classes, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate amendment struck out all after the enacting clause of the House bill and inserted a substitute. The bill as agreed to in conference is a substitute for both the House bill and the Senate amendment. The differing provisions of the House bill and the substitute agreed to in conference are discussed in the order of the sections of the House bill.

Section 1

The bill as passed by the House on January 28, 1937, provided for the appointment of postmasters of the first, second, and third classes by the Postmaster General in accordance with the Civil Service Act of January 16, 1883. The substitute bill agreed to in conference provides for the appointment in the classified service of first-, second-, and third-class postmasters by the President, with Senate confirmation. However, present postmasters may serve out their terms before the provisions of this proposal become effective. Your managers have reluctantly agreed to Senate confirmation but think it is necessary in order to secure legislation at this session.

Section 2

Section 2 of the substitute bill agreed to in conference is practically the same as section 2 of the House bill passed on January 28, 1937. The House bill provided that the Postmaster General should certify to the Civil Service Commission that no person serving in the vacancy office was qualified for promotion to the appointment of postmaster. The substitute leaves out that provision, and this was recommended by the Post Office Department. The substitute provides that incumbent postmasters may be reappointed and classified by noncompetitive examination, the same as was provided in the original House bill. The substitute also provides that a person to be eligible must have actually resided within the delivery of the office to which he is appointed or within the city or town where the same is situated, for 1 year next preceding the date of such appointment, if the appointment is made by noncompetitive examination; or for 1 year next preceding the date fixed for the close of receipt of applications for examination if the appointment is to be made by competitive examination.

Section 3

The original House bill provided that acting postmasters should be appointed according to civil-service rules governing temporary appointments. This means that the Civil Service Commission would have had to grant permission for the naming of an acting postmaster until a register of eligibles could be established by an examination. Section 3 of the substitute bill changes the original House provision, and provides that acting postmasters may be appointed by the Postmaster General, but acting postmasters shall not serve to exceed 6 months from the date of their designation as such, except the Postmaster General may get permission from the Civil Service Commission to allow an acting postmaster to serve more than 6 months. This change was recommended by the Post Office Department, and your conferees agree that there are good reasons for it.

Section 4

Section 4 is the usual separability clause.

ROBERT RAMSPECK,
WILLIAM I. SIROVICH,
JENNINGS RANDOLPH,
Managers on the part of the House.

Mr. ANDREWS (interrupting the reading of the conference report). Mr. Speaker, I have a preferential motion.

The SPEAKER. The Clerk will continue the reading of the report. The Chair will recognize the gentleman at the conclusion of the reading of the report if he has a preferential motion.

The Clerk resumed and concluded the reading of the conference report.

Mrs. ROGERS of Massachusetts. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentlewoman will state it.

Mrs. ROGERS of Massachusetts. Mr. Speaker, my understanding is that the gentleman from Georgia has an hour and that he may yield such time as he desires?

The SPEAKER. That is a correct interpretation of the rule.

Mr. RAMSPECK. Mr. Speaker, I yield myself 10 minutes.

Mr. ANDREWS. Mr. Speaker, I move that the House do now adjourn.

The SPEAKER. The gentleman from New York moves that the House do now adjourn.

The question was taken; and on a division (demanded by Mr. ANDREWS), there were—ayes 53, noes 193.

Mr. ANDREWS. Mr. Speaker, I demand the yeas and nays.

The SPEAKER. As many as are in favor of ordering the yeas and nays will rise and stand until counted. [After counting.] Thirty-three Members have risen, not a sufficient number, and the yeas and nays are refused.

So the motion was rejected.

Mr. RAMSPECK. Mr. Speaker, if I may have the attention of the House, I will explain what this conference report does. In January last year the House passed by some 50 or 60 votes the bill, H. R. 1531, which would have vested the appointment of postmasters in the Postmaster General without term under civil service. That bill went to the Senate. The Senate disregarded it for quite a long time and later brought out a substitute bill, which would have undertaken to go back to the old patronage system. That was known as the McKellar bill, and there was a companion bill in the House known as the Faddis bill. The Senate refused to pass the McKellar bill and substituted H. R. 1531, but changed the language in H. R. 1531, and this conference report that we have brought back is a compromise between the two. The conference report, if adopted by the House and the Senate, will provide for the appointment of postmasters by the President with confirmation by the Senate, just as we have now. However, the appointment, when once made under this bill, will be without term. That does not mean, as some have been told by some enemies of the bill, appointment for life like a United States judge. It means appointment during satisfactory service and good behavior. It means that they can be removed at any time. In addition to that, the conference report provides that the present postmasters, when their present terms expire, may be reappointed by passing a noncompetitive examination.

It is not necessary that they be reappointed. They have no preference for reappointment, if the President decides he does not want to reappoint them. But if it is decided to reappoint an incumbent postmaster he may qualify by a noncompetitive examination. The Senate bill, as passed, carried a competitive examination for reappointment. This bill also provides, as the Senate provided, for the appointment of acting postmasters by the Postmaster General to serve for a period of 6 months with the right of extension, with the consent of the Civil Service Commission. The statement has been made in a sort of undercover campaign on this floor in the last day or two that this bill does not provide a choice of the three highest eligibles where you make a new appointment. That statement is unqualifiedly false. I put a statement in the RECORD 2 or 3 days ago from the President of the Civil Service Commission outlining the procedure under this bill, and I have the original here in my hand, and the procedure would be as it is in all civil-service examinations. Where you make a new appointment you would have an examination. The Civil Service Commission would certify three names to the Postmaster General, who would recommend one of those three to the President for appointment. That is the procedure you would have under this bill, as compared to the present Executive order which requires the appointment of the highest eligible individual after examination.

In answer to the charge that this bill is life tenure for the postmasters, I call the attention of the House to the fact that during the Wilson administration when we were then operating under the act of July 12, 1876, which provided for the appointment of postmasters and their removal by and with the advice and consent of the Senate, President Wilson removed a postmaster, whose name was Myers, at Portland, Oreg. He had served one 4-year term, and over 3 years of his next term, and the President removed him without filing or making any charges against him.

He filed a suit in the Court of Claims for his salary. The case is decided in Two Hundred and Seventy-second United States Reports, page 52, the court holding that wherever the power of appointment was vested in the President he had the power to remove an executive officer. The court sustained the removal of Postmaster Myers, of Portland, Oreg., notwithstanding the fact that the law specifically provided he could not be removed, except by consent of the Senate.

I want to be perfectly frank with those who do not like confirmation by the Senate, because they say it is in derogation of the true principles of the merit system. This does not establish a true merit system for postmasters. It is the closest we can get to it in view of the position of the Senate. It means that the President could remove one of these postmasters, not only this President but any future President, at any time he saw fit to do so. I want to be frank with the House and tell them that that is the situation.

On yesterday at the White House press conference the President was asked whether or not he was interested in this bill. In response to that question the President said that he was very much interested and pleased that the conferees had come to an agreement. He expressed the opinion that the bill, which placed first-, second-, and third-class offices under the civil-service law, was a very definite step in the right direction. Under the bill he said the Civil Service Commission will certify to the Postmaster General the three highest eligibles for the consideration of the President.

This ought to be sufficient answer to the whispering campaign that has been carried on around here to the effect that this bill did not give a choice of the three highest eligibles, and that it set up life tenure similar to Federal judgeships. You have a choice of three just as you used to have; and it is the only practical way, Mr. Speaker, that we can get rid of the present Executive order, which requires the appointment of the top eligible.

Mr. RANDOLPH. Mr. Speaker, will the gentleman yield?

Mr. RAMSPECK. I yield.

Mr. RANDOLPH. Just as we have now in the fourth-class offices under the classified civil service. The adoption of this conference report will be an extension of the merit system.

Mr. RAMSPECK. Yes; the gentleman is right. It follows just the same procedure as we have now in the case of fourth-class postmasters and rural letter-carriers.

Mr. LUTHER A. JOHNSON. Mr. Speaker, will the gentleman yield?

Mr. RAMSPECK. I yield.

Mr. LUTHER A. JOHNSON. Will the gentleman tell me the meaning of the language which says that postmasters of the first, second, and third classes shall hereafter be appointed for a term of 8 years? I understood the gentleman to say that they were to be appointed without term.

Mr. RAMSPECK. That is the language of the Senate bill, not the conference report. If the gentleman will read the conference report he will find that it is without term.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. RAMSPECK. I yield.

Mr. MICHENER. As I understand, this list of the three highest eligibles is forwarded by the Civil Service Commission to the Postmaster General.

Mr. RAMSPECK. That is correct.

Mr. MICHENER. Is it the intention, then, to follow the present custom and have that list of three submitted by the Postmaster General to the dispenser of patronage in the congressional district affected?

Mr. RAMSPECK. I cannot answer that question, as the gentleman well knows; but it has been the policy of every political party that has ever been in power in this country to consult their own party officials about appointments. I am not going to be so foolish as to make any assumption here that this bill will entirely end that practice.

Mr. BOILEAU. Mr. Speaker, will the gentleman yield?

Mr. RAMSPECK. I yield.

Mr. BOILEAU. I understood the gentleman to say a while ago that under this bill the President could remove any of these postmasters whenever he saw fit.

Mr. RAMSPECK. That is my judgment; yes.

Mr. BOILEAU. That would mean that these postmasters can be removed without cause, and that when a new administration comes in they would not have to wait for the 4-year term to expire but could remove all the postmasters and set up an entire new group of postmasters.

Mr. RAMSPECK. It is my understanding of the Myers case that the President has that authority; that any President can remove any person in the executive branch of the Government.

[Here the gavel fell.]

Mr. RAMSPECK. Mr. Speaker, I yield myself 5 additional minutes.

Mr. BOILEAU. Mr. Speaker, will the gentleman permit me to pursue my inquiry a little further?

Mr. RAMSPECK. Yes.

Mr. BOILEAU. Under existing law the postmaster has the assurance at least of a 4-year tenure of office.

Mr. RAMSPECK. Oh, no, he does not. He can be removed now at any time.

Mr. BOILEAU. Without cause?

Mr. RAMSPECK. Under the Myers case; yes, at any time.

Mr. BOILEAU. That has not happened.

Mr. RAMSPECK. I do not think it is going to happen in this case. I do not believe they will remove them without cause, but they can do it as a matter of law, in my opinion.

Mr. BOILEAU. It would be possible, and the gentleman would assume probably it might not happen that way, that a new administration could vacate all the postmasters and put acting postmasters in for 6 months, then make an entirely new change all the way down the line?

Mr. RAMSPECK. I think it is possible, just as it was possible on March 4, 1933, but President Roosevelt did not do it. I think public sentiment will prevent his successor from doing that, if he happens to be a Republican.

Mr. BOILEAU. President Roosevelt knew, however, that he had a chance at that office within the 4-year period. He knew that some time during the next 4 years he would have an opportunity to put a man in of his own party.

Mr. RAMSPECK. I have stated what I think is the law.

Mr. O'MALLEY. Will the gentleman yield?

Mr. RAMSPECK. I yield to the gentleman from Wisconsin.

Mr. O'MALLEY. Is not the principal theory upon which this bill is advanced that we will get better postmasters in the Postal Service? If that is the principal theory, why does not the reappointment provide for a competitive examination whereby persons in the employ of the Post Office Department and outsiders may compete for that reappointment?

Mr. RAMSPECK. They have already stood competitive examinations to get their present appointment. I may say that in my judgment we have the finest group of postmasters in the country today that the United States ever had. [Applause.]

Mr. O'MALLEY. I agree with the gentleman.

Mr. LEAVY. Will the gentleman yield?

Mr. RAMSPECK. I yield to the gentleman from Washington.

Mr. LEAVY. May I ask if postmasters who have passed the age limit that is now fixed for ordinary postal employees of the civil service would become ineligible to take this examination, though they might be the incumbent postmaster?

Mr. RAMSPECK. There is no age limit in the law. It would be a matter for the discretion of the President and the Civil Service Commission. There is no age limit in the civil-service law.

Mr. LEAVY. Except the law provides "according to civil-service law and rules."

Mr. RAMSPECK. Yes.

Mr. LEAVY. I wondered if the rules might be interpreted in that way.

Mr. RAMSPECK. I may say to the gentleman that age limits for all civil-service positions are fixed by consultation between the department involved and the Civil Service Commission, subject to approval by the President of the United States. That would be the procedure in this case.

Mr. LEAVY. I am favorable to the legislation, but I would not want to see postmasters at the age of 45 crowded out of the service.

Mr. RAMSPECK. I do not think there is any such possibility. The present regulation is 66, as I recall it.

Mr. BACON. Will the gentleman yield?

Mr. RAMSPECK. I yield to the gentleman from New York.

Mr. BACON. I want to clear up a matter in my own mind. The gentleman referred to the President's Executive order of July 1936.

Mr. RAMSPECK. Yes.

Mr. BACON. Is it the gentleman's contention that the passage of this bill and its becoming law will automatically repeal that Executive order.

Mr. RAMSPECK. Yes; I think so. I know it is the intention of the President, because he said so. He intends to follow this procedure.

Mr. BACON. What I am getting at is this: No one can repeal an Executive order of the President except the President himself and he may repeal that order at any time he wants to.

Mr. RAMSPECK. If it is necessary for him to do that, he will do it. I cannot answer as a legal proposition, but I do say the President wants this bill passed as it is here, and he is going to follow the procedure that he outlined in his statement yesterday.

Mr. BACON. And, if necessary, he will repeal the Executive order?

Mr. RAMSPECK. Yes.

[Here the gavel fell.]

Mr. RAMSPECK. Mr. Speaker, I yield myself 5 additional minutes.

Mr. McREYNOLDS. Will the gentleman yield?

Mr. RAMSPECK. I yield to the gentleman from Tennessee.

Mr. McREYNOLDS. May I ask the gentleman this question: Where postmasters are already appointed and confirmed, they only serve out their 4 years on good behavior?

Mr. RAMSPECK. Yes.

Mr. McREYNOLDS. Then they will come up for reappointment?

Mr. RAMSPECK. They will serve their present term, whatever the balance of it may be. If it is 3 years and 9 months from today, they serve that out before they are affected by this bill.

Mr. SNELL. Will the gentleman yield?

Mr. RAMSPECK. I yield to the gentleman from New York.

Mr. SNELL. As I understand the provisions of this bill, the present incumbent can be reappointed without competitive examination?

Mr. RAMSPECK. That is correct.

Mr. SNELL. How long is that appointment for?

Mr. RAMSPECK. It will be without term.

Mr. SNELL. That means he is reappointed for life unless he is removed for some specific cause?

Mr. RAMSPECK. It means what I have said, during satisfactory service.

Mr. SNELL. That is what I say, unless he is removed for specific cause. In other words, the present incumbent can be reappointed and then he is appointed for life, so you are freezing the present postmasters into their jobs for life.

Mr. RAMSPECK. I may say to the gentleman it is possible that under this procedure all the Democratic postmasters will be reappointed.

Mr. SNELL. And they will be frozen in their positions for life.

Mr. RAMSPECK. I believe it would be a good thing for the country if they were.

Mr. SNELL. That is a difference of opinion. The time will come when not everybody will think the same way.

Mr. BIERMANN. Mr. Speaker, will the gentleman yield?

Mr. RAMSPECK. I yield to the gentleman from Iowa.

Mr. BIERMANN. Assume that a holding postmaster has his term expire when he is more than 66 years of age. Under the present rule he is ineligible to be postmaster if he is past his sixty-sixth birthday. Will he be eligible to take that noncompetitive examination?

Mr. RAMSPECK. I may say to the gentleman it would depend on what rule was made in the future as to age limit.

The President and the Civil Service Commission can fix any age limit they please. The law does not fix an age limit for any civil-service position.

Mr. BIERMANN. If the present rule is continued, would that man over 66 years of age be eligible to take the noncompetitive examination?

Mr. RAMSPECK. No; he would not, if the present rule continues. The present age limit is 66.

Mr. O'CONNELL of Montana. Mr. Speaker, will the gentleman yield?

Mr. RAMSPECK. I yield to the gentleman from Montana.

Mr. O'CONNELL of Montana. This bill does not make it mandatory that a noncompetitive examination be given to an incumbent?

Mr. RAMSPECK. It does not. It provides three alternatives. You can appoint the incumbent by a noncompetitive examination; you can promote a civil-service employee in the vacancy office; or you can hold an open competitive examination and select one of the three highest contestants.

Mr. O'CONNELL of Montana. There is no preference for any of the three ways?

Mr. RAMSPECK. No; no preference.

Mr. LAMNECK. Mr. Speaker, will the gentleman yield?

Mr. RAMSPECK. I yield to the gentleman from Ohio.

Mr. LAMNECK. On that same subject, is it not a fact that no civilian could ever become a postmaster if this law is passed?

Mr. RAMSPECK. No; I do not agree with that. I do not know why the gentleman believes that.

Mr. LAMNECK. You can reappoint the present postmaster, you can appoint somebody now in the Postal Service, or you can promote someone who is now in the civil service.

Mr. RAMSPECK. Yes.

Mr. LAMNECK. But you cannot take anyone else.

Mr. RAMSPECK. Oh, yes, you can. You can hold an open competitive examination.

Mr. LAMNECK. That would apply to a civilian not in the civil service?

Mr. RAMSPECK. Any citizen who lives within the delivery of the office and who has resided there for 1 year can take the examination.

Mr. LAMNECK. It is not in my mind that you can do that.

Mr. RAMSPECK. It is written right in the bill.

Mr. LEWIS of Colorado. Mr. Speaker, will the gentleman yield?

Mr. RAMSPECK. I yield to the gentleman from Colorado.

Mr. LEWIS of Colorado. My understanding is that this does not apply to those postmasters recently appointed or reappointed.

Mr. RAMSPECK. That is correct, until the end of their new term.

Mr. LEWIS of Colorado. I notice a great many postmasters have been appointed or reappointed in the last 2 months. This bill will not apply to them?

Mr. RAMSPECK. It will not apply to them. If they get any benefit out of the law they will have to be reappointed under this law at the end of their present term. However, it does not disturb their present term.

Mr. MARTIN of Colorado. Mr. Speaker, will the gentleman yield?

Mr. RAMSPECK. I yield to the gentleman from Colorado.

Mr. MARTIN of Colorado. Just to add to that, if a present postmaster gets a noncompetitive reappointment, say the day after this bill becomes a law, he is in without term?

Mr. RAMSPECK. The gentleman is correct.

Mr. ZIMMERMAN. Mr. Speaker, will the gentleman yield?

Mr. RAMSPECK. I yield to the gentleman from Missouri.

Mr. ZIMMERMAN. The President has power to issue Executive orders in regard to Presidential appointments?

Mr. RAMSPECK. That is right.

Mr. ZIMMERMAN. If we pass this bill, what is to hinder the President from immediately issuing another Executive order such as we have today?

Mr. RAMSPECK. Does the gentleman mean to intimate that the President is going back on the word he gave the country at a newspaper conference yesterday?

Mr. ZIMMERMAN. No; I am asking if he would not have the power to issue another Executive order.

Mr. RAMSPECK. Yes. He has the power right now to deny to every Member of Congress and everybody else any right to express themselves in regard to postmaster appointments. He does not need to issue an Executive order. He can appoint the postmasters without an Executive order under the present law.

Mr. DUNN. Mr. Speaker, will the gentleman yield?

Mr. RAMSPECK. I yield to the gentleman from Pennsylvania.

Mr. DUNN. Is it not a fact that if this bill is passed it will be a great relief to many Congressmen who are subject to headaches and pains in other parts of their anatomical structure?

Mr. RAMSPECK. I agree with the gentleman. I believe we will all be better off. We will have more time to attend to our own duties, and it will save this Government hundreds of thousands of dollars because it will keep on the job experienced postmasters who know what they are there for and who will be attending to their business.

[Here the gavel fell.]

Mr. RAMSPECK. Mr. Speaker, I yield 5 minutes to the gentleman from Mississippi [Mr. COLLINS].

Mr. COLLINS. Mr. Speaker, I do not want the membership of this House to be deceived about the provisions of this bill. I have examined it critically, and all civil-service laws to which it refers. I am fully convinced that this bill is on all fours with the present Executive order.

Under it three ways of appointing postmasters are provided: First, the reappointment of the incumbent postmaster; second, the selection of one from the civil service; and, third, a competitive examination in accordance with civil-service laws and rules and regulations of the President and the Civil Service Commission.

We can pass over the first two because we are fully aware of their meaning, but some investigation must be made if we are to know the meaning of the third provision.

The gentleman has referred to a whispering campaign. If there has been a whispering campaign carried on, I am one of those who have been whispering, and I shall continue to carry on that campaign on the floor of the House. Everything I have said about the bill is true, and that I shall verify.

Here are the provisions of the civil-service law:

United States Code, title 5, 633. Rules * * * 1. Competitive examinations. First. For open competitive examinations for testing the fitness of applicants for the public service classified on January 16, 1883, or thereafter, or to be classified hereunder. Such examinations shall be practical in their character, and so far as may be shall relate to those matters which will fairly test the relative capacity and fitness of the persons examined to discharge the duties of the service into which they seek to be appointed.

2. Selection of officers, etc., according to results of examinations. Second. All the offices, places, and employments so arranged or to be arranged in classes shall be filled by selections according to grade from among those graded highest as the results of such competitive examinations. * * *

Acting in conformity to his undisputed authority, the President has the power to issue regulations. Up to the President's order of July 1937, which directed the Civil Service Commission to send only the name of the highest eligible to the Post Office Department for appointment as postmaster, the Executive order of the President directed that the Civil Service Commission send to the Post Office Department the names of the three highest eligibles. This was a rule or a regulation. Today, therefore, only one name is submitted, and that is the one making the highest grade. If, after this bill is passed, the President sees fit to issue the same Executive order for postmasters that he has made in the case of other departments, he will submit three names. If he does not wish to make such Executive order in that class

of appointees, he can formulate one that requires the selection of one name, as he has once done already in the case of postmasters.

To show you that my friend from Georgia is in accord with the truth of my statement, let me quote what he had to say on this subject about a year ago. I quote from the CONGRESSIONAL RECORD of January 23, 1937, page 527. The gentleman from Georgia spoke on the floor of this House as follows:

> Of course, the President and the Civil Service Commission can change it if they want to; but we have no room to believe that they will, because they have not changed it with reference to other civil-service appointments.

I have shown that the bill does not provide for three eligibles in the case of postmasters. No one can say otherwise. Let us not fool ourselves. Let us vote down this conference report. [Applause.]

[Here the gavel fell.]

Mr. RAMSPECK. Mr. Speaker, I yield 5 minutes to the gentlewoman from Massachusetts [Mrs. ROGERS].

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the chairman tell the minority Members of the House conferees how much time we may have? We did not sign this report. Under the rules we may not write minority views. The conference report would prove neither satisfactory to those who want the merit system nor to those who want the spoils system. We fought for the merit system in conference as we did in the House.

The SPEAKER. The gentlewoman from Massachusetts has been recognized for 5 minutes.

Mrs. ROGERS of Massachusetts. Will the chairman tell me how much time he will give the minority side? We feel this is a very important matter to the people of the country. Thousands upon thousands want the merit system. They will be terribly disappointed when they learn what the conferees agreed to.

Mr. RAMSPECK. I am going to yield 5 minutes to two other members on the minority side.

Mrs. ROGERS of Massachusetts. Will the gentleman give us 20 minutes, which seems very little to be given to those who represent the views of so many in the country? The gentleman has been a very fair chairman in the past.

Mr. RAMSPECK. I have already promised the time.

Mrs. ROGERS of Massachusetts. We feel this is very unfair and very little time within which to explain why this bill is not a merit measure. It is my belief that if the chairman believed in the report himself he would allow me more than 5 minutes.

Mr. Speaker, the minority members did not sign this conference report. The minority conferees, the gentleman from New Hampshire, Governor TOBEY, and I, felt this to be a travesty of the merit system. If it be for merit, why are the appointments to be made by the President of the United States and confirmed by the Senate? Why are they not all made as a result of civil-service examinations, free and open to all, and made under the rules and regulations of the Civil Service Commission?

Very little has been said; in fact, the chairman barely touched upon the provision that the present postmasters are taken in by noncompetitive examinations without term, which means they will be taken in for life if the President so wishes. Noncompetitive examinations are a farce and are in reality no examinations at all.

In March the gentleman from New York [Mr. BACON] brought out the fact that out of 821 men who passed at the head of the civil-service examinations for postmaster some 235 of them had not been certified or recommended by the President months afterward.

Undoubtedly because those men who earned the positions by being the highest men, as the result of his Executive order and the examination, were not satisfactory to the President, but since the House passed the postmaster's bill, and it looked as if the bill might pass the Senate, the President has sent a good many names to the Senate for confirmation, and, in my opinion, it is because the President has decided to place those people in office and keep control of the postmasterships, taking the power to appoint postmasters away from the Members of Congress. Just in case this bill should supersede his Executive order, he acted.

We ought to be frank with ourselves. There are those who voted for the House bill, because they felt that under the provisions of that bill they would have some power as to what man should be postmaster in their own districts and prevent the President's Executive order from continuing. They did not want the President to make all of the appointments, and this, from their point of view, of course, is one of the real defects in this report. He can still, in effect, make all the appointments, as he is doing under his Executive order. So they lose both ways.

Senator MCKELLAR, chairman of the Senate conferees, did not sign the conference report, because he very frankly says he believes in the so-called spoils system, and there are many Members on the majority side who frankly state they want the spoils system.

May I remind the House that furthering the merit system was in the platform of both political parties? Personally, I have always believed in the merit system. I use it in making every appointment. It seems the only fair way of doing, the American way of doing. If we are to place postmasters under civil service, they should be appointed only as the result of open competitive examinations, open to all who may qualify. [Applause.]

Perhaps some of the Members who do not believe in the merit system will vote for this in the belief that they have a better opportunity of having something to say in the appointment of the candidate they feel should be given the position of postmaster, but there are several jokers in this bill, and they will be no better off than they are today under the existing Executive order issued some time ago by the President, providing that the top man should be taken. Everybody knows that in many instances the top man has not been acceptable to the President, at any rate he was not appointed. Instead, a man has been selected by the administration as acting postmaster and has been allowed to continue in that capacity for months.

It is with some amusement and curiosity that I await developments. If the President, after this law is passed, should withdraw the Executive order, it plainly shows that the Executive order was a mere gesture and that he really did not believe in it. If he does not withdraw it, what opportunity will any Member of Congress have in the say-so of any appointment of a postmaster? Another joker in this report, the provision which provides that appointments of acting postmasters in all cases should be made by the Postmaster General instead of under the provisions of the Civil Service Act, is a still further departure from the rules and regulations of the Civil Service Act, as the appointment of acting postmasters in all classes of post offices should be made in accordance with the civil-service rules governing appointments.

Under this provision you can readily see how little opportunity a Member of Congress has of selecting any person as acting postmaster that he wishes. The administration will have complete control there.

All of us, I am sure, are in agreement with the provision permitting the promotion of men already in the Post Office Service. That is a real merit system.

You and I know there are hundreds of men working in post offices all over the country who by their years of experience are admirably fitted to be postmasters—who in many instances know infinitely more about the work than the politically appointed postmasters now over them. That part of the bill is a step forward, but do many of the Members of the House really think, owing to the President's performances of the past, that more than one or two so-called career men will be appointed?

The President wrote to the National Civil Service Reform League, and I quote his own words:

> The merit system in civil service is in no danger at my hands; but on the contrary, I hope it will be extended and improved during my term as President.

And again on January 30, 1936, in his radio address to the League of Women Voters:

It matters not what political party is in power by the elective will of the people, Government functions for all, and there can be no question of greater moment, or broader effect, than the maintenance, strengthening, and extension of the merit system established in the competitive principles of the Civil Service Act.

He has uttered many fine phrases about what he and his administration would do for the civil service; but what have they done. He has done more by his actions to prostitute and scrap the merit system than has any other President. There are thousands upon thousands of non-civil-service workers in the new departments today in spite of the Republicans' fight on the floor to put them under civil service—under the merit system.

What possible faith can they have that he will change and suddenly observe the merit system. The gentleman from Georgia [Mr. RAMSPECK] has told us that the President is pleased with this conference report. Is not that enough to prove that from the President's past performances that this will suit neither the Members who advocate the merit system nor the Members who want the spoils system. [Applause.]

Mr. RAMSPECK. Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania [Mr. FADDIS].

Mr. FADDIS. Mr. Speaker, the gentleman from Georgia has stated that the President is very much interested in this bill in its present form. Indeed, I would think that he would be, because, after all, it is absolutely nothing but his Executive order redrafted and handed to the House in the closing days of the session in the hopes that it will be swallowed down. That is all it is. I believe that the gentleman from Georgia [Mr. RAMSPECK] is absolutely truthful when he says that he believes there is a choice of three in here, but I submit to the House that I believe at the same time that he is entirely too prejudiced. I am one of those who said that there was no choice of three in this bill. If there is a choice of three, if we are honestly and sincerely to be given the choice of three, why is it not written into the bill? Why do they hesitate to write something into the bill that they tell you they are going to have? We are all capable of reading the English language. There is nothing in that bill that tells you that we will have a choice of three.

The distinguished gentleman from Mississippi [Mr. COLLINS] has read the law with reference to civil service. We all know that the President over a year ago put through an Executive order that said you could appoint the highest. We all know that it is possible for the President and the Civil Service Commission to change the ruling in regard to these matters whenever they desire. The present President may intend to follow the plan of using three. The present Civil Service Commission may intend to do that, but another President or another Civil Service Commission may come along and change the ruling as they see fit in this case. So I wonder why they hesitate and refuse absolutely to write into the law that you shall have the choice of the first three. It is not in the law; you cannot read it in there in any way that you read it. So I say in all fairness to the membership of the House, if they intend to give us a choice of the first three, it should be written into the law.

I see no reason why this bill, as important to the membership of this House as it is, should have been delayed and delayed and delayed and brought in here in the closing days of the session. There is no reason why a bill of this importance should be brought in now and exposed to the hurly-burly and push of adjournment. The membership of the House are entitled to proper consideration of legislation of this kind, and I ask you to vote down this conference report. You do not want to jump from the frying pan into the fire. This is nothing but the Executive order rewritten in the hope that we will swallow it.

Mr. GRAY of Pennsylvania. Mr. Speaker, will the gentleman yield?

Mr. FADDIS. Yes.

Mr. GRAY of Pennsylvania. I call the attention of the gentleman to the fact that the only evidence that three names will be put on the list for selection is that the President is supposed to have said that to some newspaper reporter.

Mr. FADDIS. That is so.

Mr. GRAY of Pennsylvania. And there is no further evidence of that?

Mr. FADDIS. No further evidence of it at all.

Mr. COLMER. A good many of the Members are concerned that if they do not get this legislation they will not get any remedy at all. What does the gentleman say to that?

Mr. FADDIS. I say that we are no worse off under the present Executive order than we are under this, and next session we might be able to pass a bill that will satisfy the membership of the House.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

Mr. RAMSPECK. Mr. Speaker, I yield 5 minutes to the gentleman from New Hampshire [Mr. TOBEY].

Mr. TOBEY. Mr. Speaker, I am one of the two minority conferees who declined to sign the conference report. I wish I might have done so, but I could not see my duty along that direction.

In my judgment, this is not a civil-service bill. It is a hybrid between the spoils system and the civil service. It does not provide to every citizen a free, equal opportunity to compete in open competitive examination for the position of postmaster. It provides that on the expiration of the term of the postmaster incumbent, who—and this is important—has received his position, not from civil service but by pure political appointment, he may be reappointed on a noncompetitive basis. Not only that, but he would be there, except for misbehavior, for life. The civil service would have no functioning in the matter.

I strongly favor taking the power of political appointment out of the hands of all national and local politicians. This bill, if it becomes a law, will preclude such procedure. You will be told, and have been told, that that is a worthy objective, but that it is impractical. All down through the decades, even to this day, men have decried ideals because, as they say, they are impractical. I think it is time to put our ideals into effect. This Nation was founded on ideals, and I am ready for one to be put into effect by passing a real civil-service bill, which this bill is not.

I came to the Congress 6 years ago. I remember in 1933, while serving on the Agricultural Committee under Marvin Jones, as we were considering the new Agricultural Adjustment Act, hearing a telephone bell ring in the outer room, and Mr. Glover, of Arkansas, went to the telephone and came back and said, "I move to strike out so and so from the bill." He had heard from the administration leaders.

They insisted on deleting the civil-service requirement from the bill.

That was only the beginning of a series of such crucifying of the merit system. Later the gentleman from Massachusetts [Mr. LUCE] stood on this floor and proposed to amend the Home Owners' Loan Corporation bill so as to provide civil service and the merit system for its administration, and the Democratic majority voted him down. In the other body the same thing has happened. The senior Senator from Nebraska sought to write civil service into the same Home Owners' legislation but he was voted down. Many other instances could be cited. This is not the way to keep faith with the ideal and principle of civil service.

I will read to you in good faith, because it refers to my own party as well as yours, a recent statement of the senior Senator from Nebraska as reported in the Christian Science Monitor on April 12:

Senator GEORGE W. NORRIS (Independent), of Nebraska, a friend and adviser of President Roosevelt, warned the New Deal yesterday it must carry through pledges of civil-service reform or face the indignation of voters.

"You Democrats said," he declared, "when you wanted the votes of the people of the United States, 'we pledge the immediate extension of the civil service.'

"You had 6 years' time to do it and you have not done it yet. The word 'immediate,' it seems to me, ought to cry out to you 'stop, look, and listen' before you go back to the people again and ask them to have confidence in your platform pledges.

"You made the pledge. Why did you make it? Did you expect people to believe that as soon as you were in office you were going to violate it? You cited that pledge as one reason why the Democratic candidate should be elected, but you are going in the direction of the other party that you condemned. I helped you condemn it. I think they deserved condemnation. Now you propose to say, as I read the pending measure, 'we can violate our pledge because the Republican Party violated its pledge.'"

I am a Republican, but my party has also been derelict, in my judgment, in this matter, in the past. Both parties have paid lip service to the merit system, and it has been honored more in the breach than in the observance.

I hope this conference report will be voted down, and that we will stand by our ideals, and insist on the establishing of a genuine, worth-while merit system in Government departments and agencies.

In closing I ask you in the words of a well-known advertisement, "Eventually, why not now?" [Applause.]

Mr. RAMSPECK. Mr. Speaker, I yield 5 minutes to the gentleman from Kansas [Mr. REES].

Mr. REES of Kansas. Mr. Speaker, the chairman of the Civil Service Committee has just told us that this legislation is a substitute for another bill. I submit that is a subterfuge. This is not the kind of a bill that our able chairman introduced in this House and submitted to our Civil Service Committee for consideration. It is not Mr. RAMSPECK's bill. Compare them, and you will find out for yourself. I am sure it is not the kind of a bill he really wants.

Mr. Speaker, the conference report should be rejected. If this House is sincere in its apparent concern for a civil-service merit system, it will not adopt the report. This bill sidesteps the whole principle of the civil-service system. This is an important problem. Where is the demand for this measure? Are the merchants asking for it? Are the laboring men asking for this kind of legislation? Are the farmers of your district demanding that this legislation be crammed through at the last hours of this session? Who in the world is asking for it except the postmasters? And I do not blame them for 1 minute. The postmasters in my particular district are all good men. So far as I know them, they are all competent. But why should not they be willing, after their present terms expire, to take a competitive examination along with others who also want a chance at the job on the same basis. There is no answer except that it places the 14,000 postmasters now holding jobs, who have taken no examinations to amount to anything, so they can keep these jobs as long as they want to keep them.

No one, no matter how well qualified, can compete with your present postmaster for the job. Under this bill you hand the job to the present postmaster and say to him he can keep it as long as he lives or until he may retire. The gentleman from Georgia [Mr. RAMSPECK] has suggested that the President, in his judgment, can issue an order at any time, whereby all of these postmasters, 14,000 of them, could be removed at any time. I cannot agree with the gentleman. If the President has the power to do that very thing, then that shows it is not civil service in form or meaning.

A moment ago I asked who wants this measure. The gentleman from Georgia says that it now has the President's approval; that the President now, after this measure has been pending since last March, now at the end of the session we must pass this legislation. The President says now he wants it. So at the last days of the session when there are so many problems before us, you tell us that within 1 hour we must vote on it and vote for it. If we could have a record vote I do not believe a majority of the membership of this House would support it. It will pass, I think, without a record vote. It is one thing that must be done.

I do not take issue tonight with those Members who believe that jobs in Government should be made by reason of political qualifications. They have a right to take that position if they want to do so. But let us be fair about it. Let us not fool the people. Let us tell them in plain language that this is not a civil-service measure in the real sense of the word.

Another thing, to make sure that this is not intended as a civil-service measure, it is required that when new postmasters are to be appointed, after being selected from any one the Postmaster General chooses from the highest three in the competitive examination, such appointment must be approved by the United States Senate. Who ever heard of such a thing? Even when you attempt to give civil-service color to it, you turn right around and say the Senate must approve when the examination is made competitive. Can you beat that?

Someone suggested that this Congress is in favor of civil service. I wish I had time to call your attention to the record. Do you know that 325,000 out of approximately 900,000 Federal employees are non-civil-service employees? Just in the last session of this Congress 147 were created partially or completely exempt from the civil service merit system. Time and again when amendments were offered to bring them under the civil service they were voted down. Look at the record. I do not have time to name many of them. The farm-tenantry measure; the extended C. C. C.; Railway Retirement Board. Look at the Social Security Board. We are told they will have almost 200,000 employees when they are in full swing. All will be exempt from competitive civil service. You are taking a backward step if you pass this bill. If you favor the spoils system, vote for it.

If you are for a fair civil-service merit system, vote against this report.

[Here the gavel fell.]

Mr. RAMSPECK. Mr. Speaker, I yield 8 minutes to the gentleman from New York [Mr. MEAD].

Mr. LAMBERTSON. Will the gentleman yield?

Mr. MEAD. I yield to the gentleman from Kansas.

Mr. LAMBERTSON. Why did you not bring this bill in from your committee?

Mr. MEAD. Mr. Speaker, this bill was referred to the Civil Service Committee. It is not as good a bill as was the one reported by the House committee some time ago. There is a little more politics in this bill than there was in the original bill; but those who opposed the original bill will be probably found opposing this bill. Their arguments today for a more perfect bill are not consistent with their attitude and their votes on the better bill which was brought into the House some time ago. As a result, they will not be satisfied with any bill. Those on this side of the aisle who oppose this bill want to return to the spoils system, those on the other side of the aisle, who are afraid that some Democrats might be appointed to these offices, of course, will oppose any bill until such time as they are in charge of the legislation. In either instance they have a right to their views.

I want to say that all the friends of civil service, all of the postal organizations interested in this particular measure, favor this bill. It is the best bill and the only bill that we can hope to enact at this session of Congress.

Since the passage of the original Civil Service Act, the Pendleton Act, in 1883, under President Chester Arthur, it has been the Democratic Party and Democratic Presidents that gave life and substance to the civil service. [Applause.] It has always been our friends on the other side of the aisle who have in the days of their minority service pleaded with us for a perfect merit system; yet in all the years they have had control of the Congress they have been the stanch advocates of the spoils system.

It was President Cleveland who issued the first Executive order which covered employees in the Postal Service and other employees outside the District of Columbia within the civil service. When they advance the argument that we are

covering these incumbents into office, I admit that we are, but under the rules and regulations of the civil service. We are not blanketing the postmasters under the merit system.

Look at their record. It was Teddy Roosevelt, an illustrious President, who blanketed in fourth-class postmasters in 14 States without examination. It was his distinguished successor, President Taft, who covered or blanketed in all of the fourth-class postmasters in the remaining States. So that when it comes to blanketing the Republican Party can qualify as being most expert.

It was President Wilson who issued the first Executive order that brought a real merit system into the appointment of first-, second-, and third-class postmasters. By that Executive order a civil-service examination under the jurisdiction of the Civil Service Commission was held and the first applicant on the list was appointed. When President Harding became Presient of the United States he modified the Executive order and allowed for the selection of one of the first three on the list, subject to confirmation on the part of the Senate.

Mr. REES of Kansas. Mr. Speaker, I make the point of order that the gentleman from New York [Mr. MEAD] is not speaking on the bill.

The SPEAKER. The Chair overrules the point of order.

Mr. MEAD. Mr. Speaker, I may say to the gentleman from Kansas I am speaking in order.

After the present President of the United States took office he corrected the modification of the Executive order that was put into being under President Harding and again we have a real merit system in the Postal Service. May I say again that this pending bill is a step in the right direction, and every friend of the civil service should vote for this bill. Everybody in the Postal Service anxious to extend the civil service favors this bill.

Under the bill present postmasters who can otherwise qualify under the rules and regulations of the Civil Service Commission will be given a noncompetitive examination. They will be appointed without term, subject, of course, to confirmation on the part of the Senate. This, in my judgment, is a meritorious feature of the bill.

Postal employees, career men in the service, exceptionally well qualified clerks and carriers will have, under the provisions of the bill, an opportunity to aspire to that top post in the local post office. I believe that alone should recommend the bill to Members of Congress, and I plead with you as the friend of these efficient, industrious postal employees to give them an opportunity to prove their value as postmasters in your communities. To make possible the advance of career men from substitutes to postmasters is bound to have a salutary effect on the service.

If the Postmaster General is not in favor of recommending someone from the ranks now in the office, he may hold a wide-open competitive civil-service examination. Any man or woman otherwise qualified and having lived for 1 year within the postal district of the office in question may enter the examination. After the examination any one of the three highest may be selected.

Eventually all vacancies will be filled either by promoting someone now employed in the Postal Service or by holding a wide-open competitive civil-service examination.

A better, more efficient, Postal Service will result. Once this becomes a reality, Congress will never seriously consider a return to the old method.

All in all, this is a good bill. It is a step in the right direction. It is not as good a bill as was the original Ramspeck bill, but once it is adopted it will never be repealed. It will be perfected, and the merit system will go marching on until it covers every man and woman in the Postal Service in the United States. Chairman RAMSPECK and his committee have completed an excellent task.

Mr. Speaker, this is a good bill and I hope it will receive House approval. [Applause.]

[Here the gavel fell.]

Mr. RAMSPECK. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

Mr. SNELL. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

Mr. SNELL. Mr. Speaker, I ask a division.

The question was taken; and on a division there were—ayes 180, noes 61.

So the conference report was agreed to.

A motion to reconsider was laid on the table.

AMENDMENTS TO THE MERCHANT MARINE ACT, 1936

Mr. BLAND. Mr. Speaker, I call up for immediate consideration the conference report on the bill (H. R. 10315) to amend the Merchant Marine Act of 1936, to further promote the merchant-marine policy therein declared, and for other purposes.

The Clerk read the title of the bill.

Mr. BLAND. Mr. Speaker, I ask unanimous consent that the statement may be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 10315) to amend the Merchant Marine Act, 1936, to further promote the merchant marine policy therein declared, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert:

"That section 202 of the Merchant Marine Act, 1936, is amended by adding at the end thereof a new sentence to read as follows: 'The Commission may, upon such terms and conditions as it may prescribe in accordance with sound business practice, make such extensions and accept such renewals of the notes and other evidences of indebtedness hereby transferred, and of the mortgages and other contracts securing the same, as it may deem necessary to carry out the objects of this act.'

"SEC. 2. Section 207 of such act is amended to read as follows:

" 'SEC. 207. The Commission may enter into such contracts, upon behalf of the United States, and may make such disbursements as may, in its discretion, be necessary to carry on the activities authorized by this act, or to protect, preserve, or improve the collateral held by the Commission to secure indebtedness, in the same manner that a private corporation may contract within the scope of the authority conferred by its charter. All the Commission's financial transactions shall be audited in the General Accounting Office according to approved commercial practice as provided in the act of March 20, 1922 (42 Stat. 444): *Provided*, That it shall be recognized that, because of the business activities authorized by this act, the accounting officers shall allow credit for all expenditures shown to be necessary because of the nature of such authorized activities, notwithstanding any existing statutory provision to the contrary. The Comptroller General shall report annually or oftener to Congress any departure by the Commission from the provisions of this act.' "

"SEC. 3. Section 214 (a) of such Act is amended to read as follows:

" 'SEC. 214. (a) For the purpose of any investigation which, in the opinion of the Commission, is necessary and proper in carrying out the provisions of this Act, any member of the Commission, or any officer or employee thereof designated by it, is empowered to subpena witnesses, administer oaths and affirmations, take evidence, and require the production of any books, papers, or other documents which are relevant or material to the matter under investigation. Such attendance of witnesses and the production of such books, papers, or other documents may be required from any place in the United States or any Territory, district, or possession thereof at any designated place of hearing. Witnesses summoned before the Commission shall be paid the same fees and mileage that are paid witnesses in the courts of the United States.'

"SEC. 4. Title II of such Act is amended by adding at the end thereof a new section to read as follows:

" 'SEC. 215. The Commission is authorized to acquire by purchase or otherwise such vessels constructed in the United States as it may deem necessary to establish, maintain, improve, or effect replacements upon any service, route, or line in the foreign commerce of the United States determined to be essential under section 211 of this Act, and to pay for the same out of its construction fund: *Provided*, That the price paid therefor shall be based upon a fair and reasonable valuation, but it shall not exceed by more than 5 per centum the cost of such vessel to the owner (excluding any construction-differential subsidy and the cost of national defense features paid by the Commission) plus the actual cost previously expended thereon for reconditioning less depreciation based upon

a twenty-year life expectancy of the vessel. No such vessel shall be acquired by the Commission unless the Secretary of the Navy has certified to the Commission that such vessel is suitable for economical and speedy conversion into a naval or military auxiliary, or otherwise suitable for the use of the United States in time of war or national emergency. Every vessel acquired under authority of this section that is not documented under the laws of the United States at the time of its acquisition shall be so documented as soon as practicable.'

"SEC. 5. Section 301 (a) of such Act is amended to read as follows:

"'SEC. 301. (a) The Commission is authorized and directed to investigate the employment and wage conditions in ocean-going shipping and, after making such investigation and after appropriate hearings, to incorporate in the contracts authorized under titles VI and VII of this Act minimum manning scales and minimum wage scales, and minimum working conditions for all officers and crews employed on all types of vessels receiving an operating-differential subsidy. After such minimum manning and wage scales, and working conditions shall have been adopted by the Commission, no change shall be made therein by the Commission except upon public notice of the hearing to be had, and a hearing by the Commission of all interested parties, under such rules as the Commission shall prescribe. The duly elected representatives of the organizations certified as the proper collective bargaining agencies shall have the right to represent the employees who are members of their organizations at any such hearings. Every contractor receiving an operating-differential subsidy shall post and keep posted in a conspicuous place on each such vessel operated by such contractor a printed copy of the minimum manning and wage scales, and working conditions prescribed by his contract and applicable to such vessel: *Provided, however,* That any increase in the operating expenses of the subsidized vessel occasioned by any change in the wage or manning scales or working conditions as provided in this section shall be added to the operating-differential subsidy previously authorized for the vessel.'

"SEC. 6. Section 301 (b) of such Act is amended to read as follows:

"'(b) Every contract executed under authority of titles VI and VII of this Act shall require—

"'(1) Insofar as is practicable, officers' living quarters shall be kept separate and apart from those furnished for members of the crew;

"'(2) Licensed officers and unlicensed members of the crew shall be entitled to make complaints or recommendations to the Commission, providing they file such complaint or recommendation directly with the Commission, or with their immediate superior officer who shall be required to forward such complaint or recommendation with his remarks to the Commission, or with the authorized representatives of the respective collective bargaining agencies;

"'(3) Licensed officers who are members of the United States Naval Reserve shall wear on their uniforms such special distinguishing insignia as may be approved by the Secretary of the Navy; officers being those men serving under licenses issued by the Bureau of Marine Inspection and Navigation;

"'(4) The uniform stripes, decoration, or other insignia shall be of gold braid or woven gold or silver material, to be worn by officers, and no member of the ship's crew other than licensed officers shall be allowed to wear any uniform with such officer's identifying insignia;

"'(5) No discrimination shall be practiced against licensed officers, who are otherwise qualified, because of their failure to qualify as members of the United States Naval Reserve.'

"SEC. 7. Section 402 (b) and section 402 (c) of such Act are amended by striking out the quotation marks.

"SEC. 8. Section 501 (c) of such Act is amended by striking out the term 'section 201 (c)' and inserting in lieu thereof the term 'section 204 (b).'

"SEC. 9. The second sentence of section 502 (a) of such Act is amended by striking out the words 'the cost of the vessel' and inserting in lieu thereof the words 'of the contract price of the vessel.'

"SEC. 10. Section 502 (b) of such Act is amended to read as follows:

"'(b) The amount of the reduction in selling price which is herein termed the "construction-differential subsidy" may equal, but not exceed, the excess of the bid of the shipbuilder constructing the proposed vessel (excluding the cost of any features incorporated in the vessel for national-defense uses, which shall be paid by the Commission in addition to the subsidy), over the fair and reasonable estimate of cost, as determined by the Commission, of the construction of the proposed vessel if it were constructed under similar plans and specifications (excluding national-defense features as above provided) in a principal foreign shipbuilding center which may reasonably be availed of by the principal foreign competitors in the service in which the vessel is to be operated, and which is deemed by the Commission to furnish a fair and representative example for the determination of the estimated cost of construction in foreign countries of vessels of the type proposed to be constructed. The construction differential approved by the Commission shall not exceed 33⅓ per centum of the construction cost of the vessel paid by the Commission (excluding the cost of national-defense features as above provided), except that in cases where the Commission possesses convincing evidence that the actual differential is greater than that percentage, the Commission may approve an allowance not to exceed 50 per centum of such cost, upon the affirmative vote of four members, except as otherwise provided in subsection 201 (a). In any case where the Commission finds that the construction differential exceeds 33⅓ per centum of such cost and that the lowest bid of a responsible domestic shipbuilder is unreasonable, excessive, or collusive, the Commission may negotiate and contract with the view to construction in a domestic shipyard that is not unreasonable or excessive in cost or collusive in character. Where the Commission finds that the construction differential exceeds 50 per centum of such cost, the Commission may negotiate and contract on behalf of the applicant to build such vessel in a domestic shipyard at a cost which will reduce the construction differential to 50 per centum or less. In the event that the Commission have reason to believe that the bidding in any instance is collusive, it shall report all of the evidence on which the Commission acted (1) to the Attorney General of the United States, and (2) to the President of the Senate and to the Speaker of the House of Representatives if the Congress shall be in session or if the Congress shall not be in session, then to the Clerk of the Senate and the Clerk of the House respectively.'

"SEC. 11. Section 502 (c) of such Act is amended to read as follows:

"'(c) In such contract between the applicant and the Commission, the applicant shall be required to make cash payments to the Commission of not less than 25 per centum of the price at which the vessel is sold to the applicant. The cash payments shall be made at the time and in the same proportion as provided for the payments on account of the construction cost in the contract between the shipbuilder and the Commission. The applicant shall pay, not less frequently than annually, interest at the rate of 3½ per centum per annum on those portions of the Commission's payments as made to the shipbuilder which are chargeable to the applicant's purchase price of the vessel (after deduction of the applicant's cash payments). The balance of such purchase price shall be paid by the applicant, within twenty years after delivery of the vessel and in not to exceed twenty equal annual installments, the first of which shall be payable one year after the delivery of the vessel by the Commission to the applicant. Interest at the rate of 3½ per centum per annum shall be paid on all such installments of the purchase price remaining unpaid.'

"SEC. 12. Section 502 (d) of such Act is amended (a) by striking out 'construction subsidy' and inserting in lieu thereof 'construction-differential subsidy', and (b) by adding at the end thereof a new sentence to read as follows: 'Nothing in this section shall be construed as authorizing the Commission to approve a construction-differential in excess of 50 per centum of the construction cost of the vessel paid by the Commission.'

"SEC. 13. Section 502 of such Act is amended by adding at the end thereof a new subsection to read as follows:

"'(f) If at any time the Commission shall find that the existing ship yards, including the Navy Yards, do not provide adequate facilities to meet necessary requirements for purposes of national defense and national emergency, with special regard to providing facilities for the national defense at strategic points, the Commission, after taking into consideration the benefits accruing from standardized construction, the conditions of unemployment, and the needs and reasonable requirements of all ship yards, may, with the approval of the President, allocate construction work under this title and under title VII to such yards in such manner as it may determine to be fair, just, and reasonable to all sections of the country, subject to the provisions of this subsection. In the allocation of construction work to such yards as herein provided, the Commission may, after first obtaining competitive bids for such work in compliance with the provisions of this Act, negotiate with the bidders and with other shipbuilders concerning the terms and conditions of any contract for such work, and is authorized to enter into such contract at a price deemed by the Commission to be fair and reasonable. Any contract entered into by the Commission under the provisions of this subsection shall be subject to all of the terms and conditions of this Act, excepting those pertaining to the awarding of contracts to the lowest bidder which are inconsistent with the provisions of this subsection. In the event that a contract is made providing for a price in excess of the lowest responsible bid which otherwise would be accepted, such excess shall be paid by the Commission as a part of the cost of national defense, and shall not be considered as a part of the construction-differential subsidy. In the event that a contract is made providing for a price lower than the lowest responsible bid which otherwise would be accepted, the construction-differential subsidy shall be computed on the contract price in lieu of such bid.

"SEC. 14. Section 502 of such Act is amended by adding at the end thereof a new subsection to read as follows:

"'(g) Upon the agreement of an applicant under this title to purchase any vessel acquired by the Commission under the provisions of section 215, the Commission is authorized to sell such vessel to the applicant for the fair and reasonable value thereof, but at not less than the cost thereof to the Commission, less depreciation based on a twenty-year life expectancy from the date of completion, excluding the cost of national-defense features added by the Commission, less the equivalent of any applicable construction-differential subsidy as provided by subsection (b), such sale to be in accordance with all the provisions of this title. Such vessel shall thereupon be eligible for an operating-differential subsidy under title VI of this Act, notwithstanding the provisions of section 601 (a) (1), and section 610 (1), or any other provision of law.'

"SEC. 15. Section 503 of such Act is amended to read as follows:

"'SEC. 503. Upon completion of the construction of any vessel in respect to which a construction-differential subsidy is to be allowed under this title and its delivery by the shipbuilder to the Commission, the vessel shall be documented under the laws of the United States, and concurrently therewith, or as soon thereafter as practicable, the vessel shall be delivered with a bill of sale to the applicant with warranty against liens, pursuant to the contract of purchase between the applicant and the Commission. The vessell shall remain documented under the laws of the United States for not less than twenty years, or so long as there remains due the United States any principal or interest on account of the purchase price, whichever is the longer period. At the time of delivery of the vessel the applicant shall execute and deliver a first preferred mortgage to the United States to secure payment of any sums due from the applicant in respect to said vessel. The purchaser shall also comply with all the provisions of section 9 of the Merchant Marine Act, 1920.'

"SEC. 16. Section 504 of such Act is amended to read as follows:

"'SEC. 504. Where an eligible applicant under the terms of this title desires to finance the construction of a proposed vessel according to approved plans and specifications rather than purchase the same vessel from the Commission as hereinabove authorized, the Commission may permit the applicant to obtain and submit to it competitive bids from domestic shipyards for such work. If the Commission considers the bid of the shipyard in which the applicant desires to have the vessel built fair and reasonable, it may approve such bid and become a party to the contract or contracts or other arrangements for the construction of such proposed vessel and may agree to pay a construction-differential subsidy in an amount determined by the Commission in accordance with section 502 of this title, and for the cost of national-defense features. The construction-differential subsidy and payments for national-defense features shall be based on the lowest responsible domestic bid. No construction-differential subsidy, as provided in this section, shall be paid unless the said contract or contracts or other arrangements contain such provisions as are provided in this title to protect the interests of the United States as the Commission deems necessary. Such vessel shall be documented under the laws of the United States as provided in section 503 of this title and operated as approved by the Commission under the requirements applicable to vessels constructed under this Act.'

"SEC. 17. The last proviso in section 505 (b) of such Act is amended to read as follows: '*Provided*, That this section shall not apply to contracts or subcontracts for scientific equipment used for communication and navigation as may be so designated by the Commission, nor to contracts or other arrangements entered into under this title by the terms of which the United States undertakes to pay only for national-defense features, and the Commission shall report annually to Congress the names of such contractors and subcontractors affected by this provision, together with the applicable contracts and the amounts thereof.'

"SEC. 18. Section 506 of such Act is amended to read as follows:

"'SEC. 506. Every owner of a vessel for which a construction-differential subsidy has been paid shall agree that the vessel shall be operated exclusively in foreign trade, or on a round-the-world voyage, or on a round voyage from the west coast of the United States to a European port or ports which includes intercoastal ports of the United States, or a round voyage from the Atlantic coast of the United States to the Orient which includes intercoastal ports of the United States, or on a voyage in foreign trade on which the vessel may stop at an island possession or island territory of the United States, and that if the vessel is operated in the domestic trade on any of the above-enumerated services, he will pay annually to the Commission that proportion of one-twentieth of the construction-differential subsidy paid for such vessel as the gross revenue derived from the domestic trade bears to the gross revenue derived from the entire voyages completed during the preceding year. The Commission may consent in writing to the temporary transfer of such vessel to service other than the service covered by such agreement for periods not exceeding six months in any year, whenever the Commission may determine that such transfer is necessary or appropriate to carry out the purposes of this Act. Such consent shall be conditioned upon the agreement by the owner to pay to the Commission, upon such terms and conditions as it may prescribe, an amount which bears the same proportion to the construction-differential subsidy paid by the Commission as such temporary period bears to the entire economic life of the vessel. No operating-differential subsidy shall be paid for the operation of such vessel for such temporary period.'

"SEC. 19. Section 507 of such Act is amended to read as follows:

"'SEC. 507. If a contract is made by the Commission under authority of this title for the construction and sale of a new vessel to replace a vessel then operated in foreign trade, which in the judgment of the Commission should be replaced because it is obsolete or inadequate for successful operation in such trade, the Commission is authorized, in its discretion, to buy such replaced vessel from the owner at a fair and reasonable valuation, which valuation shall not exceed the cost to the owner or any former owner plus the actual cost previously expended thereon for reconditioning, and less a reasonable and proper depreciation, based upon not more than a twenty-year life of the vessel, and apply the purchase price agreed upon to that portion of the construction cost of such new vessel which is to be borne by the purchaser thereof: *Provided*, That the owner of such replaced vessel shall execute a bond, with one or more approved sureties, conditioned upon indemnifying the United States from all loss resulting from any existing lien against such vessel: *And provided further*, That such vessel has been documented under the laws of the United States for a period of at least ten years prior to the date of its purchase by the United States.'

"SEC. 20. The first sentence of section 509 of such Act, and so much of the second sentence thereof as precedes the first semicolon therein, are amended to read as follows: 'Any citizen of the United States may make application to the Commission for aid in the construction of a new vessel to be operated in the foreign or domestic trade (excepting vessels engaged solely in the transportation of property on inland rivers and canals exclusively). If such application is approved by the Commission, the vessel may be constructed under the terms and conditions of this title, but no construction-differential subsidy shall be allowed, except as otherwise provided in this title. The Commission shall pay for the cost of national-defense features incorporated in such vessel. The applicant shall be required to pay the Commission not less than 25 per centum of the cost of such vessel (excluding cost of national-defense features'.

"SEC. 21. Section 604 of such Act is amended to read as follows:

"'SEC. 604. If in the case of any particular foreign-trade route the Commission shall by unanimous vote find after consultation with the Secretary of State, that the subsidy provided for in this title is in any respect inadequate to offset the effect of governmental aid paid to foreign competitors, it may grant such additional subsidy as it determines to be necessary for that purpose: *Provided*, That no such additional subsidy shall be granted except upon the unanimous affirmative vote of the members of the Commission'.

"SEC. 22. Section 606 (5) of such Act is amended to read as follows:

"'(5) That when at the end of any ten-year period during which an operating-differential subsidy has been paid, or when prior to the end of any such ten-year period the contract shall be terminated, if the net profit of the contractor on his subsidized vessels and services incident thereto during such period or time (without regard to capital gains and capital losses), after deduction of depreciation charges based upon a twenty-year life expectancy of the subsidized vessels, has averaged more than 10 per centum per annum upon the contractor's capital investment necessarily employed in the operation of the subsidized vessels, services, routes, and lines, the contractor shall pay to the United States an amount equal to one-half of such profits in excess of 10 per centum per annum as partial or complete reimbursement for operating-differential subsidy payments received by the contractor for such ten-year period, but the amount of excessive profit so recaptured shall not in any case exceed the amount of the operating-differential-subsidy payments theretofore made to the contractor for such period under such contract and the repayment of such reimbursement to the Commission shall be subject to the provisions of section 607;'.

"SEC. 23. The last sentence of the first paragraph of section 607 (b) of such Act is amended to read as follows: 'The proceeds of all insurance and indemnities received by the contractor on account of total loss of any subsidized vessel and the proceeds of any sale or other disposition of such vessel shall also be deposited in the capital reserve fund.'

"SEC. 24. Section 607 (b) of such Act is amended by adding at the end thereof a new sentence to read as follows: 'The contractor may, with the consent of the Commission, pay from said fund any sums owing but not yet due on notes secured by mortgages on subsidized vessels.'

"SEC. 25. The second paragraph of section 607 (c) of such Act is amended to read as follows:

"'If the profits, without regard to capital gains and capital losses, earned by the business of the subsidized vessels and services incident thereto exceed 10 per centum per annum and exceed the percentage of profits deposited in the capital reserve fund, as provided in subsection (b) of this section, the contractor shall deposit annually such excess profits in this reserve fund. From the special reserve fund the contractor may make the following disbursements and no others:'.

"SEC. 26. Section 607 (c) (2) of such Act is amended to read as follows:

"'(2) Reimbursement to the contractor's general funds for current operating losses on completed voyages of subsidized vessels whenever the Commission shall determine it is improbable that such current losses will be made up by profits on other voyages during the current year;'.

"SEC. 27. Section 607 of such Act is amended by inserting after subsection (e) two new subsections to read as follows:

"'(f) Unless otherwise provided in the operating-differential subsidy contract, upon the termination of any such contract, the reserve funds required under this Act shall be the property of the contractor, except for such amounts as may be due the United States.

"'(g) With the approval of the Commission, the contractor may voluntarily increase the amount of either or both reserve funds by depositing in such fund or funds any or all of the earnings otherwise available for distribution to stockholders, or may transfer funds from the special reserve funds to the capital reserve fund.'

"SEC. 28. Section 607 (f) of such Act is amended to read as follows:

"'(h) The earnings of any contractor receiving an operating-differential subsidy under authority of this Act, which are deposited in the contractor's reserve funds as provided in this section, except earnings withdrawn from the special reserve funds and paid into the contractor's general funds or distributed as dividends or bonuses as provided in paragraph 4 of subsection (c) of this section, shall be exempt from all Federal taxes. Earnings withdrawn from such special reserve fund shall be taxable as if earned during the year of withdrawal from such fund.'

"SEC. 29. Section 609 (b) of such Act is hereby repealed. Section 609 (a) of such Act is amended by striking out '(a)'.

"SEC. 30. Title VI of such Act is amended by adding at the end thereof new sections to read as follows:

"'SEC 611. (a) The contractor, upon compliance with the provisions of this section, may transfer to foreign registry the vessels covered by any operating-differential subsidy contract held by him, in the event that the United States defaults upon such contract or cancels it without just cause. Any contractor desiring to transfer any such vessel to foreign registry upon such default or cancelation shall file an application in writing with the Commission setting forth its contentions with respect to the lack of just cause or lawful grounds for such default or cancelation. The Commission shall afford the contractor an opportunity for a hearing within twenty days after such contractor files written application therefor, and after the testimony, if any, in such hearing has been reduced to writing and filed with the Commission, it shall, within a reasonable time, grant or deny the application by order.

"'(b) If any such application is denied, the contractor may obtain a review of the order of denial in the United States Court of Appeals for the District of Columbia, by filing in such court, within twenty days after the entry of such order, a written petition praying that the order of the Commission be set aside. A copy of such petition shall be forthwith served upon any member of the Commission, or upon any officer thereof designated by the Commission for that purpose, and thereupon the Commission shall certify and file in the court a transcript of the record upon which the order complained of was entered. Upon the filing of such transcript such court shall have exclusive jurisdiction to determine whether such cancelation or default was without just cause, and to affirm or set aside such order. The judgment and decree of the court affirming or setting aside any such order of the Commission shall be final.

"'(c) No transfer of vessels to foreign registry under this section shall become effective until any indebtedness to the Government or to any citizen of the United States, secured by such vessels, has been paid or discharged, and until after the expiration of ninety days from the date of final determination of the application or the appeal, if any. Within such ninety-day period the Commission may (1) with the consent of the contractor purchase the vessels at cost to the contractor plus cost of capital improvements thereon, less 5 per centum annual depreciation upon such vessel, and the actual depreciated costs of capital improvements thereon, or (2) reinstate the contract and adjust or settle the default found by the Commission or the court to exist.

"'SEC. 612. The Commission is authorized to subordinate its interest as mortgagee in any vessel subsidized under the provisions of this title in favor of any loan for working capital made by the Reconstruction Finance Corporation under the Reconstruction Finance Corporation Act, as amended, if the Commission finds that the making of such loan by the Reconstruction Finance Corporation would be in furtherance of the policies of this Act or would, in its opinion, preserve or protect its mortgage interest in said subsidized vessel: *Provided*, That the obligations evidencing such loans by the Reconstruction Finance Corporation shall not be transferred, except to some other governmental agency.'

"SEC. 31. Section 708 of such Act is amended to read as follows:

"'SEC. 708. The Commission may, if in its discretion financial aid is deemed necessary, enter into a contract with any charterer of its vessels for payment to such charterer of an operating-differential subsidy upon the same terms and conditions and subject to the same limitations and restrictions, where applicable, as are elsewhere provided in this Act with the respect to payments of such subsidies to operators of privately owned vessels.'

"SEC. 32. Section 714 of such Act is amended to read as follows:

"'SEC. 714. If the Commission shall find that any trade route (determined by the Commission to be an essential trade route as provided in section 211 of this Act) cannot be successfully developed and maintained and the Commission's replacement program cannot be achieved under private operation of such trade route by a citizen of the United States with vessels registered under the laws thereof, without further Government aid in addition to the financial aids authorized under titles V and VI of this Act, the Commission is authorized to have constructed, in private shipyards or in navy yards, the vessel or vessels of the types deemed necessary for such trade route, and to demise such new vessel or vessels on bare-boat charter to the American-flag operator established on such trade route, without advertisement or competition, upon an annual charter hire of not less than 5 per centum of the construction cost of such new vessel or vessels. Such charter may contain an option to the charterer to purchase such vessel or vessels from the Commission, within five years after the execution of the charter, upon the same terms and conditions as are provided in title V for the purchase of new vessels from the Commission and upon the agreement of the purchaser to pay interest at the rate of 3½ per centum per annum upon all unpaid portions of the purchase price from the date of the delivery of the vessel to the purchaser under the charter agreement with credit on the purchase price for all charter hire theretofore paid by the purchaser on account of such charter. If the option to purchase is exercised, the deferred payments of the purchase price shall not be extended beyond the life of the vessel computed on a twenty-year expectancy.'

"SEC. 33. Section 802 of such Act is amended to read as follows:

"'SEC. 802. Every contract executed by the Commission under authority of title V of this Act shall provide that—

"'In the event the United States shall, through purchase or requisition, acquire ownership of the vessel or vessels on which a construction-differential subsidy was paid, the owner shall be paid therefor the fair actual value thereof, but in no event shall such payment exceed the actual depreciated construction cost thereof (together with the actual depreciated cost of capital improvements thereon, but excluding the cost of national-defense features) less the depreciated amount of construction-differential subsidy theretofore paid incident to the construction or reconditioning of such vessel or vessels, or the fair and reasonable scrap value of such vessel as determined by the Commission, whichever is the greater. Such determination shall be final. In computing the depreciated value of such vessel, depreciation shall be computed on each vessel on the schedule adopted by the Bureau of Interal Revenue for income-tax purposes.

"'The foregoing provision respecting the requisition or the acquisition of ownership by the United States shall run with the title to such vessel or vessels and be binding on all owners thereof.'

"SEC. 34. Section 803 of such Act is amended by striking out the provisos and the colon following the word 'services', and inserting in lieu thereof a comma and the following: 'except that the Commission, by a vote of four members (except as provided in section 201 (a)) may grant an exemption in writing from the provisions of this section, upon such terms and conditions and for such specific period of time as the Commission deems necessary or appropriate to carry out the policy of this Act, in any case where—

"'(a) The Commission finds that the enforcement of such provisions is not necessary to safeguard the economical and fair application of subsidies paid the contractor under this Act, and that such exemption will promote economy or efficiency of service by the merchant marine; and

"'(b) The person performing the services or supplying the facilities agrees to account for and pay over to the contractor any and all profits resulting from performing such services or supplying such facilities.'

"SEC. 35. The proviso in section 804 of such Act is amended to read as follows: '*Provided, however*, That under special circumstances and for good cause shown the Commission may, in its discretion, waive the provisions of this section as to any contractor, for a specific period of time, by affirmative vote of four of its members, except as otherwise provided in section 201 (a).'

"SEC. 36. (a) Section 805 (b) of such act is amended by inserting a period after the word 'contractor' at the end thereof.

"'(b) Section 805 (c) of such Act is amended by striking out 'no director' and inserting in lieu thereof 'No director'.

"SEC. 37. The last sentence of section 805 (d) of such Act is amended to read as follows: 'No contractor shall receive an operating-differential subsidy for the operation of any chartered vessel save and except during a period of actual emergency determined by the Commission, or except as provided in section 708.'

"SEC. 38. Section 807 of such Act is amended to read as follows:

"'SEC. 807. It shall be unlawful for any person employed or retained by any shipbuilder or ship operator holding or applying for a contract under the provisions of this Act, or employed or retained by any subsidiary, affiliate, associate, or holding company of such shipbuilder or ship operator, to present, advocate, or oppose any matter within the scope of the Shipping Act, 1916, as amended, the Merchant Marine Act, 1920, as amended, the Merchant Marine Act, 1928, as amended, the Intercoastal Shipping Act, 1933, or this Act, before the Congress or any committee thereof, or before the Commission, unless such shipbuilder or ship operator shall have previously filed with the Commission in such form and detail as the Commission shall by rules and regulations or order prescribe as necessary or appropriate in the public interest, a statement of the subject matter in respect of which such person is retained or employed, the nature and character of such retainer or employment, and the amount of compensation received or to be received by such person, directly or indirectly, in connection therewith. It shall be the duty of every such person so employed or retained to file with the Commission within thirty days after the close of each calendar month during such retainer or employment, in such form and detail as the Commission shall by rules and regulations or order prescribe as necessary or appropriate in the public interest, a statement of the expenses incurred and the compensation received by such person during such month in connection with such retainer or employment. Whosoever shall violate this provision shall be guilty of a misdemeanor.'

"SEC. 39. (a) Section 905 (a) of such Act is amended to read as follows:

"'(a) The words "foreign commerce" or "foreign trade" mean commerce or trade between the United States, its Territories or possessions, or the District of Columbia, and a foreign country.'

"(b) Section 905 (c) of such Act is amended by inserting before the period a comma and the following: 'and, in the case of a corporation, partnership, or association operating a vessel on the Great

Lakes, or on bays, sounds, rivers, harbors, or inland lakes of the United States the amount of interest required to be owned by a citizen of the United States shall be not less than 75 per centum.'

"SEC. 40. (a) Section 505 (a) of such Act is amended by striking out 'subsidy is allowed' and inserting in lieu thereof 'construction-differential subsidy is allowed.'

"(b) Section 602 of such Act is amended by striking out 'operating subsidy' and inserting in lieu thereof 'operating-differential subsidy.'

"SEC. 41. Section 204 (b) of such Act is amended by striking out the last sentence thereof.

"SEC. 42. Section 9 of the Shipping Act, 1916, as amended, is amended by striking out paragraphs 3 and 4 and inserting in lieu thereof the following:

" 'Except as provided in section 611 of the Merchant Marine Act, 1936, as amended, it shall be unlawful, without the approval of the United States Maritime Commission, to sell, mortgage, lease, charter, deliver, or in any manner transfer, or agree to sell, mortgage, lease, charter, deliver, or in any manner transfer, to any person not a citizen of the United States, or transfer or place under foreign registry or flag, any vessel or any interest therein owned in whole or in part by a citizen of the United States and documented under the laws of the United States, or the last documentation of which was under the laws of the United States.

" 'Any such vessel, or any interest therein, chartered, sold, transferred, or mortgaged to a person not a citizen of the United States or placed under a foreign registry or flag, or operated, in violation of any provision of this section shall be forfeited to the United States, and whoever violates any provision of this section shall be guilty of a misdemeanor and subject to a fine of not more than $5,000, or to imprisonment for not more than five years, or both.'

"SEC. 43. (a) The Intercoastal Shipping Act, 1933, is amended by inserting after section 3 thereof two new sections, to read as follows:

" 'SEC. 4. Whenever the Commission finds that any rate, fare, charge, classification, tariff, regulation, or practice demanded, charged, collected, or observed by any carrier subject to the provisions of this Act is unjust or unreasonable, it may determine, prescribe, and order enforced a just and reasonable maximum or minimum, or maximum and minimum rate, fare, or charge, or a just and reasonable classification, tariff, regulation, or practice: *Provided*, That the minimum-rate provision of this section shall not apply to common carriers on the Great Lakes.

" 'SEC. 5. The provisions of this Act are extended and shall apply to every common carrier by water in interstate commerce, as defined in section 1 of the Shipping Act, 1916.'

"(b) Section 4 of such Act is amended by striking out the term 'SEC. 4' and inserting in lieu thereof the term 'SEC. 6.'

"(c) Section 5 of such Act is amended to read as follows:

" 'SEC. 7. The provisions of the Shipping Act, 1916, as amended, shall in all respects, except as amended by this Act, continue to be applicable to every carrier subject to the provisions of this Act.'

"(d) Section 6 of such Act is amended by striking out the term 'SEC. 6' and inserting in lieu thereof the term 'SEC. 8.'

"(e) The amendments made by subsections (a), (b), (c), and (d) of this section shall take effect ninety days after the date of the enactment of this Act.

"SEC. 44. Title II of the Merchant Marine Act, 1936, is amended by adding at the end thereof a new section to read as follows:

" 'SEC. 216. (a) The Commission is hereby authorized and directed, after consultation with all interests concerned, to prepare and report to the Congress on or before January 20, 1939, a comprehensive system for the training of citizens of the United States to serve as licensed and unlicensed personnel on American merchant vessels, and may employ as instructors, on a contract or fee basis, such qualified licensed and unlicensed personnel of the merchant marine as the Commission may deem necessary to effectuate the purposes of this section.

" '(b) The Commission is hereby authorized and directed, under such rules and regulations as it may prescribe, to establish the United States Maritime Service to be a voluntary organization and which shall consist of such licensed and unlicensed personnel of the United States merchant marine as may be enrolled under the provisions of this section. The ranks, grades, and ratings for the personnel of the said Service shall be the same as are now or shall hereafter be prescribed for the personnel of the Coast Guard. The Commission is authorized and directed to determine the number of persons to be enrolled in the said Service, to fix the rates of pay of such persons, and to prescribe such courses and periods of training as, in its discretion, is necessary to maintain a trained and efficient merchant-marine personnel.

" '(c) The Commission, with the consent of any executive department, independent establishment, or other agency of the Government, including any field service thereof, may avail itself of the use of information, services, facilities, officers, and employees thereof in carrying out the provisions of this section.'

"SEC. 45. The Merchant Marine Act, 1936, is amended by adding at the end thereof a new title to read as follows:

" 'TITLE X

" 'SEC. 1001. It is hereby declared to be the policy of the United States to eliminate the causes of certain substantial obstructions to the free flow of water-borne commerce and to mitigate and eliminate these obstructions when they have occurred by encouraging the practice and procedure of collective bargaining and the prompt and orderly settlement of all disputes concerning rates of pay, hours of employment, rules, or working conditions, including disputes growing out of grievances or out of the interpretation or application of agreements covering rates of pay, hours of employment, rules, or working conditions.

" 'NATIONAL LABOR RELATIONS BOARD

" 'SEC. 1002. The provisions of this title shall not in any manner affect or be construed to limit the provisions of the National Labor Relations Act, nor shall any of the unfair labor practices listed therein be considered a dispute for the purposes of this title. Questions concerning the representation of employees of a maritime employer shall be considered and determined by the National Labor Relations Board in accordance with the provisions of the National Labor Relations Act: *Provided, however*, That nothing in this title shall constitute a repeal or otherwise affect the enforcement of any of the navigation laws of the United States or any other laws relating to seamen.

" 'DEFINITIONS

" 'SEC. 1003. When used in this title—

" '(a) The term "water-borne commerce" means commerce by water between any State, the District of Columbia, or any Territory or possession of the United States and any foreign country, or commerce by water on the high seas or the Great Lakes between any State, the District of Columbia, or any Territory or possession of the United States and any other State, Territory, or possession of the United States.

" '(b) The term "maritime employer" means any person not included in the term "carrier" in title I of the Railway Labor Act, approved May 20, 1926, as amended, who (1) is engaged in the transportation by water of passengers or property in water-borne commerce; (2) is engaged in towboat, barge, or lighterage service in connection with the transportation of passengers or property in water-borne commerce; (3) operates or manages or controls the operation or management of any wharf, pier, dock, or water space, for the accommodation of vessels engaged in the transportation of passengers or property in water-borne commerce; (4) is engaged in the business of loading or unloading vessels engaged in the transportation of passengers or property in water-borne commerce; or (5) operates any equipment or facility connected with the services set forth in clauses (1), (2), (3), and (4) hereof, which is necessary for the continuity of flow of passengers and property in such water-borne commerce.

" '(c) The term "employee" means any person who performs any work as an employee or subordinate official of any maritime employer, subject to its authority to supervise and direct the manner of rendition of service, when the duties assigned to or services rendered by such person directly or indirectly in any manner affect, relate to, or are concerned with the transportation of passengers or property in water-borne commerce, or the furnishing of equipment or facilities therefor, or services in connection therewith, as set forth in clauses (2), (3), (4), and (5) of subsection (b) of this section; it being intended that this title should apply not only to those persons whose work may be exclusively in connection with the movement by water of passengers and property in the interstate and foreign commerce of the United States but also to those persons whose work may have such a close relation to the movement of such interstate and foreign commerce that the provisions of this title are essential and appropriate to secure the freedom of that commerce from interference and interruption. The provisions of this title shall not apply to the master or members of the crew of any vessel not documented, registered, licensed, or enrolled under the laws of the United States.

" 'DUTIES OF EMPLOYER AND EMPLOYEE

" 'SEC. 1004. It shall be the duty of the Board to encourage all maritime employers, their officers and agents, and their employees or the duly selected representatives of such employees to exert every reasonable effort—

" '(1) to make and maintain written agreements concerning rates of pay, hours of employment, rules, and working conditions, which agreements shall provide, by means of adjustment boards or port committees, for the final adjustment of disputes growing out of grievances or the application or interpretation of the terms of such agreements;

" '(2) to settle all disputes, whether arising out of the interpretation or application of such agreements or otherwise, in order to avoid any interruptions to transportation of passengers or property in water-borne commerce.

" 'SEC. 1005. Within thirty days after the date of enactment of this title, every maritime employer shall file with the Maritime Labor Board a copy of each contract with any group of its employees in effect on such date, covering rates of pay, hours of employment, rules, and working conditions. When any new contract is executed or any change is made in an existing contract with any group of its employees covering rates of pay, hours of employment, rules, or working conditions, any maritime employer shall file a copy of such contract, or a statement setting forth such change, with the Maritime Labor Board within ten days after such new contract has been executed, or such change has been made. Any maritime employer who willfully fails to file any copy of a contract or statement as required by this section shall be subject to a fine of not more than $100 for each offense.

" 'SEC. 1006. All matters relating to the making and maintaining of agreements, and all disputes, between a maritime employer or employers and its or their employees shall be considered and, if possible, adjusted with all expedition, in conference between representatives designated and authorized by the maritime employer or employers and by its or their employees, respectively. It shall be

the duty of the designated representatives of maritime employers, within five days after the receipt of notice of a desire on the part of either party to confer in regard to such matters and disputes, to specify a time and place at which such conference shall be held, and the Board shall notify the representatives of the employees thereof. The place so specified shall be reasonably accessible to both parties; and the time so specified shall allow the designated conferees reasonable opportunity to reach such place of conference, but shall not exceed ten days from the receipt of such notice. Nothing in this title shall be construed to supersede the provisions of any agreement as to conferences in effect between the parties.

"'MARITIME LABOR BOARD

"'SEC. 1007. (a) There is hereby established as an independent agency in the executive branch of the Government a board to be known as the "Maritime Labor Board" (hereinafter referred to as the "Board") to be composed of three members appointed by the President, by and with the advice and consent of the Senate. The President shall name one of the members of the Board as Chairman. The terms of office of the members of the Board shall extend to the date of expiration of this title. Vacancies in the Board shall not impair the powers nor affect the duties of the Board nor of the remaining members of the Board. Two of the members in office shall constitute a quorum for the transaction of the business of the Board. Each member of the Board shall receive a salary at the rate of $10,000 per annum, together with necessary traveling and subsistence expenses, or per diem allowance in lieu thereof, subject to the provisions of law applicable thereto, while away from the principal office of the Board on business required by this title. No person in the employment of, or who is pecuniarily or otherwise interested in, any organization of maritime employees or any maritime employer shall enter upon the duties of, or continue to be, a member of the Board. A member of the Board may be removed by the President for inefficiency, neglect of duty, malfeasance in office, or ineligibility, but for no other cause.

"'(b) The Board shall maintain its principal office in the District of Columbia, but it may meet at any other place whenever it deems it necessary to do so. The Board is hereby authorized to adopt all necessary rules and regulations to carry out the powers, duties, and functions vested in it by this title. The Board shall have a seal which shall be judically noticed.

"'(c) The Board may (1) appoint such experts and assistants to act in a confidential capacity and, subject to the provisions of the civil-service laws, appoint such other officers and employees, as are essential to the effective transaction of the work of the Board; (2) in accordance with the Classification Act of 1923, as amended, fix the salaries of such experts, assistants, officers, and employees; and (3) make such expenditures (including expenditures for rent and personal services at the seat of government and elsewhere, for law books, periodicals, and books of reference, and for printing and binding, and including expenditures for salaries and compensation, necessary traveling expenses and expenses actually incurred for subsistence, and other necessary expenses of the Board) as may be necessary for the execution of the functions vested in the Board, and as may be provided for by the Congress from time to time. All expenditures of the Board shall be allowed and paid on the presentation of itemized vouchers therefor approved by the chairman or by any employee of the Board designated by the chairman for that purpose.

"'(d) The Board is hereby authorized by its order to assign, or refer, any portion of its work, business, or functions to an individual member of the Board, or an employee or employees of the Board, to be designated by such order, for action thereon; and by its order at any time to amend, modify, supplement, or rescind any such assignment or reference. All such orders shall take effect forthwith and remain in effect until otherwise ordered by the Board. In conformity with and subject to the order or orders of the Board in the premises, any such individual member of the Board or employee designated shall have power and authority to act as to any of said work, business, or functions so assigned or referred to him for action by the Board.

"'MEDIATION

"'SEC. 1008. (a) It shall be the duty of the Board, upon request of either the duly selected representatives of a maritime employer or employers or its or their employees who are parties to the making of a labor agreement, to encourage and assist in the making of such agreement, or, upon the request of both parties at interest, to assist in the interpretation of the provisions of an agreement already in existence.

"'(b) The parties to a dispute between an employee or a group of employees and a maritime employer or group of maritime employers, may request the Board to act as mediator in such disagreements. The Board may proffer its services in case any maritime labor dispute is found by it to exist at any time. When a request for mediation is granted by the Board, or when the Board on its own initiative proffers such mediation, the Board shall promptly put itself in communication with the parties to such dispute and shall use its best efforts by mediation to bring them to agreement.

"'ARBITRATION

"'SEC. 1009. If the Board should be unable through mediation to bring the parties to a dispute to agreement in whole or in part, it shall, as its last required action, use its best efforts to secure the assent of both parties to arbitration of the matter or matters in dispute.

"'PERMANENT LABOR POLICY

"'SEC. 1010. On or before March 1, 1940, the Board shall submit to the President and to Congress a comprehensive plan for the establishment of a permanent Federal policy for the amicable adjustment of all disputes between maritime employers and employees and for the stabilization of maritime labor relations. As far as may be, the Board shall seek to secure through its mediatory efforts agreement between maritime employers and employees upon the plan it is hereby required to submit.

"'AUTHORIZATION

"'SEC. 1011. There is hereby authorized to be appropriated such sums as may be necessary for expenditure by the Board in carrying out the provisions of this title.

"'SEC. 1012. This title shall expire at the end of three years from the date of its enactment.'

"SEC. 46. The Merchant Marine Act, 1936, is amended by adding at the end thereof a new title to read as follows:

"'TITLE XI—FEDERAL SHIP MORTGAGE INSURANCE

"'SEC. 1101. As used in this title—

"'(a) The term "mortgage" means a preferred mortgage as defined in the Ship Mortgage Act, 1920, as amended;

"'(b) The term "vessels" includes all types of passenger, cargo, and combination passenger-cargo carrying vessels, tugs, towboats, barges, and dredges documented under the laws of the United States, and fishing vessels owned by citizens of the United States;

"'(c) The term "mortgagee" includes the original lender under a mortgage and his successors and assigns approved by the Commission;

"'(d) The term "mortgagor" includes the original borrower under a mortgage and his successors and assigns approved by the Commission; and

"'(e) The term "maturity date" means the date on which the mortgage indebtedness would be extinguished if paid in accordance with periodic payments provided for in the mortgage.

"'SEC. 1102. There is hereby created a Federal ship mortgage insurance fund (hereinafter referred to as the "fund") which shall be used by the Commission as a revolving fund for the purpose of carrying out the provisions of this title, and there shall be allocated to such fund the sum of $1,000,000 out of funds made available to the Commission under the appropriation authorized by section 1109. Moneys in the fund shall be deposited in the Treasury of the United States to the credit of the fund or invested in bonds or other obligations of, or guaranteed as to principal and interest by, the United States. The Commission may, with the approval of the Secretary of the Treasury, purchase debentures issued under the provisions of section 1105. Such purchases shall be made at a price which, on a yield basis, would provide an investment yield of not less than the yield obtainable from other investments (having comparable maturity dates) authorized by this section. Debentures so purchased shall be canceled and not reissued.

"'SEC. 1103. The Commission is authorized, upon application by the mortgagee, to insure as hereinafter provided any mortgage offered to it which is eligible for insurance as hereinafter provided and, upon such terms as the Commission may prescribe, to make commitments for the insuring of any such mortgage prior to the date of execution or disbursement thereon. The aggregate amount of principal obligations of all mortgages insured under this title and outstanding at any one time shall not exceed $200,000,000.

"'SEC. 1104. (a) To be eligible for insurance under this title a mortgage shall, excepting as otherwise provided in section 1106—

"'(1) have a mortgagee approved by the Commission as responsible and able to service the mortgage properly; and a mortgagor approved by the Commission as possessing the ability, experience, financial resources, and other qualifications necessary to the adequate operation and maintenance of the mortgaged property;

"'(2) involve an obligation in a principal amount which does not exceed 75 per centum of the cost (as estimated by the Commission) of the construction, reconstruction, or reconditioning financed by the loan or advance, but in no event to exceed 75 per centum of the amount which the Commission estimates will be the value of the property when the construction, reconstruction, or reconditioning is completed;

"'(3) secure an obligation having a maturity date satisfactory to the Commission but not to exceed twenty years from the date of its execution;

"'(4) contain amortization provisions satisfactory to the Commission requiring periodic payments by the mortgagor;

"'(5) secure an obligation bearing interest (exclusive of premium charges for insurance) at a rate not to exceed 5 per centum per annum on the amount of the principal obligation outstanding at any time or not to exceed 6 per centum per annum if the Commission finds that in certain areas or under special circumstances the mortgage market demands it;

"'(6) provide, in a manner satisfactory to the Commission, for the application of the mortgagor's periodic payments to amortization of the principal of the mortgage, exclusive of the amount allocated to interest and to the premium charge which is required for mortgage insurance as hereinafter provided;

"'(7) contain such terms and provisions with respect to the construction, reconstruction, reconditioning, maintenance, or operation of the property, repairs, alterations, payment of taxes, insurance, relinquency charges, revisions, foreclosure proceedings, anticipation of maturity, additional and secondary liens, and other

matters pertinent to the security as the Commission may prescribe; and

"'(8) secure a new loan or advance made to aid in financing the construction, reconstruction, or reconditioning, subsequent to the enactment of this title, of vessels owned by citizens of the United States which are designed principally for commercial use (a) in the coastwise or intercoastal trade; (b) on the Great Lakes, or on bays, sounds, rivers, harbors, or inland lakes of the United States; or (c) in foreign trade between the United States and foreign countries in continental North America, and between the United States and all islands lying between the continent of South America and the United States in the Gulf of Mexico, the Caribbean Sea, or the Atlantic Ocean.

"'(b) No mortgage shall be accepted for insurance unless the Commission finds that the property or project with respect to which the mortgage is executed is economically sound.

"'(c) The Commission is authorized to fix a premium charge for the insurance of mortgages under this title, but in the case of any mortgage such charge shall not be less than an amount equivalent to one-half of 1 per centum per annum nor more than an amount equivalent to 1 per centum per annum of the amount of the principal obligation of the mortgage outstanding at any time, without taking into account delinquent payments or prepayments. All such premium charges shall be payable by the mortgagee as prescribed by the Commission. In the event that the principal obligation of any mortgage accepted for insurance under this section is paid in full prior to the maturity date, the Commission is further authorized in its discretion to require the payment by the mortgagee of an adjusted premium charge in such amount as the Commission determines to be equitable, but not in excess of the aggregate amount of the premium charges that the mortgagee would otherwise have been required to pay if the mortgage had continued to be insured under this section until such maturity date.

"'(d) The Commission is authorized to charge and collect such amounts as it may deem reasonable for the investigation of applications for insurance, for the appraisal of properties offered for insurance, for the issuance of commitments, and for the inspection of such properties during construction, reconstruction, or reconditioning: *Provided*, That such charges shall not aggregate more than one-half of 1 per centum of the original principal amount of the mortgage to be insured. All moneys received under the provisions of this title shall be deposited in the fund.

"'SEC. 1105. (a) In any case in which the mortgagee under an insured mortgage shall have foreclosed and acquired title and possession of the mortgaged property in accordance with regulations of, and within a period to be determined by, the Commission, or shall, with the consent of the Commission, have otherwise acquired such property from the mortgagor after default, the mortgagee shall be entitled to receive the benefits of the insurance as hereinafter provided, upon (1) the prompt conveyance to the Commission of title to the property which meets the requirements of rules and regulations of the Commission in force at the time the mortgage was insured, and which is evidenced in the manner prescribed by such rules and regulations, and (2) the assignment to the Commission of all claims of the mortgagee against the mortgagor or others, arising out of the mortgage transaction or foreclosure proceedings, except such claims as may have been released with the consent of the Commission. Upon such conveyance and assignment the obligation of the mortgagee to pay the premium charges for insurance shall cease and the Commission shall, subject to the cash adjustment hereinafter provided, issue to the mortgagee debentures having a total face value equal to the balance of the principal obligation of the mortgage which was unpaid on the date of the institution of foreclosure proceedings, or on the date of the acquisition of the property after default other than by foreclosure. In the event that the mortgagee acquires the property other than by purchase at foreclosure sale after foreclosure proceedings have been instituted, debentures having a total face value equal to the balance of the principal obligation of the mortgage which was unpaid on the date of the institution of foreclosure proceedings shall be issued to the mortgagee.

"'(b) Debentures issued under this section shall be in such form and denominations in multiples of $50, shall be subject to such terms and conditions, and shall include such provisions for redemption, if any, as may be prescribed by the Commission with the approval of the Secretary of the Treasury, and may be in coupon or registered form. Any difference between the value of the mortgage determined as herein provided and the aggregate face value of the debentures issued, not to exceed $50, shall be adjusted by the payment of cash by the Commission to the mortgagee from the fund.

"'(c) The debentures issued under this section shall be executed in the name of the fund as obligor, shall be signed by the Chairman of the Commission by either his written or engraved signature, and shall be negotiable. All such debentures shall be dated as of the date foreclosure proceedings were instituted, or the property was otherwise acquired by the mortgagee after default, and shall bear interest from such date at a rate determined by the Commission, with the approval of the Secretary of the Treasury, at the time the mortgage was offered for insurance, but not to exceed 3 per centum per annum, payable semiannually on the 1st day of January and the 1st day of July of each year, and shall mature three years after the 1st day of July following the maturity date of the mortgage on the property in exchange for which the debentures were issued. They shall be exempt, both as to principal and interest, from all taxation (except surtaxes, estate, inheritance, and gift taxes) now or hereafter imposed by the United States, by any Territory, dependency, or possession thereof, or by any State, county, municipality, or local taxing authority. They shall be paid out of the fund, which shall be primarily liable therefor, and they shall be fully and unconditionally guaranteed as to principal and interest by the United States, and such guaranty shall be expressed on the face of the debentures. In the event that the fund fails to pay upon demand, when due, the principal of, or interest on, any debentures so guaranteed, the Secretary of the Treasury shall pay to the holders the amount thereof, which is hereby authorized to be appropriated out of any money in the Treasury not otherwise appropriated, and thereupon to the extent of the amount so paid the Secretary of the Treasury shall succeed to all the rights of the holders of such debentures.

"'(d) Notwithstanding any other provision of law relating to the acquisition, handling, or disposal of property by the United States, the Commission shall have the right to complete, recondition, reconstruct, renovate, repair, maintain, operate, or charter, or sell for cash or credit, in its discretion, any properties conveyed to it in exchange for debentures as provided in this section; and notwithstanding any other provision of law, the Commission shall also have power to pursue to final collection, by way of compromise or otherwise, all claims against mortgagors assigned by mortgagees to the Commission as provided in this section.

"'SEC. 1106. No provision of this title shall be construed to authorize the Commission to insure a mortgage securing any loan or advance made prior to the enactment of this title and no mortgage shall be insured for refinancing in whole or in part any existing mortgage indebtedness except—

"'(1) where a substantial portion of the total amount to be secured by the new mortgage shall be applied to new construction, reconditioning, or reconstruction of one or more of the mortgaged vessels: *Provided, however*, That the aggregate amount of all mortgages insured under this paragraph and outstanding at any one time shall not exceed $20,000,000, and provided that all of the eligibility requirements of section 1104 not inconsistent with this paragraph are complied with;

"'(2) where the Commission has insured a mortgage under the provisions of this title, and the mortgagor thereafter makes application to the mortgagee or another lender for an additional loan or advance for reconditioning or reconstructing the mortgaged property, the Commission may insure a new mortgage in the amount of the principal outstanding balance of the original mortgage plus the amount of the new loan, provided the total amount is within the limits of section 1104 and the new mortgage conforms to all other eligibility requirements thereof; and

"'(3) the Commission may insure mortgages given to finance the purchase of vessels theretofore acquired by the fund under the provisions of section 1105 and to secure loans or advances made for reconditioning and reconstruction of such vessels.'

"'SEC. 1107. Whoever, for the purpose of obtaining any loan or advance of credit from any person, partnership, association, or corporation with the intent that such loan or advance of credit shall be offered to or accepted by the Commission for insurance, or for the purpose of obtaining any extension or renewal of any loan, advance of credit, or mortgage insured by the said Commission, or the acceptance, release, or substitution of any security on such a loan, advance of credit, or for the purpose of influencing in any way the action of the said Commission under this title, makes, passes, utters, or publishes, or causes to be made, passed, uttered, or published any statement, knowing the same to be false, or alters, forges, or counterfeits, or causes or procures to be altered, forged, or counterfeited, any instrument, paper, or document, or utters, publishes, or passes as true, or causes to be uttered, published, or passed as true, any instrument, paper, or document, knowing it to have been altered, forged, or counterfeited, or willfully overvalues any security, asset, or income, shall be guilty of a misdemeanor and punished as provided under section 806 (b) of this Act.

"'SEC. 1108. The Commission is authorized and directed to make such rules and regulations as may be deemed necessary or appropriate to carry out the purposes and provisions of this title.

"'SEC. 1109. There is hereby authorized to be appropriated the sum of $1,000,000 and such further sums as may be necessary to carry out the provisions of this title.'"

And the Senate agree to the same.

S. O. BLAND,
WM. I. SIROVICH,
ROBERT RAMSPECK,
AMBROSE J. KENNEDY,
RICHARD J. WELCH,
FRANCIS D. CULKIN.
Managers on the part of the House.

ROYAL S. COPELAND,
HATTIE W. CARAWAY,
JOSIAH W. BAILEY,
MORRIS SHEPPARD,
CHARLES L. MCNARY,
ERNEST W. GIBSON.
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 10315) to amend the Merchant Marine

Act, 1936, to further promote the merchant marine policy therein declared, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate amendment struck out all after the enacting clause of the House bill and inserted a substitute. The bill as agreed to in conference is a substitute for both the House bill and the Senate amendment. The differing provisions of the House bill and the Senate amendment, and the action of the conference with respect thereto, are discussed in the order of the sections in the House bill.

The first section of the House bill gave the bill a short title. The Senate amendment contained no such provision. The bill as agreed to in conference omits the House provision.

Purchase of vessels by the Commission

Section 4 of the Senate amendment adds a new section at the end of title II of the Merchant Marine Act, 1936 (hereinafter referred to as the "Act"). The new section authorizes the Commission to purchase such vessels, domestic or foreign, as it may deem necessary to establish, maintain, improve, or effect replacements on any of the essential trade routes in foreign commerce; requires that such vessels must be certified by the Secretary of the Navy as suitable for conversion into naval or military auxiliaries, or for use in time of war or national emergency; provides that the purchase price shall be based upon a fair and reasonable valuation, but shall not exceed by more than 5 percent the cost of the vessel to the owner (excluding subsidy benefits) plus the actual cost of reconditioning less depreciation based on a 20-year life expectancy; and requires that any vessels so acquired which are not documented under the laws of the United States shall be so documented as soon as practicable. (For sale of these vessels, see section 13 of the Senate amendment.) The House bill contains no comparable provision. The bill as agreed to in conference (sec. 4) adopts these provisions of the Senate amendment, with a change to provide that only vessels constructed in the United States may be purchased by the Commission.

Hearings on labor regulations

Section 5 of the House bill and section 5 of the Senate amendment both amend section 301 (a) of the act to permit the Commission, without awaiting a formal complaint, to hold hearings with respect to changes in manning scales, wage scales, and working conditions which have been adopted by the Commission. The Senate amendment also amends "reasonable working conditions" to read "minimum working conditions." The House bill has an additional provision, omitted from the Senate amendment, declaring that duly elected representatives of the organizations certified as proper collective bargaining agencies have the right to represent the employees in such organizations at any such hearings. The bill as agreed to in conference (sec. 5) adopts the term "minimum working conditions," and retains the House provision as to representation by collective bargaining agencies at hearings.

Employees' complaints

Section 6 of the House bill and section 6 of the Senate amendment both amend section 301 (b) of the act to eliminate the provision that officers and crew members may make complaints to the Coast Guard or the Department of Labor but leaving the right to file complaint with their superior officer to be forwarded to the Commission. The House bill, but not the Senate amendment, also authorizes the filing of such complaints directly with the Commission, or with the authorized representatives of the respective collective bargaining agencies. The bill as agreed to in conference (sec. 6) retains these additional House provisions.

The House bill (sec. 6) also amended section 301 (b) of the act to permit (in lieu of requiring) the wearing of insignia by licensed officers who are members of the Naval Reserve. The Senate amendment left the existing law unchanged. The bill as agreed to in conference omits the House provision, leaving existing law unchanged.

Construction contracts

Section 9 of the House bill amends the second sentence of section 502 (a) (relating to contracts for construction of vessels) of the act by changing "cost of the vessel" to read "contract price of the vessel." Section 9 of the Senate amendment, in addition to the same change, authorizes the Commission to secure bids for the construction of a proposed vessel "from foreign and domestic shipbuilders" to correspond with the Senate amendment (sec. 10) of section 502 (b). The bill as agreed to in conference (sec. 9) omits the provision of the Senate amendment relating to bids from foreign shipbuilders, in order to conform to the omission of other sections of the Senate amendment permitting construction abroad.

Section 10 of the House bill and section 10 of the Senate amendment both amend section 502 (b) of the act (relating to computing the amount of the construction subsidy) to provide that the estimated foreign construction cost of the vessel should be based on construction under "similar" instead of "like" plans in a principal foreign shipbuilding center. Under the act this shipbuilding center must be one which "is availed of" by foreign competitors, the House changes this to one which "may reasonably be availed of", while the Senate amendment changes it to one which "might be reasonably availed of." The bill as agreed to in conference (sec. 10) retains the House language.

Construction abroad

The Senate amendment (sec. 10) also adds a provision at the end of section 502 (b) of the act permitting the applicant for a construction differential subsidy to have the proposed vessel built in a foreign shipyard, without the consent of the Commission, if the Commission finds that the construction differential exceeds 50 percent of the construction cost, or, with the consent of the Commission, if it finds that the construction differential exceeds 33⅓ percent but does not exceed 50 percent of the cost, and that the lowest bid of a responsible domestic shipbuilder is unreasonable, excessive, or collusive. In either case domestic registry is required as soon as practicable after completion of the vessel, which is made eligible for an operating differential subsidy as if built in the United States. The House bill contains no comparable provision. The bill as agreed to in conference omits all provisions of the Senate amendment permitting construction abroad, and provides that in any case where the Commission finds that the construction differential exceeds 33⅓ percent of the construction cost and that the lowest bid of a responsible domestic shipbuilder is unreasonable, excessive, or collusive, the Commission may contract with the view to construction in a domestic shipyard that is not unreasonable or excessive in cost or collusive in character. It further provides that where the Commission finds that the construction differential exceeds 50 percent of such cost, the Commission may contract on behalf of the applicant to build such vessel in a domestic shipyard at a cost which will reduce the construction differential to 50 percent or less. If the Commission has reason to believe that the bidding in any instance is collusive, it is required to report all of the evidence to the Attorney General of the United States and to the Congress.

Section 29 of the Senate amendment amends section 610 of the act by inserting "(except as provided in sec. 502 (b))" to conform to the Senate amendment referred to in the preceding paragraph. There is no comparable provision in the House bill. The bill as agreed to in conference omits this provision of the Senate amendment in order to conform to the agreement of the conferees set forth in the preceding paragraph.

Allocation of construction among shipyards

Section 13 of the House bill amends section 502 of the act by adding a new subsection (f), which authorizes the Commission, with the approval of the President, whenever the Commission finds that existing shipyards, including the navy yards, do not provide adequate facilities to meet necessary requirements for purposes of national defense and national emergency, to allocate construction work under title V and title VII of the act among shipyards in such manner as it determines to be fair, just, and reasonable, first taking into consideration conditions of unemployment and the needs and reasonable requirements of all shipyards. Competitive bids must be first obtained, but the Commission may, after receipt of bids, enter into a negotiated contract which may be in excess of the lowest responsible bid. Such excess of cost is to be paid by the Commission as a national-defense expense. If the negotiated contract price is less than the lowest responsible bid, the construction differential subsidy is required to be computed on the contract price in lieu of the bid. The Senate amendment contains no comparable provision. The bill as agreed to in conference (sec. 13) retains these House provisions with the addition of a provision that the benefits accruing from standardized construction shall be taken into consideration before allocating work among the shipyards.

Sales of vessels by the Commission

Section 13 of the Senate amendment adds a new subsection (g) to section 502 of the act to provide that the Commission may sell any vessels purchased by it under section 215 of the act (see sec. 4 of the Senate amendment) to applicants agreeing to purchase the same. The selling price shall be the fair and reasonable value, but not less than the cost to the Commission, excluding cost of national-defense features added by the Commission, less any applicable construction differential subsidy under section 502 (b). Such vessel is made eligible for an operating subsidy. The House bill contains no comparable provision. The bill as agreed to in conference (sec. 14) adopts the provisions of the Senate amendment, except that it adds a clause permitting depreciation to be allowed on a 20-year basis in fixing the selling price.

Subsidies to meet governmental aid to foreign competitors

Section 20 of the House bill amends section 604 of the act, relating to additional subsidies to meet the effect of governmental aid paid to foreign competitors, to provide that such subsidies may be granted, only after consultation with the Secretary of State, by a vote of four members of the Commission, instead of the unanimous vote of all the members as required by the act. The Senate amendment (sec. 20) repeals section 604 of the act. The bill as agreed to in conference (sec. 21) retains the House provisions, including the requirement of consultation with the Secretary of State, but also requires that the Commission make its findings of inadequacy of the operating differential subsidy by unanimous vote, and that no additional subsidy be granted except upon the unanimous affirmative vote of the members of the Commission.

Contractors' rights in case of cancelation of contracts or subsidies

Section 29 of the House bill and section 30 of the Senate amendment both amend title VI of the act by adding a new section, 611, to permit the contractor, in case of cancelation of contract or withdrawals of subsidy without default on the part of the contractor, to apply to the Commission to transfer the vessel to a foreign flag. Any decision of the Commission adverse to the contractor is made subject to court review, and provision is made for reinstatement of the contract and adjustment of any default

found to exist by the Commission or the court. In the Senate amendment it is provided that such adjustment must be to the satisfaction of the contractor. This requirement is not found in the House bill. The bill as agreed to in conference (sec. 30) omits this requirement.

Subordination of mortgage interests of Commission

Section 30 of the Senate amendment adds to title VI of the act a further new section, 612, which authorizes the Commission to subordinate its interest as mortgagee in any vessel subsidized under title VI of the act in favor of any loan for working capital made by the Reconstruction Finance Corporation, if this action is found by the Commission to be in furtherance of the policies of the act or in its opinion serves to protect its mortgage interest in the vessel. The House bill contains no comparable provision; but the House by unanimous consent passed a bill (H. R. 10337) on May 16, 1938, which is identical with this provision of the Senate amendment. The bill as agreed to in conference (sec. 30) adopts the Senate provision with a clerical correction of the reference therein to the Reconstruction Finance Corporation Act.

Conference agreements

Section 38 of the House bill repeals section 810 of the act relating to the right of contractors to receive subsidies under the act while maintaining membership in certain types of conference agreements. The Senate amendment contains no comparable provision. The bill as agreed to in conference omits the House provision.

Definition of "citizen" in connection with ship-mortgage insurance

Section 39 (b) of the House bill amends section 905 (c) of the act to define the term "citizen of the United States" in respect of operators of vessels on the Great Lakes or inland waters, in order to make certain the meaning of the term as used in the ship-mortgage insurance title (sec. 44 of the House bill). The Senate amendment contains no comparable provision. The bill as agreed to in conference (sec. 39 (b)) retains the House provision.

Regulatory powers of the Commission

Section 41 of the House bill repeals the last sentence of section 204 (b) of the act vesting power in the President to transfer the regulatory powers, duties, and functions of the Commission to the Interstate Commerce Commission after the expiration of 2 years from the effective date of the act. The Senate amendment omits this repealing provision. The bill as agreed to in conference (sec. 41) retains the House provision.

Rates and tariffs in coastwise and intercoastal shipping

Section 43 of the House bill and section 43 of the Senate amendment both amend the Intercoastal Shipping Act, 1933, to apply the Intercoastal Shipping Act, 1933, to coastwise and intercoastal common carriers, and to authorize the Commission to prescribe just and reasonable maximum or minimum, or maximum and minimum, rates and tariffs for all carriers subject to such act. The House bill authorizes the Commission in prescribing rates to establish differentials based on differences in service rendered. The Senate amendment omits this proviso, but adds a proviso not contained in the House bill, exempting the common carriers on the Great Lakes from the operation of the minimum-rate provisions of the Intercoastal Shipping Act, 1933, as amended by the bill. The House bill (sec. 43 (e)) postpones the effective date of the amendments made by section 43 until 90 days after the enactment of the bill. The Senate amendment omits this provision. The bill as agreed to in conference (sec. 43) omits the proviso as to differentials, adopts the proviso as to common carriers on the Great Lakes, and retains the House provision as to the effective date.

Merchant marine training

Section 44 of the Senate amendment adds a new section, 216, at the end of title II of the act, authorizing the Commission, with the aid of other appropriate governmental agencies, to establish a system for the training of citizens to serve as personnel on American merchant vessels, and to establish the United States Maritime Service, to consist of personnel of the United States merchant marine enrolled under the provisions of the section. The House bill contains no comparable provision. The bill as agreed to in conference (sec. 44), in place of directing the establishment of the training system, directs the Commission, after consultation with all interests concerned, to prepare and report to Congress on or before January 20, 1939, a comprehensive system for such training, thus leaving the problem of training of seamen open for further study and report. The Maritime Service provided for in the Senate amendment is separate and distinct from the problem of such training of seamen, and the bill as agreed to in conference adopts the provisions relating to the Maritime Service but provides that it shall be a wholly voluntary organization.

Maritime labor disputes

Section 45 of the Senate amendment adds a new title X to the act. This new title provides for the creation of a maritime labor board, which is authorized, in respect of maritime labor matters, to assist in the making and maintaining of agreements and the interpretation of agreements in existence, and to use its good offices in the mediation of maritime labor disputes, except unfair labor practices and questions of employee representation, which remain under the jurisdiction of the National Labor Relations Board. The title provides that maritime employers and employees shall exert every reasonable effort to make and maintain agreements, and to settle their differences in conference, but no penalties are prescribed. The Maritime Labor Board is directed to submit to the President and to the Congress, on or before March 1, 1940, a plan for the establishment of a permanent Federal policy for the stabilization of maritime labor relations. The House bill contains no comparable provision. The bill as agreed to in conference (sec. 45) adopts the Senate provisions with certain modifications. These modifications strike out all provisions not strictly consistent with the voluntary character of the mediation machinery provided, omit all provisions imposing any duties on maritime labor in connection with labor matters, impose on the new Board the duty to use its efforts to induce employers and employees to settle disputes in conference, and make the Board a medium to which employers and employees may resort, if both parties are willing to do so.

Federal ship mortgage insurance

Section 44 of the House bill and section 46 of the Senate amendment both add a new title to the act to provide for Federal ship mortgage insurance. The substantive provisions of this title are the same in both the House bill and the Senate amendment, except that the Senate amendment excludes scows, dredges, lighters, tugs, towboats, showboats, barges, canal boats, car floats, and floating canneries or floating reduction plants, from the benefits of mortgage insurance under the title. The bill as agreed to in conference (sec. 46) makes eligible for ship mortgage insurance all types of passenger, cargo, and combination passenger-cargo-carrying vessels, tugs, towboats, barges, and dredges documented under the laws of the United States, and fishing vessels owned by citizens of the United States.

Application of the Walsh-Healey Act

Section 47 of the Senate amendment provides that the construction, alteration, furnishing, or equipping of any merchant vessel authorized by the bill, or the construction, alteration, furnishing, or equipping of any merchant vessel with funds from any appropriation available for such purposes, contracts for which are made after June 30, 1938, shall be in accordance with the provisions of Public, No. 846, Seventy-fourth Congress (the so-called Walsh-Healey Act, relating to minimum wages, maximum hours, child labor, and so forth, in connection with Government contracts). The House bill contains no comparable provision. The bill as agreed to in conference omits this section of the Senate amendment.

S. O. BLAND,
WM. I. SIROVICH,
ROBERT RAMSPECK,
AMBROSE J. KENNEDY,
RICHARD J. WELCH,
FRANCIS D. CULKIN,
Managers on the part of the House.

Mr. BLAND. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, the bill as it passed the House met with the very general approval of the House. It went to the Senate and the bill was entirely stricken out and another bill was substituted, but in the main many of the features were identical with those in the bill as it passed the House. The bill contains many important features for the upbuilding of the American merchant marine. It includes the ship-mortgage insurance provision, which in the House proved to be very generally popular.

I am not going to take very much time in the discussion of the features generally, but direct particular attention to certain provisions in the conference report that have been made the subject of considerable attack and which, I understand, form the controversial portions of this bill. I refer particularly to the items involving the training of seamen and the Mediation Board.

Letters have been sent to the Members of the House attacking particularly these provisions. It will be recalled that they were not inserted in the House bill. I thought then, as I think now, that it would have been better to have omitted those provisions, but after dealing with the Senate and necessarily respecting the necessities of the occasion in order to reach a compromise and agree on a bill, I believe we have brought back a bill that is entirely free from any of the criticisms and objections that have been leveled against it. I am going to try in the limited time we have to show there is no foundation for the belief that the training system could be used by any possibility for the purpose of strikebreaking.

Mr. O'MALLEY. Mr. Speaker, will the gentleman yield?

Mr. BLAND. I yield to the gentleman from Wisconsin.

Mr. O'MALLEY. Is the gentleman going to give us the opportunity to vote upon the training-school provision and the Mediation Board provision?

Mr. BLAND. The conference report comes as a unit, and I have no opportunity to do that. I shall ask that the vote be the usual vote to sustain the conference report.

Mr. O'MALLEY. We shall either have to take the conference report as an entirety or nothing?

Mr. BLAND. Yes.

The training provision insofar as the training of citizens was concerned was changed in the conference so the Commission is required to submit a comprehensive system of training of seamen on or before January 20, 1939. Therefore, you need give that item no concern.

However, there was a provision in subsection (b) for the establishment of what is known as the United States maritime service. Provision was made that this should be a voluntary organization, and it was provided in the act that it should consist of what? Not people on the outside, but such licensed and unlicensed personnel of the United States merchant marine as may be enrolled under the provisions of this section. One of the reasons was that there were 11,000 seamen on the beach, 11,000 seamen that were on relief, and it was believed that an opportunity was afforded to give them training in the advancement of those things that would be better for themselves and make them better seamen, yet take them to some extent off relief. If there are volunteers—and all must be volunteers—in the service who want to come in for this training, they should do so.

After this letter was sent, knowing that it was a situation that would probably put my colleagues on the spot in some respects, and determined to see to it that they would be satisfied that there was no strike-breaking organization involved, I got several of the gentlemen together in my office and tried to reach an agreement. I thought we had reached one. I thought they would be able to get together and present something that would be satisfactory to all, but it was not done. Then Admiral Land sent me this letter:

Confirming our conversation this morning, it is the understanding of the Commission that section 216 (a) of the amendments to the Merchant Marine Act, 1936, as passed by the Senate was changed in conference to provide that the system of training contemplated by that subsection is not to be put into effect until it has been submitted to and approved by the Congress.

That relates to the training of citizens.

Subsection (c), therefore, could have no application to this section.

Subsection (b) contemplates the establishment of the United States Maritime Service, which would be a purely voluntary organization, open to licensed and unlicensed personnel who have been employed at least 1 year on board the vessels of the United States and who desire to take advantage of a brief period of training each year in order to enable them to become more proficient in their duties.

Then let me call attention to this:

This is to advise you that the Commission intends to consult with representatives of the licensed and unlicensed personnel and any others interested in formulating any program under this subsection.

But I feared that that would not satisfy the opponents and show that this was not to be a strikebreaking organization, and I went back to them again in order that the men on the floor might be satisfied, and I have here another statement that has been approved by the Commission at a regular session, and I am going to ask your careful attention to this:

The United States Maritime Service authorized in section 216 (b) of section 44 of the bill H. R. 10315 is to be composed only of such licensed and unlicensed personnel of the United States merchant service as shall voluntarily join the organization. There is to be no pressure of any kind to induce any person to join and no prejudice against anyone who does not join.

The persons enrolling must be licensed or unlicensed personnel who at the time of enrollment must have been employed on merchant vessels of the United States at least 1 year. In addition to giving those now actually employed on vessels an opportunity to become more proficient and skilled, it will permit the enrollment of a number of experienced seamen who are now out of employment and wish to take advantage of the opportunity to be gainfully occupied and to become more proficient in their work. This does not permit an increase of the number of seamen through this source. No unemployed young man lacking the service requirement will be accepted for training in the proposed service. This service has no connection whatever with the system for the training of cadets, which system has already been in effect for approximately 10 years. Hence the issuance of certificates to this class of men is in no way involved in maritime service.

Until and unless—

Mark this—

Until and unless hereafter provided by Congress, persons other than existing seamen or existing licensed personnel will not be trained. There cannot and will not be accepted for enrollment in the maritime service any person who has not been employed at least 1 year on board merchant vessels of the United States.

The term of service under section 216 (b) shall not be more than 3 months the first year and 1 month each year thereafter. The number of persons who will be enrolled in the maritime service before the next session of Congress will depend, of course, on the number of applicants and the facilities available.

In order to instruct the enrollees in all phases of their calling, such as use and operation of lifesaving equipment, signals, and fundamentals of navigation, and so forth, the Commission contemplates availing itself of the services and the facilities of the Coast and Geodetic Survey, the Procurement Division, and the Coast Guard of the Treasury Department.

Now, listen:

The enrollees will not be subject to the direction or control of the Maritime Commission or of any of the agencies which it may employ in any respect whatsoever except during the period of their service. During such period enrollees will be subject to the supervision of the Maritime Commission and such other agencies only to the extent necessary to effectuate the purposes of the program.

The foregoing represents the contemplated plans of the Maritime Commission in case the proposed section 216 is enacted.

Then I went one step farther and I said to them, "What do you intend to do? Are you going to use these men on any of the merchant vessels of the United States during their period of training?" and they assured me that they would not use them on the merchant vessels of the United States.

Then, Mr. Speaker, how can they be used as strikebreakers?

Now, let me say another thing. There is a resolution pending before the House reported by the Rules Committee authorizing the Committee on Merchant Marine to study during the recess of Congress the various problems that come before that committee. One of the problems that we recommended for study was training; another was construction, including the different costs of construction; another was mediation and all the other problems, because it is my opinion that the committees of Congress should serve as a board of directors for the Maritime Commission and should know what is going on. This resolution has the support, uniformly, of labor. They all want it. The very people who are fighting this bill want that resolution. They say they want the committee to do this, and, as chairman of the Committee on Merchant Marine and Fisheries, when this service is established, I shall request monthly reports to me as chairman as to what is being done. So I think we have met the situation completely and that there is no danger involved whatsoever. One reason I did not care to have this provision in here was because, as I have so often said, seamen are suspicious, and feared the psychology of the situation. Therefore, I preferred that these problems should go over, but in order to get a bill, we were compelled to accept these provisions. I believe you will say we have fortified the situation pretty well.

The other provision to which exception is taken is the Mediation Labor Board. That provides for the appointment of three commissioners.

Mr. BUCK. Mr. Speaker, will the gentleman yield?

Mr. BLAND. Please let me finish this. The Mediation Labor Board has no power to compel anybody to do anything. It simply serves as a conciliatory body. Objection is made that it means the spending of millions of dollars. How in the name of Heaven, when it is to make its report in 1940, it can spend millions of dollars is more than I can see. It is made up of three commissioners, appointed by the President of the United States and confirmed by the Senate, and those three commissioners receive $10,000 a year. They have some organization, and they will work and study on labor problems. I would have been glad to omit that provision but here is what we would have been up against. If we did not have this board, then we would have been compelled to rely upon the Maritime Commission

to make the report called for in the bill. Whether justly or unjustly, the Maritime Commission does not stand very well with the seamen. They are critical of it, they are suspicious of it, and again I believe the operators are a little bit that way, too. When it comes to the Labor Department, the operators are not so keen about the Labor Department. What was the best thing to do? To provide an independent agency that could serve as a conciliatory body, that would attempt no compulsion, but would try to bring them together and try in its contacts with the labor organizations, in its contacts with the Department, and in its contacts with my committee, to offer some system that would meet the approval of all.

I think it is more psychological than anything else. I do not think the labor organizations and the Maritime Commission are very far apart, but if I am dealing with you, and I have no confidence in you and your judgment, and you are dealing with me with practically the same psychology, the only answer is to bring in some other person who will attempt to solve our difficulties, someone in whom we will have confidence. The seamen want it worked out, the industry wants it worked out, the public wants it worked out, and we are trying to help work it out, and I hope that by unanimous consent I may be able to get the House to adopt that resolution authorizing my committee to continue its study during the recess, to work along with all of these agencies, and try to reach a solution of this vexed and vexing question. I believe that we have presented the best solution under the circumstances, and if this bill went back to conference with the attitude that was manifested by some of the Senators at the time, I fear very much that we will lose the many good things in this bill, and in addition to that, we will lose the opportunity to solve this great problem.

Mr. BIERMANN. And there is nothing in this report that subsidizes or in any way gives a gratuity to intercoastal ships?

Mr. BLAND. Absolutely nothing.

Mr. CARLSON. Mr. Speaker, will the gentleman yield?

Mr. BLAND. Yes.

Mr. CARLSON. I find in section 43 of the conference report that you are amending the Intercoastal Shipping Act, giving to the Commission the power to enforce a just and reasonable rate.

Mr. BLAND. That was done by both the House and the Senate. The only amendment that we made was in striking out the provision which nearly all of them objected to, giving a rate differential based on service and that sort of thing, and added a provision giving 90 days to work on. That has nothing to do with a subsidy.

Mr. CARLSON. And does the gentleman feel that this Commission will be able to cooperate with the Interstate Commerce Commission on general rates for all transportation by this amendment?

Mr. BLAND. I think so.

Mr. O'MALLEY. Mr. Speaker, I gather from the gentleman's statement about the training school, which was thought originally to have three stations at which men would be trained, that under the terms of the conference report this training program will not go into effect.

Mr. BLAND. That is for the people outside. It only goes into effect in connection with the maritime service, and that is limited, as I have expressed.

Mr. O'MALLEY. The original plan was to have three training schools, and to relieve unemployment by having 2,750 men for 3 months from the ranks of seamen, and then 500 from the ranks of other unemployed.

Mr. BLAND. That is all out so far as outside citizens are concerned.

Mr. O'MALLEY. Is it out by law or by escapement?

Mr. BLAND. So far as the unemployed are concerned, those who are not citizens, it is out because nothing can be done until the report is submitted to Congress, and adopted by the Congress. Under the personnel of seamen, it is in only to the extent that it must be licensed personnel of more than 12 months, taken from free sailors or those on the beach. They must be seamen.

Mr. O'MALLEY. And that begins right away.

Mr. BLAND. If we are studying it under the resolution we may be prepared in January to come back and recommend something. So far as that section is concerned, I may say to the gentleman from Wisconsin that I attach no more virtue to it as a permanent thing than I would if it were not in the bill.

Mr. O'MALLEY. I have a communication here from the Maritime Union Federation of the Pacific. Was this agreement entered into after this communication was sent out and labor was under the impression that this school would be set up and that thousands of persons would be trained to compete with already unemployed sea labor?

Mr. BLAND. It has been a progressive thing up to the present time. For instance, this statement I read a while ago was the result. This letter was sent some time——

Mr. O'MALLEY. June 6 the letter was sent out both by the Pacific and Atlantic maritime unions.

Mr. BLAND. On June 8 we had the conference on which Admiral Land's letter is based, also items that have been worked out subsequent to that time.

Mr. MASON. Mr. Speaker, will the gentleman yield?

Mr. BLAND. I yield.

Mr. MASON. Was this bill approved by Bridges of the west coast?

Mr. BLAND. That is beyond my knowledge. I have no information of Mr. Bridges' position any more than the gentleman has.

Mr. BUCK. Mr. Speaker, will the gentleman yield?

Mr. BLAND. I yield.

Mr. BUCK. As I understand section 43, about which a question was asked a minute ago, now authorizes the establishment of uniform rates regardless of the service rendered in intercoastal and coastwise transportation.

Mr. BLAND. Only one line was asking for that and it was found it involved too much embarrassment. It is worked out like the Interstate Commerce Commission.

Mr. BUCK. Has any change been made in the basic law which would make any difference in the determination of the Commission to establish all essential rates?

Mr. BLAND. No.

Mr. BUCK. None at all?

Mr. BLAND. No.

Mr. BUCK. But this absolutely gives them power to fix permanent definite rates.

Mr. BLAND. Yes. The rates are filed by the lines and then if they are not satisfactory——

Mr. BUCK. They are passed on just like the Interstate Commerce Commission passes on rates?

Mr. BLAND. Yes; as it is done in the Interstate Commerce Commission.

Mr. COLMER. Mr. Speaker, will the gentleman yield?

Mr. BLAND. I yield.

Mr. COLMER. Is provision continued in this conference report for the training of these people in collaboration with the Coast Guard?

Mr. BLAND. Provision is not made in the conference report but they say they could use any of the agencies of the Government which I have read. Those are the agencies which are to be used.

Mr. LUDLOW. Mr. Speaker, will the gentleman yield?

Mr. BLAND. I yield.

Mr. LUDLOW. I notice in the conference report authorization is given to the Commission to enter upon a new program of buying vessels. Does the gentleman know how extensive this program will be?

Mr. BLAND. I do not think that will be extensive. That is just to take advantage of opportunities that sometimes arise to get a vessel that is not making money that will serve on some other lines.

Mr. LUDLOW. I noticed also that authorization is given to pay 5 percent above the cost price of such vessel. Is not that a rather unusual provision?

Mr. BLAND. No; I think that is the usual provision.

[Here the gavel fell.]

Mr. BLAND. Mr. Speaker, I yield 5 minutes to the gentleman from Maine [Mr. OLIVER].

Mr. OLIVER. Mr. Speaker, it is with great regret that as a member of the Committee on Merchant Marine and Fisheries I rise tonight in opposition to the conference report which has been presented to us for a vote. For a long time, as our distinguished colleague from New York has said, the members of the committee sat in constant conference and in constant hearings with regard to proposed amendments to the Merchant Marine Act of 1936. In these hearings we had appear before us various labor leaders, various representatives of industry, and representatives of the Maritime Commission. As a result of these hearings the House committee decided in its best judgment that we should report to the House a bill which did not contain provisions as to mediation and did not contain provisions as to training. That bill, as you now know, was passed by the House without any serious controversy. However, on the other side of the Capitol a different atmosphere seemed to prevail. There seemed to be an attitude that was more or less hostile to the labor interests of this country. As a result, tonight we have before us a conference report which contains both mediation and training provisions.

It is my understanding that with regard to training provisions the Maritime Commission now, under previous legislation, has the possibility and the authority to give employment in a training way to various individuals of this country. I understand this authority comes to the United States Maritime Commission from the old Shipping Board authority. I see no reason why at this late date we should have a conference report presented to us containing training provisions. As the gentleman from New York [Mr. SIROVICH] has said, it seems to me this conference report simply has as its primary result the waving of the red flag in the face of the labor interests of this country, and I can see no reason why at this late date we should find ourselves in the position of saying to the labor unions, whether they are right or whether they are wrong, "We are going to set up training provisions in spite of what you may think is best for you, and as a result, stop the agitation and stop the aggravation that was prevalent in this country in the maritime industry during the year 1937."

Mr. SIROVICH. Mr. Speaker, will the gentleman yield?

Mr. OLIVER. For a brief question.

Mr. SIROVICH. Apropos of the gentleman's statement, we have training schools today in Connecticut, New York, Pennsylvania, and California, that for 50 years have been training seamen.

Mr. OLIVER. The gentleman is correct.

Mr. MAVERICK. Mr. Speaker, will the gentleman yield?

Mr. OLIVER. I yield to the gentleman from Texas.

Mr. MAVERICK. Were hearings held in the House on this particular provision?

Mr. OLIVER. We had hearings before the House committee, and we turned down training provisions for the time being and in the report of the committee presented to the House stated that we advocated a further study of this matter and a report back to the Congress during the early months of the next Congress. It seems to me, Mr. Speaker, that that particular provision is far wiser and much more intelligent than the course which has been presented here tonight as a recommendation, I personally believe, coming from perhaps a couple of Members of the body on the other side of the Capitol.

However, the main point on which I oppose this conference report is that it contains provisions for a mediation board. Have we not got to the point, Mr. Speaker, in the procedure of this Congress, where we are finally going to conclude that we should not set up any further separate bodies or commissions? Have we not come to the point where we believe that the further expense incident to the administration of additional boards is something that the taxpayers of this country do not want? [Applause.]

[Here the gavel fell.]

Mr. BLAND. Mr. Speaker, I yield 10 minutes to the gentleman from New York [Mr. CULKIN].

Mr. CULKIN. Mr. Speaker, the objection that has been raised to the training section of this bill by the distinguished gentleman from New York [Mr. SIROVICH] seems to me somewhat forced and strained. I agree with the gentleman it was the purpose of our committee in the House, and we have been considering this subject for 2 years, to leave out of this bill for the present session mediation and training provisions. When, however, we got into the sacred precincts of the Senate we found a somewhat different set-up. The Senate had the belief that if the American merchant marine is to survive on the seas some form of mediation must be set up and some form of training must be established. It was the patriotic contention of the Senators that these steps were definitely necessary if some of the extraordinary performances of marine labor were to be cured. I do not have time now to go into a review of that subject; but you know all about it.

You saw the spectacle very recently of three sets of pickets going around one lone ship. It was confusion worse confounded. Therefore, the conferees on the part of the Senate, none of them a reactionary, none of them opposed to labor, but all of them standing for labor, as I do, in its reasonable demands, insisted that some such provision should go into this bill, otherwise this legislation would fail and the American merchant marine would pass from the seas. The House should know that. If this legislation becomes law at this session 200,000 men will be put to work in the shipyards and in the rest of the country getting the raw materials out for this work.

The House Members of the committee of conference kept faith with the position of the House committee, so we bring back to you tonight this bill wherein the training and mediation features are completely neutralized. You have my solemn word that labor is seeing ghosts on this question. Some of the labor leaders are crowding the mourners. They are preying on the fears of certain Members of the House.

It is a fact, may I say, that this merchant marine is under the law an American merchant marine created for national defense and keeping our flag on the seas. It is not an American merchant marine for the benefit of capital or the operators or for the benefit of the men. That sort of thing is incongruous under this Government.

It has been tried before and did not work. This time we are going to build a merchant marine in which the Government, the principal contributor, has something to say. So completely did we satisfy the wishful thinking of the distinguished and learned doctor, the gentleman from New York [Mr. SIROVICH]; so completely did we satisfy him that he, without let or hindrance, signed the conference report. The distinguished gentleman from California [Mr. WELCH], a man who stands four-square for labor, who knows labor and deeply sympathizes with the problems of labor, also signed this conference report. Then this hullabaloo, unjustified and uncalled for, went up. Somewhere in the labor set-up somebody objects to the Congress having anything to say about personnel on the ships we are paying for.

Mr. Speaker, we are going to spend five or six hundred million dollars, and undoubtedly more, on an American merchant marine. Every safeguard by collective bargaining and by every procedure possible, statutory and otherwise, is thrown around the sailors on these ships. They come into a new life. They will have a decent wage. They will have proper and decent food and splendid quarters. We are doing that, and the committee is unanimous for it.

I am for labor. Every man on this committee is sympathetic toward labor, but we do not want any soviets on board these ships. We want the ships run by the captains. We want the ships operated, if you please, not in the interest or by the whims of walking delegates but in the interest of the public.

I repeat there is a public interest in the merchant marine. The public go on these ships and the public right is superior to either the operators or the men. But I say to you that in

no respect is labor affected adversely by this legislation. I introduce as evidence in chief again the fact that the gentleman from New York, the distinguished doctor, an outstanding friend of labor, signed this conference report and the distinguished gentleman from California, who is always ready to strike a blow in the interest of labor, also signed the conference report.

Mr. SIROVICH. Mr. Speaker, will the distinguished gentleman yield?

Mr. CULKIN. I yield.

Mr. SIROVICH. My distinguished friend, for whom I have a very wholesome regard, agrees with me there was no opposition by any member of our committee when we signed the report and agreed that no comprehensive report shall be approved before January 20 of next year on either side.

Then when this came up——

Mr. CULKIN. Now, Doctor, you had your time, please.

Mr. SIROVICH. Would the gentleman allow me to ask a question?

Mr. CULKIN. I understand the situation. The gentleman signed the conference report, and since then the gentleman has had assurances, I have had assurances, and the chairman has had assurances from the Maritime Commission that there will be no strikebreaking phase to this training. The unemployed seaman will in fact be taken off the beach. These assurances are in the record. If you do not know it—and some of the Members present do not seem to know it—the Maritime Commission is in fact fighting for more employment and better conditions and pay for these men. So I say in all seriousness you can vote for this conference report without feeling that you are in any sense derelict in the duty you owe labor; in fact, in my judgment, and I say this solemnly, passing this conference report by this House will, in fact, stimulate and advance beyond peradventure the well-being of maritime labor and its greater employment. I urge you, if you are interested in keeping the American flag on the seas, to vote for this conference report and so accept it. [Applause.]

Mr. BLAND. Mr. Speaker, I yield 5 minutes to the gentleman from Wisconsin [Mr. O'MALLEY].

Mr. O'MALLEY. Mr. Speaker, it is not my purpose to come down here and enter into a controversy about ghosts. There is no gentleman in this House that I would sooner go along with upon a merchant marine bill than the distinguished gentleman from Virginia, who has always been fair, who has given us all the time he could whenever we have disagreed with him, and has always done everything he could to have both sides of a matter presented.

It is so today that labor has a justified fear that the Maritime Commission will use this training school, which some Members of the other body have insisted upon setting up, to provide men to run them out of the too few jobs that they have now.

Mr. O'CONNELL of Montana. Mr. Speaker, will the gentleman yield?

Mr. O'MALLEY. If I can, later. The conferees have indicated to this House that they tried to get the Maritime Commission to agree that they would do nothing about this training school until next session of Congress, and I read from Admiral Land's letter in which he does not agree, and in which he refuses to agree that the Maritime Commission will let this go until next session, for he says:

> The remainder of the section was changed only by the insertion of language making clear that the United States Maritime Service is to be a purely voluntary organization.

Then he goes on further to say:

> The Commission must assume that the Congress would intend that it proceed in accordance with the terms thereof.

In other words, he assumes that Congress intends them to start this school right now. Labor has seen some ghosts that have become very real. After we have adjourned, they have a right to fear that if they cannot get a direct answer, and if Congress cannot get a direct answer, that this thing will be put into effect, that the Commission intends to put it into effect immediately after adjournment, because if they do not intend to do so, we should have in this conference report a prohibition that they cannot put it into effect after we have adjourned. I ask the chairman of the committee if they are prohibited in any way, in the law that this conference report will enact, from putting this school into effect?

Mr. BLAND. They cannot put in training service except this marine service of licensed and unlicensed personnel.

Mr. O'MALLEY. Then they can put the training service in, and I ask unanimous consent to insert in my remarks at this point a letter from the maritime unions and from their legislative representatives, both Pacific and Atlantic. They fear this. I do not like to vote against this conference report. It was a fine bill, but somebody somewhere seeks to give competition to the already distressed seamen who are looking for jobs, and they seek to set up a training school to build up a special privileged class of those who were trained to run the men off the jobs, who happen to have been in that trade for many years.

Mr. MAVERICK. Does not the gentleman think it is unfair to lug something in that is entirely new on which we have not any kind of a report?

Mr. O'MALLEY. I think it is unfair, but that is the old gag that they always work in the last days of a Congress. That is the way they put over this rotten stuff, and that is the way they put it over on labor. They say, "Oh, we will lose a good bill if we don't do this," and I can see no harm in delay, because I think we will be here next week, and we should vote this down and get another crack at it.

Mr. MAVERICK. Have we any trained seamen now?

Mr. O'MALLEY. We have dozens of trained seamen on the beach looking for a job.

Mr. MAVERICK. And the gentleman thinks they could get a bill back within the next few days?

Mr. O'MALLEY. I hope this House has courage enough to vote this conference report down, because it has been handed to us that we will get the bill back. I do not think those who want the maritime bill are going to insist upon this little thing that we are told in one breath is unimportant and does not mean anything and that they are not going to put into effect, but in the next breath they say that unless it is retained will kill the whole bill.

[Here the gavel fell.]

Mr. BLAND. Mr. Speaker, I yield myself 4 minutes.

Mr. Speaker, there is absolutely no way under this bill that the people who are out of the service can be taken in and trained; but it does provide training for some of the 11,000 seamen that are on the beach. You remember the criticism that followed the *Morro Castle* disaster and read the statements in the paper that the American seamen needed training. I have never subscribed to the way in which they have been criticized. I have been their friend, but I want to relieve the apprehension of the American people, and I want to meet the criticism of foreigners, and I want to provide some means of giving some help to these seamen of 12 years' service who are on the beach and who will get only 3 months' training that the Maritime Commission says will give them no control, no power, and nothing to say what they shall do thereafter.

How in the name of heaven are you going to make strikebreakers out of those men?

Then there is a provision to train men in the service who voluntarily want training. I do not know that any of them will accept. We make this provision so that they can accept if they desire.

So far as the National Mediation Board is concerned, that gives us another agency that is working to solve the same problems of the American merchant marine.

I think I gage the sentiment of the conferees a great deal better than gentlemen who were not present in the conference session. For 4 days, and all day on Memorial Day, we fought there in that conference chamber to carry across the House provisions; and finally to save this situation, to save the merchant marine, to do something for the very

people who are criticizing us now we agreed to this conference report.

Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the conference report.

The question was taken; and on a division (demanded by Mr. BOILEAU) there were—ayes 155, noes 50.

Mr. BOILEAU. Mr. Speaker, I object to the vote on the ground that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] Two hundred and thirty-one Members are present, a quorum.

Mr. BOILEAU. Mr. Speaker, I ask for the yeas and nays.

The yeas and nays were refused.

So the conference report was agreed to.

A motion to reconsider was laid on the table.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. DEMUTH, indefinitely, on account of illness in his family.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 457. An act to further amend the Civil Service Retirement Act, approved May 29, 1930; to the Committee on the Civil Service.

S. 2783. An act to amend the China Trade Act, 1922, as to the duration of the China Trade Act corporations; to the Committee on the Judiciary.

ADJOURNMENT

Mr. RAYBURN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 8 o'clock and 34 minutes p. m.) the House adjourned until Monday, June 13, 1938, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON NAVAL AFFAIRS

There will be a full open meeting of the Committee on Naval Affairs on Monday, June 13, 1938, at 10 a. m., for the consideration of Senate amendments on H. R. 9997, naval personnel. Very important.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. ELLIOTT: Committee on the Disposition of Executive Papers. House Report No. 2702. Report on the disposition of executive papers in the Navy Department. Ordered to be printed.

Mr. ELLIOTT: Committee on the Disposition of Executive Papers. House Report No. 2703. Report on the disposition of executive papers in the Treasury Department. Ordered to be printed.

Mr. ELLIOTT: Committee on the Disposition of Executive Papers. House Report No. 2704. Report on the disposition of executive papers in the Commodity Credit Corporation. Ordered to be printed.

Mr. ELLIOTT: Committee on the Disposition of Executive Papers. House Report No. 2705. Report on the disposition of executive papers in the Department of Agriculture. Ordered to be printed.

Mr. ELLIOTT: Committee on the Disposition of Executive Papers. House Report No. 2706. Report on the disposition of executive papers in the Interior Department. Ordered to be printed.

Mr. ELLIOTT: Committee on the Disposition of Executive Papers. House Report No. 2707. Report on the disposition of executive papers in the Department of Agriculture. Ordered to be printed.

Mr. ELLIOTT: Committee on the Disposition of Executive Papers. House Report No. 2708. Report on the disposition of executive papers in the Department of Labor. Ordered to be printed.

Mr. ELLIOTT: Committee on the Disposition of Executive Papers. House Report No. 2709. Report on the disposition of executive papers in The National Archives. Ordered to be printed.

Mr. ELLIOTT: Committee on the Disposition of Executive Papers. House Report No. 2710. Report on the disposition of executive papers in the Veterans' Administration. Ordered to be printed.

Mr. ELLIOTT: Committee on the Disposition of Executive Papers. House Report No. 2711. Report on the disposition of executive papers in the Department of Agriculture. Ordered to be printed.

Mr. ELLIOTT: Committee on the Disposition of Executive Papers. House Report No. 2712. Report on the disposition of executive papers in the Social Security Board. Ordered to be printed.

Mr. ELLIOTT: Committee on the Disposition of Executive Papers. House Report No. 2713. Report on the disposition of executive papers in The National Archives. Ordered to be printed.

Mr. SADOWSKI: Committee on Interstate and Foreign Commerce. H. R. 9739. A bill to amend the Interstate Commerce Act, as amended, by amending certain provisions of part II of said act, otherwise known as the Motor Carrier Act, 1935; with amendment (Rept. No. 2714). Referred to the Committee of the Whole House on the state of the Union.

Mr. RAMSPECK: Committee on the Civil Service. S. 3548. An act to amend section 9 of the Civil Service Retirement Act, approved May 29, 1930, as amended; without amendment (Rept. No. 2717). Referred to the Committee of the Whole House on the state of the Union.

Mrs. NORTON: Committee on Labor. S. 3516. An act to alter the ratio of appropriations to be apportioned to the States for public employment officers affiliated with the United States Employment Service; without amendment (Rept. No. 2718). Referred to the Committee of the Whole House on the state of the Union.

Mrs. NORTON: Committee on Labor. S. 3798. An act to amend the act entitled "An act to establish a Civilian Conservation Corps, and for other purposes," approved June 28, 1937; without amendment (Rept. No. 2719). Referred to the Committee of the Whole House on the state of the Union.

Mr. MAAS: Committee on Naval Affairs. S. 3337. An act to amend section 2 of the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1919, and for other purposes," approved July 1, 1918, to increase the authorized percentage of privates, first-class, in the Marine Corps from 25 to 40 percent of the whole number of privates; without amendment (Rept. No. 2720). Referred to the Committee of the Whole House on the state of the Union.

Mr. MAAS: Committee on Naval Affairs. S. 4070. An act to authorize the attendance of the Marine Band at the United Confederate Veterans' 1938 Reunion at Columbia, S. C., from August 30 to September 2, 1938, both dates inclusive; without amendment (Rept. No. 2721). Referred to the Committee of the Whole House on the state of the Union.

Mr. EICHER: Committee on Interstate and Foreign Commerce. H. R. 10726. A bill to provide that the Omaha-Council Bluffs Missouri River Bridge Board of Trustees shall be composed wholly of public officers; with amendment (Rept. No. 2722). Referred to the House Calendar.

Mr. WITHROW: Committee on Interstate and Foreign Commerce. H. R. 10777. A bill authorizing the village of Baudette, State of Minnesota, its successors and assigns, to construct, maintain, and operate a bridge across the Rainy River at Baudette, Minn.; with amendment (Rept. No. 2723). Referred to the House Calendar.

Mr. WITHROW: Committee on Interstate and Foreign Commerce. H. R. 10842. A bill creating the Cassville-Guttenberg Bridge Commission and authorizing said commission and its successors to construct, maintain, and operate a bridge or bridges across the Mississippi River at or

near Cassville, Wis., and Guttenberg, Iowa; without amendment (Rept. No. 2724). Referred to the House Calendar.

Mr. EICHER: Committee on Interstate and Foreign Commerce. H. R. 10866. A bill authorizing the States of Minnesota and Wisconsin, jointly or separately, to construct, maintain, and operate a free highway bridge across the Mississippi River at or near Winona, Minn.; without amendment (Rept. No. 2725). Referred to the House Calendar.

Mr. PARSONS: Committee on Coinage, Weights, and Measures. H. R. 2734. A bill to authorize the coinage of 50-cent pieces in commemoration of the four hundredth anniversary of the journey and explorations of Francisco Vasquez de Coronado; without amendment (Rept. No. 2736). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. KENNEDY of Maryland: Committee on Claims. S. 2702. An act for the relief of James A. Ellsworth; without amendment (Rept. No. 2726). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 3062. An act for the relief of Thomas H. Eckfeldt; without amendment (Rept. No. 2727). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 3251. An act for the relief of Alice Minnick; without amendment (Rept. No. 2728). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 3405. An act conferring jurisdiction upon the Court of Claims of the United States to hear, examine, adjudicate, and render judgment on the claim of the legal representative of the estate of Rexford M. Smith; without amendment (Rept. No. 2729). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 3682. An act for the relief of Lofts & Son; without amendment (Rept. No. 2730). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 3817. An act for the relief of John Haslam; without amendment (Rept. No. 2731). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 3830. An act for the relief of William C. Willahan; without amendment (Rept. No. 2732). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 3891. An act to provide for the reimbursement of certain enlisted men of the Navy for the value of personal effects lost in a fire at the Naval Air Station, Hampton Roads, Va., May 15, 1936; without amendment (Rept. No. 2733). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 3921. An act for the relief of Remijio Ortiz; with amendment (Rept. No. 2734). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 4005. An act for the relief of Ida May Swartz; without amendment (Rept. No. 2735). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 2412. An act for the relief of A. Pritzker & Sons, Inc.; without amendment (Rept. No. 2737). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII,

Mr. VOORHIS introduced a bill (H. R. 10894) to transfer the duties, powers, and functions of the Social Security Board under titles III and IX of the Social Security Act, relating to unemployment compensation, to the Department of Labor, and for other purposes, which was referred to the Committee on Ways and Means.

By Mr. FISH: Resolution (H. Res. 529) providing for the creation of a congressional committee and the consent of a majority thereof before any foreign political commitments are entered into; to the Committee on Foreign Affairs.

By Mr. JONES: Concurrent resolution (H. Con. Res. 63) to create a joint congressional committee to investigate the adequacy and use of the phosphate resources of the United States; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BROWN: A bill (H. R. 10895) to amend an act of Congress approved August 16, 1937, relating to death damage claims in the cases of Marshall Campbell and Raymond O'Neal; to the Committee on Claims.

By Mr. CARLSON: A bill (H. R. 10896) granting an increase of pension to Nancy L. Willson; to the Committee on Invalid Pensions.

By Mr. CASE of South Dakota: A bill (H. R. 10897) for the relief of Bessie Bear Robe; to the Committee on Claims.

By Mr. GRAY of Indiana: A bill (H. R. 10898) for the relief of Arthur Hamilton; to the Committee on Military Affairs.

By Mr. O'TOOLE: A bill (H. R. 10899) granting an increase of pension to Sadie Isabel Monssen; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

5347. By Mr. BLOOM: Petition of residents of the Eleventh Assembly District of New York City, endorsing President Roosevelt's recovery plan and the wage and hour bill and urging the enactment of the various recovery measures and the wage and hour bill; to the Committee on Labor.

5348. By Mr. KENNEDY of New York: Resolution of the German American Conference of Greater New York: "We witness with great concern the increasing readiness with which our European policy is diverted from the road so wisely pointed out by our first President toward a direction which undoubtedly must lead to most dangerous entanglements; we believe that the serious problems facing us today are entirely domestic in origin; and we furthermore believe that a policy of nonintervention and of strict neutrality would materially tend to brighten the outlook into a better future; we deeply resent all endeavors to create ill feelings against certain European nations which are now emerging from the chaos caused by the most sinister of all treaties, the Versailles Treaty; and we insist that this Nation again be dedicated to the policy of the good neighbor"; to the Committee on Foreign Affairs.

5349. By Mr. KRAMER: Resolution of the Los Angeles Junior College, relative to the Spanish embargo; to the Committee on Ways and Means.

5350. By Mr. TINKHAM: Petition of residents of Boston, Mass., in support of House bill 4199, the General Welfare Act; to the Committee on Ways and Means.

SENATE

MONDAY, JUNE 13, 1938

(Legislative day of Tuesday, June 7, 1938)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar

day Friday, June 10, 1938, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries, who also announced that the President had approved and signed the following acts:

On June 8, 1938:

S. 1225. An act to provide for lunacy proceedings in the District of Columbia; and

S. 3092. An act for the relief of the Georgia Marble Co.

On June 10, 1938:

S. 1585. An act for the relief of Sallie S. Twilley;

S. 2742. An act for the relief of Mrs. C. Doorn;

S. 3209. An act to authorize the Secretary of War to grant an easement to the city of Highwood, Lake County, Ill., in and over certain portions of the Fort Sheridan Military Reservation, for the purpose of constructing a waterworks system; and

S. 3820. An act to authorize membership on behalf of the United States in the International Criminal Police Commission.

On June 11, 1938:

S. 2023. An act for the relief of Charles A. Rife;

S. 2655. An act for the relief of Lt. T. L. Bartlett;

S. 2709. An act for the relief of Mr. and Mrs. Joseph Konderish;

S. 2956. An act for the relief of Orville D. Davis;

S. 2979. An act for the relief of Glenn Morrow;

S. 3113. An act for the relief of the Congress Construction Co.; and

S. 3822. An act to authorize an increase in the basic allotment of enlisted men to the Air Corps within the total enlisted strength provided in appropriations for the Regular Army.

CALL OF THE ROLL

Mr. LEWIS. It is apparent that a quorum is not present. I suggest the absence of a quorum and ask for a roll call.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Connally	Hitchcock	O'Mahoney
Andrews	Copeland	Holt	Overton
Ashurst	Davis	Hughes	Pepper
Austin	Dieterich	Johnson, Calif.	Pittman
Bailey	Donahey	Johnson, Colo.	Pope
Bankhead	Duffy	King	Radcliffe
Barkley	Ellender	La Follette	Reames
Berry	Frazier	Lee	Reynolds
Bilbo	George	Lewis	Russell
Bone	Gerry	Lodge	Schwartz
Borah	Gibson	Logan	Schwellenbach
Brown, Mich.	Gillette	Lundeen	Sheppard
Brown, N. H.	Glass	McGill	Shipstead
Bulkley	Green	McKellar	Thomas, Utah
Bulow	Guffey	McNary	Townsend
Byrd	Hale	Maloney	Truman
Byrnes	Harrison	Miller	Tydings
Capper	Hatch	Minton	Wagner
Caraway	Hayden	Murray	Walsh
Chavez	Herring	Neely	Wheeler
Clark	Hill	Norris	

Mr. LEWIS. I announce that the Senator from Connecticut [Mr. LONERGAN], the Senator from California [Mr. McADOO], the Senator from Nevada [Mr. McCARRAN], the Senator from South Carolina [Mr. SMITH], the Senator from Oklahoma [Mr. THOMAS], and the Senator from Indiana [Mr. VAN NUYS] are detained in their respective States on important public business.

The Senator from Nebraska [Mr. BURKE] and the Senators from New Jersey [Mr. MILTON and Mr. SMATHERS] are unavoidably detained.

I request that this announcement stand of record for the day.

Mr. AUSTIN. I announce that the Senator from New Hampshire [Mr. BRIDGES] is absent because of the death of his wife.

The VICE PRESIDENT. Eighty-three Senators have answered to their names. A quorum is present.

SALARIES AND EXPENSES, BUREAU OF INVESTIGATION (S. DOC. NO. 213)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting draft of a proposed provision pertaining to an existing appropriation for "salaries and expenses, Bureau of Investigation, Department of Justice," which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

SUPPLEMENTAL ESTIMATE—ARMY MEDICAL LIBRARY AND MUSEUM (S. DOC. NO. 204)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting a supplemental estimate of appropriation for the fiscal year ending June 30, 1939, for the War Department, for the construction of a building to replace the present Army Medical Library and Museum, amounting to $3,750,000, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

FLOOD CONTROL—MISSISSIPPI RIVER AND ITS TRIBUTARIES (S. DOC. NO. 205)

The VICE PRESIDENT laid before the Senate draft of a proposed provision pertaining to appropriations for 1939, for the War Department, for the work of flood control, Mississippi River and its tributaries, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

SUPPLEMENTAL ESTIMATE, NAVY DEPARTMENT (S. DOC. NO. 206)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Navy Department, fiscal year 1939, expenses of the Marine Band, amounting to $11,750, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

OSAGE TRIBAL FUNDS, DEPARTMENT OF THE INTERIOR (S DOC. NO. 214)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting draft of a proposed authorization for the expenditure of $4,000 from Osage Indian tribal funds, Department of the Interior, fiscal year 1939, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

SUPPLEMENTAL ESTIMATE, ADMINISTRATION OF FAIR LABOR STANDARDS ACT (S. DOC. NO. 207)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting an estimate of appropriation for the administration of the Fair Labor Standards Act, fiscal year 1939, amounting to $500,000, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

SUPPLEMENTAL ESTIMATE, FEDERAL POWER COMMISSION (S. DOC. NO. 208)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Federal Power Commission, fiscal year 1939, amounting to $275,000, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

ESTIMATE FOR MARITIME LABOR BOARD (S. DOC. NO. 209)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting an estimate of appropriation for the Maritime Labor Board for the fiscal year 1939, amounting to $100,000, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

ESTIMATE, FEDERAL SHIP MORTGAGE INSURANCE FUND (S. DOC. NO. 210)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting an estimate of appropriation for the United States Maritime

Commission to establish the Federal ship-mortgage insurance fund, amounting to $1,000,000, fiscal year 1939, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

SUPPLEMENTAL ESTIMATE, ZONING COMMISSION OF THE DISTRICT (S. DOC. NO. 211)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting a supplemental estimate of appropriation of the Zoning Commission, District of Columbia, fiscal year 1939, amounting to $5,690, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

CENSUS OF PARTIAL EMPLOYMENT, UNEMPLOYMENT AND OCCUPATIONS (S. DOC. NO. 215)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting draft of a proposed provision pertaining to the Emergency Relief Appropriation Act of 1937, for completion of the Census of Partial Employment, Unemployment, and Occupations, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

ESTIMATE FOR TEMPORARY NATIONAL ECONOMIC COMMITTEE (S. DOC. NO. 212)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting an estimate of appropriation for the temporary National Economic Committee, fiscal year 1938, amounting to $500,000, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

SUPPLEMENTAL ESTIMATE, COMMEMORATION OF SEVENTY-FIFTH ANNIVERSARY OF BATTLE OF CHICKAMAUGA, AND OTHER BATTLES (S. DOC. NO. 216)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting a supplemental estimate of appropriation for the fiscal year ending June 30, 1939, for the Commission for the Commemoration of the seventy-fifth anniversary of the Battles of Chickamauga, Lookout Mountain, Chattanooga, and Missionary Ridge, amounting to $35,000, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

DISPOSITION OF PERSONAL PROPERTY FOUND IN VETERANS' ADMINISTRATION FACILITIES

The VICE PRESIDENT laid before the Senate a letter from the Administrator of the Veterans' Affairs, transmitting a draft of proposed legislation to provide for the vesting of title, and the disposition of personal property left or found upon premises used as Veterans' Administration facilities, and for other purposes, which, with the accompanying papers, was referred to the Committee on Finance.

STUDY OF INVESTMENT TRUSTS AND INVESTMENT COMPANIES

The VICE PRESIDENT laid before the Senate a letter from the Chairman of the Securities and Exchange Commission, transmitting, pursuant to law, part 1 of the Commission's report on the Study of Investment Trusts and Investment Companies, which, with the accompanying report, was referred to the Committee on Interstate Commerce.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a letter in the nature of a petition from Emma S. Abbott, of Seattle, Wash., praying for the enactment of House bill 4199, the so-called General Welfare Act, which was referred to the Committee on Finance.

He also laid before the Senate resolutions adopted by the Board of Supervisors of Tulare County, Calif., and the Board of Commissioners of Indian River County, Fla., favoring the prompt enactment of House bill 4199, the so-called General Welfare Act, which were referred to the Committee on Finance.

He also laid before the Senate a letter from I. B. Black, Washington, D. C., making certain suggestions relative to legislation to govern the carrying of insurance on taxicabs in the District of Columbia, which was ordered to lie on the table.

He also laid before the Senate a resolution adopted by the Association of Former Internes of Freedmen's Hospital, Washington, D. C., expressing appreciation for the making of increased appropriations and projected improvements for the Freedmen's Hospital and its environs, which was ordered to lie on the table.

He also laid before the Senate a resolution adopted by the Council of the City of Cincinnati, Ohio, commending the conferees on the part of the Senate and House of Representatives for agreeing upon compromise legislation for the control of pollution in the Ohio River, and favoring the prompt enactment of such legislation, which was ordered to lie on the table.

Mr. HOLT presented a resolution adopted by the Berkeley County Division of the West Virginia Petroleum Association, Martinsburg, W. Va., favoring the repeal of the Federal tax on gasoline, which was referred to the Committee on Finance.

Mr. CONNALLY presented a petition of sundry citizens of Borger and vicinity, in the State of Texas, praying for the adoption of policies designed to keep the United States out of war, and also for the adoption of an adequate national-defense program, which was referred to the Committee on Foreign Relations.

Mr. SHIPSTEAD presented 18 petitions numerously signed by sundry citizens of the State of Minnesota, praying for the adoption of policies designed to keep the United States out of war, and also the adoption of an adequate national-defense program, which were referred to the Committee on Foreign Relations.

He also presented a petition of sundry citizens of the State of Minnesota, praying for the enactment of legislation to stop advertising campaigns by the press and radio for the sale of alcoholic beverages, which was referred to the Committee on Interstate Commerce.

Mr. LODGE presented a letter from the Armenian Revolutionary Federation, Worcester, Mass., embodying a resolution adopted by that organization, which was referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

ARMENIAN REVOLUTIONARY FEDERATION,
12 AUSTIN STREET,
Worcester, Mass., June 12, 1938.

The Honorable HENRY CABOT LODGE,
Senator of Massachusetts.

DEAR SENATOR: The patriotic Armenian-Americans of Worcester, under the auspices of the Armenian Revolutionary Federation, assembled here today in public meeting on the occasion of the twentieth anniversary celebration of the Independent Armenian Republic of 1918, after having listened to the addresses of the speakers of the day—Prof. Francis Powers, representing His Excellency Governor Hurley; His Honor Mayor William A. Bennett, of Worcester; State Senator Selzo; Attorney Setraz Minas; Dr. N. Tashjian; and John DerHovanesian, summarizing the appalling state of affairs prevailing in Armenia under Soviet tyranny, based upon reports of the last 2 years, and particularly in view of the intensification of the Soviet purge there during the past 2 months, gives unanimous expression to the following sentiment:

"Whereas, as result of the Soviet purge of the last 2 years, Armenia has practically been deprived of her entire intellectual, cultural, and scientific leadership, partisan or nonpartisan alike, without distinction, through either imprisonment, exile, or outright execution;

"Whereas, according to latest trustworthy information, the army of Soviet Armenia has been removed to distant parts of Russia, rendering the defense of Armenia very precarious in case of danger, and their place has been taken by Russian troops whose dependability for defense is exceedingly questionable and who again may abandon Armenia to her fate in case of an internal or external complication as they did after the Bolshevik revolution of 1917;

"Whereas the Soviet policy of Russification, similar to the policy of the former Tzarist Government, is slowly but sternly replacing Armenian history, culture, and idealogy with a Russian equivalent which is alien to the Armenian people;

"Whereas Soviet Armenia has confiscated the estates of the Armenian Church, has converted its churches into warehouses and Communist club quarters, and has destroyed the authority of His Holiness, the Armenian Catholicos, by having made a virtual prisoner during the entire tenure of his office while he was alive, and lastly;

"Whereas the Soviet Cheka has outraged the Armenian sense of reverance by forcing and looting the sanctuary of the Armenian Catholicos, the Etchmiadzin of Armenia, whose sanctity had not been encroached upon even by the most barbarous hordes of history which overran Armenia, and where the Soviet Cheka murdered the Armenian Catholicos for having refused to surrender the keys of his holy institution, and for having stood firm for the rights of the Armenian Church: Be it

"*Resolved, therefore,* That this assembly unanimously expresses its profound indignation and its condemnation for the above-mentioned acts of the Soviet Government, and calls upon all civilized peoples of the world to exert their influence in preventing said Government from destroying the oldest Christian church, and from undermining the very life of one of the oldest races of history—the Armenian race."

Sincerely yours,

GARABED HIGHTAIAN.

REPORTS OF COMMITTEES DURING RECESS

Under authority of the order of the Senate of the 10th instant the following reports of committees were submitted during the recess of the Senate on June 11, 1938:

Mr. SCHWELLENBACH, from the Committee on Claims, to which was referred the bill (S. 3403) for the relief of James W. Rogers, reported it with amendments and submitted a report (No. 2121) thereon.

He also, from the same committee, to which was referred the bill (H. R. 3232) conferring jurisdiction upon the Court of Claims of the United States to hear, consider, and render judgment on the claims of Joliet National Bank, of Joliet, Ill., and Commercial Trust & Savings Bank, of Joliet, Ill., arising out of loans to the Joliet Forge Co., of Joliet, Ill., for the providing of additional plant facilities and material for the construction of steel forgings during the World War, reported it without amendment and submitted a report (No. 2122) thereon.

Mr. BAILEY, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H. R. 8423. An act for the relief of Frank W. Lohn (Rept. No. 2123);

H. R. 8544. An act for the relief of Alba C. Mitchell (Rept. No. 2124);

H. R. 9196. An act for the relief of J. T. Burt and Alice Burt (Rept. No. 2125);

H. R. 9674. An act for the relief of John Borowski, Benjamin H. Hammack, and Eber A. Wean (Rept. No. 2126); and

H. R. 8492. An act for the relief of Robert Doty, a minor (Rept. No. 2127).

Mr. CAPPER, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

S. 4167. An act for the relief of Shoshone Garage (Rept. No. 2131);

H. R. 9142. An act for the relief of J. J. B. Hilliard & Son (Rept. No. 2128);

H. R. 9277. An act for the relief of James M. Wright (Rept. No. 2129); and

H. R. 9825. An act for the relief of Raymond Pledger and Thomas P. Giacomini, Jr. (Rept. No. 2130).

Mr. BROWN of Michigan, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H. R. 447. An act for the relief of Alpha Vint (Rept. No. 2132);

H. R. 2149. An act for the relief of Capt. Guy L. Hartman (Rept. No. 2133);

H. R. 4367. An act for the relief of Perry Walker (Rept. No. 2134);

H. R. 6952. An act for the relief of Hattie Doudna (Rept. No. 2135);

H. R. 8380. An act for the relief of Glenn R. Martin (Rept. No. 2136);

H. R. 8417. An act for the relief of John B. Dollison (Rept. No. 2137);

H. R. 8424. An act for the relief of John F. Dailey and Ethel M. Dailey (Rept. No. 2158);

H. R. 8479. An act for the relief of Jane Murrah (Rept. No. 2139);

H. R. 8480. An act for the relief of Commander James T. Mathews (Rept. No. 2140);

H. R. 8696. An act for the relief of Ruby Z. Winslow (Rept. No. 2141);

H. R. 8723. An act for the relief of Spencer D. Albright, Jr. (Rept. No. 2142);

H. R. 8922. An act for the relief of E. E. Johnson (Rept. No. 2143);

H. R. 9034. An act for the relief of Katherine Patterson (Rept. No. 2144);

H. R. 9084. An act for the relief of John Lawson and Roy Webb (Rept. No. 2145);

H. R. 9130. An act for the relief of Marshall Carver (Rept. No. 2146); and

H. R. 9215. An act for the relief of the Read Machinery Co., Inc. (Rept. No. 2147).

Mr. SHEPPARD, from the Committee on Military Affairs, to which was referred the bill (S. 4140) for the relief of the State of Connecticut, reported it without amendment and submitted a report (No. 2148) thereon.

Mr. ADAMS, from the Committee on Public Lands and Surveys, to which were referred the following bills, reported them each with amendments and submitted reports thereon:

S. 3774. An act to authorize cooperation between the United States and the State of New York in the protection of the public interest and welfare inherent in certain forest lands in said State through provision for the acquisition and management of said lands (Rept. No. 2150); and

H. R. 10024. An act to establish the Olympic National Park, in the State of Washington, and for other purposes (Rept. No. 2149).

Mr. ADAMS also, from the Committee on Public Lands and Surveys, to which was referred the bill (S. 3560) to revise the boundaries of the Colonial National Historical Park, in the State of Virginia, and for other purposes, reported it with an amendment and submitted a report (No. 2152) thereon.

He also, from the same committee, to which were referred the following bills and joint resolution, reported them severally without amendment and submitted reports thereon:

S. 2935. An act to authorize the use of certain facilities of national parks and national monuments for elementary-school purposes (Rept. No. 2153);

S. 4136. An act to facilitate the control of soil erosion and/or flood damage originating upon lands within the exterior boundaries of the Nevada and Toiyabe National Forests, in Nevada, and to promote efficiency and economy of administration of said national forests (Rept. No. 2154);

H. R. 5763. An act to provide for the extension of the boundaries of the Hot Springs National Park, in the State of Arkansas, and for other purposes (Rept. No. 2151);

H. R. 5805. An act to amend an act entitled "An act to provide for the exercise of sole and exclusive jurisdiction by the United States over the Hawaii National Park, in the Territory of Hawaii, and for other purposes," approved April 19, 1930 (Rept. No. 2155);

H. R. 7868. An act to provide for conveying to the State of North Dakota certain lands within Burleigh County within that State for public use (Rept. No. 2156);

H. R. 7874. An act to provide for the leasing of State, county, and privately owned lands for the purpose of furthering the orderly use, improvement, and development of grazing districts (Rept. No. 2159);

H. R. 8165. An act to add certain lands to the Trinity National Forest, Calif. (Rept. No. 2157); and

S. J. Res. 295. Joint resolution to authorize sales and exchanges by the State of Wisconsin notwithstanding certain provisions in the act of August 22, 1912 (37 Stat. 324) (Rept. No. 2158).

REPORTS OF COMMITTEES

Mr. SHEPPARD, from the Committee on Commerce, to which was referred the bill (S. 4158) authorizing the States of Minnesota and Wisconsin, jointly or separately, to construct, maintain, and operate a free highway bridge across the Mississippi River at or near Winona, Minn., reported it without amendment and submitted a report (No. 2160) thereon.

He also, from the same committee, to which was referred the bill (S. 4147) authorizing the village of Baudette, Minn., its successors and assigns, to construct, maintain, and operate a bridge across the Rainy River at or near Baudette, Minn., reported it with an amendment and submitted a report (No. 2176) thereon.

Mr. ADAMS, from the Committee on Appropriations, to which was referred the bill (H. R. 10851) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1938, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1938, and June 30, 1939, and for other purposes, reported it with amendments and submitted a report (No. 2161) thereon.

Mr. BYRD, from the Committee on Naval Affairs, to which was referred the bill (S. 3888) for the relief of Charles L. Kee, reported it without amendment and submitted a report (No. 2163) thereon.

Mr. BILBO, from the Committee on Agriculture and Forestry, to which was referred the bill (S. 4077) to change the name of "Pickwick Landing Dam" to "McKellar Dam," reported it without amendment.

Mr. WHEELER (for Mr. WAGNER and himself), from the Committee on Interstate Commerce, to which was referred the bill (S. 3772) to regulate interstate commerce by establishing an unemployment-insurance system for individuals employed by certain employers engaged in interstate commerce, and for other purposes, reported it with an amendment and submitted a report (No. 2164) thereon.

Mr. COPELAND, from the Committee on Commerce, to which was referred the bill (S. 3107) to amend the Inland Waterways Corporation Act, approved June 3, 1924, as amended, authorizing the Secretary of War to extend the services and operations of the Inland Waterways Corporation to Pensacola, Fla., reported it without amendment and submitted a report (No. 2165) thereon.

He also, from the Committee on Immigration, to which were referred the following bills, reported them each without amendment:

H. R. 9731. A bill for the relief of James J. Coyne; and

H. R. 10339. A bill for the relief of Isaac Friedlander.

Mr. WALSH, from the Committee on Naval Affairs, to which was referred the bill (H. R. 10135) for the relief of James Philip Coyle, reported it without amendment and submitted a report (No. 2166) thereon.

Mr. BROWN of Michigan, from the Committee on Claims, to which was referred the bill (H. R. 9795) for the relief of Michael J. Muldowney, reported it without amendment and submitted a report (No. 2173) thereon.

Mr. RUSSELL, from the Committee on Immigration, to which was referred the bill (H. R. 4691) for the relief of Pompeo Ercolano, reported it without amendment and submitted a report (No. 2174) thereon.

Mr. McGILL, from the Committee on Pensions, to which was referred the bill (S. 2822) granting a pension to Grizelda Hull Hobson, reported it with amendments and submitted a report (No. 2175) thereon.

Mr. CLARK, from the Committee on Interoceanic Canals, to which was referred the bill (S. 3332) to provide for recognizing the services rendered by civilian officers and employees in the construction and establishment of the Panama Canal and the Canal Zone, reported it without amendment and submitted a report (No. 2181) thereon.

Mr. ELLENDER, from the Committee on Agriculture and Forestry, to which was referred the bill (H. R. 8047) to amend the Meat Inspection Act of March 4, 1907, as amended and extended, with respect to its application to farmers, retail butchers, and retail dealers, reported it without amendment and submitted a report (No. 2182) thereon.

Mr. KING, from the Committee on the District of Columbia, to which was referred the bill (S. 1404) for the relief of Charlotte E. Hunter, reported it without amendment and submitted a report (No. 2183) thereon.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. McNARY:

A bill (S. 4168) granting a pension to Mary Greer Conklin; to the Committee on Pensions.

By Mr. RUSSELL:

A bill (S. 4169) to amend an act of Congress approved August 16, 1937, relating to death damage claims in the cases of Marshall Campbell and Raymond O'Neal; to the Committee on Claims.

By Mr. GILLETTE:

A bill (S. 4170) creating the Cassville-Guttenberg Bridge Commission and authorizing said commission and its successors to construct, maintain, and operate a bridge or bridges across the Mississippi River at or near Cassville, Wis., and Guttenberg, Iowa; to the Committee on Commerce.

By Mr. SHEPPARD:

A bill (S. 4171) to amend and clarify the provisions of the act of June 15, 1936 (49 Stat. 1507), and for other purposes (with accompanying papers); to the Committee on Military Affairs.

By MR. JOHNSON of California (for Mr. McADOO):

A bill (S. 4172) to authorize a preliminary examination and survey of Santa Ynez River and its tributaries in the State of California, for flood control, for run-off and waterflow retardation, and for soil-erosion prevention; to the Committee on Commerce.

By Mr. McGILL:

A joint resolution (S. J. Res. 308) to prescribe the acreage allotments for wheat for 1939; to the Committee on Agriculture and Forestry.

By Mr. COPELAND:

A joint resolution (S. J. Res. 309) requesting the President of the United States to proclaim the week of May 31, 1939, National Flood Prevention Week; to the Committee on Commerce.

LEAVE WITH PAY TO SUBSTITUTES IN POSTAL SERVICE

Mr. BILBO submitted an amendment intended to be proposed by him to the bill (H. R. 2690) granting annual and sick leave with pay to substitutes in the Postal Service, which was referred to the Committee on Post Offices and Post Roads and ordered to be printed, and to be printed in the RECORD, as follows:

At the end of the bill insert the following new section:

"SEC. 2. Substitutes who have been reinstated in the Postal Service and have 20 or more years of former service shall be entitled to such sick leave as accrued prior to separation from the service. Such substitutes shall also have precedence over other substitutes for appointment as regular employees."

AMENDMENTS TO SECOND DEFICIENCY APPROPRIATION BILL

Mr. WAGNER submitted an amendment intended to be proposed by him to House bill 10851, the second deficiency appropriation bill, which was ordered to lie on the table and to be printed, as follows:

At the proper place, to insert the following new paragraph:

"UNITED STATES NEW YORK WORLD'S FAIR COMMISSION

"For an additional amount for carrying out the purposes of the joint resolution entitled 'Joint resolution authorizing Federal participation in the New York World's Fair 1939,' approved July 9, 1937, $550,000 to remain available until expended."

Mr. SHEPPARD submitted an amendment intended to be proposed by him to House bill 10851, the second deficiency appropriation bill, which was ordered to lie on the table and to be printed, as follows:

On page 81, line 20, to insert the following:

"Educational orders: For placing educational orders to familiarize private manufacturing establishments with the production of munitions of war of special or technical design, noncommercial in character, as provided in H. R. 6246, $2,000,000."

Mr. OVERTON submitted an amendment intended to be proposed by him to House bill 10851, the second deficiency appropriation bill, which was ordered to lie on the table and to be printed, as follows:

At the proper place to insert the following:

"CIVILIAN CONSERVATION CORPS

"Salary of the Director: The limitation of $10,000 per annum contained in section 2 of Public, 163 (approved June 28, 1937), for the salary of the Director is hereby increased to $12,000."

Mr. O'MAHONEY submitted an amendment intended to be proposed by him to House bill 10851, the second deficiency appropriation bill, which was ordered to lie on the table and to be printed, as follows:

Amendment intended to be proposed by Mr. O'MAHONEY to the bill (H. R. 10851) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1938, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1938, and June 30, 1939, and for other purposes, viz:

On page 22, between lines 18 and 19, insert the following new paragraph:

"Foreign competition and demand: For an additional amount to enable the Secretary of Agriculture to carry into effect the provisions of the act entitled 'An act to promote the agriculture of the United States by expanding in the foreign field the service now rendered by the United States Department of Agriculture in acquiring and diffusing useful information regarding agriculture, and for other purposes,' approved June 5, 1930 (7 U. S. C. 541–545), including the same objects specified under this head in the Agricultural Appropriation Act for the fiscal year 1939, and including biologic and economic investigations of rubber, forestry, medicinal and insecticidal, and other agricultural plants and products of the Latin-American countries, $250,000, of which not to exceed $15,000 may be expended for personal services in the District of Columbia, not to exceed $1,000 for printing, not to exceed $600 for newspapers as may be necessary in connection with the work, and not to exceed $14,300 for payment to officers and employees permanently stationed in foreign countries of allowances for living quarters, including heat, fuel, and light, as authorized by the act approved June 26, 1930 (U. S. C., title 5, sec. 118a): *Provided*, That the Secretary of Agriculture may, in his discretion, allot or transfer funds from this appropriation to the various agencies of the Department of Agriculture which he may call upon to assist or cooperate in this work: *Provided further*, That no part of the funds made available by this paragraph shall be used to encourage the production outside of the United States, its Territories, and possessions, of any agricultural commodity which competes with any agricultural commodity produced in the United States, its Territories, and possessions."

DISCREPANCIES IN EXISTING FREIGHT RATE STRUCTURES

Mr. PEPPER submitted a resolution (S. Res. 296), which was ordered to lie on the table, as follows:

Whereas it is the objective of the Fair Labor Standards Act of 1938 to reach the goal of a universal minimum wage of 40 cents an hour in each industry engaged in commerce, or in the production of goods for commerce, as rapidly as is economically feasible without substantially curtailing employment and without giving a competitive advantage to any group within the industry or to any region where such industry is carried on; and

Whereas there are conspicuous discrepancies in the freight rates prevailing in different parts of the United States by reason of the present interterritorial freight rate structures which are the outgrowth of tradition and constitute barriers against the free flow of commerce and are hampering and restricting the normal development of the Nation as a whole; and

Whereas the aforesaid objectives of the Fair Labor Standards Act of 1938, and a full utilization of the economic resources that exist in the different regions of the United States, can be attained only by a correction of the inequities and discrepancies in the existing freight rate structures: Therefore, be it

Resolved, That the Interstate Commerce Commission is requested to make a study of and give consideration to a plan to provide that the freight rate per mile for the shipment of goods to a point in any freight rate territory shall be the same irrespective of whether the shipment originated in that territory or some other territory, and such other plans as may seem to the Commission to be reasonably calculated to correct the discrepancies and inequities above referred to, and to report to the Senate, at the beginning of the first session of the Seventy-sixth Congress, the results of its study together with its recommendations.

THE BOMBING OF CIVILIAN POPULATIONS

Mr. PITTMAN submitted the following resolution (S. Res. 297), which was referred to the Committee on Foreign Relations:

Whereas civilian populations are being ruthlessly bombed and thousands of defenseless persons, including children, are being killed or wounded by bombings from aircraft; and

Whereas the Secretary of State has expressed the Government's disapproval of the export sales of American aircraft to countries where such aircraft are used for such bombings: Therefore be it

Resolved, That the Senate record its condemnation of the bombing of civilian populations, approve of the sentiments expressed by the Secretary of State relative thereto, and directs the Committee on Foreign Relations to investigate the matter and report at the next session of Congress its recommendations as to what action may be taken by Congress tending toward the cessation of the practice of bombing civilian populations.

ANNUAL REPORTS OF PUBLIC-UTILITY COMPANIES IN THE DISTRICT

On motion by Mr. KING, it was

Ordered, That the annual reports of the various public-utility companies of the District of Columbia (transmitted pursuant to law) for the year ended December 31, 1937, be printed as a document.

NOTICES OF MOTIONS TO SUSPEND THE RULES—SECOND DEFICIENCY APPROPRIATIONS

Mr. OVERTON submitted the following notice in writing of a motion to suspend the rule, which was read, as follows:

In accordance with the provisions of Rule XL, I hereby give notice in writing of my intention hereafter to move to suspend paragraphs 1 and 4 of Rule XVI of the Standing Rules of the Senate for the purpose of proposing to House bill 10851, the Second Deficiency Appropriation Act of 1938, the following amendment, viz:

At the proper place insert the following:

"Civilian Conservation Corps, Salary of the Director: The limitation of $10,000 per annum contained in section 2 of Public 163 (approved June 28, 1937) for the salary of the Director is hereby increased to $12,000."

Mr. WALSH. Mr. President, I submit a notice in writing of a motion to suspend the rules offered in behalf of the senior Senator from Connecticut [Mr. LONERGAN], who is unavoidably detained from the Senate.

The VICE PRESIDENT. The notice will be received.

The notice in writing was read as follows:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 1 of rule XVI for the purpose of proposing to the bill (H. R. 10851) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1938, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1938, and June 30, 1939, and for other purposes, the following amendment, namely: Insert at the proper place in the bill the following:

"For the purpose of paying to the respective persons the respective amounts found by the Court of Claims to be the value of work performed by them, respectively, in excess of 8 hours in each calendar day while employed as engineers, firemen, laborers, and mechanics in the care of public buildings of the United States, elsewhere than in the District of Columbia, as set forth in the following Senate documents, $94,456.20:

"(1) Senate documents of the Sixty-first Congress, first session, Nos. 93 and 95;

"(2) Senate documents of the Sixty-first Congress, second session, Nos. 234, 236, 263, 264, 265, 313, 262, 260, 232, 231, 243, 311, 230, 228, 239, 251, 308, 267, 312, 257, 233, 249, 250, 253, 259, 269, 235, 229, 237, 255, 266, 309, 310, 268, 238, 252, and 261; and

"(3) Senate documents of the Sixty-second Congress, second session, Nos. 535, 532, 524, 527, 528, 534, 541, 500, 521, 515, 517, 533, 519, 506, 537, 512, 498, 538, 525, 504, 503, 507, 501, 530, 543, 539, 499, 523, 497, 505, 536, 514, 540, 516, 529, 546, 509, 518, 544, 508, 545, 513, 520, 531, 547, 526, 542, and 502.

"Such respective amounts shall be disbursed by the Secretary of the Treasury and each such payment is to be in full satisfaction of, and receipt of same shall operate in each case as a full and final release and discharge of, their said respective claims for compensation for extra hours of work above the legal day of 8 hours."

Mr. WALSH. Mr. President, I ask unanimous consent that a statement by Senator LONERGAN relative to the above proposed amendment may be printed in the RECORD at this point with the accompanying paper.

There being no objection, the statement with the accompanying paper was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR LONERGAN

The American Federation of Labor is very much in favor of payment of these findings of the Court of Claims.

The National Legislative Representative wrote on May 10, 1938, asserting that payment would recognize the principle of paying labor for regular and emergency overtime work in the Government service, for Government employees who cared for public buildings outside the District of Columbia.

He stated this legislation would "effect a payment of findings of the Court of Claims, totalling $94,456.20 for extra labor above the legal day of 8 hours performed by laborers and mechanics

in public buildings of the United States. These findings of the Court of Claims are of the same class as those for laborers and mechanics in navy yards and shore stations who were paid in the last Congress."

The American Federation of Labor also points out that these claims "conclude the remaining findings of the Court of Claims for overtime in the Government service beyond the legal 8 hour day. Senate Document 985, Sixty-second Congress, third session, entitled, 'Statement Relating to Claims for Extra Pay of Mechanics and Laborers in Public Buildings,' carries in full the obligation of the Government to pay these findings.."

A similar amendment was adopted some years ago and the first finding was paid.

A tabulated statement, arranged by States, referred to by the American Federation of Labor, which shows the sums due each individual under provisions of the proposed amendment follows:

ALABAMA

1. Joseph A. Decatur, Mobile (S. Doc. 535, 62d Cong., 2d sess.) ---------- $2,644.50

ARKANSAS

2. Peter Jarrett, Texarkana (S. Doc. 234, 61st Cong., 2d sess.) ---------- 1,462.35
3. Perry McCarty, Texarkana (S. Doc. 532, 62d Cong., 2d sess.) ---------- 65.97

CALIFORNIA

4. John D. Cash, Stockton (S. Doc. 236, 61st Cong., 2d sess.) ---------- 91.31
5. Joseph A. Workings, Stockton (S. Doc. 263, 61st Cong., 2d sess.) ---------- 165.20

CONNECTICUT

6. William F. Burns, Hartford (S. Doc. 528, 62d Cong., 2d sess.) ---------- 932.25
7. Fred H. Collins, Hartford (S. Doc. 541, 62d Cong., 2d sess.) ---------- 300.65
8. John J. O'Neil, Hartford (S. Doc. 527, 62d Cong., 2d sess.) ---------- 4,950.00
9. Archie E. Galpin, Bridgeport (S. Doc. 265, 61st Cong., 2d sess.) ---------- 109.50
10. James B. Garrison, Bridgeport (S. Doc. 264, 61st Cong., 2d sess.) ---------- 218.81
11. William G. Goven, Hartford (S. Doc. 534, 62d Cong., 2d sess.) ---------- 1,576.00
12. Joseph M. Mohr, Hartford (S. Doc. 524, 62d Cong., 2d sess.) ---------- 1,088.50
13. Erwin R. Wadhams, Torrington (S. Doc. 313, 61st Cong., 2d sess.) ---------- 391.16

FLORIDA

14. Forest Crocket, Jacksonville (S. Doc. 521, 62d Cong., 2d sess.) ---------- 230.06
15. Nelson F. English, Key West (S. Doc. 515, 61st Cong., 2d sess.) ---------- 124.50
16. John W. Graham, Jacksonville (S. Doc. 500, 62d Cong., 2d sess.) ---------- 168.85
17. Albert A. Lewis, Key West (S. Doc. 262, 61st Cong., 2d sess.) ---------- 735.00
18. Dennis Kelly, Key West (S. Doc. 517, 62d Cong., 2d sess.) ---------- 918.00
19. Joseph M. Taylor, Key West (S. Doc. 533, 62d Cong., 2d sess.) ---------- 2,300.50

GEORGIA

20. Moses Molette, Brunswick (S. Doc. 519, 62d Cong., 2d sess.) ---------- 628.03

ILLINOIS

21. Lemuel Gay, Quincy (S. Doc. 506, 62d Cong., 2d sess.) ---------- 363.75
22. Silas S. Myers, Joliet (S. Doc. 537, 62d Cong., 2d sess.) ---------- 391.79
23. John O'Neil, Peoria (S. Doc. 260, 61st Cong., 2d sess.) ---------- 1,181.25
24. Emmett W. Smith, Aurora (S. Doc. 512, 62d Cong., 2d sess.) ---------- 2,093.58

INDIANA

25. Timothy C. Harrington, La Follette (S. Doc. 232, 61st Cong., 2d sess.) ---------- 684.66

IOWA

26. John Browne, Des Moines (S. Doc. 498, 62d Cong., 2d sess.) ---------- 1,427.28
27. Joseph O. Drennen, Des Moines (S. Doc. 231, 61st Cong., 2d sess.) ---------- 3,382.25
28. John Jordan, Des Moines (S. Doc. 538, 62d Cong., 2d sess.) ---------- 159.37
29. Edward B. Murphy, Des Moines (S. Doc. 243, 61st Cong., 2d sess.) ---------- 187.87
30. William Halloran, Des Moines (S. Doc. 95, 61st Cong., 1st sess.) ---------- 1,218.00

KANSAS

31. William M. Terrill, Topeka (S. Doc. 525, 62d Cong., 2d sess.) ---------- 609.16

MAINE

32. David D. Hannegan, Portland (S. Doc. 504, 62d Cong., 2d sess.) ---------- 1,405.00
33. James E. Rogers, Bangor (S. Doc. 507, 62d Cong., 2d sess.) ---------- $1,105.83
34. Llewellyn K. Webber, Bangor (S. Doc. 503, 62d Cong., 2d sess.) ---------- 1,862.91

MASSACHUSETTS

35. Wilson B. Scribner, Lynn (S. Doc. 501, 62d Cong., 2d sess.) ---------- 1,900.45

MICHIGAN

36. Harry E. Drake, Jackson (S. Doc. 530, 62d Cong., 2d sess.) ---------- 2,294.40
37. Willis E. Stimson, Kalamazoo (S. Doc. 543, 62d Cong., 2d sess.) ---------- 2,522.50

MISSOURI

38. Erbin P. Higgins, Sedalia (S. Doc. 539, 62d Cong., 2d sess.) ---------- 772.08

NEBRASKA

39. Wilson Byerly, Norfolk (S. Doc. 311, 61st Cong., 2d sess.) ---------- 205.50
40. Jacob Renner, Lincoln (S. Doc. 499, 62d Cong., 2d sess.) ---------- 2,514.00
41. John J. Rodgers, Blair (S. Doc. 230, 61st Cong., 2d sess.) ---------- 992.79

NEW HAMPSHIRE

42. Henry C. Mace, Concord (S. Doc. 523, 62d Cong., 2d sess.) ---------- 461.45

NEW JERSEY

43. Silas A. Bryant, Newark (S. Doc. 228, 61st Cong., 2d sess.) ---------- 599.06
44. George Jacobus, Newark (S. Doc. 505, 62d Cong., 2d sess.) ---------- 1,596.75
45. Wm. G. Jell, Newark (S. Doc. 239, 61st Cong., 2d sess.) ---------- 1,418.00
46. Pergus McCarthy, Newark (S. Doc. 497, 62d Cong., 2d sess.) ---------- 438.75
47. Conrad Wagner, Newark (S. Doc. 251, 61st Cong., 2d sess.) ---------- 295.31
48. Andrew J. Meade, Hoboken (S. Doc. 93, 61st Cong., 1st sess.) ---------- 1,147.18

NEW YORK

49. Daniel P. Dulhane, Rochester (S. Doc. 308, 61st Cong., 2d sess.) ---------- 2,078.75
50. Joseph C. Leddy, Utica (S. Doc. 312, 61st Cong., 2d sess.) ---------- 191.25
51. Ezra T. Marney, Ogdensburg (S. Doc. 540, 62d Cong., 2d sess.) ---------- 1,956.66
52. George Miller, Utica (S. Doc. 267, 61st Cong., 2d sess.) ---------- 767.06
53. Stephen A. Smith, Utica (S. Doc. 536, 62d Cong., 2d sess.) ---------- 259.50
54. Abram Epstein, Ogdensburg (S. Doc. 514, 62d Cong., 2d sess.) ---------- 1,242.50
55. Robert Tobin, Troy (S. Doc. 257, 61st Cong., 2d sess.) ---------- 2,131.56

OHIO

56. John Brodie, Columbus (S. Doc. 249, 61st Cong., 2d sess.) ---------- 659.20
57. Leslie E. Drake, Toledo (S. Doc. 235, 61st Cong., 2d sess.) ---------- 848.75
58. Stephen A. Ingles, Portsmouth (S. Doc. 516, 62d Cong., 2d sess.) ---------- 556.25
59. Rudolph L. Johns, Cleveland (S. Doc. 229, 61st Cong., 2d sess.) ---------- 532.25
60. Theodore Kipp, Dayton (S. Doc. 310, 61st Cong., 2d sess.) ---------- 540.00
61. Wm. K. Krautman, Columbus (S. Doc. 250, 61st Cong., 2d sess.) ---------- 669.77
62. Joseph Kuehne, Cleveland (S. Doc. 255, 61st Cong., 2d sess.) ---------- 2,496.56
63. Charles H. McCann, Columbus (S. Doc. 259, 61st Cong., 2d sess.) ---------- 213.58
64. Thomas Murnane, Columbus (S. Doc. 253, 61st Cong., 2d sess.) ---------- 122.17
65. Ignace Rosinski, Cleveland (S. Doc. 237, 61st Cong., 2d sess.) ---------- 807.18
66. David Scurry, Columbus (S. Doc. 233, 61st Cong., 2d sess.) ---------- 533.40
67. Fred Sinclair, Columbus (S. Doc. 269, 61st Cong., 2d sess.) ---------- 386.25
68. Joseph Sledz, Cleveland (S. Doc. 266, 61st Cong., 2d sess.) ---------- 720.69
69. Alonzo Thirlkill, Dayton (S. Doc. 309, 61st Cong., 2d sess.) ---------- 775.31

PENNSLYVANIA

70. James Downing, Altoona (S. Doc. 529, 62d Cong., 2d sess.) ---------- 382.59
71. Adam Hoke, Harrisburg (S. Doc. 268, 61st Cong., 2d sess.) ---------- 1,151.62
72. Wm. T. Jordon, York (S. Doc. 238, 61st Cong., 2d sess.) ---------- 583.50
73. Wm. H. Witta, York (S. Doc. 546, 62d Cong., 2d sess.) ---------- 2,145.00

SOUTH CAROLINA

74. James Butler, Columbia (S. Doc. 252, 61st Cong., 2d sess.) ---------- 1,041.96

75. John Pinckney, Columbia (S. Doc. 518, 62d Cong., 2d sess.)	$871.92
76. Louis Prior, Columbia (S. Doc. 509, 62d Cong., 2d sess.)	4,310.66
TEXAS	
77. Frank Boddeker, Galveston (S. Doc. 261, 61st Cong., 2d sess.)	1,956.62
78. Sandy Hester, Galveston (S. Doc. 544, 62d Cong., 2d sess.)	2,273.33
79. George King, Austin (S. Doc. 508, 62d Cong., 2d sess.)	351.18
80. Thomas Thompson, Waco (S. Doc. 545, 62d Cong., 2d sess.)	1,169.53
81. Ambrose B. Williams, Beaumont (S. Doc. 513, 62d Cong., 2d sess.)	736.50
82. Sidney B. Williams, Beaumont (S. Doc. 520, 62d Cong., 2d sess.)	593.78
VIRGINIA	
83. Charles B. Carter, Richmond (S. Doc. 547, 62d Cong., 2d sess.)	219.80
84. William H. Parker, Norfolk (S. Doc. 526, 62d Cong., 2d sess.)	1,147.87
85. William G. Singleton, Richmond (S. Doc. 531, 62d Cong., 2d sess.)	2,050.56
86. Alfred Strange, Lynchburg (S. Doc. 542, 62d Cong., 2d sess.)	647.29
WISCONSIN	
87. Olaf Swanson, Ashland (S. Doc. 502, 62d Cong., 2d sess.)	2,001.00

THE POSITION OF AMERICA IN THE WORLD OF WAR-THREATENING NATIONS—ADDRESS BY SENATOR LEWIS

[Mr. JOHNSON of California asked and obtained leave to have printed in the RECORD an address delivered by Senator LEWIS on Monday, June 6, 1938, on the subject the Position of America in the World of War-Threatening Nations.]

SWEDISH TERCENTENARY CELEBRATION—ADDRESS BY SENATOR LONERGAN

[Mr. MALONEY asked and obtained leave to have printed in the RECORD an address delivered by Senator LONERGAN at New Britain, Conn., on June 12, 1938, at the celebration of the three hundredth anniversary of the first permanent settlement by the Swedish people in the Delaware Valley.]

THE NEW DEAL—SYMBOL OF DEMOCRACY—ADDRESS BY JOSEPH B. KEENAN

[Mr. ASHURST asked and obtained leave to have printed in the RECORD an address on the subject of the New Deal—Symbol of Democracy, delivered by Joseph B. Keenan, Assistant to the Attorney General, at the annual meeting of the Mississippi State Bar at Vicksburg, Miss., June 10, 1938.]

COMMENCEMENT ADDRESS BY DR. JOSEPH H. BALL

[Mr. COPELAND asked and obtained leave to have printed in the RECORD a commencement address delivered by Dr. Joseph H. Ball at Dexter (Mich.) High School on June 9, 1938.]

MR. JUSTICE BLACK

[Mr. BANKHEAD asked and obtained leave to have printed in the RECORD an editorial from the Montgomery (Ala.) Advertiser of May 17, 1938, relative to Mr. Justice Black of the Supreme Court of the United States.]

FRIENDSHIP BETWEEN FRANKLIN D. ROOSEVELT AND WILLIAM G. M'ADOO

[Mr. LEWIS asked and obtained leave to have printed in the RECORD an editorial from the Evening Telegram of San Bernardino, Calif., entitled "A Friend in Need."]

EXPULSION OF DR. SIGMUND FREUD FROM VIENNA

[Mr. HILL asked and obtained leave to have printed in the RECORD an editorial from The New Republic of Tuesday, June 7, 1938, entitled "The Asylum Expels the Doctor."]

PRINTING OF NEWS IN NEWS COLUMNS

[Mr. MINTON asked and obtained leave to have printed in the RECORD several editorials bearing on the attitude of the newspapers toward news in the news columns.]

PEACE CONFERENCE DOCUMENTS

Mr. BONE. Mr. President, for a long time I have been wanting to ask the Department of State when it is going to publish the Peace Conference documents. For some time the delay has been explained by the fact that it has been impossible to secure the consent of the other governments to print the minutes of the Council of Four. However, the recent report of the Committee on Publications of the Department of State of the American Society of International Law has disclosed that the verbatim notes of the Italian secretary in the Council of Four, Count Luigi Aldrovandi Marescotti, have been published by him in his Guerra Diplomatica: Ricordi e Frammenti di Diario (1914–19). This work was originally published in Milano in 1936 with the approval of Mussolini, and it is now in its fourth edition. It contains the notes which Marescotti took covering a number of matters of interest to Italy, particularly those referring to the peace with Austria, formulated between May 2 and June 2, 1919. He has followed this up by publishing additional notes in the Nuova Antologia, a semimonthly published at Rome under the direction of Luigi Federzoni. For instance, the issues for May 1 and 16, 1937, contain his notes of the Council of Four meetings on various days of June 1919, on a number of subjects, including reparations and German colonies. The official notes of Sir Maurice Hankey have never been published, but portions of them have been seeping through in various American and French publications and now the publication of Marescotti's notes seem to completely destroy the validity of the reason for further delay in the publication of the Peace Conference documents.

DECISION OF CIRCUIT COURT OF APPEALS IN CLOVER FORK COAL CO. AGAINST NATIONAL LABOR RELATIONS BOARD

Mr. WAGNER. Mr. President, I ask that there may be printed in the RECORD as a part of my remarks a decision rendered by the Circuit Court of Appeals for the Sixth Circuit in the matter of Clover Fork Coal Co., petitioner, against National Labor Relations Board, respondent, in which the Labor Relations Board is sustained.

Also, I think it would be interesting to read from the record of that case the remarks made by the attorney representing the company at the conclusion of this case.

The attorney said:

> I should like to say for myself and for ——— Co. that we have read in the newspapers lately that the National Labor Relations Board is a one-sided concern and is all for labor and not for the industry at all. I should like to say for myself and the ——— Co. that, so far as we have come into contact with the representatives of the National Labor Relations Board in this case, we think those things are all false; * * * that we have been treated fairly by the trial examiner, and that his rulings have been fair at all times, and we appreciate them.

There being no objection, the decision was ordered to be printed in the RECORD, as follows:

[No. 7897. United States Circuit Court of Appeals, Sixth Circuit. Clover Fork Coal Co., petitioner, *v.* National Labor Relations Board, respondent. Petition to review an order of the National Labor Relations Board. Decided June 8, 1938]

Before Hicks, Simons, and Hamilton, circuit judges.

Simons, circuit judge. The petitioner, a Kentucky corporation engaged exclusively in coal mining at Kitts, Harlan County, Ky., seeks to set aside a cease and desist order of the National Labor Relations Board requiring it to discontinue unfair labor practices and to reinstate with compensation employees discharged for union activities. The Board answered, and alleging noncompliance with its order, petitioned for its enforcement.

The petitioner has 2,000 acres of land in Harlan County, Ky., of which 1,250 acres are coal land. It owns and operates its coal mine and equipment thereon, the tipple which separates coal into different sizes, and the houses in which most of its employees live. It produces about 300,000 tons of coal a year, which it delivers from its mine tracks and tipple to cars of the Louisville & Nashville Railroad, by which the bulk of it is transported in interstate commerce to other States, though some is utilized by the railroad in its Kentucky operations. All of the coal produced by the petitioner is sold to Walter Bledsoe & Co., a national coal sales company, having its principal office at Terre Haute, Ind., and maintaining branch offices in other States. The petitioner has an oral contract with Bledsoe's Cincinnati office for the exclusive sale to it of its coal. Shipping instructions are received by mail or telephone from the Cincinnati office and settlements are made monthly by Bledsoe on the basis of market price less 8 percent. The coal is sold to Bledsoe f. o. b. the mine. The petitioner employs in its mining, sorting, and loading operations about 240 men, none of whom are employed in interstate transportation. When the coal is loaded into railroad gondolas at the tipple title thereto passes to Bledsoe, by whom it is shipped to destination at its risk and expense.

Efforts to unionize the petitioner's employees made by a local union affiliated with the United Mine Workers of America met with firm resistance from the petitioner and many of its nonunion employees, culminating in the alleged discharge of some 60 men who had joined the union. Upon charges of unfair labor practices made to the Board it issued its complaint against the petitioner, alleging unfair labor practices in violation of section 8, (1), (2), and (3), and section 2, (6) and (7) of the National Labor Relations Act, and upon full hearing before the trial examiner, reviewed by the Board, the cease and desist order issued.

Though denying engaging in unfair labor practices, and discharging employees because of union affiliation, and asserting that the 18 or 20 of its employees only who had been expelled from its camp by its nonunion men because they refused to work with union men had been driven away is a result of a strike that was purely spontaneous and not incited by it, the principal ground upon which we are asked to set aside the Board's order is that the petitioner is not subject in its purely local activity to the jurisdiction of the Board, since the petitioner is not engaged in interstate commerce, its operations do not affect such commerce, and its entire activity is carried on within the State of Kentucky. All of its employees, it asserts, are wholly engaged in an occupation local to and within that State, and neither it nor they have ever been engaged in any activity connected with or affecting commerce or the flow or stream of such commerce.

Following the decisions in *Schechter Corporation* v. *United States* (295 U. S. 495) and *Carter* v. *Carter Coal Co.* (298 U. S. 238) it was thought in this and other circuits that the National Labor Relations Act did not extend the jurisdiction of the Board thereby created to activities which were local and affected commerce, if at all, indirectly. *National Labor Relations Board* v. *Jones & Laughlin Steel Corporation* (83 Fed. (2d) 998 (C. C. A. 5)); *Fruehauf Trailer Co.* v. *National Labor Relations Board* (85 Fed. (2d) 391 (C. C. A. 6)), and *Friedman-Harry Marks Clothing Co.* v. *National Labor Relations Board* (85 Fed. (2d) 1 (C. C. A. 2)). However, in a series of cases, of which *National Labor Relations Board* v. *Jones & Laughlin Steel Corporation* (301 U. S. 1) contains the dominating argument, the several courts of appeal were reversed, and it was held that "the close and intimate effect which brings the subject within the reach of Federal power may be due to activities in relation to productive industry, although the industry when separately viewed is local," and in the language of the first *Coronado case* (259 U. S. 408), that "If Congress deems certain recurring practices, while not really part of interstate commerce, likely to obstruct, restrain, or burden it, it has the power to subject them to natural supervision and restraint," and that the Schechter and Carter cases do not hold otherwise.

The rationale of the Jones & Laughlin, Fruehauf Trailer, and Friedman-Marks Clothing Co. cases was not that there was apparent in each of them a continuous flow of interstate commerce through the State, and that they were thereby to be distinguished from the Schechter case, where goods transported in interstate commerce had come to rest within the State, and from the Carter case, where local products had not yet entered the stream of interstate commerce, for, as more fully explained in the recent case of *Santa Cruz Fruit Packing Co.* v. *National Labor Relations Board*, decided March 28, 1938, the metaphor of a stream of commerce, while it may illustrate the protective power which Congress may exercise, is not exclusive, and the congressional authority is not limited to transactions deemed to be an essential part of a flow of commerce, for burdens and obstructions may be due to actions springing from other sources, including labor disputes, irrespective of the origin of materials or the place where sales are made, and in this respect "there is obviously no difference between coal mined, stone quarried, and fruit and vegetables grown."

The petitioner presents an interesting analysis and classification of the cases, from which it derives that they fall into three classes: (1) Those in which the employer is clearly engaged in interstate commerce and the work of his employees is functional to such commerce; (2) those in which the employer's business has been so integrated upon a national basis with raw materials coming into and manufactured products going out of the State that there has been established a flow of interstate commerce in respect to it; (3) those in which the labor relation is not in interstate commerce and in which there is no integrated national activity, but which becomes subject to regulation under the commerce clause because the specific activity regulated is alleged to have a direct and adverse impact upon interstate commerce. The first group is typified, the petitioner says, by *National Labor Board* v. *Pennsylvania Greyhound Lines*, decided February 28, 1938, the second by the Jones & Laughlin and associated cases, and the third by the Santa Cruz case. The present case, it urges, is to be analyzed according to principles applicable to the third group, in consequence of which the practices of an employer whose business is not in interstate commerce or in the stream of commerce by reason of production in transit but whose activity is sought to be regulated because it affects commerce, are without the scope of the act unless the immediacy and directness of their impact upon interstate commerce is established. Otherwise jurisdiction may not attach under the statute.

The contention is interesting but not persuasive, nor supported by implications to be drawn from the Santa Cruz case. There the petitioner was engaged in canning, packing, and shipping fruit and vegetables, the bulk of which were grown locally. There, as here, the product was sold to an out-State purchaser f. o. b. the place of production or processing. The court expressly held that there was no question that petitioner was directly and largely engaged in interstate commerce, since it had often decided that sales to purchasers in another State are not withdrawn from Federal control because the goods are delivered f. o. b. within the State of origin for transportation, a large part of the interstate commerce of the country being so conducted, and arrangements between seller and purchaser with respect to the place of taking title or as to the payment of freight where the actual movement is interstate does not affect either the power of Congress or the jurisdiction of the agencies which Congress has established, citing *Pennsylvania Railroad Co.* v. *Clark Coal Mining Co.* (238 U. S. 456, 465, 468). So the classification of the Santa Cruz case as one where the employer is not engaged in interstate commerce we think must fail.

But even if the classification be valid, there is still no comfort for the petitioner in the Santa Cruz case. True, it was there said that the direct relation of the labor practices and the resulting labor dispute to interstate commerce and the injurious effect upon that commerce were fully established. Indeed, the court went much further, saying that it would be difficult to find a case in which unfair labor practices had a more direct effect upon interstate commerce. But the directness and immediacy of the effect of labor practices upon interstate commerce in an extreme case furnishes no immunity from regulation in one less conclusive, nor a test of jurisdiction thereover. The court recognized in the Jones & Laughlin case that the National Labor Relations Act but preserves to employees a fundamental right to self-organization, that interference with that right leads to industrial strife, and that such strife has an effect upon interstate commerce that is immediate and may be catastrophic. This was said of an industry nationally organized, but was applied in the Santa Cruz case to an industry as purely local in its primary activity as is that of the petitioner.

It is said that no strike or threat of strike has resulted from the petitioner's alleged unfair practices, and that no inference with respect to strife in its labor relations affecting interstate commerce may be drawn from the experience of the coal industry as a whole. But this in no wise differentiates the present case from adjudicated precedents. Like the steel plants, coal mining is also a basic industry of the United States, the ramifying activities of which affect interstate commerce at every point, and the Court said in the Jones & Laughlin case: "The fact that there appears to have been no major disturbance in that industry in the more recent period did not dispose of the possibilities of future and like dangers to interstate commerce which Congress was entitled to foresee and to exercise its protective power to forestall." This reasoning is brought into relief by the dissenting Justices in the Labor Board cases (301 U. S. 58, 87), who point out in respect to the clothing company there involved that there was no evidence of a strike by its employees at any time, or that one was threatened, and nothing to indicate the probable result if one should occur.

It must, we think, be concluded that it is the prevention of strikes, the impact of which upon interstate commerce when and if they occur, will directly and immediately burden or obstruct such commerce, that furnishes the ground for the exercise of the congressional power. The immediacy and directness of the effect of industrial strife upon interstate commerce is the test of jurisdiction, and unfair labor practices fall within the scope of the act by reason of the fact that long and painful experience teaches that in the generality of cases, if not in particular instances, they lead to such strife. The Board found, upon evidence substantial and so conclusive, that strikes and labor disputes in coal areas even remote from the Appalachian area, which includes Kentucky, have had serious repercussions there, and that interference in the production of coal in any principal area has the effect of disrupting transportation in interstate commerce, even to the extent of materially affecting the financial status of coal-carrying railroads involved. In the Santa Cruz case the strike had already begun, and so its effect upon commerce was at once clearly established. But the purpose of the act is remedial rather than punitive, and the Court has recognized the protective power of Congress to "foresee" and "forestall."

The contention that employees were not discharged because of union activities by the petitioner but were forced out by the determined attitude of the petitioner's nonunion men in refusing to work with members of the United Mine Workers must be rejected in view of evidence which supports findings that the attitude of the petitioner's nonunion men was, if not inspired by, at least encouraged and promoted by the petitioner and its agents. The offer to prove by 200 of its employees that they would have left the mine had the union men continued in employment should, of course, have been received, but, taking the avowal as evidence, it would still be beyond our power to overthrow the findings of the Board in the face of evidence that they were subject to coercion, intimidation, and threat to close the mine.

The contention that the assailed order arbitrarily and unreasonably requires reinstatement of discharged employees with compensation and the posting of notices that petitioner will cease its unfair labor practices differs not at all from contentions heretofore made in other cases. The relief which the statute empowers the Board to grant is to be adapted to the situation which calls for redress (*National Labor Relations Board* v. *Pennsylvania Greyhound Lines*, supra; *National Labor Relations Board* v. *Mackay*

Radio & Telegraph Co., decided May 16, 1938). The assailed order does not go beyond those in other cases sustained.

The petition to set aside the order of the Board is denied. The Board's petition for enforcement is granted.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, returned to the Senate, in compliance with its request, the bill (H. R. 5685), to facilitate the control of soil erosion and flood damage originating upon lands within the exterior boundaries of the Angeles National Forest in the State of California.

The message announced that the House had passed without amendment the following bills and joint resolution of the Senate:

S. 44. An act for the relief of Edward N. Jerry;

S. 652. An act for the relief of John B. Jones;

S. 667. An act for the relief of William E. Jones, Walter M. Marston, William Ellery, Richard P. Hallowell, 2d, and Malcolm Donald as executors under the will of Frank W. Hallowell; and Malcolm Donald as executor under the will of Gordon Donald;

S. 945. An act for the relief of the Community Investment Co., Inc.;

S. 1168. An act for the relief of Joseph W. Bollenbeck;

S. 1239. An act for the relief of John W. Beck;

S. 1272. An act relative to the military record of James Meagher, deceased;

S. 2408. An act for the relief of John H. Balmat, Jr.;

S. 2594. An act authorizing the President of the United States to summon Sam Alexander before an Army retiring board, and for other purposes;

S. 2624. An act for the relief of Emmett Lee Payne;

S. 2883. An act for the relief of George H. Lowe, Jr.;

S. 3005. An act to confer jurisdiction on the Court of Claims to hear and determine the claim of the A. C. Messler Co.;

S. 3034. An act for the relief of Faye B. Millie;

S. 3142. An act for the relief of Lt. Comdr. Robert R. Blaisdell and Lt. Edward W. Hawkes (retired), Supply Corps, United States Navy;

S. 3263. An act for the relief of the State of Georgia;

S. 3415. An act to purchase certain private lands within the Shoshone (Wind River) Indian Reservation;

S. 3426. An act to authorize an appropriation for repayment to Middle Rio Grande Conservancy District, a subdivision of the State of New Mexico, of the share of the said district's construction and operation and maintenance costs applicable to certain properties owned by the United States, situated in Bernalillo County, N. Mex., within the exterior boundaries of the district; to authorize the Secretary of the Interior to contract with said district for future operation and maintenance charges against said lands; to authorize appropriation for extra construction work performed by said district for the special benefit of certain Pueblo Indian lands and to authorize appropriation for construction expenditures benefiting certain acquired lands of Pueblo Indians of the State of New Mexico;

S. 3446. An act for the relief of Richard K. Gould;

S. 3490. An act for the relief of Benjamin H. Faith;

S. 3534. An act for the relief of Christ Rieber;

S. 3561. An act for the relief of certain individuals in connection with the construction, operation, and maintenance of the Fort Hall Indian irrigation project, Idaho;

S. 3587. An act for the relief of Mr. and Mrs. P. F. Nixon, parents of Herschel Lee Nixon, deceased minor son;

S. 3597. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Natchez, Miss., and for other purposes;

S. 3611. An act to further extend the times for commencing and completing the construction of a bridge across the Missouri River between the towns of Decatur, Nebr., and Onawa, Iowa;

S. 3739. An act for the relief of Alpha T. Johnson;

S. 3758. An act for the relief of Emily Gertrude Toby;

S. 3867. An act authorizing the North Dakota State Highway Department and the Department of Highways of the State of Minnesota to construct, maintain, and operate a free highway bridge across the Red River;

S. 3892. An act creating the City of Dubuque Bridge Commission and authorizing said commission and its successors to purchase and/or construct, maintain, and operate a bridge or bridges across the Mississippi River at or near Dubuque, Iowa, and East Dubuque, Ill.;

S. 3898. An act to extend the times for commencing and completing the construction of a bridge across the Piscataqua River at or near Portsmouth, N. H.;

S. 3907. An act to further extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Garrison, N. Dak.;

S. 3940. An act authorizing the Comptroller General of the United States to adjust and settle the claim of Oscar L. Mather;

S. 3990. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Miami, Mo.;

S. 4027. An act providing that excess-land provisions of Federal reclamation laws shall not apply to certain lands that will receive a supplemental water supply from the Colorado-Big Thompson project;

S. 4050. An act to repeal section 2 of the act of June 16, 1936, authorizing the appointment of an additional district judge for the eastern district of Pennsylvania;

S. 4090. An act for the care and treatment of juvenile delinquents;

S. 4126. An act to amend the act authorizing the construction of a bridge at South Sioux City, Nebr.;

S. 4144. An act to amend section 1 of an act entitled "An act granting the consent of Congress to the county of Pierce, a legal subdivision of the State of Washington, to construct, maintain, and operate a toll bridge across Puget Sound, State of Washington, at or near a point commonly known as 'The Narrows,'" and to extend the times for commencing and completing the construction of such bridge; and

S. J. Res. 264. Joint resolution providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution of the class other than Members of Congress.

The message also announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 7759) for the relief of Susan Lawrence Davis; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. KENNEDY of Maryland, Mr. RAMSPECK, and Mr. CARLSON were appointed managers on the part of the House at the conference.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10238) making appropriations for the Department of Agriculture and for the Farm Credit Administration for the fiscal year ending June 30, 1939, and for other purposes; that the House had receded from its disagreement to the amendments of the Senate numbered 1, 54, 100, 102, 104, 105, and 110 to the bill, and concurred therein, and that the House has receded from its disagreement to the amendments of the Senate numbered 101, 107, and 113, and concurred therein, severally with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to the report of the Committee of Conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 10315) to amend the Merchant Marine Act, 1936, to further promote the merchant-marine policy therein declared, and for other purposes.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 1531) extending the classified civil service to include postmasters of the first, second, and third classes, and for other purposes.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (S. 3845) to create a Civil Aeronautics Authority, and to promote the development and safety and to provide for the regulation of civil aeronautics.

The message further announced that the House had agreed to the amendment of the Senate to each of the following bills of the House:

H. R. 738. An act for the relief of Asa C. Ketcham; and

H. R. 4258. An act for the relief of Barbara Jean Matthews, a minor.

The message also announced that the House had passed the following bills of the Senate, severally with an amendment, in which it requested the concurrence of the Senate:

S. 213. An act for the relief of Ida A. Gunderson;

S. 2541. An act for the relief of the estate of George Ehret, Jr.;

S. 3031. An act for the relief of the Lima Locomotive Works, Inc.;

S. 3469. An act to amend section 128 of the Judicial Code, as amended;

S. 3573. An act for the relief of William J. Pitochelli; and

S. 4076. An act to amend the Federal Crop Insurance Act.

The message further announced that the House had passed the following bills of the Senate, severally with amendments, in which it requested the concurrence of the Senate:

S. 82. An act for the relief of F. A. Rumery & Sons, of Portland, Maine;

S. 375. An act for the relief of Mrs. John Olson;

S. 606. An act for the relief of Mabel F. Hollingsworth;

S. 662. An act for the relief of Jeanne Rich, a minor;

S. 824. An act for the relief of Sam Kimzey;

S. 866. An act for the relief of the estate of James D. McEachern;

S. 1346. An act for the relief of Stillwell Bros., Inc.;

S. 1987. An act for the relief of George J. Leatherwood;

S. 2052. An act for the relief of Henry E. Reents;

S. 2072. An act for the relief of Stuart C. Peterson;

S. 2437. An act for the relief of Oscar Jones;

S. 2505. An act for the relief of James J. Hogan;

S. 2629. An act to authorize an exchange of lands between the city of San Diego, Calif., and the United States;

S. 2797. An act for the relief of Miriam Thornber;

S. 2890. An act for the relief of the parents of Clarence Daniel, a minor;

S. 2895. An act for the relief of Leona Draeger;

S. 2948. An act for the relief of A. J. Moses and Gladys Moses, a minor;

S. 2994. An act for the relief of Mrs. Morgan R. Butler;

S. 3057. An act for the relief of John Fanning;

S. 3470. An act for the relief of Lewis M. Foster;

S. 3540. An act for the relief of Esmerald Goodman, boatswain's mate, first class (lifesaving); Raymond H. Wilson, boatswain's mate, first class (lifesaving); Louis J. Burns, motor machinist's mate, first class (lifesaving); Silvie S. Langton, surfman; Eudorus J. Brown, surfman; Kenneth G. Sherwood, surfman; Alvin Combs, surfman; William E. Knight, surfman; Olaaf E. Starr, surfman; and Ejner E. Jensen, surfman;

S. 3584. An act for the relief of G. E. Maxwell;

S. 3719. An act for the relief of Manuel L. Clay;

S. 3734. An act for the relief of certain officers and enlisted men of the United States Coast Guard; and

S. 3917. An act authorizing the President to present gold medals to Mrs. Robert Aldrich and posthumously to Anna Bouligny.

The message also announced that the House had agreed to the concurrent resolution (S. Con. Res. 31) to establish a Joint Committee on Forestry, with amendments, in which it requested the concurrence of the Senate.

The message further announced that the House had passed the following bills and joint resolutions, in which it requested the concurrence of the Senate:

H. R. 342. An act for the relief of H. Ward Bell;

H. R. 347. An act for the relief of W. Glenn Larmonth;

H. R. 656. An act for the relief of Elmer W. Haas;

H. R. 667. An act to correct the records of the War Department to show that Guy Carlton Baker and Calton C. Baker or Carlton C. Baker is one and the same person;

H. R. 725. An act for the relief of Edwin L. Wade;

H. R. 1299. An act for the relief of William E. Rich;

H. R. 1768. An act for the relief of Olin J. Salley;

H. R. 2231. An act for the relief of Charles E. Black;

H. R. 2646. An act for the relief of Isabella Hooper Caraway and James Randolph Hooper, a minor;

H. R. 3761. An act for the relief of Dudley E. Essary;

H. R. 3961. An act for the relief of the estate of Benjamin A. Pillsbury (William J. Pillsbury, executor);

H. R. 4115. An act for the relief of Roy M. Young;

H. R. 4996. An act for the relief of Sue VanRyn, Donald A. VanRyn, a minor, and the estate of Margaret Breseman, deceased;

H. R. 5471. An act to amend the laws relating to the distribution of public documents to depository libraries;

H. R. 5777. An act for the relief of Capt. Francis H. A. McKeon;

H. R. 6458. An act for the relief of Jack Nelson, a minor;

H. R. 6805. An act for the relief of William Moseley;

H. R. 7144. An act for the relief of the Curtiss Aeroplane & Motor Co., Inc.;

H. R. 7170. An act for the relief of Hyman Ginsberg;

H. R. 7294. An act for the relief of Bartholemew Harrington;

H. R. 7606. An act for the relief of Albert Richard Jeske;

H. R. 7636. An act for the relief of Olimpio Medina;

H. R. 7818. An act for the relief of Luke A. Westenberger;

H. R. 7966. An act for the relief of Capt. James L. Alverson;

H. R. 7991. An act for the relief of Anna Mattil and others;

H. R. 8055. An act for the relief of Helry P. McCaig;

H. R. 8098. An act conferring jurisdiction upon the Court of Claims to hear and determine the claims of Edward Forbes and others;

H. R. 8176. An act providing for continuing retirement pay, under certain conditions, of officers and former officers of the Army, Navy, and Marine Corps of the United States, other than officers of the Regular Army, Navy, or Marine Corps, who incurred physical disability while in the service of the United States during the World War, and for other purposes;

H. R. 8199. An act for the relief of Mrs. Olive Fletcher Conklin;

H. R. 8401. An act for the relief of Stanley Mercuri;

H. R. 8753. An act for the relief of the Choctaw Cotton Oil Co. of Ada, Okla.;

H. R. 8799. An act for the relief of William B. Blaufuss;

H. R. 9012. An act for the relief of Joseph Webbe;

H. R. 9132. An act for the relief of Celia Koehler;

H. R. 9133. An act for the relief of William Monroe;

H. R. 9171. An act directing the Court of Cairns to reopen certain cases and to correct the errors therein, if any, by additional judgments against the United States;

H. R. 9282. An act for the relief of the estate of D. B. Carter;

H. R. 9448. An act for the relief of Charles G. Bostwick;

H. R. 9451. An act for the relief of Russell Anderegg, a minor, and George W. Anderegg;

H. R. 9516. An act for the relief of J. T. Herren and Billie Herren, a minor;

H. R. 9535. An act for the relief of Amy M. Ghent;

H. R. 9543. An act for the relief of Mr. and Mrs. Harold E. Theriault;

H. R. 9569. An act for the relief of Charles P. McCarthy;

H. R. 9640. An act for the relief of Shoshone Garage;

H. R. 9859. An act for the relief of Victor H. Tedaro;

H. R. 9868. An act for the relief of Harry J. Somerville;

H. R. 9888. An act for the relief of William Henry Johnston, Jr.;

H. R. 9981. An act for the relief of the State of Connecticut;

H. R. 10043. An act for the relief of certain carpenters whose tools were destroyed by fire while stored in a Works Progress Administration warehouse in Jersey City, N. J.;

H. R. 10083. An act for the relief of Salvatore Spagnuolo;

H. R. 10171. An act to amend the act entitled "An act giving jurisdiction to the Court of Claims to hear and determine the claim of the Butler Lumber Co., Inc.";

H. R. 10326. An act to authorize and direct the Commissioners of the District of Columbia to set aside the trial-board conviction of Policemen David R. Thompson and Ralph S. Warner and their resultant dismissal, and to reinstate David R. Thompson and Ralph S. Warner to their former positions as members of the Metropolitan Police Department;

H. R. 10355. An act to transfer, assign, and convey to the Commonwealth of Pennsylvania a certain tract of land, containing about 6½ acres, situate in Tinicum Township, Delaware County, Pa.;

H. R. 10506. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River between St. Louis, Mo., and Stites, Ill.;

H. R. 10507. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near a point between Morgan and Wash Streets in the city of St. Louis, Mo., and a point opposite thereto in the city of East St. Louis, Ill.;

H. R. 10540. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Arrow Rock, Mo.;

H. R. 10590. An act requiring 30 days' notice before discontinuance of any train carrying United States mails;

H. R. 10610. An act granting the consent of Congress to the Iowa State Highway Commission to reconstruct or construct, maintain, and operate a free highway bridge across the Des Moines River, at or near Keosauqua, Iowa;

H. R. 10632. An act authorizing the Port Authority of Duluth, Minn., and the Harbor Commission of Superior, Wis., to construct a highway bridge across the St. Louis River from Rices Point, in Duluth, Minn., to Superior, in Wisconsin;

H. R. 10670. An act to extend the times for commencing and completing the construction of a bridge across the Wabash River at or near Merom, Sullivan County, Ind.;

H. R. 10730. An act for the relief of Ziskind Sokolow;

H. R. 10764. An act to amend section 73 of the Hawaiian Organic Act, approved April 30, 1900, as amended;

H. R. 10772. An act to amend certain sections of the act entitled "An act providing for the public printing and binding and the distribution of public documents," approved January 12, 1895, as amended;

H. R. 10785. An act to amend the Perishable Agricultural Commodities Act, 1930, as amended;

H. R. 10835. An act to authorize the county of Kauai to issue bonds of such county in the year 1938 under the authority of Act 186 of the Session Laws of Hawaii, 1937, in excess of 1 percent of the assessed value of the property in said county as shown by the last assessment for taxation;

H. J. Res. 711. Joint resolution providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution of the class other than Members of Congress; and

H. J. Res. 712. Joint resolution providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution of the class other than Members of Congress.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills and joint resolutions, and they were signed by the Vice President:

S. 2532. An act for the relief of Mr. and Mrs. Guy R. Syth;

S. 2876. An act for the relief of Mark H. Doty;

S. 3079. An act for the relief of George W. Breckenridge;

S. 3227. An act for the relief of Mr. and Mrs. Chester A. Smith;

S. 3512. An act for the relief of Elizabeth Cory;

H. R. 738. An act for the relief of Asa C. Ketcham;

H. R. 1543. An act to amend section 24 of the Immigration Act of 1917, relating to the compensation of certain Immigration and Naturalization Service employees, and for other purposes;

H. R. 2904. An act for the relief of officers and soldiers of the volunteer service of the United States mustered into service of the War with Spain and who were held in service in the Philippine Islands after the ratification of the treaty of peace, April 11, 1899;

H. R. 4258. An act for the relief of Barbara Jean Matthews, a minor;

H. R. 7764. An act to authorize the sale of surplus power developed under the Uncompahgre Valley reclamation project, Colorado;

H. R. 9258. An act to authorize the Secretary of the Navy to accept on behalf of the United States certain land in the city of Los Angeles, Calif., with improvements thereon;

H. R. 10298. An act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes;

H. R. 10536. An act authorizing the United States Maritime Commission to sell or lease the Hoboken Pier Terminals, or any part thereof, to the city of Hoboken, N. J.;

H. J. Res. 683. Joint resolution to provide for a floor-stock tax on distilled spirits, except brandy; and

H. J. Res. 688. Joint resolution creating the Niagara Falls Bridge Commission and authorizing said commission and its successors to construct, maintain, and operate a bridge across the Niagara River at or near the city of Niagara Falls, N. Y.

HOUSE BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions of the House of Representatives were severally read twice by their titles and referred, or ordered to be placed on the calendar, as indicated below:

H. R. 342. An act for the relief of H. Ward Bell;

H. R. 347. An act for the relief of W. Glenn Larmonth;

H. R. 725. An act for the relief of Edwin L. Wade;

H. R. 1768. An act for the relief of Olin J. Salley;

H. R. 2646. An act for the relief of Isabella Hooper Caraway and James Randolph Hooper, a minor;

H. R. 3761. An act for the relief of Dudley E. Essary;

H. R. 3961. An act for the relief of the estate of Benjamin A. Pillsbury (William J. Pillsbury, executor);

H. R. 4115. An act for the relief of Roy M. Young;

H. R. 4996. An act for the relief of Sue VanRyn; Donald A. VanRyn, a minor; and the estate of Margaret Breseman, deceased;

H. R. 5777. An act for the relief of Capt. Francis H. A. McKeon;

H. R. 6458. An act for the relief of Jack Nelson, a minor;

H. R. 7144. An act for the relief of the Curtiss Aeroplane & Motor Co., Inc.;

H. R. 7170. An act for the relief of Hyman Ginsberg;

H. R. 7636. An act for the relief of Olimpio Medina;

H. R. 7818. An act for the relief of Luke A. Westenberger;

H. R. 7966. An act for the relief of Capt. James L. Alverson;

H. R. 7991. An act for the relief of Anna Mattil and others;

H. R. 8199. An act for the relief of Mrs. Olive Fletcher Conklin;

H. R. 8401. An act for the relief of Stanley Mercuri;

H. R. 8753. An act for the relief of the Choctaw Cotton Oil Co. of Ada, Okla.;

H. R. 9012. An act for the relief of Joseph Webbe;

H. R. 9132. An act for the relief of Celia Koehler;

H. R. 9133. An act for the relief of William Monroe;

H. R. 9171. An act directing the Court of Claims to reopen certain cases and to correct the errors therein, if any, by additional judgments against the United States;

H. R. 9282. An act for the relief of the estate of D. B. Carter;

H. R. 9451. An act for the relief of Russell Anderegg, a minor, and George W. Anderegg;

H. R. 9516. An act for the relief of J. T. Herren and Billie Herren, a minor;

H. R. 9543. An act for the relief of Mr. and Mrs. Harold E. Theriault;

H. R. 9859. An act for the relief of Victor H. Todaro;

H. R. 9888. An act for the relief of William Henry Johnston, Jr., a minor; and

H. R. 10043. An act for the relief of certain carpenters whose tools were destroyed by fire while stored in a Works Progress Administration warehouse in Jersey City, N. J.; to the Committee on Claims.

H. R. 656. An act for the relief of Elmer W. Haas;

H. R. 667. An act to correct the records of the War Department to show that Guy Carlton Baker and Calton C. Baker or Carlton C. Baker is one and the same person;

H. R. 1299. An act for the relief of William E. Rich;

H. R. 6805. An act for the relief of William Moseley;

H. R. 8799. An act for the relief of William B. Blaufuss;

H. R. 9448. An act for the relief of Charles G. Bostwick; and

H. R. 9868. An act for the relief of Harry J. Somerville; to the Committee on Military Affairs.

H. R. 7294. An act for the relief of Bartholemew Harrington;

H. R. 10083. An act for the relief of Salvatore Spagnuolo; and

H. R. 10730. An act for the relief of Ziskind Sokolow; to the Committee on Immigration.

H. R. 8176. An act providing for continuing retirement pay, under certain conditions, of officers and former officers of the Army, Navy, and Marine Corps of the United States, other than officers of the Regular Army, Navy, or Marine Corps, who incurred physical disability while in the service of the United States during the World War, and for other purposes; to the calendar.

H. R. 10326. An act to authorize and direct the Commissioners of the District of Columbia to set aside the trial-board conviction of Policemen David R. Thompson and Ralph S. Warner and their resultant dismissal, and to reinstate David R. Thompson and Ralph S. Warner to their former positions as members of the Metropolitan Police Department; to the Committee on the District of Columbia.

H. R. 10355. An act to transfer, assign, and convey to the Commonwealth of Pennsylvania a certain tract of land, containing about 6½ acres, situate in Tinicum Township, Delaware County, Pa.; to the Committee on Public Lands and Surveys.

H. R. 10590. An act requiring 30 days' notice before discontinuance of any train carrying United States mails; to the Committee on Post Offices and Post Roads.

H. R. 10785. An act to amend the Perishable Agricultural Commodities Act, 1930, as amended; to the Committee on Agriculture and Forestry.

H. R. 10764. An act to amend section 73 of the Hawaiian Organic Act, approved April 30, 1900, as amended; and

H. R. 10835. An act to authorize the county of Kauai to issue bonds of such county in the year 1938 under the authority of Act 186 of the Session Laws of Hawaii, 1937, in excess of 1 percent of the assessed value of the property in said county as shown by the last assessment for taxation; to the Committee on Territories and Insular Affairs.

H. J. Res. 711. Joint resolution providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution of the class other than Members of Congress; and

H. J. Res. 712. Joint resolution providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution of the class other than Members of Congress; to the Committee on the Library.

ADDITIONAL REPORTS OF COMMITTEES

Mr. SHEPPARD, from the Committee on Military Affairs, to which was referred the bill (H. R. 8055) for the relief of Helry P. McCaig, reported it without amendment and submitted a report (No. 2162) thereon.

Mr. SCHWELLENBACH, from the Committee on Claims, to which was referred the bill (H. R. 4996) for the relief of Sue VanRyn; Donald A. VanRyn, a minor; and the estate of Margaret Breseman, deceased, reported it without amendment and submitted a report (No. 2167) thereon.

Mr. LOGAN, from the Committee on Claims, to which was referred the bill (H. R. 9171) directing the Court of Claims to reopen certain cases and to correct the errors therein, if any, by additional judgments against the United States, reported it with amendments and submitted a report (No. 2170) thereon.

Mr. CAPPER, from the Committee on Claims, to which were referred the following bills, reported them each without amendment and submitted a report thereon as indicated:

H. R. 3761. A bill for the relief of Dudley E. Essary (Rept. No. 2171); and

H. R. 9859. A bill for the relief of Victor H. Todaro (Rept. No. 2172).

Mr. TYDINGS, from the Committee on Territories and Insular Affairs, to which was referred the bill (H. R. 10835) to authorize the county of Kauai to issue bonds of such county in the year 1938 under the authority of Act 186 of the Session Laws of Hawaii, 1937, in excess of 1 percent of the assessed value of the property in said county as shown by the last assessment for taxation, reported it without amendment.

Mr. BROWN of Michigan, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H. R. 2646. A bill for the relief of Isabella Hooper Caraway and James Randolph Hooper, a minor (Rept. No. 2168);

H. R. 9012. A bill for the relief of Joseph Webbe (Rept. No. 2177);

H. R. 9132. A bill for the relief of Celia Koehler (Rept. No. 2178);

H. R. 9133. A bill for the relief of William Monroe (Rept. No. 2179);

H. R. 9135. A bill for the relief of Emons Wolfer (Rept. No. 2180); and

H. R. 9516. A bill for the relief of J. T. Herren and Billie Herren, a minor (Rept. No. 2169).

ORDER OF BUSINESS

The VICE PRESIDENT. When the Senate took a recess last Friday the motion pending was that of the Senator from Wyoming [Mr. SCHWARTZ] to proceed to the consideration of Senate bill 3502, which is known as the truth-in-fabrics bill. The Senator from Wyoming is recognized.

Mr. BARKLEY. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Wyoming yield to the Senator from Kentucky?

Mr. SCHWARTZ. I yield.

Mr. BARKLEY. Mr. President, while there is a fair attendance of the Senate, I wish to say that there is a great deal of business on the calendar of the Senate to be transacted and concluded before we adjourn. It is our hope to adjourn this session not later than Wednesday night. There are many bills on the calendar which have come over from the House since the last call of the calendar and which should be disposed of. We have a great deal of unfinished business that must be disposed of before final adjournment. I wish, therefore, Senators would keep in mind the possibility if not the probability of having to have night sessions, beginning tonight. I hope we may avoid it, but it is possible that we may have to hold some night sessions in order to conclude the business on the calendar and adjourn at the earliest possible date.

In view of the fact that the calendar is rather heavy with bills which have been put on it during the past few

days since the last call, nearly all of them House bills, I wonder if the Senator from Wyoming will be willing to lay aside temporarily his motion in order that the calendar may be called now for the consideration of unobjected bills, beginning where we left off at the last call, with the understanding that immediately upon the conclusion of the call the Senator from Wyoming will resume the floor in behalf of his motion?

Mr. SCHWARTZ. Mr. President, I should like to make one suggestion on that point, and see if the request of the Senator from Kentucky cannot be modified.

An explanation of the bill will have to be made either on the motion to take it up or, if the motion is adopted, afterward. Ordinarily, because of the nature of the bill and the nature of the opposition—which is limited but which will require time—I should feel compelled to make an explanation of the bill on the motion to take it up; but if we can have a unanimous-consent agreement that after the call of the calendar the bill may come up for consideration, that will be entirely satisfactory to me.

Mr. WALSH. Mr. President, though I am opposed to the bill of the Senator from Wyoming, I think his request is a very reasonable one. He has been very patient and very courteous in yielding to the request I made on Friday. So far as I am concerned, I will agree that after the calendar is called and finished the motion to take up the bill to which the Senator refers may be adopted.

Mr. BARKLEY. I had intended to comment on that situation. I did not know whether or not any other Senator would object. I certainly have no objection to that procedure.

Therefore, in order that the request may be put to the Senate, I ask unanimous consent that the Senate proceed at once to consider the bills to which there is no objection on the calendar, beginning where we left off at the last call of the calendar, and that, immediately upon the conclusion of the call of the calendar, Senate bill 3502 may be made the unfinished business of the Senate.

The VICE PRESIDENT. Is there objection?

Mr. KING. Mr. President, I shall not object. I was about to suggest, however, that I know that a number of Senators who are interested in bills on the calendar are detained upon committees. I note, for example, the absence of my friend the Senator from Tennessee [Mr. MCKELLAR]. It would seem a little unfair to proceed without admonishing them, at any rate, that we are going to take up the calendar.

Mr. BARKLEY. Practically all of these measures are House bills which have come over to the Senate. I do not think very many Senators are interested in them, except on the request of some House Member.

The VICE PRESIDENT. Is there objection to the request of the Senator from Kentucky?

Mr. MCNARY. Mr. President, I have only a comment. I hope we may avoid night sessions, particularly this evening, as I have always believed it to be fair to give 1 day's notice that a night session is to be held.

I am as anxious as anyone can be to conclude this session, whether it be Thursday night, Wednesday night, or Saturday night. It must be concluded by Saturday, and there is every reason to expect that that may be done without inconvenience. I hope there may be no session tonight, as I have always opposed night sessions unless Senators have a day's notice to prepare for the evening on which the session is to be held. At this time that question is not up for consideration or decision, however, so I shall not speak further along that line.

With reference to the proposed unanimous-consent agreement, let me ask the able Senator from Kentucky the number of the bill to which he refers, beginning with which it is proposed to take up unobjected bills.

Mr. BARKLEY. The calendar was called last Tuesday, which was the 7th day of June. I think we should begin with bills which have been subsequently reported, either on the 7th or following that day.

Mr. MCNARY. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. MCNARY. What is the number of the bill with which we are to begin? The clerk must know the number.

The VICE PRESIDENT. Will the clerk kindly furnish the Chair the number of the bill in question?

The LEGISLATIVE CLERK. Calendar No. 2104, House bill 6461.

Mr. MCNARY. Mr. President, I observe that Calendar No. 2104, House bill 6461, is a bill for the relief of William F. Bourland. Following that there are 5 or 6 pages of bills, most of them House bills. I again ask, Mr. President, if there are any bills which are not on the calendar which may be considered today. Does the calendar include all the bills that may be considered under the proposed unanimous-consent agreement?

Mr. BARKLEY. The unanimous-consent agreement is intended to include only the bills on the calendar beginning with Calendar No. 2104, House bill 6461. It will not include bills that may be reported today and put on the calendar, but which are not now on the calendar.

Mr. MCNARY. That is sufficient answer to the question I propound. The agreement includes only bills reported on the calendar at this time, and not any that may come over during the day.

Mr. JOHNSON of California. But if there are any bills which are not on the calendar, by unanimous consent they may be acted upon; may they not?

Mr. BARKLEY. Of course, we may do anything by unanimous consent if there is any emergency matter which cannot wait; but the request I have made contemplates only the calendar from the point indicated.

Mr. MCNARY. Mr. President, I have no objection.

Mr. JOHNSON of California. Mr. President——

Mr. BARKLEY. In that connection, while the Senator from Oregon is on his feet, I wish to say that personally I hope we may avoid a night session tonight. I took occasion to say what I did say this early because if it becomes necessary, in view of the mass of unfinished business, I think all Senators ought to contemplate the possibility, during the last 2 or 3 days of a session, that we may have to work overtime in order to finish the session.

Mr. POPE. Mr. President, I desire to ask the Senator from Kentucky a question. If a bill has come from the House today, and the committee has acted favorably upon it, could not such a bill be considered?

Mr. BARKLEY. It would have to come up independently of the unanimous-consent agreement which I am now requesting. Each bill would have to stand on its own merits. It is not contemplated that my request shall include bills which are not now on the calendar.

Mr. PITTMAN. Mr. President, there are a number of treaties on the calendar. I think the Foreign Relations Committee have been quite patient, in view of the fact that included in the number are some important treaties. As chairman of the committee, I have attempted to accommodate myself to what were considered emergency matters; but, of course, I do not think anyone anticipates that this body will adjourn without at least giving consideration to treaties which were long considered by the Foreign Relations Committee.

The junior Senator from Utah [Mr. THOMAS], as chairman of a subcommittee, has had charge of a number of conventions and recommendations from the International Convention at Geneva with regard to maritime labor matters. The treaties are exceedingly important. There has been some objection to them. I think the Senator from Utah will explain every objection. I believe it will not take him over 35 or 40 minutes to obtain action on those conventions. He has been invited to make a very important address in Boston, and will have to leave here on Wednesday. If possible, I think that, at least so far as those treaties are concerned, we should attempt to accommodate the Senator from Utah.

Mr. BARKLEY. I have in mind those treaties, and I have conferred several times with the Senator from Utah about them. It is my purpose to try to arrange a convenient hour, either today or tomorrow, when the treaties may be considered.

Mr. PITTMAN. There are several other treaties, but they are noncontroversial, and only a few minutes will be required to explain them.

The VICE PRESIDENT. Is there objection to the request of the Senator from Kentucky? The Chair hears none, and it is so ordered.

W. D. PRESLEY—CONFERENCE REPORT

Mr. LOGAN submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 2665) for the relief of W. D. Presley, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate, and agree to the same.

M. M. LOGAN,
ARTHUR CAPPER,
Managers on the part of the Senate.

AMBROSE J. KENNEDY,
ROBERT RAMSPECK,
FRANK CARLSON,
Managers on the part of the House.

The report was agreed to.

HENRY M. HYER—CONFERENCE REPORT

Mr. LOGAN submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 2362) for the relief of Henry M. Hyer, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment.

M. M. LOGAN,
ARTHUR CAPPER,
Managers on the part of the Senate.

AMBROSE J. KENNEDY,
ROBERT RAMSPECK,
FRANK CARLSON,
Managers on the part of the House.

The report was agreed to.

MARTIN BRIDGES—CONFERENCE REPORT

Mr. BAILEY submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 1872) for the relief of Martin Bridges, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment.

J. W. BAILEY,
P. M. BROWN,
ARTHUR CAPPER,
Managers on the part of the Senate.

AMBROSE J. KENNEDY,
JOHN M. COFFEE,
FRANK CARLTON,
Managers on the part of the House.

The report was agreed to.

HAFFENREFFER & CO., INC.—CONFERENCE REPORT

Mr. SCHWELLENBACH submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 5743) for the relief of Haffenreffer & Co., Inc., having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment, as follows: In lieu of the matter inserted by the Senate amendment insert the following: "*Provided further*, That the Commissioner of Internal Revenue is directed to take from any refund determined upon by him under the provisions of this act such sum as he may find the United States shall have incurred as additional expenses as a result of the above-described claim."; and the Senate agree to the same.

L. B. SCHWELLENBACH,
ARTHUR CAPPER,
Managers on the part of the Senate.

AMBROSE J. KENNEDY,
FRANK CARLSON,
JOHN M. COFFEE,
Managers on the part of the House.

The report was agreed to.

IDA A. GUNDERSON

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 213) for the relief of Ida A. Gunderson, which was, on page 1, line 5, to strike out all after the name "Treasury" down to and including "corps", in line 6 and insert "not otherwise appropriated."

Mr. BORAH. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

ESTATE OF GEORGE EHRET, JR.

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 2541) for the relief of the estate of George Ehret, Jr., which was, in line 15, after the word "allowed", to insert a colon and "*Provided*, That in the settlement of said claim there shall be no allowance of interest."

Mr. WAGNER. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

VIRGIL D. ALDEN AND OTHERS

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 2739) for the relief of Virgil D. Alden and others, which were, on page 1, line 5, to strike out all after the word "claims" down to and including "Wolff", in line 25 of page 2; on page 3, line 1, after the word "incurred", to insert "by persons"; on the same page, line 7, to strike out "claim of Harlow M. Stafford" and insert "claims of persons"; on the same page, line 8, to strike out "his" and insert "their"; on page 4, line 5, to strike out "named in" and insert "affected by", and to amend the title so as to read: "A bill for the relief of certain employees of the Federal Emergency Administration of Public Works and the National Resources Committee."

Mr. BAILEY. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

LIMA LOCOMOTIVE WORKS, INC.

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 3031) for the relief of the Lima Locomotive Works, Inc., which was, on page 1, line 7, to strike out all after the word "the" down to and including "A-85795", in line 10, and insert "United States for a refund of liquidated damages withheld from payments due under its contract No. ER-Als-1652, dated June 26, 1936, with the Forest Service, Department of Agriculture, for the delivery of four power shovels equipped with Diesel engines, on account of delays incurred in exchanging said engines."

Mr. BULKLEY. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

LEWIS M. FOSTER

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 3470) for the relief of Lewis M. Foster, which were, on page 1, line 11, to strike out all after "for" down to and including "been" in line 12, and to insert "fracture of the left elbow"; on page 1, line 12, to strike out "while employed by" and insert "allegedly while in the performance of his duties as an employee of"; on page 2, line 1, after "in", to insert "Trumbull County"; on page 2, line 2, after "under", to

insert "the remaining"; and on page 2, line 2, after "act", to insert "as extended and limited by the act of February 15, 1934 (48 Stat. 351)."

Mr. BULKLEY. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

MEDICAL TREATMENT UNDER THE SOCIAL SECURITY LAW

Mr. LEWIS. Mr. President, for some time past there has been before the Committee on Finance a bill which was introduced by me as something of an amendment to the social-security law providing for medical treatment for those who are paupers, or poor, or unfortunate. In the meantime the senior Senator from Kansas [Mr. CAPPER] has tendered a similar measure. It is now reported that those of the medical societies, the American Medical Association on one hand, and the Association of the Colleges of Surgeons on the other, have differences as to this subject, and wish to be heard. It is impossible for the Finance Committee to give a hearing, so overcrowded are they with other matters. I take the liberty, therefore, to ask that the bills to which I have referred be referred to the Committee on Education and Labor.

Mr. KING. I object.

The VICE PRESIDENT. It was impossible for the Chair to hear the request of the Senator; there was so much noise in the Chamber.

Mr. LEWIS. Mr. President, I withhold the request until I can make my object clearer to the members of the Finance Committee.

CONSIDERATION OF THE CALENDAR

The VICE PRESIDENT. In accordance with the agreement, the calendar is in order, and the clerk will state the first bill in order.

The bill (H. R. 6461) for the relief of William F. Bourland, was announced as first in order.

Mr. KING. Let that bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (H. R. 9963) to authorize the acquisition of the bridge across the Mississippi River at Cape Girardeau, Mo., and the approaches thereto, by a single condemnation proceeding in either the District Court for the Eastern Judicial District of Missouri or the District Court for the Eastern Judicial District of Illinois, and providing the procedure for such proceeding, was announced as next in order.

SEVERAL SENATORS. Over.

The VICE PRESIDENT. The bill will be passed over.

The joint resolution (S. J. Res. 292) directing the Federal Trade Commission to investigate the methods employed by the manufacturers of motor-vehicle tires was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The joint resolution will be passed over.

RIO GRANDE NATIONAL FOREST, COLO.

The bill (H. R. 152) to add certain lands to the Rio Grande National Forest, Colo., was considered, ordered to a third reading, read the third time, and passed.

AMERICAN NATIONAL BANK, KALAMAZOO, MICH.

The bill (S. 3950) for the relief of the American National Bank, Kalamazoo, Mich., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the American National Bank, of Kalamazoo, Mich., the sum of $1,255, in full satisfaction of its claim against the United States resulting from the issuance of certain fraudulent United States postal money orders in 1936 by Fred S. Hall, a former postmaster at East Leroy, Mich: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

REIMBURSEMENT OF GOVERNMENT CONTRACTORS

The Senate proceeded to consider the bill (S. 3628) to confer jurisdiction on the Court of Claims to hear, determine, and enter judgment upon the claims of Government contractors whose costs of performance were increased as a result of enactment of the National Industrial Recovery Act, June 16, 1933, which was read, as follows:

Be it enacted, etc., That jurisdiction is hereby conferred upon the Court of Claims to hear, determine, and enter judgments against the United States upon the claims of contractors, including completing sureties and all subcontractors and materialmen performing work or furnishing material to the contractor or another subcontractor, whose contracts were entered into on or before August 10, 1933, for increased costs incurred as a result of the enactment of the National Industrial Recovery Act: *Provided*, That (except as to claims for increased costs incurred between June 16, 1933, and August 10, 1933) this section shall apply only to such contractors, including completing sureties and all subcontractors and materialmen, whose claims were presented within the limitation period defined in section 4 of the act of June 16, 1934 (41 U. S. C., secs. 28–33).

SEC. 2. Suits upon such claims may be instituted at any time within 6 months after the enactment of this act or, at the option of the claimant, within 6 months after the completion of the contract. Proceedings for the determination of such claims, and appeals from and payment of any judgment thereon, shall be in the same manner as in the cases of claims over which such court has jurisdiction, as provided by law.

SEC. 3. Judgments or decrees, if any, under this act shall be allowed upon a fair and equitable basis, and notwithstanding the bars or defenses of any alleged settlement or adjustment heretofore made, res adjudicata, laches, or any provisions of Public Act No. 369, as enacted on June 16, 1934.

SEC. 4. This act shall not be interpreted as raising any presumption or conclusion of fact or law but shall be held solely to provide for trial upon facts as may be alleged.

Mr. KING. I should like to have an explanation of the bill.

Mr. SCHWELLENBACH. Mr. President, several times during the past year the Committee on Claims has considered bills making adjustments with the different corporations which had contracts with the Federal Government, and whose costs were increased because of the National Industrial Recovery Act. Those matters have come before the Congress because of a disagreement either between particular companies and the Department or the Comptroller General's office. We have tried in the individual cases to do the best we could toward arriving at the correct amounts, but it is not a satisfactory way of handling the matter. The Senator from North Carolina, therefore, prepared this bill, which gives to the Court of Claims the power of passing upon these claims of various corporations.

The VICE PRESIDENT. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BUTLER LUMBER CO., INC.

The bill (S. 3803) to amend the act entitled "An act giving jurisdiction to the Court of Claims to hear and determine the claim of the Butler Lumber Co., Inc.," was announced as next in order.

The PRESIDING OFFICER (Mr. GILLETTE in the chair). An identical bill, House bill 10171, has passed the House.

The bill (H. R. 10171) to amend the act entitled "An act giving jurisdiction to the Court of Claims to hear and determine the claim of the Butler Lumber Co., Inc." was read the first time by title and the second time at length, as follows:

Be it enacted, etc., That the act entitled "An act giving jurisdiction to the Court of Claims to hear and determine the claim of the Butler Lumber Co., Inc.," approved March 3, 1927, be, and the same is hereby, amended to give the Court of Claims of the United States jurisdiction to hear and determine claims in addition to those already adjudicated by the Court of Claims in the case of the Butler Lumber Co. against the United States, decided December 7, 1931 (73 Ct. Cls. 270), in favor of the Butler Lumber Co., as follows: A claim for the loss of land, timber, lumber, machinery, and cash through foreclosure in the total sum of $95,641,

resulting from the furnishing of piling in the erection of a fueling station on Craney Island, in Norfolk Harbor, Va., which station was erected under a contract dated May 21, 1921, between W. S. Rendle and the United States Shipping Board, representing the United States of America, notwithstanding the said judgment of the Court of Claims, laches, or the statute of limitations. Suit in the Court of Claims may be brought by the receivers of the Butler Lumber Co., Inc., appointed by the Law and Equity Court of Richmond City, Va.

The PRESIDING OFFICER. Is there objection to the House bill being substituted for the Senate bill and being considered at this time?

There being no objection, the Senate proceeded to consider the bill (H. R. 10171) to amend an act entitled "An act giving jurisdiction to the Court of Claims to hear and determine the claim of the Butler Lumber Co., Inc.," which was ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 3803 will be indefinitely postponed.

RELIEF OF STEVEDORES IN SAN FRANCISCO

The bill (H. R. 7537) was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (H. R. 2487) for the relief of Thomas J. Allen, Jr., was announced as next in order.

Mr. KING. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

VERACUNDA O'BRIEN ALLEN

The bill (H. R. 2650) for the relief of Veracunda O'Brien Allen, was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (H. R. 3747) for the relief of George O. Wills, was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

ATLANTIC WORKS, OF BOSTON, MASS.

The bill (H. R. 4169) to carry out the findings of the Court of Claims in the case of the Atlantic Works, of Boston, Mass., was considered, ordered to a third reading, read the third time, and passed.

MRS. R. A. SMITH

The bill (H. R. 4227) for the relief of Mrs. R. A. Smith was considered, ordered to a third reading, read the third time, and passed.

MOSES RED BIRD

The bill (H. R. 6186) for the relief of Moses Red Bird, was considered, ordered to a third reading, read the third time, and passed.

AUGUSTA L. COLLINS

The bill (H. R. 6669) for the relief of Augusta L. Collins was considered, ordered to a third reading, read the third time, and passed.

J. ANSE LITTLE

The bill (H. R. 7012) for the relief of J. Anse Little was considered, ordered to a third reading, read the third time, and passed.

JAMES MOHIN AND JOSEPH LERCARA

The bill (H. R. 7060) for the relief of James Mohin and Joseph Lercara was considered, ordered to a third reading, read the third time, and passed.

ESTATE OF RAYMOND FINKLEA

The bill (H. R. 7166) for the relief of the estate of Raymond Finklea was considered, ordered to a third reading, read the third time, and passed.

MURIEL C. YOUNG

The bill (H. R. 7429) for the relief of Muriel C. Young was considered, ordered to a third reading, read the third time, and passed.

MR. AND MRS. ROY BLESSING

The bill (H. R. 7460) for the relief of Mr. and Mrs. Roy Blessing was considered, ordered to a third reading, read the third time, and passed.

ROSWELL H. HAYNIE

The bill (H. R. 8051) for the relief of Roswell H. Haynie was considered, ordered to a third reading, read the third time, and passed.

SONIA M. BELL

The bill (H. R. 8123) for the relief of Sonia M. Bell was considered, ordered to a third reading, read the third time, and passed.

FRED J. CHRISTOFF

The bill (H. R. 8241) for the relief of Fred J. Christoff was considered, ordered to a third reading, read the third time, and passed.

NORTH MISSISSIPPI OIL MILLS, HOLLY SPRINGS, MISS.

The bill (H. R. 8365) for the relief of the North Mississippi Oil Mills, of Holly Springs, Miss., was considered, ordered to a third reading, read the third time, and passed.

ST. LOUIS RIVER BRIDGE, WISCONSIN AND MINNESOTA

The bill (H. R. 10225) to amend section 6 of chapter 64, approved April 24, 1894 (U. S. Stat. L., vol. XXVIII, 2d sess., 53d Cong.), being an act entitled "An act to authorize the construction of a steel bridge over the St. Louis River between the States of Wisconsin and Minnesota," was announced as next in order.

Mr. DUFFY. Mr. President, in asking that the bill go over, I ask unanimous consent to have printed in the RECORD at this point four telegrams from railroad brotherhood organizations protesting the passage of the bill. I have not had sufficient time to go into the merits of the bill, but I ask that it may be passed over.

The PRESIDING OFFICER. The bill will be passed over; and without objection, the telegrams referred to will be printed in the RECORD at this point.

The telegrams are as follows:

SUPERIOR, WIS., *June 9, 1938.*

Senator F. RYAN DUFFY:

There is distinct opposition here to House bill 10225, amending Duluth-Superior Bridge Co. charter, which passed the House June 6. If this bill is rushed through Senate there will be much criticism here. Please do what you can to prevent bill from becoming law at this session so that you may have opportunity to learn what the sentiment in Superior really is.

O. J. OVESON,
Secretary, Badger Lodge 415, Brotherhood of Railway Clerks.

SUPERIOR, WIS., *June 8, 1938.*

Senator F. RYAN DUFFY:

House bill 10225 amending charter of Duluth-Superior Bridge Co., which passed the House June 6, is opposed by members American Train Dispatchers Association at Superior. We feel it is detrimental to interests of Superior. Please do all possible prevent bill from becoming law. Duluth interests are attempting to railroad bill through Congress.

E. G. STACK, *Chairman.*

SUPERIOR, WIS., *June 8, 1938.*

Senator F. RYAN DUFFY,
Senate Office Building:

House bill 10225 amending charter of Duluth-Superior Bridge Co., which passed the House June 6, is opposed by Superior Division No. 290, Brotherhood of Locomotive Engineers, because we feel it is detrimental to the interests of Superior. Please do everything you can to prevent the bill from becoming law at this session. Duluth interests are attempting to railroad bill through Congress.

BERNARD BERNSTROM,
Secretary, Superior Division, No. 290,
Brotherhood of Locomotive Engineers.

SUPERIOR, WIS., *June 7, 1938.*

Senator F. RYAN DUFFY:

House bill 10225 amending charter of Duluth-Superior Bridge Co., which passed the House June 6, is opposed by our organization because we feel it is detrimental to the interests of Superior. Please do everything you can to prevent the bill from becoming law at this session. Duluth interests are attempting to railroad bill through Congress.

WM. J. HENRETTY,
Secretary and Treasurer, Division 288,
Order of Railway Conductors.

MISSOURI RIVER BRIDGE, NIOBRARA, NEBR.

The bill (H. R. 10346) to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Niobrara, Nebr., was considered, ordered to a third reading, read the third time, and passed.

COAST GUARD STATION, SHELTER COVE, CALIF.

The bill (H. R. 9916) to provide for the establishment of a Coast Guard station at or near Shelter Cove, Calif., was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized to establish a Coast Guard station on the Pacific coast at or in the vicinity of Shelter Cove, Calif., in such locality as the Commandant of the Coast Guard may recommend.

BILL PASSED OVER

The bill (H. R. 10672) to amend section 4197 of the Revised Statutes, as amended (U. S. C., 1934 ed., title 46, sec. 91), and section 4200 of the Revised Statutes (U. S. C., 1934 ed., title 46, sec. 92), and for other purposes, was announced as next in order.

Mr. KING. Let the bill go over for the present.

The PRESIDING OFFICER. The bill will be passed over.

UNITED STATES COAST GUARD ACADEMY, CONTINGENT EXPENSES

The bill (S. 4145) to authorize contingent expenditures, United States Coast Guard Academy, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated, out of any money in the Treasury of the United States not otherwise appropriated, not to exceed $2,500 for any fiscal year, for contingencies for the Superintendent, United States Coast Guard Academy, to be expended in his discretion and by his direction.

ALBERT RICHARD JESKE

The bill (S. 3389) for the relief of Albert Richard Jeske, was announced as next in order.

The PRESIDING OFFICER. The Chair lays before the Senate an identical House bill, which will be read.

The bill (H. R. 7606) for the relief of Albert Richard Jeske, was read the first time by its title and the second time at length, as follows:

Be it enacted, etc., That in the administration of the immigration laws, relating to the issuance of immigration visas for admission to the United States for permanent residence and relating to admissions at ports of entry of aliens as immigrants for permanent residence in the United States, the provisions of section 3 of the Immigration Act of 1917 (39 Stat. 875), as amended (U. S. C., title 8, sec. 136 (e)), which exclude from admission into the United States "persons who have been convicted of or admit having committed a felony, or other crime or misdemeanor involving moral turpitude," shall not hereafter be held to apply to Albert Richard Jeske, who is the husband of Martha Jeske, an American citizen, on account of offenses alleged to have been committed in connection with obtaining a passport for admission to the United States. If he is found otherwise admissible under the immigration laws an immigration visa may be issued and admission granted to Albert Richard Jeske under this act upon application hereafter filed.

The PRESIDING OFFICER. Is there objection to House bill 7606 being substituted for the Senate bill and being now considered?

There being no objection, the House bill was considered, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 3389 will be indefinitely postponed.

OLAF NORDMAN

The bill (S. 3816) authorizing the naturalization of Olaf Nordman, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That notwithstanding any other provision of law Olaf Nordman, now a sergeant, Twenty-eighth Regiment, Quartermaster Corps, United States Army, who is serving his fifth enlistment in the United States Army and has been honorably discharged from four previous enlistments with a character rating of "excellent," may be naturalized as a citizen of the United States by taking the oath of allegiance, in the manner prescribed in the naturalization laws, before any court having jurisdiction of the naturalization of aliens.

GORDON L. CHEASLEY

The bill (H. R. 7297) for the relief of Gordon L. Cheasley, was considered, ordered to a third reading, read the third time, and passed.

STANLEY KOLITZOFF AND MARIE KOLITZOFF

The bill (H. R. 8275) for the relief of Stanley Kolitzoff and Marie Kolitzoff was considered, ordered to a third reading, read the third time, and passed.

LOUIS MICHAEL BREGANTIC

The bill (H. R. 8743) for the relief of Louis Michael Bregantic, was considered, ordered to a third reading, read the third time, and passed.

JOSEPH BRUM AND GUSSIE BRUM

The bill (H. R. 8858) for the relief of Joseph Brum and Gussie Brum, was considered, ordered to a third reading, read the third time, and passed.

ADOLPH ARENDT

The bill (H. R. 9400) for the relief of Adolph Arendt, was considered, ordered to a third reading, read the third time, and passed.

REGULATIONS COVERING NARCOTIC DRUGS IN THE DISTRICT OF COLUMBIA

The bill (H. R. 7982) to regulate the manufacturing, dispensing, selling, and possession of narcotic drugs in the District of Columbia, was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., The following words and phrases, as used in this act, shall have the following meanings, unless the context otherwise requires:

(a) "Person" includes any corporation, association, copartnership, or one or more individuals.

(b) "Physician" means a person authorized by law to practice medicine or osteopathy in the District of Columbia.

(c) "Dentist" means a person authorized by law to practice dentistry in the District of Columbia.

(d) "Veterinarian" means a person authorized by law to practice veterinary medicine in the District of Columbia.

(e) "Manufacturer" means a person who by compounding, mixing, cultivating, growing, or other process produces or prepares narcotic drugs, but does not include an apothecary who compounds narcotic drugs to be sold or dispensed on prescription.

(f) "Wholesaler" means a person who supplies narcotic drugs that he himself has not produced nor prepared on official written orders but not on prescription.

(g) "Apothecary" means a licensed pharmacist as defined by the laws of the District of Columbia and, where the context so requires, the owner of a store or other place of business where narcotic drugs are compounded or dispensed by a licensed pharmacist; but nothing in this act shall be construed as conferring on a person who is not registered nor licensed as a pharmacist any authority, right, or privilege that is not granted to him by the pharmacy laws of the District of Columbia.

(h) "Hospital" means an institution or clinic for the care and treatment of the sick and injured, approved by the health officer of the District of Columbia as proper to be entrusted with the custody of narcotic drugs and the professional use of narcotic drugs under the direction of a physician, dentist, or veterinarian.

(i) "Laboratory" means a laboratory approved by the health officer of the District of Columbia as proper to be entrusted with the custody of narcotic drugs and the use of narcotic drugs for scientific and medical purposes and for purposes of instruction.

(j) "Sale" includes barter, exchange, or gift, or offer therefor, and each such transaction made by any person, whether as principal, proprietor, agent, servant, or employee.

(k) "Coca leaves" includes cocaine and any compound, manufacture, salt, derivative, mixture, or preparation of coca leaves, except derivatives of coca leaves which do not contain cocaine, ecgonine, or substances from which cocaine or ecgonine may be synthesized or made.

(l) "Opium" includes morphine, codeine, and heroin, and any compound, manufacture, salt, derivative, mixture, or preparation of opium.

(m) "Cannabis" includes all parts of the plant Cannabis sativa L., whether growing or not; the seeds thereof; the resin extracted from any part of such plant; and every compound, manufacture, salt, derivative, mixture, or preparation of such plant, its seeds, or resin, including specifically the drugs known as American hemp, marihuana, Indian hemp or hasheesh, as used in cigarettes or in any other articles, compounds, mixtures, preparations, or products whatsoever, but shall not include the mature stalks of such plant; fiber produced from such stalks; oil or cake made from the seeds of such plant; any compound, manufacture, salt, derivative, mixture, or preparation of such mature stalks (except the resin extracted therefrom); fiber, oil or cake; or the sterilized seed of such plant which is incapable of germination.

(n) "Narcotic drugs" means coca leaves, opium, cannabis, and every substance not chemically distinguishable from them.

(o) "Federal narcotic laws" means the laws of the United States relating to opium, coca leaves, cannabis, and other narcotic drugs.

(p) "Official written order" means an order written on a form provided for that purpose by the United States Commissioner of Narcotics, under any laws of the United States making provision therefor, if such order forms are authorized and required by Federal law and, if no such order form is provided, then on an official form provided for that purpose by the Board of Pharmacy.

(q) "Dispense" includes distribute, leave with, give away, dispose of, or deliver.

(r) "Registry number" means the number assigned to each person registered under the Federal narcotic laws.

(s) "Board of Pharmacy" means the Board of Pharmacy of the District of Columbia as provided by Act of Congress approved May 7, 1906, as amended (D. C. Code of 1929, title 20, part 3, sec. 198).

ACTS PROHIBITED

SEC. 2. It shall be unlawful for any person to manufacture, possess, have under his control, sell, prescribe, administer, dispense, or compound any narcotic drug, except as authorized in this act.

MANUFACTURERS AND WHOLESALERS

SEC. 3. No person shall manufacture, compound, mix, cultivate, grow, or by any other process produce or prepare narcotic drugs, and no person as a wholesaler shall supply the same, without having first obtained a license so to do from the Board of Pharmacy. Licenses shall be issued for a period of 1 year and may be renewed for a like period. A fee of $10 shall be paid to the Board of Pharmacy for any license so issued or renewed. The said Board of Pharmacy is authorized to have printed such licenses as may be necessary and to be paid for out of the money collected by it for the issuance of licenses. At the close of each fiscal year any funds unexpended in excess of the sum of $100 shall be paid into the Treasury of the United States to the credit of the District of Columbia.

QUALIFICATIONS FOR LICENSES

SEC. 4. No license shall be issued under the foregoing section unless and until the applicant therefor has furnished proof satisfactory to the Board of Pharmacy of the following:

(a) That the applicant is of good moral character or, if the applicant be an association or corporation, that the managing officers are of good moral character.

(b) That the applicant is equipped as to land, buildings, and paraphernalia properly to carry on the business described in his application.

No license shall be granted to any person who has been convicted of a willful violation of any law of the United States, or of any State, relating to opium, coca leaves, cannabis, or other narcotic drugs, or to any person who is a narcotic-drug addict.

The Board of Pharmacy may suspend or revoke any license issued by said Board under the provisions of this act for cause.

USE OF OFFICIAL WRITTEN ORDERS

SEC. 5. An official written order for any narcotic drug shall be signed in duplicate by the person giving said order or by his duly authorized agent. The original shall be presented to the person who sells or dispenses the narcotic drug or drugs named therein. In event of the acceptance of such order by said person, each party to the transaction shall preserve his copy of such order for a period of 2 years in such a way as to be readily accessible for inspection by any public officer or employee engaged in the enforcement of this act. It shall be unlawful for a manufacturer or wholesaler to sell, barter, exchange, or give away any preparation or remedy described in section 6 of the act of Congress approved December 17, 1914, entitled "An act to provide for the registration of, with collectors of internal revenue, and to impose a special tax upon all persons who produce, import, manufacture, compound, deal in, dispense, sell, distribute, or give away opium or coca leaves, their salts, derivatives, or preparations, and for other purposes", as amended, which contains not more than 2 grains of opium, or not more than one-fourth of a grain of morphine, or not more than one-eighth of a grain of heroin, or not more than 1 grain of codeine, or any salt or derivative of any of them in 1 fluid or avoirdupois ounce, except in pursuance of a written order, on a form to be issued in blank by the District of Columbia Board of Pharmacy. Every person who shall accept any such order, and in pursuance thereof shall sell, barter, exchange, or give away any of the aforesaid preparations shall preserve such order for a period of 2 years in such a way as to be readily accessible to inspection by any officer or agent authorized for that purpose.

The Board of Pharmacy shall cause suitable written order forms to be prepared for the purchase of narcotics for which no form is provided by the United States Commissioner of Narcotics, and shall cause the same to be for sale by said Board at a cost not to exceed $1 a hundred, to those persons who shall have registered under the Federal narcotic laws. The Board of Pharmacy shall keep an account of the number of forms sold and the names and addresses of the purchasers and the serial numbers of such forms sold to each purchaser. Whenever the Board of Pharmacy shall sell any such forms it shall cause the name and address of the purchaser thereof to be plainly written or stamped thereon before delivering the same. The said Board is authorized and directed to make such rules and regulations, not inconsistent with law, as it may deem necessary for the administration and enforcement of this act.

It shall be deemed a compliance with this section if the parties to the transaction have complied with the Federal narcotic laws respecting official order forms if such order forms are authorized and required by Federal laws, or, if no such order form is provided, then with the rules and regulations of the Board of Pharmacy respecting official order forms.

SALE ON WRITTEN ORDERS

SEC. 6. (a) A duly licensed manufacturer or wholesaler may sell and dispense narcotic drugs to any of the following persons, but only on official written orders:

(1) To a manufacturer, wholesaler, or apothecary;

(2) To a physician, dentist, or veterinarian;

(3) To a hospital, but only for use by or in that hospital: *Provided*, That the official written order is signed by a physician, dentist, veterinarian, or pharmacist connected with that hospital; and

(4) To a person in charge of a laboratory, but only for use in that laboratory for scientific and medical purposes.

(b) A duly licensed manufacturer or wholesaler may also sell narcotic drugs to any of the following persons:

(1) On a special written order accompanied by a certificate of exemption, as required by the Federal narcotic laws, to a person in the employ of the United States Government or of the District of Columbia, or of any State, Territorial, district, county, municipal, or insular government, purchasing, receiving, possessing, or dispensing narcotic drugs by reason of his official duties.

(2) To a master of a ship or a person in charge of any aircraft upon which no physician is regularly employed, or to a physician or surgeon duly licensed in some State, Territory, or the District of Columbia to practice his profession, or to a retired commissioned medical officer of the United States Army, Navy, or Public Health Service employed upon such ship or aircraft, for the actual medical needs of persons on board such ship or aircraft, when not in port: *Provided*, That such narcotic drugs shall be sold to the master of such ship or person in charge of such aircraft, or to a physician, surgeon, or retired commissioned medical officer of the United States Army, Navy, or Public Health Service employed upon such ship or aircraft only in pursuance of a special order form approved by a commissioned medical officer or acting assistant surgeon of the United States Public Health Service.

(3) To a person in a foreign country if the provisions of the Federal narcotic laws are complied with.

Possession lawful

(c) Possession of or control of narcotic drugs obtained as authorized by this section shall be lawful only if obtained and used in the regular course of business, occupation, profession, employment, or duty of the possessor.

SEC. 7. A person in charge of a hospital or of a laboratory, or in the employ of the District of Columbia or of any State, or of any political subdivision thereof, or a master of a ship or a person in charge of any aircraft upon which no physician is regularly employed, or a physician or surgeon duly licensed in some State, Territory, or the District of Columbia, to practice his profession, or a retired commissioned medical officer of the United States Army, Navy, or Public Health Service employed upon such ship or aircraft who obtains narcotic drugs under the provisions of section 6 of this act, or otherwise, shall not administer, nor dispense, nor otherwise use such drugs, within the District of Columbia, except within the scope of his employment or official duty, and then only for scientific or medical purposes and subject to the provisions of this act.

SALES BY APOTHECARIES

SEC. 8. (a) An apothecary, in good faith, may sell and dispense narcotic drugs to any person upon a written prescription of a physician, dentist, or veterinarian, dated and signed, in ink or indelible pencil, on the day when issued, by the physician, dentist, or veterinarian prescribing said narcotic drugs. The prescription when issued shall also state the full name and address of the patient for whom, or of the owner of the animal for which, the drug is dispensed, and the full name, address, and registry number under the Federal narcotic laws of the person prescribing, if he is required by those laws to be so registered. If the prescription be for an animal, it shall state the species of animal for which the drug is prescribed. The person filling the prescription shall write the date of filling and his own signature on the face of the prescription. The prescription shall be retained on file by the proprietor of the pharmacy in which it is filled for a period of 2 years, so as to be readily accessible for inspection by any public officer or employee engaged in the enforcement of this act. The prescription shall not be refilled.

(b) The legal owner of any stock of narcotic drugs in a pharmacy, upon discontinuance of dealing in said drugs, may sell said stock to a manufacturer, wholesaler, or apothecary, but only on an official written order.

(c) An apothecary, only upon an official written order, may sell to a physician, dentist, or veterinarian, in quantities not exceeding 1 ounce at any one time, aqueous or oleaginous solutions of which the content of narcotic drugs does not exceed a proportion greater than 20 percent of the complete solution, to be used for medical purposes.

PROFESSIONAL USE OF NARCOTIC DRUGS

Physicians and dentists

SEC. 9. (a) A physician or a dentist, in good faith and in the course of his professional practice only, may prescribe in writing, administer, and dispense narcotic drugs, or he may cause the same to be administered by a nurse or interne under his direction and supervision. Such a prescription shall be dated and signed by the person prescribing on the day when issued and shall bear the full name and address of the patient for whom the narcotic drug is prescribed and the full name, address, and registry number under the Federal narcotic laws of the person prescribing, provided he is required by those laws to be so registered.

Veterinarians

(b) A veterinarian, in good faith and in the course of his professional practice only and not for use by a human being, may prescribe in writing, administer, and dispense narcotic drugs, and he may cause them to be administered by an assistant or orderly under his direction and supervision. Such a prescription shall be dated and signed by the person prescribing on the day when issued and shall bear the full name and address of the owner of the animal; the species of the animal for which the narcotic is prescribed; and the full name, address, and registry number under the Federal narcotic laws of the person prescribing, provided he is required by those laws to be so registered.

Return of unused drugs

(c) Any person who has obtained from a physician, dentist, or veterinarian any narcotic drug for administration to a patient during the absence of such physician, dentist, or veterinarian shall return to such physician, dentist, or veterinarian any unused portion of such drug, when it is no longer required by the patient.

PREPARATIONS EXEMPTED

SEC. 10. Except as otherwise in this act specifically provided, this act shall not apply to the following cases:

(a) Prescribing, administering, dispensing, or selling at retail of any medicinal preparation that contains in 1 fluid ounce or, if a solid or semisolid preparation, in 1 avoirdupois ounce (1) not more than 2 grains of opium, (2) not more than one-quarter of a grain of morphine or of any of its salts, (3) not more than 1 grain of codeine or of any of its salts, (4) not more than one-eighth of a grain of heroin or of any of its salts.

(b) Prescribing, administering, dispensing, or selling at retail of liniments, ointments, and other preparations that are susceptible of external use only and that contain narcotic drugs in such combinations as prevent their being readily extracted from such liniments, ointments, or preparations, except that this act shall apply to all liniments, ointments, and other preparations that contain coca leaves in any quantity or combination.

The exemptions authorized by this section shall be subject to the following conditions:

(1) The medicinal preparation, or the liniment, ointment, or other preparation susceptible of external use only, prescribed, administered, dispensed, or sold, shall contain in addition to the narcotic drug in it, some drug or drugs conferring upon it medicinal qualities other than those possessed by the narcotic drug alone.

Such preparation shall be prescribed, administered, dispensed, and sold in good faith as a medicine, and not for the purpose of evading the provisions of this act.

Nothing in this section shall be construed to limit the kind and quantity of any narcotic drug that may be prescribed, administered, dispensed, or sold to any person, or for the use of any person or animal, when it is prescribed, administered, dispensed, or sold in compliance with the general provisions of this act.

Manufacturers or wholesalers shall sell tincture opii camphorata, commonly known as paregoric, only in accordance with the provisions of sections 5 and 6 of this act on official written order forms provided for that purpose by the Board of Pharmacy. It shall be unlawful for any person to bring into or have in his possession for sale in the District of Columbia any paregoric unless an official written order form has been issued therefor. No person shall dispense or sell any paregoric at retail to any person without a prescription from a duly licensed physician, dentist, veterinarian, or other duly authorized person. Prescriptions shall be retained and filed as provided in section 8.

RECORD TO BE KEPT

Physicians, dentists, veterinarians, and other authorized persons

SEC. 11. (a) Every physician, dentist, veterinarian, or other person who is authorized to administer or professionally use narcotic drugs shall keep a record of such drugs received by him, and a record of all such drugs administered, dispensed, or professionally used by him otherwise than by prescription in accordance with the provisions of subsection (e) of this section. It shall, however, be deemed a sufficient compliance with this subsection if any such person using small quantities of solutions or other preparations of such drugs for local application shall keep a record of the quantity, character, and potency of such solutions or other preparations purchased or made up by him, and of the dates when purchased or made up, without keeping a record of the amount of such solution or other preparation applied by him to individual patients.

Manufacturers and wholesalers

(b) Manufacturers and wholesalers shall keep records of all narcotic drugs compounded, mixed, cultivated, grown, or by any other process produced or prepared, and of all narcotic drugs received and disposed of by them, in accordance with the provisions of subsection (e) of this section.

Apothecaries

(c) Apothecaries shall keep record of all narcotic drugs received and disposed of by them, in accordance with the provisions of subsection (e) of this section.

Vendors of exempted preparations

(d) Every person who purchases for resale, or who sells narcotic drugs preparations exempted by section 10 of this act, shall keep a record showing the quantities and kinds thereof received and sold, or disposed of otherwise, in accordance with the provisions of subsection (e) of this section.

Form and preservation of records

(e) The form of records shall be prescribed by the Board of Pharmacy. The record of narcotic drugs received shall in every case show the date of receipt, the name and address of the person from whom received, and the kind and quantity of drugs received; the kind and quantity of narcotic drugs produced or removed from process of manufacture, and the date of such production or removal from process of manufacture; and the record shall in every case show the proportion of morphine, cocaine, or ecgonine contained in or producible from crude opium or coca leaves received or produced, and the proportion of resin contained in or producible from the plant Cannabis sativa L., received, or produced. The record of all narcotic drugs sold, administered, dispensed, or otherwise disposed of, shall show the date of selling, administering, or dispensing, the name and address of the person to whom, or for whose use, or the owner and species of animal for which the drugs were sold, administered, or dispensed, and the kind and quantity of drugs. Every such record shall be kept for a period of 2 years from the date of the transaction recorded. The keeping of a record required by or under the Federal narcotic laws, containing substantially the same information as is specified above, shall constitute compliance with this section, except that every such record shall contain a detailed list of narcotic drugs lost, destroyed, or stolen, if any, the kind and quantity of such drugs, and the date of the discovery of such loss, destruction, or theft.

LABELS

SEC. 12. (a) Whenever a manufacturer sells or dispenses a narcotic drug, and whenever a wholesaler sells or dispenses a narcotic drug in a package prepared by him, he shall securely affix to each package in which that drug is contained a label showing in legible English the name and address of the vendor and the quantity, kind, and form of narcotic drug contained therein. No person, except an apothecary for the purpose of filling a prescription under this act, shall alter, deface, or remove any label so affixed.

(b) Whenever an apothecary sells or dispenses any narcotic drug on a prescription issued by a physician, dentist, or veterinarian he shall affix to the container in which such drug is sold or dispensed a label showing his own name, address, and registry number, or the name, address, and registry number of the apothecary for whom he is lawfully acting; the name and address of the patient, or, if the patient is an animal, the name and address of the owner of the animal, and the species of the animal; the name, address, and registry number of the physician, dentist, or veterinarian, by whom the prescription was written; and such directions as may be stated on the prescription. No person shall alter, deface, or remove any label so affixed as long as any of the original contents remain.

AUTHORIZED POSSESSION OF NARCOTIC DRUGS BY INDIVIDUALS

SEC. 13. A person to whom or for whose use any narcotic drug has been prescribed, sold, or dispensed, by a physician, dentist, apothecary, or other person authorized under the provisions of section 6 of this act, and the owner of any animal for which any such drug has been prescribed, sold, or dispensed, by a veterinarian, may lawfully possess it only in the container in which it was delivered to him by the person selling or dispensing the same.

SEARCH WARRANTS

SEC. 14. (a) A search warrant may be issued by any judge of the police court of the District of Columbia or by a United States commissioner for the District of Columbia when any narcotic drugs are manufactured, possessed, controlled, sold, prescribed, administered, dispensed, or compounded, in violation of the provisions of this act, and any such narcotic drugs and any other property designed for use in connection with such unlawful manufacturing, possessing, controlling, selling, prescribing, administering, dispensing, or compounding, may be seized thereunder, and shall be subject to such disposition as the court may make thereof and such narcotic drugs may be taken on the warrant from any house or other place in which they are concealed.

(b) A search warrant cannot be issued but upon probable cause supported by affidavit particularly describing the property and the place to be searched.

(c) The judge or commissioner must, before issuing the warrant, examine on oath the complainant and any witnesses he may produce, and require their affidavits or take their depositions in writing and cause them to be subscribed by the parties making them.

(d) The affidavits or depositions must set forth the facts tending to establish the grounds of the application or probable cause for believing that they exist.

(e) If the judge or commissioner is thereupon satisfied of the existence of the grounds of the application or that there is probable

cause to believe their existence, he must issue a search warrant, signed by him, to the major and superintendent of police of the District of Columbia or any member of the Metropolitan Police department, stating the particular grounds or probable cause for its issue and the names of the persons whose affidavits have been taken in support thereof, and commanding him forthwith to search the place named for the property specified and to bring it before the judge or commissioner.

(f) A search warrant may in all cases be served by any of the officers mentioned in its direction, but by no other person, except in aid of the officer on his requiring it, he being present and acting in its execution.

(g) The officer may break open any outer or inner door or window of a house, or any part of a house, or anything therein, to execute the warrant, if, after notice of his authority and purpose, he is refused admittance.

(h) The judge or commissioner must insert a direction in the warrant that it be served in the daytime unless the affidavit is positive that the property is in the place to be searched, in which case he must insert a direction that it be served at any time in the day or night.

(i) A search warrant must be executed and returned to the judge or commissioner who issued it within 10 days after its date; after the expiration of this time the warrant, unless executed, is void.

(j) When the officer takes property under the warrant, he must give a copy of the warrant, together with a receipt for the property taken (specifying it in detail), to the person from whom it was taken by him, or in whose possession it was found; or in the absence of any person, he must leave it in the place where he found the property.

(k) The officer must forthwith return the warrant to the judge or commissioner and deliver to him a written inventory of the property taken, made publicly or in the presence of the person from whose possession it was taken, and of the applicant for the warrant, if they are present, verified by the affidavit of the officer at the foot of the inventory and taken before the judge or commissioner at the time, to the follow in effect: "I, , the officer by whom this warrant was executed, do swear that the above inventory contains a true and detailed account of all the property taken by me on the warrant."

(l) The judge or commissioner must thereupon, if required, deliver a copy of the inventory to the person from whose possession the property was taken and to the applicant for the warrant.

(m) The judge or commissioner must annex the affidavits, search warrant, return, inventory, and evidence, and at once file the same, together with a copy of the record of his proceedings, with the clerk of the police court.

(n) Whoever shall knowingly and willfully obstruct, resist, or oppose any such officer or person in serving or attempting to serve or execute any such search warrant, or shall assault, beat, or wound any such officer or person, knowing him to be an officer or person so authorized, shall be fined not more than $1,000 or imprisoned not more than 2 years.

PERSONS AND CORPORATIONS EXEMPTED

SEC. 15. The provisions of this act restricting the possession and having control of narcotic drugs shall not apply to common carriers or to warehousemen, while engaged in lawfully transporting or storing such drugs, or to any employee of the same acting within the scope of his employment; or to public officers or their employees in the performance of their official duties requiring possession or control of narcotic drugs; or to temporary incidental possession by employees or agents of persons lawfully entitled to possession, or by persons whose possession is for the purpose of aiding public officers in performing their official duties.

COMMON NUISANCES

SEC. 16. Any store, shop, warehouse, dwelling house, building, vehicle, boat, aircraft, or any place whatever, which is resorted to by narcotic drug addicts for the purpose of using narcotic drugs or which is used for the illegal keeping or selling of the same, shall be deemed a common nuisance. No person shall keep or maintain such a common nuisance.

NARCOTIC DRUGS TO BE DELIVERED TO STATE OFFICIAL, ETC.

SEC. 17. All narcotic drugs, the lawful possession of which is not established or the title to which cannot be ascertained, which have come into the custody of a peace officer, shall be forfeited, and disposed of as follows:

(a) Except as in this section otherwise provided, the court or magistrate having jurisdiction shall order such narcotic drugs forfeited and destroyed. A record of the place where said drugs were seized, of the kinds and quantities of drugs so destroyed, and of the time, place, and manner of destruction shall be kept, and a return under oath, reporting said destruction, shall be made to the court or magistrate and to the United States Commissioner of Narcotics, by the officer who destroys them.

(b) Upon written application by the Board of Pharmacy, the court or magistrate by whom the forfeiture of narcotic drugs has been decreed may order the delivery of any of them, except heroin and its salts and derivatives, to said Board of Pharmacy for distribution or destruction, as hereinafter provided.

(c) Upon application by any hospital within the District of Columbia not operated for private gain, the Board of Pharmacy may, in its discretion, deliver any narcotic drugs that have come into its custody by authority of this section to the applicant for medicinal use. The Board of Pharmacy may from time to time deliver excess stocks of such narcotic drugs to the United States Commissioner of Narcotics, or may destroy the same.

(d) The Board of Pharmacy of the District of Columbia shall keep a full and complete record of all drugs received and of all drugs disposed of, showing the exact kinds, quantities, and forms of such drugs; the persons from whom received and to whom delivered; by whose authority received, delivered, and destroyed; and the dates of the receipt, disposal, or destruction, which record shall be open to inspection by all Federal or District of Columbia officers charged with the enforcement of Federal and District narcotic laws.

NOTICE OF CONVICTION TO BE SENT TO LICENSING BOARD

SEC. 18. On the conviction of any person of the violation of any provision of this act, a copy of the judgment and sentence, and of the opinion of the court or magistrate, if any opinion be filed, shall be sent by the clerk of the court, or by the magistrate, to the board or officer, if any, by whom the convicted defendant has been licensed or registered to practice his profession or to carry on his business, and the said board or officer may in its or his discretion suspend or revoke the license of the convicted defendant to practice his profession or to carry on his business. On the application of any person whose license or registration has been suspended or revoked, and upon proper showing for good cause, said board or officer may reinstate such license or registration.

RECORDS, CONFIDENTIAL

SEC. 19. Prescription, orders, and records, required by this act, and stocks of narcotic drugs, shall be open for inspection only to Federal and District of Columbia officers whose duty it is to enforce the laws of the District of Columbia, or of the United States relating to narcotic drugs. No officer having knowledge by virtue of his office of any such prescription, order, or record shall divulge such knowledge, except in connection with a prosecution or proceeding in court or before a licensing or registration board or officer, to which prosecution or proceeding the person to whom such prescriptions, orders, or records relate is a party.

FRAUD OR DECEIT

SEC. 20. (a) No person shall obtain or attempt to obtain a narcotic drug, or procure or attempt to procure the administration of a narcotic drug, (1) by fraud, deceit, misrepresentation, or subterfuge; or (2) by the forgery or alteration of a prescription or of any written order; or (3) by the concealment of a material fact; or (4) by the use of a false name or the giving of a false address.

(b) Information communicated to a physician in an effort unlawfully to procure a narcotic drug, or unlawfully to procure the administration of any such drug, shall not be deemed a privileged communication.

(c) No person shall willfully make a false statement in any prescription, order, report, or record, required by this act.

(d) No person shall, for the purpose of obtaining a narcotic drug, falsely assume the title of, or represent himself to be, a manufacturer, wholesaler, apothecary, physician, dentist, veterinarian, or other authorized person.

(e) No person shall make or utter any false or forged prescription or false or forged written order.

(f) No person shall affix any false or forged label to a package or receptacle containing narcotic drugs.

(g) The provisions of this section shall apply to all transactions relating to narcotic drugs under the provisions of section 10 of this act, in the same way as they apply to transactions under all other sections.

Exceptions and exemptions not required to be negatived

SEC. 21. In any complaint, information, or indictment, and in any action or proceeding brought for the enforcement of any provision of this act, it shall not be necessary to negative any exception, excuse, proviso, or exemption, contained in this act, and the burden of proof of any such exception, excuse, proviso, or exemption, shall be upon the defendant.

Enforcement and cooperation

SEC. 22. It is hereby made the duty of the major and superintendent of police of the District of Columbia to enforce all provisions of this act, except those specifically delegated, and to cooperate with all agencies charged with the enforcement of the laws of the United States relating to narcotic drugs.

The Commissioners of the District of Columbia are authorized to employ such personal services for the clerical work of the Board of Pharmacy as may be necessary to carry out the provisions of this act and to provide for the expenses of said Board, including the cost of preparation and distribution of such official order forms as may be provided by the regulations of the Board of Pharmacy. Salaries of employees shall be fixed in accordance with the Classification Act of 1923, as amended. The Commissioners of the District of Columbia shall include in their annual estimates such amounts as may be required for the salaries and expenses herein authorized.

PENALTIES

SEC. 23. Any person violating any provisions of this act, or of any regulation made by the Board of Pharmacy under authority of this act, shall upon conviction be punished, for the first offense, by a fine of not less than $100 nor more than $1,000, or by imprisonment for not exceeding 1 year, or by both such fine and imprisonment, and for any subsequent offense by a fine of not less than

$500 nor more than $5,000, or by imprisonment for not exceeding 10 years, or by both such fine and imprisonment.

EFFECT OF ACQUITTAL OR CONVICTION UNDER FEDERAL NARCOTIC LAWS

SEC. 24. No person shall be prosecuted for a violation of any provision of this act if such person has been acquitted or convicted under any United States statute governing the sale or distribution of narcotic drugs, of the same act or omission which, it is alleged, constitutes a violation of this act.

CONSTITUTIONALITY

SEC. 25. If any provision of this act or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to this end the provisions of this act are declared to be severable.

INCONSISTENT LAWS REPEALED

SEC. 26. All acts or parts of acts which are inconsistent with the provisions of this act are hereby repealed.

NAME OF ACT

SEC. 27. This act may be cited as the "Uniform Narcotic Drug Act."

RECORDING OF DEEDS OF TRUST AND MORTGAGES IN THE DISTRICT OF COLUMBIA

The Senate proceeded to consider the bill (S. 3238) for recording of deeds of trust and mortgages secured on real estate in the District of Columbia, and for the releasing thereof, and for other purposes, which had been reported from the Committee on the District of Columbia with amendments.

The first amendment was, in section 1, page 2, line 1, after the words "mean the", to strike out "Supreme Court of" and to insert "District Court of the United States for", so as to make the section read:

DEFINITIONS

SECTION 1. When used in this act the following terms shall, unless the text otherwise indicates, have the following respective meanings:

"Recorder" shall mean the recorder of deeds of the District of Columbia or anyone authorized by law to act for him.

"Court" shall mean the District Court of the United States for the District of Columbia or one of the justices thereof.

"Deed of trust" means a deed of trust, a mortgage, or any other instrument conveying or pledging real estate in the District of Columbia as security for a debt.

"Note" shall include any note or notes, bond or bonds, or other evidence or evidences of debt secured by a deed of trust.

"Release" shall mean a deed of release or other instrument which releases real estate from the effects of a deed of trust.

"Trustee" shall include trustees under a deed of trust, a mortgagee or mortgagees, or anyone having power of sale under a mortgage pledging or conveying real estate in the District of Columbia as security for a debt.

The amendment was agreed to.

The next amendment was, in section 3, page 3, line 19, after the word "now", to insert "or hereafter", so as to make the section read:

IDENTIFYING NOTES

SEC. 3. (a) No deed of trust, except as otherwise provided herein, shall be accepted for record or recorded by the recorder unless the note secured thereby shall have been identified by him by stamping or imprinting thereon over his signature the words:

"This is (one of) the promissory note(s) described in a deed of trust to the trustee(s) named hereon, said deed of trust being recorded ---------- as instrument numbered ---
"Recorder of Deeds,
"District of Columbia."

(b) All notes presented to the recorder for identification as provided herein shall be identified by him in the manner prescribed in this section, and said notes shall be identified and available for return on the same day they are presented.

(c) The fee to be charged for said identification shall be $1 for the first note secured under any one instrument with an additional charge of 10 cents for each additional note secured thereunder: *Provided, however,* That the fee herein provided for shall be in addition to the established fee now or hereafter charged for recording deeds of trust.

The amendment was agreed to.

The next amendment was, in section 4, page 6, line 5, after the word "now", to insert "or hereafter", and on the same page, line 14, after the word "enter", to strike out "and" and to insert "an", so as to make the section read:

PRESENTATION OF CANCELED NOTES

SEC. 4. (a) No release, except as otherwise provided herein, shall be accepted for record or recorded by the recorder unless the note secured by the instrument being released shall be presented to the recorder marked "Paid" and duly canceled: *Provided, however,* That where any note is lost, destroyed, or otherwise unavailable for presentation to the recorder upon affidavit as to the facts in reference thereto filed with the recorder and the posting with said recorder of a bond, approved by the court, assuring the payment of such note in full, or upon evidence that a sufficient amount of money to assure the payment of such note in full has been deposited in the registry of the court as hereinafter provided, the recorder shall accept for record and record said release.

(b) Partial releases may be accepted for record and recorded by the recorder upon presentation to him of evidence satisfactory to him that the amount required by the terms of the deed of trust authorizing such release in part has been paid and that such payment has been endorsed upon the note secured by said deed of trust: *Provided, however,* That if the recorder shall refuse to record any such release, such refusal shall be subject to review by the court by bill in equity: *And provided further,* That where any note is lost, destroyed, or otherwise unavailable for the endorsement of said payment thereon, upon affidavit as to the facts in reference thereto filed with the recorder and the posting with said recorder of a bond, approved by the court, assuring the payment of the amount required by the terms of the deed of trust authorizing such release in part, or upon evidence that a sufficient amount of money to assure the payment of the amount required by the terms of the deed of trust authorizing such release in part has been deposited in the registry of the court as hereinafter provided, the recorder shall accept for record and record said partial release.

(c) In accordance with the provisions of this section the clerk of the court shall accept and deposit in the registry of the court any moneys presented to him for such deposit to assure the payment of any note unavailable for presentation to the recorder as provided for in this section; and upon request said clerk of the court shall certify to the recorder the fact that such moneys have been so deposited for said note.

(d) Upon petition to the court by any party or parties claiming any money deposited in the registry of the court as provided for in this section, the court upon satisfactory proof shall order the payment of said funds so deposited to the party or parties entitled thereto, without poundage or commission.

(e) The fee to be charged for examining any paid and canceled note or notes or evidence for payment presented in connection with recording any release as herein provided, shall be 50 cents for the first note or evidence of payment examined in connection with any release, with an additional fee of 5 cents for each additional note or evidence of payment examined in connection with such release: *Provided, however,* That the fee herein provided for shall be in addition to the established fee now or hereafter charged for recording any release.

(f) In any case where the owner and holder of a note shall consent to the release, in whole or in part, of real estate from the effect of a deed of trust, under conditions not provided by the terms of said deed of trust, the owner of said real estate may file a bill in equity in the court setting forth such facts, and if said court finds that the owner and holder of said note did so consent to the recording of said release, said court shall enter an order directing said recorder to accept and record said release.

(g) In any case where the owner of real estate is entitled to have the same released, in whole or in part, from the effect of a deed of trust, in accordance with the terms thereof, which said terms involve the doing of any act or thing or the performance of any condition other than the payment of money, said owner may file a bill in equity in said court setting forth that he has complied with the terms of said deed of trust, and if said court finds that said owner has so complied, said court shall enter an order directing said recorder to accept and record said release.

The amendment was agreed to.

The next amendment was, in section 5, page 7, line 5, after the word "body", to insert "of the United States or", so as to make the section read:

PUBLIC UTILITIES EXEMPT

SEC. 5. Deeds of trust executed by any corporation operating under the supervision, control, or regulation of the Interstate Commerce Commission or any Public Utilities Commission or like body of the United States or of any State or possession of the United States or of the District of Columbia, or any release thereof, shall be exempt from the provisions of this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc.

DEFINITIONS

SECTION 1. When used in this act the following terms shall, unless the text otherwise indicates, have the following respective meanings:

"Recorder" shall mean the recorder of deeds of the District of Columbia or anyone authorized by law to act for him.

"Court" shall mean the District Court of the United States for the District of Columbia or one of the justices thereof.

"Deed of trust" means a deed of trust, a mortgage, or any other instrument conveying or pledging real estate in the District of Columbia as security for a debt.

"Note" shall include any note or notes, bond or bonds, or other evidence or evidences of debt secured by a deed of trust.

"Release" shall mean a deed of release or other instrument which releases real estate from the effects of a deed of trust.

"Trustee" shall include trustees under a deed of trust, a mortgage or mortgagees, or anyone having power of sale under a mortgage pledging or conveying real estate in the District of Columbia as security for a debt.

ADDITIONAL DUTIES OF RECORDER

SEC. 2. That the recorder, except upon order of the court, shall not accept for record nor record any deed of trust nor any release thereof except in accordance with the provisions of this act.

IDENTIFYING NOTES

SEC. 3. (a) No deed of trust, except as otherwise provided herein, shall be accepted for record or recorded by the recorder unless the note secured thereby shall have been identified by him by stamping or imprinting thereon over his signature the words:

"This is (one of) the promissory note(s) described in a deed of trust to the trustee(s) named hereon, said deed of trust being recorded ---------- as instrument No. ---.

"Recorder of Deeds, District of Columbia."

(b) All notes presented to the recorder for identification as provided herein shall be identified by him in the manner prescribed in this section, and said notes shall be identified and available for return on the same day they are presented.

(c) The fee to be charged for said identification shall be $1 for the first note secured under any one instrument with an additional charge of 10 cents for each additional note secured thereunder: *Provided, however,* That the fee herein provided for shall be in addition to the established fee now or hereafter charged for recording deeds of trust.

PRESENTATION OF CANCELED NOTES

SEC. 4. (a) No release, except as otherwise provided herein, shall be accepted for record or recorded by the recorder unless the note secured by the instrument being released shall be presented to the recorder marked "Paid" and duly canceled: *Provided, however,* That where any note is lost, destroyed, or otherwise unavailable for presentation to the recorder upon affidavit as to the facts in reference thereto filed with the recorder and the posting with said recorder of a bond, approved by the court, assuring the payment of such note in full, or upon evidence that a sufficient amount of money to assure the payment of such note in full has been deposited in the registry of the court as hereinafter provided, the recorder shall accept for record and record said release.

(b) Partial releases may be accepted for record and recorded by the recorder upon presentation to him of evidence satisfactory to him that the amount required by the terms of the deed of trust authorizing such release in part has been paid and that such payment has been endorsed upon the note secured by said deed of trust: *Provided, however,* That if the recorder shall refuse to record any such release, such refusal shall be subject to review by the court by bill in equity: *And provided further,* That where any note is lost, destroyed, or otherwise unavailable for the endorsement of said payment thereon, upon affidavit as to the facts in reference thereto filed with the recorder and the posting with said recorder of a bond, approved by the court, assuring the payment of the amount required by the terms of the deed of trust authorizing such release in part, or upon evidence that a sufficient amount of money to assure the payment of the amount required by the terms of the deed of trust authorizing such release in part has been deposited in the registry of the court as hereinafter provided, the recorder shall accept for record and record said partial release.

(c) In accordance with the provisions of this section the clerk of the court shall accept and deposit in the registry of the court any moneys presented to him for such deposit to assure the payment of any note unavailable for presentation to the recorder as provided for in this section; and upon request said clerk of the court shall certify to the recorder the fact that such moneys have been so deposited for said note.

(d) Upon petition to the court by any party or parties claiming any money deposited in the registry of the court as provided for in this section, the court upon satisfactory proof shall order the payment of said funds so deposited to the party or parties entitled thereto, without poundage or commission.

(e) The fee to be charged for examining any paid and canceled note or notes or evidence for payment presented in connection with recording any release as herein provided, shall be 50 cents for the first note or evidence of payment examined in connection with any release, with an additional fee of 5 cents for each additional note or evidence of payment examined in connection with such release: *Provided, however,* That the fee herein provided for shall be in addition to the established fee now or hereafter charged for recording any release.

(f) In any case where the owner and holder of a note shall consent to the release, in whole or in part, of real estate from the effect of a deed of trust, under conditions not provided by the terms of said deed of trust, the owner of said real estate may file a bill in equity in the court setting forth such facts, and if said court finds that the owner and holder of said note did so consent to the recording of said release, said court shall enter an order directing said recorder to accept and record said release.

(g) In any case where the owner of real estate is entitled to have the same released, in whole or in part, from the effect of a deed of trust, in accordance with the terms thereof, which said terms involve the doing of any act or thing or the performance of any condition other than the payment of money, said owner may file a bill in equity in said court setting forth that he has complied with the terms of said deed of trust, and if said court finds that said owner has so complied, said court shall enter an order directing said recorder to accept and record said release.

PUBLIC UTILITIES EXEMPT

SEC. 5. Deeds of trust executed by any corporation operating under the supervision, control, or regulation of the Interstate Commerce Commission or any Public Utilities Commission or like body of the United States or of any State or possession of the United States or of the District of Columbia, or any release thereof, shall be exempt from the provisions of this act.

CORPORATE TRUSTEES EXEMPT

SEC. 6. (a) The provisions of this act, except as to section 7 hereof, shall not apply to any deed of trust or release in which the trustee, or one of the trustees, named is a banking institution authorized by its charter or by law to act as trustee and doing business under the supervision of the Comptroller of the Currency: *Provided,* That said banking institution has signified its willingness to act as such trustee by its signature and seal to the deed of trust before the same is recorded.

(b) If an individual shall be named as cotrustee with such banking institution and the individual trustee shall die before all the terms and provisions of the deed of trust have been executed, all the powers, estate, and duties conferred and granted by the deed of trust shall, upon the death of said individual trustee, vest in such banking institution with like force and effect as if such institution had been originally named as sole trustee.

(c) In the event such banking institution is named in a deed of trust as sole trustee or as cotrustee with an individual trustee, the recorder, upon request, shall identify the note secured by said deed of trust in the manner provided and for the fees prescribed in section 3 of this act.

BANKING DEPOSITORY

SEC. 7. No clause or provision contained in any deed of trust hereafter executed, providing for the payment or redemption in part or in whole of the indebtedness secured thereby, by deposit of funds for that purpose, shall be valid unless the depository so named shall be a banking institution doing business under supervision of the Comptroller of the Currency and the banking institution so named shall have signified its willingness to act as such depository by its signature and seal to the deed of trust before same is recorded, and if such payment or redemption by deposit shall be made pursuant to a privilege of anticipation reserved in the deed of trust, 30 days' previous notice of the time of such payment or redemption shall be given, which notice shall be published twice a week in a newspaper having general circulation in the District of Columbia for 3 successive weeks during said 30-day period, and such notice shall specify the serial number or numbers of the note or notes to be redeemed or paid and the date at which it is intended to redeem or pay the same. When such banking institution shall certify to the recorder that it holds on deposit the sum required by the deed of trust to be paid for the release in whole or in part of said deed of trust, the recorder shall accept for record and record such release.

SEC. 8. The duties of the recorder as now defined by law are hereby enlarged to embrace and include all the duties imposed by this act. The recorder is authorized to employ such additional personnel as may be necessary to carry out the duties imposed upon him by this act within appropriations authorized for his office, the salaries of such personnel to be fixed in accordance with the Classification Act of 1923, as amended.

SEC. 9. The provisions of this act shall become effective 90 days after its passage: *Provided, however,* That this act shall not apply either to deeds of trust recorded prior to the date this act shall become effective or to any subsequent release thereof.

SAVING CLAUSE

SEC. 10. If any section, subsection, sentence, clause, phrase, or requirement of this act be for any reason held to be unconstitutional or invalid, such decision shall not affect the validity of the remaining portions thereof. The Congress of the United States hereby declares that it would have passed this act, and each section, subsection, sentence, clause, phrase, and requirement thereof, irrespective of the fact that any one or more of the sections, subsections, sentences, clauses, phrases, or requirements thereof may hereafter be declared unconstitutional or invalid.

JAMES THOW, CHARLES THOW, AND DAVID THOW

The Senate proceeded to consider the bill (S. 3957) for the relief of James Thow, Charles Thow, and David Thow, which had been reported from the Committee on Claims, with amendments, on page 1, line 6, after the words "sum of", where they first appear, to strike out "$2,000" and to insert "$1,583"; in the same line, after the words "sum of" to strike out "$8" and to insert "$178"; in line 7, after the words "sum of" to strike out "$6" and to insert "$56"; in

line 9, after the word "property" to strike out "damage and personal injuries sustained by the said James Thow, and reimbursement to the said Charles Thow and David Thow for medical expenses paid", and to insert "damage, personal injuries, and medical expenses sustained", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to James Thow the sum of $1,583, to Charles Thow the sum of $178, and to David Thow the sum of $56, in full satisfaction of their claims against the United States for damages resulting from property damage, personal injuries, and medical expenses sustained by them, as a result of the automobile in which they were riding having been struck by a United States Army truck on Route 14 near Barre, Vt., on September 2, 1936: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with such claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

UNCOMPAHGRE BANDS OF UTE INDIANS

Mr. ADAMS. Mr. President, I have been detained in the committee working on the deficiency bill. I wish to inquire as to what, if anything, was done with House bill 3162, Calendar No. 1871.

The PRESIDING OFFICER. The consideration of the calendar today was begun at a later number on the calendar than that which the Senator referred to. The bill to which the Senator refers has not yet called on the calendar.

LENA R. BURNETT

The bill (H. R. 6374) for the relief of Lena R. Burnett, was considered, ordered to a third reading, read the third time, and passed.

ROSCOE B. HUSTON

The bill (H. R. 8375) for the relief of Roscoe B. Huston, was considered, ordered to a third reading, read the third time, and passed.

MARGARET B. NONNENBERG

The bill (H. R. 8567) for the relief of Margaret B. Nonnenberg was considered, ordered to a third reading, read the third time, and passed.

GUS VAKAS

The bill (H. R. 8683) for the relief of Gus Vakas was considered, ordered to a third reading, read the third time, and passed.

J. G. BUCKLIN

The bill (H. R. 8744) for the relief of J. G. Bucklin was considered, ordered to a third reading, read the third time, and passed.

DR. SAMUEL A. RIDDICK

The bill (H. R. 9297) for the relief of Dr. Samuel A. Riddick was considered, ordered to a third reading, read the third time, and passed.

ESTATE OF MILTON L. BAXTER

The bill (H. R. 1363) for the relief of the estate of Milton L. Baxter was considered, ordered to a third reading, read the third time, and passed.

INTERNATIONAL OIL CO., MINOT, N. DAK.

The bill (S. 3781) for the relief of the International Oil Co., of Minot, N. Dak., was considered, ordered to be engrossed for a third reading, read the third time, and passed.

EMILIE DEW AND OTHERS

The bill (H. R. 1250) for the relief of Emilie Dew, Jack Welsh, Mary Jane Bowden, and Henry U. Gaines, Jr., was considered, ordered to a third reading, read the third time, and passed.

STATE OF NEW YORK INSURANCE DEPARTMENT AS LIQUIDATOR

The Senate proceeded to consider the bill (H. R. 2560) for the relief of the State of New York Insurance Department as liquidator.

Mr. KING. I should like an explanation from the Senator from Michigan [Mr. BROWN].

Mr. BROWN of Michigan. The bill, which has passed the House, provides for the reimbursement of the State of New York for certain money which was due its insurance department in the same manner that we have paid bills to private insurance companies. The amount involved is about $10,000. The Government department involved believes that the bill is meritorious, and approves it.

The PRESIDING OFFICER. The question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the State of New York Insurance Department as liquidator of the Concord Casualty & Surety Co. the sum of $5,500. Such sum shall be in full settlement of its claim against the United States for the loss sustained by such company on account of the forfeiture to the United States of a bail bond executed by such company and conditioned upon the delivery in court of one James Burke, alias Jack Corbett, alias Noble John Moore. By reason of the nonappearance of the said James Burke, alias Jack Corbett, alias Noble John Moore, such bail bond was declared forfeited in the United States District Court for the Southern District of New York on or about October 5, 1933, and on or about October 11, 1933, such company paid to the clerk of such court the sum of $10,000 in full satisfaction of such bond. Subsequently, the said James Burke, alias Jack Corbett, alias Noble John Moore, was arrested, sentenced, and imprisoned in the Federal penitentiary at Lewisburg, Pa.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

ROLAND STAFFORD

The bill (H. R. 3225) for the relief of Roland Stafford was considered, ordered to a third reading, read the third time, and passed.

CLARENCE D. SCHIFFMAN

The bill (H. R. 3655) for the relief of Clarence D. Schiffman was considered, ordered to a third reading, read the third time, and passed.

MRS. D. O. BENSON

The bill (H. R. 4830) for the relief of Mrs. D. O. Benson was considered, ordered to a third reading, read the third time, and passed.

HELEN RAUCH AND MAX RAUCH

The bill (H. R. 4864) for the relief of Helen Rauch and Max Rauch was considered, ordered to a third reading, read the third time, and passed.

ROGOWSKI BROS.

The bill (H. R. 4941) for the relief of Rogowski Bros. was considered, ordered to a third reading, read the third time, and passed.

DE WITT F. M'LAURINE

The bill (H. R. 5006) for the relief of DeWitt F. McLaurine was considered, ordered to a third reading, read the third time, and passed.

LAVINA KARNS

The bill (H. R. 6016) for the relief of Lavina Karns was considered, ordered to a third reading, read the third time, and passed.

DR. A. C. ANTONY AND OTHERS

The bill (H. R. 6296) for the relief of Dr. A. C. Antony and others was considered, ordered to a third reading, read the third time, and passed.

EDWARD J. THOMPSON

The bill (H. R. 6327) for the relief of Edward J. Thompson was considered, ordered to a third reading, read the third time, and passed.

HARVEY AND CARRIE ROBINSON

The bill (H. R. 6846) for the relief of Harvey and Carrie Robinson was considered, ordered to a third reading, read the third time, and passed.

WILMA ARTOPOEUS

The bill (H. R. 7960) for the relief of Wilma Artopoeus was considered, ordered to a third reading, read the third time, and passed.

FRANCES M. HEINZELMANN

The bill (H. R. 8391) for the relief of Frances M. Heinzelmann was considered, ordered to a third reading, read the third time, and passed.

DWAIN D. MILES

The bill (H. R. 2358) for the relief of Dwain D. Miles was considered, ordered to a third reading, read the third time, and passed.

EUGENE NICHOLAS

The bill (H. R. 2429) for the relief of Eugene Nicholas was considered, ordered to a third reading, read the third time, and passed.

ANNA CAPORASO

The bill (H. R. 5308) for the relief of Anna Caporaso was considered, ordered to a third reading, read the third time, and passed.

WIDOW OF WILLIAM R. RAMSEY, JR.

The Senate proceeded to consider the bill (S. 4037) to provide for the payment of compensation to the widow of William R. Ramsey, Jr., who was killed in the performance of his duty as a special agent of the Federal Bureau of Investigation, which has been reported from the Committee on Claims with amendments, on page 1, line 6, after the words "sum of," to strike out "$10,000" and to insert "$5,000", and at the end of the bill to add a proviso, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mabel Sophia Ramsey, of Seattle, Wash., the sum of $5,000, in addition to any other compensation to which she may be entitled, as compensation for the death of her husband, William R. Ramsey, Jr., who was mortally wounded in the performance of his duty as a special agent of the Federal Bureau of Investigation, on May 2, 1938, in Vermillion County, Ill.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

RECOGNITION OF SERVICES PERFORMED IN CONSTRUCTION OF PANAMA CANAL

The bill (S. 3621) to provide for the recognition of the services of the civilian officials and employees, citizens of the United States, engaged in and about the construction of the Panama Canal, was announced as next in order.

Mr. KING. Mr. President, I should like an explanation of that bill. If we cannot have an explanation at this time, I shall ask that the bill be passed over.

The PRESIDING OFFICER. The bill will be passed over.

Mr. PEPPER. Mr. President, may I ask what disposition was made of Senate bill 3621, Calendar No. 2178?

Mr. KING. I asked for an explanation of the bill.

The PRESIDING OFFICER. The bill was passed over.

Mr. PEPPER. I ask the privilege of making an explanation of the bill.

Mr. KING. I shall be glad to have the Senator make an explanation of it.

Mr. PEPPER. The bill is simply designed to give recognition to the meritorious service which was rendered to the world and to the United States in the construction of the Panama Canal, by persons who had the status of civilian employees. The people of our country and those of all the world know the history of the Herculean task of building the Panama Canal and of the dangers confronting the persons who engaged in the construction of that great enterprise. The Committee on Interoceanic Canals, before which the bill came, heard the matter extensively, listening to the testimony of the proponents of the legislation, and of employees actually engaged in the construction of the Panama Canal.

We also had communications from General Wood, who, of course, had an official connection with the enterprise at the time of its construction. He very heartily commended the bill. The bill has received the careful attention of the Interoceanic Canals Committee and comes before the Senate with the favorable recommendation of that committee. That committee felt that it was only proper that some recognition should be given to the meritorious service of civilian employees who endangered their lives in the construction of a project which has meant so much, not only to the prosperity, but to the safety of the United States. Therefore I very earnestly hope the bill will be considered upon its merits and may have the approval of the Senate.

Mr. KING. I shall be glad to consider it on its merits; but we cannot do that under the unanimous-consent agreement. I ask that it go over until I have an opportunity to look into it.

Mr. PEPPER. I thank the Senator from Utah very much.

The PRESIDING OFFICER. The bill will be passed over.

FISHING IN ALASKAN WATERS BY ALIENS

The Senate proceeded to consider the bill (H. R. 10432) to amend an act approved June 14, 1906 (34 Stat. 263), entitled "An act to prevent aliens from fishing in the waters of Alaska," which had been reported from the Committee on Territories and Insular Affairs, with an amendment, on page 2, line 18, to insert "*Provided further*, That any person owing allegiance to the United States shall not be considered an alien for the purposes of this act", so as to make the bill read:

Be it enacted, etc., That section 1 of the act of Congress approved June 14, 1906 (34 Stat. 263), entitled "An act to prevent aliens from fishing in the waters of Alaska," is amended to read as follows:

"That it shall be unlawful for any person not a citizen of the United States, or who has declared his intention to become a citizen of the United States, and is not a bona fide resident therein, or for any company, corporation, or association not organized or authorized to transact business under the laws of any State, Territory, or district thereof, or for any person not a native of Alaska, to catch or kill, or attempt to catch or kill, except with rod, spear, or gaff, any fish of any kind or species whatsoever in any of the waters of Alaska under the jurisdiction of the United States: *Provided, however*, That nothing contained in this act shall prevent those lawfully taking fish in the said waters from selling the same, fresh or cured, in Alaska or in Alaskan waters, to any alien person, company, or vessel then being lawfully in said waters: *Provided further*, That nothing contained in this act shall prevent any person, firm, corporation, or association lawfully entitled to fish in the waters of Alaska from employing as laborers any aliens who can now be lawfully employed under the existing laws of the United States, either at stated wages or by piecework, or both, in connection with the canning, salting, or otherwise preserving of fish: *Provided further*, That any person owing allegiance to the United States shall not be considered an alien for the purposes of this act: *And provided further*, That any person who is a bona fide resident of Alaska and has been such a resident for the period of 3 consecutive years prior to the date of approval of this act, and who during such 3-year period has been continuously or seasonally engaged in fishing in the waters of Alaska for commercial purposes, may continue to engage in fishing in the waters of Alaska for

commercial purposes for the period of 3 years after the date of the approval of this act, although not a citizen of the United States."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

BILL PASSED OVER

The bill (H. R. 7167) to provide for the promotion on the retired list of the Navy of Fred G. Leith was announced as next in order.

Mr. KING. Let that bill go over until I have an opportunity to look into it.

The PRESIDING OFFICER. The bill will be passed over.

RELIEF OF CERTAIN VETERANS OF SPANISH-AMERICAN WAR, PHILIPPINE INSURRECTION, AND BOXER UPRISING

The bill (H. R. 7520) for the relief of members of the Navy or Marine Corps who were discharged from the Navy or Marine Corps during the Spanish-American War, the Philippine Insurrection, and the Boxer uprising because of minority or misrepresentation of age was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, or benefits upon honorably discharged members of the military or naval forces of the United States, their widows and dependent children, a member of the Navy or Marine Corps who was enlisted between April 21, 1898, and July 4, 1902, both dates inclusive, and who was discharged for fraudulent enlistment because of minority or misrepresentation of age, shall hereafter be held and considered to have been honorably discharged from the Navy or Marine Corps on the date of his actual separation therefrom, if his service otherwise was such as would have entitled him to an honorable discharge: *Provided*, That no back pay or allowance shall accrue by reason of the passage of this act: *Provided further*, That in all such cases the Navy Department shall, upon request, grant to such individual, his widow, or next of kin a discharge certificate showing that such former member of the Navy or Marine Corps is held and considered to have been honorably discharged under the provisions of this act.

MRS. VALLIE M. CURRENT

The bill (H. R. 8571) granting 6 months' pay to Mrs. Vallie M. Current was considered, ordered to a third reading, read the third time, and passed.

CLAIM OF WISCONSIN BRIDGE & IRON CO.

The bill (S. 3937) conferring jurisdiction upon the Court of Claims of the United States to hear, determine, and render judgment upon the claim of the Wisconsin Bridge & Iron Co. was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That jurisdiction is hereby conferred upon the Court of Claims of the United States to hear, determine, and render judgment upon the claim of the Wisconsin Bridge & Iron Co., of Milwaukee, Wis., arising out of contract No. ER–W–697 eng. 23, dated December 14, 1935, for the reconstruction of three highway bridges over the Chesapeake and Delaware Canal, for damages alleged to be the result of misrepresentations contained in the specifications and plans for said work, for work performed on orders from the contracting officer for the Government in addition to that required by said contract, and for losses alleged to be the result of delays because of orders from the contracting officer for the Government requiring the performance of additional and experimental work not required by the contract and the payment to claimant of a penalty deducted from the final payment for alleged failure to complete the work within the contract time.

LEASE OF PART OF FORT ARMISTEAD MILITARY RESERVATION

The bill (S. 4162) making inapplicable certain reversionary provisions in the act of March 4, 1923 (42 Stat. 1450), and a certain deed executed by the Secretary of War, in the matter of a lease to be entered into by the United States for the use of a part of the former Fort Armistead Military Reservation for air-navigation purposes was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the reversionary provisions of the aforesaid act and deed shall not be applicable to the aforesaid property by virtue of the leasing of said part thereof (3¼ acres, more or less) by the mayor and city council of the city of Baltimore to the United States for air-navigation purposes.

The preamble was agreed to.

BILL PASSED OVER

The bill (H. R. 6963) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto was announced as next in order.

Mr. O'MAHONEY. Mr. President, let that bill go over.

The PRESIDING OFFICER. The bill will be passed over.

MANIFEST BILLS OF LADING

Mr. COPELAND. Mr. President, I ask unanimous consent to recur to Calendar No. 2135, House bill 10672, providing for manifest bills of lading. We passed a Senate bill and sent it over to the House. Meantime the House had passed a similar House bill and sent it to the Senate. Therefore I ask leave to return to House bill 10672, which has to do only with manifest bills of lading.

Mr. KING. I have no objection.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 10672) to amend section 4197 of the Revised Statutes, as amended (U. S. C., 1934 ed., title 46, sec. 91), and section 4200 of the Revised Statutes (U. S. C., 1934 ed., title 46, sec. 92), and for other purposes, was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 4197 of the Revised Statutes of the United States (U. S. C., 1934 ed., title 46, sec. 91), be amended to read as follows:

"The master or person having the charge or command of any vessel bound to a foreign port shall deliver to the collector of the district from which such vessel is about to depart a manifest of all the cargo on board the same, and the value thereof, by him subscribed, and shall swear to the truth thereof; whereupon the collector shall grant a clearance for such vessel and her cargo, but without specifying the particulars thereof in the clearance, unless required by the master or other person having the charge or command of such vessel so to do. If any vessel bound to a foreign port (other than a licensed yacht not engaging in any trade nor in any way violating the revenue laws of the United States) departs from any port or place in the United States without a clearance, or if the master delivers a false manifest, or does not answer truly the questions demanded of him, or, having received a clearance adds to the cargo of such vessel without having mentioned in the report outwards the intention to do so, or if the departure of the vessel is delayed beyond the second day after obtaining clearance without reporting the delay to the collector, the master or other person having the charge or command of such vessel shall be liable to a penalty of not more than $1,000 nor less than $500, or if the cargo consists in any part of narcotic drugs, or any spirits, wines, or other alcoholic liquors (sea stores excepted), a penalty of not more than $5,000 nor less than $1,000 for each offense, and the vessel shall be detained in any port of the United States until the said penalty is paid or secured: *Provided*, That in order that the commerce of the United States may move with expedition and without undue delay, the Secretary of Commerce is hereby authorized to make regulations permitting the master of any vessel taking on cargo for a foreign port or for a port in noncontiguous territory belonging to the United States to file a manifest as hereinbefore provided, and if the manifest be not a completed manifest and it so appears upon such manifest, the collector of customs may grant clearance to the vessel in the case of an incomplete manifest, taking from the owner of the vessel, who may act in the premises by a duly authorized attorney in fact, a bond with security approved by the collector of customs in the penal sum of $1,000, conditioned that the master or someone for him will file a completed outward manifest not later than the fourth business day after the clearance of the vessel. In the event that the said complete outward manifest be not filed as required by the provisions of this section and the regulations made by the Secretary of Commerce in pursuance hereof, then a penalty of $50 for each day's delinquency beyond the allowed period of 4 days for filing the completed manifest shall be exacted, and if the completed manifest be not filed within the 3 days following the 4-day period, then for each succeeding day of delinquency a penalty of $100 shall be exacted. Suit may be instituted in the name of the United States against the principal and surety on the bond for the recovery of any penalties that may accrue and be exacted in accordance with the terms of the bond."

SEC. 2. Section 4200 of the Revised Statutes of the United States (U. S. C., 1934 ed., title 46, sec. 92), is amended to read as follows:

"Before a clearance shall be granted for any vessel bound to a foreign port, the owners, shippers, or consignors of the cargo of such vessel shall deliver to the collector manifests of the cargo, or the parts thereof shipped by them respectively, and shall verify

the same by oath. Such manifests shall specify the kinds and quantities of the articles shipped respectively, and the value of the total quantity of each kind of article; and the oath to each manifest shall state that it contains a full, just, and true account of all articles laden on board of such vessel by the owners, shippers, or consignors, respectively, and that the values of such articles are truly stated, according to their actual cost, or the values which they truly bear at the port and time of exportation. And before a clearance shall be granted for any such vessel, the master of that vessel, and the owners, shippers, and consignors of the cargo, shall state, upon oath, to the collector, the foreign port or country in which such cargo is truly intended to be landed. The oaths shall be taken and subscribed in writing: *Provided*, That in order that the commerce of the United States may move with expedition and without undue delay, the Secretary of Commerce is hereby authorized to make regulations permitting the clearance of a vessel having on board cargo destined to a foreign port or to a port in noncontiguous territory belonging to the United States, before delivery to the collector of customs of shippers' manifests or export declarations of the cargo laden on board. Upon receipt by the collector of a bond with security approved by him in the penal sum of $1,000, conditioned that the complete shippers' manifests or export declarations of all cargo laden aboard such vessel shall be filed with him not later than the fourth business day after the clearance of the vessel. In the event that all of the shippers' manifests or export declarations are not filed as required by the provisions of this section and the regulations made by the Secretary of Commerce in pursuance hereof, then a penalty of $50 for each day's delinquency beyond the allowed period of 4 days for filing all of the shippers' manifests or export declarations shall be exacted, and if all of the shippers' manifests or export declarations are not filed within the 3 days following the 4-day period, then for each succeeding day of delinquency, a penalty of $100 shall be exacted. Suit may be instituted in the name of the United States against the principal and surety on the bond for the recovery of any penalties that may accrue and be exacted in accordance with the terms of the bond."

SEC. 3. Nothing contained in this act shall be taken to repeal, modify, alter, or amend any existing statute other than those specifically amended herein with respect to the necessary papers, documents, or licenses required to be produced by the master, owner, operator, or consignor, relating to the required prerequisites for the granting of clearance for a cargo destined to foreign ports or to a port in noncontiguous territory belonging to the United States.

GEORGE L. STONE

The bill (H. R. 2767) for the relief of George L. Stone was considered, ordered to a third reading, read the third time, and passed.

META DE RENE M'LOSKEY

The bill (H. R. 4443) for the relief of Meta De Rene McLoskey was considered, ordered to a third reading, read the third time, and passed.

COL. WILLIAM H. NOBLE

The bill (H. R. 5260) for the relief of Col. William H. Noble was considered, ordered to a third reading, read the third time, and passed.

CAPT. B. B. BARBEE

The Senate proceeded to consider the bill (H. R. 5615) for the relief of Capt. B. B. Barbee.

Mr. ANDREWS. Mr. President, House bill 5615, for the relief of Capt. B. B. Barbee, has passed the House, and has been favorably recommended by the Senate Committee on Claims. Since it was passed upon by the committee and placed on the calendar Captain Barbee has passed away. The bill will now have to be changed so that payment may be made to his widow. I offer an amendment which I ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Florida will be stated.

The CHIEF CLERK. It is proposed to strike out all after the enacting clause and insert in lieu thereof the following:

That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the administrator of the estate of Capt. B. B. Barbee, United States Army, deceased, the sum of $1,588.65, or so much thereof as shall have been collected from Captain Barbee prior to the passage of this act, in full and final settlement of all claims whatsoever against the United States for a stoppage in his pay on account of the embezzlement of public funds by a civilian employee of the office of the quartermaster, Fort Jay, N. Y., from July 1, 1925, to February 28, 1931, while Captain Barbee was on duty as agent finance officer, Governors Island, N. Y.

Mr. KING. May I inquire of the Senator whether the officials of the Army acquitted Captain Barbee of any complicity in the embezzlement?

Mr. ANDREWS. Yes; and the bill is recommended by the Department.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended so as to read: "An act for the relief of the administrator of the estate of Capt. B. B. Barbee."

REVISION OF BANKRUPTCY LAW

Mr. O'MAHONEY. Mr. President, with respect to Calendar 2187, when that was reached upon the call of the calendar, I made objection to its consideration, and understood that it went over. I went to another part of the Chamber, and presently I heard the number being called again, and another Senator had to make objection to that measure.

This is a bill amending the bankruptcy law. It would wreck the bill which was passed by the Senate last week. I am informed that it came out of the Committee on the Judiciary by a polling of the committee. As chairman of the subcommittee which handled the bankruptcy bill which was passed last week, I had no knowledge of the action of the Judiciary Committee. I therefore move that Calendar No. 2187, House bill 6963, be recommitted to the Committee on the Judiciary.

The PRESIDING OFFICER. Is there objection to returning to Calendar No. 2187, House bill 6963? The Chair hears none.

The question is on the motion of the Senator from Wyoming that House bill 6963 be recommitted to the Committee on the Judiciary.

The motion was agreed to.

EDDIE WALKER

The bill (H. R. 7344) for the relief of Eddie Walker was considered, ordered to a third reading, read the third time, and passed.

CLAIMS OF ATTORNEYS FOR THE RUSSIAN VOLUNTEER FLEET

The bill (H. R. 8271) conferring jurisdiction upon the Court of Claims of the United States to hear, determine, and render judgment upon the claims of the attorneys for the Russian Volunteer Fleet was announced as next in order.

Mr. KING. Mr. President, I should like to have an explanation of the bill and of the basis on which lawyers are entitled to compensation and what services they rendered to the Government of the United States to justify the compensation.

Mr. SCHWELLENBACH. Will the Senator ask that that bill go over? I will take it up in a few minutes.

Mr. KING. I ask that the bill go over for the present.

The PRESIDING OFFICER. The bill will be passed over.

OPERATION OF RADIO BROADCAST STATIONS

Mr. WHEELER. Mr. President, I ask unanimous consent for the present consideration of Senate Resolution 294, submitted by me on June 9, 1938, which lies on the table. I may say with reference to the resolution that it is agreed to between the chairman of the Foreign Relations Committee, the Senator from Nevada [Mr. PITTMAN], the Senator from Maine [Mr. WHITE], and myself. It is a resolution the adoption of which is desired by all the independent broadcasters.

The PRESIDING OFFICER. Is there objection to the present consideration of Senate Resolution 294?

Mr. BULKLEY. Mr. President, may we have an explanation of the resolution?

Mr. WHEELER. I shall be glad to explain it.

Mr. McNARY. Mr. President, as I understand, this resolution is not on the calendar?

Mr. WHEELER. That is correct.

Mr. McNARY. I have no objection to it. I understand the able Senator from Montana [Mr. WHEELER], the Senator from Maine [Mr. WHITE], and the Senator from Nevada [Mr. PITTMAN] have all agreed to it. It is a resolution not

on the calendar, but on the table. I think it proper that the number should be given and the resolution should be read. Then we may discuss it.

The PRESIDING OFFICER. The clerk will read the resolution.

The Chief Clerk read the resolution (S. Res. 294) submitted by Mr. WHEELER on the calendar day June 9, 1938, as follows:

Resolved, That it is the sense of the Senate of the United States of America that the operation of radio-broadcast stations in the standard broadcast band (550 to 1600 kilocycles) with power in excess of 50 kilowatts is definitely against the public interest, in that such operation would tend to concentrate political, social, and economic power and influence in the hands of a very small group, and is against the public interest for the further reason that the operation of broadcast stations with power in excess of 50 kilowatts has been demonstrated to have adverse and injurious economic effects on other stations operating with less power, in depriving such stations of revenue and in limiting the ability of such stations to adequately or efficiently serve the social, religious, educational, civic, and other like organizations and institutions in the communities in which such stations are located and which must and do depend on such stations for the carrying on of community welfare work generally; and be it further

Resolved, That it is therefore the sense of the Senate of the United States of America that the Federal Communications Commission should not adopt or promulgate rules to permit or otherwise allow any station operating on a frequency in the standard broadcast band (550 to 1600 kilocycles) to operate on a regular or other basis with power in excess of 50 kilowatts.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

Mr. AUSTIN. Mr. President, reserving the right to object, I should like to ask the Senator from Montana a question. In the first place, does the Senator understand that is the policy of the Congress to create any radio telegraph monopolies?

Mr. WHEELER. I understand it is.

Mr. AUSTIN. Does the Senator understand that the United States Circuit Court of Appeals for the District of Columbia in a case recently decided held positively and directly that it was the policy of the Congress to create radio telegraph monopolies?

Mr. WHEELER. Mr. President, I understand that that is what the court held, but I wish to say that it is contrary to the policy of the United States and a resolution has been submitted on that question. This resolution is designed to prevent monopoly getting into the radio field. In view of the treaty that has been negotiated at Habana, the resolution was offered so that it could not be claimed afterward that when we ratify that treaty we are approving of the policy of establishing a few tremendously high-powered stations, which would give a few people an absolute monopoly.

Every independent radio station in the country and the radio associations are in favor of this resolution. It will not affect existing facilities. The only thing it does is to state as the policy of the Senate for the future, what has always been the policy of the Senate. We would not have presented the resolution except for the provisions of the treaty.

Mr. AUSTIN. Mr. President, will the Senator yield further?

Mr. WHEELER. I yield.

Mr. AUSTIN. I wish to say, in taking my seat, that if that is the purpose of the resolution, I am in favor of it.

Mr. WHEELER. That is the purpose of it.

Mr. MINTON. Mr. President, will the Senator from Montana yield?

Mr. WHEELER. I yield.

Mr. MINTON. In order to keep the record straight, let me say that I understood the Senator from Vermont to say that the Circuit Court of Appeals for the District of Columbia held that it was the policy of Congress to favor monopolies in radio-telegraph service. I do not understand that opinion to hold anything of the kind. What the opinion did hold, as I understand, was that competition in the particular case was held not to be in the public interest.

Mr. WHEELER. I thank the Senator from Indiana.

Mr. BULKLEY. Mr. President, I should like to inquire of the Senator what effect the resolution would have on stations having power in excess of that which is condemned by the declaration of the resolution?

Mr. WHEELER. I may say to the Senator from Ohio—and I make this statement purposely—that the legislation is not intended to affect any of the existing facilities or to have anything to do with them.

Mr. BORAH. Mr. President, I rise to a question of order.

The PRESIDING OFFICER. The Senator from Idaho will state his point of order.

Mr. BORAH. Mr. President, we literally cannot hear anything that is going on in the Chamber. I insist upon the restoration of order and the maintenance of order.

The PRESIDING OFFICER. The Senate will be in order. The confusion is such that Senators cannot follow the discussion. The Senator from Montana [Mr. WHEELER] has the floor and has requested unanimous consent for the present consideration of Senate Resolution 294. Is there objection?

Mr. BULKLEY. Mr. President, I now understand the Senator from Montana to say that the resolution does not affect any existing stations?

Mr. WHEELER. That is correct.

Mr. BARKLEY. Mr. President, will the Senator from Montana yield to me?

Mr. WHEELER. I yield.

Mr. BARKLEY. I understand that the Senator has proposed this resolution to avoid undertaking to have a reservation placed in a treaty which is to be considered a little later?

Mr. WHEELER. That is correct—to avoid having a reservation and to take the place of it. I may say I took the matter up with the State Department, and the State Department is agreeable to the resolution.

Mr. BARKLEY. So that, without a reservation to the treaty, it becomes effective and does not have to have the further ratification of the other country as a reservation itself would?

Mr. WHEELER. That is correct.

The PRESIDING OFFICER. Is there objection to the consideration of Senate Resolution 294?

Mr. KING. Mr. President, I shall not object to the consideration of the resolution, but I shall reserve the right to interpose a motion to reconsider, because this is a matter of tremendous importance, and we have had no time to consider it; no one has ever seen the resolution except, perhaps, the Senator from Montana. Our supreme confidence in him leads me, of course, to think it is, perhaps, all right, but still I should like to know something about it. I shall, as I have said, not object to the consideration of the resolution, but I want the Senate to understand that I will file a motion to reconsider, for the purpose of giving an opportunity to examine it and to find out further as to its merits.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana [Mr. WHEELER]?

Mr. SCHWARTZ. Mr. President, may I be informed what the request of the Senator from Montana is? I endeavored to listen, but the racket here on the floor has prevented my hearing it.

Mr. WHEELER. I have explained the resolution three or four times. It is a resolution declaring it to be the sense of the Senate of the United States that the Power Commission shall not issue——

Mr. SCHWARTZ. When does the Senator desire to have the resolution considered?

Mr. WHEELER. Right now. As I was saying, the resolution declares it to be the sense of the Senate of the United States that the Power Commission shall not issue licenses for a few very high-powered stations in order to create a monopoly.

Mr. CONNALLY. Mr. President, will the Senator from Montana yield for a question?

Mr. WHEELER. I yield.

Mr. CONNALLY. I understood the Senator to say that if this resolution were adopted it would obviate the necessity of making a reservation to some treaty?

Mr. WHEELER. That is correct.

Mr. CONNALLY. How can that happen? If we make a treaty with some other nation, without a reservation, we have, I suppose, to stand by the treaty?

Mr. WHEELER. We would be standing by the treaty. Let me say that the State Department holds—and I have come to the same conclusion—that the treaty does not go so far as some people think. When we ratify the treaty we do not want people to get the idea that we are approving of a policy on the part of the Government of having but a few high-powered stations in this country.

Mr. CONNALLY. I am in sympathy with that attitude, but I do not see how when we sign a treaty we can sign it and then say we do not mean it.

Mr. WHEELER. We would not be doing that in this case.

Mr. LEWIS. Mr. President, may I ask what is the emergency that requires the bringing up of this matter now instead of bringing it up at the time the treaty is presented?

Mr. WHEELER. Because of the fact that I may have to leave town, and I may not be here.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered and agreed to.

Mr. BULKLEY subsequently said: Mr. President, I enter a motion to reconsider the vote by which the Senate agreed to Senate Resolution 294.

The PRESIDING OFFICER (Mr. GILLETTE in the chair). The motion will be entered.

CHARLES E. BLACK

Mr. McKELLAR. Mr. President, there is lying on the desk House bill 2231 for the relief of Charles E. Black. It has been passed by the House. It is a very worthy case. The father of the proposed beneficiary was killed in France just after the armistice by members of his own company, who were afterward tried and convicted. The soldier had a small son. His son made application for pay that would have been due his father, but the Veterans' Bureau turned down the claim because of the fact that his father was drinking at the time he was killed. I have submitted the case to the Senator from Texas [Mr. SHEPPARD], the chairman of the Committee on Military Affairs, to which the bill would be referred, and the Senator from Texas said that I could state to the Senate that he approved the bill fully and that it should be passed. I ask unanimous consent for the immediate consideration of the bill.

Mr. KING. Mr. President, is the bill on the calendar?

Mr. McKELLAR. It is not on the calendar. I am merely asking at this time for the immediate consideration of the bill.

The PRESIDING OFFICER. The Senator from Tennessee asks unanimous consent for the immediate consideration of House bill 2231. Is there objection?

Mr. McNARY. Mr. President, I inquire if the bill is on the calendar?

Mr. McKELLAR. No; it is not on the calendar.

Mr. McNARY. Then it does not come under the unanimous-consent agreement entered into earlier in the day.

Mr. McKELLAR. I was in attendance upon a committee and did not know of the agreement.

Mr. McNARY. We entered into an agreement to consider bills on the calendar, commencing with order of business No. 2104. Later in the day the Senator may make his motion.

Mr. McKELLAR. I was in committee at the time the agreement was made and did not know about it. I withdraw the request for the present.

CLAIMS OF ATTORNEYS FOR THE RUSSIAN VOLUNTEER FLEET

The PRESIDING OFFICER. The clerk will state the next bill on the calendar.

The CHIEF CLERK. Calendar No. 2194, House bill 8643, for the relief of Kate Durham Thomas.

Mr. KING. Mr. President, no disposition has been made as yet of Calendar No. 2193, House bill 8271. The Senator from Washington [Mr. SCHWELLENBACH] was on his feet trying to make an explanation when the Senate Resolution 294 came up.

The PRESIDING OFFICER. Order of business 2193, House bill 8271, went over.

Mr. KING. Very well.

Mr. SCHWELLENBACH. Mr. President, the reason the bill went over was that the Senator from Utah asked me to make an explanation, and I desired to consult the report on the bill. I should like now to ask unanimous consent to recur to Calendar No. 2193, House bill 8271.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the bill (H. R. 8271) conferring jurisdiction upon the Court of Claims of the United States to hear, determine, and render judgment upon the claims of the attorneys for the Russian Volunteer Fleet, which was read, as follows:

Be it enacted, etc., That jurisdiction is hereby conferred upon the Court of Claims of the United States to hear, determine, and render judgment on the claims of the attorneys for the plaintiff in the case entitled "Russian Volunteer Fleet against United States, No. 69–A" for the fair and reasonable value of legal services rendered by them and reasonable disbursements incurred by them, in the prosecution of said case prior to November 16, 1933: *Provided*, That no suit shall be instituted pursuant to this act after the expiration of 6 months from the date of its approval.

Mr. SCHWELLENBACH. Mr. President, prior to the time the United States entered the World War, and during the time the Russian Government was associated with the Allied powers in the war, the Russian Government was having constructed in the United States two boats. After the change of the form of government in Russia, and after we got into the war, on July 11, 1917, our Government seized those boats. After the conclusion of the war, the Russian Government, the Soviet Government, acting through its agency which is known as the Russian Volunteer Fleet, started a suit in the Court of Claims.

Mr. KING. Was that the Amtorg?

Mr. SCHWELLENBACH. No; it was called the Russian Volunteer Fleet. It employed American citizens as attorneys. Those attorneys started the case in the Court of Claims, carried it through the Court of Claims, and lost it. The Court of Claims held that the Russian Government had no right to sue in the Court of Claims. The case was taken to the Supreme Court of the United States. The Supreme Court of the United States reversed the decision of the lower court and sent it back. In the meantime, in 1933, our Government recognized the Soviet Government of Russia, and, as a part of that recognition and that agreement, the Russian Government turned over to our Government this claim. It is simply a situation in which two litigants got together and settled their litigation without regard to their lawyers. The Russian Government having employed American citizens to represent them, and they having done a large amount of work, and having expended a considerable amount of money in costs which they advanced, our Government made an agreement with the Russian Government which simply eliminated the attorneys who represented the Russian Government. The bill simply gives to the Court of Claims the right to hear the case and determine whether or not the attorneys are entitled to compensation; and if so, how much.

I think the Senator knows there is no more unfortunate position that a lawyer may be in than to have his client settle out of court and not let him know about it. When the United States Government does that to some of its citizens, it is my feeling that the United States Government assumes the responsibility of paying the attorneys who have done a considerable amount of work.

Mr. KING. Mr. President, after the very persuasive argument of the Senator from Washington, I shall not object to the consideration of the bill.

The bill was ordered to a third reading, read the third time, and passed.

KATE DURHAM THOMAS

The bill (H. R. 8643) for the relief of Kate Durham Thomas was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 3976) to authorize the appropriation of funds for the development of rotary-wing aircraft was announced as next in order.

Mr. KING. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

NAVAL RESERVE AND MARINE CORPS RESERVE

The Senate proceeded to consider the bill (H. R. 10594) to provide for the creation, organization, administration, and maintenance of a Naval Reserve and a Marine Corps Reserve, which had been reported from the Committee on Naval Affairs, with amendments.

Mr. WALSH. Mr. President, I should like to offer two or three perfecting amendments, and then I shall make a brief explanation of the bill.

On page 19, line 3, I move to strike out the words *"Provided further."*

The amendment was agreed to.

Mr. WALSH. On page 20, line 17, I move to strike out "313" and insert "312."

The amendment was agreed to.

Mr. WALSH. On page 22, line 4, I move to strike out "312" and insert "311."

The amendment was agreed to.

Mr. WALSH. Mr. President, this bill seeks to reorganize the Naval Reserve.

The Naval Reserve is a very large and important organization. It has four branches—the Fleet Naval Reserve, the Merchant Marine Naval Reserve, the Volunteer Reserve, and Aviation Cadets.

The Fleet Naval Reserve has 1,170 officers and 9,863 enlisted men.

The Merchant Marine Reserve has 3,602 officers and 79 enlisted men.

The Volunteer Reserve has 7,387 officers and 12,738 men.

The Aviation Cadets have at Pensacola 349 officers, and in the fleet, 514 officers.

These various reserves have been brought about through different enactments. It is necessary for their proper coordination that they be brought together under a central organization for the sake of efficiency. That is the objective of the bill. It does not in the slightest degree change the existing Reserve organization otherwise than to provide for its better administration. The House, however, made several increases in the cost by providing for increased allotments for several Reserve projects or pay to certain naval personnel. The Senate committee has stricken out of the bill the increase in expense in the bill, with the exception of one. We increased the number of appointments of midshipmen from the Naval Reserve from 25 to 50, and I shall explain the reason for that.

The statistics at the academy at Annapolis show that, in general, the students among the highest ranks are those from the Naval Reserve, for the reason that their selection is highly competitive and the appointments are in no way political. This year 86 young men throughout the country took the examination to be appointed to the Naval Academy from the Naval Reserve. Only 25, under the law, could be selected, and those 25 all have an average of over 3.5 points, when the maximum is 4 points. All of them are over 87½ percent, while many of our appointees are as low as 62½ percent.

So, as an encouragement to the young men in the Naval Reserve, it seemed to me it was highly desirable that we make that one exception in the way of whatever expense there may be for boarding them at the Academy.

Mr. KING. Mr. President——

Mr. WALSH. I desire to impress upon the Senator from Utah that there is removed from the bill any other increase of cost. The bill is a coordination measure, in the interest of more efficient management.

Mr. KING. Mr. President, will not the result be to deny the right of appointment from various congressional districts or States which now may have appointments?

Mr. WALSH. No, Mr. President; it is an increase in the total student body.

The PRESIDING OFFICER. The amendments reported by the committee will be stated.

The first amendment of the Committee on Naval Affairs was, in section 205, page 14, line 1, after the word "period", to strike out "but shall be paid in advance $25 per annum", so as to make the section read:

SEC. 205. The Secretary of the Navy, under such regulations as he may prescribe, may require any person hereafter when enlisting in the Regular Navy and may authorize any enlisted man in such service to obligate himself to serve 4 years in the Fleet Reserve upon termination of his enlistment in the Regular Navy: *Provided*, That upon termination of their enlistment in the Regular Navy, men who have so obligated themselves shall be transferred to the Fleet Reserve for the 4-year period, unless they apply for reenlistment or extension of their enlistment in the Regular Navy, in which event they may be reenlisted or may extend their enlistment in the Regular Navy: *Provided further*, That, except as otherwise provided for in this act, the men so transferred to the Fleet Reserve for the 4-year period, and officers and men assigned thereto under the provisions of section 201 of this title shall not, in time of peace, be ordered to active duty, except with their own consent, and shall be under no obligation to perform training duty or drill during that period.

The amendment was agreed to.

The next amendment was, on page 15, after line 11, to strike out:

SEC. 207. Members of the Fleet Reserve and retired enlisted men shall receive the ration allowance prescribed by law for enlisted men of the Regular Navy when such men are hospitalized in a Federal hospital in accordance with law.

The amendment was agreed to.

The next amendment was, in section 302, page 16, line 16, before the word "Reserve", to strike out "Naval" and insert "Organized."

The amendment was agreed to.

The next amendment was, in section 304, page 18, line 19, after the word "active", to insert "or training"; in line 20, after the word "pay", to strike out "training duty with or without pay, drills, equivalent instruction or duty, appropriate duty, or other prescribed duty, or while performing authorized travel to or from such duties:"; and, on page 19, line 3, after the word "status", to strike out: *"Provided further*, That Naval Reservists who become ill or contract disease in line of duty during the performance of active duty or training duty with or without pay shall be entitled, at Government expense, to such medical, hospital, or other treatment as is necessary for the appropriate treatment of such illness or disease until the disability resulting from such illness or disease cannot be materially improved by hospitalization or treatment, and to the necessary transportation and subsistence incident to such medical and hospital treatment and return to their homes when discharged therefrom: *Provided further*, That no treatment or hospitalization for such illness or disease shall be continued for more than 10 weeks following discharge from active or training duty except on the approved recommendation of a board of medical survey, consisting of one or more medical officers of the Navy or on authorization of the Surgeon General of the Navy based on the certificate of a reputable physician that the illness or disease is a continuation of the illness or disease which was sustained or contracted during the period of active or training duty and that further benefit will result from continued treatment", so as to make the section read:

SEC. 304. If in time of peace any member of the Naval Reserve is physically injured in the line of duty while performing active military or naval service, or dies as the result of such physical injury, he or his beneficiaries shall be entitled to all the benefits prescribed by law for civil employees of the United States who are physically injured in the line of duty or who die as a result thereof, and the United States Employees' Compensation Commission shall have jurisdiction in such cases and shall perform

the same duties with reference thereto as in the cases of civil employees of the United States so disabled: *Provided*, That where a person who is eligible for the benefits prescribed by this section is also eligible for pension under the provisions of the act of June 23, 1937, entitled "An act to amend the provisions of the pension laws for peacetime service to include Reserve officers and members of the enlisted Reserves" (50 Stat. 305), he shall elect which benefit he shall receive, and for the purposes of this section and of said act all members of the Naval Reserve shall be considered as performing active military or naval service while performing active or training duty with or without pay: *Provided further*, That for the purpose of determining the benefits to which entitled under the provisions of this section Naval Reservists so physically injured while performing the foregoing duties in a nonpay status will be held and considered as receiving the pay and allowances they would have received if in a pay status: *And provided further*, That in no case shall sickness or disease be regarded as an injury within the meaning of this section relating to the Naval Reserve.

The amendment was agreed to.

The next amendment was, on page 24, to strike out:

SEC. 310. Officers and men of the honorary retired list created by section 309 of this title, who have performed a total of not less than 30 years' active service in the Army, Navy, Marine Corps, Coast Guard, Naval Auxiliary Service, Naval Reserve Force, Naval Militia in Federal status, National Naval Volunteers, Naval Reserve, Marine Corps Reserve Force, and Marine Corps Reserve, or who have had not less than 20 years' such active service, the last 10 years of which shall have been performed during the 11 years immediately preceding their transfer to the honorary retired list of the Naval Reserve created by section 309 of this title or to the honorary retired list in existence on the date of approval of this act, shall, except while on active duty, be entitled to pay at the rate of 50 percent of their active duty rate of pay as prescribed in section 7, title I, of this act: *Provided*, That the pay of members of the honorary retired list prescribed by this section shall be paid from the appropriations made for the maintenance of the Naval Reserve.

The amendment was agreed to.

The next amendment was, on page 26, line 6, to change the number of the section from 313 to 312, and after the word "year", in line 17, to strike out "*Provided further*, That for those performing aerial flights duly prescribed as a part of their training, the pay and the pay limits prescribed by this section shall be increased by 50 percent for any quarter during which not less than 4 hours of such flying has been performed", so as to make the section read:

SEC. 312. Officers and enlisted men of the Naval Reserve shall receive compensation at the rate of one-thirtieth of the monthly base pay of their grades, ranks, or ratings, not to exceed $10, for attending, under competent orders, each regular drill duly prescribed under the authority of the Secretary of the Navy for the organization to which attached, or for the performance of an equal amount of such other equivalent instruction or duty, or appropriate duties, as may be prescribed by the Secretary of the Navy: *Provided*, That no such officer or enlisted man shall receive pay for more than 60 drills or periods of other equivalent instruction or duty or appropriate duties in any one fiscal year.

The amendment was agreed to.

The next amendment was, at the top of page 28, to strike out:

SEC. 316. That for the purpose of advising the Secretary of the Navy on the formulation of Naval Reserve policies there shall be convened annually at the Navy Department a Naval Reserve Policy Board, at least half the members of which shall be Naval Reserve officers called to this duty from an inactive-duty status.

The amendment was agreed to.

The next amendment was, on page 30, after line 22, to strike out:

TITLE V. NAVAL TRAINING OF CIVILIANS

SEC. 501. The Secretary of the Navy is hereby authorized to provide at naval training stations or elsewhere, including naval vessels, for the naval instruction and training of such civilians as may be selected upon their own application for such training: *Provided*, That no expenditures of Government funds shall be involved beyond those necessary for transportation, food, clothing, shelter, medical care, and hospitalization of the trainees, and for the required equipment incident thereto, including services of naval personnel: *Provided further*, That medical treatment and hospitalization shall be as prescribed and limited by the third provision of section 304, title III, hereof.

The amendment was agreed to.

The CHIEF CLERK. It is also proposed to renumber the sections in accordance with the amendments made.

The PRESIDING OFFICER. Without objection, the sections will be renumbered.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

Mr. WALSH. Mr. President, I move that the Senate insist upon its amendments, ask for a conference with the House of Representatives thereon, and that the Chair appoint the conferees on behalf of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. WALSH, Mr. GERRY, and Mr. JOHNSON of California conferees on the part of the Senate.

TRANSFER TO PUERTO RICO OF CERTAIN REAL ESTATE

The bill (H. R. 7693) to authorize the Secretary of War to transfer to the Government of Puerto Rico certain real estate of the War Department was considered, ordered to a third reading, read the third time, and passed.

ADMISSION TO CITIZENSHIP OF ALIENS ENTERING UNITED STATES PRIOR TO FEBRUARY 5, 1917

The bill (H. R. 6785) for the admission to citizenship of aliens who came into this country prior to February 5, 1917, was announced as next in order.

Mr. RUSSELL. Mr. President, I ask that the bill go over. I do not think it should be considered on the call of the Calendar.

Mr. REYNOLDS. Mr. President, I should like also to be recorded as being opposed to the consideration at this time of House bill 6785.

Mr. COPELAND. Mr. President, may I be permitted to say just a word about the bill?

Up to February 5, 1917, no educational requirement was needed to enable these persons to enter into citizenship. There were some who did not apply before that date. They are old people. It is more than 21 years since that requirement came into operation. The bill has the approval of the Department, and its enactment is urged by many persons who are in our country.

These old people came here as fireside friends of families here. Some of them would make very worthy citizens. It is very much better for our country, as I see it, that they should enter into citizenship than that they should be foreign bodies in relation to the country. I do wish that my friends who oppose this bill—and the number must be very limited—would withdraw the objection.

Mr. BULKLEY. Mr. President, I join the Senator from New York in appealing to Senators not to object to the consideration of this bill. I am sure a great majority of the Senate would like to have it pass. Its operation is limited to persons over 50 years old, and it cannot admit to citizenship any very large class of persons. They are persons who have been here for 21 years or more.

Mr. RUSSELL. Mr. President, I know the very great interest of the distinguished Senator from New York and the distinguished Senator from Ohio in this bill. The Senator from Ohio personally appeared before the Committee on Immigration, and I think his plea was very largely responsible for the favorable report which was made, in conjunction with the great activity of the Senator from New York.

It is undoubtedly true that the bill would confer citizenship on some very worthy persons to whom reference has been made. No one knows, however, just how far reaching the bill would be. The committee was unable to ascertain just how many persons would be affected by the legislation. I have felt that it would have the effect of cheapening American citizenship to enable these persons to be admitted to citizenship without complying with all the requirements of the law.

I also wish to point out that the bill would be very far reaching in another direction. There was no great agitation for the enactment of this legislattion on the part of many of these persons—they were not greatly concerned about American citizenship—until after the passage of the Social Security Act. The passage of the bill would certainly entitle

to participation in old-age pensions and the benefits of the Social Security Act a large and undetermined number of persons who are now not entitled to participate, and who, through all these years, have not sought to obtain citizenship in the method prescribed by our laws.

Mr. BULKLEY. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. BULKLEY. Let me recall to the Senator that it does not follow that these people have not sought to obtain citizenship. They merely have not been able to meet the educational requirement, and the bill is limited to benefit only those who came into the country before there was any educational requirement as a condition to admission into this country.

Mr. RUSSELL. That might be true, but those people did not take advantage of their opportunity, although they had their day in court. I must insist that the bill be not considered during the call of the calendar.

The PRESIDING OFFICER. Objection is heard, and the bill will be passed over.

DISCRIMINATION AGAINST GRADUATES OF CERTAIN SCHOOLS

The bill (S. 3549) to prevent discrimination against graduates of certain schools in the making of appointments to Government positions, the qualifications for which include legal training or legal experience was announced as next in order.

Mr. AUSTIN. Mr. President, I observe that this bill has evidently been reported by the Committee on Civil Service in conflict with the report of the Civil Service Commission, which is copied in the report of the committee. I therefore ask that the bill go over until such time as we can consider it fully.

Mr. KING. Mr. President, will the Senator permit an explanation?

Mr. AUSTIN. Certainly.

Mr. SHEPPARD. Mr. President, I wish to say to the Senator that the bill provides in effect that a person who is certified for a position requiring legal training shall not be refused appointment because he is not a graduate of some particular law school, or class of law school. Unjust discrimination is being shown against men who make their own way, men financially unable to complete a formal education, or to attend an expensive institution, but able to pass any examination as to requisite knowledge. Men are being told by those in authority that they must have graduated from law schools of a certain class in order to obtain a legal appointment, despite the fact that they have the necessary knowledge of the law.

Mr. AUSTIN. Mr. President, I observe that the bill itself implies a charge of improper conduct on the part of the Commission.

Mr. SHEPPARD. The bill is not a reflection on the Civil Service Commission, but on certain appointive authorities.

Mr. AUSTIN. I am not expressing any view about the merits of the bill. All I am saying is that the bill obviously cannot be considered under the 5-minute rule, and for that reason I ask that it go over.

Mr. SHEPPARD. Very well.

Mr. KING. Mr. President, permit me to say that my understanding is that some of the bureaucrats in Washington, some of whom have graduated from Harvard or other so-called aristocratic institutions, when young men apply for positions who are entirely qualified, who work their way up, who are graduates of other institutions of learning, and perhaps know a great deal more than some of those now in office, refuse these young men appointments unless they can say they are graduates of Harvard or one of these special schools. There is discrimination which has been brought to my attention, and I say it is an outrage. I think that some of these officials in Federal organizations should be reprimanded, and, indeed, discharged, because of the discrimination which results from their conduct.

Mr. AUSTIN. Mr. President, I have no controversy with the Senator from Utah about that subject at all.

The PRESIDING OFFICER. Objection being heard, the bill will be passed over.

CHANGE OF NAME OF PICKWICK LANDING DAM

Mr. REYNOLDS. Mr. President, I desire at this time to call attention to Senate bill 4077, a bill for the purpose of changing the name of "Pickwick Landing Dam" to "McKellar Dam." I should like to ask unanimous consent that the bill be considered and passed at the present time.

Mr. McNARY. Mr. President, does the bill come within the unanimous-consent agreement?

The PRESIDING OFFICER. It does not.

Mr. McNARY. Then I shall have to object. We had an agreement this morning that we would start at a certain number on the calendar and consider unobjected bills. There have been several instances where efforts have been made to break down the agreement. I shall object at this time.

Mr. REYNOLDS. The agreement holds only until after the call of the calendar?

Mr. McNARY. Let us finish the call of the calendar under the agreement.

Mr. REYNOLDS. I withdraw my request.

W. J. STECKEL

The bill (H. R. 599) for the relief of W. J. Steckel was announced as next in order.

Mr. KING. Mr. President, I should like to have an explanation of the bill, because the Secretary of War recommends against it. I know the Secretary of War is a man of great sympathy, and will strain a point to aid persons in their promotion or advancement.

Mr. BROWN of Michigan. Mr. President, apparently some members of a C. C. C. camp cut some wood from the wood lot of a farmer near the camp. The bill is for the small amount of $200, which would pay the farmer for the wood taken by the C. C. C. camp. We investigated the facts, the House committee investigated them very thoroughly, and I came to the conclusion that on the face of the facts the farmer is entitled to be paid for the wood taken.

Mr. KING. Was the wood which was illegally cut down used by the C. C. C. camp?

Mr. BROWN of Michigan. The information received indicated that it had been.

Mr. KING. It was not just a mere wanton act of sabotage?

Mr. BROWN of Michigan. No; the wood was piled up in the wood lot, and was taken by the C. C. C. employees, I think, assuming that it had been cut by their men.

Mr. KING. And was used by the Government?

Mr. BROWN of Michigan. It was used by the Government.

Mr. KING. I have no objection.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 599) for the relief of W. J. Steckel, which was ordered to a third reading, read the third time, and passed.

J. W. BEAMS

The bill (H. R. 1141) for the relief of J. W. Beams was considered, ordered to a third reading, read the third time, and passed.

SCHMIDT, GARDEN & MARTIN

The Senate proceeded to consider the bill (H. R. 1861) for the relief of the firm of Schmidt, Garden & Martin, architects, of Chicago, Ill., which was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the firm of Schmidt, Garden & Martin, of Chicago, Ill., the sum of $86,178.86, in full satisfaction of all claims against the United States for architectural services rendered in preparing the plans and specifications for and supervising the construction of the United States Veterans' Administration hospital at Maywood, Cook County, Ill. (known as the Edward Hines, Junior, Hospital), and for the subsequent use of said plans and specifications in the completion of said hospital by the Supervising Architect of the Treasury Department under authority of the act of March 3, 1919 (40 Stat. 1302), the original construction having been begun under the supervision of the War De-

partment in August 1918 with said plans and specifications of Schmidt, Garden & Martin: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. KING. Mr. President, I should like to have an explanation of the bill.

Mr. BROWN of Michigan. Mr. President, I really did not have time to make a thorough examination of this claim. The Treasury Department approved it, and the House committee, which did make an investigation, also approved it.

Mr. LEWIS. Mr. President, I should like to say to the able Senator from Utah that I have been informed that this matter was fully investigated, that the Department approved it, and that it was a matter of which my informant had personal knowledge. It is for losses of some nature sustained by architects, and the Government is merely returning them that which it is admitted was lost by them. What the contract was I am unable to tell the Senator.

Mr. KING. Mr. President, after this lucid explanation I withdraw the objection.

Mr. BROWN of Michigan. Mr. President, paragraph 13 of the report of the Treasury Department states:

> It is the opinion of the Treasury Department, after a careful review of the testimony and exhibits, as requested, that the services of Schmidt, Garden & Martin were rendered in good faith and that the Government obtained the benefit of these services; that while a legal written obligation did not exist, a claim in equity appears to have been proven, and therefore the Government would be justified in extending relief in the amount of the claim.

Mr. LEWIS. Mr. President, I may say to the Senator from Michigan that the Senator from Utah has withdrawn his objection.

The PRESIDING OFFICER. The question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed.

FRANK BURGESS BRUCE

The bill (H. R. 2171) for the relief of Frank Burgess Bruce was announced as next in order.

Mr. KING. Mr. President, I find that General Hines, who is always very generous and fair in dealing with these matters, disapproves. I object.

Mr. BROWN of Michigan. Mr. President, did the Senator from Utah object?

Mr. KING. I stated that General Hines disapproves, and, knowing his fairness and disposition to aid all he can in a proper way, I thought the bill should go over.

Mr. BROWN of Michigan. Mr. President, this is a case where the Veterans' Administration did not receive in time payment of an insurance premium before the death of the insured. The premium was eventually paid. There was strong evidence indicating that the premium had been mailed in time. Death occurred, and it seemed to the committee that payment of the policy should be made under the circumstances.

Mr. KING. Was that the only point involved?

Mr. BROWN of Michigan. That was the only point involved. I know that many times life-insurance companies pay under such circumstances.

Mr. KING. I withdraw the objection, but I think that under the policy which has been pursued the Senator may expect a veto.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

MRS. B. E. HENNIGAN AND OTHERS

The Senate proceeded to consider the bill (H. R. 5379) for the relief of Mrs. B. E. Hennigan and her dependent minor children, which had been reported from the Committee on Claims with amendments, on page 1, line 7, to strike out "amended by sundry acts, including the" and to insert "extended and limited by the"; on line 10, after the word "extend", to insert "from February 15, 1935"; on line 11, after the word "said", to strike out "acts" and to insert "act"; on page 2, line 1, before the word "dependent", to insert the word "then", and on line 7, after "1935", to insert "*Provided*, That such compensation, when awarded, together with that now being received by claimants under the act of June 22, 1936 (49 Stat. 1608), shall not exceed the maximum compensation allowable for death under the said act of June 22, 1936", so as to make the bill read:

> *Be it enacted, etc.*, That in the administration of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as extended and limited by the act of February 15, 1934 (48 Stat. 351), the United States Employees' Compensation Commission is hereby authorized and directed to extend from February 15, 1935, the benefits of said act to Mrs. B. E. Hennigan, of Ada, Okla., on behalf of herself and her then dependent minor children, as the widow and children of B. E. Hennigan, provided it is established that the said B. E. Hennigan sustained injuries in the performance of his duties as county administrator of Pontotoc County, Okla., for the Federal Emergency Relief Administration, which resulted in his death on February 14, 1935: *Provided*, That said compensation, when awarded, together with that now being received by claimants under the act of June 22, 1936 (49 Stat. 1608), shall not exceed the maximum compensation allowable for death under the said act of June 22, 1936: *Provided further*, That claim hereunder shall be filed within 6 months after the approval of this act.

The amendments were agreed to.

Mr. KING. Mr. President, did the representatives of the Government have an opportunity to examine the claim, and if so, what recommendation was made?

Mr. BROWN of Michigan. Mr. President, my recollection is that the bill confers jurisdiction on the Employees' Compensation Commission. The widow and children were misinformed as to what their rights were, and did not apply in sufficient time to come within the provisions of the law. The bill merely authorizes the Commission to take jurisdiction and hear the case on its merits.

The PRESIDING OFFICER. The question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

ANNA LEE HEBERT AND MRS. NICHOLAS HEBERT

The Senate proceeded to consider the bill (H. R. 6710) conferring jurisdiction upon the United States District Court for the Eastern District of Louisiana to hear, determine, and render judgment upon the claims of Anna Lee Hebert and Mrs. Nicholas Hebert, which had been reported from the Committee on Claims with amendments, on page 1, line 6, after the words "upon the", to strike out "claim" and to insert "claims"; in line 8, after the word "injuries", to strike out "and upon the claims"; in line 9, after the word "her", to strike out "son" and insert "children"; in line 10, after the word "and", to strike out "her daughter, Virges Hebert, respectively, resulting from a collision of the vehicle in which they were riding and a truck operated by the Corps of Engineers, War Department, April 28, 1936, on United States Highway No. 61, between New Orleans and Baton Rouge, near Lutcher, La.: *Provided*, That the judgments, if any, in the case of Anna Lee Hebert shall not exceed $4,000; and in the case of Mrs. Nicholas Hebert, for the death of her son, Vernon Hebert, and her daughter, Virges Hebert, shall not exceed $5,000 for each death", and to insert in lieu thereof, "Virges Hebert, both formerly of New Orleans, La.; of Mr. and Mrs. Dossie E. Worrell, of Zachary, La., for the death of their son, Leon Worrell; of Mr. and Mrs. C. B. McClure, of Zachary, La., for the death of their son, Earl Roy McClure; and of W. F. Cobb, of Zachary, La., for personal injuries and damage to his truck, said deaths, personal injuries, and damage having resulted from a collision between the automobile in which Anna Lee Hebert, Vernon Hebert, and Virges Hebert were riding,

and a truck operated by the Corps of Engineers, War Department, and a collision between said latter truck and the truck owned by W. F. Cobb, in which he, Leon Worrell, and Earl Roy McClure were riding, on April 28, 1936, on United States Highway No. 61, between New Orleans and Baton Rouge, near Lutcher, La.: *Provided*, That the judgments, if any, for injuries of Anna Lee Hebert shall not exceed $4,000; for deaths of Vernon Hebert and Virges Hebert shall not exceed $5,000 each; for deaths of Leon Worrell and Earl McClure shall not exceed $5,000 each, and for injuries and damage of W. F. Cobb shall not exceed $5,000", so as to make the bill read:

Be it enacted, etc., That jurisdiction is hereby conferred upon the United States District Court for the Eastern District of Louisiana, at New Orleans, to hear, determine, and render judgment, as if the United States were suable in tort, upon the claims of Anna Lee Herbert of New Orleans, La., for personal injuries; of Mrs. Nicholas Hebert, of New Orleans, La., for the deaths of her children, Vernon Hebert, and Virges Hebert, both formerly of New Orleans, La.; of Mr. and Mrs. Dossie E. Worrell, of Zachary, La., for the death of their son, Leon Worrell; of Mr. and Mrs. C. B. McClure, of Zachary, La., for the death of their son, Earl Roy McClure; and of W. F. Cobb, of Zachary, La., for personal injuries and damage to his truck, said deaths, personal injuries, and damage having resulted from a collision between the automobile in which Anna Lee Hebert, Vernon Hebert, and Virges Hebert were riding, and a truck operated by the Corps of Engineers, War Department, and a collision between said latter truck and the truck owned by W. F. Cobb, in which he, Leon Worrell, and Earl Roy McClure were riding, on April 28, 1936, on United States Highway No. 61, between New Orleans and Baton Rouge, near Lutcher, La.: *Provided*, That the judgments, if any, for injuries of Anna Lee Hebert shall not exceed $4,000; for deaths of Vernon Hebert and Virges Hebert shall not exceed $5,000 each; for deaths of Leon Worrell and Earl McClure shall not exceed $5,000 each, and for injuries and damage of W. F. Cobb shall not exceed $5,000.

SEC. 2. Suit upon such claims may be instituted at any time within 1 year after the enactment of this act, and proceedings for the determination thereof, appeals therefrom, and payment of any judgments thereon shall be in the same manner as in the cases of suits over which such court has jurisdiction under the provisions of the twentieth paragraph of section 24 of the Judicial Code, as amended.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended so as to read: "An act conferring jurisdiction upon the United States District Court for the Eastern District of Louisiana to hear, determine, and render judgment upon the claims of Anna Lee Hebert, Mrs. Nicholas Hebert, Mr. and Mrs. Dossie E. Worrell, Mr. and Mrs. C. B. McClure, and W. F. Cobb."

HUBERT J. CUNCANNAN

The bill (S. 3387) for the relief of Hubert J. Cuncannan was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Hubert J. Cuncannan, of Grand Rapids, Mich., the sum of $2,500, in full satisfaction of his claim against the United States for the value of stock of the Eagle-Ottawa Leather Co., a corporation, of Grand Haven, Mich., in that amount deposited by him to secure the appearance of Richard Husty in the United States District Court for the Western District of Michigan and forfeited to the United States on or about September 12, 1935, after his failure to appear, although said Richard Husty had been apprehended and sentenced: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

BERNARD KNOPP

The bill (H. R. 4717) for the relief of Bernard Knopp was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (H. R. 3357) conferring jurisdiction upon the United States District Court for the Northern District of California to hear, determine, and render judgment upon the claim of Fred Owens was announced as next in order.

Mr. KING. Mr. President, the report on the bill contains a statement made a long time ago by a former Secretary of the Treasury, that the bill is without merit. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

GEORGE E. TITTER

The bill (H. R. 733) for the relief of George E. Titter was considered, ordered to a third reading, read the third time, and passed.

MALLERY TOY

The bill (H. R. 736) for the relief of Mallery Toy was announced as next in order.

Mr. KING. Mr. President, will the Senator from Washington explain the bill? It is very unpleasant to have to ask for explanations of bills on the calendar, most of which have been placed on the calendar in the last day or two. We have had no chance to examine them. The clerk reads the numbers and titles of the bills very rapidly, as he has the right to do, and it is his duty to do, but it gives us no opportunity even to look at the report. So we might just as well pass all these bills without any examination at all, under the form of legislation which is followed in the Senate of the United States. It is not fair to the taxpayers, it is not fair to the Senate. We make disposition of hundreds of these cases without much more than half a dozen Senators, or in most instances not more than one or two Senators, knowing what the individual bill is about.

Mr. SCHWELLENBACH. Mr. President, the two bills—H. R. 733, Calendar No. 2209, and H. R. 736, Calendar No. 2210—are of much the same nature. One is for $10,000; the other for $5,000. The two claimants owned shoreland property, which was completely destroyed in value by the widening of the Chesapeake and Delaware Canal. The Government widened the canal and then put dolphins in front of these two pieces of property. I will ask the Senator from Utah to refer to the report on page 3, which contains an affidavit of T. ALAN GOLDSBOROUGH, a Member of the House of Representatives, setting forth the facts.

Mr. KING. Mr. President, I call the attention of the Senator from Washington to the statement made by the former Secretary of War:

> It is the view of this Department that Mr. Titter is not entitled to compensation either in law or in equity, and it is recommended that the bill be not enacted.

Mr. SCHWELLENBACH. The report of the Secretary of War indicates that there was no damage done. I should have had with me some pictures—and if the Senator wants to have this matter put over for a few moments I shall send to the office and get the pictures showing these dolphins in front of this piece of property. We have the pictures showing that the dolphins are in front of the property, and it is shown in the record that they were constructed there by the Government because of the widening of the canal. The statement of the then Secretary of War, Mr. Hurley, that there was no damage to the property is completely answered by the pictures. That, taken in conjunction with the affidavit of Representative GOLDSBOROUGH is what actuated me to report these bills favorably. If the Senator wants to look at the pictures I shall send for them, and I think they will completely answer the letter which the then Secretary of War, Mr. Hurley, wrote to the Congress at the time the bills were considered.

Mr. KING. Mr. President, I shall let the bills be passed, but I enter a motion to reconsider both this bill and House bill 733, so that I may have an opportunity to examine further into the matter.

Mr. SCHWELLENBACH. I shall send for the pictures and show them to the Senator later in the day.

Mr. KING. Very well, with that understanding I shall not object to the present passage of the bill, but I shall let my motion to reconsider stand.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 736) for the relief of Mallery Toy was considered, ordered to a third reading, read the third time, and passed.

Mr. KING. Mr. President, I enter a motion to reconsider the votes by which House bill 733 and House bill 736 were passed.

The PRESIDING OFFICER. The motion to reconsider will be entered.

ESTATE OF CATHERINE HARKINS, DECEASED

The bill (H. R. 2368) for the relief of the estate of Catherine Harkins, deceased, was considered, ordered to a third reading, read the third time, and passed.

GENESEE BREWING CO., INC.

The bill (H. R. 6713) for the relief of Genesee Brewing Co., Inc., was considered, ordered to a third reading, read the third time, and passed.

FRANK M. SCHMITT AND OTHERS

The bill (H. R. 6842) for the relief of Frank M. Schmitt, Antonio Salas, Victoria Griego, and Victor Coco was considered, ordered to a third reading, read the third time, and passed.

HAROLD PRICE

The bill (H. R. 6951) for the relief of Harold Price was considered, ordered to a third reading, read the third time, and passed.

DESTRUCTION OF COTTON BY FIRE, CAMDEN, ARK.

The bill (H. R. 7424) for the relief of certain persons whose cotton was destroyed by fire in the Ouachita Warehouse, Camden Ark., was considered, ordered to a third reading, read the third time, and passed.

BROOKS-CALLAWAY CO.

The bill (H. R. 7890) for the relief of Brooks-Callaway Co., was considered, ordered to a third reading, read the third time and passed.

Mr. KING. Mr. President, was House bill 7890 passed?

The PRESIDING OFFICER. It was.

Mr. GEORGE. Mr. President, if the Senator will permit me, I can explain that bill, as I am its author. A similar bill was passed in the Seventy-fourth Congress. The bill directed the Comptroller General to make a report showing the amount of damage sustained by the payees in this bill, who were contractors operating under a contract with the War Department.

Pursuant to public law heretofore passed, the Comptroller made his report, and the bill is merely to carry into effect the Comptroller General's report.

Mr. KING. Mr. President, may I inquire of the Senator whether the report of the Acting Comptroller General [Mr. Elliott] justifies the contention that the Government is liable?

Mr. GEORGE. Undoubtedly. The Comptroller was directed to report the amount of liability, and the bill is simply for the purpose of carrying into effect his report made pursuant to an act of Congress.

Mr. KING. I have no objection.

The PRESIDING OFFICER. The bill has already been passed.

The next bill on the calendar will be stated.

EDWARD FORBES AND OTHERS

The bill (S. 2993) conferring jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claims of Edward Forbes and others, as set out therein, was announced as next in order.

Mr. ANDREWS. Mr. President, I ask that House bill 8098, which has passed the House, be substituted for the Senate bill, and be considered at this time.

Mr. KING. Mr. President, before that is done, may we have an explanation of the bill?

Mr. ANDREWS. I can read a part of the report, which gives an explanation.

Mr. KING. For how much is the claim?

Mr. ANDREWS. That is to be established by the court. The report of the committee, on page 3, says:

> Effort has been made in this report to develop, as briefly as possible, the facts relative to the present control of the lake—

That is Lake Okeechobee—

> the location of the levee, the peculiar position of claimants, the fact that they are being heavily damaged, and the probable causes of such damage. Certainly they are entitled to a determination of their claims in a competent court. The facts establish more than a prima facie case, but whether the Government, as a matter of law or equity, has caused the losses to claimants and ought to respond in damages therefor, is a question which we do not feel within our province to decide, particularly since we have not been called upon to do so.

Mr. KING. The Senator is undoubtedly familiar with the fact that the Secretary of War, Mr. Woodring, states:

> The Department * * * recommends that the proposed legislation be not enacted into law.

I assume that in his letter contained in the report he assigns reasons why this should not be done.

He states among other things:

> If the complaints of all the claimants included in the bill are similar to those of Mr. Thomas, it is considered that these claimants have no valid claim against the United States.

A hurricane occurred, apparently, and the water, I assume—I have not read the report—did some damage, or at least it is claimed it did, and yet the Secretary of War recommends against the claim.

Mr. ANDREWS. The War Department had charge of constructing the levees and naturally would not desire to express an opinion as to what caused the damage. Nevertheless, the levee construction caused the damage, and the bill is to allow a court to ascertain whether or not the Government is responsible. The question of the right to go into court affects about 25 or 30 persons, who lost practically all they had because the floodwater piled back on the land, due to the construction of the levee. The committee has gone into that matter, and recommends that the bill be passed giving the claimants their day in court.

Mr. KING. I shall not object to the present passage of the bill, but later I may enter a motion to reconsider the vote by which it was passed.

Mr. ANDREWS. I ask the Chair to lay before the Senate the House bill, which I ask to be considered as a substitute for the Senate bill.

The PRESIDING OFFICER laid before the Senate House bill 8098, conferring jurisdiction upon the Court of Claims to hear and determine the claims of Edward Forbes and others, which was twice read by its title.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 8098) conferring jurisdiction upon the Court of Claims to hear and determine the claims of Edward Forbes and others was considered, ordered to a third reading, read the third time, and passed, as follows:

> *Be it enacted, etc.*, That jurisdiction is hereby conferred upon the Court of Claims of the United States to hear, determine, and render judgment upon the claims of Edward Forbes; J. D. Lee; B. A. Dopcus; D. Shiver; W. P. Shepherd; T. A. Lee; C. J. Aspey; B. A. Morris and L. E. Aspey, as joint adventurers; Ross Winne and Gertrude Winne, husband and wife; C. E. Thomas; Frede Anapu; A. Trivett; Walter T. Danson; M. M. Bryant; E. B. Steele; R. Y. Creech; Ida L. Creeck; J. W. Ives; Roscoe Lee Braddock; H. A Braddock; H. C. Warthen; H. H. Wedgworth; F. A. LeFils; R. H. Little; H. Robinson; J. R. Poland; Kreamer Sugar & Syrup Co.; C. B. Rawls and W. J. Rawls, a partnership doing business as Rawls Bros.; Tropical Produce Corporation, a Florida corporation, and B. A. Morris, as joint adventurers; and Knight & Co., Inc., a Florida corporation, all of Palm Beach County, Fla., or other persons engaged in farming on Kreamer, Torry, or Ritta Islands, in Lake Okeechobee, for damage to or loss of crops alleged to have resulted from the construction of levees along the Caloosahatchee River and Lake Okeechobee

drainage areas in Palm Beach County, Fla., by the Corps of Engineers, War Department, and from high waters caused thereby: *Provided*, That suits hereunder shall be instituted within 1 year from the enactment of this act.

The PRESIDING OFFICER. Without objection, Senate bill 2993 will be indefinitely postponed.

PEMAQUID POINT LIGHTHOUSE RESERVATION

The bill (S. 1839) to authorize the conveyance by the United States to the town of Bristol, Maine, of a portion of the Pemaquid Point Lighthouse Reservation, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That subject to the conditions hereinafter specified, the Secretary of Commerce is authorized to convey to the town of Bristol, Maine, for public park purposes all the right, title, and interest of the United States in and to that portion of the Pemaquid Point Lighthouse Reservation, Lincoln County, Maine, which is not required to be retained for lighthouse purposes. The Secretary of Commerce shall describe by metes and bounds in the deed of conveyance the exact portion of such reservation transferred.

SEC. 2. Such conveyance shall contain the express condition that if the town of Bristol shall at any time cease to use the property as a park for public recreation, or shall alienate or attempt to alienate such property, title thereto shall revert to the United States.

SEC. 3. The United States reserves the right to resume ownership, possession, and control for Government purposes, of any property conveyed under authority of this act, at any time and without the consent of the town of Bristol.

INVESTIGATION OF PHOSPHATE RESOURCES

The Senate proceeded to consider the joint resolution (S. J. Res. 298) to create a joint congressional committee to investigate the adequacy and use of the phosphate resources of the United States, which was read, as follows:

Resolved, etc., That there is hereby established a joint congressional committee (hereinafter referred to as the "committee") to be composed of three Senators, to be appointed by the President of the Senate, and three Members of the House of Representatives, to be appointed by the Speaker of the House of Representatives. A vacancy in the committee shall not affect the power of the remaining members to execute the functions of the committee and shall be filled in the same manner as the original appointment. The committee shall select a chairman from among its members.

SEC. 2. It shall be the duty of the committee to make a thorough study and investigation of the phosphate resources of the United States with particular reference to (1) the use and service of phosphate to American agriculture, (2) the domestic consumption and exports of phosphate, (3) the adequacy of the supply of phosphate in the United States, (4) the development of phosphate deposits in the Western States, and (5) methods of conserving the phosphate resources of the United States, to the end that there may be insured a continuous supply of phosphate to meet the present and future needs of agriculture in rebuilding soil fertility. The committee shall report to the Senate and the House of Representatives, on or before February 15, 1939, the results of its study and investigation, together with such recommendations as it deems advisable.

SEC. 3. The committee, or any subcommittee thereof, shall have power to hold hearings and to sit and act at such places and times; to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents; to administer such oaths; to take such testimony; to have such printing and binding done; and to make such expenditures as it deems advisable. Subpenas shall be issued under the signature of the chairman of the committee and shall be served by any person designated by him. The provisions of sections 102 to 104, inclusive, of the Revised Statutes shall apply in case of any failure of any witness to comply with any subpena, or to testify when summoned, under authority of this joint resolution. The expenses of the committee, which shall not exceed $10,000, shall be paid one-half from the contingent fund of the Senate and one-half from the contingent fund of the House of Representatives upon vouchers approved by the chairman of the committee.

SEC. 4. The committee shall have power to employ and fix the compensation of such officers, experts, and employees as it deems necessary in the performance of its duties, but the compensation so fixed shall not exceed the compensation fixed under the Classification Act of 1923, as amended, for comparable duties. The committee is authorized to utilize the services, information, facilities, and personnel of the departments and agencies of the executive branch of the Government.

Mr. PEPPER. Mr. President, I do not desire to object to the approval of the joint resolution by the Senate, but I do want to call attention to the fact that the State of Florida produces approximately 80 percent of all the phosphate which is consumed within the United States. Therefore the State of Florida has a very vital interest in what might be done to affect in any way the phosphate industry. We do not have the disposition to obstruct any fair and comprehensive investigation of this subject which may be made; but if it is not an impropriety for me to say so at this time, we feel that we should be entitled to fair representation upon any joint committee investigating this subject, which is of such importance to our State. I hope there will be no disposition on the part of anyone to deny us the opportunity for fair and dispassionate representation upon the joint committee.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

STUART C. PETERSON

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 2072) for the relief of Stuart C. Peterson, which were, on page 1, line 6, to strike out "Boone" and insert "Kalona"; and on page 1, line 6, to strike out "$750" and insert "$500."

The PRESIDING OFFICER. Without objection, the House amendments are agreed to.

DERBY OIL CO.

The bill (H. R. 6753) for the relief of the Derby Oil Co. was considered, ordered to a third reading, read the third time, and passed.

INVESTIGATION OF TAXATION OF GOVERNMENT SECURITIES AND SALARIES

The concurrent resolution (S. Con. Res. 36) to establish a Joint Congressional Committee on the Taxation of Governmental Securities and Salaries was announced as next in order.

Mr. BROWN of Michigan. Mr. President, after a conference with the chairman of the Finance Committee, the Senator from Mississippi [Mr. HARRISON], I find it is yet uncertain just what the Ways and Means Committee of the House will do with the resolution. It is our intention to propose a substitute for it and have a Senate committee handle the situation if it appears that we cannot get the measure through the House. I therefore ask that the resolution be passed over for the time being.

The PRESIDING OFFICER. The resolution will be passed over.

PROTECTION OF GAME, OTHER ANIMALS, AND BIRDS IN ALASKA

The Senate proceeded to consider the bill (H. R. 7844) to amend the act of Congress entitled "An act to establish an Alaska Game Commission, to protect game animals, land fur-bearing animals, and birds in Alaska, and for other purposes," approved January 13, 1925, as amended, which has been reported from the Committee on Territories and Insular Affairs, with amendments.

Mr. KING. Mr. President, I should like to ask my friend from Arkansas [Mr. MILLER] whether the bill creates a new commission. My recollection of the very limited testimony given before the Committee on Territories and Insular Affairs is that the bill seeks only to extend the operations of the law to a number of wild animals which, perhaps, are not comprised within existing law.

Mr. MILLER. No new commission is created. In fact, there is no additional expense at all; but, apparently, it is in the interest of conserving the game and other wildlife resources in Alaska that the amendments should be adopted.

Mr. KING. That is my recollection; but it seemed to me from the heading that we were creating a new commission.

Mr. BROWN of Michigan. No. The bill was drafted in order to amend the present law.

The PRESIDING OFFICER. The clerk will state the committee amendments.

The first amendment was, on page 4, after line 15, to strike out:

SEC. 2. That section 3 of said act is amended to read as follows: "SEC. 3. Citizenship defined: That for the purposes of this act a citizen of the United States who has been domiciled in the Territory, for the purpose of making his permanent home therein, for not less than 1 year immediately preceding his claim

for resident privileges or a foreign-born person, which term shall be construed in this act to include a citizen of the Philippine Islands, not a citizen of the United States, who has declared his intention to become a citizen of the United States, and has been domiciled in the Territory for a like period and purpose, shall be considered a resident; but if such a foreign-born person shall not have been admitted to citizenship within 7 years from the date he declared his first intention to become a citizen, he shall thereafter be deemed to be an alien until admitted to citizenship. A foreign-born person not a citizen of the United States who has not declared his intention to become a citizen of the United States, or who has not resided in the Territory for at least 1 year after having declared such intention, shall be considered an alien: *Provided*, That whenever the Secretary of Agriculture shall determine that the economic welfare and interests of native Indians, Eskimos, and half-breeds, or the fur resources of Alaska are threatened by the influx of trappers from without the Territory, he may, in his discretion and for such periods as he shall determine, require that citizens of the United States who are nonresidents of the Territory, and foreign-born persons and aliens within the meaning of this act, shall have resided in Alaska for a continuous period of 3 years instead of 1 year before being eligible to obtain resident trapping licenses under the provisions of the Alaska game law, as amended, and regulations issued pursuant thereto: *Provided further*, That if any clause, sentence, paragraph, or part of this act shall for any reason be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, or parts thereof directly involved in the controversy in which such judgment shall have been rendered."

And insert:

SEC. 2. That section 3 of said act is amended by striking the period at the end of the first paragraph of said act, following the word "alien", and inserting a colon in lieu thereof and after the colon the following: "*Provided*, That whenever the Secretary of Agriculture shall determine that the economic welfare and interests of native Indians or Eskimos, or the fur resources of Alaska, are threatened by the influx of trappers from without the Territory, he may, in his discretion and for such periods as he shall determine, require that citizens of the United States who are nonresidents of the Territory, and foreign-born persons and aliens within the meaning of this act, shall have resided in Alaska for a continuous period of 3 years instead of 1 year before being eligible to obtain resident trapping licenses under the provisions of the Alaska game law, as amended, and regulations issued pursuant thereto."

The amendment was agreed to.

The next amendment was, on page 9, after line 22, to strike out:

SEC. 5. That subdivisions C and J of section 11 of said act are amended to read as follows:

And insert:

SEC. 5. That subdivision C, the first paragraph of subdivision H, and subdivision J, of section 11 of said act are amended as follows:

The amendment was agreed to.

The next amendment was, on page 10, line 12, after the words "required of", to strike out:

Native-born Indians, Eskimos, or half-breeds who have not severed their tribal relations by adopting a civilized mode of living or by exercising the right of franchise.

And insert:

Native Indians and Eskimos.

So as to read:

Subdivision C. Resident hunting and trapping licenses: That the Commission, whenever it shall deem expedient, may by regulation require residents of the Territory to procure resident hunting and trapping licenses authorizing them to take animals and birds protected by this act, and when such licenses shall have been required of residents the fee therefor shall be as follows: For each hunting license the sum of $1 and for each trapping license the sum of $2, but no such license shall be required of native Indians and Eskimos or of residents under the age of 16: *Provided*, That a licensed trapper shall be entitled to the privilege of hunting without a hunting license. After the effective date of such regulation, no resident shall take any animal or bird protected by this act without having first procured resident hunting and trapping licenses as herein provided.

The amendment was agreed to.

The next amendment was, on page 10, after line 21, to insert:

Subdivision H. Fur dealers, licenses, fees: No person shall buy or sell the skins of fur-bearing animals, or engage in, carry on, or be concerned in the business of buying, selling, or trading in the skins of fur-bearing animals protected by this act without first having procured a license as herein provided, but no license shall be required of native Indians or Eskimos, or of cooperative stores operated exclusively by and for native Indians or Eskimos, or of stores operated by missions exclusively for native Indians or Eskimos: *Provided*, That the stores exempted from procuring licenses as herein provided shall, on or before 30 days after the expiration of each license year as specified in this act, make a written statement to the Commission on a form prepared and furnished by it setting forth such material facts concerning the management and operation of such store as the Commission may by such form require and in addition thereto shall keep the records, make the reports, incur the penalties, and in all other respects be subject to the requirements of subdivision F of section 11 to the same extent as licensed fur dealers, or of a hunter or trapper selling the skins of such animals which he has lawfully taken, or of a person not engaged or employed in the business of trading in such skins to purchase them for his own use but not for sale.

The amendment was agreed to.

The next amendment was, on page 12, after line 7, to insert:

SEC. 6. That section 15 of said act is amended to read as follows:

SEC. 15. Penalties: That unless a different or other penalty or punishment is herein specifically prescribed, a person who violates any provision of this act, or who fails to perform any duty imposed by this act, or any order or regulation adopted pursuant to this act, is guilty of misdemeanor and upon conviction thereof shall be fined not less than $25 nor more than $500 or be imprisoned not more than 6 months, or both; and, in addition thereto, any person convicted of a violation of any provision of this act who is the holder of any form of license issued thereunder shall thereupon forfeit said license and shall surrender it upon demand of any person authorized by the Commission to receive it, and upon a second conviction he shall not be entitled to, nor shall he be granted, a license of such form for a period of 1 year from date of such forfeiture, and upon a third or successive conviction, for a period of 5 years from the date of such forfeiture; and any cooperative store operated exclusively by and for native Indians or Eskimos, or any store operated by missions exclusively for native Indians or Eskimos, without a license as provided in this act, upon a second or third conviction for violation of this act, shall not be entitled to engage in the business of dealing in furs for such time as the court before whom such conviction is had may decide: *Provided*, That such prohibition shall not be imposed for the first conviction, nor for a period in excess of 1 year from date of the second conviction, nor for a period in excess of 5 years from date of the third or any subsequent conviction; that all moneys from fines shall be transmitted by the clerk of the court to the executive officer to be disposed of as are other receipts of the Commission.

"That any licensed guide who shall fail or refuse to report promptly to the Commission any violation of this act of which he may have knowledge, shall be guilty of a violation of this act, and, in addition thereto, shall have his license revoked and shall be ineligible to act as a licensed guide for a period of 5 years from the time of his conviction therefor, or, of the establishment to the satisfaction of the Commission of definite proof of such offense."

The amendment was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

CONGRESSIONAL INVESTIGATIONS

The joint resolution (H. J. Res. 699) to amend sections 101, 102, 103, and 104 of the Revised Statutes of the United States relating to congressional investigations was announced as next in order.

Mr. LA FOLLETTE. Let the joint resolution go over.

The PRESIDING OFFICER. The joint resolution will be passed over.

LILLY BUNDGARD AND GLORIA BUNDGARD

The bill (H. R. 2779) for the relief of Lilly Bundgard and Gloria Bundgard was considered, ordered to a third reading, read the third time, and passed.

GEORGE F. ANDERSON AND VERA D. ANDERSON

The bill (H. R. 5153) for the relief of George F. Anderson and Vera D. Anderson was considered, ordered to a third reading, read the third time, and passed.

EDWARD E. BROWN AND OTHERS

The bill (H. R. 6727) for the relief of Edward E. Brown, Charles Walker, Frank Parr, John Moyer, and Lynford P.

Fowles was considered, ordered to a third reading, read the third time, and passed.

FRED JOHNSON

The bill (H. R. 7198) for the relief of Fred Johnson was considered, ordered to a third reading, read the third time, and passed.

FRANK B. DECKER

The bill (H. R. 7607) for the relief of Frank B. Decker was considered, ordered to a third reading, read the third time, and passed.

RELIEF OF FERGUS COUNTY, MONT.

The bill (H. R. 8672) for the relief of Fergus County, Mont., was considered, ordered to a third reading, read the third time, and passed.

NEW AMSTERDAM CASUALTY CO.

The bill (H. R. 4032) for the relief of the New Amsterdam Casualty Co. was announced as next in order.

Mr. KING. Mr. President, may we have an explanation of the bill?

Mr. BROWN of Michigan. Mr. President, House bill 4032 is the type of bill which proposes to reimburse a casualty company in a criminal case when the accused has not appeared at the time designated in the bond. Speaking for myself, I should be very glad to stop this type of bill. The original amount of the bond was $10,000. It cost the Government approximately $3,900 to apprehend the fugitive. He was brought back into court, paid the penalty, and was sent to prison.

It has been the practice of the Congress to pass bills of this kind. I think perhaps it would be unfair to refuse this particular casualty company relief in the present case, as we have granted such relief in many other cases. However, I should be glad to join with the Senator from Utah, and any others who feel as I do, in stopping the passage of this type of bill. I, for one, think that when a casualty company puts up a bail bond, if the accused does not appear on the day he is directed to appear, the bond should be forfeited to the Government of the United States. However, that has not been the policy of the Congress.

Mr. KING. I may say to the Senator that I think there should be some measure adopted under the terms of which Congress would be relieved of the responsibility of passing upon hundreds and hundreds and hundreds of claims, perhaps one-third of them for alleged automobile accidents. We cannot obtain the facts. We rely upon the affidavit of the party in interest. My attention has been called to some of the bills which have been passed, in cases in which we have allowed rather large sums—$5,000 or $6,000—for alleged injuries, and subsequent events have demonstrated that the Government was imposed upon. There should be some plan adopted providing for an investigation, not by committees of Congress, but by a judicial or quasi-judicial body, so that Congress might be relieved of this multitudinous business. We know that we cannot do justice in many such cases.

Mr. AUSTIN. Mr. President, will the Senator yield?

Mr. BROWN of Michigan. I yield.

Mr. AUSTIN. I should like to ask the Senator if the facts show an effort by the insurance company to procure the apprehension of the fugitive?

Mr. BROWN of Michigan. Yes; the insurance company assisted materially, and paid all the expenses of final apprehension of the fugitive. The claim, which was originally for $10,000, is reduced to $6,000, to reimburse the Government for some $3,900 expended by the Government in the apprehension of the fugitive.

Mr. AUSTIN. Mr. President, I observe, in the practice of my profession, that the courts frequently reduce the bond to the actual loss suffered by the public.

Mr. BROWN of Michigan. That is true; and it is the custom of the Claims Committee to deny relief unless the district judge approves and recommends it.

Mr. AUSTIN. Was that done in this case?

Mr. BROWN of Michigan. That was done in this case.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection the bill (H. R. 4032) for the relief of the New Amsterdam Casualty Co. was considered, ordered to a third reading, read the third time, and passed.

RELIEF OF CURTISS AEROPLANE & MOTOR CO., INC.

The bill (H. R. 7143) for the relief of the Curtiss Aeroplane & Motor Co., Inc., was announced as next in order.

Mr. KING. Mr. President, the bill seems to carry an appropriation of more than $21,000. I should like to have the Senator from Washington [Mr. SCHWELLENBACH] explain the bill.

Mr. SCHWELLENBACH. This bill is similar to one which we had under consideration earlier in the day, which was introduced by the Senator from North Carolina. The Curtiss Aeroplane & Motor Co., Inc., had a contract with the Government. Upon the passage of the National Industrial Recovery Act expenses were increased. A dispute arose between the corporation and the Department as to the extent to which expenses had been increased, and the committee allowed exactly the amount to which the Department said the company was entitled. If the Senator will examine the report of the Department he will see that the Department says that $21,600 is the amount to which the company is entitled.

The committee simply adopted the figures of the Department. The Department made an audit of the books, and a dispute arose. As I explained, sometimes there is a dispute between the Department and the Comptroller General. Those cases are much more difficult. But in this case we have taken the Department's figures and they recognize that the Government owes the claimants the amount proposed by the bill.

Mr. COPELAND. Mr. President, the statement of the Acting Secretary of the Navy, on page 5 of the report, says that—

> The Navy Department adheres to its administrative findings of fact that the Curtiss Aeroplane & Motor Co. is entitled to the sum of $21,660.93.

Mr. KING. I have no objection.

The PRESIDING OFFICER. The question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed.

HARRY BRYAN AND ALDA DUFFIELD MULLINS

The bill (H. R. 8515) to amend the act entitled "An act for the relief of Harry Bryan and Alda Duffield Mullins," approved August 28, 1937, was considered, ordered to a third reading, read the third time, and passed, as follows:

> *Be it enacted, etc.*, That the act entitled "An act for the relief of Harry Bryan and Alda Duffield Mullins," approved August 28, 1937 (Private Act No. 398, 75th Cong.), is hereby amended by adding at the end thereof the following section:
>
> "SEC. 3. That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, in accordance with certifications of the Works Progress Administrator, or his duly authorized representative, under this act, all hospital, medical, and other expenses necessarily incurred by the claimants named in this act as a result of the explosion in Gassaway, W. Va., November 7, 1936, and such payments, when made, shall be in full settlement of all claims against the United States for said expenses. No payment shall be made under the provisions of this act for any of said expenses incurred after August 28, 1937, and application for any of said expenses shall be filed with the Works Progress Administration by or on behalf of the person entitled to payment within 6 months from the date of approval of this amendatory act. The Works Progress Administrator, or his duly authorized representative, shall determine the amount due on any application, and the person entitled thereto under the provisions of this act, and shall certify such determination to the Secretary of the Treasury, which determination shall be final and conclusive upon the accounting officers of the Government."

LESTER P. BARLOW

The Senate proceeded to consider the bill (S. 4153) to carry out the findings of the Court of Claims in the case of Lester P. Barlow against the United States, which had been

reported from the Committee on Claims, with an amendment to add at the end of the bill a proviso, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Lester P. Barlow the sum of $592,719.21, in full settlement of his aerial torpedo patent-infringement claim against the United States as found by the Court of Claims to be due him in its decision of June 7, 1937: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 948) to provide for a national cemetery in every State was announced as next in order.

Mr. GERRY. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

LUIGI MAZZA

The bill (H. R. 5597) for the relief of Luigi Mazza was considered, ordered to a third reading, read the third time, and passed.

NICHOLAS DE LIPSKI

The bill (H. R. 7793) for the relief of Nicholas de Lipski was considered, ordered to a third reading, read the third time, and passed.

AMENDMENTS OF THE MERCHANT MARINE ACT

Mr. COPELAND. Mr. President, since conference reports are privileged matters, there are two reports on which I should like to obtain action. I first submit the conference report on House bill 10315.

The PRESIDING OFFICER (Mr. HILL in the chair). The report will be read.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 10315) to amend the Merchant Marine Act 1936, to further promote the merchant-marine policy therein declared, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert:

"That section 202 of the Merchant Marine Act, 1936, is amended by adding at the end thereof a new sentence to read as follows: 'The Commission may, upon such terms and conditions as it may prescribe in accordance with sound business practice, make such extensions and accept such renewals of the notes and other evidences of indebtedness hereby transferred, and of the mortgages and other contracts securing the same, as it may deem necessary to carry out the objects of this act.'

"SEC. 2. Section 207 of such act is amended to read as follows:

"'SEC. 207. The Commission may enter into such contracts, upon behalf of the United States, and may make such disbursements as may, in its discretion, be necessary to carry on the activities authorized by this act, or to protect, preserve, or improve the collateral held by the Commission to secure indebtedness, in the same manner that a private corporation may contract within the scope of the authority conferred by its charter. All the Commission's financial transactions shall be audited in the General Accounting Office according to approved commercial practice as provided in the act of March 20, 1922 (42 Stat. 444): *Provided*, That it shall be recognized that, because of the business activities authorized by this Act, the accounting officers shall allow credit for all expenditures shown to be necessary because of the nature of such authorized activities, notwithstanding any existing statutory provisions to the contrary. The Comptroller General shall report annually or oftener to Congress any departure by the Commission from the provisions of this Act.'

"SEC. 3. Section 214 (a) of such Act is amended to read as follows:

"'SEC. 214. (a) For the purpose of any investigation which, in the opinion of the Commission, is necessary and proper in carrying out the provisions of this Act, any member of the Commission, or any officer or employee thereof designated by it, is empowered to subpena witnesses, administer oaths and affirmations, take evidence, and require the production of any books, papers, or other documents which are relevant or material to the matter under investigation. Such attendance of witnesses and the production of such books, papers, or other documents may be required from any place in the United States or any Territory, district, or possession thereof at any designated place of hearing. Witnesses summoned before the Commission shall be paid the same fees and mileage that are paid witnesses in the courts of the United States.'

"SEC. 4. Title II of such Act is amended by adding at the end thereof a new section to read as follows:

"'SEC. 215. The Commission is authorized to acquire by purchase or otherwise such vessels constructed in the United States as it may deem necessary to establish, maintain, improve, or effect replacements upon any service, route, or line in the foreign commerce of the United States determined to be essential under section 211 of this Act, and to pay for the same out of its construction fund: *Provided*, That the price paid therefor shall be based upon a fair and reasonable valuation, but it shall not exceed by more than 5 percentum the cost of such vessel to the owner (excluding any construction-differential subsidy and the cost of national defense features paid by the Commission) plus the actual cost previously expended thereon for reconditioning less depreciation based upon a twenty-year life expectancy of the vessel. No such vessel shall be acquired by the Commission unless the Secretary of the Navy has certified to the Commission that such vessel is suitable for economical and speedy conversion into a naval or military auxiliary, or otherwise suitable for the use of the United States in time of war or national emergency. Every vessel acquired under authority of this section that is not documented under the laws of the United States at the time of its acquisition shall be so documented as soon as practicable.'

"SEC. 5. Section 301 (a) of such Act is amended to read as follows:

"'SEC. 301. (a) The Commission is authorized and directed to investigate the employment and wage conditions in ocean-going shipping and, after making such investigation and after appropriate hearings, to incorporate in the contracts authorized under titles VI and VII of this Act minimum manning scales and minimum wage scales, and minimum working conditions for all officers and crews employed on all types of vessels receiving an operating-differential subsidy. After such minimum manning and wage scales, and working conditions shall have been adopted by the Commission, no change shall be made therein by the Commission except upon public notice of the hearing to be had, and a hearing by the Commission of all interested parties, under such rules as the Commission shall prescribe. The duly elected representatives of the organizations certified as the proper collective bargaining agencies shall have the right to represent the employees who are members of their organizations at any such hearings. Every contractor receiving an operating-differential subsidy shall post and keep posted in a conspicuous place on each such vessel operated by such contractor a printed copy of the minimum manning and wage scales, and working conditions prescribed by his contract and applicable to such vessel: *Provided, however*, That any increase in the operating expenses of the subsidized vessel occasioned by any change in the wage or manning scales or working conditions as provided in this section shall be added to the operating-differential subsidy previously authorized for the vessel.'

"SEC. 6. Section 301 (b) of such Act is amended to read as follows:

"'(b) Every contract executed under authority of titles VI and VII of this Act shall require—

"'(1) Insofar as is practicable, officers' living quarters shall be kept separate and apart from those furnished for members of the crew;

"'(2) Licensed officers and unlicensed members of the crew shall be entitled to make complaints or recommendations to the Commission, providing they file such complaint or recommendation directly with the Commission, or with their immediate superior officer who shall be required to forward such complaint or recommendation with his remarks to the Commission, or with the authorized representatives of the respective collective bargaining agencies;

"'(3) Licensed officers who are members of the United States Naval Reserve shall wear on their uniforms such special distinguishing insignia as may be approved by the Secretary of the Navy; officers being those men serving under licenses issued by the Bureau of Marine Inspection and Navigation;

"'(4) The uniform stripes, decoration, or other insignia shall be of gold braid or woven gold or silver material, to be worn by officers, and no member of the ship's crew other than licensed officers shall be allowed to wear any uniform with such officer's identifying insignia;

"'(5) No discrimination shall be practiced against licensed officers, who are otherwise qualified, because of their failure to qualify as members of the United States Naval Reserve.'

"SEC. 7. Section 402 (b) and section 402 (c) of such Act are amended by striking out the quotation marks.

"SEC. 8. Section 501 (c) of such Act is amended by striking out the term 'section 201 (c)' and inserting in lieu thereof the term 'section 204 (b)'.

"SEC. 9. The second sentence of section 502 (a) of such Act is amended by striking out the words 'the cost of the vessel' and inserting in lieu thereof the words 'of the contract price of the vessel'.

"SEC. 10. Section 502 (b) of such act is amended to read as follows:

"'(b) The amount of the reduction in selling price which is herein termed the "construction-differential subsidy" may equal, but not exceed, the excess of the bid of the shipbuilder constructing the proposed vessel (excluding the cost of any features incorporated in the vessel for national-defense uses, which shall be paid by the Commission in addition to the subsidy), over the fair and reasonable estimate of cost, as determined by the Commission, of the construction of the proposed vessel if it were constructed under similar plans and specifications (excluding national-defense features as above provided) in a principal foreign shipbuilding center which may reasonably be availed of by the principal foreign competitors in the service in which the vessel is to be operated, and which is deemed by the Commission to furnish a fair and representative example for the determination of the estimated cost of construction in foreign countries of vessels of the type proposed to be constructed. The construction differential approved by the Commission shall not exceed 33⅓ per centum of the construction cost of the vessel paid by the Commission (excluding the cost of national-defense features above provided), except that in cases where the Commission possesses convincing evidence that the actual differential is greater than that percentage, the Commission may approve an allowance not to exceed 50 per centum of such cost, upon the affirmative vote of four members, except as otherwise provided in subsection 201 (a). In any case where the Commission finds that the construction differential exceeds 33⅓ per centum of such cost and that the lowest bid of a responsible domestic shipbuilder is unreasonable, excessive, or collusive, the Commission may negotiate and contract with the view to construction in a domestic shipyard that is not unreasonable or excessive in cost or collusive in character. Where the Commission finds that the construction differential exceeds 50 per centum of such cost, the Commission may negotiate and contract on behalf of the applicant to build such vessel in a domestic shipyard at a cost which will reduce the construction differential to 50 per centum or less. In the event that the Commission have reason to believe that the bidding in any instance is collusive, it shall report all of the evidence on which the Commission acted (1) to the Attorney General of the United States, and (2) to the President of the Senate and to the Speaker of the House of Representatives if the Congress shall be in session or if the Congress shall not be in session, then to the Clerk of the Senate and the Clerk of the House respectively.'

"SEC. 11. Section 502 (c) of such Act is amended to read as follows:

"'(c) In such contract between the applicant and the Commission, the applicant shall be required to make cash payments to the Commission of not less than 25 per centum of the price at which the vessel is sold to the applicant. The cash payments shall be made at the time and in the same proportion as provided for the payments on account of the construction cost in the contract between the shipbuilder and the Commission. The applicant shall pay, not less frequently than annually, interest at the rate of 3½ per centum per annum on those portions of the Commission's payments as made to the shipbuilder which are chargeable to the applicant's purchase price of the vessel (after deduction of the applicant's cash payments). The balance of such purchase price shall be paid by the applicant, within twenty years after delivery of the vessel and in not to exceed twenty equal annual installments, the first of which shall be payable one year after the delivery of the vessel by the Commission to the applicant. Interest at the rate of 3½ per centum per annum shall be paid on all such installments of the purchase price remaining unpaid.'

"SEC. 12. Section 502 (d) of such Act is amended (a) by striking out 'construction subsidy' and inserting in lieu thereof 'construction-differential subsidy', and (b) by adding at the end thereof a new sentence to read as follows: 'Nothing in this section shall be construed as authorizing the Commission to approve a construction-differential in excess of 50 per centum of the construction cost of the vessel paid by the Commission.'

"SEC. 13. Section 502 of such Act is amended by adding at the end thereof a new subsection to read as follows:

"'(f) If at any time the Commission shall find that the existing ship yards, including the Navy Yards, do not provide adequate facilities to meet necessary requirements for purposes of national defense and national emergency, with special regard to providing facilities for the national defense at strategic points, the Commission, after taking into consideration the benefits accruing from standardized construction, the conditions of unemployment, and the needs and reasonable requirements of all ship yards, may with the approval of the President, allocate construction work under this title and under title VII to such yards in such manner as it may determine to be fair, just, and reasonable to all sections of the country, subject to the provisions of this subsection. In the allocation of construction work to such yards as herein provided, the Commission may, after first obtaining competitive bids for such work in compliance with the provisions of this Act, negotiate with the bidders and with other shipbuilders concerning the terms and conditions of any contract for such work, and is authorized to enter into such contract at a price deemed by the Commission to be fair and reasonable. Any contract entered into by the Commission under the provisions of this subsection shall be subject to all of the terms and conditions of this Act, excepting those pertaining to the awarding of contracts to the lowest bidder which are inconsistent with the provisions of this subsection. In the event that a contract is made providing for a price in excess of the lowest responsible bid which otherwise would be accepted, such excess shall be paid by the Commission as a part of the cost of national defense, and shall not be considered as a part of the construction-differential subsidy. In the event that a contract is made providing for a price lower than the lowest responsible bid which otherwise would be accepted, the construction-differential subsidy shall be computed on the contract price in lieu of such bid.'

"SEC. 14. Section 502 of such Act is amended by adding at the end thereof a new subsection to read as follows:

"'(g) Upon the agreement of an applicant under this title to purchase any vessel acquired by the Commission under the provisions of section 215, the Commission is authorized to sell such vessel to the applicant for the fair and reasonable value thereof, but at not less than the cost thereof to the Commission, less depreciation based on a twenty-year life expectancy from the date of completion, excluding the cost of national-defense features added by the Commission, less the equivalent of any applicable construction-differential subsidy as provided by subsection (b), such sale to be in accordance with all the provisions of this title. Such vessel shall thereupon be eligible for an operating-differential subsidy under title VI of this Act, notwithstanding the provisions of section 601 (a) (1), and section 610 (1), or any other provision of law.'

"SEC. 15. Section 503 of such Act is amended to read as follows:

"'SEC. 503. Upon completion of the construction of any vessel in respect to which a construction-differential subsidy is to be allowed under this title and its delivery by the shipbuilder to the Commission, the vessel shall be documented under the laws of the United States, and concurrently therewith, or as soon thereafter as practicable, the vessel shall be delivered with a bill of sale to the applicant with warranty against liens, pursuant to the contract of purchase between the applicant and the Commission. The vessel shall remain documented under the laws of the United States for not less than twenty years, or so long as there remains due the United States any principal or interest on account of the purchase price, whichever is the longer period. At the time of delivery of the vessel the applicant shall execute and deliver a first preferred mortgage to the United States to secure payment of any sums due from the applicant in respect to said vessel. The purchaser shall also comply with all the provisions of section 9 of the Merchant Marine Act, 1920.'

"SEC. 16. Section 504 of such Act is amended to read as follows:

"'SEC. 504. Where an eligible applicant under the terms of this title desires to finance the construction of a proposed vessel according to approved plans and specifications rather than purchase the same vessel from the Commission as hereinabove authorized, the Commission may permit the applicant to obtain and submit to it competitive bids from domestic shipyards for such work. If the Commission considers the bid of the shipyard in which the applicant desires to have the vessel built fair and reasonable, it may approve such bid and become a party to the contract or contracts or other arrangements for the construction of such proposed vessel and may agree to pay a construction-differential subsidy in an amount determined by the Commission in accordance with section 502 of this title, and for the cost of national-defense features. The construction-differential subsidy and payments for national-defense features shall be based on the lowest responsible domestic bid. No construction-differential subsidy, as provided in this section, shall be paid unless the said contract or contracts or other arrangements contain such provisions as are provided in this title to protect the interests of the United States as the Commission deems necessary. Such vessel shall be documented under the laws of the United States as provided in section 503 of this title and operated as approved by the Commission under the requirements applicable to vessels constructed under this Act.'

"SEC. 17. The last proviso in section 505 (b) of such Act is amended to read as follows: '*Provided*, That this section shall not apply to contracts or subcontracts for scientific equipment used for communication and navigation as may be so designated by the Commission, nor to contracts or other arrangements entered into under this title by the terms of which the United States undertakes to pay only for national-defense features, and the Commission shall report annually to Congress the names of such contractors and subcontractors affected by this provision, together with the applicable contracts and the amounts thereof.'

"SEC. 18. Section 506 of such Act is amended to read as follows:

"'SEC. 506. Every owner of a vessel for which a construction-differential subsidy has been paid shall agree that the vessel shall be operated exclusively in foreign trade, or on a round-the-world voyage, or on a round voyage from the west coast of the United States to a European port or ports which includes intercoastal ports of the United States, or a round voyage from the Atlantic coast of the United States to the Orient which includes intercoastal ports of the United States, or on a voyage in foreign trade on which the vessel may stop at an island possession or island territory of the United States, and that if the vessel is operated

in the domestic trade on any of the above-enumerated services, he will pay annually to the Commission that proportion of one-twentieth of the construction-differential subsidy paid for such vessel as the gross revenue derived from the domestic trade bears to the grross revenue derived from the entire voyages completed during the preceding year. The Commission may consent in writing to the temporary transfer of such vessel to service other than the service covered by such agreement for periods not exceeding six months in any year, whenever the Commission may determine that such transfer is necessary or appropriate to carry out the purposes of this Act. Such consent shall be conditioned upon the agreement by the owner to pay to the Commission, upon such terms and conditions as it may prescribe, an amount which bears the same proportion to the construction-differential subsidy paid by the Commission as such temporary period bears to the entire economic life of the vessel. No operating-differential subsidy shall be paid for the operation of such vessel for such temporary period.'

"SEC. 19. Section 507 of such Act is amended to read as follows:

"'SEC. 507. If a contract is made by the Commission under authority of this title for the construction and sale of a new vessel to replace a vessel then operated in foreign trade, which in the judgment of the Commission should be replaced because it is obsolete or inadequate for successful operation in such trade, the Commission is authorized, in its discretion, to buy such replaced vessel from the owner at a fair and reasonable valuation, which valuation shall not exceed the cost to the owner or any former owner plus the actual cost previously expended thereon for reconditioning, and less a reasonable and proper depreciation, based upon not more than a twenty-year life of the vessel, and apply the purchase price agreed upon to that portion of the construction cost of such new vessel which is to be borne by the purchaser thereof: *Provided*, That the owner of such replaced vessel shall execute a bond, with one or more approved sureties, conditioned upon indemnifying the United States from all loss resulting from any existing lien against such vessel: *And provided further*, That such vessel has been documented under the laws of the United States for a period of at least ten years prior to the date of its purchase by the United States.'

"SEC. 20. The first sentence of section 509 of such Act, and so much of the second sentence thereof as precedes the first semicolon therein, are amended to read as follows: 'Any citizen of the United States may make application to the Commission for aid in the construction of a new vessel to be operated in the foreign or domestic trade (excepting vessels engaged solely in the transportation of property on inland rivers and canals exclusively). If such application is approved by the Commission, the vessel may be constructed under the terms and conditions of this title, but no construction-differential subsidy shall be allowed, except as otherwise provided in this title. The Commission shall pay for the cost of national-defense features incorporated in such vessel. The applicant shall be required to pay the Commission not less than 25 per centum of the cost of such vessel (excluding cost of national-defense features)'.

"SEC. 21. Section 604 of such Act is amended to read as follows:

"'SEC. 604. If in the case of any particular foreign-trade route the Commission shall by unanimous vote find after consultation with the Secretary of State, that the subsidy provided for in this title is in any respect inadequate to offset the effect of governmental aid paid to foreign competitors, it may grant such additional subsidy as it determines to be necessary for that purpose: *Provided*, That no such additional subsidy shall be granted except upon the unanimous affirmative vote of the members of the Commission.'

"SEC. 22. Section 606 (5) of such Act is amended to read as follows:

"'(5) That when at the end of any ten-year period during which an operating-differential subsidy has been paid, or when prior to the end of any such ten-year period the contract shall be terminated, if the net profit of the contractor on his subsidized vessels and services incident thereto during such period or time (without regard to capital gains and capital losses), after deduction of depreciation charges based upon a twenty-year life expectancy of the subsidized vessels, has averaged more than 10 per centum per annum upon the contractor's capital investment necessarily employed in the operation of the subsidized vessels, services, routes, and lines, the contractor shall pay to the United States an amount equal to one-half of such profits in excess of 10 per centum per annum as partial or complete reimbursement for operating-differential subsidy payments received by the contractor for such ten-year period, but the amount of excessive profit so recaptured shall not in any case exceed the amount of the operating-differential-subsidy payments theretofore made to the contractor for such period under such contract and the repayment of such reimbursement to the Commission shall be subject to the provisions of section 607;'.

"SEC. 23. The last sentence of the first paragraph of section 607 (b) of such Act is amended to read as follows: 'The proceeds of all insurance and indemnities received by the contractor on account of total loss of any subsidized vessel and the proceeds of any sale or other disposition of such vessel shall also be deposited in the capital reserve fund.'

"SEC. 24. Section 607 (b) of such Act is amended by adding at the end thereof a new sentence to read as follows: 'The contractor may, with the consent of the Commission, pay from said fund any sums owing but not yet due on notes secured by mortgages on subsidized vessels.'

"SEC. 25. The second paragraph of section 607 (c) of such Act is amended to read as follows:

"'If the profits, without regard to capital gains and capital losses, earned by the business of the subsidized vessels and services incident thereto exceed 10 per centum per annum and exceed the percentage of profits deposited in the capital reserve fund, as provided in subsection (b) of this section, the contractor shall deposit annually such excess profits in this reserve fund. From the special reserve fund the contractor may make the following disbursements and no others:'.

"SEC. 26. Section 607 (c) (2) of such Act is amended to read as follows:

"'(2) Reimbursement to the contractor's general funds for current operating losses on completed voyages of subsidized vessels whenever the Commission shall determine it is improbable that such current losses will be made up by profits on other voyages during the current year;'.

"SEC. 27. Section 607 of such Act is amended by inserting after subsection (e) two new subsections to read as follows:

"'(f) Unless otherwise provided in the operating-differential subsidy contract, upon the termination of any such contract, the reserve funds required under this Act shall be the property of the contractor, except for such amounts as may be due the United States.

"'(g) With the approval of the Commission, the contractor may voluntarily increase the amount of either or both reserve funds by depositing in such fund or funds any or all of the earnings otherwise available for distribution to stockholders, or may transfer funds from the special reserve funds to the capital reserve fund.'

"SEC. 28. Section 607 (f) of such Act is amended to read as follows:

"'(h) The earnings of any contractor receiving an operating-differential subsidy under authority of this Act, which are deposited in the contractor's reserve funds as provided in this section, except earnings withdrawn from the special reserve funds and paid into the contractor's general funds or distributed as dividends or bonuses as provided in paragraph 4 of subsection (c) of this section, shall be exempt from all Federal taxes. Earnings withdrawn from such special reserve fund shall be taxable as if earned during the year of withdrawal from such fund.'

"SEC. 29. Section 609 (b) of such Act is hereby repealed. Section 609 (a) of such Act is amended by striking out '(a)'.

"SEC. 30. Title VI of such Act is amended by adding at the end thereof new sections to read as follows:

"'SEC. 611. (a) The contractor, upon compliance with the provisions of this section, may transfer to foreign registry the vessels covered by any operating-differential subsidy contract held by him, in the event that the United States defaults upon such contract or cancels it without just cause. Any contractor desiring to transfer any such vessel to foreign registry upon such default or cancelation shall file an application in writing with the Commission setting forth its contentions with respect to the lack of just cause or lawful grounds for such default or cancelation. The Commission shall afford the contractor an opportunity for a hearing within twenty days after such contractor files written application therefor, and after the testimony, if any, in such hearing has been reduced to writing and filed with the Commission, it shall, within a reasonable time, grant or deny the application by order.

"'(b) If any such application is denied, the contractor may obtain a review of the order of denial in the United States Court of Appeals for the District of Columbia, by filing in such court, within twenty days after the entry of such order, a written petition praying that the order of the Commission be set aside. A copy of such petition shall be forthwith served upon any member of the Commission, or upon any officer thereof designated by the Commission for that purpose, and thereupon the Commission shall certify and file in the court a transcript of the record upon which the order complained of was entered. Upon the filing of such transcript such court shall have exclusive jurisdiction to determine whether such cancelation or default was without just cause, and to affirm or set aside such order. The judgment and decree of the court affirming or setting aside any such order of the Commission shall be final.

"'(c) No transfer of vessels to foreign registry under this section shall become effective until any indebtedness to the Government or to any citizen of the United States, secured by such vessels, has been paid or discharged, and until after the expiration of ninety days from the date of final determination of the application or the appeal, if any. Within such ninety-day period the Commission may (1) with the consent of the contractor purchase the vessels at cost to the contractor plus cost of capital improvements thereon, less 5 per centum annual depreciation upon such vessel, and the actual depreciated costs of capital improvements thereon, or (2) reinstate the contract and adjust or settle the default found by the Commission or the court to exist.

"'SEC. 612. The Commission is authorized to subordinate its interest as mortgagee in any vessel subsidized under the provisions of this title in favor of any loan for working capital made by the Reconstruction Finance Corporation under the Reconstruction Finance Corporation Act, as amended, if the Commission finds that the making of such loan by the Reconstruction

Finance Corporation would be in furtherance of the policies of this Act or would, in its opinion, preserve or protect its mortgage interest in said subsidized vessel: *Provided*, That the obligations evidencing such loans by the Reconstruction Finance Corporation shall not be transferred, except to some other governmental agency.'

"SEC. 31. Section 708 of such Act is amended to read as follows:

" 'SEC. 708. The Commission may, if in its discretion financial aid is deemed necessary, enter into a contract with any charterer of its vessels for payment to such charterer of an operating-differential subsidy upon the same terms and conditions and subject to the same limitations and restrictions, where applicable, as are elsewhere provided in this Act with respect to payments of such subsidies to operators of privately owned vessels.'

"SEC. 32. Section 714 of such Act is amended to read as follows:

" 'SEC. 714. If the Commission shall find that any trade route (determined by the Commission to be an essential trade route as provided in section 211 of this Act) cannot be successfully developed and maintained and the Commission's replacement program cannot be achieved under private operation of such trade route by a citizen of the United States with vessels registered under the laws thereof, without further Government aid in addititon to the financial aids authorized under titles V and VI of this Act, the Commission is authorized to have constructed, in private shipyards or in navy yards, the vessel or vessels of the types deemed necessary for such trade route, and to demise such new vessel or vessels on bare-boat charter to the American-flag operator established on such trade route, without advertisement or competition, upon an annual charter hire of not less than 5 per centum of the construction cost of such new vessel or vessels. Such charter may contain an option to the charterer to purchase such vessel or vessels from the Commission, within five years after the execution of the charter, upon the same terms and conditions as are provided in title V for the purchase of new vessels from the Commission and upon the agreement of the purchaser to pay interest at the rate of 3½ per centum per annum upon all unpaid portions of the purchase price from the date of the delivery of the vessel to the purchaser under the charter agreement with credit on the purchase price for all charter hire theretofore paid by the purchaser on account of such charter. If the option to purchase is exercised, the deferred payments of the purchase price shall not be extended beyond the life of the vessel computed on a twenty-year expectancy.'

"SEC. 33. Section 802 of such Act is amended to read as follows:

" 'SEC. 802. Every contract executed by the Commission under authority of title V of this Act shall provide that—

" 'In the event the United States shall, through purchase or requisition, acquire ownership of the vessel or vessels on which a construction-differential subsidy was paid, the owner shall be paid therefor the fair actual value thereof, but in no event shall such payment exceed the actual depreciated construction cost thereof (together with the actual depreciated cost of capital improvements thereon, but excluding the cost of national-defense features) less the depreciated amount of construction-differential subsidy theretofore paid incident to the construction or reconditioning of such vessel or vessels, or the fair and reasonable scrap value of such vessel as determined by the Commission, whichever is the greater. Such determination shall be final. In computing the depreciated value of such vessel, depreciation shall be computed on each vessel on the schedule adopted by the Bureau of International Revenue for income-tax purposes.

" 'The foregoing provision respecting the requisition or the acquisition of ownership by the United States shall run with the title to such vessel or vessels and be binding on all owners thereof.'

"SEC. 34. Section 803 of such Act is amended by striking out the provisos and the colon following the word 'services', and inserting in lieu thereof a comma and the following: 'except that the Commission, by a vote of four members (except as provided in section 201 (a)) may grant an exemption in writing from the provisions of this section, upon such terms and conditions and for such specific period of time as the Commission deems necessary or appropriate to carry out the policy of this Act, in any case where—

" '(a) The Commission finds that the enforcement of such provisions is not necessary to safeguard the economical and fair application of subsidies paid the contractor under this Act, and that such exemption will promote economy or efficiency of service by the merchant marine; and

" '(b) The person performing the services or supplying the facilities agrees to account for and pay over to the contractor any and all profits resulting from performing such services or supplying such facilities.'

"SEC. 35. The proviso in section 804 of such Act is amended to read as follows: '*Provided, however*, That under special circumstances and for good cause shown the Commission may, in its discretion, waive the provisions of this section as to any contractor, for a specific period of time, by affirmative vote of four of its members, except as otherwise provided in section 201 (a).'

"SEC. 36. (a) Section 805 (b) of such Act is amended by inserting a period after the word 'contractor' at the end thereof.

"(b) Section 805 (c) of such Act is amended by striking out 'no director' and inserting in lieu thereof 'No director'.

"SEC. 37. The last sentence of section 805 (d) of such Act is amended to read as follows: 'No contractor shall receive an operating-differential subsidy for the operation of any chartered vessel save and except during a period of actual emergency determined by the Commission, or except as provided in section 708.'"

"SEC. 38. Section 807 of such Act is amended to read as follows:

" 'SEC. 807. It shall be unlawful for any person employed or retained by any shipbuilder or ship operator holding or applying for a contract under the provisions of this Act, or employed or retained by any subsidiary, affiliate, associate, or holding company of such shipbuilder or ship operator, to present, advocate, or oppose any matter within the scope of the Shipping Act, 1916, as amended, the Merchant Marine Act, 1920, as amended, the Merchant Marine Act, 1928, as amended, the Intercoastal Shipping Act, 1933, or this Act, before the Congress or any committee thereof, or before the Commission, unless such shipbuilder or ship operator shall have previously filed with the Commission in such form and detail as the Commission shall by rules and regulations or order prescribe as necessary or appropriate in the public interest, a statement of the subject matter in respect of which such person is retained or employed, the nature and character of such retainer or employment, and the amount of compensation received or to be received by such person, directly or indirectly, in connection therewith. It shall be the duty of every such person so employed or retained to file with the Commission within thirty days after the close of each calendar month during such retainer or employment, in such form and detail as the Commission shall by rules and regulations or order prescribe as necessary or appropriate in the public interest, a statement of the expenses incurred and the compensation received by such person during such month in connection with such retainer or employment. Whosoever shall violate this provision shall be guilty of a misdemeanor.'

"SEC. 39. (a) Section 905 (a) of such Act is amended to read as follows:

" '(a) The words "foreign commerce" or "foreign trade" mean commerce or trade between the United States, its Territories or possessions, or the District of Columbia, and a foreign country.'

"(b) Section 905 (c) of such Act is amended by inserting before the period a comma and the following: 'and, in the case of a corporation, partnership, or association operating a vessel on the Great Lakes, or on bays, sounds, rivers, harbors, or inland lakes of the United States the amount of interest required to be owned by a citizen of the United States shall be not less than 75 per centum.'

"SEC. 40. (a) Section 505 (a) of such Act is amended by striking out 'subsidy is allowed' and inserting in lieu thereof 'construction-differential subsidy is allowed.'

"(b) Section 602 of such Act is amended by striking out 'operating subsidy' and inserting in lieu thereof 'operating-differential subsidy.'

"SEC. 41. Section 204 (b) of such Act is amended by striking out the last sentence thereof.

"SEC. 42. Section 9 of the Shipping Act, 1916, as amended, is amended by striking out paragraphs 3 and 4 and inserting in lieu thereof the following:

" 'Except as provided in section 611 of the Merchant Marine Act, 1936, as amended, it shall be unlawful, without the approval of the United States Maritime Commission, to sell, mortgage, lease, charter, deliver, or in any manner transfer, or agree to sell, mortgage, lease, charter, deliver, or in any manner transfer, to any person not a citizen of the United States, or transfer or place under foreign registry or flag, any vessel or any interest therein owned in whole or in part by a citizen of the United States and documented under the laws of the United States, or the last documentation of which was under the laws of the United States.

" 'Any such vessel, or any interest therein, chartered, sold, transferred, or mortgaged to a person not a citizen of the United States or placed under a foreign registry or flag, or operated, in violation of any provision of this section shall be forfeited to the United States, and whoever violates any provision of this section shall be guilty of a misdemeanor and subject to a fine of not more than $5,000, or to imprisonment for not more than five years, or both.' "

"SEC. 43. (a) The Intercoastal Shipping Act, 1933, is amended by inserting after section 3 thereof two new sections, to read as follows:

" 'SEC. 4. Whenever the Commission finds that any rate, fare, charge, classification, tariff, regulation, or practice demanded, charged, collected, or observed by any carrier subject to the provisions of this Act is unjust or unreasonable, it may determine, prescribe, and order enforced a just and reasonable maximum or minimum, or maximum and minimum rate, fare, or charge, or a just and reasonable classification, tariff, regulation, or practice: *Provided*, That the minimum-rate provision of this section shall not apply to common carriers on the Great Lakes.

" 'SEC. 5. The provisions of this Act are extended and shall apply to every common carrier by water in interstate commerce, as defined in section 1 of the Shipping Act, 1916.' "

"(b) Section 4 of such Act is amended by striking out the term 'SEC. 4' and inserting in lieu thereof the term 'SEC. 6'.

"(c) Section 5 of such Act is amended to read as follows:

" 'SEC. 7. The provisions of the Shipping Act, 1916, as amended, shall in all respects, except as amended by this Act, continue to be applicable to every carrier subject to the provisions of this Act.'

"(d) Section 6 of such Act is amended by striking out the term 'SEC. 6' and inserting in lieu thereof the term 'SEC. 8'.

"(e) The amendments made by subsections (a), (b), (c), and (d) of this section shall take effect ninety days after the date of the enactment of this Act.

"SEC. 44. Title II of the Merchant Marine Act, 1936, is amended by adding at the end thereof a new section to read as follows:

"'SEC. 216. (a) The Commission is hereby authorized and directed, after consultation with all interests concerned, to prepare and report to the Congress on or before January 20, 1939, a comprehensive system for the training of citizens of the United States to serve as licensed and unlicensed personnel on American merchant vessels, and may employ as instructors, on a contract or fee basis, such qualified licensed and unlicensed personnel of the merchant marine as the Commission may deem necessary to effectuate the purposes of this section.

"'(b) The Commission is hereby authorized and directed, under such rules and regulations as it may prescribe, to establish the United States Maritime Service to be a voluntary organization and which shall consist of such licensed and unlicensed personnel of the United States merchant marine as may be enrolled under the provisions of this section. The ranks, grades, and ratings for the personnel of the said Service shall be the same as are now or shall hereafter be prescribed for the personnel of the Coast Guard. The Commission is authorized and directed to determine the number of persons to be enrolled in the said Service, to fix the rates of pay of such persons, and to prescribe such courses and periods of training as, in its discretion, is necessary to maintain a trained and efficient merchant-marine personnel.

"'(c) The Commission, with the consent of any executive department, independent establishment, or other agency of the Government, including any field service thereof, may avail itself of the use of information, services, facilities, officers, and employees thereof in carrying out the provisions of this section.'"

"SEC. 45. The Merchant Marine Act, 1936, is amended by adding at the end thereof a new title to read as follows:

"'TITLE X

"'SEC. 1001. It is hereby declared to be the policy of the United States to eliminate the causes of certain substantial obstructions to the free flow of water-borne commerce and to mitigate and eliminate these obstructions when they have occurred by encouraging the practice and procedure of collective bargaining and the prompt and orderly settlement of all disputes concerning rates of pay, hours of employment, rules, or working conditions, including disputes growing out of grievances or out of the interpretation or application of agreements covering rates of pay, hours of employment, rules, or working conditions.

"'NATIONAL LABOR RELATIONS BOARD

"'SEC. 1002. The provisions of this title shall not in any manner affect or be construed to limit the provisions of the National Labor Relations Act, nor shall any of the unfair labor practices listed therein be considered a dispute for the purposes of this title. Questions concerning the representation of employees of a maritime employer shall be considered and determined by the National Labor Relations Board in accordance with the provisions of the National Labor Relations Act: *Provided, however,* That nothing in this title shall constitute a repeal or otherwise affect the enforcement of any of the navigation laws of the United States or any other laws relating to seamen.

"'DEFINITIONS

"'SEC. 1003. When used in this title—

"'(a) The term "water borne commerce" means commerce by water between any State, the District of Columbia, or any Territory or possession of the United States and any foreign country, or commerce by water on the high seas or the Great Lakes between any State, the District of Columbia, or any Territory or possession of the United States and any other State, Territory, or possession of the United States.

"'(b) The term "maritime employer" means any person not included in the term "carrier" in title I of the Railway Labor Act, approved May 20, 1926, as amended, who (1) is engaged in the transportation by water of passengers or property in water-borne commerce; (2) is engaged in towboat, barge, or lighterage service in connection with the transportation of passengers or property in water-borne commerce; (3) operates or manages or controls the operation or management of any wharf, pier, dock, or water space, for the accommodation of vessels engaged in the transportation of passengers or property in water-borne commerce; (4) is engaged in the business of loading or unloading vessels engaged in the transportation of passengers or property in water-borne commerce; or (5) operates any equipment or facility connected with the service set forth in clauses (1), (2), (3), and (4) hereof, which is necessary for the continuity of flow of passengers and property in such water-borne commerce.

"'(c) The term "employee" means any person who performs any work as an employee or subordinate official of any maritime employer, subject to its authority to supervise and direct the manner of rendition of service, when the duties assigned to or services rendered by such person directly or indirectly in any manner affect, relate to, or are concerned with the transportation of passengers or property in water-borne commerce, or the furnishing of equipment or facilities therefor, or services in connection therewith, as set forth in clauses (2), (3), (4), and (5) of subsection (b) of this section; it being intended that this title should apply not only to those persons whose work may be exclusively in connection with the movement by water of passengers and property in the interstate and foreign commerce of the United States but also to those persons whose work may have such a close relation to the movement of such interstate and foreign commerce that the provisions of this title are essential and appropriate to secure the freedom of that commerce from interference and interruption. The provisions of this title shall not apply to the master or members of the crew of any vessel not documented, registered, licensed, or enrolled under the laws of the United States.

"'DUTIES OF EMPLOYER AND EMPLOYEE

"'SEC. 1004. It shall be the duty of the Board to encourage all maritime employers, their officers and agents, and their employees or the duly selected representatives of such employees to exert every reasonable effort—

"'(1) to make and maintain written agreements concerning rates of pay, hours of employment, rules, and working conditions, which agreements shall provide, by means of adjustment boards or port committees, for the final adjustment of disputes growing out of grievances or the application or interpretation of the terms of such agreements;

"'(2) to settle all disputes, whether arising out of the interpretation or application of such agreements or otherwise, in order to avoid any interruptions to transportation of passengers or property in water-borne commerce.

"'SEC. 1005. Within thirty days after the date of enactment of this title, every maritime employer shall file with the Maritime Labor Board a copy of each contract with any group of its employees in effect on such date, covering rates of pay, hours of employment, rules, and working conditions. When any new contract is executed or any change is made in an existing contract with any group of its employees covering rates of pay, hours of employment, rules, or working conditions, any maritime employer shall file a copy of such contract, or a statement setting forth such change, with the Maritime Labor Board within ten days after such new contract has been executed, or such change has been made. Any maritime employer who willfully fails to file any copy of a contract or statement as required by this section shall be subject to a fine of not more than $100 for each offense.

"'SEC. 1006. All matters relating to the making and maintaining of agreements, and all disputes, between a maritime employer or employers and its or their employees shall be considered and, if possible, adjusted with all expedition, in conference between representatives designated and authorized by the maritime employer or employers and by its or their employees, respectively. It shall be the duty of the designated representatives of maritime employers, within five days after the receipt of notice of a desire on the part of either party to confer in regard to such matters and disputes, to specify a time and place at which such conference shall be held, and the Board shall notify the representatives of the employees thereof. The place so specified shall be reasonably accessible to both parties; and the time so specified shall allow the designated conferees reasonable opportunity to reach such place of conference, but shall not exceed ten days from the receipt of such notice. Nothing in this title shall be construed to supersede the provisions of any agreement as to conferences in effect between the parties.

"'MARITIME LABOR BOARD

"'SEC. 1007. (a) There is hereby established as an independent agency in the executive branch of the Government a board to be known as the "Maritime Labor Board" (hereinafter referred to as the "Board") to be composed of three members appointed by the President, by and with the advice and consent of the Senate. The President shall name one of the members of the Board as Chairman. The terms of office of the members of the Board shall extend to the date of expiration of this title. Vacancies in the Board shall not impair the powers nor affect the duties of the Board nor of the remaining members of the Board. Two of the members in office shall constitute a quorum for the transaction of the business of the Board. Each member of the Board shall receive a salary at the rate of $10,000 per annum, together with necessary traveling and subsistence expenses, or per diem allowance in lieu thereof, subject to the provisions of law applicable thereto, while away from the principal office of the Board on business required by this title. No person in the employment of, or who is pecuniarily or otherwise interested in, any organization of maritime employees or any maritime employer shall enter upon the duties of, or continue to be, a member of the Board. A member of the Board may be removed by the President for inefficiency, neglect of duty, malfeasance in office, or ineligibility, but for no other cause.

"'(b) The Board shall maintain its principal office in the District of Columbia, but it may meet at any other place whenever it deems it necessary to do so. The Board is hereby authorized to adopt all necessary rules and regulations to carry out the powers, duties, and functions vested in it by this title. The Board shall have a seal which shall be judicially noticed.

"'(c) The Board may (1) appoint such experts and assistants to act in a confidential capacity and, subject to the provisions of the civil-service laws, appoint such other officers and employees, as are essential to the effective transaction of the work of the Board; (2) in accordance with the Classification Act of 1923, as

amended, fix the salaries of such experts, assistants, officers, and employees; and (3) make such expenditures (including expenditures for rent and personal services at the seat of government and elsewhere, for law books, periodicals, and books of reference, and for printing and binding, and including expenditures for salaries and compensation, necessary traveling expenses and expenses actually incurred for subsistence, and other necessary expenses of the Board) as may be necessary for the execution of the functions vested in the Board, and as may be provided for by the Congress from time to time. All expenditures of the Board shall be allowed and paid on the presentation of itemized vouchers therefor approved by the chairman or by any employee of the Board designated by the chairman for that purpose.

"'(d) The Board is hereby authorized by its order to assign, or refer, any portion of its work, business, or functions to an individual member of the Board, or an employee or employees of the Board, to be designated by such order, for action thereon; and by its order at any time to amend, modify, supplement, or rescind any such assignment or reference. All such orders shall take effect forthwith and remain in effect until otherwise ordered by the Board. In conformity with and subject to the order or orders of the Board in the premises, any such individual member of the Board or employee designated shall have power and authority to act as to any of said work, business, or functions so assigned or referred to him for action by the Board.

"'MEDIATION

"'SEC. 1008. (a) It shall be the duty of the Board, upon request of either the duly selected representatives of a maritime employer or employers or its or their employees who are parties to the making of a labor agreement, to encourage and assist in the making of such agreement, or, upon the request of both parties at interest, to assist in the interpretation of the provisions of an agreement already in existence.

"'(b) The parties to a dispute between an employee or a group of employees and a maritime employer or group of maritime employers, may request the Board to act as mediator in such disagreements. The Board may proffer its services in case any maritime labor dispute is found by it to exist at any time. When a request for mediation is granted by the Board, or when the Board on its own initiative proffers such mediation, the Board shall promptly put itself in communication with the parties to such dispute and shall use its best efforts by mediation to bring them to agreement.

"'ARBITRATION

"'SEC. 1009. If the Board should be unable through mediation to bring the parties to a dispute to agreement in whole or in part, it shall, as its last required action, use its best efforts to secure the assent of both parties to arbitration of the matter or matters in dispute.

"'PERMANENT LABOR POLICY

"'SEC. 1010. On or before March 1, 1940, the Board shall submit to the President and to Congress a comprehensive plan for the establishment of a permanent Federal policy for the amicable adjustment of all disputes between maritime employers and employees and for the stabilization of maritime labor relations. As far as may be, the Board shall seek to secure through its mediatory efforts agreement between maritime employers and employees upon the plan it is hereby required to submit.

"'AUTHORIZATION

"'SEC. 1011. There is hereby authorized to be appropriated such sums as may be necessary for expenditure by the Board in carrying out the provisions of this title.

"'SEC. 1012. This title shall expire at the end of three years from the date of its enactment.'

"SEC. 46. The Merchant Marine Act, 1936, is amended by adding at the end thereof a new title to read as follows:

"TITLE XI—FEDERAL SHIP MORTGAGE INSURANCE

"'SEC. 1101. As used in this title—

"'(a) The term "mortgage" means a preferred mortgage as defined in the Ship Mortgage Act, 1920, as amended;

"'(b) The term "vessels" includes all types of passenger, cargo, and combination passenger-cargo carrying vessels, tugs, towboats, barges, and dredges documented under the laws of the United States, and fishing vessels owned by citizens of the United States;

"'(c) The term "mortgagee" includes the original lender under a mortgage and his successors and assigns approved by the Commission;

"'(d) The term "mortgagor" includes the original borrower under a mortgage and his successors and assigns approved by the Commission; and

"'(e) The term "maturity date" means the date on which the mortgage indebtedness would be extinguished if paid in accordance with periodic payments provided for in the mortgage.

"'SEC. 1102. There is hereby created a Federal ship mortgage insurance fund (hereinafter referred to as the "fund") which shall be used by the Commission as a revolving fund for the purpose of carrying out the provisions of this title, and there shall be allocated to such fund the sum of $1,000,000 out of funds made available to the Commission under the appropriation authorized by section 1109. Moneys in the fund shall be deposited in the Treasury of the United States to the credit of the fund or invested in bonds or other obligations of, or guaranteed as to principal and interest by, the United States. The Commission may, with the approval of the Secretary of the Treasury, purchase debentures issued under the provisions of section 1105. Such purchases shall be made at a price which, on a yield basis, would provide an investment yield of not less than the yield obtainable from other investments (having comparable maturity dates) authorized by this section. Debentures so purchased shall be canceled and not reissued.

"'SEC. 1103. The Commission is authorized, upon application by the mortgagee, to insure as hereinafter provided any mortgage offered to it which is eligible for insurance as hereinafter provided and, upon such terms as the Commission may prescribe, to make commitments for the insuring of any such mortgage prior to the date of execution or disbursement thereon. The aggregate amount of principal obligations of all mortgages insured under this title and outstanding at any one time shall not exceed $200,000,000.

"'SEC. 1104. (a) To be eligible for insurance under this title a mortgage shall, excepting as otherwise provided in section 1106—

"'(1) have a mortgagee approved by the Commission as responsible and able to service the mortgage properly; and a mortgagor approved by the Commission as possessing the ability, experience, financial resources, and other qualifications necessary to the adequate operation and maintenance of the mortgaged property;

"'(2) involve an obligation in a principal amount which does not exceed 75 per centum of the cost (as estimated by the Commission) of the construction, reconstruction, or reconditioning financed by the loan or advance, but in no event to exceed 75 per centum of the amount which the Commission estimates will be the value of the property when the construction, reconstruction, or reconditioning is completed;

"'(3) secure an obligation having a maturity date satisfactory to the Commission but not to exceed twenty years from the date of its execution;

"'(4) contain amortization provisions satisfactory to the Commission requiring periodic payments by the mortgagor;

"'(5) secure an obligation bearing interest (exclusive of the premium charges for insurance) at a rate not to exceed 5 per centum per annum on the amount of the principal obligation outstanding at any time or not to exceed 6 per centum per annum if the Commission finds that in certain areas or under special circumstances the mortgage market demands it;

"'(6) provide, in a manner satisfactory to the Commission, for the application of the mortgagor's periodic payments to amortization of the principal of the mortgage, exclusive of the amount allocated to interest and to the premium charge which is required for mortgage insurance as hereinafter provided;

"'(7) contain such terms and provisions with respect to the construction, reconstruction, reconditioning, maintenance, or operation of the property, repairs, alterations, payment of taxes, insurance, delinquency charges, revisions, foreclosure proceedings, anticipation of maturity, additional and secondary liens, and other matters pertinent to the security as the Commission may prescribe; and

"'(8) secure a new loan or advance made to aid in financing the construction, reconstruction, or reconditioning, subsequent to the enactment of this title, of vessels owned by citizens of the United States which are designed principally for commercial use (a) in the coastwise or intercoastal trade; (b) on the Great Lakes, or on bays, sounds, rivers, harbors, or inland lakes of the United States; or (c) in foreign trade between the United States and foreign countries in continental North America, and between the United States and all islands lying between the continent or South America and the United States in the Gulf of Mexico, the Caribbean Sea, or the Atlantic Ocean.

"'(b) No mortgage shall be accepted for insurance unless the Commission finds that the property or project with respect to which the mortgage is executed is economically sound.

"'(c) The Commission is authorized to fix a premium charge for the insurance of mortgages under this title, but in the case of any mortgage such charge shall not be less than an amount equivalent to one-half of 1 per centum per annum nor more than an amount equivalent to 1 per centum per annum nor more than an amount equivalent to 1 per centum per annum of the amount of the principal obligation of the mortgage outstanding at any time, without taking into account delinquent payments or prepayments. All such premium charges shall be payable by the mortgagee as prescribed by the Commission. In the event that the principal obligation of any mortgage accepted for insurance under this section is paid in full prior to the maturity date, the Commission is further authorized in its discretion to require the payment by the mortgagee of an adjusted premium charge in such amount as the Commission determines to be equitable, but not in excess of the aggregate amount of the premium charges that the mortgagee would otherwise have been required to pay if the mortgage had continued to be insured under this section until such maturity date.

"'(d) The Commission is authorized to charge and collect such amounts as it may deem reasonable for the investigation of applications for insurance, for the appraisal of properties offered for insurance, for the issuance of commitments, and for the inspection of such properties during construction, reconstruction, or reconditioning: *Provided*, That such charges shall not aggregate more than one-half of 1 per centum of the original principal amount of the mortgage to be insured. All moneys received under the provisions of this title shall be deposited in the fund.

"'SEC. 1105. (a) In any case in which the mortgagee under an insured mortgage shall have foreclosed and acquired title and possession of the mortgaged property in accordance with regula-

tions of, and within a period to be determined by, the Commission, or shall, with the consent of the Commission, have otherwise acquired such property from the mortgagor after default, the mortgagee shall be entitled to receive the benefits of the insurance as hereinafter provided, upon (1) the prompt conveyance to the Commission of title to the property which meets the requirements of rules and regulations of the Commission in force at the time the mortgage was insured, and which is evidenced in the manner prescribed by such rules and regulations, and (2) the assignment to the Commission of all claims of the mortgagee against the mortgagor or others, arising out of the mortgage transaction or foreclosure proceedings, except such claims as may have been released with the consent of the Commission. Upon such conveyance and assignment the obligation of the mortgagee to pay the premium charges for insurance shall cease and the Commission shall, subject to the cash adjustment hereinafter provided, issue to the mortgagee debentures having a total face value equal to the balance of the principal obligation of the mortgage which was unpaid on the date of the institution of foreclosure proceedings, or on the date of the acquisition of the property after default other than by foreclosure. In the event that the mortgagee acquires the property other than by purchase at foreclosure sale after foreclosure proceedings have been instituted, debentures having a total face value equal to the balance of the principal obligation of the mortgage which was unpaid on the date of the institution of foreclosure proceedings shall be issued to the mortgagee.

"'(b) Debentures issued under this section shall be in such form and denominations in multiples of $50, shall be subject to such terms and conditions, and shall include such provisions for redemption, if any, as may be prescribed by the Commission with the approval of the Secretary of the Treasury, and may be in coupon or registered form. Any difference between the value of the mortgage determined as herein provided and the aggregate face value of the debentures issued, not to exceed $50, shall be adjusted by the payment of cash by the Commission to the mortgagee from the fund.

"'(c) The debentures issued under this section shall be executed in the name of the fund as obligor, shall be signed by the Chairman of the Commission by either his written or engraved signature, and shall be negotiable. All such debentures shall be dated as of the date foreclosure proceedings were instituted, or the property was otherwise acquired by the mortgagee after default, and shall bear interest from such date at a rate determined by the Commission, with the approval of the Secretary of the Treasury, at the time the mortgage was offered for insurance, but not to exceed 3 per centum per annum, payable semiannually on the 1st day of January and the 1st day of July of each year, and shall mature three years after the 1st day of July following the maturity date of the mortgage on the property in exchange for which the debentures were issued. They shall be exempt, both as to principal and interest, from all taxation (except surtaxes, estate, inheritance, and gift taxes) now or hereafter imposed by the United States, by any Territory, dependency, or possession thereof, or by any State, county, municipality, or local taxing authority. They shall be paid out of the fund, which shall be primarily liable therefor, and they shall be fully and unconditionally guaranteed as to principal and interest by the United States, and such quaranty shall be expressed on the face of the debentures. In the event that the fund fails to pay upon demand, when due, the principal of, or interest on, any debentures so guaranteed, the Secretary of the Treasury shall pay to the holders the amount thereof, which is hereby authorized to be appropriated out of any money in the Treasury not otherwise appropriated, and thereupon to the extent of the amount so paid the Secretary of the Treasury shall succeed to all the rights of the holders of such debentures.

"'(d) Notwithstanding any other provision of law relating to the acquisition, handling, or disposal of property by the United States, the Commission shall have the right to complete, recondition, reconstruct, renovate, repair, maintain, operate, or charter, or sell for cash or credit, in its discretion, any properties conveyed to it in exchange for debentures as provided in this section; and notwithstanding any other provision of law, the Commission shall also have power to pursue to final collection, by way of compromise or otherwise, all claims against mortgagors assigned by mortgagees to the Commission as provided in this section.

"'SEC. 1106. No provision of this title shall be construed to authorize the Commission to insure a mortgage securing any loan or advance made prior to the enactment of this title and no mortgage shall be insured for refinancing in whole or in part any existing mortgage indebtedness except—

"'(1) where a substantial portion of the total amount to be secured by the new mortgage shall be applied to new construction, reconditioning, or reconstruction of one or more of the mortgaged vessels: *Provided, however*, That the aggregate amount of all mortgages insured under this paragraph and outstanding at any one time shall not exceed $20,000,000, and provided that all of the eligibility requirements of section 1104 not inconsistent with this paragraph are complied with;

"'(2) where the Commision has insured a mortgage under the provisions of this title, and the mortgagor thereafter makes application to the mortgagee or another lender for an additional loan or advance for reconditioning or reconstructing the mortgaged property, the Commission may insure a new mortgage in the amount of the principal outstanding balance of the original mortgage plus the amount of the new loan, provided the total amount is within the limits of section 1104 and the new mortgage conforms to all other eligibility requirements thereof; and

"'(3) the Commission may insure mortgages given to finance the purchase of vessels theretofore acquired by the fund under the provisions of section 1105 and to secure loans or advances made for reconditioning and reconstruction of such vessels.

"'SEC. 1107. Whoever, for the purpose of obtaining any loan or advance of credit from any person, partnership, association, or corporation with the intent that such loan or advance of credit shall be offered to or accepted by the Commission for insurance, or for the purpose of obtaining any extension or renewal of any loan, advance of credit, or mortgage insured by the said Commission, or the acceptance, release, or substitution of any security on such a loan, advance of credit, or for the purpose of influencing in any way the action of the said Commission under this title, makes, passes, utters, or publishes, or causes to be made, passed, uttered, or published any statement, knowing the same to be false, or alters, forges, or counterfeits, or causes or procures to be altered, forged, or counterfeited, any instrument, paper, or document, or utters, publishes, or passes as true, or causes to be uttered, published, or passed as true, any instrument, paper, or document, knowing it to have been altered, forged, or counterfeited, or willfully overvalues any security, asset, or income, shall be guilty of a misdemeanor and punished as provided under section 806 (b) of this Act.

"'SEC. 1108. The Commission is authorized and directed to make such rules and regulations as may be deemed necessary or appropriate to carry out the purposes and provisions of this title.

"'SEC. 1109. There is hereby authorized to be appropriated the sum of $1,000,000 and such further sums as may be necessary to carry out the provisions of this title.'"

And the Senate agree to the same.

ROYAL S. COPELAND,
HATTIE W. CARAWAY,
JOSIAH W. BAILEY,
MORRIS SHEPPARD,
CHAS. L. MCNARY,
ERNEST W. GIBSON,
Managers on the part of the Senate.

S. O. BLAND,
WM. I. SIROVICH,
ROBERT RAMSPECK,
AMBROSE J. KENNEDY,
RICHARD J. WELCH,
FRANCIS D. CULKIN,
Managers on the part of the House.

Mr. COPELAND. Mr. President, I move the adoption of the report.

The PRESIDING OFFICER. The question is on the motion of the Senator from New York.

The PRESIDING OFFICER (Mr. HILL in the chair). The question is on agreeing to the conference report.

The report was agreed to.

REGULATION OF CIVIL AERONAUTICS

Mr. COPELAND. I now ask for the consideration of the conference report on House bill 3845, which has heretofore been presented and which is on the desk.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the report of the Committee of Conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3845) to create a Civil Aeronautics Authority, and to promote the development and safety and to provide for the regulation of civil aeronautics.

(For conference report see CONGRESSIONAL RECORD, p. 8843.)

Mr. KING. Mr. President, I should like an explanation of the report.

Mr. AUSTIN. Mr. President, I should like to ask the Senator from New York if the conferees rewrote the bill. What was done in conference?

Mr. KING. Mr. President, may I ask the Senator from New York, before he answers the inquiry of the Senator from Vermont, to advise me, is this the bill in which the Senator from Nevada [Mr. MCCARRAN] was interested?

Mr. COPELAND. Oh, yes; it is the one in which he was interested.

Mr. KING. It is the same bill?

Mr. COPELAND. This is his bill, the McCarran bill, but changes had to be made. They were, however, made with

the full approval of the Senator from Nevada [Mr. McCARRAN] and the Senator from Missouri [Mr. CLARK], who is likewise interested. The differences between the two Houses, very briefly stated, were as follows: The House provided for an authority of three members, for an administrator, and for a director of safety. The bill now provides for the appointment of an authority of five members, a board of safety of three members, and an administrator. There were long meetings of the conference committee, and all matters were given consideration. I think the items the Senator from Vermont has in his mind were very well dealt with by the conferees.

Mr. AUSTIN. I should like to ask the Senator one particular question further. Did the conferees leave in the control of the Postmaster General the determination of the routes over which the mail would be sent?

Mr. COPELAND. Yes. I think the Postmaster General will recommend to the commission what routes he thinks are desirable, and then the commission will act accordingly.

Mr. AUSTIN. As I interpreted the bill when I saw it last, a certificate or license was proposed to be granted which would empower the applicant to carry the mail, and thereupon, if he qualified, the Postmaster General was given unlimited authority to place the mail on routes which seemed wise and best in the interest of the United States Government. I ask has there been any change in that authority?

Mr. COPELAND. There has been no change whatever in that respect.

Mr. KING. Mr. President, will the Senator yield?

Mr. COPELAND. I yield.

Mr. KING. The Senator will recall the controversy in which the Senator from Kansas as well as the Senator from Tennessee was interested. What disposition was made of that controversial matter?

Mr. COPELAND. All the parties in interest were satisfied.

Mr. KING. There is another matter about which I should like to inquire. Did the conferees retain the very unwise provision that there should be five instead of three members of the board?

Mr. COPELAND. That provision was retained.

Mr. KING. Why was that done—so that jobs, with high salaries, might be provided for a large number of people?

Mr. COPELAND. Does the Senator want me to be entirely frank about it?

Mr. KING. If it would be embarrassing to the Senator, I should not ask him to do that. May I ask one other question, however, and that would be an explanation of it? Did the conferees retain the provision as to the administrator?

Mr. COPELAND. Yes; that provision was retained.

Mr. KING. So that we are to have an administrator and five members of the board. What salaries do they get?

Mr. COPELAND. They will receive $12,000. Then there is a safety board.

Mr. KING. There is a safety board also. I think that the report should not be adopted, and I shall vote against it. I think that it calls for an extravagant administration and superimposes upon the taxpayers an unjust burden. It is loaded down with a board of five, a safety board, and then an administrator, all at a tremendous cost. I shall vote against the adoption of the report.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. KING. I have concluded.

Mr. BARKLEY. Mr. President, of course, the report has to be voted up or down, without any possibility of change, but, in view of the long and tedious consideration that has been given to this bill, it may be the part of wisdom to adopt the report, and I shall not vote against it. I should like to ask the Senator from New York what are the arguments in favor of a board of five, then a safety board of three, then an administrator, and how are they to be coordinated? What are the functions of the safety board, we will say?

Mr. COPELAND. We have now in the Department of Commerce the Bureau of Air Commerce, the officials of which are working all the time to promote safety. Whenever there is an accident it is necessary to appoint outsiders to go to the scene and deal with the questions involved, and sometimes they take a justice of the peace from somewhere with them. The bill as embodied in the conference report now provides a board of safety, which will possess all the powers and functions of the Bureau of Air Commerce of the Department of Commerce relative to safety. The board will work all the time to promote safety in the air, which is one thing upon which the Congress has insisted. It is a matter of great joy to me that this has been done, because I happened to be chairman of the committee which examined into the accident which took the life of our late colleague, Senator Cutting. The Senator has gone along with us all the time in the promotion of safety. That is what the board of safety is for.

Mr. BARKLEY. In view of the fact that the bill practically segregates the civil aviation activities under one body, does the Senator feel, as the bill creates a board to have charge of the whole matter, and then a board of safety to do the work with respect to safety, and all that, and then an administrator, who, I presume, is to administer the law under both boards, that there is any fear that the expenses of operation under the Civil Aeronautics Authority will be out of reason compared to the scattered expenses that have been incurred up to now by the various activities of the Department of Commerce?

Mr. COPELAND. In my honest judgment, I will say in reply to my leader, this board will operate at less expense than the expenses which are now incurred.

Mr. BARKLEY. Does the Senator think, in view of the long time devoted to this bill, that this is about the best bill that could be obtained under the circumstances?

Mr. COPELAND. I think it is a magnificent bill, and that is the opinion of a number of persons who are informed on the subject.

Mr. AUSTIN. Mr. President, I regard this bill as a step in the development of the law relating to the air mail. Of course it is a step in the development of air transportation generally.

In this connection, I ask leave to have printed in the RECORD at this point an editorial entitled "The Army, and Air Mail Week," published in United States Air Services.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE ARMY, AND AIR-MAIL WEEK

Seven United States Army officers with Army planes and equipment, on Sunday, May 15, 1918, inaugurated the first regularly scheduled air-mail service in this country. The recent air-mail-week celebration was a fitting tribute to this history-making event, which took place over the New York, Philadelphia, and Washington route. The Army continued to fly the mail until August 1918, when, under congressional authority, the Post Office Department took over air-mail operations and continued the development of the Air Mail Service until private capital was finally attracted to the business in 1926.

Before we drag out the family skeleton (just to keep the record straight about the great blot of 1934 on the pages of our air-mail history), we do pause to give credit liberally to that fine force of postal officers and employees who made air-mail week the unprecedented worth-while celebration that it was.

As Postmaster General Farley well stated in his May 10, 1938, radio address, "rapid and remarkable progress has been made in the development of aviation during the past 20 years," and (our words) the progress could have been far more remarkable had Mr. Farley been more careful about getting good advice, and had been less inclined toward political dramatics and more interested in constitutional procedure when he was seduced by the siren Crowley to sign the letter of February 1934, assigning reasons for the en masse cancelation of an entire group of air-mail contracts.

President Franklin D. Roosevelt has been the butt of much criticism about the air-mail contract-cancelation episode of 1934, but let it again be recorded for the use of historians (from official records) that—

"We have Crowley's admission that what was taken to the President was the document which we had in our [investigating] committee and which shows misrepresentation after misrepresen-

tation in order to create the impression that there had been fraud and collusion in letting the contracts, in making the extensions, and in changing contracts into certificates."

THE BLOT OF 1934

If you were not a reader of this publication in 1934, let us review for you briefly some facts. It was in the year 1933 that the present Democratic regime relieved the Republicans of administrative duties in the Post Office and all other departments of the Federal Government. A political change had been ordered by the voters. Mr. Farley, who had successfully managed Mr. Franklin D. Roosevelt's campaign for the Presidency, became Postmaster General.

One Karl Crowley, of Texas, was appointed Post Office Department Solicitor, and, craving political excitement and having illusions about his personal political future, is said to have persuaded Mr. Farley that the methods used by the Republican predecessors in pushing air-mail route expansion during the year prior to June 30, 1931, or about that time, was not lawful.

A Democratic investigation was soon under way and Mr. Farley states in the 1934 Postmaster General's report that a Senate "investigation of air-mail contracts begun in October 1933 disclosed that these contracts were illegal, having been procured through fraud and collusion."

As a result of this investigation and the above-mentioned Crowley-drafted letter of alleged misrepresentations, the annulment of all domestic air-mail contracts was ordered by Mr. Farley on February 19, 1934, and the President ordered the Army Air Corps to take over the operation of essential air-mail routes.

ARMY AGAIN FLIES THE MAIL

With unexpected suddenness the Army again was assigned to provide a scheduled air-mail service and undertook the job with the same spirit that had characterized the Army's inauguration of the Nation's Air Mail Service in 1918. Technicians and mechanics, as best they could, quickly converted military observation equipment into cargo-carrying units and installed such radio equipment as the electrical market had to offer on short notice.

Under orders from the Commander in Chief (who had joined with his election campaign strategist, and now Postmaster General, in a dramatic political gesture because of the above-alleged misrepresentation of February 1934), the Army fliers took over the air-mail service at the appointed time, and for 3½ months performed in a manner in keeping with the splendid traditions of the service.

The Army planes were not designed for high-altitude landings with heavy loads of mail. There was not time for pilots to study carefully the route terrain and characteristic weather movements over the various routes. The weather during that spring of 1934 was notably adverse, and 12 fine Army men lost their lives in the service connected with this alleged emergency before the commercial operators again took over the air-mail service under new contracts.

To the families of those men, National Air Mail Week must have had a significance quite different from that portrayed in Mr. Farley's radio speech of progress on May 10.

OLD MAN POLITICS AT WORK

In following this line of thought about Air Mail Week, United States air services will not be popular with Messrs. Farley, Roper, McKellar, Barkley, and other administration stalwarts who have joined enthusiastically in speeches and writings about air mail's brighter side. All carefully avoided mention of the contract cancelation skeleton of 1934, said nothing about the Black senatorial inquisition, and stressed unanimously 20 glorious years (part Republican) of air-mail service development.

Mr. Farley even went so far afield as to note that "the little island of Guam, situated far away in the Pacific Ocean, is joining in this Air Mail Week campaign," and we have little doubt that the genial Postmaster General has many times wished that Karl Crowley and his contract cancelation idea has kept as far away from him as that little island of Guam.

The real idea behind Air Mail Week probably becomes clearer as we read in the daily papers such headlines as "Farley campaign is off to big lead" and "Democratic national chairman signs up Presidential delegates." One writer openly states: "Other aspirants for the Democratic Presidential nomination in 1940 are suddenly going to find lots of dust thrown in their eyes, if they don't watch out, by the streamlined bandwagon of James A. Farley."

Now don't get us wrong and jump to the conclusion that we are writing about James A. Farley for President. That is another subject, and we are here discussing the subject of "The Army, and Air Mail Week." But ever since our pre-Winchell reporting days in New York we have been fascinated by the different angles that appear when one really sits down before the old typewriter and concentrates on a given subject.

Air Mail Week was a fine idea. It gave a thousand local flyers the thrill of being feeder-line air-mail pilots for a day, aroused anew the hope of air-mail service for hundreds of unserved cities, got column after column of good publicity for aviation, and increased air-mail poundage.

But a concentrating reporter can't leave the subject there, because of other angles. He can see Air Mail Week also as a great builder-upper in a James A. Farley Presidential canvass as the Democratic national chairman hurls himself along his oratorical trail in search of 1940 convention delegates.

Remember how he went about the country quiety to build up a machine for Franklin Roosevelt? Well, he's not so quiet now, and that machine still bows when Mr. Farley nods. But the real humor in Air Mail Week as a builder-upper for Mr. Farley rests in the fact that a few short years ago he is alleged to have said that air-mail cancelation would not turn 100 votes away from Franklin Roosevelt.

The aviation issue has grown.

GREAT OAKS FROM ACORNS

Mr. Farley, the great political strategist, is facing a good illustration of how political issues grow—even as great oaks from little acorns. When he waved aside constitutional procedure that could have been used effectively instead of the more dramatic cancelation of air-mail contracts he kicked aside an aviation acorn of little political importance, and for a couple of years took little interest in the fact that this aviation acorn, struggling for life, was not being adequately watered and fertilized when its problems of growth were brought before his Solicitor's office.

Meanwhile the public (potential voters) watered and fertilized the aviation acorn and Mr. Farley turned one day to see a vigorous young aviation tree. Passenger and express revenues had become nearly double the air-mail revenues that had one time been scheduled aviation's chief support.

It was rumored that the White House asked Mr. Farley if he was giving sufficient consideration to air mail as a political issue, and was fully aware of the importance of aviation in national defense.

Well, to make a long story short and leave something to your imagination, we will simply state that the objectionable Mr. Crowley is no longer Post Office Department Solicitor; also that no governmental department has ever given aviation in 7 days a more important boost than the Post Office Department gave it during National Air Mail Week.

It is also notable that a bill providing for a new Civil Aeronautics Authority to aid aviation's growth was supported in Congress during Air Mail Week by Messrs. McKellar and Mead, both strong allies of Mr. Farley. And we have on reliable authority that President Roosevelt will promptly sign this Civil Aeronautics Authority bill when presented to him in final form, not only because it will accelerate peacetime business, but because aviation is an important factor in national defense.

Who knows but that the air transport industry, which grew out of the air-mail service inaugurated 20 years ago by the Army, may be the supporting organization essential to Army Air Corps success in some national emergency?

Our respects to the Army Air Corps and to Air Mail Week. And votes to Mr. Farley—if he can get them as a by-product of building up aviation, rather than slapping it down.

Mr. COPELAND. Mr. President, I move the adoption of the report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

OLD HARBOR VILLAGE AREA, BOSTON, MASS.—CONFERENCE REPORT

Mr. BROWN of Michigan submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 1948) conferring jurisdiction upon the United States District Court for the District of Massachusetts to hear, determine, and render judgment upon the claims of certain property owners within the Old Harbor Village area of Boston, Mass., having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate to the text of the bill and agree to the same with an amendment, as follows: "After the words 'rental income', in the third line from the bottom of the Senate engrossed amendment, insert the following 'Depreciation in the value of any such property' ", and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate to the title of the bill, and agree to the same.

PRENTISS M. BROWN,
ALLEN J. ELLENDER,
Managers on the part of the Senate.
AMBROSE J. KENNEDY,
ROBERT RAMSPECK,
FRANK CARLSON,
Managers on the part of the House.

The report was agreed to.

PROMOTIONS AND RETIREMENTS IN THE LINE OF THE NAVY

The Senate proceeded to consider the bill (H. R. 9997) to regulate the distribution, promotion, and retirement of officers of the line of the Navy and for other purposes, which had been reported from the Committee on Naval Affairs with amendments.

Mr. WALSH. Mr. President, I should like to have the committee amendments to the bill acted upon.

Mr. KING. Mr. President, because of the importance of the measure—and I know it is an important measure—will the Senator make an explanation briefly of the terms and objectives of the bill?

Mr. WALSH. I shall be very pleased to do so.

Mr. President, the existing selection law of the Navy has led to a great deal of dissatisfaction in the Navy, and many believe it has been detrimental to the morale of the Navy. The reason is that good officers reaching the higher rank must be dropped because, under existing law, only a certain percentage of officers may serve in a particular rank. The result is that officers reaching the ages of 42 and 45 years, with families, under existing law are retired and go upon retirement pay. This is disappointing to such officers and is creating uncertainty and hardships. The purpose of this bill, which came from the House, is to try to correct that situation. It seeks to do it by providing that the selection board that selects the number of officers from one rank to pass to another, based upon the number allowed by law, shall designate two classes of officers, the best fitted and fit officers, the best fitted being those officers of the highest professional ability and aptitude in the opinion of the selection board.

The House bill also provides that the Secretary of the Navy may employ these fitted officers in the higher ranks until they have completed 28 or 30 years of service, if they can be used, and that he shall require the selection board to designate those officers it adjudges fitted for promotion.

The distinction between best-fitted officers and fitted officers is in some cases a very narrow margin.

Let us illustrate: There are 200 officers seeking and eligible for promotion to the rank above, in which there are only 100 vacancies. The first 100 are selected. No. 101 falls by the wayside and is retired. No. 102 falls by the wayside. He is retired. And all others down to the last are retired. The selection board informs us they have very little difficulty in selecting the first 20 percent, and comparatively little difficulty in selecting the lowest 20 percent. In the 60 percent between it is somewhat of a gamble in certain cases where the records are good as to which officer is better than the other. The result has been that a large number of officers in the very prime of life have been retired from active duty. The House bill sought to place all of those officers found fitted in the higher rank.

The bill which we are reporting calls upon the Secretary of the Navy to say how many of these fitted officers can be used, and that the selection board—not the President, not the Secretary of the Navy, but the selection board—shall choose the next best officers who are to be promoted and retained in active service.

That is one important change.

The bill makes another important change in the law. There is not upon the statute books a law that the academic board of the Naval Academy can refuse a commission as ensign to any midshipman if he physically and mentally meets the requirements of the academy. I was informed the other day by an officer at the academy that several of the young men who graduated from the academy this year, in the opinion of nearly all the instructors and executive officers, are unfit for the Navy; yet we have to give them ensignships, and they are on the rolls under the present law, after 2 years of probation, assured for life, after free education for 4 years, either active-duty pay or retirement pay. We have changed that state of affairs in a very material respect. We have authorized the academic board to refuse a commission to any midshipman who, in their opinion, is inapt.

Mr. LA FOLLETTE. Mr. President, is there any appeal from that decision?

Mr. WALSH. No. The whole system at the academy is based on honor.

Another provision: The present law provides a 2-year probation period. That is unfair to the young man because he would probably be under only one officer, and the opinion of that one officer might be partisan or biased. Therefore, we provide a 7-year probation period, so that the young man will be under several different officers, and will have his qualifications passed upon by them. That is a very important provision because it gives a chance for the elimination of undesirables and unsuitables during the 7-year period after being commissioned.

To me it has been surprising to learn of the situation in the Navy—and I suppose the same thing is true in the Army—that once a midshipman is graduated from the Naval Academy, no matter how unsuitable he may be, he is assured of a salary for life, or retirement pay for life. That condition is cured in this bill, first of all, by making the probation period 7 years; secondly—what has not before been done in any naval law—by providing that the selection board shall consider unsuitables as well as suitables, and that the selection board shall not only determine who are the best-fitted officers and who are fitted officers but who are failures, and the failures are retired with 1 year's or 2 years' pay, depending upon their rank. Those who are fitted, but for whom there is no place, good officers, are retired with retirement pay, and those fitted officers for whom the Navy may make use of are promoted to higher rank.

Very briefly, these are the principal features of this bill.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. WALSH. I will yield in a moment. There is another provision. The bill also raises the number of years required for retirement to 20 years. The House bill has a 15-year retirement provision. We feel that that is too short a time. The result of this legislation, in my opinion, will be to keep down the retirement rolls, to lessen the number who go on the retired list, because we shall have an elimination process up to the first 20 years, and in some cases thereafter, of a man's service in the Navy.

I now yield to the Senator from Texas.

Mr. CONNALLY. Mr. President, has the Senator any hope of passing any kind of a promotion bill which will be satisfactory to the Navy or the Army, either one?

Mr. WALSH. The Senator is correct in his intimation. I think this is a great step forward. I do not think the bill is perfect. I do not think it is complete, but it does one thing: It stops to some extent this growing retirement system. It stops the assurance that a diploma from the academy means a life job, whether you are fit or unfit.

To my mind, the trouble with the Navy—I do not know about the Army, I have no comment to make upon that—is that they have been looking for the best-fitted officers and have not tried to eliminate the unsatisfactory and incompetent officers in their early years. There is an assumption that the Navy is different from the law, or from medicine, or from the ministry, or from teaching, or from any other profession, and that there are no failures in the ranks of the Navy. This bill goes right to the proposition of eliminating the unfit, making the probationary period 7 years instead of 2 years, preventing the retirement of officers until they complete 20 years of service, eliminating all officers who are found unfit, and trying to find a place for an officer who has a good record, rather than retiring him, if there are any vacancies in the rank into which he can be placed above his present rank.

Mr. CONNALLY. Mr. President, does the bill retire all these officers at the end of 20 years' service?

Mr. WALSH. Oh, no; nobody can be retired voluntarily under 20 years under the bill. A man can be let go with 1 year's pay; but, under the present law, a man who has been in the service for 15 years can be retired and in some cases earlier.

The PRESIDING OFFICER (Mr. MINTON in the chair). The time of the Senator from Massachusetts has expired.

Mr. WALSH. I ask unanimous consent that I may have 5 minutes more.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

Mr. WALSH. Under the present law, I will say to the Senator from Texas, there is a provision that a man may be voluntarily retired upon the completion of 15 years' service. If he finds that he can get a job paying $5,000 a year outside of the naval service, in civil life, he may retire at approximately $1,500 a year. This bill forbids any voluntary retirement with pay until the officers complete 20 years' service. Retirement pay increases with the years of service.

Mr. CONNALLY. But the bill also provides that the selection board may "can" officers whenever it wants to do so, does it not?

Mr. WALSH. Yes.

Mr. CONNALLY. Well, they will do it, because they have been doing it heretofore, or, at least, the Army board have been doing it. It is impossible to find any board that will please everybody.

Mr. WALSH. The one thing in which I have had to fight alone some of the House Members and some of the Navy officers has been the elimination of incompetent officers in the lower ranks. The Navy hesitates and does not want to face the issue of saying to a man, "You are unsatisfactory; your record is unsatisfactory; you will have to go." It is only fair to add that all agree the number of incompetent officers in the various ranks are few. But one of the objectives of this bill is to hold on to well-trained, experienced, fitted officers, and this can be helped by eliminating the failures among the officers in all grades, thereby making more opportunities for promotion. I am pleased to say that the Commander in Chief agrees with this purpose. He approved of this proposition.

I have stated the major points of the bill. I ask that the amendments reported by the committee be first adopted, and then I have a few amendments to offer from the floor.

The PRESIDING OFFICER. The amendments reported by the committee will be stated.

The first amendment of the Committee on Naval Affairs was, in section 3, page 3, line 6, after "12", to strike out "(h)" and insert "(j)", and in line 12, after the word "ensign", to insert a proviso, so as to make the paragraph read:

(b) To determine the authorized number of officers in the various grades of the line as provided in subsection (a) of this section, computations shall be made by the Secretary of the Navy at least once each year, and at such times as he may direct, and the resulting numbers in the various grades, as so computed, shall be held and considered for all purposes as the authorized number of officers in such various grades and shall not be varied between such computations: *Provided*, That no officer shall be reduced in rank or pay or separated from the active list of the Navy as a result of any computation made to determine the authorized number of officers in the various grades of the line: *Provided further*, That the number of officers allowed in any grade as a result of any such computation may be temporarily increased to include any such officers as may be promoted to that grade by reason of being recommended by a selection board as fitted for promotion as hereinafter provided or as may be retained in that grade by section 12 (j) of this act; and the total number so carried in excess in the several grades shall be applied as a reduction to the numbers allowed to the grades of lieutenant and lieutenant (junior grade) and ensign, in the proportions of one-third of such total excess number in the grade of lieutenant and two-thirds in the combined grades of lieutenant (junior grade) and ensign: *And provided further*, That lieutenants (junior grade) on the promotion list who would under existing law be promoted to the grade of lieutenant prior to June 1, 1939, may be so promoted, without regard to the number of officers allowed in that grade by the computation prescribed in this subsection, on the dates on which under existing law they would be entitled to such promotion.

The amendment was agreed to.

The next amendment was, in section 5, page 4, line 20, after the words "recommendation of", to insert "line", so as to make the paragraph read:

SEC. 5. (a) The board for the recommendation of line officers for promotion to the grades of rear admiral, captain, and commander shall consist of nine rear admirals on the active list of the line of the Navy, not restricted by law to the performance of shore duty only, and shall be appointed by the Secretary of the Navy and convened at least once each year and at such times as the Secretary of the Navy may direct.

The amendment was agreed to.

The next amendment was, in section 8, page 6, line 19, after the word "records", to insert "other than medical"; and in the same line, after the word "officers", to insert "(4) a statement, as directed by the President, as to the percentage of the officers adjudged fitted for promotion as hereinafter provided, which should be continued on the active list to meet the immediate requirements of the Navy", so as to make the paragraph read:

SEC. 8. (a) The Secretary of the Navy shall furnish the appropriate selection board with (1) an estimate of the number of vacancies which will occur before the end of the next succeeding fiscal year, in each grade or grades for which the board will recommend officers for promotion, in excess of the number of officers then on the promotion list; (2) the names of all officers eligible for consideration for promotion to each grade or grades to which the board will recommend officers for promotion; and (3) the records other than medical of all such officers; (4) a statement, as directed by the President, as to the percentage of the officers adjudged fitted for promotion as hereinafter provided, which should be continued on the active list to meet the immediate requirements of the Navy: *Provided*, That, after 1 year from the date of approval of this act, a list of names furnished by the Secretary of the Navy of officers eligible for consideration for promotion to the grade of lieutenant commander or to the grade of lieutenant, exclusive of those previously considered, shall in no case contain a number of names greater than double the number of estimated vacancies certified for the grade concerned.

The amendment was agreed to.

The next amendment was, in section 9, page 8, line 11, after the word "captain" to insert "commander", and in line 13, after the word "promotion", to insert:

and from among such officers shall recommend for retention on the active list a number equal to the percentage thereof furnished to the board by the Secretary of the Navy as provided in section 8 of this act.

(c) The selection board shall also report the names of any officers among those eligible for consideration and of less than 21 years' service whose reports and records in its opinion indicate beyond doubt their unsatisfactory performance of duty in their present grades and in its opinion indicate that they would not satisfactorily perform the duties of a higher grade.

At the top of page 9, to change the designation of the paragraph from (c) to (d); in line 3, after the word "their", to insert "comparative"; in line 7, to change the designation of the paragraph from (d) to (e); in line 9, after the word "their", to insert "comparative"; and in line 13, to change the designation of the paragraph from (e) to (f), so as to make the section read:

SEC. 9. (a) From among those officers who are eligible for consideration for promotion and whose names are furnished the board by the Secretary of the Navy, each board shall recommend for promotion those officers whom it considers best fitted for promotion, in number not exceeding the number of estimated vacancies certified to the board by the Secretary of the Navy as provided in section 8 of this act: *Provided*, That in each grade all officers not selected as best fitted for promotion but senior in lineal rank to the junior officer selected as best fitted by each board shall be considered as having failed of selection as best fitted: *Provided further*, That such status of having failed of selection as best fitted shall not be considered as prejudicial to an officer with respect to his qualifications, his fitness for the naval service, or his eligibility for selection by the next succeeding selection board.

(b) In addition to the selection of officers best fitted for promotion as hitherto provided in this section, each selection board shall, from among those officers who are eligible and who have once failed of selection as best fitted by a preceding board, except officers in the grades of captain, commander, and lieutenant (junior grade), designate those officers whom the board adjudges fitted for promotion, and from among such officers shall recommend for retention on the active list a number equal to the percentage thereof furnished to the board by the Secretary of the Navy as provided in section 8 of this act.

(c) The selection board shall also report the names of any officers among those eligible for consideration and of less than 21 years' service whose reports and records in its opinion indicate beyond doubt their unsatisfactory performance of duty in their present grades and in its opinion indicate that they would not satisfactorily perform the duties of a higher grade.

(d) The recommendation of the board in the case of officers who are now or may hereafter be assigned to aeronautical-engineering duty only shall be based upon their comparative fitness among themselves for the technical duties prescribed for them by law: *Provided*, That they shall not succeed to command on shore.

(e) The recommendation of the board in the case of officers who are now or may hereafter be assigned to engineering duty only

shall be based upon their comparative fitness for the duties prescribed for them by law. Upon promotion they shall be carried as additional numbers in grade.

(f) No officer shall be selected as best fitted for promotion or adjudged fitted for promotion unless he shall have received the recommendation of not less than six members of the board.

The amendment was agreed to.

The next amendment was, in section 10, page 10, after line 15, to strike out:

(c) The report of the board shall be accompanied by a confidential statement of the board's reason or reasons for its action in the case of the officers who are selected as best fitted, adjudged fitted, or who, having twice failed of selection as best fitted, have not been adjudged fitted. Such statement insofar as it concerns any officer shall be disclosed to such officer at his request.

The amendment was agreed to.

The next amendment was, in section 11, page 11, line 16, after the word "report", to insert a proviso, so as to make the paragraph read:

SEC. 11. (a) The names of officers designated by a board as best fitted for promotion and the names of officers adjudged by a board as fitted for promotion, and approved by the President, shall be placed upon a promotion list and promotions to fill vacancies shall be made from officers of the next lower grade whose names appear on the promotion list as having been designated as best fitted for promotion: *Provided*, That officers whose names appear on the promotion list as having been adjudged fitted for promotion shall be promoted at the same time that the officers next senior to them on the list of those designated as best fitted for promotion are promoted to the next higher grade: *Provided further*, That officers so promoted pursuant to the recommendations of the same report shall take rank with one another in accordance with their seniority in the grade from which promoted, and officers recommended in an earlier report shall, when promoted, have precedence of officers recommended in a later report: *And provided further*, That priority in assignment to duty in any grade shall be accorded, irrespective of seniority in grade, to those officers who have been selected as best fitted for promotion to that grade.

The amendment was agreed to.

The next amendment was, in section 12, page 13, line 16, after the word "except", to insert "lieutenant commanders, lieutenants, and"; on page 14, line 3, after the word "multiplied", to strike out: "*Provided further*, That such officers who were appointed as ensigns in the permanent line of the Navy, in accordance with the provisions of the act of March 3, 1901, as amended, shall have the option of reverting to such permanent warrant or permanent commissioned warrant status in the lineal position to which their seniority would have entitled them had their service subsequent to such appointment been rendered in the status to which they revert: *Provided further*, That lieutenants who served in the Navy or Naval Reserve Force prior to November 12, 1918, and who have completed not less than 21 years of service shall on retirement as provided in this subsection be advanced to the grade of lieutenant commander on the retired list with the retired pay of that grade", so as to make the paragraph read:

(b) Officers, except lieutenant commanders, lieutenants, and lieutenants (junior grade), whose names are not placed upon the promotion list, shall be placed on the retired list on June 30 of the fiscal year in which they fail of selection as best fitted the second time in successive years, with retired pay at the rate of 2½ percent of their active-duty pay at the time of retirement multiplied by the number of years of service for which entitled to credit in the computation of their pay on the active list, not to exceed a total of 75 percent of said active-duty pay: *Provided*, That a fractional year of 6 months or more shall be considered a full year in computing the number of years' service by which the rate of 2½ percent is multiplied.

The amendment was agreed to.

The next amendment was, in section 12, page 14, line 17, after "(c)", to strike out "lieutenants" and insert "Lieutenant commanders, lieutenants, and lieutenants"; in line 20, after the word "with", to insert "2 years' pay if lieutenant commanders or lieutenants or with"; in line 21, after the word "pay", to insert "if lieutenants (junior grade)"; in line 23, after the word "such", to insert "lieutenant commanders, lieutenants, and lieutenants", so as to make the paragraph read:

(c) Lieutenant commanders, lieutenants, and lieutenants (junior grade) whose names are not placed upon the promotion list shall be honorably discharged from the Navy with 2 years' pay if lieutenant commanders or lieutenants or with 1 year's pay if lieutenants (junior grade) on June 30 of the fiscal year in which they fail of selection as best fitted the second time: *Provided*, That such lieutenant commanders, lieutenants, and lieutenants (junior grade) who were appointed as ensigns in the permanent line of the Navy, in accordance with the provisions of the act of March 3, 1901, as amended, shall have the option of reverting to such permanent warrant or permanent commissioned-warrant status in the lineal position to which their seniority would have entitled them had their service subsequent to such appointment been rendered in the status to which they revert.

The amendment was agreed to.

The next amendment was, in section 12, page 15, line 7, after "(d)", to strike out "captains, commanders" and insert "commanders"; in line 9, after the word "promotion", to insert "and recommended by the report of a selection board, as approved by the President, for retention on the active list"; in line 12, after the word "completed", to strike out "thirty"; and on page 16, line 8, after the word "section", to strike out:

And provided further, That captains, commanders, and lieutenant commanders may, in the discretion of the Secretary of the Navy, be continued on the active list for a period of not to exceed 5 years after the date on which, as provided in this section, they would otherwise be placed on the retired list, during which period they shall not be eligible for selection as best fitted.

So as to make the paragraph read:

(d) Commanders and lieutenant commanders promoted to those grades by reason of adjudgment as fitted for promotion, and recommended by the report of a selection board, as approved by the President, for retention on the active list, may be continued on the active list of the line of the Navy until they shall have completed 28 and 26 years, respectively, of commissioned service (with which commissioned service shall be included service as a commissioned warrant officer, active commissioned service in the Naval Reserve Force, service as a midshipman after graduation from the Naval Academy, and service under a temporary commission in the Navy): *Provided*, That during such continuance on the active list they may become eligible for selection, subject to the provisions of section 7 (a) of this act, as best fitted for promotion, and may be promoted consequent to such selection, but they shall not be eligible for consideration by any selection board for adjudgment as fitted for promotion: *Provided further*, That if such officers are not so selected as best fitted and if they twice fail of selection as best fitted they shall thereafter be ineligible for promotion: *Provided further*, That, if not so selected as best fitted, upon the completion of the periods of commissioned service stated in this subsection, they shall be placed upon the retired list on June 30 of the fiscal year in which they completed such commissioned service with retired pay computed as prescribed in subsection (b) of this section.

The amendment was agreed to.

The next amendment was, in section 12, page 16, line 17, after the word "completed", to strike out "fifteen" and insert "twenty"; and in line 22, after the word "section", to insert a proviso, so as to make the paragraph read:

(e) When officers of the line of the Navy, other than commissioned warrant officers, have completed 20 years' commissioned service, they may at any time thereafter, upon their own application, in the discretion of the President, be retired from active service and placed upon the retired list with retired pay computed as provided in subsection (b) of this section: *Provided*, That the act of February 28, 1931 (46 Stat. 1431), insofar as the provisions thereof are embodied in section 388 (a) of title 34 of the United States Code, is hereby repealed.

The amendment was agreed to.

The next amendment was, at the top of page 17, to insert a new paragraph, as follows:

(f) Commanders and lieutenant commanders promoted to those grades by reason of adjustment as fitted for promotion but not recommended by the report of a selection board, as approved by the President, for retention on the active list shall be retired on the date they are so promoted: *Provided*, That such officers shall not be retired earlier than 6 months after the date of approval by the President of the report of the selection board in which they were adjudged fitted for promotion.

The amendment was agreed to.

The next amendment was, on page 17, after line 9, to insert a new paragraph, as follows:

(g) Officers named in a report of a selection board, as approved by the President, in accordance with the provisions of section 9 (c), shall be honorably discharged on June 30 of the fiscal year in which so named: *Provided*, That such officers shall receive on discharge

not more than 1 year's pay if lieutenants (junior grade), or 2 years' pay if of a higher grade.

The amendment was agreed to.

The next amendment was, on page 17, line 17, to change the designation of the paragraph from (f) to (h).

The amendment was agreed to.

The next amendment was, on page 17, line 24, to change the designation of the paragraph from (g) to (i), and on page 18, line 1, after the word "pay", to insert "if of less than 20 years' service; if of over 20 years' service they shall be retired on June 30 of the fiscal year in which they so fail with retired pay computed as in section 12 (b) of this act", so as to make the paragraph read:

(i) Officers who fail on the professional examination for promotion shall be honorably discharged with 1 year's pay if of less than 20 years' service; if of over 20 years' service they shall be retired on June 30 of the fiscal year in which they so fail with retired pay computed as in section 12 (b) of this act.

The amendment was agreed to.

The next amendment was, on page 18, line 5, to change the designation of the paragraph (h) to (j); and in line 8, after the word "section", insert "or in the next higher grade by reason of the provisions of subsection (f) of this section", so as to make the paragraph read:

(j) No officer on the active list of the Navy on the date of approval of this act shall be retired in his present grade by reason of the provisions of subsection (b) of this section or in the next higher grade by reason of the provisions of subsection (f) of this section sooner than he would have been retired by reason of service ineligibility for consideration for selection under provisions of law in effect on the date of approval of this act: *Provided*, That when any such officer shall have twice failed of selection as best fitted he shall become ineligible for consideration by subsequent selection boards.

The amendment was agreed to.

The next amendment was, on page 18, line 16, to change the designation of the paragraph from (i) to (k); after "(k)" to strike out "Lieutenants" and insert "Officers now in the grades of lieutenant commander and lieutenant and lieutenants"; and on page 19, after the word "lieutenant", to insert a proviso, so as to make the paragraph read:

(k) Officers now in the grades of lieutenant commander and lieutenant and lieutenants (junior grade) now additional numbers on the active list of the Navy by reason of the operation of the act of March 3, 1931 (46 Stat. 1483), as amended, shall, at their own request, in lieu of the honorable discharge provided in subsection (c) of this section, be continued on the active list of the Navy until the completion of the period of service designated in the said act, as amended, and shall then be retired as provided therein, but when they have twice failed of selection as best fitted they shall become ineligible for consideration by subsequent selection boards for promotion to lieutenant: *Provided*, That lieutenants who served in the Navy or Naval Reserve Force prior to November 12, 1918, and who shall have completed not less than 21 years of service shall on retirement as provided in this subsection be advanced to the grade of lieutenant commander on the retired list with the retired pay of that grade.

The amendment was agreed to.

The next amendment was, on page 19, line 9, to change the designation of the paragraph from (j) to (l); in line 12, after the word "retired", to strike out "in accordance with subsection (b) of this section, or when retired for physical disability"; and in line 15, to strike out "(f)" and insert "(h)", so as to make the paragraph read:

(l) All line officers of the Navy who have been specially commended for their performance of duty in actual combat by the head of the executive department under whose jurisdiction such duty was performed, when retired, except as provided in section 12 (h) of this act, shall, upon retirement, be placed upon the retired list with the rank of the next higher grade and with three-fourths of the active-duty pay of the grade in which serving at the time of retirement.

The amendment was agreed to.

The next amendment was, in section 13, page 20, line 2, after the word "vacancies", to insert "*Provided*, That the rear admirals recommended for such retirement shall not be less than 60 years old", so as to make the section read:

SEC. 13. (a) Should it be found in time of peace at the end of any fiscal year that the average number of vacancies in the grade of rear admiral for the fiscal years subsequent to the passage of this act has been less than eight, the Secretary of the Navy shall convene a board consisting of the Chief of Naval Operations, the Commander in Chief, United States Fleet, and the Commander, Battle Force, to recommend for retirement a sufficient number of rear admirals to cause the aforesaid average number of vacancies: *Provided*, That the rear admirals recommended for such retirement shall not be less than 60 years old.

(b) The report of the board shall be submitted to the President for approval or disapproval; if the President shall disapprove the recommendations of the board in whole or in part, the board shall then recommend additional officers for retirement equal in number to those disapproved by the President.

(c) Officers so recommended for retirement and approved by the President shall be placed upon the retired list on June 30 of the fiscal year of the approval of the report of the board, with retired pay at the rate of 75 percent of their active-duty pay.

The amendment was agreed to.

The next amendment was, on page 20, under the headline "Probationary appointments of officers", to strike out lines 17 to 25 and lines 1 to 8, on page 21, as follows:

SEC. 14. (a) The Secretary of the Navy, under such regulations as he may prescribe, may hereafter revoke the commission of any officer on the active list, initially commissioned after the date of this act, who, at the date of said revocation, has had less than 7 years of continuous service as a commissioned officer of the line of the Navy or of the Marine Corps, and each officer whose commission is so revoked shall be discharged from the naval service with not more than 1 year's active duty pay.

(b) If there be in any year an excess number of graduates of the Naval Academy available for commissions in the line of the Navy over that number which, in the opinion of the Secretary of the Navy, will satisfactorily meet the needs of the Navy for commissioned officers, such excess number of graduates shall be given a certificate of graduation and an honorable discharge with 1 year's pay.

And to insert:

SEC. 14. (a) The Secretary of the Navy, under such regulations as he may prescribe, may hereafter revoke the commission of any officer on the active list, initially commissioned after the date of this act who, at the date of said revocation has had less than 7 years of continuous service as a commissioned officer of the line of the Navy or of the Marine Corps, and each officer whose commission is so revoked shall be discharged from the naval service: *Provided*, That the selection boards considering lieutenant (junior grade) shall report the name of officers of that grade whom they consider lacking in aptitude for the naval service, and the commission of officers so reported shall be revoked: *Provided further*, That no officer discharged by reason of revocation of commission within a period of probation shall receive advanced pay or allowances upon such discharge.

(b) If there be in any year an excess number of graduates of the Naval Academy available for commission in the line of the Navy over that number which in the opinion of the Secretary of the Navy, will satisfactorily meet the needs of the Navy for commissioned officers, such excess number of graduates shall be given a certificate of graduation and an honorable discharge with 1 year's pay if they are designated by the academic board of the Naval Academy as having an aptitude for the naval service: *Provided*, That only those midshipmen who are designated by the academic board of the Naval Academy as having an aptitude for the naval service shall be initially commissioned, all other graduates to be given a certificate of graduation and an honorable discharge without pay.

The amendment was agreed to.

The next amendment was, in section 16, on page 26, after line 4, to insert:

(c) It shall be the duty of the General Board of the Navy to observe and study the operation of the laws for the promotion and retirement of officers of the line of the Navy and of the Marine Corps. The General Board shall, once each 5 years, beginning on January 5, 1943, submit a report to the President of the Senate upon the operation of such laws with recommendations for changes therein.

So as to make the section read:

MISCELLANEOUS PROVISIONS

SEC. 16. (a) The provisions of this act shall not apply to officers of the Staff Corps of the Navy.

(b) The Secretary of the Navy shall prescribe regulations whereby a uniform system of establishing a record of the efficiency of officers may be employed throughout the Navy.

(c) It shall be the duty of the General Board of the Navy to observe and study the operation of the laws for the promotion and retirement of officers of the line of the Navy and of the Marine Corps. The General Board shall, once each 5 years, beginning on January 5, 1943, submit a report to the President of the Senate upon the operation of such laws with recommendations for changes therein.

Mr. WALSH. Mr. President, I ask that this amendment be rejected.

The amendment was rejected.

Mr. WALSH. Mr. President, on page 18, line 17, after the word "lieutenant", I move that a comma be inserted.

The amendment was agreed to.

Mr. WALSH. On page 19, after line 18, I move that the following subsection be inserted:

(m) Officers of the Navy who may be retired, except those who may be retired in accordance with the provisions of subsection 12 (b) of this act, may, at the discretion of the President, be retired with the highest grade or rank held by them while on the active list.

The amendment was agreed to.

Mr. WALSH. I also ask that the bill be amended in several particulars which now authorize officers to be retired at a higher rank who are found to be fitted but for whom there are not places in the service.

The PRESIDING OFFICER. The clerk will state the first amendment offered by the Senator from Massachusetts.

The CHIEF CLERK. On page 11, line 1, after the word "promotion", it is proposed to insert "and recommended by the same board for retention on the active list."

The amendment was agreed to.

The PRESIDING OFFICER. In order that the next amendment of the Senator from Massachusetts may be in order, it will be necessary to reconsider the vote by which the committee amendment on page 17, lines 1 to 9, was agreed to, be reconsidered. Is there objection? The Chair hears none, and the vote is reconsidered. The clerk will state the amendment proposed by the Senator from Massachusetts to the amendment of the committee.

The CHIEF CLERK. It is proposed to strike out the amendment of the committee, and to insert in lieu thereof:

(f) Officers adjudged fitted for promotion but not recommended for retention on the active list shall be placed on the retired list on June 30 of the fiscal year in which they were so adjudged fitted for promotion, with retired pay computed as prescribed in section 12 (b) of this act.

The amendment was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill (H. R. 9997) was read the third time and passed.

CONDUCT OF CONGRESSIONAL INVESTIGATIONS

Mr. LA FOLLETTE. Mr. President, when Calendar 2224, House Joint Resolution 699, was called I asked that it go over in order that I might have an opportunity to study the joint resolution more carefully. I have looked it over, and I have no objection to it. I ask that we recur to that calendar number.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the joint resolution (H. J. Res. 699) to amend sections 101, 102, 103, and 104 of the Revised Statutes of the United States, relating to congressional investigations, which had been reported from the Committee on the Judiciary with amendments.

Mr. O'MAHONEY. Mr. President, the purpose of the joint resolution is to grant to any joint committee of Congress the same power with respect to the examination of witnesses as is now granted to any committee of the House or any committee of the Senate. There was an apparent oversight in the drafting of the present statute. The joint resolution merely extends to a joint committee the power now held by committees of either House. This is a measure which has passed the House of Representatives, which came to the Senate, and there seems to be no objection to it.

Mr. KING. What joint committees are contemplated to come within the terms of the joint resolution?

Mr. O'MAHONEY. Any joint committee appointed by the Senate and the House. It has nothing to do with any commission.

Mr. KING. The Senator knows that some of the committees and commissions, joint and several——

Mr. O'MAHONEY. This does not extend power to any commission.

Mr. KING. Only to joint committees?

Mr. O'MAHONEY. Yes. The Senator just spoke of the appointment of commissions.

Mr. KING. What I was about to say was with respect to commissions and committees; there is a growing disposition upon the part of both to probe into private affairs, to terrorize business organizations and private organizations, and I think to bring pressure, unjustly and unfairly in many cases, upon corporations and upon individuals.

Mr. LEWIS. Mr. President, the Senator from Wyoming is merely seeking to have uniform procedure established?

Mr. O'MAHONEY. Exactly.

The PRESIDING OFFICER. The clerk will state the first amendment of the Committee on the Judiciary.

The CHIEF CLERK. On page 1, line 3, after the numerals "103" it is proposed to strike out "and" and after the numerals "104" to insert "and 859", so as to read:

That sections 101, 102, 103, 104, and 859 of the Revised Statutes of the United States are hereby amended to read as follows:

The amendment was agreed to.

The next amendment of the committee was, on page 1, line 8, after the word "committee", to insert "established by a joint resolution"; on page 2, line 4, after the word "committee", to insert "established by a joint resolution"; on line 16, after the word "committee", to insert "established by a joint resolution"; on line 26, after the word "committee", to insert "established by a joint resolution", so as to read:

SEC. 101. The President of the Senate, the Speaker of the House of Representatives, or a chairman of any joint committee established by a joint resolution of the two Houses of Congress, or of a committee of the whole, or of any committee of either House of Congress, is empowered to administer oaths to witnesses in any case under their examination.

SEC. 102. Every person who having been summoned as a witness by the authority of either House of Congress to give testimony or to produce papers upon any matter under inquiry before either House, or any joint committee established by a joint resolution of the two Houses of Congress, or any committee of either House of Congress, willfully makes default, or who, having appeared, refuses to answer any question pertinent to the question under inquiry, shall be deemed guilty of a misdemeanor, punishable by a fine of not more than $1,000 nor less than $100 and imprisonment in a common jail for not less than 1 month nor more than 12 months.

SEC. 103. No witness is privileged to refuse to testify to any fact or to produce any paper, respecting which he shall be examined by either House of Congress, or by any joint committee established by a joint resolution of the two Houses of Congress, or by any committee of either House, upon the ground that his testimony to such fact or his production of such paper may tend to disgrace him or otherwise render him infamous.

SEC. 104. Whenever a witness summoned as mentioned in section 102 fails to appear to testify or fails to produce any books, papers, records, or documents, as required, or whenever any witness so summoned refuses to answer any question pertinent to the subject under inquiry before either House, or any joint committee established by a joint resolution of the two Houses of Congress, or any committee or subcommittee of either House of Congress, and the fact of such failure or failures is reported to either House while Congress is in session, or when Congress is not in session, a statement of facts constituting such failure is reported to and filed with the President of the Senate or the Speaker of the House, it shall be the duty of the said President of the Senate or Speaker of the House, as the case may be, to certify, and he shall so certify, the statement of facts aforesaid under the seal of the Senate or House, as the case may be, to the appropriate United States attorney, whose duty it shall be to bring the matter before the grand jury for its action.

Mr. O'MAHONEY. Mr. President, I have some perfecting amendments to offer. In the amendments of the committee just stated, after the words "by a joint", I move to amend the proposed amendments of the committee by inserting the words "or concurrent", so that each amendment would read "established by a joint or concurrent resolution."

The amendments to the amendments were agreed to.

The amendments as amended were agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment of the Committee on the Judiciary.

The CHIEF CLERK. On page 3, after line 12, it is proposed to insert the following:

SEC. 859. No testimony given by a witness before either House, or before any committee of either House, or before any joint committee established by a joint resolution of the two Houses of Congress, shall be used as evidence in any criminal proceeding against him in any court, except in a prosecution for perjury committed in giving such testimony. But an official paper or record produced by him is not within the said privilege.

The amendment was agreed to.

Mr. O'MAHONEY. Mr. President, I send to the desk another amendment, which I propose to the pending measure. This meets the objection made by the junior Senator from Indiana [Mr. MINTON].

The CHIEF CLERK. On page 3, after line 20, it is proposed to insert the following:

Any Member of either House of Congress may administer oaths to witnesses in any matter pending in either House of Congress of which he is a Member, or any committee thereof.

The amendment was agreed to.

The amendments were ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution was read the third time and passed.

The title was amended so as to read: "Joint resolution to amend sections 101, 102, 103, 104, and 859 of the Revised Statutes of the United States relating to congressional investigations."

JAMES W. ROGERS

The Senate proceeded to consider the bill (S. 3403) for the relief of James W. Rogers, which had been reported from the Committee on Claims with an amendment to add a proviso at the end of the bill, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Leonard Graboski the sum of $925.35, said sum representing the amount of an unpaid judgment and costs for $925.35, entered on 6059 Law Docket in the District Court of the United States in and for the District of Maryland in the case of Leonard Graboski against James W. Rogers for and on account of an assault alleged to have been committed upon the body and person of the said Leonard Graboski on May 8, 1936, by the said James W. Rogers, an investigator of the Alcohol Tax Unit of the Bureau of Internal Revenue of the Treasury Department of the United States, when he, the said James W. Rogers, arrested the said Leonard Graboski for an offense against the internal-revenue laws of the United States, which he, the said James W. Rogers, had probable cause to believe the said Leonard Graboski was then and there committing: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Leonard Graboski."

JOLIET FORGE CO. LOANS

The bill (H. R. 3232) conferring jurisdiction upon the Court of Claims of the United States to hear, consider, and render judgment on the claims of Joliet National Bank, of Joliet, Ill., and Commercial Trust & Savings Bank, of Joliet, Ill., arising out of loans to the Joliet Forge Co., of Joliet, Ill., for the providing of additional plant facilities and material for the construction of steel forgings during the World War, was considered, ordered to a third reading, read the third time, and passed.

FRANK W. LOHN

The bill (H. R. 8423) for the relief of Frank W. Lohn was considered, ordered to a third reading, read the third time, and passed.

ALBA C. MITCHELL

The bill (H. R. 8544) for the relief of Alba C. Mitchell was considered, ordered to a third reading, read the third time, and passed.

J. T. BURT AND ALICE BURT

The bill (H. R. 9196) for the relief of J. T. Burt and Alice Burt was considered, ordered to a third reading, read the third time, and passed.

JOHN BOROWSKI, BENJAMIN H. HAMMACK, AND EBER A. WEAN

The bill (H. R. 9674) for the relief of John Borowski, Benjamin H. Hammack, and Eber A. Wean was considered, ordered to a third reading, read the third time, and passed.

ROBERT DOTY

The bill (H. R. 8492) for the relief of Robert Doty, a minor, was considered, ordered to a third reading, read the third time, and passed.

J. J. B. HILLIARD & SON

The bill (H. R. 9142) for the relief of J. J. B. Hilliard & Son was considered, ordered to a third reading, read the third time, and passed.

JAMES M. WRIGHT

The bill (H. R. 9277) for the relief of James M. Wright was considered, ordered to a third reading, read the third time, and passed.

RAYMOND PLEDGER AND THOMAS P. GIACOMINI, JR.

The bill (H. R. 9825) for the relief of Raymond Pledger and Thomas P. Giacomini, Jr., was considered, ordered to a third reading, read the third time, and passed.

SHOSHONE GARAGE

The bill (S. 4167) for the relief of the Shoshone Garage was announced as next in order.

The PRESIDING OFFICER. This is the same as House bill 9640, which will be read for the information of the Senate.

The bill (H. R. 9640) was read the first time by title and the second time at length, as follows:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $1,200 to the Shoshone Garage, Pete H. Schultz, owner, of Cody, Wyo., in settlement of all claims against the United States for liquidated damages deducted from payments due the Shoshone Garage, Pete H. Schultz, owner, under a contract No. 12r-6941, dated February 11, 1937, between the claimant and the Bureau of Reclamation of the Department of the Interior on account of unavoidable delay occasioned by floods and strikes beyond the control of claimant in the delivery of automobiles under said contract and from which no damage was suffered by the United States: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The PRESIDING OFFICER. Is there objection to substituting the House bill for the Senate bill?

There being no objection, the bill (H. R. 9640) for the relief of the Shoshone Garage was considered, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 4167 will be indefinitely postponed.

ALPHA VINT

The bill (H. R. 447) for the relief of Alpha Vint was considered, ordered to a third reading, read the third time, and passed.

CAPT. GUY L. HARTMAN

The bill (H. R. 2149) for the relief of Capt. Guy L. Hartman was announced as next in order.

Mr. KING. I should like to have an explanation. The bill provides for the payment of $20,000.

Mr. PEPPER. Mr. President, I should like to have the privilege of making a brief explanation of the measure.

In the first place, I found upon succeeding Senator Fletcher that he had introduced a bill providing for the relief awarded by the bill now before us. The claim has been pending for a long time. It was carefully considered by the Committee

on Claims of the House of Representatives and the House passed the bill. Then it came to the Senate, was considered by our own Committee on Claims, and has the favorable recommendation of the committee.

Mr. KING. There is no report on the bill.

Mr. PEPPER. I do not know why there is not a report. I have before me the report of the House committee, and also the proceedings which took place in the House when the bill was considered.

In substance, the proposed beneficiary was perhaps engaged directly or indirectly in the operation of an illicit distillery, which was conducted in the State of Arkansas. He posted a $20,000 bail bond and was required to appear before the court in Missouri, I believe. He was ill, the record shows, and was unable to appear at the time he was required to appear by the terms of his bond. He was in Mexico.

He joined the expeditionary forces of General Pershing in Mexico and remained there until that expedition returned to the United States. While he was engaged in this expedition he made an excellent record, and upon the recommendation of his commanding officer returned and gave himself up in court. He was of more than material assistance to the Government in the disposition of the case, and as the result of his testimony I think the Government was able to recover in excess of $100,000 in taxes which were being illegally withheld from the Government.

A little later this man joined the Expeditionary Forces of the United States in France, and the files of the War Department show that his record of service was so distinguished that he was awarded the Distinguished Service Cross, as well as the Silver Star, the Purple Heart, and the French Croix de Guerre. He was recommended also for the Congressional Medal of Honor for the excellence of his service. It seems that this is a meritorious claim, and I hope the Senator will feel himself justified in not objecting.

Mr. KING. Will the Senator advise us whether the War Department or any branch of the Government which would be interested in this matter has recommended favorable action?

Mr. PEPPER. I will say that Mrs. Mabel Walker Willebrandt, while acting as Assistant Attorney General, recommended unfavorably upon the claim.

Mr. BROWN of Michigan. Mr. President, I may say to the Senator from Utah that the bill has twice passed the Senate heretofore.

Mr. KING. I was interested in ascertaining whether or not the Government Departments charged with the duty of looking into this matter and presumably interested in seeing that justice is done, had made an investigation and report.

Mr. BROWN of Michigan. Mrs. Willebrandt, who was Assistant Attorney General, did not approve the passage of the bill. That is the only word we have heard from the Government about it. The Senator from Kentucky [Mr. LOGAN] has investigated the claim in the last two sessions of Congress, and approved it in both sessions.

Mr. PEPPER. That means that there have been three approvals of this matter by the Committee on Claims, and that it has twice passed the Senate, and has now passed the House and is again back in the Senate for action.

Mr. KING. I shall not object to the passage of the bill at this time; but after having made an inquiry of the Department as to whether they have any data, I may move to reconsider the vote by which the bill was passed.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill.

There being no objection, the bill (H. R. 2149) for the relief of Capt. Guy L. Hartman was considered, ordered to a third reading, read the third time, and passed.

PERRY WALKER

The bill (H. R. 4367) for the relief of Perry Walker was considered, ordered to a third reading, read the third time, and passed.

HATTIE DOUDNA

The bill (H. R. 6952) for the relief of Hattie Doudna was considered, ordered to a third reading, read the third time, and passed.

GLENN R. MARTIN

The bill (H. R. 8380) for the relief of Glenn R. Martin was considered, ordered to a third reading, read the third time, and passed.

JOHN B. DOLLISON

The bill (H. R. 8417) for the relief of John B. Dollison was considered, ordered to a third reading, read the third time, and passed.

JOHN F. DAILEY AND ETHEL M. DAILEY

The bill (H. R. 8424) for the relief of John F. Dailey and Ethel M. Dailey was considered, ordered to a third reading, read the third time, and passed.

JANE MURRAH

The bill (H. R. 8479) for the relief of Jane Murrah was considered, ordered to a third reading, read the third time, and passed.

COMMANDER JAMES T. MATHEWS

The bill (H. R. 8480) for the relief of Commander James T. Mathews was considered, ordered to a third reading, read the third time, and passed.

RUBY Z. WINSLOW

The bill (H. R. 8696) for the relief of Ruby Z. Winslow was considered, ordered to a third reading, read the third time, and passed.

SPENCER D. ALBRIGHT, JR.

The bill (H. R. 8723) for the relief of Spencer D. Albright, Jr., was considered, ordered to a third reading, read the third time, and passed.

E. E. JOHNSON

The bill (H. R. 8922) for the relief of E. E. Johnson was considered, ordered to a third reading, read the third time, and passed.

KATHERINE PATTERSON

The bill (H. R. 9034) for the relief of Katherine Patterson was considered, ordered to a third reading, read the third time, and passed.

JOHN LAWSON AND ROY WEBB

The bill (H. R. 9084) for the relief of John Lawson and Roy Webb was considered, ordered to a third reading, read the third time, and passed.

MARSHALL CARVER

The bill (H. R. 9130) for the relief of Marshall Carver was considered, ordered to a third reading, read the third time, and passed.

READ MACHINERY CO., INC.

The bill (H. R. 9215) for the relief of the Read Machinery Co., Inc., was considered, ordered to a third reading, read the third time, and passed.

STATE OF CONNECTICUT

The bill (S. 4140) for the relief of the State of Connecticut was announced as next in order.

The PRESIDING OFFICER. The Chair lays before the Senate an identical House bill, which will be read.

The bill (H. R. 9981) for the relief of the State of Connecticut was read the first time by its title and the second time at length, as follows:

Be it enacted, etc., That the State of Connecticut be, and it is hereby, relieved from all responsibility and accountability for certain quartermaster and other property to the approximate value of $4,220.49, the property of the War Department in possession of the Connecticut National Guard, which was lost, destroyed, or used for emergency-relief work incident to the Connecticut floods of March 1936, and other relief work; and the

Secretary of War is hereby authorized and directed to terminate all further accountability for said property.

The PRESIDING OFFICER. Is there objection to the substitution of House bill 9981 for the Senate bill and to the present consideration of the House bill?

There being no objection, the bill (H. R. 9981) for the relief of the State of Connecitcut was considered, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 4140 will be indefinitely postponed.

OLYMPIC NATIONAL PARK, STATE OF WASHINGTON

The Senate proceeded to consider the bill (H. R. 10024) to establish the Olympic National Park, in the State of Washington, and for other purposes, which had been reported from the Committee on Public Lands and Surveys with amendments, in section 1, page 1, after line 6, to strike out—

Township 26 north, range 3 west, sections 6 and 7 (unsurveyed); township 27 north, range 3 west, sections 6, 7, 18, 19, 30, and 31 (unsurveyed); township 23 north, range 4 west, north half section 6 (unsurveyed); township 24 north, range 4 west, sections 19, 30, and 31 (unsurveyed); township 25 north, range 4 west, sections 4 to 9, 16 to 21, and 28 to 33, inclusive (unsurveyed); township 26 north, range 4 west, sections 1 to 12, 16 to 21, and 28 to 33, inclusive (unsurveyed); township 27 north, range 4 west (all unsurveyed); township 28 north, range 4 west, sections 17 to 22 and 27 to 34, inclusive (unsurveyed); township 23 north, range 5 west, north half section 1, northeast quarter section 2, and sections 18 and 19 (partly surveyed); township 24 north, range 5 west, sections 1 to 18, 20 to 27, inclusive, north half section 28, east half section 34, and sections 35 and 36 (unsurveyed); townships 25 north to 28 north, range 5 west (all unsurveyed); township 29 north, range 5 west, sections 7 and 17 to 36, inclusive (partly surveyed); township 23 north, range 6 west, sections 2 to 6, 10 to 15, inclusive, and 23 and 24 (unsurveyed); township 24 north, range 6 west, sections 1 to 24, 26 to 35, inclusive (unsurveyed); townships 25 north to 29 north, range 6 west (all partly surveyed); township 23 north, range 7 west, sections 1 to 12, inclusive (unsurveyed); townships 24 north to 29 north, range 7 west (all unsurveyed); township 30 north, range 7 west, sections 26 to 36, inclusive (partly surveyed); township 23 north, range 8 west, that part north of the divide between the Quinault and Humptulips Rivers (unsurveyed); townships 24 north to 29 north, range 8 west (all unsurveyed); township 30 north, range 8 west, sections 18, 19, and 25 to 36, inclusive (partly surveyed); township 22 north, range 9 west, northwest quarter section 5, north half section 6 (surveyed); township 23 north, range 9 west, that part northwest of the divide between Humptulips River and the streams flowing into Quinault Lake and outside the Quinault Indian Reservation except northwest quarter section 6 (partly surveyed); township 24 north, range 9 west, sections 1, 2, 11 to 14, 22 to 27, and 34 to 36, inclusive (partly surveyed); township 25 north, range 9 west (all unsurveyed); township 26 north, range 9 west, sections 1 to 18, east half section 19, sections 20 to 29, and 32 to 36, inclusive (surveyed); townships 27 and 28 north, range 9 west (all partly surveyed); township 29 north, range 9 west, all except those parts of sections 7, 18, 19, and 30 lying west of Soleduck River and Alckee Creek (partly surveyed); township 30 north, range 9 west, sections 13 and 14 and 19 to 36, inclusive (surveyed); township 23 north, range 10 west, southeast quarter section 1, east half section 11, and sections 12 to 14, inclusive, those parts of sections 23 and 36 outside of Quinault Indian Reservation (surveyed); township 26 north, range 10 west, sections 1, 12, and 13 (surveyed); township 27 north, range 10 west, sections 1 to 18, 20 to 26, inclusive, north half section 27, north half section 28, north half section 29, section 36 (surveyed); township 28 north, range 10 west, all that part south of the divide between Bogachiel and Soleduck Rivers and east of Alckee Creek (unsurveyed); township 29 north, range 10 west, all that part south of the divide between Bogachiel and Soleduck Rivers and east of Alckee Creek (unsurveyed); township 27 north, range 11 west, sections 1 to 13, inclusive, north half section 14, north half section 15, section 16, north half section 17 (surveyed); township 28 north, range 11 west, all south of divide between Sitkum and Calawah Rivers (unsurveyed); township 27 north, range 12 west, sections 1 to 3, north half section 10, north half and southeast quarter section 11, and section 12 (surveyed); township 28 north, range 12 west, those parts of sections 25 and 26 south of the divide between Calawah and Bogachiel Rivers, sections 27 and 31 to 36, inclusive (surveyed); township 24 north, range 13 west, sections 3, 4, 9, 10, 15, 16, 22 and lots 1 and 2, section 27 (surveyed); township 25 north, range 13 west, west half section 4, sections 5, 8, west half section 9, sections 16, 17, 21, 28, 33, west half section 34 (surveyed); township 26 north, range 13 west, sections 17, 18, those parts sections 19, 20, 29, and 30 outside Hoh Indian Reservation, west half section 28, section 32, west half section 33 (surveyed); township 26 north, range 14 west (all surveyed); township 27 north, range 14 west, sections 6, 7, west half section 8, sections 16, 17, 18, 20, 21, 22, south half section 23, sections 26, 27, 28, 34, and 35 (surveyed); township 28 north, range 14 west, section 31 (surveyed); township 27 north, range 15 west (all surveyed); township 28 north, range 15 west, west half section 4, sections 5, 6, 8, 9, west half section 15, sections 16, 23, 26, and all sections 21, 22, and 27 outside Quileute Indian Reservation, and sections 34, 35, and 36 (surveyed); township 29 north, range 15 west, west half section 5, sections 6 and 7, west half section 8, west half section 17, sections 18 and 19, west half section 20, sections 29, 30, and 32 (surveyed); township 30 north, range 15 west, all west of western shore line of Ozette Lake (surveyed); township 31 north, range 15 west, section 30 and all of sections 31 and 32 west of western shore of Lake Ozette; township 30 north, range 16 west (all surveyed); township 31 north, range 16 west, those parts of sections 25 and 26 south of Ozette Indian Reservation, and sections 35 and 36 (surveyed).

And in lieu thereof to insert:

Township 25 north, range 4 west, sections 5 to 8, 17 to 20, and 29 to 32, inclusive (unsurveyed); township 26 north, range 4 west, sections 1 to 12, 17 to 20, and 29 to 32, inclusive (unsurveyed); township 27 north, range 4 west, sections 5 to 8, 17 to 20, and 29 to 36, inclusive (unsurveyed); township 28 north, range 4 west, sections 17 to 22, and 27 to 34, inclusive (unsurveyed); townships 25, 26, and 27 north, range 5 west (unsurveyed); township 28 north, range 5 west, sections 7 to 36, inclusive (unsurveyed); township 24 north, range 6 west, sections 3 to 10, 15 to 22, and 27 to 34, inclusive (unsurveyed); townships 25, 26, and 27 north, range 6 west (unsurveyed); township 28 north, range 6 west, sections 7 to 36, inclusive (unsurveyed); townships 24, 25, 26, and 27 north, range 7 west (unsurveyed); township 28 north, range 7 west, sections 5 to 36, inclusive (unsurveyed); township 24 north, range 8 west, sections 1 to 18, inclusive (partly surveyed); townships 25, 26, 27, and 28 north, range 8 west (unsurveyed); township 29 north, range 8 west, sections 6, 7, 18, 19 to 21, and 28 to 33 inclusive (unsurveyed); township 30 north, range 8 west, sections 18, 19, 30, and 31 (partly surveyed); township 24 north, range 9 west, sections 1, 2, 11, 12, 13, and 14 (partly surveyed); township 25 north, range 9 west (unsurveyed); township 26 north, range 9 west, sections 1 to 18, inclusive (unsurveyed), each half of section 19 (unsurveyed), sections 20 to 29, and 32 to 36, inclusive (surveyed); townships 27 and 28 north, range 9 west (unsurveyed); township 29 north, range 9 west (partly surveyed); township 30 north, range 9 west, sections 13, 14, and 23 to 36, inclusive (partly surveyed); township 26 north, range 10 west, sections 1, 12, and 13 (surveyed); township 27 north, range 10 west, sections 1 to 6, inclusive, 12, 13, 24, 25, and 36 (surveyed); township 28 north, range 10 west, south half section 7, south half section 8, south half section 9, south half section 10, south half section 11, south half section 12, sections 13 to 36, inclusive (unsurveyed).

And on page 7, line 12, after "Forest", to strike out—

Provided, That the portion of the Olympic National Forest lying west of the line separating ranges 10 west and 11 west, measured from the Willamette meridian, shall not be included as a part of the area to be known as the Olympic National Park.

And at the end of the bill to add a new section 6, so as to make the bill read:

Be it enacted, etc., That the Mount Olympus National Monument established pursuant to proclamation of the President dated March 2, 1909, is hereby abolished, and the tracts of land in the State of Washington particularly described as follows, to wit:

Township 25 north, range 4 west, sections 5 to 8, 17 to 20, and 29 to 32, inclusive (unsurveyed); township 26 north, range 4 west, sections 1 to 12, 17 to 20, and 29 to 32, inclusive (unsurveyed); township 27 north, range 4 west, sections 5 to 8, 17 to 20, and 29 to 36, inclusive (unsurveyed); township 28 north, range 4 west, sections 17 to 22, and 27 to 34, inclusive (unsurveyed); townships 25, 26, and 27 north, range 5 west (unsurveyed); township 28 north, range 5 west, sections 7 to 36, inclusive (unsurveyed); township 24 north, range 6 west, sections 3 to 10, 15 to 22, and 27 to 34, inclusive (unsurveyed); townships 25, 26, and 27 north, range 6 west (unsurveyed); township 28 north, range 6 west, sections 7 to 36, inclusive (unsurveyed); townships 24, 25, 26, and 27 north, range 7 west (unsurveyed); township 28 north, range 7 west, sections 5 to 36, inclusive (unsurveyed); township 24 north, range 8 west, sections 1 to 18, inclusive (partly surveyed); townships 25, 26, 27, and 28 north, range 8 west (unsurveyed); township 29 north, range 8 west, sections 6, 7, 18, 19 to 21, and 28 to 33, inclusive (unsurveyed); township 30 north, range 8 west, sections 18, 19, 30, 31 (partly surveyed); township 24 north, range 9 west, sections 1, 2, 11, 12, 13, and 14 (partly surveyed); township 25 north, range 9 west (unsurveyed); township 26 north, range 9 west, sections 1 to 18, inclusive (unsurveyed), each half of section 19 (unsurveyed), sections 20 to 29, and 32 to 36, inclusive (surveyed); townships 27 and 28 north, range 9 west (unsurveyed); township 29 north, range 9 west (partly surveyed); township 30 north, range 9 west, sections 13, 14, and 23 to 36, inclusive (partly surveyed); township 26 north, range 10 west, sections 1, 12, and 13 (surveyed); township 27 north, range 10 west, sections 1 to 6, inclusive, 12, 13, 24, 25, and 36 (surveyed); township 28 north, range 10 west, south half section 7, south half section 8, south half section 9, south half section 10, south half section 11, south half section 12, sections 13 to 36, inclusive (unsurveyed); township 29 north, range 10 west, sections

1, 12, and 13 (surveyed); township 27 north, range 10 west, sections 1 to 6, inclusive, 12, 13, 24, 25, and 36 (surveyed); township 28 north, range 10 west, south half section 7, south half section 8, south half section 9, south half section 10, and south half section 11, south half section 12, sections 13 to 36, inclusive (unsurveyed); all west of the Willamette meridian, in Washington, are hereby reserved and withdrawn from settlement, occupancy, or disposal under the laws of the United States and dedicated and set apart as a public park for the benefit and enjoyment of the people and shall be known as the Olympic National Park, and all lands formerly included in the Mount Olympus National Monument and not included in the above description are hereby transferred to and made a part of the Olympic National Forest.

SEC. 2. That in the areas of said park lying east of the range line between ranges 9 and 10 and north of the seventh standard parallel, and east of the range line between ranges 4 and 5 west, Willamette meridian, all mineral deposits of the classes and kinds now subject to location, entry, and patent under the mining laws of the United States shall be, exclusive of the land containing them, subject to disposal under such laws for a period of 5 years from the date of approval of this act, with rights of occupation and use of so much of the surface of the land as may be required for all purposes reasonably incident to the mining or removal of the minerals and under such general regulations as may be prescribed by the Secretary of the Interior.

SEC. 3. The income of each county receiving moneys from the Olympic National Forest, under the act of May 23, 1908 (35 Stat. 260, ch. 192), as amended, shall be proportional to the total area of each county in the Olympic National Forest and the Olympic National Park combined.

SEC. 4. The administration, protection, and development of the Olympic National Park shall be exercised under the direction of the Secretary of the Interior by the National Park Service, subject to the provisions of the act of August 25, 1916 (39 Stat. 535), entitled "An act to establish a National Park Service, and for other purposes," as amended.

SEC. 5. Nothing herein contained shall affect any valid existing claim, location, or entry made under the land laws of the United States, whether for homestead, mineral, right-of-way, or any other purpose whatsoever, or shall affect the right of any such claimant, locator, or entryman to the full use and enjoyment of his land, nor the rights reserved by treaty to the Indians of any tribes.

SEC. 6. The President may, from time to time, by proclamation add to the Olympic National Park any lands within the boundaries of the Olympic National Forest, and any lands which may be acquired by the Government by gift or purchase, which he may deem it advisable to add to such park; and any lands so added to such park shall, upon their addition thereto, become subject to all laws and regulations applicable to other lands within such park: *Provided*, That before issuing any such proclamation, the President shall consult with the Governor of the State of Washington, the Secretary of the Interior, and the Secretary of Agriculture and advise them of the lands which he proposes to add to such park, and shall afford them a reasonable opportunity to consult with and communicate to him their views and recommendations with respect to the addition of such lands to such park.

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time, the bill was read the third time, and passed.

PROTECTION OF FOREST LANDS IN THE STATE OF NEW YORK

The Senate proceeded to consider the bill (S. 3774) to authorize cooperation between the United States and the State of New York in the protection of the public interest and welfare inherent in certain forest lands in said State through provision for the acquisition and management of said lands, which had been reported from the Committee on Public Lands and Surveys, with amendments, on page 2, line 1, after the word "tract", to strike out "at a" and to insert "at prices found by him to be fair and reasonable, the total"; on the same page, line 25, after the word "destroyed", to add a colon and the following proviso:

Provided, however, That this section shall not prevent the use of any part of such lands for the construction and maintenance of reservoirs for municipal water supply, for the canals of the State and to regulate the flow of streams, to the same extent as if said lands were a part of the New York State forest preserve.

And on page 3, line 13, after the words "title to", to insert "any or all of", so as to make the bill read:

Be it enacted, etc., That the Secretary of Agriculture be, and he is hereby, authorized and directed to acquire by purchase or otherwise the following-described lands now in private ownership in Herkimer and Hamilton Counties, State of New York, to wit: Part or all of townships Nos. 1, 2, 6, and 7, Moose River tract, and part or all of townships Nos. 1 and 7, John Brown's tract, at prices found by him to be fair and reasonable, the total cost not to exceed $3,000,000, which amount is hereby appropriated from any funds in the Treasury not otherwise appropriated and shall continue available until expended, but no payment for lands shall be made until the titles thereto have been found satisfactory and approved by the Secretary of Agriculture and are vested in the United States.

SEC. 2. That upon the vesting in the United States of title to part or all of the lands described in section 1 hereof, the Secretary of Agriculture be, and he is hereby, authorized and directed to enter into a cooperative agreement with the State of New York, through its duly authorized representatives, for the subsequent development, protection, administration, and management of said acquired lands by the conservation department of the State of New York and at the expense of said State, which agreement clearly shall define and prescribe the objectives, principles, and conditions by which the management of said lands thereafter shall be governed; shall specifically provide that the acquired lands shall be forever kept as wild forest lands; that such lands shall not be leased, sold, or exchanged nor be taken by any corporation, public or private, other than the State of New York, nor shall the timber thereon be sold, removed, or destroyed: *Provided, however*, That this section shall not prevent the use of any part of such lands for the construction and maintenance of reservoirs for municipal water supply, for the canals of the State and to regulate the flow of streams, to the same extent as if said lands were a part of the New York State forest preserve.

SEC. 3. Whoever violates any of the provisions of this act, or of the regulations promulgated by the Secretary of Agriculture pursuant thereto, shall, upon conviction thereof, be subject to a fine of not more than $500 or to imprisonment for not more than 1 year, or both.

SEC. 4. That if the State of New York shall formally advise the Secretary of Agriculture of its desire to acquire title to any or all of the lands purchased by the United States under the provisions of this act, the said Secretary shall determine the total expenditures made by the United States in the acquisition of said lands, and, upon payment by the State of New York of the amount so determined into the Treasury of the United States, the said Secretary of Agriculture thereupon shall convey to the said State all rights, titles, and interests held by the United States in said lands.

SEC. 5. That to facilitate the enforcement and execution by officers and employees of the State of New York of the rules and regulations of the Secretary of Agriculture in relation to the lands acquired under the provisions of this act under the cooperative agreement authorized by section 2 hereof, the said Secretary be, and he is hereby, authorized, so far as may be in the public interest, to appoint said officers or employees of the State of New York as officers or agents of the United States Department of Agriculture, without additional compensation.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BOUNDARIES OF COLONIAL NATIONAL HISTORICAL PARK, VA.

The Senate proceeded to consider the bill (S. 3560) to revise the boundaries of the Colonial National Historical Park in the State of Virginia, and for other purposes, which had been reported from the Committee on Public Lands and Surveys, with an amendment, on page 3, line 4, after "(46 Stat. 1490)", to strike out the comma and "or from such other funds as may be appropriated from time to time by the Congress", so as to make the bill read:

Be it enacted, etc., That subject to all the laws and regulations applicable to the Colonial National Historical Park, the boundaries of said historical park as established by the act of June 5, 1936 (49 Stat. 1483), and as defined by Presidential Proclamation No. 2055, dated August 22, 1933 (48 Stat. 1706), are hereby revised by the elimination of the parkway area described in said proclamation as running north and west of the city of Williamsburg to Jamestown Island, and the substitution therefor of a parkway area running southerly through the city of Williamsburg, thence continuing south of said city to the James River and thence along said river and connecting waters to Jamestown Island, the exact location of which shall be determined by the Secretary of the Interior: *Provided*, That said parkway area shall not exceed an average of 500 feet in width outside the city of Williamsburg: *And provided further*, That condemnation proceedings shall not be had, exercised, or resorted to as to any lands in the city of Williamsburg except such lands as may be required for a right-of-way not exceeding 200 feet in width through said city to connect with highways or parkways leading from Williamsburg to Jamestown and Yorktown.

SEC. 2. The Secretary of the Interior is hereby authorized, in his discretion, to acquire by purchase, donation, or otherwise, in behalf of the United States, such lands or interests in lands, easements, and buildings comprising the following: Glass House Point, in James City County; the area known as "The Hook," including the site of the action of October 3, 1781, in Gloucester, County; and such additional lands as are desirable for the proper rounding out of the boundaries and for the administrative control of the Colonial National Historical Park: *Provided*, That the total acreage of lands to be added to the park, with the exception of parkways under the

terms hereof shall not exceed 750 acres: *Provided further*, That the said acquisition of lands or improvements shall be made from such funds as may be appropriated pursuant to the authorization of the act of March 3, 1931 (46 Stat. 1490).

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

FACILITIES OF NATIONAL PARKS AND MONUMENTS

The bill (S. 2935) to authorize the use of certain facilities of national parks and national monuments for elementary-school purposes was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in order to facilitate the providing of educational opportunities for children of Government employees and other residents in the national parks and national monuments the Secretary of the Interior is hereby authorized in his discretion to make available for elementary school purposes therein, without charge, space in Government-owned buildings, and to permit the use, without charge, of Government-owned transportation facilities, when available without detriment to the official business of such national parks and national monuments, for conveying such children to and from schools when not conveniently accessible by public transportation.

NEVADA AND TOIYABE NATIONAL FORESTS IN NEVADA

The bill (S. 4136) to facilitate the control of soil erosion and/or flood damage originating upon lands within the exterior boundaries of the Nevada and Toiyabe National Forests in Nevada and to promote efficiency and economy of administration of said national forests was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of Agriculture be, and is hereby, authorized, in his discretion, to acquire by purchase any lands within the boundaries of the Nevada and Toiyabe National Forests in the State of Nevada which, in his judgment, should become the property of the United States in order that they may be so managed with other lands of the United States as to minimize soil erosion and flood damage or promote efficiency and economy of administration and to pay for said lands from the receipts from the sale of natural resources, other than mineral, and from occupancy of public lands within the Nevada and Toiyabe National Forests, to which end appropriations of said receipts not exceeding $10,000 per annum are hereby authorized until said lands have been acquired, the funds so appropriated to be available until expended for that purpose.

HOT SPRINGS NATIONAL PARK, ARK.

The bill (H. R. 5763) for the extension of the boundaries of the Hot Springs National Park in the State of Arkansas, and for other purposes, was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the boundaries of the Hot Springs National Park in the State of Arkansas be, and the same are hereby, extended to include the following lands, to wit:

So much of the northeast quarter section 33, township 2 south, range 19 west, as is now privately owned;

The northwest quarter section 34, township 2 south, range 19 west;

All privately owned land in the west half section 27, township 2 south, range 19 west;

The southeast quarter section 27, south half northeast quarter section 27, all privately owned lands in the northwest quarter northeast quarter section 27, west half section 22, southwest quarter section 15, southeast quarter section 16, northeast quarter section 21, south half section 21, southeast quarter southeast quarter section 20, east half northeast quarter section 28, northwest quarter northeast quarter section 28, northwest quarter northwest quarter section 28, east half southwest quarter northeast quarter section 28, east half northeast quarter section 29, southeast quarter northwest quarter northeast quarter section 29, southwest quarter northeast quarter section 29, west half northwest quarter southeast quarter section 29, southeast quarter southeast quarter northwest quarter section 29, northeast quarter northwest quarter southeast quarter section 29, all privately owned land in northeast quarter southwest quarter section 29, south half southeast quarter section 30, northeast quarter southeast quarter section 30, southeast quarter southwest quarter section 30, west half section 31, north half northeast quarter section 31, southwest quarter northeast quarter section 31, west half southeast quarter northeast quarter section 31, all lying and being situated in township 2 south, range 19 west;

All of section 36, southeast quarter section 35, southeast quarter northeast quarter section 35, all lying and being situated in township 2 south, range 20 west;

Northeast quarter section 2, north half southeast quarter section 2, north half section 1, north half southwest quarter section 1, north half southeast quarter section 1, all lying and being situated in township 3 south, range 20 west;

North half section 6, north half southwest quarter section 6, northwest quarter southeast quarter section 6, all lying and being situated in township 3 south, range 19 west;

Blocks 27, 189, 195, and 196, city of Hot Springs;

Lots 8 to 13, inclusive, block 125, city of Hot Springs; lots 4, 5, 7, 8, 9, 10, 11, 12, 13, and 14, block 188, city of Hot Springs;

Fountain Street adjoining lot 13, block 125, and blocks 195 and 196, city of Hot Springs;

Reserve Avenue in city of Hot Springs from Palm Street to Cypress Street. Two unnamed streets, 20 feet wide, extending from Fountain Street to Government boundary and running between blocks 125 and 195 and blocks 195 and 196, respectively.

All or any part of such lands above described, when acquired by the Secretary of the Interior on behalf of the United States, shall be and remain a part of the Hot Springs National Park, subject to all laws and regulations applicable thereto.

SEC. 2. The following-described lands are hereby granted to the city of Hot Springs, Ark., for the purpose of straightening Whittington Avenue in said city: Tract A, beginning at a point on the dividing line between the United States Hot Springs Reservation and Whittington Avenue 52.6 feet easterly from Government monument No. 131; run thence westerly along said line 236 feet to a point 107.1 feet westerly from Government monument No. 132; run thence easterly across the United States Hot Springs Reservation on an included angle of 8°53', 74 feet; thence easterly a distance of 157.4 feet to the place of beginning; tract B, beginning at a point on the dividing line between the United States Hot Springs Reservation and Whittington Avenue 12.5 feet easterly from Government monument No. 134; run thence westerly along said line a distance of 214.3 feet to a point 12.3 feet westerly from Government monument No. 135; run thence easterly across the United States Hot Springs Reservation on a 7°30' curve to the left (R-763.94) a distance of 205 feet, more or less, to the place of beginning; tract C, beginning at a point on the dividing line between the United States Hot Springs Reservation and Whittington Avenue 10.7 feet easterly from Government monument No. 136; run thence westerly along said line a distance of 205.7 feet to a point 11.8 feet westerly from Government monument No. 137; run thence easterly in a straight line across the United States Hot Springs Reservation to the place of beginning; tract D, beginning at a point on the dividing line between the United States Hot Springs Reservation and Whittington Avenue 19 feet easterly from Government monument No. 139; run thence westerly along said line 174 feet to a point 26.5 feet westerly from Government monument No. 140; run thence easterly in a straight line across the United States Hot Springs Reservation 170.2 feet, more or less, to the place of beginning; tract E, beginning at a point on the dividing line between the United States Hot Springs Reservation and Whittington Avenue 25 feet easterly from Government monument No. 142; run thence westerly along said dividing line 172.5 feet to a point 15.8 feet westerly from Government monument No. 143; run thence easterly across the United States Hot Springs Reservation on a 12°30' curve to the left (R-458.37) a distance of 163.6 feet, more or less, to the place of beginning; tract F, beginning at a point on the dividing line between the United States Hot Springs Reservation and the north branch of Whittington Avenue 6.6 feet westerly from Government monument No. 124; run thence easterly along said line 50 feet; run thence southerly across the United States Hot Springs Reservation to a point on the north line of the south branch of Whittington Avenue 59.6 feet westerly from Government monument No. 133; run thence westerly along said line 50.2 feet; run thence northerly across the United States Hot Springs Reservation in a straight line to the place of beginning.

SEC. 3. There is hereby authorized to be appropriated for the acquisition of lands described in section 1 hereof such sums as the Congress may from time to time determine.

HAWAII NATIONAL PARK

The bill (H. R. 5805) to amend an act entitled "An act to provide for the exercise of sole and exclusive jurisdiction by the United States over the Hawaii National Park in the Territory of Hawaii, and for other purposes," approved April 19, 1930, was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 6 of the act entitled "An act providing for the exercise of sole and exclusive jurisdiction by the United States over the Hawaii National Park in the Territory of Hawaii, and for other purposes," approved April 19, 1930 (46 Stat. 228; U. S. C. title 16, sec. 395e), be amended by adding at the end thereof the following.

"That during such time or times as the office of the Commissioner for the Hawaii National Park shall be or remain unfilled, or when the presence of such Commissioner cannot be conveniently procured, any United States commissioner duly appointed by the United States District Court for the Territory of Hawaii and residing in such district shall have full power, authority, and jurisdiction to hear and act upon all complaints made with respect to offenses or violations of law or regulations occurring within the limits of the Hawaii National Park, as the United States Commissioner for the Hawaii National Park may now act with respect to

offenses or violations of law or regulations occurring within the limits of said park."

SEC. 2. That section 9 of the said act of April 19, 1930 (46 Stat. 229; U. S. C., title 16, sec. 395h), be amended by adding at the end thereof the following:

"That any United States commissioner in and for the Territory of Hawaii, while acting in such capacity as United States Commissioner for the Hawaii National Park as authorized by section 6 hereof, shall be allowed the fees prescribed by section 21 of the act of May 28, 1896 (29 Stat. 184), upon the rendition of an itemized account."

SEC. 3. All laws or parts of laws, either Federal or Territorial, in conflict herewith are hereby repealed.

CONVEYANCE OF LAND IN BURLEIGH COUNTY, N. DAK.

The bill (H. R. 7868) for conveying to the State of North Dakota certain lands within Burleigh County within that State for public use was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized to grant and convey to the State of North Dakota, for public use, fee-simple title to the lands and improvements thereon comprising the Bismarck Indian School buildings and grounds: *Provided*, That in consideration of this conveyance the State of North Dakota shall convey to the United States in trust for such Indian tribes as may be designated at the time of conveyance by the Secretary of the Interior, lands (and improvements thereon, if any) situated convenient to existing Indian reservations and suitable for agricultural and stockraising purposes: *Provided further*, That the land and improvements conveyed to the United States shall in value be equal to the value of the property conveyed by the United States to the State of North Dakota: *And provided further*, That the conveyance by the United States to the State of North Dakota shall protect existing easements or rights-of-way across the Indian school property.

SEC. 2. Prior to the conveyance of any land or improvements, as herein authorized, the Secretary of the Interior shall cause an appraisal thereof to be made by an appraisal committee consisting of a representative of the Commissioner of Indian Affairs, a representative of the General Land Office, and a third person satisfactory to the Secretary of the Interior, to be appointed by the Governor of the State of North Dakota.

LEASING OF LAND FOR GRAZING DISTRICTS

The bill (H. R. 7874) to provide for the leasing of State, county, and privately owned lands for the purpose of furthering the orderly use, improvement, and development of grazing districts was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Interior in his discretion is authorized to lease at rates to be determined by him any State, county, or privately owned lands chiefly valuable for grazing purposes and lying within the exterior boundaries of a grazing district when, in his judgment, the leasing of such lands will promote the orderly use of the district and aid in conserving the forage resources of the public lands therein: *Provided*, That no such leases shall run for a period of more than 10 years and in no event shall the grazing fees paid the United States for the grazing privileges on any of the lands leased under the provisions of this section be less than the rental paid by the United States for any of such lands: *Provided further*, That nothing in this section shall be construed as authorizing the appropriation of any moneys except that moneys heretofore or hereafter appropriated for construction, purchase, and maintenance of range improvements within grazing districts, pursuant to the provisions of sections 10 and 11 of the act of June 28, 1934 (48 Stat. 1269), as amended June 26, 1936 (49 Stat. 1976) may be made additionally available by Congress for the leasing of land under this act.

SEC. 2. That the lands leased under this act shall be administered under the provisions of the act of June 28, 1934 (48 Stat. 1269), as amended June 26, 1936 (49 Stat. 1976), commonly known as the Taylor Grazing Act.

SEC. 3. That contributions received by the Secretary of the Interior under section 9 of the act of June 28, 1934 (48 Stat. 1269), as amended June 26, 1936 (49 Stat. 1976), toward the administration, protection, and improvement of any district shall be additionally available for the leasing of lands under this act.

SEC. 4. All moneys received by the Secretary of the Interior in the administration of leased lands as provided in section 2 of this act shall be deposited in the Treasury of the United States as miscellaneous receipts, but are hereby made available, when appropriated by the Congress, for the leasing of lands under this act and shall not be distributed as provided under sections 10 and 11 of the act of June 28, 1934 (48 Stat. 1269), as amended June 26, 1936 (49 Stat. 1976).

TRINITY NATIONAL FOREST, CALIF.

The bill (H. R. 8165) to add certain lands to the Trinity National Forest, Calif., was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, subject to existing valid claims, the following-described lands be, and the same are hereby, added to the Trinity National Forest, Calif., and made subject to all laws and regulations relating to said national forest: The west half section 6, township 33 north, range 9 west; sections 1 and 2, north half northeast quarter section 11, northwest quarter and north half north half northeast quarter section 12, township 33 north, range 10 west; sections 35 and 36, township 34 north, range 10 west, all Mount Diablo meridian: *Provided*, That said lands shall not be subject to location or entry under the mineral laws or laws of the United States.

SALES AND EXCHANGES BY STATE OF WISCONSIN

The joint resolution (S. J. Res. 295) to authorize sales and exchanges by the State of Wisconsin notwithstanding certain provisions in the act of August 22, 1912 (37 Stat. 324), was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved, etc., That notwithstanding the restrictions and limitations in the act of August 22, 1912 (37 Stat. 324), entitled "An act granting unsurveyed and unattached islands to the State of Wisconsin for forestry purposes," the State of Wisconsin is hereby authorized to sell or exchange any of the islands granted to it by the said act of August 22, 1912, which are not valuable for forestry purposes, on condition that the proceeds from any such sale or that the land acquired by the State in any such exchange shall be devoted to State forestry purposes.

ORDER OF BUSINESS

The PRESIDING OFFICER. That concludes the call of the calendar.

Mr. THOMAS of Utah. Mr. President, I ask unanimous consent to return to a bill on the calendar.

Mr. SCHWARTZ. Mr. President——

Mr. McNARY. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. McNARY. Has the unanimous-consent agreement entered into this morning now been fulfilled by the call of the calendar?

The PRESIDING OFFICER. It has been so far as calling the calendar is concerned.

Mr. CONNALLY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CONNALLY. A bill was on the calendar a few days ago and was passed. A motion to reconsider was made by the Senator from Utah [Mr. KING]. Is it now in order under the unanimous-consent agreement for that motion to reconsider to be called up and be acted upon?

The PRESIDING OFFICER. No; it would not be in order. That bill is no longer on the calendar.

Mr. CONNALLY. It is on some sort of a calendar. The motion is on the calendar.

The PRESIDING OFFICER. The motion for reconsideration is on the calendar.

Mr. CONNALLY. Exactly.

The PRESIDING OFFICER. It is not upon the Consent Calendar.

Mr. CONNALLY. That is the only kind of a calendar a motion to reconsider can be on. It is on that calendar.

The PRESIDING OFFICER. It is not upon the calendar which is under consideration and now being called.

Mr. McNARY. Mr. President, a parliamentary inquiry.

Mr. CONNALLY. Mr. President, what is the ruling of the Chair? That it is not on the calendar?

The PRESIDING OFFICER. It is not on the calendar.

Mr. CONNALLY. Is it not a privileged matter that can be called up at any time?

The PRESIDING OFFICER. It is not, the Chair is advised by the Parliamentarian.

Mr. CONNALLY. Will the Chair tell the Senator from Texas how he can get action on it?

The PRESIDING OFFICER. By motion.

Mr. CONNALLY. The motion to reconsider has already been made, and is pending.

The PRESIDING OFFICER. The Senator's remedy is to make a motion to take up the motion to reconsider.

Mr. McNARY. Mr. President, may I advise the Senator that he can get it up by request for unanimous-consent agreement.

Mr. CONNALLY. Mr. President——

Mr. McNARY. Mr. President, I had not concluded. We entered into an agreement this morning. We have now fulfilled that part relating to the calendar. The Senator from Wyoming has a bill which is made the unfinished business, as I recall, by unanimous consent. The only business that can be transacted now, of course, would be by unanimous consent.

Mr. HATCH. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Chair is advised by the Parliamentarian that Senate bill 3532, under the unanimous-consent agreement made this morning, is the unfinished business now before the Senate.

The Senator from Wyoming, under that agreement, is entitled to be recognized, and the Chair now recognizes the Senator from Wyoming.

WILLIAM F. BOURLAND

Mr. HATCH. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HATCH. I do not think it is the intention of the Chair to shut out consideration of bills on the calendar and within the consent agreement. I have been trying to get recognition by the Chair to make inquiry as to the first bill called on the calendar today, House bill 6461, Calendar No. 2104, which is on the calendar for consideration under the unanimous-consent agreement. To that bill the Senator from Utah [Mr. KING] interposed an objection, under what I conceive to be a misapprehension of a report attached to the bill. It was my purpose to ask the Senate to recur to that measure, and I now ask the Chair whether the parliamentary situation is such that I am barred from making that request?

The PRESIDING OFFICER. The Senator from New Mexico asks unanimous consent at this time to recur to a bill on the calendar.

Mr. HATCH. Would it be in order under the present parliamentary situation to have the bill considered?

The PRESIDING OFFICER. Yes; it would be in order to revert the bill.

Mr. HATCH. I ask that the Senate then consider House bill 6461, for the relief of William F. Bourland. It was the first bill called on the calendar today.

Mr. KING. I have no objection.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 6461) for the relief of William F. Bourland was considered, ordered to be engrossed for a third reading, read the third time, and passed.

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized and directed to pay, out of any funds in the United States Treasury belonging to the Chickasaw Nation not otherwise appropriated, the sum of $1,000 to William F. Bourland in full payment for services as a delegate of said nation to Washington from January 1 to June 20, 1910, inclusive.

Mr. THOMAS of Utah. Mr. President, I ask to recur to a bill on the calendar.

The PRESIDING OFFICER. The Senator from Utah is recognized for that purpose.

Mr. SCHWARTZ. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. SCHWARTZ. Is the bill which the Senator wishes to take up within that part of the calendar which was called this morning, or is it not within that part of the calendar which was called up this morning?

The PRESIDING OFFICER. What is the calendar number?

Mr. THOMAS of Utah. No. 1871.

The PRESIDING OFFICER. That measure is not within that portion of the calendar which was called today. The call of the calendar was begun at Calendar No. 2104. The bill to which the Senator from Utah refers would not be within the unanimous-consent agreement.

MANUEL L. CLAY

The PRESIDING OFFICER (Mr. MINTON in the chair) laid before the Senate the amendments of the House of Representatives to the bill (S. 3719) for the relief of Manuel L. Clay, which were, on page 1, line 7, to strike out "$3,000. The payment of such sum shall be" and insert "$3,000, and to the legal guardian of George P. Jones, a minor, of Mystic, Conn., the sum of $500"; on page 1, line 8, to strike out "Government of the"; and on page 1, line 10, to strike out "his" and insert "their."

Mr. MALONEY. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

Mr. McGILL and Mr. GEORGE addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Wyoming yield; and if so, to whom?

Mr. SCHWARTZ. I shall be delighted to yield. Nothing would suit me better than to yield, but various requests come from all over the Chamber. We are approaching the end of the session. I hope Senators who have matters to present will bring them up after we get through with the pending business. I cannot yield to one Senator and refuse to yield to another. If we keep on, we shall never get through. If there are only two Senators asking me to yield, I shall be glad to yield to them.

ACREAGE ALLOTMENTS FOR WHEAT FOR 1939

Mr. McGILL. Mr. President, the matter concerning which I desire to ask the Senator to yield is one which will not require much time. If it requires more than a moment, I shall withdraw my request.

Today I introduced a joint resolution (S. J. Res. 308) to prescribe the acreage allotments for wheat for 1939, making the acreage allotment for wheat not less than 55,000,000 acres for the year 1939. I now report back favorably from the Committee on Agriculture and Forestry Senate Joint Resolution 308, with an amendment. I ask unanimous consent that the unfinished business be temporarily laid aside and that the joint resolution be considered at this time.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kansas?

There being no objection, the Senate proceeded to consider the joint resolution (S. J. Res. 308) to prescribe the acreage allotments for wheat for 1939, which had been reported from the Committee on Agriculture and Forestry with an amendment, to add at the end thereof the words "The national acreage allotment for wheat for 1939 shall be not less than 55,000,000 acres", so as to make the joint resolution read:

Resolved, etc., That section 333 of the Agricultural Adjustment Act of 1938, as amended, is amended by adding at the end thereof a sentence to read as follows: "The national acreage allotment for wheat for 1939 shall be not less than 55,000,000 acres."

The amendment was agreed to.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

F. A. RUMERY & SONS

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 82) for the relief of F. A. Rumery & Sons, of Portland, Maine, which were, on page 1, line 6, to strike out "$1,215" and insert "$1,020"; on page 1, line 7, to strike out "Government" and insert "United States"; and on page 1, line 8, after "States", to insert "customs."

Mr. McNARY. Mr. President, on behalf of the Senator from Maine [Mr. HALE], I move that the Senate concur in the House amendments.

The motion was agreed to.

RETIREMENT PAY OF CERTAIN FORMER OFFICERS OF ARMY, NAVY, AND MARINE CORPS

Mr. GEORGE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wyoming yield to the Senator from Georgia?

Mr. SCHWARTZ. I yield.

Mr. GEORGE. I ask unanimous consent that the unfinished business be temporarily laid aside, and that the Senate proceed to the consideration of House bill 8176.

The PRESIDING OFFICER. The Chair lays before the Senate a bill coming over from the House of Representatives, which will be read.

The bill (H. R. 8176) providing for continuing retirement pay, under certain conditions, of officers and former officers of the Army, Navy, and Marine Corps of the United States, other than officers of the Regular Army, Navy, or Marine Corps, who incurred physical disability while in the service of the United States during the World War, and for other purposes, which was read the first time by its title and the second time at length, as follows:

Be it enacted, etc., That, notwithstanding the provisions of any law of the United States, any person who served as an officer of the Army, Navy, or Marine Corps of the United States during the World War, other than as an officer of the Regular Army, Navy, or Marine Corps during the World War, who made valid application for retirement under the provisions of Public Law No. 506, Seventieth Congress, enacted May 24, 1928 (U. S. C., Supp. VII, title 38, secs. 581 and 582), and who prior to the passage of this act has been granted retirement with pay, shall be entitled to continue to receive retirement pay at the monthly rate paid him on March 19, 1933, if the disability for which he has been retired resulted from disease or injury or aggravation of a preexisting disease or injury incurred in such service in fact in line of duty and directly resulting from the performance of duty: *Provided*, That such person rendered active service as a commissioned officer within the period between April 6, 1917, and November 11, 1918: *Provided further*, That where the disability is now or hereafter determined to be directly incurred in or aggravated during active service, in fact in line of duty without benefit of any statutory or regulatory presumption of any kind, it will be considered to have directly resulted from performance of duty, unless otherwise shown by official record, or clear and unmistakable evidence.

SEC. 2. No beneficiary under this act shall receive any retirement pay for any period prior to the date of this act.

SEC. 3. That subsection (b) of section 212 of Public Law No. 212, Seventy-second Congress, shall be amended to read as follows:

"(b) This section shall not apply to any person whose retired pay plus civilian pay amounts to less than $3,000: *Provided*, That this section shall not apply to regular or emergency commissioned officers retired for disability incurred in combat with an enemy of the United States or for disabilities resulting from an explosion of an instrumentality of war in line of duty during an enlistment or employment as provided in Veterans' Regulation No. 1 (a), part I, paragraph I."

Mr. GEORGE. Mr. President, if I may be permitted to make a brief statement, let me say that on the 24th of May 1937 the Senate passed a bill covering the same subject matter. The bill which passed the House yesterday, for the consideration of which I have asked unanimous consent, restricts the Senate bill. It is not so broad as the Senate bill. It cuts out all presumptive cases for retirement benefits under the Emergency Officers' Retirement Act, and it also eliminates from the eligibles all those who enlisted after November 11, 1918. The bill which previously passed the Senate is Senate bill 423. I now ask unanimous consent for the consideration of the House bill which passed the House yesterday.

The PRESIDING OFFICER. Is there objection?

Mr. KING. Mr. President, reserving the right to object, I should like to ask the Senator if this is not a bill which involves a question which was presented when Senator Tyson, from Tennessee, was a Member of the Senate. There was an attempt to place upon the retired list all the officers who were not in the Regular Army, but were emergency officers. Senator Tyson stated that the number would be only 1,500 or 1,600. It transpired that several thousand who rendered no particular service were put on the retired list. Most of them were in camps in the United States and did not go overseas, and yet they were placed upon the retired list, and are receiving compensation for life. Does the bill bring into the same category the class to which I have referred?

Mr. GEORGE. I will say to the Senator that the bill deals with the same category of officers, that is, the emergency officers of the World War; but the bill restores to the rolls only a part of the officers who were cut off by the Economy Act, and restores nobody to the rolls except those officers who were injured or who received a disability in direct line of duty. It does not include any presumptive cases whatsoever. It does not include any of the emergency officers who were commissioned after November 11, 1918.

Mr. KING. Mr. President, I think I shall have to object.

Mr. GEORGE. I hope the Senator will not object.

Mr. KING. I think the bill is unfair. We have already placed upon the retired list several thousand men who rendered no military service, when we were promised the number would never exceed 1,700.

Mr. GEORGE. Mr. President, the Senator is inaccurate in his figures.

Mr. KING. No; I am not.

Mr. GEORGE. The Veterans' Bureau estimated that many more would go on the list than ever did go on the list. Then when the Economy Act came along, with the rules with reference to causative factors, a great many officers were removed from the list who actually received their disabilities in line of duty during the actual period of the war. I hope the Senator will not object. If he does, I shall move to take up the bill, anyway, as soon as the pending business is finished.

Mr. KING. I should prefer that course.

Mr. GEORGE. A bill broader than the House bill has passed the Senate. The Senate bill included many men not included in the House bill. The two bills deal with identical subject matter. Such a bill passed the Senate more than a year ago. The House bill is a bill which greatly restricts the Senate bill, but covers the identical subject matter. The matter was thrashed out when the Senate bill passed the Senate, and therefore I thought there would be no objection to a unanimous-consent agreement to consider the House bill at this time.

Mr. KING. I prefer to have the Senator move to take up the bill.

Mr. GEORGE. Very well, Mr. President.

CHANGE NAME OF PICKWICK LANDING DAM TO M'KELLAR DAM

Mr. REYNOLDS and Mr. BORAH addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Wyoming yield; and if so, to whom?

Mr. SCHWARTZ. I yield to the Senator from North Carolina.

Mr. REYNOLDS. Mr. President, from the Committee on Agriculture and Forestry I report back favorably Senate bill 4077, relating to the change of the name of the Pickwick Landing Dam to the McKellar Dam in honor of our distinguished colleague, the Senator from Tennessee [Mr. McKELLAR], and I ask unanimous consent for its present consideration.

The PRESIDING OFFICER. Is there objection to the request of the Senator from North Carolina?

Mr. AUSTIN. Mr. President, what is the request?

The PRESIDING OFFICER. Will the Senator from North Carolina state, for the benefit of the Senator from Vermont, what the bill is?

Mr. REYNOLDS. Senate bill 4077 provides for changing the name of the Pickwick Landing Dam in the State of Tennessee, within the scope of the Tennessee Valley Authority, to the name "McKellar Dam" in honor of our distinguished colleague.

Mr. AUSTIN. I have no objection.

The PRESIDING OFFICER. Is there objection to the request of the Senator from North Carolina?

There being no objection, the bill (S. 4077) to change the name of "Pickwick Landing Dam" to "McKellar Dam" was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That from and after the enactment of this act the dam authorized to be constructed by the Tennessee Valley Authority near Pickwick Landing, Tenn., and heretofore known as "Pickwick Landing Dam," shall be known and designated on the public records as "McKellar Dam," in recognition and commemoration of the services rendered in behalf of Tennessee Valley Authority by Senator KENNETH MCKELLAR, of Tennessee.

SEC. 2. All records, surveys, maps, and public documents of the United States in which such dam is mentioned or referred to under the name of "Pickwick Landing Dam," or otherwise, shall be held to refer to such dam under and by the name of "McKellar Dam."

SAM KIMZEY

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 824) for the relief of Sam Kimzey, which were, on page 1, line

6, to strike out "$1,500" and insert "$500"; on page 1, line 8, to strike out "an" and insert "the"; on page 1, line 9, after "camp", to insert "P–79, at Cornelia, Habersham County, Ga"; and on page 1, line 10, after "Kimzey", to insert "after transfer of said camp on July 13, 1934, to the Federal Emergency Relief Administration."

Mr. RUSSELL. I move that the Senate concur in the House amendments.

The motion was agreed to.

AGRICULTURAL DEPARTMENT APPROPRIATIONS

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to the bill (H. R. 10238) making appropriations for the Department of Agriculture and for the Farm Credit Administration for the fiscal year ending June 30, 1939, and for other purposes, which was read, as follows:

IN THE HOUSE OF REPRESENTATIVES,
June 10, 1938.

Resolved, That the House recede from its disagreement to the amendments of the Senate numbered 1, 54, 100, 102, 104, 105, and 110 to the bill (H. R. 10238) making appropriations for the Department of Agriculture and for the Farm Credit Administration for the fiscal year ending June 30, 1939, and for other purposes, and concur therein;

That the House recede from its disagreement to the amendment of the Senate numbered 101 to said bill and concur therein with an amendment as follows:

In lieu of the matter inserted by clauses (2) to (4), inclusive, of said amendment, insert:

"(2) Make payment on the basis of applications filed prior or subsequent to July 16, 1938, on forms prescribed by the Secretary, by the 1937 operator or other person designated pursuant to regulations prescribed by the Secretary on behalf of all the producers on the farm in 1937, or by individual producers, provided that (a) payment will not be made to the 1938 operator of the farm unless he certifies that he has complied thereon with the requirements defined in said section 381 (a), which certificate shall be taken to certify to such compliance on the part of all producers on the farm in 1938 who produced cotton in 1937; (b) payment shall not be delivered to any operator or producer until he has agreed in writing to refund the payment forthwith upon demand in case it is subsequently found that he has failed to comply with the requirements as defined herein and in said section 381 (a); (c) in cases where cotton was produced in 1937 on two or more producer units on the farm it shall be assumed that the production thereon was uniform; and (d) it shall be assumed that there was a total or partial crop failure resulting from hail, drought, flood, or boll-weevil infestation (which is defined to include any other insect or fungus) only if the yield in 1937 is below the base yield for the farm, and in such case the total production shall be considered to be the normal yield for the farm multiplied by the number of acres planted to cotton in 1937; and (3) make payments, as soon as practicable, on the basis of his estimate of the amounts which will be covered by the applications to be filed and of the funds to be used out of the appropriation for the necessary administrative expenses of making the cotton price adjustment payments."

That the House recede from its disagreement to the amendment of the Senate numbered 107 to said bill and concur therein with an amendment, as follows:

In lieu of the sum inserted by said amendment insert "$32,000,000"; and

That the House recede from its disagreement to the amendment of the Senate numbered 113 to said bill and concur therein with an amendment, as follows:

In lieu of the matter inserted by said amendment insert:

"INTERCHANGE OF APPROPRIATIONS

"Not to exceed 5 percent of the foregoing amounts for the miscellaneous expenses of the work of any bureau, division, or office herein provided for shall be available interchangeably for expenditures on the objects included within the general expenses of such bureau, division, or office, but no more than 5 percent shall be added to any one item of appropriation except in cases of extraordinary emergency."

Mr. AUSTIN. Mr. President, may I ask the Senator from Georgia [Mr. RUSSELL] what disposition the conferees made of the provision for the yearly increment in the appropriation for experiment stations?

Mr. RUSSELL. That matter was closed by the adoption by the Senate of the conference report when it was first submitted, in which the conferees had agreed on a compromise. As I recall, the amount appropriated in the House bill was $1,600,000. I have forgotten the exact figure of the Senate bill. However, there was a compromise between the House and Senate. The Senate yielded one-half of the Senate amendment and the House agreed to one-half of the Senate amendment.

Mr. AUSTIN. Will the Senator yield for another question?

Mr. RUSSELL. I yield.

Mr. AUSTIN. Does the Senator remember whether or not the net result was a grant or an appropriation of $500,000 and the denial of an appropriation of $500,000?

Mr. RUSSELL. Exactly. There was $1,000,000 in controversy between the House and the Senate, but it was divided into two items. For the moment I have forgotten the exact amount involved in each of the two items. The House and the Senate divided the increase allowed by the Senate, of $1,000,000, and the bill as finally reported by the conferees carries an increase of $500,000 over and above the amount which was allowed by the House when the bill passed the House.

Mr. AUSTIN. I thank the Senator.

Mr. GEORGE. Mr. President, I desire to ask my colleague [Mr. RUSSELL] a question with reference to the agricultural appropriation bill. The question is, Was the so-called Connally amendment, the amendment offered by the distinguished Senator from Texas [Mr. CONNALLY], with reference to payments of the 1937 subsidy on cotton, retained in the bill?

Mr. RUSSELL. That amendment was retained in the bill, and an additional amendment was adopted that was suggested by the Department of Agriculture. The authorities of the Department stated that the amendment which was adopted in conference and which has already been agreed to by the House would assure the payment of those subsidies. According to the statement that was made to the conferees by the authorities of the triple A, there should be no excuse whatever for delaying payment of those subsidies for longer than 30 days from the time the bill is finally approved by the President.

Mr. GEORGE. So that under the law as it will stand after the enactment of this bill the Department will not have to wait upon compliance?

Mr. RUSSELL. It will not.

Mr. GEORGE. But may wait merely upon planting?

Mr. RUSSELL. The payments can be made on a certificate of the grower, if the Secretary sees fit to do so, with the statement signed by the grower that he will make a refund in case of any overpayment.

Mr. GEORGE. So that the payments may be immediately made as soon as it is physically possible to make them?

Mr. RUSSELL. There is nothing whatever to delay the payments as soon as the farmer signs the application blanks, which have already been prepared and printed by the Department of Agriculture.

Mr. GEORGE. I thank my colleague.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. CONNALLY. May I ask the Senator about the additional amendment? As I understand, that was a clause suggested by the Department of Agriculture authorizing the Secretary to decide as between a landlord or a tenant or others as to whom the payment should be made?

Mr. RUSSELL. The language does more than that. It provides that where there is more than one unit involved in the same contract, and the Secretary has information as to one unit or one farm, he may apply the same information to all farms. It further extends the time within which the farmer may file application. Under the original amendment, if the farmer did not file application by July 15, he was not eligible to draw the subsidy. The amendment added by the conferees permits him to obtain the subsidy if he files his application any time subsequent to July 15.

Mr. CONNALLY. May I say to the Senator from Georgia that the original date was inserted at the suggestion of the Department of Agriculture on the assumption that the bill would be passed much earlier than we have been able to get it through, and so the postponement of the filing date is entirely agreeable to the Senator from Texas, and I am sure is agreeable to the Senator from Georgia.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

SUSAN LAWRENCE DAVIS

The PRESIDING OFFICER (Mr. MINTON in the chair) laid before the Senate the action of the House of Representatives disagreeing to the amendment of the Senate to the bill (H. R. 7759) for the relief of Susan Lawrence Davis, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. BANKHEAD. I move that the Senate insist upon its amendment, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. LOGAN, Mr. ELLENDER, and Mr. CAPPER conferees on the part of the Senate.

JAMES D. M'EACHERN

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 866) for the relief of the estate of James D. McEachern, which were, on page 1, line 6, after "McEachern", to insert "deceased, formerly of Cambridge, Mass."; on page 1, lines 8 and 9, to strike out "an accident which occurred" and to insert "injuries sustained when he was struck"; and on page 1, line 10, to strike out "involving a Government owned" and insert "by an Emergency Conservation Work."

Mr. WALSH. I move that the Senate concur in the House amendments.

The motion was agreed to.

WILLIAM J. PITOCHELLI

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 3573) for the relief of William J. Pitochelli, which was, on page 1, line 6, to strike out "$837.13" and insert "$1,500."

Mr. WALSH. I move that the Senate concur in the House amendment.

The motion was agreed to.

EXCHANGE OF LANDS, SAN DIEGO, CALIF.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 2629) to authorize an exchange of lands between the city of San Diego, Calif., and the United States, which were, on page 2, line 12, after "States", to insert "except as hereinafter provided"; and on page 4, line 7, after "less", to insert:

Provided, That the Secretary of the Navy may acquire by purchase the outstanding leasehold interest in and existing improvements on said block 19.

SEC. 2. There is authorized to be appropriated, out of any money in the Treasury of the United States not otherwise appropriated, such sums as may be necessary to effectuate the purposes of this act, but not to exceed $18,000.

Mr. WALSH. I move that the Senate concur in the House amendments.

The motion was agreed to.

JEANNE RICH, A MINOR

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 662) for the relief of Jeanne Rich, a minor.

Mr. WALSH. I move that the Senate disagree to the amendments of the House of Representatives, request a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. BAILEY, Mr. BROWN of Michigan, and Mr. TOWNSEND conferees on the part of the Senate.

TRUTH IN FABRICS

The Senate resumed the consideration of the bill (S. 3502) to protect producers, manufacturers, and consumers from the unrevealed presence of substitutes and mixtures in spun, woven, or knitted or felted fabrics and in garments or articles of apparel or other articles made therefrom, and for other purposes.

Mr. SCHWARTZ. Mr. President——

Mr. BORAH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wyoming yield to the Senator from Idaho?

Mr. BORAH. I simply desire the Senator to yield for a moment in order that I may submit a resolution and to make a brief statement with regard to it.

The PRESIDING OFFICER. Does the Senator from Wyoming yield to the Senator from Idaho?

Mr. SCHWARTZ. The Senator from Wyoming declines to yield.

The PRESIDING OFFICER. The Senator from Wyoming declines to yield.

Mr. BORAH. Very well.

Mr. SCHWARTZ. Before discussing the pending bill, I feel called upon to make a few preliminary remarks in reference to——

Mr. CONNALLY. Mr. President, will the Senator yield for just a second for a unanimous-consent request? It will take but a moment.

Mr. SCHWARTZ. I just declined to yield to the Senator from Idaho, and I cannot very well yield to the Senator from Texas.

Mr. CONNALLY. Very well.

Mr. SCHWARTZ. Mr. President, I wish to make a few observations, first, in reference to a circular which has been sent to various Members of the Senate in the past 4 or 5 days, setting forth certain reasons why, whoever may be the author of the circular, is opposed to some of the provisions of the pending bill.

GENERAL PURPOSES OF S. 3502

I wish to say, at the start, that all the witnesses who appeared before the two hearings of the committee were agreeable to this bill, and are all agreeable to its provisions, with the exception of two who were not agreeable to the proposal to make a separate classification of virgin wool and reworked wool.

The purposes of this bill are——

Mr. GLASS. Mr. President, may I ask the Senator from Wyoming a question?

Mr. SCHWARTZ. I yield.

Mr. GLASS. Has this bill been considered by the other branch of Congress?

Mr. SCHWARTZ. This bill has been considered in extensive hearings, and I have been assured that if it shall be passed by the Senate it will have opportunity to come up in the other House. I have been so assured by the chairman of the subcommittee in whose charge the matter has been over there. I have not that assurance, however, direct from him, but from a proponent of the bill, a very reliable individual, who went over to make inquiry.

Mr. GLASS. Does the Senator know whether the bill can possibly pass the House before the final adjournment of the Congress?

Mr. SCHWARTZ. It is my understanding that it will be passed by the other House if it shall pass the Senate. It will then go over to the House and an opportunity will be given to pass the measure there.

Mr. GLASS. If the bill should pass the Senate, it would have to be sent to the House and referred to a committeee there, would it not?

Mr. SCHWARTZ. I do not know whether it would or not. An identical bill is pending in the House on which extensive hearings have been held.

Mr. GLASS. What I am trying to ascertain from the Senator is whether he feels it is worth while to waste the time of the Senate with a bill that is not likely to be passed by the other body.

Mr. SCHWARTZ. Of course, I would not be speaking here at all if I did not think it was worth while taking the time of the Senate to explain this bill. I have listened for the last year or two to a great many things going on in the

Senate which, in my judgment, were not worth while, but I have never objected to them.

I have accorded to the different Senators the right to speak when they desired to do so. In my judgment, considering the principle of the bill, and those representing the people who are in favor of the measure, as they appeared at the hearings, the proponents of the bill are entitled to have it presented to the Senate.

Mr. GLASS. I am not making any objection to the Senator speaking, and trying to have the bill considered. What I am trying to ascertain is the uselessness or usefulness of considering the bill which he is sponsoring, in view of the situation in Congress.

Mr. SCHWARTZ. I will say to the Senator I have a very lively hope, if we can get this bill to a vote in the Senate and pass it, that we will be able to get it through the other body. Of course, if the Congress should adjourn tomorrow evening, that would be a different thing.

Mr. President, the purposes of the bill are to give consumers of cloth and wearing apparel some assurance that they will know what they are buying, to minimize or prevent concealed adulterants and inferior substitutes in material represented to be of the quality desired by the consumer or store purchaser, and to protect manufacturers from cheap imitations as to quality and designs.

The bill itself, which I shall explain later in some detail, requires that cloth, wearing apparel, and other material purported to contain or in any way represented as containing or as being wool shall be labeled before introduction into interstate commerce. The label shall show the percentage of each fiber content—virgin wool, reclaimed wool, and other fibers. Tolerances of 5 percent are allowed for variance in manufacture, and 5 percent for fiber used as ornamentation, and 3 percent for presence of nonfiber weighting and dyes.

The enforcement of the bill is left with the Federal Trade Commission, with limited exception.

The bill places no additional burdens on manufacturers. It does require them to keep records, but these records are such as they now necessarily keep in carrying on their business.

The protection as to patterns and designs is not provided for directly in the bill. It is afforded indirectly. A common practice by some unscrupulous users of shoddy is to duplicate in weaving design some popular virgin wool cloth, and then offer it at a price below cost of the virgin-wool product. Fashion changes rapidly, and patent proceedings do not present an adequate remedy to the injured manufacturer.

CONSUMERS AND MANUFACTURERS, AS WELL AS GROWERS, SUPPORT S. 3502

I said that one of the reasons why I wanted to make a preliminary statement was because of this circular evidently issued by Mr. Besse, who is the president of the National Wool Manufacturers' Association. Mr. Besse, in his circular, says, right at the beginning, that this bill and similar bills are sponsored by "interests identified with the wool growers of the West."

Mr. President, of course the wool growers of the West are interested in the bill; but there is no such limitation as Mr. Besse presents in this circular as to who is interested in the bill. Let me state right here that the wool producers and wool-product consumers in every State of the Union are interested in this matter, and are supporting the bill.

In view of that statement by Mr. Besse I desire to take just a moment or two to mention some of the persons who appeared in behalf of the bill.

There was a hearing last year on a very similar bill, but not an identical one. At that time five, six, or seven persons appeared representing organizations of considerable size over the country. Inasmuch as this is not the same bill, however, I shall confine myself to the witnesses who appeared for this particular bill.

In the first place, there was G. W. Cunningham, secretary of the Texas Sheep and Goat Raisers' Association, Fort Stockton, Tex. He testified that members of that association produce annually over 80,000,000 pounds of wool and approximately 15,000,000 pounds of mohair, or 20 percent of the fleece wool and 80 percent of the mohair produced in the United States.

Each and every one of the witnesses I am going to mention testified in support of the bill in its present shape as substituted, and particularly in support of the proposition that there shall be a separate classification of virgin wool and reworked or reclaimed wool or shoddy.

Mr. F. E. Ackerman, vice president of the Julius Forstmann Corporation, of New York City, was one of the witnesses. He is also vice president of the Forstmann Woolen Co. of Passaic, N. J. I desire to say in reference to that company that it is one of the oldest and largest in the United States. The present executive vice president of the company is Mr. Curt Forstmann, a member of the seventh generation in direct line that have been engaged in the manufacture of wool cloth and wool products.

J. M. Baer, representing the union label department of the American Federation of Labor, was another witness. He testifies that he represents 51 directly affiliated international unions with a membership of over 1,000,000, and 2,000,000 members of women's auxiliaries in the American Federation of Labor. The union label department has the support of 4,500,000 members of the American Federation of Labor.

Francis J. Gorman, president of the United Textile Workers of America, also appeared as a witness in behalf of the bill.

Edward E. Kennedy, legislative representative of farmer groups, Washington, D. C., appeared in behalf of the bill. He represents groups of farmers in the United States and members in 24 States.

Hugh F. Hall, representing the American Farm Bureau Federation, also appeared as a witness. He states that he represents a general farm organization with 39 State units and over 400,000 paid memberships in 1937; and, counting the families, about one and a half million persons.

H. J. Hewat, president of Strong-Hewat & Co., Inc., of New York City, manufacturers, was another witness for the bill.

Miss Julia K. Jaffray, representing the New York City Federation of Women's Clubs, Boston, Mass., testifies that she represents over 200,000 women in the New York City Federation of Women's Clubs.

F. H. Johnson, president of the Botany Worsted Mills, Passaic, N. J., wrote a letter favoring the bill.

S. S. McCloskey testified that he represents 800,000 members of the National Grange. He also advocated the passage of the bill.

J. B. Wilson, representing the National Wool Growers' Association of Salt Lake City, Utah, testified in favor of the bill.

I was handed today, since I came into the Senate Chamber, a letter from the American Farm Bureau Federation, signed by W. R. Ogg, secretary, stating that the federation is supporting this bill. He refers to a resolution it has heretofore passed, and referring specifically to the desirability of having separate classifications of virgin wool and reworked wool.

Mr. POPE. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER (Mr. HATCH in the chair). Does the Senator from Wyoming yield to the Senator from Idaho?

Mr. SCHWARTZ. Yes; I do.

Mr. POPE. Does the Senator know whether the National Grange has officially endorsed the bill, or whether the man who testified happened to be merely a member of the Grange? Was he acting in his official capacity in appearing before the committee and testifying?

Mr. SCHWARTZ. He was acting in his official capacity; so he stated in the hearings.

Mr. POPE. Is that also true of Mr. Kennedy, of the Farmers' Union?

Mr. SCHWARTZ. That is true of Mr. Kennedy, too. These gentlemen are representatives of those organizations. They are here in Washington, and look after legislation in

which the organizations may be interested; and in that capacity they appeared before the committee.

NO OPPOSITION FOUND TO PRINCIPLE OF BILL

Mr. President, I desire to read just a short paragraph from the committee hearings. The two witnesses who alone have objected to the separate classification of reclaimed wool or shoddy were Mr. Besse, of the National Wool Manufacturers' Association, and Mr. Fox, of the National Retail Dry Goods Association. I desire to read just briefly from their testimony on the general bill as to the advisability of securing label identification.

Mr. Besse stated:

My name is Arthur Besse. I represent the National Association of Wool Manufacturers. The address is 386 Fourth Avenue, New York.

Senator, as you know, we supported S. 2190.

That was a bill identical with this one, except that it did not make separate classifications of the two kinds of wool. He goes on to say:

We are in favor of fiber identification. We believe that the consumer has a right to know what he or she is buying. We have ourselves supported labeling regulations, knowing that there was a very substantial amount of misrepresentation in the sale of so-called wool products which contain varying amounts of wool. We do not believe that mills are responsible for that misrepresentation; but in the absence of labeling regulations it is impossible to fix the responsibility, and for that reason we welcome labeling regulations of the right sort.

Then he goes on, in the further part of his testimony, to give reasons why, in his opinion, it would be sufficient to say that the article was wool; not what kind of wool it was.

The other witness is Mr. Fox. Mr. Fox says:

I am counsel for the National Retail Drygoods Association.

* * *

Our association, representing practically every large department store and specialty shop in the United States, approves the basic principles of this bill, and we urge its speedy enactment.

We have two amendments to offer, and then we have a suggestiton to offer with respect to the very controversial question of virgin wool versus reclaimed wool.

The two amendments which Mr. Fox offered have been covered into the bill. One of them was that he did not want the label, as it finally appeared in the larger chain stores, to carry of necessity the name of the manufacturer. He wanted the right to have the product carry a substitute label of the same kind, giving the same information, but with the name of the retail firm or chain store on it, instead of the manufacturer's name. There was a very logical reason for that, and the bill is so drawn that that may be done.

Mr. NORRIS. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. DIETERICH in the chair). Does the Senator from Wyoming yield to the Senator from Nebraska?

Mr. SCHWARTZ. Yes.

Mr. NORRIS. I gather from the Senator's remarks that even those two men who opposed certain features of the bill are in fact in favor of the bill in general, but they do not want a differentiation between the different kinds of wool.

Mr. SCHWARTZ. That is the only difference.

Mr. NORRIS. They are in favor of the principle involved in the bill?

Mr. SCHWARTZ. And they both so testify.

Mr. NORRIS. And they testify in that way; so on the principle involved there is really no opposition whatever.

Mr. SCHWARTZ. No. Further, Mr. President, the principal basis of their objection, as they express it, is that the reworked wool in a garment cannot be determined by chemical analysis; at least, it cannot be determined according to the exact percentage. Therefore, they say there is not a proper or an effective way of discovering violations of the terms of the bill. It is our contention that there are ways in which that may be determined, and I shall cover that subject.

AMOUNT OF "SUPERIOR" RECLAIMED WOOL IS NEGLIGIBLE

Another proposition they make is that some grades of reworked wool or shoddy are better than some grades of virgin wool. Of course, they have reference to what we call the tags on wool, the sweatlocks, the badly discolored short wool on the hindquarters of the sheep, and the wool where it is short, where the range paint brand is cut off the wool. That kind of wool amounts to just about 2 percent or 2½ percent of the wool product. On the other side, the reclaimed wool which it is claimed is superior to this kind of virgin wool is what is known as reclaimed wool made from white sweater clips, white sweater being a white garment yarn that is loosely woven. I have no figures on that subject, but I understand that that amounts to about 2 percent of the shoddy that is manufactured. So the question as to whether or not in fact there are some grades of shoddy that are better than some grades of wool resolves itself down into a matter of a very small percentage, 2 or 3 percent at most.

Mr. President, in view of the insistence that shoddy in some of its respects is as good as virgin wool, I think I am entitled to say something about shoddy and how it is made, at least for the RECORD.

Mr. WALSH. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. HILL in the chair). Does the Senator from Wyoming yield to the Senator from Massachusetts?

Mr. SCHWARTZ. Yes.

Mr. WALSH. What is the penalty which is provided in the bill?

Mr. SCHWARTZ. The penalty provided in the bill for certain violations of its terms is a fine of not to exceed $5,000, or imprisonment for not to exceed 1 year. I may state to the Senator that the penalty provided in a like situation in reference to the Food and Drugs Act, which is now in conference, is an initial fine of $1,000, or imprisonment of 1 year or both; and in the event of continued violation after the final determination of violation there is to be a fine of $10,000 and imprisonment not more than 3 years, or both. I will say further to the Senator that I lay no stress on the amount of the fine. The committee would be perfectly willing to have the fine reduced. Originally, in the Federal Trade Commission Act, the fine under similar circumstances was $100 and not to exceed 1 year's imprisonment for the first offense, and I think $500 for subsequent offenses. I understand that in practice that amounted to no deterrent at all. In other words, the Federal Trade Commission felt that the fine was so nominal, under the circumstances, that it presented no discouragement to those who desired to violate the act.

Mr. WALSH. The offense would consist of failing to mark the yarn and the cloth which contain virgin wool and reworked wool in the proper proportions. Am I correct?

Mr. SCHWARTZ. I was coming to that a little later.

LABELING REQUIREMENTS IN BILL

Mr. WALSH. In what manner is the marking done to show how much virgin wool and how much reconditioned wool are present?

Mr. SCHWARTZ. The bill provides that on the basis of weight the percentage of virgin wool, then the percentage of shoddy, then the percentage of other fibers, shall be stated, and that there shall be a leeway or tolerance of 5 percent, so that a variation of 5 percent one way or the other would not be held to be a violation of the act, in order to provide for any variance in the manufacturing. Then there is another provision, that a further 5 percent is allowed for ornamentation of the garment.

Mr. WALSH. The purpose of the bill is to designate for the information of the consumer the amount of virgin wool and the amount of reprocessed wool in yarns, cloth, and garments?

Mr. SCHWARTZ. Yes.

Mr. WALSH. It requires this marking or designating in at least those two states of wool, virgin wool and reprocessed wool?

Mr. SCHWARTZ. Yes; and the other fiber, which may be cotton or silk or rayon.

Mr. WALSH. I am told that, as a matter of fact, it is now provided by departmental instructions or orders that the other fibers, cotton and rayon, shall be designated. Am I correct?

Mr. SCHWARTZ. I think the Federal Trade Commission issued some kind of regulation in the last few months in respect to that matter.

Mr. WALSH. That is the information I have. So far as I know, there is no objection to that being the law. There is no objection to any yarns or cloth or suits or garments which contain cotton with wool, or which contain rayon with wool, being so designated and marked. Am I correct about that, that there is practically no difference between the producer of wool and the manufacturer in that particular?

Mr. SCHWARTZ. If the other fibers constitute 5 percent or more of the total 100 percent of the garment, they are to be stated.

Mr. WALSH. Exactly. First of all, now, let me ask, in what way does the bill describe the marking? Must it be by a tag of a certain size and certain proportions, or what?

Mr. SCHWARTZ. Probably reading the section of the bill making the provision would be the shortest way to answer.

Mr. WALSH. I should appreciate the Senator reading that. I think I know the general issue involved, but I do not know all the details of the marking provision, and some of the other provisions.

Mr. SCHWARTZ. Section 5 covers that subject. The provision is:

> Any person introducing into commerce a wool product shall affix thereto the stamp, tag, label, or other means of identification required by this act, and the same or substitutes therefor shall be and remain affixed to such wool product whether it remains in its original state or is contained in garments or other articles made in whole or in part therefrom, until such product is sold to the consumer.
>
> Such substitutes shall contain the identical information with respect to fiber content contained on the original stamp, tag, labor, or other means of identification as required by this act, and may contain other information not violating the terms of this act or rules and regulations of the Commission.

As to the particular kind of tag, stamp, or label, or other means of identification, that is a matter for the regulation of the Federal Trade Commission. Did I understand the Senator to be asking me how the tag was to be affixed, or what was to be on it?

Mr. WALSH. I wanted to know whether the provision of the bill required the lettering of the tag of a certain size.

Mr. SCHWARTZ. No.

PRESENCE OF RECLAIMED WOOL CAN BE DETERMINED

Mr. WALSH. It does forbid pictorial representation of wool unless the virgin wool is present to the extent of more than 51 percent. I see no objection to that. I see no objection to some of the marking provisions of the bill. But let us come to the issue as I see it.

No one in interest, consumer, manufacturer, or producer of wool, has any objection to any designation or marking which may be required where wool is mixed with cotton or rayon or anything else. I think we agree to that. All objections come from manufacturers of woolen goods and woolen yarns—and I suppose manufacturers of clothing, although I do not know; I suppose they object, too, but I am not in touch with them. The manufacturers object to these marking provisions because, they say, it is impossible to chemically or scientifically determine how much is revamped wool and how much is virgin wool in a piece of cloth or in a garment. Are they correct in that assertion?

Mr. SCHWARTZ. If a garment, or a blanket, or something of the kind, contains cotton and wool, it is equally necessary to state whether the wool is reworked wool or whether it is virgin wool. What was the second part of the question?

Mr. WALSH. I understand that the manufacturer himself, if disposed, could designate how much was reworked wool and how much was virgin wool. Am I correct?

Mr. SCHWARTZ. Yes; and when he runs it into the machine, and when he gives his orders to his superintendent, and when he manufactures cloth, and when he thereby determines what it is going to cost him, he knows how much virgin wool and how much reclaimed wool go into the cloth.

Mr. WALSH. But the difficulty appears to be that if revamped wool is imported mixed with virgin wool, and falsely marked as all virgin wool, there is no way of detecting, scientifically or through a chemical analysis, that some of the wool is reworked wool. Am I correct in that?

Mr. SCHWARTZ. So far as I know, there is no way of determining the percentage of reworked wool in a garment by a chemical analysis.

Mr. WALSH. Is there any way of determining that there is any in it at all?

Mr. SCHWARTZ. I think there is; yes.

Mr. WALSH. How?

Mr. SCHWARTZ. I think it can be shown by microphotography and I am sure it can be demonstrated when compared with the genuine cloth, and when both of them are put into the rubbing machine. I have some photographs and samples here which will demonstrate that, I think.

THREAT OF MISBRANDED FOREIGN IMPORTS ILLUSORY

Let us assume for the sake of the argument that it would be difficult to identify, within the limits of the bill, some reworked wool which came in as an importation. In the first place, the total importations into the United States of cloth and fabrics of this kind constitute only about 3 percent of what we consume in the United States.

Mr. WALSH. It is true it is a very small percentage.

Mr. SCHWARTZ. A very large part of importations are necessarily virgin wool cloth, such as some people still wear under the delusion that we cannot make as good a cloth in the United States as the manufacturers can make in Britain. So that the amount of imported shoddy or reclaimed wool which would find a market here is so negligible that the difficulty in finding and successfully preventing an isolated fraud here or there to my mind would not have a great deal of weight on the question of the imports.

Mr. WALSH. I think the Senator is correct in his statement that the amount of imported woolen cloth is a small percentage of that consumed in this country, and that for that reason a smaller proportion of imported wool would be in competition with wool produced here.

Mr. SCHWARTZ. A considerable portion of that which does come in is virgin wool.

Mr. WALSH. How could a case be made out against the woolen manufacturer who produced cloth containing virgin wool and reclaimed wool when he did not mark it as containing some reclaimed wool, as well as virgin wool?

Mr. SCHWARTZ. The fact that he introduced into interstate commerce what purported to be a wool product and did not have it marked, in itself would be an offense, under the bill.

Mr. WALSH. The mill operator, we will say, has put on the market cloth which contains virgin wool and reclaimed wool, and he has not marked it except as virgin wool, we will assume. How is he to be prosecuted? How is it to be proven that he has something in the product besides virgin wool?

Mr. SCHWARTZ. We will examine his records and books, for one thing.

Mr. WALSH. But I am informed that if it is submitted to chemical analysis, if it is submitted to any strength test or any fiber test, there is no way whatever of discovering what is in the material in the way of revamped wool, and how much there is in the way of virgin wool.

Mr. SCHWARTZ. Microscopic examination will disclose the presence of the reclaimed wool.

Mr. WALSH. I thought we were agreed on this point. The Senator says that it is possible by chemical test or by test of strength to take a piece of cloth and say that there is so much reclaimed wool in that cloth.

Mr. SCHWARTZ. No; the committee never took that position.

Mr. WALSH. Now we are coming right to the gist of the whole matter. Outside of examining the manufacturer's books, and outside of his word, there is no way of making out a case against him if he commits a fraud?

Mr. SCHWARTZ. No.

Mr. WALSH. Now we have treated that particular part of the question. Am I correct in the assertion that reclaimed wool is used in the manufacture of yarns and cloth, and later used in clothing on the basis of its tensile strength, and that its tensile strength is as great as that of virgin wool?

Mr. SCHWARTZ. Oh, no. Reclaimed wool does not have the strength of virgin wool, and its life is shorter. I can explain that to the Senator.

Mr. WALSH. We are meeting another difference then. I am informed that the use of reclaimed wool is based upon the tensile strength of the wool, and its tensile strength is just as great as certain kinds of virgin wool; not all virgin wool, but as great as certain types of virgin wool; that it is the tensile strength which makes it useful and valuable, and that there is no difference between virgin wool and reclaimed wool in certain grades of cloth in respect to tensile strength.

Mr. SCHWARTZ. All I can say to the Senator is that he has been given some inaccurate, misleading, and, what seems to my mind, false information.

Mr. WALSH. Very well. Let us take a piece of woolen yarn. Is it not possible for that yarn to contain reclaimed wool of the exact tensile strength of virgin wool?

Mr. SCHWARTZ. Not for more than 1 or 2 percent of manufactures. That is when you get the tags, as I described a while ago. On the other hand, when you get to the top of the reworked wool and get reworked wool that is made of white sweater yarn, you may then have a reworked wool that is just as strong as the lower grades of virgin wool which I described. These sweater clips constitute only 1 or 2 percent of reclaimed wool manufactured.

The fiber of the virgin wool may be 2 inches long. Another thing, by reason of its natural crimp, it will stretch out one-third of its length.

HOW RECLAIMED WOOL IS MADE

The reclaimed wool goes through the following process: In the first place it goes to the reclaiming plant. Under an old term it was called the shoddy plant. Anyhow it goes there in bales. Part of it is, of course, the clippings that the tailor cuts off when he makes a garment. Part of it is rags. I want to say that these higher-grade clippings are not thrown into the same vat with old rags. They are naturally classified according to their quality. But in the first place they are cut up into smaller parts, and that of itself, of course, shortens the fiber when it is cut up.

They come into the plant and one of the first things done with them is to sort them out, cut them up into relatively small pieces, and then throw them into a vat, in sulphuric acid, stirring them so that all the rayon or cotton silk and other vegetable matter is carbonized, burned up. Then they are taken out and run through a machine which looks like a big cream separator. That takes out all the ash and carbon and carbonized rayon or cotton or anything else except wool. It is not supposed to hurt the wool. The workmen take it out of the vat and then they put it into another vat containing a hydrosulphite solution in order to take out the bright colors. All the colors cannot be taken out. That is the reason shoddy is always a dead gray, with the exception of the sweater white which I spoke of.

After that process is completed they run it through a slicer. I should be glad to show the Senator pictures of one of the largest shoddy mills on the Atlantic seaboard. Into that slicer large quantities of material are thrown. The material comes down and is shoved into the slicer, which slices it into short pieces. That again reduces the length of the fiber. Then it goes through the garnetting machine. That machine takes the rags or new clippings that are not rags. That machine has long steel cylinders which are covered with small spikes or teeth set at different angles. Some of the cylinders run backward and some forward. The cloth is completely torn up in that machine. It goes through those cylinders and comes to finer tooth cylinders, which must necessarily tear up and separate all yarn and threads that constituted the cloth. Of course, that process also reduces the length of the fiber.

So long as the Senator has asked the question, I should like to say a word with reference to the length of this fiber and what the result is. A statement with respect to that matter is found in the last edition of the Encyclopedia Brittanica, which, of course, is not interested in our wool bill.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. SCHWARTZ. I yield.

Mr. CONNALLY. The Senator's bill does not prohibit the use of shoddy and other wools, but it merely requires that the product be so labeled that the purchaser may know the percentage of real wool and the shoddy content in the garment. Is that not true?

Mr. SCHWARTZ. Yes.

Mr. CONNALLY. That is the whole purpose of the bill?

Mr. SCHWARTZ. That is the whole purpose of it.

Mr. GLASS. That is not the whole question, if I may interrupt. The question is laying emphasis on the virgin wool as against the reclaimed wool, and there is plenty of evidence to establish the fact that the reclaimed wool is to be preferred to the virgin wool. If the gentlemen will look up the hearings held, I think, in 1917, with respect to providing clothing for the soldiers abroad, they will see in them a very clear and definite statement made by Mr. Wood, then president of the National Association of Woolen Manufacturers, that reclaimed wool was more durable and was to be preferred to the virgin wool.

Mr. O'MAHONEY. Mr. President, who was Mr. Wood?

Mr. GLASS. I just stated who he was. He was the president of the Wool Manufacturers of the United States.

Mr. O'MAHONEY. I think the record of Mr. Wood was such that those who know it would not be altogether willing to accept his statement without question.

Mr. GLASS. I have never heard a word which would question that Mr. Wood was a man of character and intelligence.

Mr. O'MAHONEY. I am not questioning his character or intelligence, but if he is the man I have in mind——

Mr. GLASS. I do not know who the Senator has in mind.

Mr. O'MAHONEY. Then, I would not be willing to accept his testimony.

Mr. GLASS. I know Mr. Wood had an unblemished reputation. I suppose the Senator from Massachusetts [Mr. WALSH] could testify to that.

Mr. O'MAHONEY. Does the Senator from Virginia contend that it was testified by any reputable person that reclaimed wool, wool taken from worn-out garments, was better than the new wool?

Mr. GLASS. Was more durable; yes.

Mr. O'MAHONEY. In other words, when the wool is torn apart and destroyed, when it has been worn for years in garments, has been reduced to rags, it is better than the wool that comes from the back of the sheep?

Mr. GLASS. When it is reclaimed. I have seen the process myself, and I will say that the Senator from Wyoming [Mr. SCHWARTZ] has described it very accurately. And that was the testimony of this expert before the committee in justification of the purchase for our soldiers of uniforms made largely of reclaimed wool.

Mr. O'MAHONEY. My recollection of the story of that investigation is quite to the contrary of that of my distinguished friend, the Senator from Virginia. I think it stands to reason upon the face of the situation that it would be quite impossible for wool which has been worn to rags, and then torn asunder in the reclaiming process, to be in any sense comparable to the virgin pure wool from the back of the sheep.

Mr. GLASS. Of course, if the Senator is a better expert than a man who has been in the wool business all his life, we may accept his statement on the matter.

Mr. O'MAHONEY. Of course, woolen manufacturers who desire to use the cheaper reclaimed wool, and desire to foist shoddy upon the public, would naturally make such a contention.

Mr. GLASS. The testimony was undisputed.

Mr. O'MAHONEY. Mr. President, I should like very much to see that testimony.

Mr. GLASS. It is available to the Senator.

Mr. O'MAHONEY. Will the Senator not bring it before the Senate?

Mr. GLASS. No; I will not. I will not take the trouble. I am not that much concerned about it. However, I would take that testimony before I would take the testimony of the Senator from Wyoming.

Mr. SCHWARTZ. Mr. President, we have not anything to conceal. We are perfectly willing to meet any issue that may arise.

Mr. WALSH. I should like to say——

Mr. SCHWARTZ. I have not had an opportunity yet to answer the Senator's question. The basis of the question was whether shoddy would be as strong, yarn for yarn, as new wool. As I stated, I have before me a statement from the Encyclopedia Britannica on the subject.

Mr. WALSH. May I interpose to comment upon the colloquy which has just taken place? I have been of the opinion that cloth made from certain types of reclaimed wool is better than cloth made from certain types of the lower grade of virgin wool. Is there any question about that?

Mr. SCHWARTZ. I am certain that that is an impossibility; and before I get through with my answer to the question, I shall try to demonstrate it to the Senator.

Mr. WALSH. I only know the issue presented to me by those to whom reference has been made. The statement has been made that there is no way of detecting fraud or misrepresentation. I should like to say that so far as I have been able to examine into the subject, there is cloth made from reclaimed wool which is as good if not superior to cloth made from certain types of virgin wool. I concede that there are types of virgin wool which are superior to other types of virgin wool, or to reclaimed wool. There is no question about that.

RECLAIMED WOOL FIBER INFERIOR TO VIRGIN WOOL FIBER

Mr. SCHWARTZ. I should like to have an opportunity to answer the Senator's question before he gets away from it.

The basic question was as to whether or not some yarns made of reclaimed wool, reworked wool, shoddy, or whatever one chooses to call it, are stronger than yarns of identical sizes made out of virgin wool.

Mr. WALSH. The cheaper virgin wool.

Mr. SCHWARTZ. If the Senator is referring to the 1 percent which I mentioned a little while ago——

Mr. WALSH. I concede that high-class virgin wool is superior to low-class virgin wool, and superior to reclaimed wool. However, it was represented to me that certain types of reclaimed wool yarns and cloth are superior to the lower grade of virgin wool. I do not think there is any dispute about that.

Mr. SCHWARTZ. I started by saying that about 2 percent of the virgin wool falls in that category.

Mr. WALSH. Suppose I produced here a reclaimed wool piece of cloth and a virgin wool piece of cloth. Could the Senator, by examination, tell the difference?

Mr. SCHWARTZ. No.

Mr. WALSH. Therefore it is necessary to resort to chemical analysis.

Mr. SCHWARTZ. No. I can tell the Sentor how to determine the matter if that is what he desires to know. However, the Senator asked me whether I could do it.

Mr. WALSH. I have before me a few pieces of cloth, and I should like to have the Senator tell me——

Mr. SCHWARTZ. I have before me some samples of cloth. One sample is 100-percent virgin wool. Eighty yards of the cloth was cut off and was sent to a garnetting concern, which garnetted it into reworked wool. Then, from the reworked wool, a cloth was woven which looked exactly like the virgin wool cloth. In that instance the reworked wool was a good grade of wool, and also it had never been used. It was entirely new. The samples were placed upon a rubbing machine, not by a wool manufacturer but by one of the national testing institutions to which Mr. Besse refers in his circular. The virgin wool was submitted to 2,600 revolutions, and the other wool was submitted to 1,600 revolutions. Although the Senator says the yarn is as strong as the virgin wool yarn, at that point the reworked wool went to pieces, and it could not be run any longer. Then the virgin wool was run through the machine 40,000 revolutions by a national testing company, not by a wool manufacturer who is in favor of the bill.

Mr. O'MAHONEY. Mr. President, will the Senator yield to me?

Mr. SCHWARTZ. I shall be glad to yield later. I am trying to answer the question of the Senator from Massachusetts [Mr. WALSH]. The Encyclopedia Britannica, after making some observations about grinding, tearing, and so forth, says this:

> The remanufactured materials are necessarily very short in fiber, so that it is usually necessary to mix, i. e., "blend," some better material with them to carry the bulk through machines into the yarn with this object in view—sometimes good wool, or noils (the short from combing) but more often cotton is employed. The yarns thus spun are in the majority of cases woven into pieces as weft yarns, the warps usually being cotton, but there are some exceptions, a really good mungo blend being readily woven as warp.

So, as a matter of fact, the reworked wool or shoddy is riding on the good reputation of cotton. If it were not for the cotton, the chances are it could not be spun at all, because the reworked wool is put into a sulphuric-acid bath and a subsequent hydrosulphite bath to take the dye out of it, and it is then run through the slashing machine to cut it up. It is then put through the garnetting machine, where it is torn down to its original fibers.

There is another feature with respect to the native virgin wool. By reason of the crimp in it, it has a long fiber. With the exception of the small percentage about which we are all agreed, it can be stretched a third of its length, and when the tension is relieved it goes back into shape.

That is the reason why if one has on a fine suit of virgin wool when he moves around he does not feel as though he were in a strait jacket. The wool gives and comes back into place.

Mr. WALSH. The Senator has answered the question.

Mr. SCHWARTZ. No; I have not.

Mr. WALSH. I have no desire to prevent a vote on the bill.

Mr. SCHWARTZ. Yes; but I have not answered the question.

Mr. WALSH. I do not want to delay the vote on the bill.

Mr. SCHWARTZ. Other things being equal, the strength of the yarn depends upon the length of the fiber, because if the fiber is short, it is easy to pull it apart.

Mr. WALSH. The Senator has answered the question.

Is it not a fact that the Senator or I could produce on the floor of the Senate a reclaimed wool garment and a garment of very poor virgin wool, and the reclaimed wool garment would be better, more useful, and more valuable to the customer? Can the Senator answer that question, "yes" or "no"?

Mr. SCHWARTZ. That might be true to the extent of about 1 or 2 percent of the virgin wool.

Mr. WALSH. If the purpose of the bill is to inform the customer when there is reclaimed wool in a garment, why is it not one of the purposes of the bill to show that some virgin wool is poorer than reclaimed wool, and should be so designated or marked?

Mr. SCHWARTZ. Because it would be necessary to go into too much detail.

Mr. WALSH. Is not the Senator trying to prejudice the use of reclaimed wool, and trying to turn the customer away from buying anything other than a virgin wool garment?

Mr. SCHWARTZ. Not at all. Very few garments are made wholly out of what is called short virgin wool. The short virgin wool is strung along with the yarn of longer fiber.

Mr. O'MAHONEY. Mr. President, will the Senator now yield to me?

Mr. SCHWARTZ. I yield.

Mr. O'MAHONEY. Let me say to my distinguished and very able, very eloquent, very skillful friend from Massachusetts that if he were to wear a suit of reclaimed wool for 2 months, he would know the difference between such a suit and the very excellent suits of good wool which he ordinarily disports when he comes upon the floor of the Senate.

Mr. WALSH. Is there any such thing as a suit of clothes made entirely from reclaimed wool? Is not reclaimed wool always mixed with virgin wool?

Mr. SCHWARTZ. Not always. That is true of the lower grades of reclaimed wool, which have such short fibers that they cannot be spun. Something else would have to be put with it.

Mr. WALSH. Is it not true that reclaimed wool and virgin wool are mixed together to make what we call reclaimed or shoddy goods?

Mr. SCHWARTZ. Yes. It is quite often true that there will be 30 percent virgin wool and 70 percent reclaimed wool. Let me give an illustration.

Mr. REYNOLDS. Mr. President, if the Senator will yield, I can give the best illustration.

Mr. SCHWARTZ. I will yield if the Senator will promise not to talk about the pretty girls in North Carolina. [Laughter.]

Mr. REYNOLDS. Absolutely. The finest illustration of a finely woven wool suit is the one which I am wearing at the present time. It was made in the Little Gem City of the Mountains, Asheville, N. C., where the finest woolen suits in the world are made.

I thank the Senator.

MOST RECLAIMED WOOL MADE FROM RAGS

Mr. HATCH. Mr. President, will the Senator yield to me for a question?

Mr. SCHWARTZ. I yield.

Mr. HATCH. The question I desire to ask the Senator is provoked by the discussion just had with the Senator from Massachusetts regarding certain types of reclaimed wool being as strong as certain poorer types of virgin wool. I have before me a statement prepared on this subject by Mr. J. B. Wilson, of the Wool Growers' Association. He is interested in the wool grower, as I am, but he has made a careful study of this very question. I observe this in his statement—and I desire to ask the Senator if the result of the committee's investigation was the same. He says:

> By far the largest percentage—probably 85 or 90 percent—of all shoddy comes from worn-out wool products. They represent the ordinary rags collected by the rag man and sold to rag dealers.

Does the investigation of the Senator's committee bear out that statement?

Mr. SCHWARTZ. I think the investigation of the committee showed that about 5 or 10 percent is of the higher grades, which are new clippings, and that 85 or 90 percent is made of what we call rags.

Mr. HATCH. The Senator would agree with the statement that 85 or 90 percent, then, comes from the worn-out rags?

EXPERIENCE WITH RECLAIMED WOOL DURING THE WAR

Mr. SCHWARTZ. Yes. Reference has been made by the Senator from Massachusetts [Mr. WALSH], and during the colloquy which ensued, to what Mr. Wood testified in 1918, as I recall, in an investigation as to the view of the Army and Navy on the question of shoddy. In that connection I should like to refer to some testimony that was given in 1918 when the Military Affairs Committee of the Senate was investigating some matters in reference to the War Department.

Colonel Lindsley was testifying. He was asked if a 16-ounce Melton 50-percent wool and 50-percent shoddy would make a serviceable and durable cloth. Colonel Lindsley replied:

> No, I don't; and I made such a fuss about that that so far as I know they have not bought any of it since.

Asked as to the effect when Army cloth specifications were changed from 75-percent wool (virgin) and 25-percent cotton to 65-percent virgin wool and 35-percent reworked wool, Colonel Lindsley replied:

> It lowered the standard of being water repellant and wind repellant.

Speaking of a subsequent change in 30-ounce Melton to 50-percent virgin wool and 50-percent shoddy, the colonel said that constituted a further descent in the scale of standards.

Admiral McGowan, being examined by the Senator from Tennessee [Mr. MCKELLAR] stated that most of the clothing for the Navy was manufactured by the Navy.

> Senator MCKELLAR. Have you changed the specifications in your uniforms since the war began? In other words, have you introduced the use of shoddy in your woolen uniforms?
> Admiral MCGOWAN. We have not, and we will not.

Asked further about the use of shoddy, the admiral replied:

> Why, of course, we are not going to lower the standard of clothes. * * * The best that is humanly possible is none too good for the men at the front, whether they be Army or Navy.

At this 1918 hearing testimony was produced indicating that during the war a supposed shortage of virgin wool led to the use of some shoddy. On this subject the testimony of Colonel Lindsley was as follows.

> Senator FRELINGHUYSEN. Were the experts in the Quartermaster Department opposed to the change?

That is, from virgin wool to shoddy.

> Colonel LINDSLEY. I was strongly opposed to it. Captain Schofield, who was first chief inspector at the time, was opposed to it at first; I think he became convinced at the committee that there was a shortage of wool that necessitated it, the other inspectors, so far as I know, were all opposed to it.

EXPLANATION OF PROVISIONS OF BILL

Mr. President, I should like to make some comments particularly with reference to the bill itself. There is nothing novel about the bill except that it deals with a new subject. Section 2 of the bill covers definitions. Section 3 declares misbranding to be unlawful and provides that—

> The introduction into commerce of any wool product which is misbranded within the meaning of this act, or the rules and regulations hereunder, is unlawful and shall constitute an unfair method of competition in commerce and an unfair and deceptive act or practice in commerce—

That is language, of course, from the Federal Trade Commission Act; it is merely a duplication of that language.

Then there is a provision which reads:

> And any person who shall ship or deliver for shipment or sell or offer for sale, in commerce, or who shall receive from or through commerce and having so received shall deliver for pay or otherwise, or offer to deliver to any other person, any such wool product which is misbranded within the meaning of this act and the rules and regulations hereunder is guilty of an unfair method of competition in commerce and an unfair and deceptive act or practice in commerce within the meaning of the Federal Trade Commission Act and shall be subject to the penalties and entitled to the privileges therein provided as if the same were incorporated into and made part of this act, and such person shall also be guilty of a misdemeanor and upon conviction thereof shall be fined not exceeding $5,000 or be imprisoned not exceeding 1 year, or both, in the discretion of the court.

That language was taken from the Food and Drugs Act and also from the Insecticide Act.

This act does not apply to any common carrier or contract carrier with respect to any article shipped or delivered

for shipment. It does not apply to any person who is shipping an article for exportation from the United States if the branding complies with the specifications of the country to which it is shipped. It does not apply—

(c) In the case of wool products shown to be manufactured or imported at the date of passage of this act, if it is further shown the information required thereon on the stamp, tag, label, or other means of identification could not be procured prior to the effective date hereof.

Thus it is seen the section does not apply to any existing articles of merchandise.

Mr. President, I think I have explained the branding provisions.

Aside from its title and the first provision that it "may be cited as the Labeling Act for wool and part-wool products", the remainder is all a committee substitute for the bill as I originally introduced it.

I desire to inquire if I may offer some committee amendments at this time?

The PRESIDING OFFICER. Committee amendments are in order.

Mr. SCHWARTZ. Mr. President, on page 18, in line 10, I move that the word "be" be stricken out. It was put in there by a typographical error and does not make sense.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 18, line 10, after the word "to", it is proposed to strike out "be", so as to read:

The percentage by weight in proportion to the total fiber content of the wool product, etc.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Wyoming [Mr. SCHWARTZ].

The amendment was agreed to.

Mr. SCHWARTZ. I offer a further amendment, to come in on page 18, and ask that it be read by the clerk.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 18, in lines 12 and 13, it is proposed to strike out "and (c) other fibers" and insert "(c) each fiber other than wool if said percentage of such fiber is 5 percent or more; and (d) the aggregate of all other fibers."

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

Mr. SCHWARTZ. I think I explained the details relating to affixing the label, as to the kind of label which will go on different characters of cloth. That is a matter which can be determined by the Federal Trade Commission, because there may be little garments on which it will be desired to put a tag of one kind, and other garments on which it will be desirable to put a tag of another kind. That is covered by section 5 of the bill.

The enforcement provisions of the measure are covered by section 6. Section 6, paragraph (a), reads as follows:

SEC. 6. (a) Except as otherwise specifically provided, this act shall be enforced by the Federal Trade Commission under rules, regulations, and procedure provided for in the Federal Trade Commission Act.

The Commission is authorized and directed to prevent any person from engaging in the practices forbidden by this act in the same manner, by the same means, and with the same jurisdiction, powers, and duties as though all applicable terms and provisions of the Federal Trade Commission Act were incorporated into and made a part of this act—

That is very similar to the provision that is in the Packers and Stockyards Act of 1921—

and any such person engaging in the practices forbidden by this act shall be subject to the penalties and entitled to the privileges and immunities provided in said Federal Trade Commission Act, in the same manner, by the same means, and with the same jurisdiction, powers, and duties as though the applicable terms and provisions of the said Federal Trade Commission Act were incorporated into and made a part of this act.

The purpose of that, of course, is to carry into effect the ordinary cease-and-desist-order procedure of the Federal Trade Commission Act, which gives a man access to the courts.

On page 25, line 2, I move to strike out the comma after the word "resale" and insert the word "in." That amendment is proposed just to make sense.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 25, line 2, after the word "resale", it is proposed to strike out the comma and insert the word "in."

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

Mr. SCHWARTZ. I have one more amendment to come in on page 15, lines 12 and 13.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. In line 12, on page 15, it is proposed to strike out the comma and all after the word "purpose", down to the word "wool", in line 13, and insert a period after the word "purpose."

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

Mr. ADAMS. Mr. President, the subject matter of this bill is of very great importance to the section of the country which I in part represent. The sheep and wool industry is of great moment to it. I have had special occasion to pay some attention to the measure by reason of membership on a committee appointed by the Senate some time ago which has conducted a rather exhaustive hearing into the production and marketing and transportation of wool.

I understand that the fundamental purpose of the bill is quite similar in its nature to the policies and purposes of the Pure Food Act; that is, to require that wool, or that which passes for any type of textile fabric in which it is represented that wool is contained, shall have a plain designation of its character. As I understand, it does not follow that there is any suggestion that a particular type of textile is necessarily injurious or detrimental because it is labeled. The purpose of the bill, as I understand, is to require those dealing in fabrics to make clear to the purchaser what is in the fabrics.

The common term "shoddy" conveys an unfavorable impression. However, there is no reason why the purchaser should not be advised as to the character of the article which is offered to him for sale. If, in fact, that which is designated as shoddy is equally good or better, it would be not an impairment of the marketability of the product. On the other hand, if shoddy or those things which adulterate the wool fabric tend to lower its qualities, to lessen its availability, there is no reason why the purchaser should not know the facts.

To illustrate with the Food and Drug Act, if an article of food or of drugs is put out, under the Food and Drug Act, the manufacturer is required to state the contents.

If there is an adulteration in it, he is required to state of what the adulteration consists, and its extent. It is readily understandable that certain adulterations may be beneficial; but the man who produces wool believes in his product. He thinks it has no equal for clothing and other textile purposes. His position is that those who see fit to put something in with wool, if they think their product is better than wool, should be glad to make the statement that they put in the fabric something other than virgin wool. On the other hand, if the product other than wool is of less value, if its qualities are less desirable, the manufacturer should be required to make the statement.

The bill, in its ultimate analysis, is purely an effort to protect the purchaser of a type of merchandise which must be purchased by each and every citizen of the country. Wool enters into all of our clothing. It enters into many other elements of our domestic life. The wool grower is entitled to protection against deception, against misrepresentation, regardless of its purpose and regardless of its character. All the wool grower asks for is that the law make provision for

telling the truth as to the product; and no man should object to stating upon his goods, in a reasonable way, of what the product consists.

As I understand the bill, there is no prohibition against any mixture—any adulteration, if you will—that the manufacturer may see fit to make. He is merely required, under the bill, to state that which he has done. If some other substance is better than wool, the producer of wool is entirely willing to let it be stated, and let the purchaser choose when he knows what are the facts.

Mr. GLASS. Mr. President, it has been announced by the patron of the bill himself, who made an exceedingly frank and fair statement of its contents, that certain grades of reclaimed wool are vastly superior to certain low grades of virgin wool. Will the Senator from Colorado vote for an amendment to require a statement of the grade of virgin wool that is in the garment?

Mr. ADAMS. I think I should be glad to vote for any amendment which would require the manufacturer to state the actual truth as to the contents of the garment.

Mr. GLASS. The Senator has referred to food adulteration. Does not the Senator know that adulterations of food are easily ascertained in laboratories?

Mr. ADAMS. That is true.

Mr. GLASS. Does not the Senator know that it is absolutely impossible, as has been demonstrated in both public and private laboratories, to tell what proportion of a woolen garment contains reclaimed wool?

Mr. ADAMS. I have assumed that perhaps that is one of the reasons why it is necessary to impose on the manufacturer, who does know, the burden of making the statement.

As to the grades of wool, when I entered in a superficial way into a study of the woolen industry, I had always thought that wool was wool; but I discovered that there are innumerable grades and qualities of wool.

Mr. GLASS. Yes; and some of them are infinitely inferior to reclaimed wool.

Mr. ADAMS. That being true, of course, the man who puts reclaimed wool into manufactured products should be very glad to boast about it, and put it on the label.

Mr. GLASS. He does boast about it; but he does not want the Government, at the expense of the taxpayers of the country, to be sending its minions into every factory in the country and trumping up cases; and that is what this bill involves.

Mr. ADAMS. Of course, I am sure no one wants to have that done.

Mr. GLASS. It is impossible to tell the difference between reclaimed wool and virgin wool; and the only way the Government can ascertain whether or not there is any reclaimed wool in a product is by sending its agents to inspect the books of all the manufacturers of woolen goods in the country.

Mr. O'MAHONEY. Mr. President, will the Senator from Virginia yield to me?

Mr. GLASS. Yes, I yield to the Senator from Wyoming.

Mr. O'MAHONEY. Does not the statement which the Senator has now made merely amount to a declaration that the manufacturers of woolen garments who desire to use the cheaper and the inferior grades of reclaimed wool do not want to let their consumers know what they are using?

Mr. GLASS. Oh, yes, they do want to let them know what they are using.

Mr. O'MAHONEY. Then, why do they not do it?

Mr. GLASS. This bill simply accentuates the alleged difference between virgin wool and reclaimed wool.

Mr. O'MAHONEY. If there is no difference, the manufacturers should not be afraid of the bill.

Mr. GLASS. The wool growers and the woolen manufacturers accepted the bill introduced by the Senator from Kansas [Mr. CAPPER], which did not undertake to accentuate the fact as between reclaimed and virgin wool.

Mr. President, I have so little personal knowledge of this problem that the Senator was not warranted in postponing consideration of the subject out of courtesy to me, although I thank the Senator for doing so. I ask to have read from the desk a letter addressed to me on the subject which more succinctly and clearly states the case than I myself can do it. I desire, however, to emphasize my particular objection to the bill, and that is that it will involve great expense and additional appropriations to the Federal Trade Commission, and it will authorize the Commission to send its emissaries into every woolen-manufacturing establishment in the country and trump up charges as to matters which cannot be determined, as has been clearly shown, by any chemical analysis.

The PRESIDENT pro tempore. Without objection, the letter will be read.

The Chief Clerk read as follows:

NATIONAL ASSOCIATION OF WOOL MANUFACTURERS,
New York, N. Y., April 28, 1938.

MY DEAR SENATOR: Senator SCHWARTZ, as chairman of the subcommittee on fabric-labeling bills, has reported S. 3502, wool products labeling bill, favorably to the Committee on Interstate Commerce which in turn has reported the bill favorably to the Senate. This bill should not pass.

The entire emphasis of the bill is placed on virgin wool versus reworked wool. This is unfortunate and will have a tendency to mislead the public since there is a quality connotation to the words "virgin wool" and a suggestion of inferiority to "reworked wool" not justified by the facts because virgin wool may oftentimes be inferior to certain grades of reworked wool. The bill minimizes the presence of other fibers whereas the important thing from the standpoint of the public is to let the use of silk, rayon and cotton in wool mixtures be known.

The bill, S. 3502, provides for the disclosure of the fiber content of yarns, fabrics, garments, and other wool products, making distinction between—

A. New (or virgin) wool.
B. Reclaimed wool made from mill wastes and rags, and
C. Other fibers.

All other fibers except wool fibers are thrown together in this last group "C", no provision being made for mentioning them as individual fibers.

Wool as sold by the grower is full of grease and dirt, and contains short and damaged fibers, etc. The wool manufacturer has to clean and scour it and select those fibers which can best be used for a particular product. To make a pound of new wool fabric from domestic wool requires between 3 and 4 pounds of the wool as it is clipped from the sheep. Similarly, reworked wool used in wool manufacture consists of fibers selected and treated for a particular purpose from mill wastes, clothing clips and rags. Both "virgin" stock and reworked stock go through this selective process and one is "wool" in just as real a sense as the other.

There are no laboratory means for distinguishing between virgin and reworked wool fiber in a fabric. This is admitted by Senator SCHWARTZ, who has explained his refusal to agree to have subjected to test certain mixtures which we wish to send him by saying he knows that a laboratory test is not possible but that S. 3502 relies instead upon mill records. The Federal Trade Commission has also refused to test these samples—an admission that the virgin wool content cannot be determined. Members of the Bureau of Standards have expressed their conviction that such a test is still not possible. Previously samples of mixed fabrics have been submitted to colleges, textile schools, mills, commercial laboratories, and Government bureaus for analysis. Either the attempt to analyze has been given up or the results obtained have shown by their complete divergence that no laboratory test is practicable.

From this two things follow:

1. If there can be no laboratory test, there can be no enforcement. Neither the Government nor a mill's competitors can take steps to enforce such an act if noncompliance cannot be detected by analysis of the product.

2. If there is no discernible chemical or physical difference in new and reworked fiber in a wool fabric, there can be no advantage to consumers in attempting to make a distinction.

We believe that the former bill, S. 2190, the fabric-labeling bill, should be substituted for S. 3502, the wool products labeling bill.

S. 2190 provides for disclosure of the wool content (without distinction between new and reworked wool) and for a statement of all the other fibers used (cotton, rayon, silk, etc.). S. 2190 was written and amended in consultation with wool growers and wool manufacturers, both of whom were in agreement as to its desirability last December. Recently, however, the growers, in the erroneous belief that it will stimulate the market for their product, have agitated for the wholly impracticable and unworkable virgin wool distinction as set forth in S. 3502.

We believe that S. 2190 merits your earnest consideration and should be substituted for S. 3502.

Very sincerely yours,

ARTHUR BESSE,
President, National Association of Wool Manufacturers.

To the Honorable CARTER GLASS,
United States Senate, Washington, D. C.

Mr. SCHWARTZ. Mr. President, I should like to make an observation about the letter which has just been read, and which has been sent around to Senators.

I said something a while ago about the ability to determine between virgin wool and reworked wool by mechanical methods. The industry has a machine which they call a "rubbing machine," which consists of a steel cylinder upon which cloth is fastened. Above it are two steel arms, and strips of the same cloth are stretched suspenderlike from one of these steel arms to the other. Then the cloth above is brought down in contact with the cloth that is stretched around the steel cylinder.

I have an illustration here showing the virgin-wool cloth of which I spoke placed around the cylinder at one end of the machine, and over on the other end was what to the purchaser would appear to be the identical cloth, but it is made of reworked wool, of the same yardage of cloth, except that it has been reworked.

I have a card here showing these things for the inspection of any Senators who may be interested. I should say also that the machine automatically sets the amount of pressure necessary so that it is uniform throughout the operation, and the machine of itself registers the number of revolutions. I have here a strip of virgin wool after it has been rubbed 2,600 times, and it looks practically like the original cloth.

Over here I have a strip from the reclaimed wool made out of the same cloth, except that it has been reclaimed. It was put through the rubber and was rubbed 2,600 times, and then it broke down and could not be rubbed any more. Stick a finger through it and it is broken down, just as when one gets one of the high-priced shoddy suits and after a while the cloth at the elbows and at the knees gives out.

After the test terminated, here was a piece of the same virgin cloth that entered the machine at the same pressure and was run through for 40,000 revolutions, two pieces of the identical cloth, one of them bearing down on the other.

As a result of the 2,600-revolution rubbing the virgin wool on the warp had a tensile strength of 31½ pounds and the warp of the reclaimed, made out of the same cloth, had a tensile strength of 9½ pounds. The filling in the virgin wool had a tensile strength of 31 pounds, and the filling in the reclaimed wool had a tensile strength of 9½ pounds. On the lower part of this card are photographs of virgin wool and photographs of reworked wool.

Mr. President, I think this covers what I stated a while ago, to the effect that there was a mechanical method of determining whether or not cloth has in it reclaimed wool.

Mr. REAMES. Mr. President, Oregon is among the wool-growing States of the Nation, and the passage of the pending bill is asked by those in Oregon interested in the wool industry in order to save them from the damage resulting from the use of shoddy substitutes.

I desire to put into the RECORD at this time testimony in the form of letters and telegrams from various organizations interested in the subject. In brief, they are from the Oregon Wool Growers' Association, the American Federation of Labor, the Pomona Grange, and the Pacific Wool Growers' Association. I should like to have these communications inserted in the RECORD.

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

OREGON WOOL GROWERS ASSOCIATION,
Pendleton, Oreg., March 23, 1938.

Senator A. E. REAMES,
Senate Office Building, Washington, D. C.

DEAR SENATOR REAMES: May we take this opportunity to let you know the position of the Oregon Wool Growers Association in connection with Senate bill No. 3502, "A bill to protect producers, manufacturers, and consumers from the unrevealed presence of substitutes and mixtures in spun, woven, or knitted or felted fabrics and in garments or articles of apparel or other articles made therefrom, etc."? For years the wool producers have been trying to bring about the establishment of legislation of the kind covered by Senate bill No. 3502, and we are sure that consumer groups, who have studied this problem, are likewise earnestly interested. The members of the Oregon Wool Growers Association will be most grateful to you for your support in behalf of this legislation.

Naturally it is important that the bill be properly reported and placed on the Senate Calendar. May we have your help in bringing that about?

Very truly yours,
WALTER A. HOLT,
Secretary.

PENDLETON, OREG., *June 13, 1938.*

Senator A. E. REAMES,
Senate Office Building:

Wool growers this State will greatly appreciate your favorable vote on S. 3502, truth in fabric bill.

OREGON WOOL GROWERS ASSOCIATION.

WASHINGTON, D. C., *June 12, 1938.*

Hon. ALFRED E. REAMES,
Senate Office Building, Washington, D. C.:

Farmers Union groups speaking for farmers as producers and as consumers urge that you speak and vote today for passage of Schwartz wool-labeling bill which is first on schedule for action in Senate Monday. Not only will measure protect wool-growing and consumer interests, but will save wool-manufacturing industry from present demoralization caused by increasing use of shoddy substitutes sold as pure-wool fabrics.

E. S. KENNEDY.

WASHINGTON, D. C., *June 12, 1938.*

Hon. ALFRED E. REAMES,
Senate Office Building, Washington, D. C.:

Schwartz wool-labeling bill first order of business in Senate Monday. We join with other labor groups and women's groups in asking you to be on hand to record your vote in fight for consumers. Measure supported by General Federation of Women's Clubs at convention last month and resolution sent to you.

MRS. A. L. FLEMING,
Secretary, Truth-in-Fabric Committee of Trade Union Women and Women's Auxiliaries of Trade Unions of the American Federation of Labor.

WASHINGTON, D. C., *June 12, 1938.*

Hon. ALFRED E. REAMES,
Senate Office Building, Washington, D. C.:

On behalf of union label trades department of American Federation of Labor, I trust you will vote for Schwartz bill for wool labeling which is first on calendar Monday.

I. M. ORNBURN, *Secretary-Treasurer.*

FABRIC LABELING

Whereas woolen and worsted are now being adulterated with recleaned fibers other than virgin wool; and

Whereas these woolen fabrics and garments containing such substitutes are often offered to the consumer as all virgin wool: Therefore be it

Resolved, That the Pomona Grange of Grant County, in session at Prairie City, actively sponsors enactment of Federal legislation, making it mandatory for manufacturers and retailers to label goods containing wool and mohair so as to disclose plainly the percentage of fiber other than virgin wool and mohair and also all-woolen goods to be marked such, when containing virgin or reclaimed wool and: Be it further

Resolved, That such labels be attached to wool and mohair goods offered to the consuming public such as suits, coats, blankets, wool yarn, and yardage goods, or any other article purported to contain wool or mohair.

ECHO KUHL,
Secretary of Grant County Pomona Grange, No. 23.

Approved by committee.

ROGER KENT.
HENRY J. GREGG.
GEORGE YOCOM.

PRAIRIE CITY, OREG., *April 20, 1938.*

Senator REAMES,
Washington, D. C.

HONORABLE SIR: At the last meeting of Grant County Pomona Grange, No. 3, we passed this resolution of which I am sending you a copy.

We should be glad of your support because we feel it is fair to both consumer and producer.

Sincerely yours,
ECHO KUHL,
Secretary of Grant County Pomona Grange, No. 23.

FOREST SERVICE-BIOLOGICAL SURVEY

Whereas it is highly important that all agriculture agencies be kept together under one department;

Therefore we oppose the suggested separation of the National Forest Service and the Biological Survey from the Department of Agriculture and we urge our representatives in Congress to oppose such separation.

Approved by committee.

ROGER KENT,
R. E. BROOKE,
HENRY J. GREGG,
GEORGE YOKOM.
ECHO KUHL,
Secretary of Grant County Pomona Grange, No. 23.

PACIFIC WOOL GROWERS,
Portland, Oreg., April 16, 1938.

Senator A. EVAN REAMES,
Senate Office Building, Washington, D. C.

DEAR SENATOR REAMES: We were very pleased to receive your letter of April 5 regarding Schwartz bill, S. 3502, providing for the proper labeling of fabrics to determine the percentage of virgin from shoddy wools as well as other substitutes contained. We were glad to have your assurance that you will support this bill.

We understand that hearings have been completed by the subcommittee. We will appreciate it very much if you will use your influence to have Senate bill 3502 favorably reported to the Senate by the whole committee as we are very desirous of getting this bill on the calendar of the Senate just as quickly as possible.

With kind regards, I am,

Sincerely yours,

R. A. WARD, *General Manager.*

PACIFIC WOOL GROWERS,
Portland, Oreg., April 1, 1938.

Senator EVAN REAMES,
Senate Office Building, Washington, D. C.

DEAR SENATOR REAMES: As you know, for over a quarter of a century the wool growers and the consumer's groups—the latter chiefly represented by the Federation of Women's Clubs—have been striving to get satisfactory truth-in-fabric labeling legislation written into the laws of the country.

Senate bill 3502 is a sound bill along the lines that both producers and consumers have long wanted, and its passage is of great importance to wool growers and consumers.

This bill is actively supported by many consumer organizations, such as the Federation of Women's Clubs, and it is our sincere hope that this legislation may be enacted into law.

We are asking Mr. J. B. Wilson, who represents the National Wool Growers in Washington at the present time, to supply you with copies of a brief presented by Julius Forstmann, president of the Forstmann Woolen Co., to the Federal Trade Commission at the trade-practice conference for the wool industry held March 8. The arguments that Mr. Forstmann makes in his brief apply equally well to Senate bill 3502.

We will certainly appreciate it if you will support Senate bill 3502 and make an effort to have the bill properly reported and placed on the Senate calendar.

In closing, I wish to thank you for the assistance you rendered me while I was in Washington working on the Commodity Credit Corporation wool loan. Since the loan has been announced wool values have risen to some 5 cents per clean pound above the amount of the loan, which indicates that a floor has been placed under the wool market.

With kind personal regards, I am,

Cordially yours,

R. A. WARD, *General Manager.*

Mr. CAPPER. Mr. President, from the standpoint of protecting the consumer against a deception which is inimical to his health and welfare, the pending measure, Senate bill 3502, is comparable in importance to the Pure Food and Drugs Act of 1906. In addition, it proposes to protect a most important agricultural product, raw wool, and a great and necessary American industry, the manufacture of woolen goods.

Senate bill 3502, which has my wholehearted support, is the culmination of many years of earnest agitation by consumers, agriculture, and legitimate industry for legislation which will remedy flagrant abuses that are against the public welfare. This bill has the wholehearted endorsement of many millions of consumers represented by such groups as the General Federation of Women's Clubs and its State federations, the Housewives' League, the American Farm Bureau Federation, the National Grange, the National Cooperative Council, the National Farmers' Union, the Union Label Trade Department of the American Federation of Labor, and the women's auxiliaries of the American Federation of Labor, the United Textile Workers, the National Wool Growers' Association, the Texas Sheep and Goat Raisers' Association, and other important consumer organizations throughout the country.

Why the extraordinary concern of consumer groups, representing many millions of people in all walks of life, in the present measure? The answer is simple. It is because this measure affects the integrity of a product which through the ages has been essential to the health and comfort of human beings. Since the beginning of recorded time wool—virgin wool—has been known as the comforter of the people. Virgin wool has unique characteristics provided by nature. Its thermal qualities afford protection against heat as well as cold. Its fensile strength and resiliency insure satisfactory wear and service. All these qualities have made it indispensable for most of our population for the largest part of the year. No other natural or synthetic fiber possesses the protective qualities of wool. They cannot be imitated or duplicated, and no other textile consumes such a large part of the American family budget.

Senate bill 3502 in its essence is an expression of the age-old effort to establish honesty in the representation of quality under which goods are sold to the public. Its purpose is to afford the consumer full information as to the true character of the fabrics in the clothing he buys, so that with full knowledge he may make his own choice as between articles made of virgin wool and articles made of reclaimed wool or shoddy or of a mixture of other fibers.

Mr. President, there is a vital need for the information this bill would require to be given the consumers—information which will correct a long-standing and steadily increasing evil—that of deceiving the consuming public with products made of inferior fibers sold to them on the actual or implied representation that they are made of virgin wool.

Virgin wool is wool of the sheep or other animals, utilized in the commercial manufacture of woolen products, which has never before been used. It is fresh, new wool, and as such possesses the characteristics of wear, of protection against the vicissitudes of our climate, and of service, which make it the most valuable and necessary of all the fibers used by man for clothing.

Shoddy, or reclaimed wool, is the fibrous mass reclaimed from manufactured wool products, which, in the great majority of cases, have been worn or otherwise used until they are no longer serviceable. These worn-out products are not converted into reclaimed wool or shoddy only one time. Old garments comprised in large part of reclaimed wool and of other fibers are converted again and again—5, 10, 20 times. As the reclaimed wool, already greatly deteriorated through its first usage, grows steadily weaker and weaker, and further recedes from any resemblance to virgin wool, it is mixed with stronger grades of reclaimed wool, or of virgin wool, or with rayon and cotton to strengthen it. Under present conditions, this inferior and cheaper raw material, reclaimed wool, which has been used again and again in fabrics, and which has been subject to repeated sulphuric-acids baths to strip it of its dyes and to burn out vegetable fibers with which it has been mixed, is used in fabrics which are sold to the consuming public as being made of pure wool.

Traditionally, the essential difference in quality, intrinsic merit, and value between virgin wool and reclaimed wool has been recognized by lexicographers and governments, as well as by all departments of trade. In the wool industry virgin wool is quoted, bought, and sold under a distinct terminology in a separate market, according to its various grades. Reclaimed wool, or shoddy, is quoted, bought, and sold in its various grades in its own market.

Reclaimed wool, in every instance, sells for a much lower price than similar grades of virgin wool. In the tariff schedules of our own Government the duties on the various grades of reclaimed wool are lower than the duties on virgin wool.

The wool industry in its purchases of raw materials, and in the records which the National Association of Wool Manufacturers publishes for its members, establish a clear differentiation between virgin wool and reclaimed wool. In manufacturing any wool product, the manufacturer must know exactly the percentage of virgin wool and the percentage of reclaimed wool or other fibers which go into his products; otherwise, he could neither manufacture his product nor determine its cost. But frankness regarding the raw materials used in products sold as wool ceases when these products leave the mills.

Mr. President, under existing conditions, fabrics and garments made of these fabrics containing virgin wool and reclaimed wool or shoddy are sold to the consuming public under identic terminologies. The consumer is provided with

absolutely no information which will disclose to him whether the wool products he buys for his own use and that of his family are made of virgin wool or reclaimed wool or a combination of both in conjunction with cotton and rayon.

The amount of reclaimed wool or shoddy used year by year in the manufacture of wool products varies, but it can be stated that the trend is steadily upward. Its usage fluctuates according to the prices for virgin wool. When these prices show an upward trend, manufacturers use more reclaimed wool, or shoddy, until they have disciplined the virgin wool market. That is, until they have brought the prices for virgin wool back to the point where they are willing to use a certain amount of it in excess of the amount they have theretofore been using.

The ever increasing use of shoddy in this country has made the introduction of this bill most opportune. It is indeed high time that legislation intervene to save a grave situation in the wool industry. For today the entire market is flooded with fabrics containing as low as 10 percent of virgin wool and the balance of inferior fibers which are sold to the public with either the implied or direct statement that they are wool materials.

Within the last decade, more and more reclaimed wool has been used to replace virgin wool in wool products. In addition, larger and larger quantities of fibers other than wool have been employed. This has resulted in the unparalleled situation where the Nation's wool industry, on which the health and comfort of the great portion of the population depends, is using less virgin wool in the production of materials sold as wool than of other fibers.

Here are the proportions, according to the figures for 1936, the latest available. The wool industry used approximately 200 million pounds of clean virgin wool, more than 100 million pounds of reclaimed wool or shoddy, 70 million pounds of rayon, and 80 million pounds of cotton. The use of these fibers other than virgin wool has been almost wholly without the knowledge of the consuming public.

I submit that, aside from its patent dishonesty in the treatment of the public and the unfair competition it consitutes, the situation is one which demands remedial legislation. On the one hand, the lack of restraining legislation allows the perpetuation of a flagrant deception of consumers. On the other, the practical effect of the absence of any legal requirements as to labeling gives the countenance of law to an unchecked assault upon a great American industry which is the sole customer for an important and basically necessary agricultural product—raw wool.

Mr. President, it is to right this situation, to afford consumers the protection which is their due and to establish fair practices of trade under which an essential industry shall enjoy its right to thrive and prosper, that Senate bill No. 3502 is submitted for our action. Its sole aim is to insure the integrity of wool products by requiring labeling which shall leave buyers in no doubt whatever as to the true character of the products they buy. This much-desired objective is to be attained by the bill's clear-cut definition of what constitutes misbranding under the law, the penalties therefor, and provisions for the enforcement of the law under rules, regulations, and procedure formulated by the Federal Trade Commission. This bill does not in any way abridge or restrict the rights of manufacturers to use any and all natural or man-made fibers in the manufacture of their fabrics. The right to the enjoyment of all the liberties they have possessed are retained to them unimpaired by this bill. The requirement is simply that manufacturers cease selling their products under false pretenses, and this requirement does not by any stretch of the imagination constitute a denial of a right, for no such right could have any existence in law or morals.

The wool-growing industry represents an important partial source of income to about 500,000 farmers in widely separated parts of the United States. Some 96,000 wool growers are engaged exclusively in sheep raising. Even at today's subnormal prices for raw wool their annual product is worth approximately $100,000,000, according to estimates of the National Association of Wool Growers.

The American wool manufacturer is the only customer for this output. Foreign markets for our raw wool do not exist, for the cost of raising sheep in this country is, as is true of all our commodities, higher than elsewhere. So, when the American manufacturer of wool products uses reclaimed wool, cotton, rayon, or any nonwool fibers, which he sells to consumers as wool, he is—whether or not he knows it or cares—helping to destroy a great agricultural industry of our Nation. And this without any corresponding economic benefit to himself or to the consuming public.

How effectually this is being brought about, Mr. President, is evidenced by the fact that although the present American wool clip is not sufficient to fully meet the requirements of the American public if all products sold as wool were actually made of virgin wool, the wool growers are in such serious straits that the Government has been obliged to establish a loan fund of $50,000,000 to enable them to carry their wool stocks until they can obtain even a subnormal price for it. Yet all efforts to remedy this situation by the enactment of legislation which would differentiate between virgin wool and reclaimed wool, or shoddy, have been for many years consistently fought by the National Association of Wool Manufacturers. And upon what grounds? The association's objections to the present measure, as stated by its spokesmen, are twofold: First, that it is difficult to determine quantitatively the amount of reclaimed wool, or shoddy, used in a fabric. Therefore, the association contends, any law which would require manufacturers to submit their records of manufacture, in the event of any question arising, would result in widespread cheating. Spokesmen of the association have laid great stress upon the argument that, unless the manufacturers of wool products can be controlled by a completely accurate technical analysis, they will not obey any law of this kind that Congress passes.

The second objection stated by the spokesmen of the National Association of Wool Manufacturers against the use of the term "reclaimed wool" to describe the presence of second-, third-, or fourth-hand wool fibers, which have been worn repeatedly before being reclaimed, is that giving consumers this information would only tend to confuse them. There would be created a prejudice in their minds, the association declares, against wearing any product known to contain reclaimed wool. A product containing reclaimed wool is worthy of public appreciation. The result would be, the association claims, that if retail merchants were required to state accurately the real content of products sold as wool they would find such sales resistance on the part of the consumer that they would prefer to sell materials other than wool which they might or might not be obliged to identify.

The logic and morality of these two objections, as I see them, are on a par with other protests which have been made against the passage of this bill.

Representatives of certain garment manufacturers have also voiced the objection to labeling. Their objection is based on the major premise that there is no valid reason for identifying the fiber content in garments, particularly those which women buy. For, they assert, women buy because of style, and if the color and texture of a material suit their fancy, the fiber content is regarded by them as of negligible importance. Being obliged to tell the consumer the kind of fabrics they use would diminish the value of their artistry in line and tailoring. It would standardize a great artistic industry that exists because of its genius in creating new fashions as exemplified by line, drape, and the ability to make women look young and slender.

Mr. President, I must confess to a lamentable lack of knowledge about styles. But I do know that the world of fashion exists far apart from the world of reality. It may be that in style circles in New York, or Paris, or London, where it is of supreme importance whether the belt reaches below or hovers above the waist, and where the position of the buckle on the right or the left shoulder is no less than

epoch-making—it may be, I say, that in those circles the actual wear of the material is of little or no importance.

But it is far different in Kansas and that large part of the country with which I am familiar. Throughout much of this land there are a great many earnest, hard-working men and women, parents, to whom expenditure for their own and their children's clothing is of very great importance. They do not, it is true, disdain beauty and style in fabric, but they cannot afford to have it in lieu of the materials' integrity.

Most of us realize the problem parents face in clothing their families warmly and satisfactorily. Most of us know, especially in these lean days, how difficult is the problem of preparing the wardrobe for the boy or girl going away to school, and for the youngsters, against the rigors of a variable, sometimes harsh, climate. To the parents in that great class, to all people, in fact, who are not schooled in the caprices and vagaries of the latest styles from London, Paris, New York, the warmth and sturdy wearing qualities of the clothing they buy are of primary importance.

They want to know such simple facts about clothing as: Will it keep the children warm? Will it sag or stretch? Will it give satisfactory service to Johnny or to Mary and wear well enough to descend in altered state to Willie or Jane in the following year? Simple questions these, but the public has a right to the answers, for they are facts of deep economic concern to them. Yet they are facts they can have no way of learning except through the means provided by this measure.

Mr. President, I earnestly urge the passage of this bill as a needed protection of the consuming public, and as an important measure which will aid in our economic recovery. It vitally affects consumers, labor, agriculture, and industry. Through the means of this bill we can restore our great wool-growing industry from its present situation which has made necessary Federal financial assistance. We can aid in its development to greater proportions than at present, and we can give a needed stimulus to the manufacture of legitimate wool products which will use more of the Nation's raw materials and increase employment and wages.

Senators will clearly understand in considering this bill that it does not limit or abridge in any way the fullest rights of manufacturers to continue to use any and all natural or man-made fibers in the production of fabrics or other articles.

This bill simply requires that manufacturers tell the public the truth about the kind of products they are making. If the public wants to buy pure-wool materials, it should be able to do so and not have foisted upon it materials containing only a small percentage of wool—and that, second-, third-, fourth-, or fifth-hand reclaimed wool—and the balance of cotton or other fibers. If a mixed-fiber textile meets the requirements and desires of the consumer, then the mixed-fiber textile will sell honestly on its own merits in an honest market.

Again, Mr. President, I repeat that this bill establishes a set of honest standards on behalf of the consuming public. It does not seek in any way to change or restrict the operation of any manufacturer.

I do not hesitate to assert that enactment of this measure is a nonpartisan duty for all of us; an act of simple justice to the entire body of our population, in which is included the mass of consumers, sheep growers, and legitimate manufacturers of wool products made of honest ingredients, honestly constructed, and honestly sold.

Mr. WALSH. Mr. President, it seems to me there are two serious objections to the pending measure. The objective of the bill is to permit customers who purchase garments of woolen cloth or woolen yarn or garments of wool to have knowledge of whether the wool content is reclaimed wool or virgin wool. If reclaimed wool, processed into cloth and sold as garments were inferior to all virgin wool not much could be said in objection to the bill. I wish to repeat that statement. If the best of reclaimed woolen garments were all inferior to the poorest of virgin wool garments, only slight, if any, objection could be made to the bill.

Mr. MURRAY. Mr. President, will the Senator yield?

Mr. WALSH. I yield.

Mr. MURRAY. Why would there be any objection then to having the bill passed?

Mr. WALSH. No. Is the Senator willing to agree that an amendment be put in the bill designating certain virgin wool as low-grade wool? Is the Senator willing to do that? If so the public could be informed of inferior virgin wool of lower grade than reworked wool.

Mr. MURRAY. I would not have objection to any amendment which would have the manufacturer state exactly what is in the garment.

Mr. WALSH. But unfortunately others will not agree. There are five kinds of virgin wool ranging widely in price, and ranging widely in quality, in durability, and in fitness for garment purposes. If all of these various kinds of virgin wool were designated and required to be so marked, I would sit down and make no objection, notwithstanding the fact that there is another serious objection, namely, the deception that can be brought about because of the inability to detect those who commit fraud, by not representing what is really in the woolen garment or woolen cloth. How can we justify passing a law which appears to give to a customer information that would lead him to think he was buying something inferior to a garment that is all virgin wool when as a matter of fact there are certain types and qualities of virgin wool that are inferior to types of revamped wool?

Mr. CONNALLY. Mr. President, will the Senator yield to me for a question?

Mr. WALSH. I yield.

Mr. CONNALLY. Does not the Senator think that the salesman who sells a man a suit would explain, "Yes; the garment has some worked-over wool in it, but it is of very fine quality, of the very best wool." Does not the Senator think the salesman would explain all that to the purchaser?

Mr. WALSH. I should hope he would if he were a conscientious salesman.

Mr. CONNALLY. Of course, the salesman is trying to sell the customer a suit, and even though it is something which has 5-percent virgin wool, of course, he will explain, not so eloquently as the Senator from Massachusetts, but in his own terms and manner, that the reworked wool is of the finest quality reworked wool, and in some respects is superior to the garment containing 95 percent virgin wool, and, of course, he will say that the garment fits the customer like the paper on the wall, so he buys the suit. Does not the Senator apprehend that?

NOT FEASIBLE TO LABEL DIFFERENT GRADES OF FIBER

Mr. WALSH. I fear I do not fully appreciate the conscientiousness of some clothing and garment salesmen when they want to sell a suit of clothes. I prefer that inferior and cheap virgin wool be marked as well as reworked wool.

Mr. President, I now want to name the different types of virgin wool. The highest type, as I understand, is called fine wool. There are three different classes of fine wool.

The next type is half Merino blood, and there are three qualities in that category.

The next category is three-eighths Merino blood, and there are three types in that category.

The next or fourth category is one-fourth Merino blood, and there are three different grades of that wool.

The fifth is "low quarter," and there are two types in that.

Would it be helpful or not to the wool producer to have a tag marked "low-quarter wool" on the cloth and garment that that wool goes into? Yet it is just as fair from the consumer's standpoint to have written on the tag "low quarter virgin wool" as it is to have "reclaimed wool" written on the tag. So I ask a question of the able Senator in charge of the bill, who has handled this matter so creditably. I will give him time to think it over. He may answer when I finish. I ask him whether he would be

willing to have an amendment in the bill providing that when "low quarter virgin wool" is used, it shall be designated on the tag? The Senator need not answer now. I will let him think it over, and I shall appreciate if he will answer me later.

Mr. SCHWARTZ. I can answer the question now. I do not think it would be feasible at all to try to grade any particular kind of wool on the one side, or shoddy on the other side. The Senator mentioned the number of kinds of virgin wool. There are 16 different kinds of shoddy. Only three of them are higher priced than the lowest price wool tags that I described a moment ago.

The Supreme Court has well said that a customer is entitled to know what she buys, and to get what she wants, and that whether her judgment is good, or whether she wants to buy something that might be inferior to something else, is not pertinent to the question at all.

Mr. WALSH. The Senator will agree that when the inexperienced customer, who has the limited knowledge that I have of wool, sees on a tag "All virgin wool," and on another tag "Reclaimed wool," he must assume that the better cloth and the better garment is that made of all virgin wool, when as a matter of fact it need not be, and often is not.

To show the difference in the wool, let me give some figures about the cost. The price of virgin wool, I am informed, varies from 46 cents in the common low-grade wool per pound to 66 cents per pound in the finer-grade wool. The cost of the reclaimed wool varies from a few cents a pound to 60 cents a pound. Thus it appears that there is a greater amount of reclaimed wool of higher grade and higher quality and higher price than the wool that is known as low-quarter wool.

So it seems to me, if we are really concerned about letting the consumer know just what is in his garment, we ought to insert "low-quarter wool," which is inferior in texture and in wear to many of the reclaimed wools.

So much for that aspect of the question. The other aspect of this problem, which raises some question the able Senator from Virginia has referred to. It is the matter of enforcement of the law. Whoever imports wool and fails to mark it according to the provisions of this measure cannot be prosecuted, because it is impossible by chemical analysis to determine whether virgin wool or reclaimed wool is in the garment.

Furthermore, the domestic producer, in competition with the producer or manufacturer who complied with the law, is at a disadvantage, because if any processor or manufacturer fails to mark the wool, there is no way of prosecuting him unless you get inside of his establishment and from his own workers or his own organization are able to make out a case against him.

Mr. President, in conclusion let me state that if this measure proposes to prevent deceit, it should include descriptions or information with respect to low-grade and inferior virgin wools. The bill as drafted will promote dishonesty and deceive the ultimate consumer and extend unemployment in the large and extensive reclaimed woolen industry.

These, Mr. President, are the objections I entertain to the bill. I now repeat that I should waive the latter objection, so far as I am concerned, if it could be shown to the customer that low-grade virgin wool was used that was inferior in quality, style, type, and use to certain grades of reclaimed wool.

The PRESIDENT pro tempore. The question is on the committee amendment as amended.

The amendment, as amended, was agreed to.

The PRESIDENT pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, announced that the House had disagreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7084) to provide that all cabs for hire in the District of Columbia be compelled to carry insurance for the protection of passengers, and for other purposes.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8099) to amend certain administrative provisions of the Tariff Act of 1930, and for other purposes, and that the House had receded from its disagreement to the amendment of the Senate No. 12 to the said bill, and concurred therein with amendments, in which it requested the concurrence of the Senate.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 9881. An act to amend section 23 of the act to create the California Debris Commission, as amended; and

H. R. 10127. An act to regulate interstate commerce by establishing an unemployment-insurance system for individuals employed by certain employers engaged in interstate commerce, and for other purposes.

HOUSE BILLS

The following bills were each read twice by their titles and referred, or ordered to be placed on the calendar, as indicated below:

H. R. 9881. An act to amend section 23 of the act to create the California Debris Commission, as amended; to the Committee on Mines and Mining.

H. R. 10127. An act to regulate interstate commerce by establishing an unemployment-insurance system for individuals employed by certain employers engaged in interstate commerce, and for other purposes; to the calendar.

ENCOURAGEMENT OF TRAVEL TO AND WITHIN THE UNITED STATES

Mr. COPELAND. Mr. President, I must leave the Chamber at 4:30 for a conference committee meeting. On Friday Calendar No. 1739, Senate bill 3635, to encourage travel to and within the United States was amended to meet the objection of the Senator now in the chair (Mr. PITTMAN in the chair). All those who have objected are in full accord, and I am anxious to have the bill passed tonight. I ask unanimous consent that the bill be considered at this time.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from New York?

There being no objection, the bill (S. 3635) to encourage travel to and within the United States, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Interior (hereinafter referred to as the "Secretary"), through the National Park Service, is hereby authorized and directed to take such action as he may deem necessary to encourage, promote, and develop tourist travel within the United States, including its Territories and possessions. The Secretary is authorized to make such rules and regulations as he may deem necessary in carrying out the functions vested in the Department of the Interior by this act.

SEC. 2. The Secretary may cooperate with public and private tourist, travel, and other agencies in the display of exhibits and in the collection, publication, and dissemination of informative materials furnished the Department by appropriate agencies with respect to places of interest, routes, transportation facilities, accommodations, and such other data as he deems advisable and advantageous for the purposes of encouraging travel.

The provisions of the act of July 10, 1935 (49 Stat. 477), are hereby extended so as to permit the expenditure of the receipts from the sale of publications obtained under any funds donated for the purposes of this act subject to the condition that such receipts shall continue to be available for the printing of further publications. The Secretary may employ such technical assistants or experts, without regard to the civil-service laws, as may be necessary in the execution of this act.

SEC. 3. The Secretary is authorized to create an advisory board to be known as the United States Travel Board, composed of representatives of public and private agencies, or having other interest in the promotion of tourist travel. The membership of the board shall consist of a representative from each of the Departments of State, Interior, and Commerce, as may be designated by the respective Secretaries thereof, and such other members as may be appointed by the Secretary of the Interior to serve at his pleasure. Meetings of the board shall be held at the request of

the Secretary for the purposes of making recommendation concerning the promotion of tourist travel under the provisions hereof. The members of such board shall receive no salary, but they may be paid expenses incidental to travel when engaged in discharging their duties as such members.

CONSOLIDATION OF POST OFFICES IN COUNTY OF QUEENS, N. Y.

Mr. McKELLAR. Mr. President, from the Committee on Post Offices and Post Roads, I report back favorably, with an amendment, House bill 2716, and ask for its immediate consideration.

The PRESIDENT pro tempore. The clerk will state the bill by title.

The LEGISLATIVE CLERK. A bill (H. R. 2716) to provide for the local delivery rate on certain first-class mail matter.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Tennessee?

Mr. AUSTIN. Mr. President, what is the request which is pending?

The PRESIDENT pro tempore. The Senator from Tennessee requests unanimous consent for the present consideration of House bill 2716.

Mr. McKELLAR. In Queens County, N. Y., there are four district post offices, and it is desired to consolidate the four post offices. The committee has reported the bill favorably, with an amendment. I am asking unanimous consent for its immediate consideration.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Tennessee?

There being no objection, the Senate proceeded to consider the bill H. R. 2716, which had been reported from the Committee on Post Offices and Post Roads with an amendment to strike out all after the enacting clause and insert:

That there is hereby established in the county of Queens, N. Y., a Queens County post office, which shall embrace within its delivery limits all points within the boundaries of such county. All existing post offices and offices of postmaster in such county are hereby abolished. The Postmaster General shall establish the post offices herein abolished as branch offices.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended so as to read: "A bill consolidating the post offices in the county of Queens, N. Y."

CHARLES E. BLACK

Mr. McKELLAR. Mr. President, I ask unanimous consent for the present consideration of House bill 2231, for the relief of Charles E. Black. I have called the attention of the two leaders, the Senator from Kentucky [Mr. BARKLEY] and the Senator from Oregon [Mr. MCNARY] to the bill.

The PRESIDENT pro tempore. The Chair lays before the Senate a bill coming over from the House of Representatives, which will be read.

The bill (H. R. 2231) for the relief of Charles E. Black was read the first time by its title and the second time at length, as follows:

Be it enacted, etc., That the Administrator of Veterans' Affairs be, and he is hereby, authorized and directed to pay to Charles E. Black, medical student, University of Tennessee at Memphis, only child of John Wesley Black, late private, Park Battery, Second Corps, Artillery Park, who was murdered on January 5, 1919, while a member of the American Expeditionary Forces, near Verdun, France, by Jay Morgan and Mack Holmes, soldiers in the United States Army, who were subsequently tried, convicted, and sentenced by a general court martial at Brest, to 25 and 15 years' imprisonment, respectively, the sum of $4,014.10 in full settlement of death compensation benefits under the War Risk Insurance Act, as amended, at the rate of $20 per month from January 6, 1919, to September 26, 1935, the date Charles E. Black reached the age of 21 years, payment to be made from the current appropriation, Military and Naval Compensation, Veterans' Administration: *Provided further*, That the Secretary of War is authorized and directed to certify to the Administrator of Veterans' Affairs in accordance with Public Law No. 120 (Adjusted Compensation Act), as amended, for payment, the amount of adjusted compensation payable in accordance with the foregoing act, upon receipt of a valid application from Charles E. Black, payment to be made by the Administrator of Veterans' Affairs from the current appropriation for payment of adjusted compensation benefits.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

DEPORTATION OF CRIMINAL AND OTHER ALIENS

Mr. SCHWELLENBACH, Mr. O'MAHONEY, Mr. ADAMS, Mr. CONNALLY, and other Senators addressed the Chair.

The PRESIDENT pro tempore. The Senator from Washington.

Mr. SCHWELLENBACH. Mr. President, I move that the Senate proceed to the consideration of House bill 6391, Calendar 1687.

The PRESIDENT pro tempore. The clerk will state the bill by title.

The LEGISLATIVE CLERK. A bill (H. R. 6391) to authorize the prompt deportation of criminals and certain other aliens, and for other purposes.

The PRESIDENT pro tempore. The question is on the motion of the Senator from Washington that the Senate proceed to the consideration of House bill 6391.

Mr. REYNOLDS and Mr. ADAMS addressed the Chair.

Mr. SCHWELLENBACH. Mr. President, I have the floor.

Mr. DAVIS. I demand the regular order.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. SCHWELLENBACH. I yield to the Senator.

Mr. HAYDEN. Evidently the bill will lead to considerable discussion. In the meantime, I ask the Senator to yield to me to submit a unanimous consent request to consider two printing bills which have passed the House of Representatives. It is important that action be taken upon them. One relates to the publication of the session laws of the late session, which will save about $10,000 in printing. The other relates to the distribution of hearings, to public libraries and otherwise.

Mr. SCHWELLENBACH. Mr. President, I have been attempting for some 12 months to obtain consideration of House bill 6391. I appreciate the fact that many Senators have measures which they wish to have considered. I do not desire to be discourteous to anyone, but I must insist upon the right to proceed with the bill. If House bill 6391 could be made the unfinished business, I should have no objection to yielding to any other Senator to take up other matters, but unless some such arrangement can be made, I must proceed with the presentation of the bill.

Mr. O'MAHONEY. Mr. President, will the Senator yield to me?

Mr. SCHWELLENBACH. I yield to the Senator from Wyoming.

Mr. O'MAHONEY. I request that the Senator yield in order that I may submit a privileged motion.

Mr. SCHWELLENBACH. I am not willing to yield for that purpose.

Mr. BARKLEY. Mr. President, under the rules, conference reports are privileged and do not in any way interfere with the status of matters pending.

The PRESIDENT pro tempore. The presentation of a conference report is privileged.

Mr. CONNALLY. Mr. President, I make the point of order that we may not take the Senator from Washington off the floor by conference reports or anything else.

The PRESIDENT pro tempore. The Chair holds that the Senator would not be taken off the floor by the presentation of a conference report.

CLAIMS OF CHOCTAW INDIANS IN THE STATE OF MISSISSIPPI

Mr. CONNALLY. Mr. President, will the Senator yield to me to propound a unanimous-consent request, which will take about 30 seconds?

Mr. SCHWELLENBACH. I yield.

Mr. CONNALLY. I ask unanimous consent that the order of the Senate appointing conferees on Senate bill 1478 be vacated and that the House of Representatives be requested to return the bill to the Senate.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Texas? The Chair hears none, and the order is made.

DEPORTATION OF CRIMINAL AND OTHER ALIENS

The Senate resumed the consideration of the bill (H. R. 6391) to authorize the prompt deportation of criminals and certain other aliens, and for other purposes.

Mr. BILBO. Mr. President, will the Senator from Washington yield to me?

Mr. SCHWELLENBACH. I yield, with the understanding that I do not lose the floor by yielding.

Mr. BILBO. I ask leave to introduce an amendment to another bill and ask that it be printed in the RECORD at this point.

Mr. SCHWELLENBACH. With the understanding that I do not lose the floor by yielding, I yield.

The PRESIDENT pro tempore. If the question is raised, the Senator loses the floor if he yields the floor twice.

Mr. SCHWELLENBACH. Then, I am sorry; I cannot yield.

I wish to discuss the bill (H. R. 6391) rather briefly. The bill, which has come to be known in popular parlance as the Dies bill, having been introduced in the House by the Representative from Texas, Mr. DIES, involves the question of deportation. Complete hearings were held on the bill a year ago, at which witnesses on both sides testified.

In our country, so far as the immigration problem is concerned, we have a situation in which on one side we have a group which is very much opposed to anything which might be reasonable or fair to aliens, and unwilling to yield to the slightest extent in that respect. On the other side we have those who feel that aliens are probably a little better than our American citizens, and who ask for privileges for aliens which our American citizens do not have. Unfortunately those who are interested in the problems of immigration are frequently divided into those two groups, and the great mass of the American people, whose minds run along the middle channel, never have an opportunity to be considered in connection with immigration problems.

The bill makes certain amendments in the present law. It provides, in the first place, for the deportation of certain classes of aliens who are subject to deportation at the present time. It strengthens and restricts the law so far as the deportation of aliens is concerned. The bill, as amended by the committee, provides that aliens who have been convicted of a crime involving moral turpitude and who have been sentenced to a term of at least 6 months shall be subject to deportation. In this particular it is a strengthening of our deportation laws.

In the second place, the bill provides that those who have been convicted of the crime of carrying concealed weapons shall be subject to deportation.

In the third place, the bill provides that those who have been convicted of violation of any narcotic law of any State, Territory, insular possession, or the District of Columbia, may be subject to deportation. At the present time a person who is convicted of violation of the Federal Narcotic Act is subject to deportation, but those who are convicted of violation of State or Territorial acts, or acts relating to the District of Columbia, are not subject to deportation.

The bill provides that those who knowingly and for gain, induce or assist anyone to be smuggled into the United States in violation of the immigration laws, shall be subject to deportation. If they do it for gain, they are subject to deportation. If they do it twice without gain, they shall be subject to deportation.

On the question of the adoption of this set of amendments to the law, the testimony before our committee by Commissioner MacCormack at the time he appeared showed that, under section 1 of the bill, it would be possible to deport 20,000 persons immediately, and that the bill would increase the possibilities of deportation to the extent or four or five thousand a year.

This bill is opposed by the organizations in this country which believe in deportation. Their representatives testified against it; and yet it provides, in section 1, for amendments to the Immigration Act which will make possible a large deportation of criminal aliens.

Section 2 of the bill, which has been the subject of most of the controversy, is the so-called hardship-cases section. As the bill came from the House it gave to the Secretary of Labor discretionary power to refuse to deport criminal aliens, provided they came within certain classifications. The Senate committee amendment has very, very largely restricted the power of the Secretary of Labor. The Senator from Vermont [Mr. AUSTIN] proposed an amendment which restricts the power of the Secretary of Labor to cases in which the only violation which has been committed by the alien is a violation of the immigration laws themselves.

I know Members of the Senate have received literature and have received letters from the organizations in this country which are opposed to the bill, saying that under it the Secretary of Labor would have broad power to let any criminal alien stay in the country, and they have fantastic figures as to the number that could be permitted to stay in under such an arrangement. As the Senate committee has proposed to amend the bill, the number is limited to persons whose only violation has been a violation of the immigration laws. It provides that the number the Secretary of Labor may permit to remain in the country shall be limited to 3,500 during the first year and not more than 1,500 during any succeeding year, and that this section of the bill shall remain in effect for only 4 years.

Mr. WHEELER. Mr. President, will the Senator yield?

Mr. SCHWELLENBACH. I yield.

Mr. WHEELER. I did not quite understand the Senator. Does the Senator believe that if an alien in this country has violated some law he ought to be sentenced to deportation?

Mr. SCHWELLENBACH. That is the purpose of section 1, strengthening the right of the Secretary to deport. The excepted cases are those involving merely a technical violation of the law by a person in some other country. A person from some European country comes into the United States. He thinks he has a proper passport. He thinks he is in this country properly. Five years afterward or 10 years afterward he finds that there was a defect in the way he came in. Under this section the Secretary's power is limited to those cases. She is limited to 3,500 the first year and 1,500 for each of 3 years after that, or a total of 8,000. That is all that could possibly remain in this country under the provisions of the bill. Furthermore, she is limited to those whom she finds to be of good moral character, and who have lived in the country continuously for a period of not less than 10 years, or have lived here continuously for 1 year and have living in the United States a parent, spouse, or legally recognized child who has been lawfully admitted for permanent residence or is a citizen of the United States.

There is a good deal of talk about solving our unemployment problem by deporting aliens; and there has been considerable criticism of this section because of the fact that it is said that these aliens are here, and we have so many unemployed, and the aliens ought to be deported. The facts are that under subsection (2) of section 2, providing that in order to be permitted to remain the aliens must have dependents here; in most cases if an alien father is deported, if he has a wife and three children in this country, the wife and three children are going to be subjects for relief. We are going to take away from them the one who has been and is supporting them, and put them upon relief; and, as a matter of fact, the investigation of the Department has shown that the amount of unemployment would be increased by deporting these persons, taking them away from their jobs, and putting their families upon relief.

Mr. WHEELER. Mr. President, will the Senator further yield to me?

Mr. SCHWELLENBACH. Certainly.

Mr. WHEELER. I simply want to see if I correctly understand the bill. What discretion does the bill give the Secretary of Labor as to a person who has committed and been convicted of a crime? Does it permit the Secretary of Labor to say that if such a person is of good moral character he may stay in this country, or because of some other excuse?

Mr. SCHWELLENBACH. Any crime other than the one described in the amendment is a reason for deportation. The amendment limits it to the crime of having made an illegal entry of some kind into the United States.

Mr. WHEELER. In other words, the Secretary of Labor does not have discretion to let anybody else stay in?

Mr. SCHWELLENBACH. The Secretary does not have any discretion with reference to anybody except persons of that particular class, and in the case of that class she is limited to 8,000 persons. In the case of persons of that class she must find that they are of good moral character. In the case of persons of that class they must have been in this country for 10 years; or, if they have been in this country for less than 10 years but more than a year, they must have dependents within the country.

I live in a border State and I have never made any particular specialty of immigration work, but, just drifting into the office over a period of 15 years, I have had many cases of persons who came in, who had lived in this country for a long period of time, who came down, say, from Vancouver, and thought they were properly and legally in the country, but after 5 or 10 or 12 years they found that there was some defect in the way they entered. This bill, with the Senate committee amendment, limits the discretion of the Secretary to that class of so-called criminal aliens.

The next section of the bill gives to the Secretary of Labor power to designate persons holding supervisory positions in the Immigration Service to issue warrants for the arrest of aliens. At the present time, if an employee of the Immigration Service believes that a certain alien is subject to deportation, in order to arrest him, he must first telegraph to Washington, D. C., and get from the Secretary of Labor herself authority for the warrant. The testimony shows that in many hundreds of cases men have been "spotted" who were deportable aliens, criminal aliens, persons who should have been deported; but during the period of time in which that act occurred the fact became known, and by the time the warrant came back from Washington, D. C., the person had hidden out and the Department has never been able to find him. This is another section of the bill which strengthens the power of the Department of Labor in the enforcement of the immigration law.

Section 5 is merely a formal part of the bill.

Section 6 repeals the portion of the 1924 act which exempted from its provisions those who came in for farm-labor purposes. At that time the people engaged in agriculture felt that they needed more farm labor, and they had an exemption made from the provisions of the Immigration Act. It has now been thoroughly demonstrated that there is not a need for people to come into the country for farm labor, and this provision repeals that section of the act. It is another provision in which the immigration deportation laws are strengthened.

Section 7 is the Senate committee amendment which provides that persons who are in this country and who go abroad to Canada, Mexico, or Cuba solely for business or pleasure, and have not proceeded to any other country, shall not for any cause be excluded from readmission to the United States, and such reentry shall not for immigration purposes be considered an entry under the immigration laws.

The purpose of that provision is best illustrated by a case which Acting Commissioner Shaughnessy presented to the committee last year. A certain young lady had been a school teacher for a number of years. She lived near the Canadian border, and one afternoon she went into Canada, I think to Windsor. She came back the same afternoon. It was simply a pleasure trip for her that afternoon. She came back into this country in a perfectly proper manner. Within 5 years after that she contracted tuberculosis, and for a time became a patient at a public hospital, and therefore was classified as a public charge. Under the Immigration Act, if within 5 years of entry a person becomes a public charge, he or she is subject to mandatory deportation. This young lady had gone across the line for just a couple of hours one afternoon, but that was looked upon as her last entry into the United States; and since within 5 years from that period she did become a public charge, she was subject to mandatory deportation. The committee did not feel, and the Department itself does not feel, that there is anything fair or just about that sort of a situation; and the purpose of section 7 is to take care of and correct the evils and abuses which occur under a situation of that sort.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield for a question?

Mr. SCHWELLENBACH. Yes.

Mr. JOHNSON of Colorado. As I understand, the bill as it came from the House left discretionary power wide open for the Secretary of Labor to administer the bill. Since then, the committee has adopted the so-called Austin amendment. Does the Senator favor the bill without the Austin amendment, and would he agree to a conference report with the Austin amendment eliminated from the bill?

Mr. SCHWELLENBACH. I am heartily in favor of the Austin amendment. The Senator questions me as to what might be done in the conference. I would fight just as vigorously for the Austin amendment as would the Senator from Vermont. Certainly we want to limit the authority to the cases mentioned.

I had another sort of amendment which I thought would take care of the objection, but when the Austin amendment was proposed, I readily and heartily accepted it, and if the bill went to conference I would be just as vigorous in defending the Austin amendment as anybody could possibly be. I never had any intention of reporting the bill without some amendment such as the Austin amendment.

Mr. President, section 9 provides for a report to the Congress once a year by the Department of Labor as to the nationality of all aliens who were allowed to remain in the United States under section 2 of the act, but who entered the United States on or after June 3, 1921, and were not charged to any quota.

Subsection (b) provides that—

> The Secretary of State shall deduct the number of aliens so reported from the appropriate quotas.

In other words, the aliens who are permitted to stay in the country under section 2 are deducted from the quotas of the countries from whence they come, so that it will not result in any increase in the number of aliens in the country.

Section 10 has concern with a particular situation in the State of Texas. As the bill came from the House it gave to the Secretary of Labor the right to permit a hundred persons to remain in the United States to "promote the cultural, educational, and industrial interests of the people of the United States."

The hearing before the committee disclosed the fact that in a religious institution in the State of Texas there are, I believe, 63 religious students who have come into this country, who, because of their situation, will never leave the convent or monastery where they are, and the sole purpose of section 10 is to permit those students to remain in that convent.

We amended the bill so as to restrict it by striking out the words "if the alien is found by the Secretary of Labor to be a person whose presence in the United States will promote the cultural, educational, and industrial interests of the people of the United States" and inserted in lieu of those words the language "as a novitiate student in a religious order." The sole and exclusive purpose of that is to permit 61 or 63 students, as I remember the number, in a convent or monastery in Texas, the right to stay there, and not be subject to deportation.

Mr. President, this is a simple bill. The Members of the Senate will remember that this question has been before the Congress for a good many years, and time after time Congress has adjourned without taking any action on it. Time after time Congress has adjourned after merely passing a

resolution which provided that the Secretary of Labor was instructed to permit the so-called hardship cases to stay in the United States. It seems to me extremely unfortunate that those on both sides of this subject should be so critical of an effort to try to pass a fair piece of legislation on the question of deportation. We have the one group composed of those who wish to deport all aliens, who think that all the aliens should be removed from the United States. They have not the slightest semblance of sympathy with them, and for them this bill means deportation of 20,000 now, and deportation of four to five thousand a year, which means giving to the Secretary of Labor the power to go out and find the people and have warrants issued immediately. It means reducing the amount of immigration by repealing the agricultural exemption. It means a strengthening of the law so far as immigration and deportation are concerned.

They are not willing however, to accept the bill, because of the fact that on the other side there is a group in this country, which cannot exceed 8,000 people, because under the law the Secretary is specifically limited to 8,000, and we tried to counteract that by charging them up to the quotas of the countries from whence they came, so that it will not increase the number of aliens in this country. Because of that fact, those who profess to be so much in favor of strictness of regulation of immigration and deportation refuse to permit the Congress to pass a bill upon the subject at all. Those on the other side who are overly friendly, in my opinion, overly sympathetic with the aliens, who think that the alien is a little better than the American citizen, oppose the bill because of the fact that it would give the Secretary of Labor the right to deport 20,000 persons.

Mr. President, I think this is a good bill, and I think one demonstration of that is that practically every witness who appeared before the committee was against it. Most of the witnesses who appeared before the committee were prejudiced on one side or the other of this subject, and I think that one of the best recommendations for the bill is the opposition coming from both groups of extremists who oppose the proposed legislation.

This is a far different bill from that which was considered 2 years ago and the one considered 4 years ago. Two years ago the bill was called the Kerr-Coolidge bill, and there was very considerable opposition to it. The pending bill has been changed in many particulars from that bill. It gives the Secretary of Labor the power to do something about the problem of the criminal alien. It does for a very small body of people, not to exceed 8,000, give to the Secretary of Labor the right to treat them fairly and decently and in accordance with what we in this country would consider decent American standard treatment of those in our country.

Mr. BROWN of Michigan. Mr. President——

The PRESIDING OFFICER (Mr. HATCH in the chair). Does the Senator from Washington yield to the Senator from Michigan?

Mr. SCHWELLENBACH. I yield.

Mr. BROWN of Michigan. I am very much interested in the passage of the bill. The State of Michigan has a border line on the Canadian border about 700 miles in length. I myself live quite close to it, and I am very familiar with the case in Detroit to which the Senator from Washington alluded—the case of the school teacher who stepped across the border for a matter of 2 hours and came back and was thereafter considered an alien. I took the matter up with Mr. James L. Houghteling, the Commissioner of Immigration, who happens to be a friend of mine, and he wrote me a letter and a report on the subject which are very illuminating. I ask unanimous consent that as a part of my remarks the letter from Mr. Houghteling, the Commissioner, and his statement upon the subject be included at this point in the RECORD.

There being no objection, the letter and statement were ordered to be printed in the RECORD, as follows:

UNITED STATES DEPARTMENT OF LABOR,
IMMIGRATION AND NATURALIZATION SERVICE,
Washington, April 27, 1938.

Hon. PRENTISS M. BROWN,
United States Senate, Washington, D. C.

MY DEAR SENATOR BROWN: H. R. 6391 (the so-called Dies bill) establishing certain very desirable changes in immigration practice as regards aliens already in the United States, has been reported favorably by the Immigration Committee of the Senate. The Immigration Service has worked long and hard on this legislation and is hopeful of its passage. I personally think it is a very valuable piece of legislation as it now stands and hope you will agree with me and will support it. I am taking the liberty of enclosing a copy of the bill (showing the text adopted by the House of Representatives and the amendments of the Senate Committee on Immigration), a copy of the latter's report and some explanatory comments from the viewpoint of the Immigration Service.

Yours sincerely,

JAMES L. HOUGHTELING,
Commissioner.

UNITED STATES DEPARTMENT OF LABOR,
IMMIGRATION AND NATURALIZATION SERVICE,
Washington, April 26, 1938.

Comments on H. R. 6391, from the standpoint of the Immigration Service

House bill 6391, the so-called Dies bill, which was passed by the House of Representatives on June 10, 1937, by a vote of 176 to 33, has been favorably reported by the Senate Committee on Immigration and will shortly come up for action in the United States Senate.

This proposed legislation is an act to make certain adjustments in existing immigration laws as regards aliens already resident in the United States. As such it will be a valuable help to the Immigration Service in the enforcement of the law in seven particulars.

1. The most important improvement on present immigration practice contained in this act is embodied in section 2. This section authorizes the Secretary of Labor, in a numerically limited number of cases, to exercise discretion in permitting to remain in the United States aliens who have entered illegally but have proved good moral character and desirability and who have either been in the country for 10 years or who have lived here for a shorter period but are closely related by blood or marriage to either American citizens or aliens lawfully admitted for permanent residence. The purpose of this section is to solve many cases where deportation is now mandatory on the ground of illegal entry but in which such deportation would work unjustifiable hardship on members of the alien's family or on his or her position in the community established by 10 years' residence. This discretion specifically may not be applied to any anarchist or subversive agitator, any violator of narcotic acts, or any criminal, prostitute, immoral person, or alien excludable under the terms of the 1917 act. One exception to the above exclusions is made in the case of aliens convicted of fraudulently securing visas or passports, because experience has shown that many aliens have illegally entered the United States with fraudulent papers through being the innocent dupes of racketeers, while others have made false statements through confusion or lack of appreciation of the seriousness of their misrepresentations. The discretion conferred on the Secretary of Labor will enable that official to discriminate as to the seriousness of such frauds in determining the good moral character specified in the bill as a prerequisite to the admission of such aliens to a status of legal permanent residence.

The Immigration and Naturalization Service is constantly confronted with so-called hardship cases, where aliens of good character, firmly established in the United States, and supporting families which often include American wives and children, must be driven out on account of technicalities involving their original entry. Such deportations cost money to the Government, bring much sorrow to innocent persons, and result in harsh treatment beyond anything justified by the merits of the cases.

The discretion allowed the Secretary of Labor is limited to 4 years and to 3,500 cases in the first year and 1,500 cases in each of the remaining 3 years. The experiment of allowing such discretion to a responsible and highly placed officer of the United States Government is good, sound, common sense, and is fraught with no danger to intelligent immigration practice.

2. Section 1 of this act will broaden the basis of deportation of alien criminals. At present the Immigration Service can only deport criminals who have been convicted of a crime prior to entry, or who within 5 years after entry commit a crime resulting in a sentence of at least 1 year's imprisonment, or who have proved themselves habitual criminals. Under this new law there will be added to the above classes any alien against whom the Immigration Service may issue a warrant of deportation because of a crime committed within 5 years prior to the date thereof which has resulted in a sentence of 6 months' imprisonment (but with no option of paying a fine instead); also any alien convicted of the crime of possessing or carrying firearms, or of violating State narcotic laws, or of smuggling other aliens into this country. This widening of the basis of deporting aliens who have proved themselves undesirable by criminal activities will strengthen our ability to get rid of bad elements among the foreign born. Because these new provisions—as applying to (1) petty offenders within the scope

of subsection 1 of this section, (2) firearms carriers within subsection 2, and (3) alien smugglers within subsection 4—may in a few cases work hardship on aliens of essentially good character, whose infraction of the law may have been of a technical or unimportant nature—the discretion of the Secretary of Labor, in section 2 of the act, to allow aliens of good moral character to remain in the country, is specifically extended for the possible inclusion of such cases.

3. Prompter issuance of warrants for the arrest of aliens believed to be subject to deportation is made possible by section 3. The Immigration Service often loses contact with deportable aliens while applying to Washington for warrants under the present practice.

4. Section 6 terminates an undesirable preference given to agricultural laborers of the Quota Act of 1924.

5. Section 7 eliminates a technicality of the present law which causes the Immigration Service much trouble. Under the present law an alien legally resident in this country who even steps across the Canadian or Mexican boundary line is legally considered to have made a new entry into this country when he steps back. The date of the alien's last entry into this country often determines his status, and the Immigration Service now finds itself embarrassed in many cases by new entries into this country where there has been no intentional departure. This section has no application except to legally admitted immigrants of good moral character.

6. Section 8 (of the bill as amended by the Senate committee) enables the Immigration Service to legalize the entry into this country of aliens of good character who entered between June 3, 1921, and July 1, 1924, and in whose cases no record of admission for permanent residence can be located. Under existing law this can now be done as to those entering prior to June 3, 1921. The immigration law which went into effect on July 1, 1924, established an improved system of keeping immigration records; before that date the records were badly maintained and the exact status of many aliens was impossible to determine. Some of these aliens are forced to leave the country through no fault of their own, but because of the inadequacy of the records. This section corrects that situation.

7. Section 10 (of the bill as amended by the Senate committee) permits the legalization of the immigrant status of a limited number of novitiates of religious orders who were legally admitted as visitors prior to January 1, 1937.

The other sections of the bill merely enlarge upon the above purposes.

It should be noted that—

(a) The bill does not permit or authorize the entry into this country of any alien not already here, nor by legalizing the position of aliens who have entered illegally does it numerically increase quota immigration into this country, either past or future; because under section 9 all such persons are charged to existing quotas.

(b) It is not an amnesty bill—as certain citizens hostile to its passage falsely claim—for it specifically does not permit the the continuance in this country of any alien not possessing good moral character.

(c) It does not modify existing law a single iota insofar as the deportation of criminals is concerned, but on the contrary provides for the deportation of additional classes of criminals by the provisions of section 1.

A great many uninformed or misleading statements have been made in opposition to this act which Senators, taking the time to read its provisions, will find to be entirely without grounds.

To summarize, this bill in a number of ways improves the administration of the immigration laws; it will legalize the status of alien breadwinners who are supporting American-citizen wives and American-citizen children, and whose expulsion from this country would serve no sound economic purpose but would work a hardship on all concerned. It broadens the basis for deportation of undesirable criminal elements. It eliminates certain technical bases for exclusion, where the merits of individual cases are all in favor of the retention of persons legally admitted to the United States.

The Immigration and Naturalization Service for these reasons favors the enactment of this proposed law.

JAMES L. HOUGHTELING.

Mr. SCHWELLENBACH. Mr. President, I have nothing further to say. I have been trying to get this kind of legislation through ever since I have been a Member of this body. I have no particular interest in it. I am a member of the Committee on Immigration, and we have conducted hearings on these various bills. We have this problem confronting us, and it is one which we cannot just let drift along from session to session without taking some action upon it. I certainly hope that the Senate will agree to my motion that the bill be made the order of business, and that thereafter we may consider the bill and pass it.

CLAIMS OF UTE INDIANS

Mr. ADAMS. Mr. President, during the call of the calendar preceding the one today the junior Senator from Utah [Mr. THOMAS] had a bill in which he was interested, and I objected to its consideration. Since that time I have conferred with the Senator from Utah and I wish to withdraw my objection. I think the bill should be passed. It affects the State of Utah and the State of Colorado only. I refer to Calendar No. 1871, House bill 3162, and I ask unanimous consent that the bill be taken up without displacing the motion of the Senator from Washington.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Colorado?

There being no objection, the Senate proceeded to consider the bill (H. R. 3162) conferring jurisdiction upon the United States Court of Claims to hear, examine, adjudicate, and render judgment on any and all claims which the Uncompahgre (Tabegauche), Uintah (Uinta), and White River (Yampa and Grand River) Bands of the Ute Indians may have against the United States, and for other purposes, which was read, as follows:

Be it enacted, etc., That jurisdiction is hereby conferred on the United States Court of Claims to hear, determine, and render final judgment on all legal and equitable claims of whatsoever nature which the Uncompahgre (Tabegauche), Uintah (Uinta), and White River (Yampa and Grand River) Bands of Ute Indians, or any of said bands, or any constituent band thereof, may have against the United States, including, but without limiting the generality of the foregoing, claims arising under or growing out of any treaty or agreement of the United States, law of Congress, Executive order, or by reason of any lands taken from them, without compensation, or for the failure or refusal of the United States to protect the interest of any of said bands in lands (as to which any of said bands had the possessory right of use and occupancy), or because of any mismanagement or wrongful handling of any of the funds, land, property, or business enterprises belonging to or held in trust for any of said bands by the United States, or any misfeasance or nonfeasance on the part of the United States with respect thereto, or otherwise.

SEC. 2. Suit or suits under this act may be instituted by any of the aforesaid bands of Indians (each band to have the right to sue for constituent bands comprising said band), either separately or jointly, as party or parties plaintiff against the United States as party defendant, by filing within 5 years of the enactment of this act its or their petition or petitions in the Court of Claims and serving with respect to each suit, a copy thereof on the Attorney General of the United States who, either in person or by some attorney from the Department of Justice to be designated by him, shall appear and defend the interests of the United States. Such petition or petitions shall set forth the facts on which the claim or claims for recovery is or are based and shall be verified by the attorney or attorneys employed by said band or bands of Ute Indians, under contracts approved in accordance with existing law, to prosecute said claims, which may be made upon information and belief, and no other verification shall be necessary. The petition or petitions shall be subject to amendment at any time prior to final submission of the case to the Court of Claims. Such petition or petitions may, in addition to alleging specific claims, demand a general accounting of all funds and property expended or used by the United States for it or their account, in which event the General Accounting Office or its successor shall within a reasonable time from the time of filing said petition make a complete audit of said accounts and, in addition to the usual copies for the Attorney General, shall deliver a copy thereof to the Secretary of the Interior, and the court, after full hearing, shall state the account, and render judgment in accordance therewith.

SEC. 3. At the trial of any suit instituted hereunder the court shall apply as respects the United States the same principles of law as would be applied to an ordinary fiduciary and shall settle and determine the rights therein, both legal and equitable, of said bands of Ute Indians against the United States, notwithstanding lapse of time or statutes of limitation.

SEC. 4. The court shall have authority, by proper orders and process, to make parties to any suit or suits instituted hereunder any other tribe, band, or group of Indians deemed by it necessary or proper to a final determination of the matters in controversy.

SEC. 5. No payment or payments which have been made by the United States upon or in satisfaction of any claim or claims asserted in any suit brought hereunder or expended for any of the aforesaid bands of Ute Indians or members thereof shall apply as an estoppel against any suit brought hereunder, but there shall be set off against any recovery obtained by any band of said Indians hereunder, any payment made by the United States on any claim asserted by said band and such gratuity expenditures made by the United States for the benefit of said bands as are directed to be set off by the Second Deficiency Appropriation Act, fiscal year 1935 (Public, No. 270, 74th Cong.).

SEC. 6. If the court shall find that any lands formerly belonging to the said bands of Ute Indians or any of them have been taken by the United States without compensation therefor and set apart and reserved as national reservations or for other public uses or otherwise classified, reserved, or withdrawn from entry and sale under the public land laws or disposed of in any manner whereby the said Indians have been deprived of the use or benefits of such lands and the natural resources thereof, it is hereby declared that such action shall be sufficient grounds for equitable relief and the court shall render judgment in favor of said Indians, and shall

award to them, as for a taking under the power of eminent domain, compensation for all such lands and natural resources.

SEC. 7. In any suit instituted hereunder, any letter, paper, document, map, or record in the possession of any officer or Department of the United States (or certified copy thereof) may be used in evidence, and the Departments of the Government of the United States shall give full and free access to the attorneys for any of said bands of Indians to such letters, papers, documents, or records as may be useful to said attorney or attorneys in the preparation for trial or trials of such suits and shall afford facilities for the examination of the same.

SEC. 8. Upon the final determination of any suit, cause, or action instituted hereunder, whether by judgment, compromise, or otherwise, the Court of Claims, in the event of success by any plaintiff, or in the event any claim asserted by any of said bands of Indians shall be compromised or settled without the institution of any suit hereunder, the Secretary of the Interior shall decree that there shall be paid to the attorney or attorneys employed therein by said plaintiff under contracts negotiated or entered into as provided by existing law, such fees as, based upon a quantum meruit, it or he shall find reasonable, and in addition such actual and necessary expenses incurred by the attorney or attorneys in preparation and prosecution of said claims. In no case shall the fees decreed by said Court of Claims and/or by the Secretary of the Interior be in excess of the amount stipulated in the contracts approved by the Commissioner of Indian Affairs and the Secretary of the Interior, and in no event to exceed 10 percent of the amount of the recovery, and shall be paid upon money being appropriated for the benefit of any bands of Ute Indians pursuant to any judgment or settlement hereunder whether distributable thereto or not.

SEC. 9. The net amount of any judgment recovered shall be placed in the Treasury of the United States to the credit of said Indians and shall draw interest at the rate of 4 percent per annum from date of judgment or settlement and shall, thereafter, be subject to appropriation by Congress for the benefit of said Indians, including the purchase of lands and building homes, and no part of said judgment, without further legislation, shall be paid out in per capita payments to said Indians.

Mr. ADAMS. Mr. President, I wish to submit an amendment, which has been agreed to by the Senator from Utah.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 5, line 10, it is proposed to insert the following after the period:

Anything in any other acts of Congress to the contrary notwithstanding, no lands in Colorado north of and including range 35 formerly owned or claimed by the Ute Indians or any band thereof shall be restored to tribal ownership under the provisions of section 3 of the act of June 18, 1934 (48 Stat. 984), and said lands to the extent that they have not been disposed of by the United States are hereby declared to be the absolute property of the United States: *Provided*, That there is hereby added to the existing Southern Ute Indian Reservation in tribal ownership the vacant, undisposed of ceded lands within the following-described boundaries:

"Beginning at a point on the western boundary line of the State of Colorado, being the northwest corner of the existing Southern Ute Indian Reservation; thence north to the township line separating townships 34 and 35 north, range 20 west; thence east along said township line to the southwest corner of section 35, township 35 north, range 19 west; thence north to the northwest corner of section 2, township 35 north, range 19 west; thence east to the northeast corner of section 1, township 35 north, range 18 west; thence north to the northwest corner of section 31, township 36 north, range 17 west; thence east to the northeast corner of section 35, township 36 north, range 17 west; thence south to the north boundary of the existing Southern Ute Indian Reservation; thence west along the north boundary of the said reservation to the west line of section 9, township 34 north, range 17 west; thence north to the northwest corner of section 21, township 35 north, range 17 west; then west to the southwest corner of section 17, township 35 north, range 17 west; thence south to the southeast corner of the northeast quarter of the northeast quarter of section 19, township 35 north, range 17 west; thence west to the southwest corner of the northeast quarter of the northwest quarter of said section 19; thence north to the north line of said section 19; thence west to the southwest corner of section 17, township 35 north, range 18 west; thence south to the north boundary of the Southern Ute Indian Reservation in section 7, township 34 north, range 18, all west of the New Mexico principal meridian; thence west along the said north boundary to the point of beginning: *Provided further*, That any orders restoring or attempting to restore to tribal ownership any portion of the lands in Colorado north of range 35 are hereby rescinded and annulled.

The amendment was agreed to.

Mr. THOMAS of Utah. I offer an amendment which I ask to have stated.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. On page 1, in line 5, after the word "nature", it is proposed to strike out the following: "which the Uncompahgre (Tabegauche), Uintah (Uinta), and White River (Yampa and Grand River) Bands of Ute Indians, or any of said bands" and in lieu thereof to insert "which the Ute Indians or any tribe or band."

The amendment was agreed to.

Mr. THOMAS of Utah. I offer another amendment which I ask to have stated.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. On page 4, at the end of line 3, it is proposed to insert "In the determination of the validity of any claim asserted or defense interposed hereunder, the court shall have the full power and authority of a court of equity."

The amendment was agreed to.

Mr. O'MAHONEY. Mr. President, I wish to make an inquiry with respect to the effect of these amendments. Are they to have any effect upon Indian lands outside the State of Colorado?

Mr. ADAMS. They are specifically limited to Colorado.

The VICE PRESIDENT. The question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended so as to read, in full, as follows: "A bill conferring jurisdiction upon the United States Court of Claims to hear, examine, adjudicate, and render judgment on any and all claims which the Ute Indians or any tribe or band thereof may have against the United States, and for other purposes."

DISTRIBUTION OF PUBLIC DOCUMENTS TO DEPOSITORY LIBRARIES

Mr. HAYDEN. Mr. President, there are two printing bills which have passed the House of Representatives. I ask unanimous consent that they now be considered by the Senate. The first bill, House bill 5471, relates to the distribution of publications in designated public libraries, and adds committee hearings and reports on bills. I ask that the Presiding Officer lay the bill before the Senate.

The VICE PRESIDENT laid before the Senate the bill (H. R. 5471) to amend the laws relating to the distribution of public documents to depository libraries, which was twice read by its title.

Mr. HAYDEN. I ask unanimous consent that consideration of the bill may be had without displacing any other business before the Senate.

The VICE PRESIDENT. Is there objection?

There being no objection, the bill (H. R. 5471) to amend the laws relating to the distribution of public documents to depository libraries was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 4 of the act (34 Stat. 1014) approved March 1, 1907 (U. S. C., title 44, sec. 85), be, and is hereby, amended to read as follows:

"85. Distribution of copies of publications to designated depositories and libraries; land-grant colleges as depositories: Upon request of the Superintendent of Documents, the Public Printer is hereby authorized and directed to either increase or diminish the number of copies of publications furnished for distribution, to designated depositories and State and Territorial libraries so that the number of copies delivered shall be equal to the number of libraries on the list: *Provided*, That the number thus delivered shall at no time exceed the number authorized under existing statute: *Provided further*, That the Public Printer shall furnish the necessary number of copies as above provided, of the Journals of the Senate and House of Representatives, of all publications, not confidential in character, printed upon the requisition of any congressional committee, of all Senate and House public bills and resolutions, and of all reports on private bills, concurrent or simple resolutions. The allotment of copies furnished for distribution to libraries shall be increased or reduced, from time to time, as the redistricting of States or the rearrangement of depository lists under provisions of law shall demand, to such numbers as may be necessary to comply with the law. All land-grant colleges shall be constituted as depositories for public documents, subject to the provisions and limitations of the depository laws.

"Any provision continued in sections 54, 55, or 57 of the Printing Act of 1895 (28 Stat. 608, 609; U. S. C., title 44, secs. 131, 147, and 189, or any other act), which may be inconsistent herewith, is hereby repealed to the extent of such inconsistency only."

PUBLIC PRINTING, BINDING, AND DISTRIBUTION OF PUBLIC DOCUMENTS

Mr. HAYDEN. I ask the Chair to lay before the Senate House bill 10772.

The VICE PRESIDENT laid before the Senate the bill (H. R. 10772) to amend certain sections of the act entitled "An act providing for the public printing and binding and the distribution of public documents," approved January 12, 1895, as amended, which was read twice by its title.

Mr. HAYDEN. I ask unanimous consent for the present consideration of the bill.

The VICE PRESIDENT. Is there objection?

There being no objection, the bill (H. R. 10772) to amend certain sections of the act entitled "An act providing for the public printing and binding and the distribution of public documents," approved January 12, 1895, as amended, was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That so much of chapter 23, section 73 (28 Stat. 615), of the Printing Act, approved January 12, 1895, as amended (U. S. C., Supp. III, title 1, sec. 30, and title 44, sec. 196), as relates to the compiling, editing, and indexing of the United States Statutes at Large, be, and is hereby, amended to read as follows:

"196. Statutes at Large: Contents; Admissibility in evidence: That the Secretary of State shall cause to be compiled, edited, indexed, and published the United States Statutes at Large, which shall contain all the laws and concurrent resolutions enacted during each regular session of Congress; all treaties to which the United States is a party that have been proclaimed since the date of the adjournment of the regular session of Congress next preceding; all international agreements other than treaties to which the United States is a party that have been signed, proclaimed, or with reference to which any other final formality has been executed, since that date; all proclamations by the President in the numbered series issued since that date; and also any amendments to the Constitution of the United States proposed or ratified pursuant to article V thereof since that date, together with the certificate of the Secretary of State issued in compliance with the provision contained in section 205 of the Revised Statutes of the United States (U. S. C., title 5, sec. 160). In the event of an extra session of Congress, the Secretary of State shall cause all the laws and concurrent resolutions enacted during said extra session to be consolidated with, and published as part of, the contents of the volume for the next regular session. The United States Statutes at Large shall be legal evidence of the laws, concurrent resolutions, treaties, international agreements other than treaties, proclamations by the President, and proposed or ratified amendments to the Constitution of the United States therein contained, in all the courts of the United States, the several States, and the Territories and insular possessions of the United States."

SEC. 2. That so much of chapter 23, section 73 (28 Stat. 615), of the Printing Act, approved January 12, 1895, as amended (U. S. C., Supp. III, title 44, sec. 196a), as relates to the printing, binding, and distribution of the United States Statutes at Large, be, and is hereby, amended as follows:

(196a. Same; distribution.) In the phrase "and after the final adjournment of each session of Congress" insert the word "regular" before the word "session", so that such phrase will read as follows: "and after the final adjournment of each regular session of Congress."

In the phrase "To the Senate Library, not to exceed 25 copies" strike out the word "twenty-five" and insert "seventy-five", so that the phrase will read as follows: "To the Senate Library, not to exceed 75 copies."

In the phrase "To the House Library, not to exceed 50 copies" strike out the word "fifty" and insert "one hundred", so that the phrase will read as follows: "To the House Library, not to exceed 100 copies."

SEC. 3. That chapter 23, section 5 (28 Stat. 602), of the Printing Act, approved January 12, 1895 (U. S. C., title 44, sec. 7), relative to the opening of bids for furnishing paper and envelopes for the public printing and binding and blank paper required for the use of the Government, be, and is hereby, amended to read as follows:

"(7. Opening bids; bonds.) The sealed proposals to furnish paper and envelopes shall be opened in the presence of the Joint Committee on Printing and the contracts shall be awarded by them to the lowest and best bidder for the interest of the Government; but they shall not consider any proposal which is not accompanied by a bond with security or certified check in the amount of $5,000 guaranteeing that the bidder or bidders, if his or their proposal is accepted, will enter into a formal contract with the United States to furnish the paper or envelopes specified; nor shall any proposal from persons unknown to them be considered unless accompanied by satisfactory evidence that the person making the proposal is a manufacturer of or dealer in the description of paper or envelopes proposed to be furnished."

SEC. 4. That all acts or parts of acts inconsistent with this act are hereby repealed.

SEC. 5. That this act shall be effective as of the beginning of the third session of the Seventy-fifth Congress, January 3, 1938.

EXTENSION OF CLASSIFIED CIVIL SERVICE TO POSTMASTERS—CONFERENCE REPORT

Mr. O'MAHONEY. I move that the Senate now proceed to the consideration of the conference report on House bill 1531, extending the classified civil service to include postmasters of the first, second, and third classes, and for other purposes.

Mr. SCHWELLENBACH. A parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. SCHWELLENBACH. Will the Chair state the effect of this motion, if it shall be adopted, upon my motion?

The VICE PRESIDENT. It will not affect the motion of the Senator from Washington because request for consideration of a conference report is a privileged matter.

Mr. McKELLAR. May I ask the Senator from Wyoming if it is his purpose to proceed with the consideration of the conference report tonight?

Mr. O'MAHONEY. My desire is merely to get the conference report before the Senate. I know that the Senator from Tennessee is desirous of speaking upon the report, and that he is not in the very best of physical condition at this time. I should be very glad to have the report go over until tomorrow, if the Senator desires that to be done.

Mr. McKELLAR. Mr. President, I am glad the Senator will let it go over until tomorrow. I shall speak for only a short time on the question.

Mr. McNARY. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield to the Senator from Oregon.

Mr. McNARY. I think the able Senator has answered the inquiry I was about to make. The Senator from Michigan [Mr. VANDENBERG] is out of the city, but will be back tomorrow. I am very glad to have the matter made the unfinished business and given that status, if it will not be taken up this evening, and in the absence of the Senator from Michigan.

Mr. O'MAHONEY. Mr. President, of course I am very glad to do anything I may to give the Senator from Michigan the opportunity to be heard. I do not desire to press the adoption of the report this evening, but I do desire that the motion to take it up be put without further debate.

Mr. McNARY. I have no objection.

The VICE PRESIDENT. The motion to take up the conference report is not debatable.

The question is on the motion of the Senator from Wyoming.

The motion was agreed to; and the Senate proceeded to consider the report of the Committee of Conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 1531) extending the classified civil service to include postmasters of the first, second, and third classes, and for other purposes.

THOMAS J. ALLEN, JR.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield to the junior Senator from Colorado.

Mr. JOHNSON of Colorado. Mr. President, on the call of the calendar, under the unanimous-consent agreement, two bills were passed over today on the objection of the Senator from Utah [Mr. KING]. The bills have been explained to him, and he has now no objection to them. I ask to revert to House bill 2487, for the relief of Thomas J. Allen, Jr.

The VICE PRESIDENT. Is there objection?

There being no objection the bill (H. R. 2487) for the relief of Thomas J. Allen, Jr., was considered, ordered to a third reading, read the third time, and passed.

GEORGE O. WILLS

Mr. JOHNSON of Colorado. I also ask for the present consideration of House bill 3747 for the relief of George O. Wills, Calendar No. 2115.

Mr. SCHWELLENBACH. A parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. SCHWELLENBACH. May I inquire as to what the effect of the requested action will be upon my motion?

The VICE PRESIDENT. Nothing done in the time of the Senator from Wyoming, who has the floor, and on whose request the conference report has been made the unfinished business, can be charged up to the Senator from Washington.

Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 3747) for the relief of George O. Wills, was considered, ordered to a third reading, read the third time, and passed.

EXTENSION OF CLASSIFIED CIVIL SERVICE TO POSTMASTERS

Mr. O'MAHONEY. Mr. President, it is evident that numerous Senators now desire to take advantage of the closing minutes of the afternoon to present certain matters which will not be objected to. I shall be very glad to yield the floor now, with the understanding that I shall be recognized in the morning to proceed with the conference report.

Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. O'MAHONEY. Is that understanding correct?

The VICE PRESIDENT. The Senator from Wyoming asks unanimous consent that he may yield the floor without prejudice to the conference report, which is the pending business. The Senator from Washington [Mr. SCHWELLENBACH] has also asked whether requests for unanimous consent to take up various matters will affect his pending motion.

Is there objection to the request of the Senator from Wyoming.

Mr. NORRIS. Mr. President, I suggest to the Senator from Wyoming that he simply ask to lay aside the unfinished business temporarily. Then the Senate can proceed with all these matters.

Mr. BARKLEY. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. BARKLEY. Inasmuch as the conference report is a privileged question, it ought to be brought up at the first moment of our meeting tomorrow without any request for unanimous consent.

The VICE PRESIDENT. It certainly can be. However, if the conference report is displaced it will have the effect of interfering with the motion of the Senator from Washington. The Chair understood that the Senator from Washington [Mr. SCHWELLENBACH] wanted to protect his position with reference to his right to continue his motion.

Mr. BARKLEY. The point I made was that it was not necessary for the Senator from Wyoming to ask for unanimous consent, because the conference report is a privileged matter.

The VICE PRESIDENT. It is already before the Senate.

Mr. NORRIS. Mr. President, as I understand, while it is always in order to present a conference report, if objection is made it can only be taken up on motion and by a vote. We have had that vote now, as I understand.

The VICE PRESIDENT. Action has been had on the motion to take up the conference report. The conference report is now the pending business before the Senate.

Mr. NORRIS. It is now pending?

The VICE PRESIDENT. Yes.

Mr. NORRIS. Before we do any other business we must temporarily lay aside the conference report, it seems to me. That is all that would be necessary to be done. Of course, we could take it up again if it were displaced.

Mr. O'MAHONEY. Mr. President, I was merely endeavoring to secure from the President of the Senate recognition of exactly the situation which the Senator is now stating. I expressed the desire to be able to relinquish the floor without losing the opportunity tomorrow to present the matter, so that Senators now upon the floor may have the privilege of presenting various matters. It is my understanding that such is the fact.

The VICE PRESIDENT. The Chair will state the parliamentary situation. If the Senator from Texas [Mr. CONNALLY], for example, is recognized, and asks unanimous consent to take up a bill, and the Senate gives consent, that bill is the pending business. It is debatable and may remain before the Senate until the Senator from Wyoming desires to take the floor with his privileged question. That is the parliamentary situation. Such a bill then becomes the pending business, and nobody but the Senator from Wyoming can take the floor away from the Senator from Texas. The Senator from Texas [Mr. CONNALLY] then would displace the Senator from Washington [Mr. SCHWELLENBACH].

Mr. CONNALLY. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. CONNALLY. May not the Senator from Wyoming retain the floor and yield for unanimous-consent requests?

The VICE PRESIDENT. He certainly may.

Mr. CONNALLY. Is not that the wise way out of the difficulty?

The VICE PRESIDENT. That will be the regular order.

Mr. O'MAHONEY. Mr. President, I shall pursue that course.

HELRY P. M'CAIG

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. CONNALLY. Without affecting the status of the Senator from Wyoming, I ask unanimous consent for the present consideration of House bill 8055, which has been ordered placed on the calendar but is not on the printed calendar. It is favorably reported by the committee and favorably reported by the War Department.

The VICE PRESIDENT. The unanimous-consent request is made with the understanding of the Chair that the Senator from Wyoming at any time may occupy the floor with the privilege of displacing the present proposed legislation.

Mr. CONNALLY. Exactly.

Mr. SCHWELLENBACH. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. SCHWELLENBACH. Is it also the understanding of the Chair that so long as the present situation exists my position is protected?

The VICE PRESIDENT. At present the Senator from Washington [Mr. SCHWELLENBACH] comes next in priority to the Senator from Wyoming in the business of the Senate.

Is there objection to the present consideration of House bill 8055? The Chair hears none, and the clerk will state the bill.

The bill (H. R. 8055) for the relief of Helry P. McCaig was read the first time by its title and the second time at length, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers Helry P. McCaig, who was a member of Auxiliary Remount Depot 328 of the Veterinary Enlisted Corps of the National Army, shall hereafter be held and considered to have been honorably discharged from the military service of the United States as a member of that organization on the 13th day of February 1918: *Provided*, That no back pay, compensation, benefits, or allowances shall be held to have accrued prior to the passage of this act: *Provided further*, That no adjusted compensation shall be payable by virtue of this act.

The bill was ordered to a third reading, read the third time, and passed.

REIMBURSEMENT OF EASTERN AND WESTERN CHEROKEES

Mr. HATCH. Mr. President——

Mr. O'MAHONEY. I yield to the Senator from New Mexico.

Mr. HATCH. Earlier in the day former Senator Owen, of Oklahoma, requested me to ask for the consideration of Senate bill 4009, Calendar No. 1905, a small bill relating to Indian funds in Oklahoma, which was objected to by the Senator from Tennessee [Mr. MCKELLAR] at the time it was called. However, I am informed that the Senator from Tennessee does not now desire to object. I therefore ask unanimous consent for the present consideration of the bill.

The VICE PRESIDENT. Is there objection to the request of the Senator from New Mexico?

There being no objection, the bill (S. 4009) to reimburse the Eastern and Western Cherokees for funds erroneously charged against them, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to place to the credit of the Eastern Cherokees the sum of $1,106.27 erroneously charged against them on May 25, 1918 (40 Stat. 583); and is further directed to place to the credit of the Western Cherokees the sum of $6,416.42 erroneously charged against them on June 5, 1924 (43 Stat. 406). Such funds shall be disbursed by the Secretary of the Interior for the benefit of the said Eastern and Western Cherokees in meeting the expenses incurred, or to be incurred, by said Indians, or on their behalf, in the prosecution of the suits authorized by the act of Congress of April 25, 1932 (47 Stat. 137).

RETIREMENT PAY OF CERTAIN FORMER OFFICERS OF ARMY, NAVY, AND MARINE CORPS

Mr. GEORGE. Mr. President——

Mr. O'MAHONEY. I yield to the Senator from Georgia.

Mr. GEORGE. Earlier in the day the Chair laid before the Senate House bill 8176, at which time I explained that the bill was the same as Senate bill 423, which passed the Senate some time ago, except that it was more restricted. At that time the Senator from Utah interposed an objection. He has since withdrawn his objection; and I therefore ask unanimous consent for the present consideration of House bill 8176.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 8176) providing for continuing retirement pay, under certain conditions, of officers and former officers of the Army, Navy, and Marine Corps of the United States, other than officers of the Regular Army, Navy, or Marine Corps, who incurred physical disability while in the service of the United States during the World War, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

AMY M. GHENT

Mr. POPE. Mr. President——

Mr. O'MAHONEY. I yield to the Senator from Idaho.

Mr. POPE. I ask unanimous consent for the immediate consideration of House bill 9535, for the relief of Amy M. Ghent. The bill involves a small claim for injuries. It has been passed by the House and approved by the Senate Committee on Claims.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 9535) for the relief of Amy M. Ghent was read the first time by its title and the second time at length, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Amy M. Ghent, Washington, D. C., the sum of $250, in full settlement of all claims against the United States on account of personal injuries received as a result of a fall on the ice-covered steps of the old House Office Building on January 21, 1938, while en route to her work in such building: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to a third reading, read the third time, and passed.

AMENDMENT OF ADMINISTRATIVE PROVISIONS OF TARIFF ACT OF 1930

The VICE PRESIDENT laid before the Senate a message from the House of Representatives announcing its action on a certain amendment of the Senate to the bill (H. R. 8099) to amend certain administrative provisions of the Tariff Act of 1930, and for other purposes, which was read, as follows:

IN THE HOUSE OF REPRESENTATIVES, U. S.,
June 13, 1938.

Resolved, That the House recede from its disagreement to the amendment of the Senate No. 12 to the bill (H. R. 8099) to amend certain administrative provisions of the Tariff Act of 1930, and for other purposes, and concur therein with the following amendments:

Page 2, line 7, of the Senate engrossed amendments, after "apply", insert: "after September 1, 1938"; and

Page 2, line 9, of the Senate engrossed amendments, after "shingles" insert ": but the President is authorized to suspend the effectiveness of this proviso if he finds such action required to carry out any trade agreement entered into under the authority of the act of June 12, 1934 (U. S. C., 1934 ed., title 19, secs. 1351–1354), as extended.

Mr. WALSH. I move that the Senate concur in the House amendment to Senate amendment numbered 12.

The motion was agreed to.

ONE HUNDRED AND TWENTY-FIFTH ANNIVERSARY OF THE BATTLE OF LAKE ERIE

Mr. BARKLEY. Mr. President——

Mr. O'MAHONEY. I yield to the Senator from Kentucky.

Mr. BARKLEY. From the Committee on the Library I report back favorably House Joint Resolution 620, and ask for its present consideration.

The VICE PRESIDENT. Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution (H. J. Res. 620) for the observance of the celebration of the one hundred and twenty-fifth anniversary of the Battle of Lake Erie was considered ordered to a third reading, read the third time, and passed, as follows:

Resolved, etc., That there be appointed a commission to prepare and bring about a suitable celebration of the one hundred and twenty-fifth anniversary of the Battle of Lake Erie, and that September 10, 1938, be established as the date of this celebration at Sandusky and Put in Bay, Ohio; said commission to be composed of five men selected by the Speaker of the House of Representatives.

SEC. 2. That there be authorized to be appropriated, out of available funds, the sum of $25,000 for the purpose of carrying out the provisions of this joint resolution.

The preamble was agreed to.

FORMER RESIDENCE OF THE LATE JUSTICE OLIVER WENDELL HOLMES

Mr. BARKLEY. Mr. President——

Mr. O'MAHONEY. I yield to the Senator from Kentucky.

Mr. BARKLEY. From the Committee on the Library, I report back favorably House Joint Resolution 703, and ask unanimous consent for its immediate consideration.

The VICE PRESIDENT. Is there objection to the request of the Senator from Kentucky?

There being no objection, the joint resolution (H. J. Res. 703) to authorize the acceptance of title to the dwelling house and property, the former residence of the late Justice Oliver Wendell Holmes, located at 1720 Eye Street NW., in the District of Columbia, and for other purposes, was considered, ordered to a third reading, read the third time, and passed, as follows:

Resolved, etc., That the Attorney General, on behalf of the United States of America named as residuary legatee in the will of Oliver Wendell Holmes, is hereby authorized and directed to accept a deed conveying to the United States of America title to the dwelling house and property, the former residence of the late Justice Holmes, situated at 1720 Eye Street NW., in the District of Columbia.

SEC. 2. John G. Palfrey, the executor of the estate of Oliver Wendell Holmes, is hereby authorized to convey title to the United States of America rather than to dispose of the dwelling house and property otherwise and deposit the proceeds with the Secretary of the Treasury.

SEC. 3. Pursuant to the suggestion made in a message of the President of the United States to the Congress dated April 25, 1935, a committee of nine members shall be constituted, three to be selected from the House of Representatives by the Speaker of the House, three to be selected from the Senate by the Vice President, and three to be selected from the Supreme Court of the United States by the Chief Justice, which committee shall make recommendations to the Congress concerning the use of the bequest and devise made to the United States by Mr. Justice Holmes.

AMENDMENT TO FEDERAL CROP INSURANCE ACT

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 4076) to amend the Federal Crop Insurance Act, which was, on page 1, line 11, to strike out "future years" and insert "the current and next succeeding year."

Mr. POPE. I move that the Senate concur in the House amendment.

The motion was agreed to.

INVESTIGATION OF FOREIGN MARKETS FOR TOBACCO AND TOBACCO PRODUCTS

Mr. BYRD. Mr. President——

Mr. O'MAHONEY. I yield to the Senator from Virginia.

Mr. BYRD. I ask unanimous consent for the immediate consideration of Senate Resolution 291, providing for an investigation by the Secretary of Agriculture of foreign markets and the possibilities of increased exports for all grades of tobacco and tobacco products.

The VICE PRESIDENT. Is there objection to the request of the Senator from Virginia?

There being no objection, the resolution (S. Res. 291) submitted by Mr. BYRD on the calendar day of June 8, 1938, was considered and agreed to, as follows:

Resolved, That the Secretary of Agriculture is requested (1) to make a thorough study and investigation, immediately, of foreign markets and the possibilities of increased exports for all grades of tobacco and tobacco products; (2) to formulate and give full consideration to a plan or plans for increasing such exports and enabling such exports to be made on a subsidized basis; (3) to make a thorough study and investigation of the use of byproducts of tobacco, and especially the use of nicotine as an insecticide and the cost of its manufacture, with a view to increasing the markets for such byproducts, and such investigation be made one of the first activities of the farm laboratories when established; and (4) to transmit to the Senate, at the earliest practicable date, the results of his study and investigation, together with his recommendations and the plan or plans formulated by him and estimates of the probable expense to the Government which would be involved.

MISSISSIPPI RIVER BRIDGE AT OR NEAR WINONA, MINN.

Mr. SHEPPARD. Mr. President——

Mr. O'MAHONEY. I yield to the Senator from Texas.

Mr. SHEPPARD. I ask unanimous consent for the immediate consideration of Senate bill 4158.

The VICE PRESIDENT. Is there objection to the request of the Senator from Texas?

There being no objection, the bill (S. 4158) authorizing the States of Minnesota and Wisconsin, jointly or separately, to construct, maintain, and operate a free highway bridge across the Mississippi River at or near Winona, Minn., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in order to facilitate interstate commerce, improve the Postal Service, and provide for military and other purposes, the States of Minnesota and Wisconsin, jointly or separately, be, and are hereby, authorized to construct, maintain, and operate a free highway bridge and approaches thereto across the Mississippi River, at a point suitable to the interests of navigation, at or near Winona, Minn., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. There is hereby conferred upon the States of Minnesota and Wisconsin, jointly or separately, all such rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use real estate and other property needed for the location, construction, operation, and maintenance of such bridge and its approaches as are possessed by railroad corporations for railroad purposes or by bridge corporations for bridge purposes in the State in which real estate or other property is situated, upon making just compensation therefor, to be ascertained and paid according to the laws of such State, and the proceedings therefor shall be the same as in the condemnation or expropriation of property for public purposes in such State.

SEC. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

RAILROAD UNEMPLOYMENT INSURANCE

Mr. WHEELER. Mr. President——

Mr. O'MAHONEY. I yield to the Senator from Montana.

Mr. WHEELER. I desire to call the attention of the Senate to House bill 10127, to regulate interstate commerce by establishing an unemployment insurance system for individuals employed by certain employers engaged in interstate commerce, and for other purposes, which passed the House today. I had intended to ask for the immediate consideration of the bill.

Mr. KING. Mr. President, the bill is so important that I think it should go over until tomorrow.

Mr. O'MAHONEY. Mr. President, objection has been made.

Mr. WHEELER. While I am on my feet, I desire to say that I did not expect to obtain consideration of the bill today. However, I desire to call attention to the fact that tomorrow I shall make every effort to obtain consideration of the bill by the Senate.

The bill is a very important one. It was approved this morning by the Interstate Commerce Committee. It passed the House unanimously today, and I desire to obtain consideration of it as soon as possible.

Mr. O'MAHONEY. The Senator will have my full cooperation after the conference report shall have been disposed of.

RED LAKE BAND OF CHIPPEWA INDIANS, MINNESOTA

Mr. SHIPSTEAD. Mr. President——

Mr. O'MAHONEY. I yield to the Senator from Minnesota.

Mr. SHIPSTEAD. I ask unanimous consent for the immediate consideration of House bill 4540, Calendar No. 1896.

The VICE PRESIDENT. Is there objection to the request of the Senator from Minnesota?

There being no objection, the Senate proceeded to consider the bill (H. R. 4540) authorizing the Red Lake Band of Chippewa Indians in the State of Minnesota to file suit in the Court of Claims, and for other purposes, which had been reported from the Committee on Indian Affairs with an amendment, on page 2, line 12, after the word "*Provided*", to strike out "No interest shall be held to have accrued by reason of the passage of this act" and insert:

That in any suit filed under the provisions of this act, in which there is presented any claim against the United States for the appropriation, expropriation, taking, acquisition, or deprivation of land or any interest therein the jurisdiction hereby conferred to hear and determine any such claim is limited to the determination of the value of said land, the timber thereon, or any interest therein, at the time of the appropriation, expropriation, taking, acquisition, or deprivation, and no judgment shall be rendered by the Court of Claims which includes any increment, interest, or equivalent thereof, from the date of taking to the date of judgment, as an element of just compensation or otherwise.

So as to make the bill read:

Be it enacted, etc., That jurisdiction is hereby conferred upon the Court of Claims, to hear, determine, and render final judgment, according to principles of justice and equity and as upon a full and fair arbitration, on all claims of the Red Lake Band of Chippewa Indians in the State of Minnesota against the United States for the value of unceded lands, for losses sustained by reason of erroneous surveys of reservation boundaries, or on claims arising under the treaty of October 2, 1863 (13 Stat. 667), or under any treaty, agreement, Executive order, or act of Congress, except the act of January 14, 1889 (25 Stat. 642), with the right of appeal by either party to the Supreme Court of the United States, anything in the Judicial Code of the United States to the contrary notwithstanding for the determination of the amount, if any, which may be legally or equitably due the said Red Lake Band of Chippewa Indians, under any treaties or agreements entered into between said Indians and the United States, or for the failure of the United States to pay any money which may be legally or equitably due the said Red Lake Band of Indians: *Provided*, That in any suit filed under the provisions of this act, in which there is presented any claim against the United States for the appropriation, expropriation, taking, acquisition, or deprivation of land or any interest therein the jurisdiction hereby conferred to hear and determine any such claim is limited to the determination of the value of said land, the timber thereon, or any interest therein, at the time of the appropriation, expropriation, taking, acquisition, or deprivation, and no judgment shall be rendered by the Court of Claims which includes any increment, interest, or equivalent thereof, from the date of taking to the date of judgment, as an element of just compensation or otherwise.

SEC. 2. In any suit or suits instituted hereunder the Court of Claims shall have authority to determine and adjudge the rights, both legal and equitable, of the claimants in the premises, notwithstanding lapse of time or statutes of limitation.

SEC. 3. The court shall also hear, examine, consider, and adjudicate any claim or claims which the United States may have against the said Red Lake Band, properly chargeable in such suit, including gratuities not heretofore charged; but any payment or payments which have been made by the United States upon such claim or claims shall not operate as an estoppel, but may be pleaded by way

of set-off; and any other tribe or band of Indians which the court may deem necessary to a final determination of any suit hereunder may be joined therein as the court shall order.

SEC. 4. A petition or petitions may be filed hereunder in the Court of Claims within 5 years after the date of this act, which shall be subject to amendment at any time prior to final submission of the case to the Court of Claims; and the Red Lake Band of Chippewa Indians in the State of Minnesota shall be the party plaintiff, and the United States the party defendant. The petition or petitions may be verified by the attorney employed by the said Indians to prosecute their claims, under a contract approved by the Commissioner of Indian Affairs and the Secretary of the Interior, as provided by law, and no other verification shall be necessary.

SEC. 5. Upon final determination of any suit hereunder the Court of Claims shall decree such fees and expenses as the court shall find to be reasonably due to be paid to the attorney or attorneys employed by the said Indians, under contract in accordance with existing law, and the same shall be paid out of any sum or sums of money found due said Red Lake Band: *Provided*, That in no case shall the fees decreed be in excess of 10 percent of the amount of the judgment.

Mr. BARKLEY. Mr. President, reserving the right to object, may I inquire of the Senator what the bill does, and what sort of claim these Indians have against the Government, which they desire to take to the Court of Claims?

Mr. SHIPSTEAD. If I should have to go into detail and explain that, it would take some time.

Mr. BARKLEY. How much is involved in the claim?

Mr. SHIPSTEAD. I do not know.

Mr. BARKLEY. I think the bill had better go over.

The VICE PRESIDENT. Objection is heard. The bill will be passed over.

RETIREMENT, RANK, AND PAY OF CERTAIN OFFICERS OF NAVY AND MARINE CORPS

Mr. WALSH. Mr. President——

Mr. O'MAHONEY. I yield to the Senator from Massachusetts.

Mr. WALSH. I ask unanimous consent for the present consideration of House bill 9801, Calendar No. 1897. In explanation, let me state that the bill is incorporated in another Navy bill which may not be acted upon in the House, and I desire to have action taken upon this bill.

Mr. KING. Mr. President, I should be glad to learn the purpose of the bill. We have passed naval bills appropriating about $2,000,000,000, and I should like to know how much more we are to give the Navy this year.

Mr. WALSH. I can explain it in a few words.

If an officer of the Navy is at the head of a chief bureau, he receives the rank of admiral. If he retires while he is at the head of the bureau, he retires with that rank. If he does not retire while at the head of a bureau, but remains a few weeks or years afterward in another lower rank he does not retire at the rank that he had when he was a bureau chief. This bill permits four officers of the Navy, as in the Army, to retire at the high rank they had as chief of a bureau even though they held a lower rank after being a chief.

Mr. KING. Well, Mr. President, we are giving them all elevations. I suppose it is very proper to elevate still more.

The VICE PRESIDENT. The clerk will state the title of the bill.

The CHIEF CLERK. A bill (H. R. 9801) to provide for the retirement, rank, and pay of Chiefs of Naval Operations, chiefs of bureau of the Navy Department, the Judge Advocates General of the Navy, and the Major Generals Commandant of the Marine Corps.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

Mr. KING. Mr. President, I do not object; but I suggest that we should have an escalator clause in these acts with reference to the Navy Department, so that all officers could be elevated right along, continuously.

There being no objection, the Senate proceeded to consider the bill (H. R. 9801) which had been reported from the Committee on Naval Affairs with amendments, on page 2, line 4, after the words "Marine Corps", to strike out "or as head of a staff department of the Marine Corps", and in line 11, after the word "Commandant", to strike out "or as head of a staff department of the Marine Corps", so as to make the bill read:

Be it enacted, etc., That any officer of the Navy or Marine Corps who may be retired while serving as Chief of Naval Operations, as Chief of a Bureau of the Navy Department, as Judge Advocate General of the Navy, or as Major General Commandant of the Marine Corps, or who has served or shall have served 2½ years or more as Chief of Naval Operations, as Chief of a Bureau of the Navy Department, as Judge Advocate General of the Navy, or as Major General Commandant of the Marine Corps, and is retired after completion of such service while serving in a lower rank or grade, may, in the discretion of the President, be retired with the rank, pay, and allowances authorized by law for the highest grade or rank held by him as such Chief of Naval Operations, Chief of Bureau, Judge Advocate General, or Major General Commandant: *Provided*, That the President in his discretion may extend the privileges herein authorized to such officers as have heretofore been retired and who satisfy the foregoing conditions: *Provided, further*, That no increase provided herein in retired pay shall be held to have accrued prior to the passage of this act.

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

A. J. MOSES

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 2948) for the relief of A. J. Moses, which were, on page 1, line 4, to strike out all after the word "money", down to and including "Corps", in line 6, and insert "in the Treasury not otherwise appropriated"; on the same page, line 7, after the word "of", to insert "his minor daughter"; on the same page, line 8, to strike out "a minor"; on the same page, line 11, to strike out "age 10"; on the same page, line 12, to strike out "belonging to" and insert "driven by"; on the same page, line 12, to strike out all after "a", down to and including "with", in line 1 of page 2, and insert "truck of"; and to amend the title so as to read: "An act for the relief of A. J. Moses and Gladys Moses, a minor."

Mr. BARKLEY. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

REVISION AND CODIFICATION OF NATIONALITY LAWS

The VICE PRESIDENT laid before the Senate a message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on the Judiciary, as follows:

To the Congress of the United States of America:

I transmit herewith a report concerning the revision and codification of the nationality laws of the United States, submitted upon my request, by the Secretary of State, the Attorney General, and the Secretary of Labor. The report is accompanied by a draft code with three appendices containing explanatory matter, prepared by officials of the three interested departments who are engaged in the handling of cases relating to nationality.

The report indicates the desirability from the administrative standpoint of having the existing nationality laws now scattered among a large number of separate statutes embodied in a single, logically arranged and understandable code. Certain changes in substance are likewise recommended.

In the enclosed letter forwarding the report to me the Secretary of State calls attention to a single question on which there is a difference of opinion between the Departments of Justice and Labor on the one hand and the Department of State on the other hand. If the committees of Congress decide to consider this question, the views of the three departments may be presented directly to them.

I commend this matter to the Congress for the attentive consideration which its wide scope and great importance demand.

THE WHITE HOUSE, *June 13, 1938.*

FRANKLIN D. ROOSEVELT.

[Enclosures: 1. Report; 2. Draft code and annexes; 3. From the Secretary of State.]

INVESTIGATION OF WORKS PROGRESS ADMINISTRATION

Mr. KING. Mr. President——

Mr. O'MAHONEY. I yield to the Senator from Utah.

Mr. KING. Several days ago I submitted a resolution calling for a comprehensive investigation of the Works Progress Administration. Under the rule, I was required to have it referred to the Committee to Audit and Control the Contingent Expenses of the Senate. The committee has not reported the resolution, though I have spoken to the chairman of the committee several times regarding it.

I now give notice that tomorrow, if the Committee to Audit and Control the Contingent Expenses of the Senate refuses to report the resolution, I shall ask unanimous consent that the committee be discharged from its further consideration, and that it be considered by the Senate; and if unanimous consent is refused, I shall move to have the committee discharged and the resolution considered.

INDUSTRIAL CONDITIONS

Mr. DAVIS. Mr. President——

Mr. O'MAHONEY. I yield to the Senator from Pennsylvania.

Mr. DAVIS. It is now almost a year since this country became aware of recurring depression. The desperate condition of public affairs has been accepted with less comment than depression lows of 1932 and 1933 because so many have become callous to the existence of millions of unemployed and wholesale public relief. Actually, however, the country is in a worse condition than in June 1931, 20 months after the Wall Street crash. The number of unemployed has increased, the public debt has been doubled, and the spirit of hope which first was brought to fight the depression has given way to disillusionment, for both Government and industry have failed to ward off the circumstances of depression.

It has been conservatively estimated that the people of the United States have lost since 1929 an income of over $272,000,000,000 which they had a right to expect if the governmental and industrial leadership of the Nation had met their basic needs.

The Federal Reserve Board's index of industrial production in April of this year was below that of May 1933 and lower than the average for any year except 1932 and 1933. Three million persons have been thrown out of work since last September. One family out of seven in the United States is receiving some form of public assistance.

Almost 10 percent of all the unemployed in the country are to be found in my State of Pennsylvania. We have over a million men and women in Pennsylvania who want work, who need work, but cannot get it.

Mr. President, the sharp decline in stock prices in recent weeks shows that business conditions are getting worse rather than better. The New York Times index of stock dropped from 81.60 on April 26 to 76.26 on May 26, a loss of 6½ percent. With commodity prices running downhill, business concerns are restricting their purchases to bare necessities.

In the face of these difficulties, Congress has been asked once again to vote vast sums for relief and work relief. I have made clear for a long period of time my belief that public spending, if administered in such a way as to discourage business, will not bring a solution for our problems. Moreover, I have taken every opportunity to discourage the political spending of public funds. To my knowledge, I was among the first to raise my voice in protest against the partisan administration of relief such as called forth the Hatch and Austin amendments.

Mr. President, I was unavoidably absent from the Senate on the evening in which the Hatch amendment came up for a vote; but when I returned to the Senate the next day I declared that if I had been present I would have voted for it, and the same day I voted for the Austin amendment, which carried penalties for the violation of its provisions. I am prepared to support any effort which may yet be made to safeguard our people against the abuses which arise when large sums of public funds are spent without the congressional control which the Constitution contemplates. However, at a time when millions of Americans face starvation and utter want, I was unwilling to vote to visit this punishment upon them simply to attempt to prove that this administration has made mistakes.

Mr. President, I think business needs to be free from unfair competition. I favor fair play for business, so that it may be released from the restraint of monopolistic practices either within or without itself. I hold no brief for unfair restraint of trade, whether it be imposed by corporate enterprise or by governmental bureaus.

The spirit of gloom has descended on the entire world because government and business in America have not learned the lessons of cooperation. We are leading the world in economic decline. While Mr. Hull preaches his doctrines of free trade and tariff revision downward in behalf of better economic conditions for the world, the domestic policies of this administration have led on to such economic disorder as to throw the other nations into increased fear and confusion.

I have long said that by maintaining in this land the highest standards of which we are capable America can do more than by any other method to uplift standards of work and wages in other lands. Now, apparently, we have reversed this principle, with resulting international anarchy and chaos. Surely this administration cannot lightly dismiss its responsibility for this sad condition.

Mr. President, I ask unanimous consent to have printed in the RECORD at this time, as a part of my remarks, an editorial from the Pittsburgh Post-Gazette for Monday, June 13, 1938, entitled "This Year's Elections Can Be Vital Force for Recovery and Reemployment."

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THIS YEAR'S ELECTIONS CAN BE VITAL FORCE FOR RECOVERY AND REEMPLOYMENT

It has been said, and it is doubtless correct, that the workers of the country were responsible for Mr. Roosevelt's reelection in 1936.

This is hardly true of his first election in 1932. At that time we were in a serious depression. Our citizens wanted a change and almost any Democrat would have had support sufficiently widespread to elect him.

In 1936, on the other hand, Mr. Roosevelt stood for reelection on the ground that, while business had improved somewhat, he had not quite finished the task of recovery he had undertaken. The people agreed and reelected him, in spite of the fact that there were then about 10,000,000 unemployed.

Nearly 2 years have passed since the President's second election. Although conditions seemed better for a short time because of the expenditure of millions of dollars by the Federal Government, a new depression is now upon us, fulfilling the prophecy of many economists and experienced businessmen that spending our way to prosperity was impossible.

Today the unemployment rolls once more have passed the 10,000,000 mark. Many more thousands have only part-time work. What is to be done?

Let us take it for granted that the vast sum about to be spent for relief and other activities will once more produce a temporary improvement.

Experience has taught us that the spending of huge sums in this manner does not produce a sound or permanent business recovery. Before long we are back where we started, save that the national debt has been increased.

The average citizen does not pay serious attention to the national debt. It would be well if he did, for the problem of repayment will have to be faced sooner or later.

If the debt is to be paid back by increased taxation, persons of small and moderate means will suffer most. Those who now pay direct taxes will have to pay at higher rates, but direct taxation will also be extended to many not now included.

Members of Congress, including Senator LA FOLLETTE, who approves almost all of Mr. Roosevelt's objectives, have tried at various times to press a bill lowering the base of direct taxation to take in small-wage earners now exempt.

Sooner or later such a law will no doubt be passed. But even if it isn't, why accept the delusion that small-wage earners are not now being taxed? There are hundreds of taxes which they must pay, covering almost everything they buy, whether it be cigarettes,

gasoline, clothing, or food. Between the Federal taxes and the taxes imposed by most State and local governments, the small-wage earner more than pays his share.

If, however, taxes are not increased, the Government may start the printing presses rolling for an inflation spree. Again the laboring class will suffer most heavily through the lessened buying power of the dollar.

Other countries have been through inflation of this sort at the cost of intense hardship. Although we do not wish to believe that this will happen here, the day has passed when we could say with conviction, "It can't happen here."

All these difficulties which may occur in the future and all that we are going through now are needless troubles which could without question have been prevented.

It was the workers who elected Mr. Roosevelt and it is the workers, with a few exceptions, who are getting the worst of it now. Unless industry is started along the road to permanent recovery, there can be no permanent jobs, which can only mean continued unemployment, continued part-time work, and continued suffering.

Is the administration to blame? We believe that a great share of the blame must be laid at its doorstep, because very little, if any, attention was paid to what was told to the President and to congressional committees by the representatives of big business and little business. No attention was paid to financiers of the most honorable reputation, nor to the heads of railroad and utility companies in which hundreds of thousands of our citizens have investments.

In fact, the administration did not even pay attention to leaders of its own party—men like Vice President Garner and Senators Harrison, King, Wheeler, Glass, and Bailey. Instead it heeds the little clique which surrounds the President, such young men as Corcoran, Cohen, Hopkins, and Jackson, and son Jimmie Roosevelt, none of whom has ever had the responsibility of meeting pay rolls. These are the men who are advising Mr. Roosevelt how business should function.

Is the future so dark that there are no remedies? We say, "No." We believe that a step is possible which will bring recovery and reemployment.

The workers themselves can bring this about. They can do it with their votes at the primary elections, many of which are still to take place, and, more especially, at the congressional elections in November.

If we will nominate and elect enough antinew dealers, a confidence will be created sufficient to start the machinery of business turning faster than it has turned for a long time.

And if recovery and reemployment do not come then, those who wish to bring back the New Deal can have that opportunity in the Presidential election 2 years from now.

However, we have complete faith in the future prosperity of our country and faith that recovery will start almost immediately if only a large minority (not necessarily a majority) of anti-New Deal candidates are elected this November.

Fear was the beginning and is still at the bottom of this depression—fear of what the President and his clique will say or do next which would be harmful to business. From one day to another, businessmen do not know what laws may be passed or what may be expected of them. We have had in Washington the most shocking mismanagement which has ever existed in this country.

We do not deny that some very excellent social legislation has been passed by Mr. Roosevelt's administration, but it was not necessary to ruin business in order to achieve these reforms.

Some of the President's closest friends have pleaded with him to change the administration's attitude toward business, but nothing has been accomplished. Although Mr. Roosevelt has been informed that industry is "set to go" if it only gets same cooperation and encouragement from the Government, he has failed to act.

Appropriations for relief are necessary, of course, but they are not enough. No one wants to be on relief unless he is ill or otherwise incapable of working. Men and women want jobs, and only industry can furnish these jobs. Even Mr. Roosevelt said this in his last radio talk. But jobs are only available when business can operate in the black, which to a large degree the administration has prevented. This is hard to understand, but it is nevertheless true.

Now it is for the people to decide about the future of our country. They can determine it with their votes in the coming elections.

Mr. DAVIS. Mr. President, on May 8 Secretary Hull, during an international broadcast delivered at the Pan American Union, said:

We have all experienced, in varying degrees, the adversities of the recent tragic years. We have seen a world-wide depression plunge all nations into widespread suffering and want. We have seen industry, agriculture, and business in general operating at a mere fraction of their normal productive capacity, with millions of able workers in the ranks of the unemployed and with profits and values drastically impaired. That such conditions should arise in a world in which both resources and equipment are ample to supply the needs of all is a challenge to human intelligence and to responsible leadership of all governments.

In large measure all this has been a consequence of national policies which have obstructed the flow of international commerce. Excessive barriers to trade have risen in the American nations, as well as elsewhere in the world. The bitter experience of the depression years has taught us the imperative necessity of reducing and eventually eliminating such barriers if we are to attain the objective of full, stable, and durable economic prosperity.

Mr. President, there are, it seems to me, a number of questions which the eminent Secretary should answer:

First. Does Mr. Hull believe that the depression of 1937–38 was caused by the American system of the protective tariff?

Second. If, in the opinion of Mr. Hull, recurring depression was caused by trade barriers, from what American industries does he propose eventually to eliminate such protection?

Third. Will Secretary Hull tell the American people if he favors elimination of protection from coal miners, steel workers, or dairy and poultry farmers?

Mr. President, we have in the State of Pennsylvania thousands of coal miners and steel workers without work. We have dairy and poultry farmers who are operating at a loss. If Secretary Hull proposes further to remove trade protection from Pennsylvania labor and industry, I think he owes it to our people to make known frankly his purposes. The people have the right to know where he stands, so that they may bring their answer to him at the polls November 8.

Mr. President, now Mr. Hull is asking once again for the St. Lawrence waterway. There is nothing new about this adventure. When the St. Lawrence project was first brought up, a generation ago, the emphasis was laid on the transportation feature, the creation of a deep waterway for ocean commerce from the Great Lakes to the Atlantic, thus making, as it was claimed, every harbor on the Great Lakes a seaport. The hydroelectric power part of the St. Lawrence project was then treated as a minor phase of the matter. The present administration, in advocating the St. Lawrence Waterway, has reversed all this. Today, the emphasis is on the hydroelectric power angle, the enormous quantities of cheap hydropower which could be generated and distributed as a major feature. In his latest communication on this subject, the President has stressed the hydropower phase as the major immediate goal. Impressing upon the Canadian Government the advantages of speedy consummation of a treaty that will permit an immediate start on the construction of the project, he refers to the fact that "New York State will be able to proceed immediately with the development of 1,100,000-horsepower of cheap hydroelectric power, which constitutes the American share of the power available in the International Rapids section." He suggests that Canada, if it so desires, may defer the construction of its own hydroelectric part of the project, and he gives no time limit or estimate as to the completion of the waterway, but adverts over and over again to the desirability and need for an immediate start by our own Government of hydropower development.

The President also proposes the establishment of a joint Great Lakes-St. Lawrence commission, to be charged with the duty of planning for the St. Lawrence River basin so as "to develop its maximum use in the interests of the people of both countries." The President proposes that the commission shall "prepare plans for public works," approve contracts, oversee construction, allocate costs, and, getting back to the hydropower question, asserts that "by joint planning and handling both countries could obtain considerably greater quantities of power at lower costs." The hydropower phase of the waterway has now come to the forefront of administration thinking on this matter.

Mr. President, I am deeply concerned as to what this will mean to the citizens of Pennsylvania, and more particularly to the coal miners of Pennsylvania. It means that several hundred million dollars will be spent out of the Public Treasury, already heavily burdened with debt, in order to promote a huge hydroelectric power project with a Government subsidy to rob coal of its present markets, or at least to preempt coal's future market by substituting water power for power generated in coal-burning steam plants. The 1,100,000 horsepower of hydroelectric power which the President states is our country's share of the St. Lawrence project, and which this administration wishes to make immediately available for distribution throughout the northeastern section of this country,

means the displacement of approximately 1,000,000 tons of coal annually from now on. One million tons of coal is the approximate equivalent of 1,000,000 man-days of labor when we figure the labor of mining coal, its transportation, and its distribution. One million man-days means annual employment for 3,300 men in year-round jobs on a 300-day basis.

In other words, Mr. President, if the St. Lawrence hydroelectric project which the administration desires to institute is consummated, it will mean 3,300 less jobs for our own wage earners, and most of these jobs will be taken away from the wage earners in the State of Pennsylvania, because it is Pennsylvania coal which in the ordinary course of events would be laid on the altar of the St. Lawrence waterway adventure. I am willing to admit that in an administration which daily faces over 14,000,000 men and women without jobs, with more going on relief rolls every day, the loss of 3,300 jobs more or less may seem to be insignificant; but I cannot face this possible loss with any degree of consent if it means a loss of work for any one of 10,000 workers with whom I am personally acquainted in Pennsylvania. If it means the loss of work for any one of these men whom I know personally, their neighbors or their friends, if it means the relief rolls for them and their families, I cannot accept it calmly or without a vigorous protest.

Mr. President, there is another aspect of the St. Lawrence project which is of direct concern and great potential damage and danger to Pennsylvania. That is the question of the Canadian market for coal, and the question of Russian coal. Canada is a valuable market for coal from the mines in this country. The Canadians have been consuming approximately 17,000,000 tons of our coal annually.

In 1930 Canada consumed 996,000 tons of British anthracite and 2,955,000 tons of Pennsylvania anthracite; but the amount of British anthracite consumed in Canada has been steadily advancing, and the amount of Pennsylvania anthracite sold in Canada has been steadily declining. Canadian imports of British coal will be further increased if the St. Lawrence waterway becomes a reality. The whole theory of its proponents from the transportation angle is that ships will carry cargoes of grain, chiefly Canadian wheat, to Europe, and, due to lack of other return cargo, these foreign ships will carry British coal up the St. Lawrence and into the Great Lakes without regard to remunerative rates. The imports of Russian coal into either the Canadian market or into our own market in direct competition with our own coal is a factor which must be faced by citizens of Pennsylvania who will be affected by this project.

It is now estimated and reported that the coal resources of Russia amount to 428,000,000,000 tons, of which 54,000,000,000 tons are anthracite. Mr. President, I say billion tons, not millions. To visualize the enormity of the Russian coal deposits, let these figures be compared with the estimate of 17,000,000,000 tons of anthracite resources in the State of Pennsylvania, or the estimated total of only 8,000,000,000 tons in Wales, which constitute the chief resources in coal in the British Isles.

The Economic Review of the Soviet Union reports that their coal production schedule has been set to increase at the rate of 4,000,000 tons annually for a period of 10 years, at the end of which time annual production is expected to reach 70,000,000 tons. Russian coal, although in small quantities, is even now being imported into New England. The Russian coal mines, now being rapidly developed in the Donetz Basin, are within 100 miles of the Black Sea, and its water transport across the ocean will be accelerated if there develops any such boom in interoceanic shipping as the St. Lawrence waterway would suggest.

If Canadian hydroelectric power is to be imported into the United States then the coal industry and the coal miners are again damaged. American railroads and American railroad labor, already in grave jeopardy in the present depression to a far greater extent than is commonly realized, are faced with new threats in the St. Lawrence waterway project. They lose coal freight and coal-freight revenues when coal is displaced by hydroelectric power, and they lose other commodity freights and freight revenues when water transport by way of the St. Lawrence seaway is substituted for rail transport. The advocates of the treaty claim there is enough freight to support both the railroads and the seaway, but this is quite at variance with the facts. I do not believe one railroad man in the United States would agree to this. In view of the fact that present means of transportation, already established and long with us, are in desperate straits, it is difficult to fathom what patriotism can be found in a plea to render their condition more intolerable.

The whole argument for the seaway from a transportation standpoint rests on the theory that it will provide a cheaper transport medium than is now available. If that proved to be so, then the diversion of traffic from the rails to the seaway is inevitable unless rail rates are slashed, and yet it appears that the railroads are having major difficulty in surviving on the basis of their present rates. A reduction in rates would inevitably accentuate the present question of a reduction in wages, and this is an issue which, if not considered carefully, may occasion a Nation-wide crisis. It should be remembered also that in the mining of bituminous coal approximately 70 cents of every coal dollar goes to the miners in wages, and bituminous coal provides the railroads with 20 percent of their total freight revenues.

Mr. President, I ask unanimous consent to have printed in the RECORD as a part of my remarks a few statistics relating to the production, value of output, number of men employed, and man-days of labor in the bituminous- and anthracite-coal industries of Pennsylvania in the period from 1935 to 1937.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Production, value of output, number of men employed, and man-days of labor in the bituminous and anthracite industries, Pennsylvania, 1935–37

	Bituminous	Anthracite
Production (tons):		
1935	91,404,670	52,159,000
1936	[1] 108,527,000	54,760,000
1937	[1] 110,160,000	[1] 50,037,000
Value of output:		
1935	$172,170,000	$210,131,000
1936	[2]	$227,004,000
Number of men employed:		
1935	124,109	103,269
1936	[2]	102,081
Man-days of labor:		
1935	22,307,000	19,517,841
1936	[2]	19,599,552

[1] Subject to revision. [2] Not available.

Mr. DAVIS. Mr. President, hard times began in the bituminous-coal industry soon after 1923. This has been a national problem for many years. From 1924 to 1929, during the time I was Secretary of Labor, when American business as a whole experienced abounding prosperity, the bituminous-coal industry was characterized by widespread unemployment, declining labor standards, and heavy financial loss. The war boom had increased the capacity of an already overdeveloped industry. High prices of fuel, associated with the wartime shortage, had encouraged the use of substitutes, and more important, had directed the attention of consumers to economies in the use of fuel. As a result, an industry which for more than 100 years had become used to a steadily expanding market which grew like a sum at compound interest now found itself faced with a stationary demand. The consumption of bituminous coal did not actually decline during the decade from 1919 to 1929, but it failed to show any of the increase which the industry had been geared to confidently expect up to that time.

Between 1923 and 1929 more than 3,200 mines were forced to close. During this period more than 200,000,000 tons of

mine capacity was forced out of business, most of it a complete loss to the investors. Employment suffered a corresponding decline during this period. In 1923 the number of men on the rolls, according to the official statistics of the United States Bureau of Mines, was 705,000. By 1929, the number had fallen to 502,000. During this 6-year period, therefore, a total of 203,000 men lost their jobs.

In 1923 the average daily earnings of the men employed in the industry were $6.74. By early 1933 the average had fallen to $3.36, and many mines, especially in the southern mountains, were paying as low as $2 a day and some paying even less than that. The intensified competition had finally resulted in a virtual break-down of the machinery of collective bargaining. The industry was practically in chaos. The low point came in 1932, when production fell to 309,000,000 tons and the number of workers on pay rolls to 406,000. A great many of the mining communities were seriously impoverished. In fact, the coal fields have long represented a special problem in relief. Out of the 88 counties in this country classified as chiefly engaged in mining bituminous coal, there were 22 counties in which more than 24 percent of the population was on relief during the year 1933–34. In some of the coal counties relief loads averaged as high as 40 percent. This compares with an average relief load of 11.6 percent for the country as a whole.

Mr. President, this is a serious problem. It is one of long standing. We are now moving into the tenth year of the depression. We cannot longer afford to bring to this grave national problem the divided opinion of partisanship. This is no time to bring forward the pet plans or factional fancies of any particular group. We must plan together, we must work together, we must move forward together if we are to retrieve the great economic and social losses of our people.

To the tragic problems of the bituminous-coal industry have been added the more recent and no less serious problems of the anthracite industry. The American coal industry has been reduced to a sad state of beggary. I have been receiving a number of letters from constituents taking me to task for voting for relief and spending purposes under the conditions which will now govern these expenditures. I want to make clear that I sympathize with the points of view they have expressed. Not for one moment do I condone partisanship in the administration of relief. Not for one moment do I place my vote of approval on public spending in such a way as to discourage business and free enterprise. Not for one moment do I retract a single criticism I have made of the waste and haste with which public policy has been determined in these trying years. However, I realize the greatest need of the present hour is to prevent the mistakes either of Government or industry from being visited in innocent helpless men, women, and children who without succor from the Government would be reduced to utter starvation. Faced with these tragic conditions I will not allow the partisan spirit to dominate my actions or my vote.

It must now be evident that the major need of this country is not for more transportation facilities such as might be provided by the St. Lawrence waterway; instead, we need a better use of such transportation facilities as we now have. It is evident that our major need is not new sources of power, light, and heat, but better use of such sources as are now at our command, languishing because we do not put them to sufficient use. It is evident that our major need is not for the imports from foreign lands, but a more intensive demand for our own products coming from within our own borders. If we are to halt the wave of depression which now threatens to overwhelm the land we must care for our own and give them every protection which they have a right to expect from this great Nation. American workmen have a right to expect that they shall have the first demand on the American market. American unemployed and those on relief rolls have a right to expect that our foreign policy shall be directed by those who give first thought to their desperate needs. American agriculture and industry have a right to expect tariff protection such as we have had in the past and which has served as the fundamental basis of our national good fortune. This is no time to fiddle with theoretical hopes of international adventure while the Nation goes to pot.

EXECUTIVE SESSION

Mr. BARKLEY. Mr. President——

Mr. O'MAHONEY. I yield to the Senator from Kentucky.

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting several nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

Mr. ADAMS, from the Committee on Public Lands and Surveys, reported favorably the nomination of Loraine Rollins, of Wyoming, to be register of the land office at Evanston, Wyo. (Reappointment.)

Mr. WAGNER, from the Committee on Banking and Currency, reported favorably the nomination of Stewart McDonald, of Missouri, to be Federal Housing Administrator for a term of 4 years from June 30, 1938. (Reappointment.)

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

He also, from the same committee, reported adversely the nominations of several postmasters.

He also, from the Committee on Appropriations, reported favorably the nomination of Kenneth A. Godwin, of California, to be regional director, region 6, Federal Emergency Administration of Public Works.

Mr. HUGHES, from the Committee on the Judiciary, reported favorably the nomination of Francis J. W. Ford, of Massachusetts, to be a judge of the United States District Court for the District of Massachusetts, to fill an existing vacancy.

Mr. WALSH, from the Committee on Naval Affairs, reported favorably the nominations of sundry officers for promotion in the Navy and in the Marine Corps.

Mr. HARRISON, from the Committee on Finance, reported favorably the nomination of James H. Latchum, of Milford, Del., to be collector of internal revenue for the district of Delaware, in place of Willard F. Deputy, resigned.

The VICE PRESIDENT. The reports will be placed on the Executive Calendar.

If there be no further reports of committees, the clerk will state in their order the nominations on the calendar.

THE JUDICIARY

The legislative clerk read the nomination of George Philip to be United States attorney for the district of South Dakota.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Carlisle W. Higgins to be United States attorney for the middle district of North Carolina.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Charles W. Robertson to be United States Marshal for the District of South Dakota.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

DIPLOMATIC AND FOREIGN SERVICE

The legislative clerk proceeded to read sundry nominations in the Diplomatic and Foreign Service.

Mr. BARKLEY. I ask unanimous consent that the diplomatic nominations be confirmed en bloc.

The VICE PRESIDENT. Without objection, the diplomatic nominations are confirmed en bloc.

IN THE ARMY

The legislative clerk read the following nominations:

APPOINTMENTS, BY TRANSFER, IN THE REGULAR ARMY

Capt. John Salisbury Fisher, to Quartermaster Corps.

First Lt. Gwinn Ulm Porter, to Coast Artillery Corps.

The VICE PRESIDENT. Without objection, the nominations are confirmed.

IN THE NAVY

The legislative clerk proceeded to read sundry nominations in the Navy.

The VICE PRESIDENT. Without objection, the nominations in the Navy are confirmed en bloc.

IN THE MARINE CORPS

The legislative clerk proceeded to read sundry nominations in the Marine Corps.

The VICE PRESIDENT. Without objection, the Marine Corps nominations are confirmed en bloc.

That completes the calendar.

POSTMASTERS

Mr. McKELLAR. Mr. President, the nominations of a large number of postmasters have been reported today. I ask unanimous consent that they may be considered at this time.

The VICE PRESIDENT. The Senator from Tennessee states that there are a number of postmasters whose nominations have been favorably reported by the committee; and the Senators concerned have been contacted, as the Chair understands. The Chair understood the Senator from Tennessee to say that the nominations are agreeable to them, and he asks unanimous consent for their confirmation. Is there objection? The Chair hears none, and the nominations are confirmed.

Mr. McKELLAR. Mr. President, did the Chair say that all the nominations had been agreed upon by Senators? There are some that were not; but the committee has acted upon them.

The VICE PRESIDENT. The President is not to be notified, and Senators will have a chance to move a reconsideration tomorrow if they so desire.

NOMINATION OF GEORGE L. WATKINS

Mr. McKELLAR. Mr. President, on June 10 the nominations of several postmasters were rejected. Among them was the nomination of George L. Watkins to be postmaster at Tulsa, Okla.

The junior Senator from Oklahoma [Mr. LEE] desires that the Senate reconsider the vote by which the nomination of Mr. Watkins was rejected and that the nomination be recommitted to the Committee on Post Offices and Post Roads. I ask that the vote by which the nomination was rejected be reconsidered and that the nomination be recommitted to the Committee on Post Offices and Post Roads.

The PRESIDING OFFICER (Mr. SHEPPARD in the chair). Is there objection? The Chair hears none, and it is so ordered.

That completes the nominations on the calendar.

CONVENTION WITH SWITZERLAND REGULATING MILITARY OBLIGATIONS OF CERTAIN INDIVIDUALS

Mr. PITTMAN. Mr. President I ask that the Senate proceed to the consideration of Executive A.

The Senate, as in Committee of the Whole, proceeded to consider Executive A (75th Cong., 3d sess.), a convention between the United States of America and Switzerland, signed at Bern on November 11, 1937, regulating the military obligations of certain individuals possessing both American and Swiss nationality, which was read the second time, as follows:

The President of the United States of America and the Swiss Federal Council, animated by the desire of regulating the military obligations of certain individuals possessing both American and Swiss nationality, have resolved to conclude a convention to that effect and have named as their plenipotentiaries—

The President of the United States of America:

Mr. Leland Harrison, Envoy Extraordinary and Minister Plenipotentiary of the United States of America, in Bern;

The Swiss Federal Council:

Mr. Guiseppe Motta, President of the Confederation, chief of the federal political department;

Who, after having exchanged their full powers, found in good and due form, have agreed upon the following provisions:

ARTICLE 1

A person born in the territory of one of the two parties, of parents who are nationals of the other, who possesses the nationality of these two States and has his habitual residence in the State of his birth, shall not be held liable by the other State for military service or for payment of taxes in lieu thereof, even in the case of a temporary stay in the territory of the latter State. However, if this stay is protracted beyond the period of 2 years, it shall be presumed to be permanent, unless the person can show his intention of returning to his native land shortly after the lapse of this period.

ARTICLE 2

The present convention shall be ratified.

It shall become effective upon the exchange of the instruments of ratification and shall continue in effect for 3 years. At the end of this time either of the parties may denounce it at any time, subject to notice given 6 months in advance.

In witness whereof, the above-named plenipotentiaries have signed this convention and have hereunto affixed their seals.

Done at Bern, in duplicate, in the English and French languages, the 11th day of November 1937.

[SEAL] LELAND HARRISON.
[SEAL] MOTTA.

Mr. KING. Mr. President, there are several citizens of my State who were born in Switzerland, and I understand that during the World War they were notified that they must come back to Switzerland, notwithstanding the fact that they had become naturalized citizens of the United States.

Mr. PITTMAN. This is intended to cure that situation, so that such citizens may return to the countries where they were born without being subject to military service.

Mr. KING. And that would be true also of their children?

Mr. PITTMAN. It would be true of their children.

The PRESIDING OFFICER. The convention is before the Senate and open to amendment. If there be no amendment to be proposed, the convention will be reported to the Senate.

The convention was reported to the Senate without amendment.

The PRESIDING OFFICER. The resolution of ratification will be read:

The legislative clerk read, as follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of Executive A, Seventy-fifth Congress, third session, a convention between the United States of America and Switzerland, signed at Bern on November 11, 1937, regulating the military obligations of certain individuals possessing both American and Swiss nationality.

The PRESIDING OFFICER. The question is on agreeing to the resolution of ratification. (Putting the question.) Two-thirds of the Senators present concurring therein, the resolution is agreed to, and the convention is ratified.

TREATY WITH LITHUANIA RELATING TO LIABILITY FOR MILITARY SERVICE AND OTHER ACTS OF ALLEGIANCE

Mr. PITTMAN. Mr. President, I ask now that the Senate proceed to the consideration of Executive B.

The Senate, as in Committee of the Whole, proceeded to consider Executive B (75th Cong., 3d sess.), a treaty between the United States of America and Lithuania, signed at Kaunas on October 18, 1937, defining in certain cases the liability for military service or any other act of allegiance of nationals of either country who have been or shall become naturalized in the territory of the other country as well as of certain classes of persons born with double nationality, which was read the second time, as follows:

The United States of America and Lithuania being desirous of defining in certain cases the liability for military service or any other act of allegiance of nationals of either country who have been or shall become naturalized in the territory of the other country as well as of certain classes of persons born with double nationality, have resolved to conclude a treaty on the subject and

for that purpose have appointed their plenipotentiaries, that is to say:

The President of the United States of America:

C. Porter Kuykendall, Chargé d'Affaires ad interim of the United States of America to Lithuania; and

The President of the Republic of Lithuania:

Stasys Lozoraitis, Minister of Foreign Affairs;

Who, having communicated to each other their full powers found to be in good and due form, have agreed upon the following articles:

ARTICLE I

Nationals of either country, who have been or shall become naturalized in the territory of the other country shall not, upon returning to the country of former nationality for a temporary stay, be required to perform military service or any other act of allegiance, or punished for the original act of emigration, or for failure to respond to a call for military service, liability for which did not accrue until after bona fide residence was acquired in the territory of the country whose nationality was obtained by naturalization.

Provided, that if a national of either country who comes within the purview of this article shall renew his residence in his country of origin without the intent to return to the country in which he was naturalized, he shall be held to have renounced his naturalization.

The intent not to return may be held to exist when a person naturalized in one country shall have resided more than 2 years in the other country; but this presumption may be overcome by evidence to the contrary.

ARTICLE II

A person born in the territory of one country of parents who are nationals of the other country, and having the nationality of each country under its laws, shall not, if he has his habitual residence, that is, the place of his general abode, in the territory of the country of his birth, be held liable for military service or any other act of allegiance during a temporary stay in the territory of the other country.

Provided, that if such stay is protracted beyond the period of 2 years, it shall be presumed to be permanent, in the absence of sufficient evidence showing that return to the territory of the other country will take place within a short time.

ARTICLE III

The present treaty shall be ratified and the ratifications thereof shall be exchanged at Washington. It shall take effect in all its provisions on the day of the exchange of ratifications and shall continue in force for the term of 10 years from that day.

If within 1 year before the expiration of 10 years from the day on which the present treaty shall come into force, neither high contracting party notifies the other of an intention of terminating the treaty upon the expiration of the aforesaid period of 10 years, the treaty shall remain in full force and effect after the aforesaid period and until 1 year from such a time as either of the high contracting parties shall have notified to the other an intention of terminating the treaty.

In witness whereof, the respective plenipotentiaries have signed the present treaty and have affixed their seals thereto.

Done in duplicate, in the English and Lithuanian languages, both authentic, at Kaunas, this 18th day of October, 1937.

C. PORTER KUYKENDALL. [SEAL]
LOZORAITIS. [SEAL]

The PRESIDING OFFICER. If there be no amendment, the treaty will be reported to the Senate.

The treaty was reported to the Senate without amendment.

The PRESIDING OFFICER. The resolution of ratification will be read.

The legislative clerk read as follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of Executive B, Seventy-fifth Congress, third session, a treaty between the United States of America and Lithuania signed at Kaunas on October 18, 1937, defining in certain cases the liability for military service or any other act of allegiance of nationals of either country who have been or shall become naturalized in the territory of the other country as well as of certain classes of persons born with double nationality.

The PRESIDING OFFICER. The question is on agreeing to the resolution of ratification. [Putting the question.] Two-thirds of the Senators present concurring therein, the resolution is agreed to, and the treaty is ratified.

SUPPLEMENTARY EXTRADITION TREATY WITH NORWAY

The Senate, as in Committee of the Whole, proceeded to consider Executive E, (75th Cong., 3d sess.), a supplementary extradition treaty between the United States and Norway signed at Washington on February 1, 1938, adding to the list of crimes or offenses enumerated in the extradition treaty between the two countries of June 7, 1893, on account of which extradition may be granted, crimes or offenses against the bankruptcy laws and violations of legislation concerning narcotics, which was read the second time, as follows:

The United States of America and the Kingdom of Norway being desirous of enlarging the list of crimes on account of which extradition may be granted under the treaty concluded between the United States of America and Norway on June 7, 1893, with a view to the better administration of justice and prevention of crime within their respective territories and jurisdictions, have resolved to conclude a supplemental treaty for this purpose and have appointed as their plenipotentiaries:

The President of the United States of America;

Mr. Cordell Hull, Secretary of State of the United States of America; and

His Majesty the King of Norway;

Mr. Wilhelm Munthe de Morgenstierne, his Envoy Extraordinary and Minister Plenipotentiary in Washington;

Who, having communicated to each other their respective full powers, which were found to be in due and proper form, have agreed to and concluded the following articles:

ARTICLE I

The following crimes are added to the list of crimes Nos. 1 to 12 in article II of the said treaty of June 7, 1893, on account of which extradition may be granted; that is to say:

13. Crimes or offenses against the bankruptcy laws, provided that the act may be punished in the United States as a felony and in Norway is a crime which, under the General Civil Penal Code, may be punished with a more severe penalty than imprisonment for 1 year.

14. Violations of legislation concerning narcotics, if the act, committed in Norway, would be subject to punishment by imprisonment.

ARTICLE II

The present treaty shall be considered as an integral part of said extradition treaty of June 7, 1893, and article II of the last-mentioned treaty shall be read as if the list of crimes and offenses therein contained had originally comprised the additional crimes and offenses specified and numbered 13 and 14 in the first article of the present treaty.

The present treaty shall be ratified by the High Contracting Parties in accordance with their respective constitutional methods, and shall take effect on the date of the exchange of ratifications which shall take place at Oslo as soon as possible.

In witness whereof, the above-mentioned Plenipotentiaries have signed the present treaty in both the English and Norwegian languages and have hereunto affixed their seals.

Done in duplicate at Washington this 1st day of February 1938.

CORDELL HULL. [SEAL]
W. MORGENSTIERNE. [SEAL]

The PRESIDING OFFICER. The treaty is before the Senate and open to amendment. If there be no amendment to be proposed, the treaty will be reported to the Senate.

The treaty was reported to the Senate without amendment.

The PRESIDING OFFICER. The resolution of ratification will be read.

The legislative clerk read as follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of Executive E, Seventy-fifth Congress, third session, a supplementary extradition treaty between the United States and Norway signed at Washington on February 1, 1938, adding to the list of crimes or offenses enumerated in the extradition treaty between the two countries of June 7, 1893, on account of which extradition may be granted, crimes or offenses against the bankruptcy laws and violations of legislation concerning narcotics.

The PRESIDING OFFICER. The question is on agreeing to the resolution of ratification. [Putting the question.] Two-thirds of the Senators present concurring therein, the resolution is agreed to, and the treaty is ratified.

ARBITRATION CONVENTION WITH THE NETHERLANDS RELATING TO MILITARY SUPPLIES

The Senate, as in Committee of the Whole, proceeded to consider Executive F (75th Cong., 3d sess.), a convention between the United States of America and the Netherlands, signed at Washington on March 18, 1938, providing for the arbitration of a difference between the Governments of the two countries in regard to the sufficiency of the payment made by the Government of the United States of America to the Government of the Netherlands for certain military

supplies of the Netherland Government which were requisitioned in 1917, which was read the second time, as follows:

CONVENTION FOR ARBITRATION OF CLAIM

Whereas, in November 1917, the Government of the United States of America requisitioned certain military supplies of the Government of the Netherlands, for which it paid a sum not considered by the Government of the Netherlands to be the full amount to which it was entitled therefor, while the Government of the United States of America considers, on the contrary, that it has paid more than was due.

Whereas it has been found impossible to adjust the resulting differences of opinion by diplomacy,

Whereas the President of the United States of America and Her Majesty, the Queen of the Netherlands, are desirous of reaching an amicable settlement of their differences, by arbitration if necessary, and that a convention be concluded for that purpose, have named as their plenipotentiaries, that is to say:

The President of the United States of America:

Cordell Hull, Secretary of State of the United States of America, and

Her Majesty, the Queen of the Netherlands:

Jonkheer H. M. van Haersma de With, Envoy Extraordinary and Minister Plenipotentiary of the Netherlands to the United States of America,

Who, having communicated to each other their respective full powers, found in good and due form, have agreed upon the following articles:

ARTICLE I

First. Within 6 months from the date of the exchange of ratifications hereof the agent for the Government of the Netherlands shall present to the agent for the Government of the United States of America a memorial in which shall be fully set forth:

(a) the facts on which the Netherlands Government rests its claim against the Government of the United States of America.

(b) the amount of additional compensation demanded, the principal of which compensation shall in no event exceed the difference between the florins alleged to have been expended by the Netherlands Government and the amount in dollars received by it, leaving to the Arbitrator the question as to whether, in the event of an award, interest should be granted.

(c) an explanation of the grounds and theory on which the claim is predicated.

Such memorial shall be accompanied by all the evidence upon which the claim is considered to be based, it being clearly understood that no further evidence may be injected into the case either during the discussions mentioned in Article II below or during the possible adjudication of the claim, except as hereinafter provided.

Second. Within 6 months from the date of receipt by the Agent for the Government of the United States of America of such memorial, he shall present to the Agent for the Government of the Netherlands an answer to the memorial, in which shall be fully set forth:

(a) the facts relied upon by the Government of the United States of America in defense of the claim of the Government of the Netherlands and the facts on which the Government of the United States of America rests any counterclaim.

(b) the amount of such counterclaim,

(c) an explanation of the grounds and theory on which the defense and any such counterclaim are predicated.

To such answer there shall be attached all the evidence upon which the defense of the claim and upon which the counterclaim are considered to be based, and no further evidence shall be injected into the case, either in support or defense, either during the stage of discussions mentioned in article II below or during possible arbitration, except as hereinafter provided.

Third. With all issues of fact and law thus defined, the agent for the Government of the Netherlands shall, within 6 months from the date of the receipt of the answer, file with the agent for the Government of the United States of America a written brief containing all such factual and legal contentions as he may desire to make in support of the claim and in defense of the counterclaim. In such brief the agent for the Netherlands Government, without being allowed to change the general grounds of the claim as stated in the memorial, may further explain such grounds in the light of the answer and the evidence filed therewith and he may file with such brief only such evidence as is strictly in refutation of the answer or of the evidence filed with the answer, but which does not lay the basis of any new grounds for the claim. With the brief there may be filed also an answer to the counterclaim, which answer shall be governed by paragraph "second" above.

Fourth. Within 6 months from the date of the receipt of such brief the agent for the Government of the United States of America shall file with the agent for the Government of the Netherlands a reply brief containing all such factual and legal contentions as he may desire to make in defense of the claim and in support of the counterclaim. In such reply brief the agent for the Government of the United States of America, without being allowed to change the general grounds of the defense of the claim or the general grounds of the counterclaim, may further explain such grounds in the light of the brief of the Government of the Netherlands, the answer to the counterclaim, and the evidence filed therewith, and he may file with such reply brief only such evidence as is strictly in refutation of the brief or the evidence filed therewith, but which does not lay the basis of any new grounds for defense of the claim or any new grounds for the counterclaim.

ARTICLE II

In the event that the two Governments shall be unable to agree upon a disposition of the claim and the counterclaim or upon any portions thereof, within the 6 months next succeeding the delivery of the reply brief of the Government of the United States of America, the pleadings thus exchanged shall be referred to arbitration for the decision of any such unsettled questions, it being clearly understood, however, that in no event shall the issues of the claim or of the counterclaim, either factual or legal, or the contentions of either party, as herein submitted to diplomatic discussion, be changed in character, or the written record above described augmented in the event the matter is so referred to arbitration.

ARTICLE III

The issues to be decided shall be those formulated by the pleadings exchanged in pursuance of Article I hereof, or such of those issues as shall not have been previously settled by agreement of the two Governments.

The Arbitrator shall decide such issues in conformity with applicable law.

ARTICLE IV

The arbitral tribunal shall consist of a sole Arbitrator, to be selected by mutual agreement of the two Governments, who shall be a jurist of repute, familiar with the English language, and who shall not be a national of the Netherlands or of the United States of America.

ARTICLE V

Within 30 days from the termination of the period specified in article II above, if the diplomatic negotiations referred to therein shall not have resulted in a full settlement of the claim and counterclaim, the pleadings provided for in article I above shall be delivered to the arbitrator by means of a joint communication of the two agents.

ARTICLE VI

As soon as possible after the date of the receipt of the above-mentioned pleadings by the arbitrator, and not later than 4 months from that date, he shall convene the parties at a place to be determined by the two Governments for the purpose of hearing such oral arguments by agents or counsel, or both, for each Government, as they may desire to make. The conduct of the oral proceedings shall be under the control of the arbitrator. Authentic minutes of the meetings shall be kept by a secretary, to be designated by the arbitrator, and shall be signed by the arbitrator and the secretary.

The periods of time mentioned in Article V and VI hereof may be extended by mutual agreement of the two Governments.

ARTICLE VII

The Arbitrator shall be obligated to render his decision within 3 months from the date on which the oral arguments close, unless, upon the request of the Arbitrator, the two Governments agree to extend that period.

The decision of the Arbitrator shall be rendered in two signed copies one of which shall be sent to each Government. It shall state the grounds of the decision and shall be in the English language.

The language of the pleadings and oral proceedings shall be English. All evidence submitted in any language other than English shall be accompanied by a full and correct translation in the English language.

The decision of the Arbitrator shall be accepted as final and binding upon the two governments.

ARTICLE VIII

Each Government shall pay the expenses of the presentation and conduct of its own case before the Arbitrator, all joint expenses, including the honorarium for the Arbitrator, to be borne by the two Governments in equal proportions.

ARTICLE IX

This convention shall be ratified by the High Contracting Parties and shall take effect immediately upon the exchange of ratifications, which shall take place at Washington as soon as possible.

IN WITNESS WHEREOF, the respective plenipotentiaries have signed this convention and have hereunto affixed their seals.

Done in duplicate at Washington, this eighteenth day of March 1938.

[SEAL] H. M. VAN HAERSMA DE WITH.
[SEAL] CORDELL HULL.

Mr. KING. Mr. President, I should like to inquire whether there has been any controversy over the amount which is alleged to be due from the United States to the Netherlands?

Mr. PITTMAN. Not as to the amount. The matter has to do with the exchange value of the money, to which I will call attention in a moment.

In November 1917, while we were at war, the Netherlands ordered certain machine guns and matériel for herself. Our Government needed it and took possession of it. Later on we agreed on the price for it—$5,720,492.53. That amount was paid to the Netherlands. The Netherlands then said that the exchange value of their money had changed, and they wanted our Government to pay the exchange value of the money; that is, pay in money that was worth the same as we paid for the goods themselves. An agreement could not be reached. There is in effect a treaty of arbitration with the Netherlands. The Netherlands have invoked that treaty, and we have agreed to enter into arbitration.

Mr. KING. Was it the claim that our money had suffered inflation and therefore that, measured by their standard, which is a gold standard, it was worth less than the face value?

Mr. PITTMAN. Yes.

The PRESIDING OFFICER. The convention is before the Senate and open to amendment. If there be no amendment to be proposed, the convention will be reported to the Senate.

The convention was reported to the Senate without amendment.

The PRESIDING OFFICER. The resolution of ratification will be read.

The legislative clerk read as follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of Executive F, Seventy-fifth Congress, third session, a convention between the United States of America and the Netherlands, signed on March 18, 1938, by the Secretary of State and the Minister of the Netherlands providing for the arbitration of a difference between the governments of the two countries in regard to the sufficiency of the payment made by the Government of the United States of America to the Government of the Netherlands for certain military supplies of the Netherlands Government which were requisitioned in 1917.

The PRESIDING OFFICER. The question is on agreeing to the resolution of ratification. [Putting the question.] Two-thirds of the Senators present concurring therein, the resolution is agreed to, and the convention is ratified.

NORTH AMERICAN REGIONAL BROADCASTING AGREEMENT

Mr. PITTMAN. The next treaty is Executive H.

Mr. LA FOLLETTE. Mr. President, it was my understanding that this treaty was not to come up until the Senate resolution dealing with the subject of broadcasting had been disposed of.

Mr. PITTMAN. It has been disposed of.

Mr. LA FOLLETTE. But the Senator from Ohio has made a motion that the matter be reconsidered.

Mr. BARKLEY. No; he only entered a motion to reconsider.

Mr. LA FOLLETTE. No; the resolution was reconsidered and put back on the calendar.

Mr. PITTMAN. Is there any objection to the consideration of the agreement?

Mr. BARKLEY. A resolution with respect to radio was agreed to earlier in the day at the request of the Senator from Montana [Mr. WHEELER]. The Senator from Ohio [Mr. BULKLEY] then entered a motion to reconsider.

The VICE PRESIDENT. The motion to reconsider was entered.

Mr. BARKLEY. It was not acted upon.

Mr. PITTMAN. I did not want to have the broadcasting agreement considered at this time.

I shall ask for consideration of Executive G.

AGREEMENT WITH NICARAGUA PROVIDING ADJUSTMENT OF CERTAIN ACCOUNTS AND REFUND OF INCOME TAXES

The Senate, as in Committee of the Whole, proceeded to consider Executive G (75th Cong., 3d sess.), an agreement between the United States of America and the Republic of Nicaragua signed at Washington on April 14, 1938, providing for the adjustment of certain accounts of indebtedness and claim for refund of income taxes between the United States and Nicaragua, which was read the second time, as follows:

AGREEMENT

The United States of America and the Republic of Nicaragua:

Considering that the Government of the Republic of Nicaragua is indebted to the Government of the United States of America in the amount of $289,898.78, representing unpaid balance of the principal amount of indebtedness incurred for the purchase from the Government of the United States of America of certain arms and ammunition;

Considering that the Government of the Republic of Nicaragua makes a claim to refund of income taxes from the Government of the United States of America in the principal amount of $372,879.06, representing payment of income taxes to the Government of the United States of America by the Ferrocarril del Pacifico de Nicaragua; and

Being desirous of adjusting in a mutually satisfactory manner the aforesaid accounts and of strengthening still further the friendly relations which happily exist between the two Governments:

Have decided to enter into an agreement for that purpose and to that end have appointed their plenipotentiaries:

The President of the United States of America: Cordell Hull, Secretary of State of the United States of America, and

The President of the Republic of Nicaragua: Señor Doctor Don León De Bayle, Envoy Extraordinary and Minister Plenipotentiary of Nicaragua in Washington, who, having communicated their respective full powers to each other, which have been found to be in good and due form, have agreed upon the following:

ARTICLE I

The Government of the United States of America shall pay to the Government of the Republic of Nicaragua the sum of $72,000 in full settlement of the claim of the Government of the Republic of Nicaragua for refund of $372,879.06, being the principal amount of certain income taxes paid by the Ferrocarril del Pacifico de Nicaragua, and for refund of interest thereon.

ARTICLE II

The Government of the Republic of Nicaragua agrees to accept the payment of $72,000 in full settlement of its aforesaid claim, and in consideration of such agreement the Government of the United States of America hereby cancels the present indebtedness of the Government of the Republic of Nicaragua to it for arms and ammunition sold to the Government of the Republic of Nicaragua, in the principal amount of $289,898.78, together with interest thereon.

ARTICLE III

The present agreement shall be ratified in accordance with the constitutional methods of the High Contracting Parties and shall take effect immediately on the exchange of ratifications, which shall take place as soon as possible at Washington.

In witness whereof, the Plenipotentiaries have signed this agreement in duplicate, in the English and Spanish languages, both texts being authentic, and have hereunto affixed their seals.

Done at the city of Washington, the 14th day of April, 1938.

For the President of the United States of America:
CORDELL HULL. [SEAL]

For the President of the Republic of Nicaragua:
LEÓN DE BAYLE. [SEAL]

Mr. KING. Mr. President, I should like to ask the Senator from Nevada a question with respect to this treaty.

Mr. PITTMAN. I shall be very glad to answer it if I can.

Mr. KING. The matter came up before the Committee on Finance and it was referred, of course, to the Joint Committee on Taxation, which has to deal with those questions, and I think my friend the Senator from Wisconsin [Mr. LA FOLLETTE] was present. There was a controversy between the Treasury Department and the State Department. It appeared that there had been some bad advice given by one or the other—I do not pretend to say which—and I was wondering what disposition the treaty makes of that controversy. It seemed to me, I may say, as though there were some taxes due to the Treasury Department, and, of course, speaking for myself, my view is with the Treasury Department rather than the State Department.

Mr. PITTMAN. That is admitted. I read from a letter from Sumner Welles, Acting Secretary of State. He says:

The Government of Nicaragua is indebted to the Government of the United States in the amount of approximately $484,000 for the purchase of surplus arms, ammunition, and other military equipment. The principal transactions were concluded on November 14, 1921, and February 25, 1927. The amount of the principal is $289,898.78. Interest charges had increased this amount to approximately $484,000 as of August 30, 1937.

This is what Nicaragua claims is due to her:

The Nicaraguan Government on the other hand has been endeavoring for a number of years to obtain settlement of its claim for refund of income taxes paid to the Government of the United States by the Ferrocarril del Pacifico de Nicaragua (Pacific Railway of Nicaragua), which was incorporated in 1912 under the laws of the State of Maine. The railroad is owned and operated by the Government of Nicaragua and functions solely within the territory of that country. The amount of taxes for which refund is claimed is $372,879.06. Interest charges as of August 30, 1937, had increased this amount to the sum of $641,115.91.

Those are the amounts claimed by each country against the other.

Beginning in 1922 the Nicaraguan Government sought to have the railroad declared exempt, as an agency of that Government, from taxation by the United States, and to obtain refund of income taxes previously paid. Pending consideration of the matter, however, the taxes continued to be paid. The Commissioner of Internal Revenue, in decision No. 2076 of April 17, 1931, stated that—

This is what the Senator from Utah has in mind—

"The entire overassessments are due to the fact that, after a thorough consideration of the taxpayer's manner of organization and mode of operation, it is determined that the corporation is an agency of a foreign government and is exempt from the operation of the Federal revenue laws and the regulations promulgated thereunder, sections 213 (b) (5) and/or 231 (12), Revenue Acts of 1918 and 1921."

Refund of taxes for the years 1921 and 1922 was made.

Claims for the remaining years (1919, 1920, and 1923 to 1928, inclusive) were rejected on the ground that they had not been filed within the period prescribed by statute for the filing of claims for the refund of income taxes although the corporation was held to be exempt from tax for all years involved.

Following further consideration of the matter by the various Government agencies concerned, it was decided that the most desirable manner of effecting a settlement would be through the conclusion of a treaty. The agreement signed on April 14, 1938, which is herewith laid before you, offsets the two items and provides for the payment of $72,000 by the Government of the United States to the Government of Nicaragua.

That comes from Sumner Welles.

Mr. KING. Mr. President, will the Senator yield?

Mr. PITTMAN. I yield.

Mr. KING. There was an honest dispute between the Department and the Nicaraguan Government. I am interested only in having a fair and impartial tribunal set up for the purpose of determining the dispute. If the treaty accomplishes that result, I have no objection.

Mr. PITTMAN. It does not do exactly that. The evidence before us shows that our Government originally refused to exempt the dividends from the railroad property, because our Government contended that 51 percent of the stock was owned by bankers in New York, as is shown in the report.

Mr. KING. I have not heard the facts mentioned for 2 years; but the State Department interposed when there was some controversy over the matter, and induced capitalists to make loans. The loans were made at the request of the Government of the United States.

Mr. PITTMAN. That is exactly what is in the report.

Mr. KING. So I do not think any blame should be attached to those who made the loans.

Mr. PITTMAN. What happened was that the banking institutions in New York said, "We must have 51 percent of the stock as collateral for the loans."

Mr. KING. And they wished to determine the policy which should be pursued in the foreign country.

Mr. PITTMAN. The agreement expressly provided that all dividends should go to the State of Nicaragua until and unless there was a default; then they should be applied to the stock. There never was a default. Dividends were paid to the Nicaraguan Government, and finally the Nicaraguan Government settled the whole debt, and the bankers in the United States took back all the stock, and have had it ever since. In other words, the loans were collateraled by the possession of 51 percent of the stock.

It is admitted, of course, that under our treaty with Nicaragua we could not tax the agencies of their Government. However, we had a technical ground, namely, that they did not file their claims for the subsequent years within the statutory period of time. That defect is waived, and the balance of the account, amounting to $72,000, is due Nicaragua. A long investigation was made, and the Treasury Department approved the settlement of $72,000.

Mr. AUSTIN. Mr. President, will the Senator yield for a question?

Mr. PITTMAN. I yield.

Mr. AUSTIN. Did the Committee on Foreign Relations agree to the treaty?

Mr. PITTMAN. There was considerable discussion of it. The Senator from Wisconsin was quite interested in the matter as to whether the refund was going to Nicaragua or to the bankers. Of course, I have cited the facts. There is a note attached by the Minister of Foreign Affairs of Nicaragua certifying that all the refund goes exclusively to the State of Nicaragua, because Nicaragua at all times has been the owner in reality of all the stock, and has paid its debt, and now has the stock. All the dividends have gone to Nicaragua. That statement is supported by the statement of the two ministers, our Secretary of State, and their Minister of Foreign Affairs. I do not think there is any doubt that the stock was only collateral. I think the settlement is a very fair one.

The PRESIDING OFFICER. The agreement is before the Senate and open to amendment. If there be no amendment to be proposed, the agreement will be reported to the Senate.

The agreement was reported to the Senate without amendment.

The PRESIDING OFFICER. The resolution of ratification will be read.

The legislative clerk read as follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of Executive G, Seventy-fifth Congress, third session, an agreement between the United States of America and the Republic of Nicaragua, signed at Washington on April 14, 1938, providing for the adjustment of certain accounts of indebtedness and claim for refund of income taxes between the United States and Nicaragua.

The PRESIDING OFFICER. The question is on agreeing to the resolution of ratification. [Putting the question.] Two-thirds of the Senators present concurring therein, the resolution is agreed to, and the agreement is ratified.

SUPPLEMENTARY CONVENTION WITH GREAT BRITAIN CONCERNING THE TENURE AND DISPOSITION OF REAL AND PERSONAL PROPERTY

The Senate, as in Committee of the Whole, proceeded to consider Executive I (74th Cong., 2d sess.), a supplementary convention between the United States of America and the King of Great Britain, Ireland, and the British Dominions Beyond the Seas, Emperor of India, in respect of Great Britain and Northern Ireland, the Commonwealth of Australia, and the Dominion of New Zealand, signed at Washington on May 27, 1936, amending article IV and the second paragraph of article VI of the convention concerning the tenure and disposition of real and personal property, signed at Washington on March 2, 1899, which was read the second time, as follows:

CONVENTION

The President of the United States of America and His Majesty the King of Great Britain, Ireland, and the British Dominions beyond the Seas, Emperor of India, being desirous of amending article IV and the second paragraph of article VI of the convention concerning the tenure and disposition of real and personal property signed at Washington on the 2d March 1899, have agreed to conclude a supplementary convention for that purpose and have appointed as their plenipotentiaries:

The President of the United States of America:

Cordell Hull, Secretary of State of the United States of America; and

His Majesty the King of Great Britain, Ireland, and the British Dominions Beyond the Seas, Emperor of India.

For Great Britain and Northern Ireland:

The Right Honorable Sir Ronald Lindsay, P. C., G. C. M. G., K. C. B., C. V. O., his Ambassador Extraordinary and Plenipotentiary at Washington.

For the Commonwealth of Australia:

The Right Honorable Sir Ronald Lindsay, P. C., G. C. M. G., K. C. B., C. V. O., his Ambassador Extraordinary and Plenipotentiary at Washington.

For the Dominion of New Zealand:

The Right Honorable Sir Ronald Lindsay, P. C., G. C. M. G., K. C. B., C. V. O., his Ambassador Extraordinary and Plenipotentiary at Washington.

Who, having communicated their full powers, found in due form, have agreed as follows:

ARTICLE I

As from the date of the entry into force of the present convention, the following provisions shall be substituted for articles IV and the second paragraph of article VI of the convention concerning the tenure and disposition of real and personal property signed at Washington on the 2d of March 1899:

"ARTICLE IV

"1. The present convention shall not be applicable to any colony or protectorate of His Majesty the King of Great Britain, Ireland, and the British Dominions Beyond the Seas, Emperor of India, nor to any other territory administered under the authority either of his Government in the United Kingdom of Great Britain and Northern Ireland, or of his Government in the Commonwealth of Australia, or of his Government in New Zealand, including any mandated territory in respect of which the mandate is exercised by his Government in the United Kingdom, his Government in the Commonwealth of Australia, or his Government in New Zealand, unless a notice to that effect has been given at any time while the present convention is in force to the Government of the United States of America by His Majesty's representative at Washington. The convention shall apply to any territory in respect of which such notice has been given as from the date of such notice.

"2. The present convention shall not be applicable to any overseas territory under the authority of the United States of America unless a notice to that effect has been given at any time while the convention is in force by the representative of the United States in London. The convention shall apply to any territory in respect of which such notice has been given as from the date of such notice.

"3. Either high contracting party may, by a notification through the diplomatic channel, terminate the application of the convention to any territory to which it is applicable or has become applicable under either of the preceding paragraphs of this article, and the convention shall cease to apply to any territory in respect of which such notification is made 12 months after the date of the receipt of the notification.

"4. The expression 'subjects or citizens' of one or the other high contracting party in the present convention shall be deemed to mean (a) in relation to His Majesty the King all subjects of His Majesty and all persons under His Majesty's protection belonging to territories to which the convention applies; (b) in relation to the United States of America, all citizens of the United States and all persons enjoying the protection of the United States belonging to Territories under the authority of the United States to which the convention applies."

ARTICLE II

The present convention shall be ratified by the President of the United States of America by and with the advice and consent of the Senate thereof and by His Majesty the King. The ratifications shall be exchanged at Washington and the convention shall take effect as from the date of the exchange of ratifications.

In witness whereof the above-mentioned Plenipotentiaries have signed the present convention and have thereunto affixed their seals.

Done in duplicate at Washington, the 27th day of May, 1936.

For the United States of America:
CORDELL HULL. [SEAL]

For Great Britain and Northern Ireland:
R. C. LINDSAY. [SEAL]

For the Commonwealth of Australia:
R. C. LINDSAY. [SEAL]

For the Dominion of New Zealand:
R. C. LINDSAY. [SEAL]

Mr. PITTMAN. Mr. President, the supplemental convention with Great Britain concerns the tenure and disposition of real and personal property under an old treaty made in 1899. It is now provided in the treaty that if Great Britain desires the treaty to apply to New Zealand, Australia, and her mandated territories, she may give notice, and it will apply. When she gets tired of its applying she may give notice, and it will cease to apply.

Mr. AUSTIN. Mr. President, will the Senator yield?

Mr. PITTMAN. I will yield in just a moment. We may give notice that the treaty applies to our possession, and it will apply; or we may give notice that it does not apply to our possession, and it ceases to apply.

Mr. AUSTIN. Will the Senator yield for a question?

Mr. PITTMAN. I yield.

Mr. AUSTIN. In accordance with the explanation given by the Senator, I understand that the terms of the treaty would apply to Palestine if Great Britain saw fit to apply them, and would not apply to Palestine if Great Britain saw fit not to apply them. Is that correct?

Mr. PITTMAN. The treaty does not now apply to Palestine. If Great Britain gives notice that she desires to have it apply to Palestine, it will apply. It does not now apply to the Philippine Islands. If we give notice, it will apply to the Philippine Islands. Also, when we give notice that we do not desire it to apply any longer, it will no longer apply.

I move the adoption of the convention.

The PRESIDING OFFICER. The supplementary convention is before the Senate and open to amendment. If there be no amendment to be proposed, the supplementary convention will be reported to the Senate.

The supplementary convention was reported to the Senate without amendment.

The PRESIDING OFFICER. The resolution of ratification will be read.

The legislative clerk read as follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of Executive I, Seventy-fourth Congress, second session, a supplementary convention between the United States of America and the King of Great Britain, Ireland, and the British Dominions Beyond the Seas, Emperor of India, in respect of Great Britain and Northern Ireland, the Commonwealth of Australia, and the Dominion of New Zealand, signed at Washington on May 27, 1936, amending article IV and the second paragraph of article VI of the convention concerning the tenure and disposition of real and personal property, signed at Washington on March 2, 1899.

The PRESIDING OFFICER. The question is on agreeing to the resolution of ratification. [Putting the question.] Two-thirds of the Senators present concurring therein, the resolution is agreed to, and the supplementary convention is ratified.

TREATY OF FRIENDSHIP, COMMERCE, AND NAVIGATION WITH SIAM

The Senate, as in Committee of the Whole, proceeded to consider Executive D (75th Cong., 3d sess), a treaty of friendship, commerce, and navigation between the United States of America and the Kingdom of Siam, signed at Bangkok on November 13, 1937, with a final protocol and agreement relating thereto, which was read the second time, as follows:

TREATY OF FRIENDSHIP, COMMERCE, AND NAVIGATION BETWEEN THE UNITED STATES OF AMERICA AND SIAM

The United States of America and the Kingdom of Siam, desirous of strengthening the bond of peace which happily prevails between them, by arrangements designed to promote friendly intercourse between their respective territories through provisions responsive to the spiritual, cultural, economic and commercial aspirations of the peoples thereof, have resolved to conclude a Treaty of Friendship, Commerce and Navigation and for that purpose have appointed as their Plenipotentiaries:

The President of the United States of America: Edwin L. Neville, Envoy Extraordinary and Minister Plenipotentiary of the United States of America; and

His Majesty the King of Siam: Luang Pradist Manudharm (Pridi Banomyong), Minister of Foreign Affairs;

Who, having communicated to each other their full powers found to be in due form, have agreed upon the following articles:

ARTICLE 1

There shall be constant peace and perpetual friendship between the United States of America and the Kingdom of Siam. The nationals of each of the High Contracting Parties shall be permitted to enter, travel and reside in the territories of the other, to carry on their commerce and manufacture, to trade in all kinds of merchandise of lawful commerce, to engage in religious, educational and charitable work, to own or lease and occupy houses, manufactories, warehouses and shops, to employ agents of their choice, to lease land for residential, commercial, industrial, religious and charitable purposes, and for use as cemeteries, and generally to do anything incident to or necessary for the enjoyment of any of the foregoing privileges upon the same terms as nationals of the State of residence, submitting themselves to the laws and regulations there established.

They shall not be compelled, under any pretext whatsoever, to pay any internal charges or taxes other or higher than those that are or may be paid by nationals of the State of residence.

4. It is understood that the payment of just compensation provided for in Article 1, paragraph 3, shall be determined by due process of law, without prejudice to redress, if any, according to international law.

5. It is understood that the most-favored-nation treatment in respect of the control of the means of international payment provided for in the last paragraph of Article 3 of this Treaty shall be applied unconditionally, and that such control shall be administered so as not to influence to the disadvantage of the other High Contracting Party to the competitive relationships

between articles originating in the territories of such Party and similar articles originating in third countries and so as not to impair the operation of any other provisions of this Treaty.

The nationals of each of the High Contracting Parties shall enjoy in the territories of the other entire liberty of conscience, and, subject to the local laws, ordinances and regulations, shall enjoy the right of private and public exercise of their worship.

In all that relates to callings and professions, the nationals of each of the High Contracting Parties shall throughout the whole extent of the territories of the other on condition of reciprocity be placed in all respects on the same footing as the nationals of the most favored nation. Furthermore, upon compliance with the provisions of local law, the nationals, including corporations, partnerships and associations of each of the High Contracting Parties, shall, in the territory of the other High Contracting Party, have the right to acquire, possess and dispose of every kind of movable property on the same terms as the nationals, including corporations, partnerships and associations, of such other Party.

In all that relates to the acquisition, possession and disposition of immovable property the nationals, including corporations, partnerships, associations and other legal entities of each High Contracting Party shall in the territory of the other High Contracting Party be subject exclusively to the applicable laws of the situs of such immovable property. The applicable laws of the situs of immovable property as herein used shall in reference to the nationals of Siam be understood and construed to mean the laws applicable to immovable property of the state, territory or possession of the United States of America in which such immovable property is situate; and nothing herein shall be construed to change, affect or abrogate the laws applicable to immovable property of any state, territory or possession of the United States of America.

It is expressly agreed that nationals of the United States of America, including corporations, partnerships and associations, who are legal residents of or are organized under the laws of any state, territory or possession of the United States of America which accords to nationals of Siam the right to acquire, possess and dispose of immovable property, shall, in return, be accorded all the rights respecting immovable property in Siam which are or may hereafter be accorded to the nationals, including corporations, partnerships or associations of any other country, upon the principle of non-discriminatory treatment.

The nationals, including corporations and associations, of either High Contracting Party shall enjoy in the territories of the other Party, upon compliance with the conditions there imposed, most-favored-nation treatment in respect to the exploration for and exploitation of mineral resources; provided that neither Party shall be required to grant rights and privileges in respect of the mining of coal, phosphate, oil, oil shale, gas and sodium on the public domain, or in respect of the ownership of stock in domestic corporations engaged in such operations, greater than its nationals, corporations and associations receive from the other Party. It is understood, however, that neither High Contracting Party shall be required by anything in this paragraph to grant any application for any such right or privilege if at the time such application is presented the granting of all similar applications shall have been suspended or discontinued.

ARTICLE 2

The dwellings, warehouses, manufactories, shops and other places of business and all other property of the nationals of each of the High Contracting Parties in the territories of the other, and all premises appertaining thereto used for any purposes set forth in Article 1 shall be respected. It shall not be allowable to proceed to make a domiciliary visit to, or a search of, any such buildings and premises, or to examine or inspect books, papers, or accounts, except under the conditions and in conformity with the forms prescribed by the laws, ordinances, and regulations for nationals of the State of residence.

ARTICLE 3

The nationals of each of the High Contracting Parties, equally with those of the most favored nation, shall have liberty freely to come with their ships and cargoes to all places, ports and rivers in the territories of the other which are or may be opened to foreign commerce and navigation, subject always to the laws of the country, to which they thus come.

Neither High Contracting Party shall establish or maintain prohibitions or restrictions on imports from or exports to the territories of the other Party which are not applied to the import and export of any like article originating in or destined for any other country. Any withdrawal of an import or export prohibition or restriction which is granted even temporarily by one of the High Contracting Parties in favor of any article originating in or destined for a third country shall be applied immediately and unconditionally to the like article originating in or destined for the territories of the other Party.

Nothing in the Treaty shall be construed to restrict the right of either High Contracting Party to impose, on such terms as it may see fit, measures prohibiting or restricting the exportation or importation of gold or silver, or measures for the prohibition or the control of the export, or sale for export, of arms, ammunition or implements of war, and, in exceptional circumstances, all other military supplies.

Nothing in this Treaty shall be construed to restrict the right of either High Contracting Party to impose, on such terms as it may see fit, subject to the principle of nondiscriminatory treatment:

(1) Prohibitions, restrictions or regulations for the enforcement of police or revenue laws, including laws prohibiting or restricting the importation, exportation, or sale of alcohol or alcoholic beverages or of opium, the coca leaf, their derivatives, and other narcotic drugs, as well as other laws imposed upon articles the internal production, consumption, sale or transport of which is or may be forbidden or restricted by the national law;

(2) Prohibitions or restrictions necessary for the protection of national or public security or health, or for the protection of animal or plant life against disease, harmful pests or extinction;

(3) Prohibitions or restrictions upon articles which, as regards production or trade, are or may hereafter be subject within the country to a monopoly exercised by or under the control of the State;

(4) Prohibitions or restrictions relating to prison-made goods, or imposed on moral or humanitarian grounds.

If either High Contracting Party establishes or maintains import or customs quotas or other quantitative restrictions on the importation of any article in which the other High Contracting Party has an interest, or regulates the importation of any such article by means of licenses or permits, the High Contracting Party taking such action shall, upon request, inform the other High Contracting Party of the total quantity of any such article permitted to be imported and shall allot to the other High Contracting Party a share of the total permissible imports of such article equivalent to the proportion of the total importation of such article which the other High Contracting Party supplied during a previous representative period, unless it is mutually agreed to dispense with such allotment.

If either High Contracting Party establishes or maintains directly or indirectly any form of control of the means of international payment it shall in this respect apply to the other High Contracting Party the most-favored-nation treatment.

ARTICLE 4

The nationals of each of the High Contracting Parties shall have free access to the Courts of Justice of the other in pursuit and defense of their rights; they shall be at liberty, equally with nationals of the State of residence and with nationals of the most favored nation, to choose and employ lawyers, advocates, and representatives to pursue and defend their rights before such Courts.

There shall be imposed upon the nationals of either of the High Contracting Parties no conditions or requirements in connection with such access to the Courts of Justice of the other which do not apply to nationals of the State of residence or to the nationals of the most favored nation.

ARTICLE 5

Limited liability and other corporations and associations, whether or not for pecuniary profit, which have been or many hereafter be organized in accordance with and under the laws, National, State or Provincial, of either High Contracting Party and which maintain central offices within the territories thereof, shall have their juridical status recognized by the other High Contracting Party provided that they pursue no aims within its territories contrary to its laws. They shall enjoy free access to the Courts of Justice, on conforming to the laws regulating the matter, as well for the prosecution as for the defense of rights in all the degrees of jurisdiction established by law.

The right of corporations and associations of either High Contracting Party which have been so recognized by the other to establish themselves in the territories of the other Party or to establish branch offices and fulfill their functions therein shall depend upon and be governed solely by the consent of such Party as expressed in its National, State or Provincial laws.

ARTICLE 6

The nationals and goods, products, wares and merchandise of each High Contracting Party within the territories of the other shall receive the same treatment as nationals and goods, products, wares and merchandise of the country with regard to internal taxes, transit duties, charges in respect to warehousing and other facilities and the amount of drawbacks.

ARTICLE 7

No duties of tonnage, harbor, pilotage, lighthouse, quarantine or other similar or corresponding duties or charges of whatever nature or of whatever denomination levied in the name or for the profit of the Government, public functionaries, private individuals, corporations or establishments of any kind shall be imposed in the ports of the territories or territorial waters of either country upon the vessels of the other country, which shall not equally and under the same conditions be imposed in the like cases on national vessels. Such equality of treatment shall apply reciprocally to the respective vessels, from whatever port or place they may arrive and whatever may be their place of destination. In no case shall the treatment accorded to the vessels and cargoes of one of the Parties be less favorable than that accorded to the vessels and cargoes of any third State.

ARTICLE 8

Each of the High Contracting Parties binds itself, in all that pertains to the amount and collection of duties and other charges on or in connection with importation or exportation, and with respect to all rules and formalities in connection with importation

and exportation, and with respect to all laws or regulations affecting the sale, taxation, or use of imported goods within the country, to grant to the nationals, vessels or goods of the other the advantage of every favor, privilege or immunity which it accords or may hereafter accord to the nationals, vessels or goods of any other State, regardless of whether such other State shall have been accorded such treatment gratuitously or in return for reciprocal compensatory treatment.

It is understood that the Customs tariffs applicable to articles, the produce or manufacture of either of the High Contracting Parties imported into the territories of the other, shall be regulated by the laws of the country of importation.

ARTICLE 9

The nationals of each of the High Contracting Parties shall have in the territories of the other the same rights as nationals of that High Contracting Party in regard to patents for inventions, trade-marks, trade-names, designs and copyright in literary and artistic works upon fulfilment of the formalities prescribed by law.

ARTICLE 10

Merchant vessels and other privately owned vessels under the flag of either of the High Contracting Parties shall be permitted to discharge portions of cargoes at any port open to foreign commerce in the territories of the other High Contracting Party, and to proceed with the remaining portions of such cargoes to any other ports of the same territories open to foreign commerce, without paying other or higher tonnage dues or port charges in such cases than would be paid by national vessels in like circumstances, and they shall be permitted to load in like manner at different ports in the same voyage outward, provided however, that the coasting trade of the High Contracting Parties is exempt from the provisions of this article and from the other provisions of this Treaty, and is to be regulated according to the laws of each High Contracting Party in relation thereto. It is agreed, however, that nationals and vessels of either High Contracting Party shall within the territories of the other Party enjoy with respect to the coasting trade most favored-nation treatment.

ARTICLE 11

In all that concerns the entering, clearing, stationing, loading and unloading of vessels in the ports, basins, docks, roadsteads, harbors, or rivers of the two countries, no privilege shall be granted to vessels of a third Power which shall not equally be granted to vessels of the other country, the intention of the High Contracting Parties being that in these respects the vessels of each shall receive the treatment accorded to vessels of the most favored nation.

ARTICLE 12

Any ship of war or merchant vessel of either of the High Contracting Parties which may be compelled by stress of weather, or by reason of any other distress, to take shelter in a port or place of the other shall be at liberty to refit therein, to procure all necessary supplies, and to put to sea again, without paying any dues other than such as would be payable by national vessels in like circumstances. In case, however, the master of a merchant vessel should be under the necessity of disposing of a part of his cargo in order to defray expenses, he shall be bound to conform to the regulations and tariffs of the place to which he may have come.

If any ship of war or merchant vessel of one of the High Contracting Parties should run aground or be wrecked upon the coasts of the other, the local authorities shall give prompt notice of the occurrence to the nearest Consular Officer of the other Party.

Such stranded or wrecked ship or vessel and all parts thereof, and all equipment and appurtenances belonging thereto, and all goods and merchandise saved therefrom, including those which may have been cast into the sea, or the proceeds thereof, if sold, as well as all papers found on board such stranded or wrecked ship or vessel, shall be given up to the owners or their agents, when claimed by them.

If such owners or agents are not on the spot, the aforesaid property or proceeds from the sale thereof and the papers found on board the vessel shall be delivered to the proper Consular Officer of the High Contracting Party whose vessel is wrecked or stranded, provided that such Consular Officer shall make claim within the period fixed by the laws, ordinances and regulations of the country in which the wreck or stranding has occurred; and such Consular Officer, owners or agents shall pay only the expenses incurred in the preservation of the property, together with the salvage or other expenses which would have been payable in the case of a wreck or stranding of a national vessel.

The goods and merchandise saved from the wreck or stranding shall be exempt from all duties of the customs unless cleared for consumption, in which case they shall pay ordinary duties.

In the case of a ship or vessel belonging to the nationals of one of the High Contracting Parties being driven in by stress of weather or by reason of any other distress, run aground or wrecked in the territories of the other, the proper consular officer of the High Contracting Party to which the vessel belongs, shall, if the owners or their agents are not present, or are present but request it, be permitted to interpose in order to afford appropriate assistance to the nationals of his State.

ARTICLE 13

The vessels of war of each of the High Contracting Parties may enter, remain and make repairs in those ports and places of the other to which the vessels of war of any other nation are accorded access; and they shall submit to the same regulations and enjoy the same honors, advantages, privileges and exemptions as are now, or may hereafter be conceded to the vessels of war of any other nation.

ARTICLE 14

Each of the High Contracting Parties may appoint Consuls General, Consuls, Vice Consuls and other Consular Officers or Agents to reside in the towns and ports of the territories of the other where similar officers of any other Power are permitted to reside.

Such Consular Officers and Agents, however, shall not enter upon their functions until they shall have been approved and admitted by the Government to which they are sent.

They shall be entitled on condition of reciprocity to exercise all the powers and enjoy all the honors, privileges, exemptions and immunities of every kind which are, or may be, accorded to Consular Officers of the most favored nation.

The Government of each High Contracting Party shall have the right to acquire and own land and buildings required for diplomatic or consular premises in the territories of the other High Contracting Party and also to erect buildings in such territories for the purposes stated, subject to local building regulations.

Lands and buildings situated in the territories of either High Contracting Party of which the other High Contracting Party is the rightful owner and which are used exclusively for governmental purposes by that owner shall be exempt from taxation of every kind, National, State, Provincial, and Municipal, other than assessments levied for services or local public improvements by which the premises are benefited.

ARTICLE 15

In case of the death of a national of either High Contracting Party in the territory of the other without having in the locality of his decease any known heirs or testamentary executors by him appointed, the competent local authorities shall at once inform the nearest Consular Officer of the State of which the deceased was a national of the fact of his death, in order that necessary information may be forwarded to the parties interested.

In case of the death of a national of either of the High Contracting Parties without will or testament, in the territory of the other High Contracting Party, the Consular Officer of the State of which the deceased was a national and within whose district the deceased made his home at the time of death, shall, so far as the laws of the country permit and pending the appointment of an administrator and until letters of administration have been granted, be deemed qualified to take charge of the property left by the decedent for the preservation and protection of the same. Such Consular Officer shall have the right to be appointed as administrator within the discretion of a tribunal or other agency controlling the administration of estates provided the laws of the place where the estate is administered so permit.

In case of the death of a national of either of the High Contracting Parties without will or testament and without any known heirs resident in the country of his decease, the Consular Officer of the country of which the deceased was a national shall be appointed administrator of the estate of the deceased, provided the regulations of his own Government permit such appointment and provided such appointment is not in conflict with local law and the tribunal having jurisdiction has no special reasons for appointing someone else.

Whenever a consular officer accepts the office of administrator of the estate of a deceased countryman, he subjects himself as such to the jurisdiction of the tribunal or other agency making the appointment for all necessary purposes to the same extent as a national of the country where he was appointed.

ARTICLE 16

It is understood by the high contracting parties that the stipulations contained in this treaty do not in any way affect, supersede, or modify any of the laws, ordinances, and regulations with regard to naturalization, immigration, police, and public security which are in force or which may be enacted in either of the two countries.

ARTICLE 17

The provisions of the present Treaty as regards the most-favored-nation treatment do not apply to:

1) Favors now granted or which may hereafter be granted to an adjoining State to facilitate frontier traffic;

2) Favors now granted or which may hereafter be granted to a third State in virtue of a Customs Union;

3) Favors now contractually granted or which may hereafter be contractually granted to a third State for the avoidance of double taxation or the mutual protection of revenue;

4) Favors now granted or which may hereafter be granted to an adjoining State with regard to navigation on or use of boundary waterways not navigable from the sea.

ARTICLE 18

The present Treaty shall, from the date of its entry into force, be substituted for the Treaty of Friendship, Commerce and Navigation between the United States of America and Siam signed at Washington on the 16th December 1920, and from this date the said Treaty of 1920 and all arrangements and agreements subsidiary thereto concluded or existing between the High Contracting Parties shall cease to be binding.

ARTICLE 19

Subject to any limitation or exception hereinabove set forth, or hereafter to be agreed upon, the territories of the High Contracting Parties to which the provisions of this Treaty extend shall be understood to include all areas of land and water over which the Parties, respectively, exercise dominion as sovereign thereof, except the Panama Canal Zone.

ARTICLE 20

The present Treaty shall enter into force in all of its provisions on the day of the exchange of ratifications and shall continue in force for the term of five years from that day.

If within one year before the expiration of five years from the day on which the present Treaty shall enter into force, neither High Contracting Party notifies to the other Party an intention of terminating the Treaty upon the expiration of the aforesaid period of five years, the Treaty shall remain in full force and effect after the aforesaid period and until one year from the day on which either of the High Contracting Parties shall have notified to the other Party an intention of terminating it.

It is clearly understood, however, that termination of the present Treaty as above provided for shall not have the effect of reviving any of the Treaties, Conventions, Arrangements, or Agreements abrogated by the present Treaty.

ARTICLE 21

This Treaty shall be ratified, and the ratifications thereof shall be exchanged at Bangkok.

IN WITNESS WHEREOF the undersigned Plenipotentiaries have hereunto signed their names and affixed their seals, this thirteenth day of November in the nineteen hundred and thirty seventh year of the Christian Era, corresponding to the thirteenth day of the eighth month in the two thousand four hundred and eightieth year of the Buddhist Era.

EDWIN L. NEVILLE [SEAL]
LUANG PRADIST MANUDHARM [SEAL]

FINAL PROTOCOL

At the moment of proceeding this day to the signature of the Treaty of Friendship, Commerce and Navigation between the United States of America and the Kingdom of Siam, the two Plenipotentiaries have adopted the present Protocol which will have the same validity as if the ratification thereof were inserted in the text of the Treaty to which it refers:

1. It is understood that in all matters for which national treatment is provided in this Treaty, the nationals of each of the High Contracting Parties shall not be treated by the other less favorably than the nationals of any other country.

2. It is understood that the provisions of Article 6 shall not be deemed to preclude either of the High Contracting Parties from charging differing rates of license fees for the sale of imported spirituous liquors and of spirituous liquors manufactured by or under license from the State.

3. It is understood that the provisions prescribing most-favored-nation treatment in this Treaty do not apply to any advantages now accorded or which may hereafter be accorded by the United States of America, its territories or possessions or the Panama Canal Zone to one another or to the Republic of Cuba, or to any advantages now or hereafter accorded by the United States of America, its territories or possessions or the Panama Canal Zone to one another, irrespective of any change in the political status of any of the territories or possessions of the United States of America.

The nationals of each of the High Contracting Parties shall receive, in the territories of the other, the most constant protection and security for their persons and property, and shall enjoy in this respect the same rights and privileges as are or may be granted to nationals of the State of residence on their submitting themselves to the conditions imposed upon nationals of the State of residence. They shall also enjoy in this respect that degree of protection and security that is required by international law. Their property shall not be taken without due process of law or without payment of just compensation.

They shall be exempt in the territories of the other from compulsory military service on land, on sea, or in the air, in the regular forces, or in the national guard, or in the militia; from all contributions in money or in kind, imposed in lieu of personal military service, and from all forced loans or military contributions. They shall not be subjected, in time of peace or in time of war, to military requisitions except as imposed upon nationals.

6. It is understood that in the application of the provisions of Article 7 Siam reserves the right to apply, in the matter of compulsory pilotage, the provisions of the Convention and Statute on the International Regime of Maritime Ports, signed at Geneva, December 9, 1923.

7. It is understood that Siam reserves her national fisheries, which shall continue to be regulated by her national laws.

IN WITNESS WHEREOF the undersigned plenipotentiaries have hereunto signed their names and affixed their seals, this thirteenth day of November in the nineteen hundred and thirty seventh year of the Christian Era, corresponding to the thirteenth day of the eighth month in the two thousand four hundred and eightieth year of the Buddhist Era.

[SEAL] EDWIN L. NEVILLE.
[SEAL] LUANG PRADIST MANUDHARM.

Mr. PITTMAN. Mr. President, the proposed treaty with Siam is very interesting. It was considered for 2 years. I am sorry the senior Senator from California [Mr. JOHNSON] is not present, because he took a great deal of interest in it, and really held up the treaty for 2 years. It is a treaty of friendship, commerce, and navigation with Siam.

Under our old treaty with Siam we provided for absolute possession of movable and immovable property of our nationals in Siam. Certain States of the Union, such as California and Nevada, did not provide for possession, lease, or ownership of agricultural property by aliens. Therefore Siam denounced the old treaty.

We have gotten around that situation very simply. We now provide that the seven States in the Union which have the right to control the ownership and leasing of their property by aliens may do so if they desire. If they do, the same restrictions may be put upon the citizens of those States in Siam, to the same extent, and no further.

Mr. AUSTIN. Mr. President, will the Senator yield for a question?

Mr. PITTMAN. I yield.

Mr. AUSTIN. To what extent is the sovereignty of the States recognized in the treaty?

Mr. PITTMAN. It is absolutely recognized by the fact that we say to Siam, "Our States, if they desire, have a right to prevent aliens from owning property in the States; but we also recognize that you have reciprocal rights against the citizens of those States." In other words, the situs of the property governs.

The senior Senator from California [Mr. JOHNSON], after considering the matter for a long time, came to the conclusion that the treaty was a protection to the States rather than otherwise. The treaty expressly states that it shall have no bearing or effect upon the laws of naturalization or immigration.

Mr. AUSTIN. Will the Senator yield for another question?

Mr. PITTMAN. I yield.

Mr. AUSTIN. Apparently the treaty lends to the State law a sanction, which it would not have if the treaty were not entered into. Is not that true?

Mr. PITTMAN. That is correct. The senior Senator from California [Mr. JOHNSON] came to that conclusion and approved the treaty.

Mr. AUSTIN. That is to say, the State law has the sanction of two countries, the United States and Siam.

Mr. PITTMAN. That is true.

The treaty is considered an excellent solution of the problem. Neither Siam nor the United States now recognizes, or has ever recognized, the right of an alien to obtain public lands or to own agricultural land. Immovable properties, outside of agricultural land, are open to aliens in all except seven States of the Union.

I think the treaty is a splendid one; and the senior Senator from California [Mr. JOHNSON] thought so, too.

The PRESIDING OFFICER. The treaty is before the Senate and open to amendment. If there be no amendment to be proposed, the treaty will be reported to the Senate.

The treaty was reported to the Senate without amendment.

The PRESIDING OFFICER. The resolution of ratification will be read.

The legislative clerk read as follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of Executive D, Seventy-fifth Congress, third session, a treaty of friendship, commerce, and navigation between the United States of America and the Kingdom of Siam, signed at Bangkok on November 13, 1937, with a final protocol and agreement relating thereto.

The PRESIDING OFFICER. The question is on agreeing to the resolution of ratification. [Putting the question.] Two-thirds of the Senators present concurring therein, the resolution is agreed to, and the treaty is ratified.

INTERNATIONAL CONVENTION REGARDING THE ABOLITION OF THE CAPITULATIONS IN EGYPT

Mr. PITTMAN. Mr. President, there is one other treaty on the calendar to which the Senator from Rhode Island [Mr. GREEN], as chairman of a subcommittee, gave a great

deal of study. It is the international convention regarding the abolition of the capitulations in Egypt.

I doubt if it will be necessary to discuss this matter very much with Senators, because the following countries have already agreed to the treaty: Belgium, Great Britain, Italy, Denmark, Spain, Greece, Norway, Sweden, the Netherlands, and Portugal. What the convention means is that since Turkey forced all countries to abandon capitulations, Egypt has demanded similar action, and the demand has been granted except to a certain extent. If I am in error in my memory, I hope the Senator from Rhode Island will correct me.

Mr. AUSTIN. Mr. President, will the Senator yield? I wish to identify this convention. Which number is it?

Mr. PITTMAN. It is Executive C, Seventy-fifth Congress, third session.

Mr. AUSTIN. That is No. 24?

Mr. PITTMAN. Yes.

Mr. AUSTIN. One further question: Is Great Britain a party to this proceeding in any way?

Mr. PITTMAN. She has ratified it. All the countries I read have ratified it, and France is about to ratify it.

Mr. AUSTIN. I believe I was in Egypt when a recent treaty went into effect by which Great Britain yielded up certain of her powers as a mandatory over Egypt. I assume that it was necessary for Great Britain to yield up capitulations in order to create a position in which she reserved new powers or new rights.

Mr. PITTMAN. We have reserved the same rights. We have reserved the right to have our consular courts determine the status of our own citizens. I believe the word "status" is used. We have relinquished, if I am not mistaken, the right to have other cases tried in the consular courts. Is that correct?

Mr. GREEN. They are transferred from the consular courts to the mixed courts up until 1949.

Mr. PITTMAN. For 12 years. All of the signatory nations agreed to try their questions in the mixed courts for 12 years, reserving only the right to try the status of their own citizens in the consular courts. That is the situation, as I understand, and we could not do anything except to agree to it.

The Senate, as in Committee of the Whole, proceeded to consider Executive C (75th Cong., 3d sess.), a convention signed at Montreux, Switzerland, on May 8, 1937, between His Majesty the King of Egypt and the United States and certain other countries, defining the rights of the United States and of the other capitulatory powers in Egypt consequent upon the abolition of the capitulatory regime in that country, and an annex, protocol, and final act relating thereto, which was read the second time, as follows:

CONVENTION REGARDING THE ABOLITION OF THE CAPITULATIONS IN EGYPT

SIGNED AT MONTREUX, ON MAY 8TH, 1937

His Majesty the King of Egypt, of the one part, and The President of the United States of America; His Majesty the King of the Belgians; His Majesty the King of Great Britain, Ireland, and the British Dominions beyond the seas, Emperor of India; His Majesty the King of Denmark; the President of the Spanish Republic; the President of the French Republic; His Majesty the King of the Hellenes; His Majesty the King of Italy, Emperor of Ethiopia; His Majesty the King of Norway; Her Majesty the Queen of the Netherlands; the President of the Portuguese Republic; His Majesty the King of Sweden, of the other part;

Whereas the régime of Capitulations hitherto in force in Egypt is no longer in harmony with the new situation to which that country has attained through the progress of its institutions and whereas it should in consequence be brought to an end;

Considering that, following upon the abolition by common agreement of the said régime, there should be established between them relations based on respect for the independence and sovereignty of States and on ordinary international law;

Prompted by the sincere desire to facilitate the most extensive and friendly co-operation between them;

Have decided to conclude a Convention for that purpose and have appointed as their Plenipotentiaries;

The President of the United States of America;

Mr. Bert Fish, Envoy Extraordinary and Minister Plenipotentiary of the United States of America at Cairo;

His Majesty the King of the Belgians;

M. Pierre Forthomme, Grand Cross of the Order of the Crown, Grand Officer of the Order of Leopold, former Minister, Envoy Extraordinary and Minister Plenipotentiary;

His Majesty the King of Great Britain, Ireland and the British Dominions beyond the Seas, Emperor of India:

For Great Britain and Northern Ireland:

Captain the Right Honourable David Euan Wallace, M. C., M. P., a Parliamentary Under-Secretary of State for Foreign Affairs, a Parliamentary Secretary to the Board of Trade, Secretary of the Department of Overseas Trade;

Mr. David Victor Kelly, C. M. G., M. C., Counsellor in His Britannic Majesty's Embassy at Cairo;

Mr. William Eric Beckett, C. M. G., Second Legal Adviser to the Foreign Office;

For the Commonwealth of Australia:

Captain the Right Honourable David Euan Wallace, M. C., M. P.;

For the Dominion of New Zealand:

Captain the Right Honourable David Euan Wallace, M. C., M. P.;

For the Union of South Africa:

Dr. Stefanus François Naudé Gie, Minister of the Union of South Africa in Berlin;

Mr. Harry Thomson Andrews, Permanent Delegate to the League of Nations;

For the Irish Free State:

Mr. Francis T. Cremins, Permanent Delegate to the League of Nations;

For India:

Captain the Right Honorable David Euan Wallace, M. C., M. P.;

His Majesty the King of Denmark:

M. Niels Peter Arnstedt, Envoy Extraordinary and Minister Plenipotentiary at Cairo;

M. Niels Vilhelm Boeg, Member of the Court of Appeal at Copenhagen, former Judge of the Mixed Tribunals in Egypt, former President of the Mixed Greco-Turkish Arbitration Tribunal;

His Majesty the King of Egypt:

Mustapha El-Nahas Pasha, President of the Council of Ministers, Minister of the Interior and of Public Health;

Dr. Ahmed Maher, President of the Chamber of Deputies;

Wacyf Boutros Chali Pasha, Minister for Foreign Affairs;

Makram Ebeid Pasha, Minister of Finance;

Abdel Hamid Badaoui Pasha, President of the Comité du Contentieux de l'État;

The President of the Spanish Republic:

M. Antonio Fabra Fibas, Envoy Extraordinary and Minister Plenipotentiary at Berne;

M. Mariano Gomez, President of the Supreme Court of Justice; former Rector of the University of Valencia;

The President of the French Republic:

M. François de Tessan, Deputy, Under-Secretary of State in the Department of the President of the Council;

M. Max Hymans, Deputy, former President of the Commission for Customs and Commercial Conventions;

His Majesty the King of the Hellenes:

M. Nicolas Politis, Envoy Extraordinary and Minister Plenipotentiary of Greece in Paris, former Minister for Foreign Affairs;

M. Georges Roussos, Envoy Extraordinary and Minister Plenipotentiary, former Minister for Foreign Affairs;

M. Constantin Vryakos, Envoy Extraordinary and Minister Plenipotentiary, former Minister of Justice;

M. Constantin Sakellaropoulo, Envoy Extraordinary and Minister Plenipotentiary, Director of Political Affairs in the Ministry of Foreign Affairs;

His Majesty the King of Italy, Emperor of Ethiopia:

Count Luigi Aldrovandi Marescotti di Viano, Ambassador of His Majesty the King of Italy, Emperor of Ethiopia;

M. Salvatore Messina, President of Section in the Court of Cassation;

M. Piero Parini, Minister Plenipotentiary, Director-General of Italians abroad;

M. Pellegrino Ghigi, Envoy Extraordinary and Minister Plenipotentiary of his Majesty the King of Italy, Emperor of Ethiopia, at Cairo;

His Majesty the King of Norway:

M. Michael Hansson, former President of the Egyptian Mixed Court of Appeal, Norwegian Member of the Permanent Court of Arbitration at The Hague, President of the Nansen International Office for Refugees;

Her Majesty the Queen of the Netherlands:

M. W. C. Beucker Andreae, Head of the Directorate of Legal Affairs in the Ministry of Foreign Affairs;

M. le Chevalier J. J. B. Bosch de Rosenthal, Chargé d'Affaires of the Netherlands at Cairo;

Count W. F. L. de Bylandt, Counsellor in the Netherlands Legation in Paris;

The President of the Portuguese Republic:

Dr. J. Caeiro Da Matta, former Minister for Foreign Affairs, Professor and Rector of the University of Lisbon;

His Majesty the King of Sweden:

M. K. K. F. Malmar, Director of the Legal Division of the Ministry of Foreign Affairs;

Who, having deposited their full powers, found in good and due form, have agreed on the following provisions:

ARTICLE 1

The High Contracting Parties declare that they agree, each in so far as he is concerned, to the complete abolition in all respects of Capitulations in Egypt.

ARTICLE 2

Subject to the application of the principles of international law, foreigners shall be subject to Egyptian legislation in criminal, civil, commercial, administrative, fiscal and other matters.

It is understood that the legislation to which foreigners will be subject will not be inconsistent with the principles generally adopted in modern legislation and will not, with particular relation to legislation of a fiscal nature, entail any discrimination against foreigners or against companies incorporated in accordance with Egyptian law wherein foreigners are substantially interested.

The immediately preceding paragraph, in so far as it does not constitute a recognized rule of international law, shall apply only during the transition period.

ARTICLE 3

The Mixed Court of Appeal and the Mixed Tribunals now existing shall be maintained until October 14th, 1949.

As from October 15th, 1937, they shall be governed by an Egyptian law establishing the Règlement d'organisation judiciarie the text of which is annexed to the present convention.

On the date mentioned in paragraph 1 above, all cases pending before the Mixed Tribunals shall be remitted, at the stage which they have then reached and without involving the parties in the payment of any fees, to the National Tribunals to be continued therein until they are finally disposed of.

The period from October 15th, 1937 to October 14th, 1949 shall be known as "the transition period."

ARTICLE 4

The judges, officials and staff of the Mixed Tribunals and of the Mixed Parquet, who are employed there on October 14th, 1937 shall be retained in office.

ARTICLE 5

The rules to be applied by the Egyptian National Courts in regard to third party actions shall be the same as those prescribed for the Mixed Tribunals in Article 37 of the Règlement d'organisation judiciarie mixte.

ARTICLE 6

The National Courts shall also have jurisdiction in respect of the prosecution of persons of any nationality, accused as principals or accomplices of any of the crimes and misdemeanors referred to in Article 45 of the Règlement d'organisation judiciarie mixte involving judges and judicial officials of those courts or their judgments or orders or of bankruptcy offenses where the bankruptcy proceedings have taken place before the said courts.

ARTICLE 7

A change in the nationality of one of the parties in the course of proceedings before the National Courts shall not affect the competence of the Court before which the proceedings have been brought.

ARTICLE 8

Subject to the provisions of Article 9, no civil or commercial action, no action in matters of personal status and no criminal cause shall be instituted before any Consular Court in Egypt after October 15th, 1937.

Proceedings already brought prior to the above date in any such courts shall be continued before them until finally disposed of, unless they are remitted to the Mixed Tribunals under the conditions specified in Article 53 of the Règlement d'organisation judiciaire.

ARTICLE 9

Any of the High Contracting Parties who possess at present Consular Courts in Egypt, may retain such courts for the purposes of jurisdiction in matters of personal status in all cases in which the law applicable is the national law of the High Contracting Party concerned.

Any such High Contracting Party who desires to exercise the above right shall notify the Royal Egyptian Government to this effect at the time of the deposit of his instrument of ratification of the present Convention.

At any time during the transition period any High Contracting Party may make a declaration renouncing his consular jurisdiction. Such declaration shall take effect as from October 15th following the date on which it is made. No new proceeding shall be entertained after the date on which a renunciation of jurisdiction takes effect, but any proceeding already instituted may be continued until finally disposed of.

No Consular Court shall be maintained after October 14th, 1949. On that date all proceedings pending before the said Consular Courts shall be remitted to the National Tribunals at the stage they have then reached.

ARTICLE 10

In matters of personal status, the jurisdiction which is competent shall be determined by the law to be applied.

The expression "personal status" refers to the matters specified in Article 28 of the Règlement d'organisation judiciaire mixte.

The law to be applied shall be ascertained in conformity with the rules set out in Articles 29 and 30 of the said *Règlement*.

ARTICLE 11

Without prejudice to the exceptions recognised by international law, foreign consuls shall be subject to the jurisdiction of the Mixed Tribunals. In particular, they may not be prosecuted in respect of acts performed by them in the performance of their official duties.

Subject to reciprocity, they shall exercise the powers customarily granted to consuls as regards registration in matters of personal status, as regards contracts of marriage and other notarial acts, inheritance, the representation before the Courts of the interests of their absent nationals and maritime navigation, and shall enjoy personal immunity.

Until Consular Conventions are concluded, and in any case during a period of three years as from the date of the signature of the present Convention, consuls shall continue to enjoy the immunities which they possess at present in respect of consular premises and in the matter of taxes, customs duties and other public dues.

ARTICLE 12

The High Contracting Parties undertake to maintain in Egypt, during the transition period, all the judicial records of their Consular Courts.

These records shall be open for inspection by the Courts in Egypt whenever such inspection is required in connection with a case coming within their jurisdiction; certified copies of such records shall be furnished upon the request of any such court.

ARTICLE 13

Any dispute between the High Contracting Parties relating to the interpretation or application of the provisions of the present Convention, which they are unable to settle by diplomatic means, shall, on the application of one of the Parties to the dispute, be submitted to the Permanent Court of International Justice.

If, however, there is at present in force between any of the High Contracting Parties and His Majesty the King of Egypt a treaty of arbitration providing for another tribunal, this tribunal shall, for the duration of this Convention, be substituted for the Permanent Court of International Justice for the purposes of this Article, even though such treaty of arbitration may have ceased to exist for other purposes.

ARTICLE 14

The present Convention, with the exception of the annex referred to in Article 3, has been drawn up in a single copy in the English and French languages. Both texts shall be equally authentic for the purposes of its interpretation.

In the case of the annex aforesaid the French text alone shall be authentic.

ARTICLE 15

The present convention shall be ratified and the instruments of ratification shall be deposited as soon as possible at Cairo. The Royal Egyptian Government shall undertake the registration of the Convention with the Secretariat of the League of Nations.

The Royal Egyptian Government shall inform the Governments of the High Contracting Parties and the Secretary-General of the League of Nations of the deposit of each ratification.

The present Convention shall come into force on October 15th, 1937 if three instruments of ratification have been deposited. It shall not however come into force in respect of the other signatories before the date of the deposit of their respective instruments of ratification.

In faith whereof the above-mentioned Plenipotentiaries have signed the present Convention.

Done at Montreux, on the eighth day of May, one thousand nine hundred and thirty-seven, in a single copy, bearing the seals of the Plenipotentiaries, which shall be deposited in the archives of the Royal Egyptian Government and of which certified true copies shall be delivered to the Governments of the signatory Powers.

[SEAL]	BERT FISH.
[SEAL]	P. FORTHOMME.
[SEAL]	DAVID EUAN WALLACE.
[SEAL]	DAVID VICTOR KELLY.
[SEAL]	WILLIAM ERIC BECKETT.
[SEAL]	DAVID EUAN WALLACE.
[SEAL]	DAVID EUAN WALLACE.
[SEAL]	S. F. N. GIE.
[SEAL]	H. T. ANDREWS.
[SEAL]	F. T. CREMINS.
[SEAL]	DAVID EVAN WALLACE.
[SEAL]	N. P. ARNSTEDT.
[SEAL]	N. V. BOEG.
[SEAL]	MOUSTAPHA EL-NAHAS.
[SEAL]	A. MAHER.
[SEAL]	WACYF BOUTROS GHALI.
[SEAL]	MAKRAM EBEID.
[SEAL]	A. BADAOUI.
[SEAL]	A. FABRA RIBÁS.
[SEAL]	MARIANO GOMEZ.
[SEAL]	F. DE TESSAN.
[SEAL]	HYMANS.
[SEAL]	N. POLITIS.
[SEAL]	G. ROUSSOS.
[SEAL]	C. VRYAKOS.
[SEAL]	C. M. SAKELLAROPOULO.
[SEAL]	L. ALDROVANDI.
[SEAL]	SALVATORE MESSINA.
[SEAL]	PIERO PARINI.
[SEAL]	GHIGI.
[SEAL]	MICHAËL HANSSON.
[SEAL]	W. C. BEUCKER ANDREA.
[SEAL]	J. BOSCH DE ROSENTHAL.
[SEAL]	W. DE BYLANDT.
[SEAL]	J. CAEIRO DA MATTA.
[SEAL]	MALMAR.

ANNEX

RÈGLEMENT D'ORGANISATION JUDICIAIRE[1]

[Translation]

I. ORGANISATION AND COMPOSITION

Article 1

The Mixed Court of Appeal at Alexandria and the three Mixed Tribunals of first instance at Cairo, Alexandria, and Mansurah shall be maintained with their existing territorial areas of jurisdiction.

These areas of jurisdiction may be altered by decree after consultation with the Court.

Article 2

The Court of Appeal shall be composed of 18 judges, 11 of whom shall be foreigners. Should occasion arise, two judges, of whom one must be a foreigner, may be appointed in addition to that number. Vacancies occurring among the foreign judges of the Court of Appeal shall be filled by the promotion of foreign judges of the Tribunals of first instance.

Article 3

The Tribunals at Cairo, Alexandria and Mansurah shall, on October 15th, 1937, be composed of 61 judges, of whom 40 shall be foreigners.

As vacancies occur among the foreign judges of first instance as a result of retirement, death, resignation or promotion, such judges shall be replaced by Egyptian judges.

Nevertheless, the number of foreign judges in the Tribunals of first instance shall not be less than one-third of the total number of judges of the said Tribunals.

Article 4

No distinction based on the nationality of judges shall be made either in the matter of the composition of the Chambers or in that of appointments to the various posts in the judicial organisation, including the presidency of Tribunals and Chambers.

The President of the Court of Appeal shall be of foreign nationality, and the Vice-President of Egyptian nationality.

Should the President of a Tribunal be of Egyptian nationality, the Vice-President shall be of foreign nationality, and *vice versa*.

Article 5

The judgments of the Court of Appeal shall be given by five judges. Nevertheless, the law may prescribe that three judges shall compose Chambers to decide matters which are in first instance within the competence of a judge sitting alone.

The Assize Court shall consist of five judges, of whom three shall be Judges of the Court of Appeal.

The judgments of Tribunals of first instance, both in civil and criminal matters, shall be given by three judges.

In commercial matters, the three judges may, in virtue of a law, be assisted by two assessors in a consultative capacity.

In interlocutory matters, in civil cases of a summary nature, and for petty offences, judgments shall be given by a judge sitting alone.

Article 6

Judges shall be appointed by decree.

They shall be irremovable.

The age at which magistrates may be required to retire shall be 65 years for judges of first instance and 70 years for judges of the Court of Appeal.

Judges shall not be transferred from one Tribunal to another, nor shall they be promoted except in conformity with the recommendation of the General Assembly of the Court of Appeal.

Article 7

The Presidents and Vice-Presidents of the Court of Appeal and of the Tribunals shall be appointed for one year, by decree, on the nomination of the General Assembly of the Court by an absolute majority of votes. In the case of Tribunals of first instance, nominations shall be made from an alphabetical list drawn up by the General Assembly of each Tribunal and comprising three candidates at Alexandria and at Cairo and two candidates at Mansurah.

The Presidents of the Chambers of the Court of Appeal shall be nominated annually by the General Assembly of the Court.

The Presidents of the Chambers of each Tribunal shall be nominated annually by the General Assembly of the Court on the recommendation of the General Assembly of the Tribunal.

Article 8

The salaries of judges are fixed by law.

Article 9

Judges are debarred from engaging in business and from occupying any salaried position.

Article 10

Discipline over judges shall be exercised exclusively by the Court of Appeal. The General Judicial Regulations shall determine the disciplinary measures and the procedure to be followed in this matter.

Article 11

Proceedings shall be public, except in cases where the court by reasoned decision orders the hearing to be held *in camera* in the interests of morality or public order.

The accused shall be free to defend himself against the charge.

Article 12

The judicial languages employed in the Mixed Tribunals for the conduct of cases and for the drafting of official documents and judgments shall be: Arabic, English, French and Italian.

The operative part of judgments shall be pronounced in two of the judicial languages, of which one must be Arabic. After the pronouncement, judgments drawn up in a foreign language shall be translated in their entirety into Arabic and those drawn up in Arabic shall be translated in their entirety into a foreign language.

In the event of divergence between the original text and the translation, the former shall be authentic.

Article 13

Subject to the exceptions provided for by the Codes, laws or regulations, parties shall be represented at law only by persons authorised to practise as barristers in the Mixed Tribunals. The General Judicial Regulations determine the organisation of the Bar and the conditions for the exercise of discipline over barristers.

Article 14

The auxiliary staff of the Court of Appeal and of the Tribunals shall include: clerks of the courts, assistant clerks, interpreters, bailiffs and other agents.

The General Judicial Regulations determine the conditions for the exercise of discipline over the above-mentioned staff.

Article 15

Judgments shall be executed on the order of the court by its baliffs, with the assistance of the administrative authorities when such assistance is requested.

II. THE PARQUET

Article 16

The Parquet of the Mixed Tribunals shall exercise the powers specified hereinafter together with those conferred upon it by law.

It shall be directed by a Procurator General of foreign nationality.

Article 17

The Procurator General shall be assisted by a First Advocate General of Egyptian nationality and by a Second Advocate General of foreign nationality.

Should the Procurator General be absent or otherwise prevented from discharging his duties, he shall be replaced in civil matters and for the purposes of administration by the First Advocate General and in criminal matters by the Second Advocate General.

The Procurator General shall, in addition, have under his direction an adequate number of deputies.

Article 18

The members of the Parquet shall be appointed by decree. They shall be removable and responsible only to their administrative chiefs and, ultimately, to the Minister of Justice.

Article 19

The "Ministère public," in the person of the Procurator General, one of the Advocates General or a deputy, may sit in all the Chambers and in all the General Assemblies of the Court and of the Tribunals.

Article 20

In criminal matters, the parquet shall conduct public prosecutions. It shall control the judicial police in all cases falling within the jurisdiction of the Mixed Tribunals.

Officials recognised by law as being members of the judicial police shall, as such, be under the orders of the parquet.

Article 21

The Procurator General shall be called upon to give his opinion on the application to any foreigner of the provisions of the Criminal Code and of the "Code d'Instruction criminelle" concerning total or partial remission or commutation of any penalty and the execution of death sentences.

Article 22

The Procurator General shall supervise prisons and penitentiaries in which foreigners are detained. He shall, in addition, have free access at all times to any other place wherein a foreigner may be detained.

He shall notify the Minister of Justice of all irregularities of which he becomes aware, and shall make to him any other communications called for in the exercise of the supervision for which he is responsible.

Article 23

The "Ministère public" shall intervene in all matters involving questions of personal status or nationality. It may furthermore intervene in matters concerning minors or persons under an incapacity, and also in all other cases specified in the Code of Civil Procedure.

It shall further be empowered to order and to have carried out any measures which it may consider proper to safeguard the interests of minors or of persons under an incapacity.

[1] Règlement d'Organisation Judiciaire is in the French language alone. Translation thereof is supplied for printing.

Article 24

The parquet shall supervise the administration of judicial funds and the special deposit and consignment fund.

It shall also supervise the clerks of the court and the bailiffs, who shall be under the exclusive control of the Presidents of the Court and Tribunals.

III. COMPETENCE

Article 25

For the purposes of determining the competence of the Mixed Tribunals, the word "foreigners" shall be taken to mean nationals of the High Contracting Parties to the Montreux Convention concerning the Abolition of Capitulations in Egypt, together with nationals of any other State that may be specified by decree.

No Egyptian national may avail himself of the protection of a foreign Power.

Nationals of Syria and of the Lebanon and also those of Palestine and Trans-Jordan shall come within the competence of the National jurisdiction as regards both civil and criminal matters.

Foreign nationals (citizens, subjects and protected persons) belonging to religions, confessions or sects for which there exist Egyptian Tribunals dealing with matters of personal status, shall continue to have their cases heard by the said Tribunals in such matters under the same conditions as in the past.

The nationals specified above shall, moreover, have the right to opt between the Mixed jurisdiction and the National jurisdiction in civil and commercial matters. When one of the said nationals is summoned in respect of either of the said matters before a National Tribunal, in a case in connection with which he has not previously accepted the competence of the National jurisdiction, he shall, if he wishes to challenge the competence of the Tribunal before which the case is brought, do so by registered letter or by service of a writ, or at the latest at the first hearing, failing which the Tribunal shall be competent.

(A) Competence in Civil and Commercial Matters

Article 26

The Mixed Tribunals shall take cognizance of all civil and commercial suits between foreigners or between foreigners and parties subject to the jurisdiction of the National Courts.

Nevertheless, the National Tribunals shall be competent in the aforesaid matters in respect of any foreigner who agrees to submit himself to their jurisdiction.

Such submission may result from a clause attributing competence or from the fact (1) that the foreigner has himself initiated the proceedings before the National Courts; or (2) that he has not challenged the competence of the said courts before the pronouncement of a judicial decision in proceedings wherein he has appeared as defendant or as an intervening party.

Submission to the jurisdiction of a court of first instance entails submission to the jurisdiction of superior courts of the same category.

Article 27

The Mixed Tribunals shall also take cognizance of suits and matters relating to personal status in cases wherein the law to be applied according to the terms of Article 29 is a foreign law.

Article 28

Personal status comprises: suits and matters relating to the status and capacity of persons, legal relations between members of a family, more particularly betrothal, marriage, the reciprocal rights and duties of husband and wife, dowry and their rights of property during marriage, divorce, repudiation, separation, legitimacy, recognition and repudiation of paternity, the relation between ascendants and descendants, the duty of support as between relatives by blood or marriage, legitimation, adoption, guardianship, curatorship, interdiction, emancipation, and also gifts, inheritance, wills and other dispositions *mortis causa*, absence and the presumption of death.

Article 29

The status and capacity of persons shall be governed by their national laws.

The fundamental conditions of the validity of marriage shall be governed by the national law of each of the parties thereto.

In matters concerning relations between the husband and wife, including separation, divorce and repudiation and the effects thereof upon their property, the law to be applied shall be the national law of the husband at the time of the celebration of the marriage.

Reciprocal rights and duties as between parents and children shall be governed by the national law of the father.

The duty of maintenance shall be governed by the national law of the party against whom the claim is made.

Matters relating to filiation, legitimation, and the recognition and repudiation of paternity shall be governed by the national law of the father.

Questions relating to the validity of adoption shall be governed by the national law of the adopting party as well as by that of the adopted person. The effects of adoption shall be governed by the national law of the adopting party.

Guardianship, curatorship and emancipation shall be governed by the national law of the person under the incapacity.

Inheritance and wills shall be governed by the national law of the deceased or of the testator.

Gifts shall be governed by the national law of the donor at the time of the gift.

The rules of the present article shall not affect provisions relating to the legal position of immovable property in Egypt.

Article 30

Should the nationality of a person be unknown, or should he simultaneously possess, under the laws of several foreign States, the nationality of each of them, the judge shall decide what law shall be applied.

Should a person simultaneously possess the nationality of Egypt under Egyptian law and of one or more foreign States under the law of the State or States concerned, the law to be applied shall be the Egyptian law.

Article 31

The term "national law" shall be understood to mean the municipal law of the country in question to the exclusion of the provisions of private international law.

Article 32

Rules of procedure prescribed by a foreign law shall not apply in so far as they are incompatible with Egyptian rules of procedure.

Article 33

Subject to the provisions of Articles 34, 35, 36, and 37, the competence of the Mixed Tribunals shall be determined solely by the nationality of the parties directly concerned, without regard to any mixed interests which may be indirectly concerned.

Article 34

Companies of Egyptian nationality already incorporated, in which there are substantial foreign interests shall, in their suits with persons subject to the jurisdiction of the National Tribunals, be subject to the jurisdictiton of the Mixed Tribunals unless the terms of their incorporation contain a clause attributing competence to the National Tribunals, or unless they have accepted the jurisdiction of the said courts in accordance with Article 26.

Article 35

The Mixed Tribunals shall similarly be competent in matters arising out of the bankruptcy of a person subject to the jurisdiction of the National Tribunals if one of the creditors party to the proceedings is a foreigner.

Article 36

The creation of a charge in favor of a foreigner over immovable property, whoever may be the person in possession or the owner thereof, renders the Mixed Tribunals ipso facto competent to determine the validity of the charge and all its consequences up to and including the forced sale of the said property and also the distribution of the monies realised thereby.

Article 37

The Mixed Tribunals shall not take cognizance of an action not in itself falling within their competence, even if it arises as subsidiary to an action already constituted before them. Nevertheless, they shall take cognizance of the said subsidiary action when the jurisdiction before which it has been brought, decides in the interests of justice, to remit it to be pleaded before them.

The Mixed Tribunals may, if they consider that the interests of justice so require, remit to be pleaded before the National Courts an action instituted before them, which is subsidiary to a principal action already instituted before the said National Courts.

Article 38

Suits by foreigners against a Wakf involving a claim to the ownership of immovable property of the said Wakf shall not be submitted to the Mixed Tribunals. Nevertheless, the said Tribunals shall be competent to give judgment on claims brought in respect of legal possession, whoever may be plaintiff or defendant.

Furthermore, suits directly or indirectly concerning the constitution of a Wakf or the validity, interpretation or application of its clauses, or the appointment or removal of the Nazir shall not come within the competence of the Mixed Tribunals.

The Mixed Tribunals may, nevertheless, declare void as against creditors the constitution of property as a Wakf in fraud of the rights of such creditors.

Article 39

When, in the course of proceedings, an issue is raised concerning the personal status of a party coming in that respect within the jurisdiction of some other court, the Mixed Tribunals shall, if they consider it necessary to secure a preliminary decision upon that issue, suspend judgment on the main issue and prescribe a time limit within which the party against whom the interlocutory plea has been raised must have the matter finally decided by the competent court. If such a preliminary decision is not considered necessary, they shall proceed to give a decision on the main issue.

Article 40

The cession of a right to a foreigner, the citing of a foreigner as third party, or a fictitious assignment to a foreigner shall not render the Mixed Tribunals competent to decide suits coming within the competence of the National Courts if the object of the

said cession, citation as third party or fictitious assignment is to remove such litigation from the cognizance of the National Tribunals.

Any cession of a right to a foreigner agreed to during the course of the proceedings shall be presumed to have been made with the above object. The Court may, however, in exceptional cases, admit proof to the contrary.

Subject to the provisions of the preceding paragraph, the competence of the Mixed Tribunals cannot be challenged on the ground that the assignment is fictitious where the assignment is made by means of the endorsement of a negotiable instrument.

The irregular endorsement of a negotiable instrument to a foreigner, or its endorsement to a foreigner for purposes of collection, shall not give competence to the Mixed Tribunals in the case of suits that are within the competence of the National Courts.

Article 41

Should the litigant whose foreign character gave competence to the Mixed Tribunals cease before the close of the hearing to be a party to the proceedings, the said Tribunals shall, on objection being raised by one of the parties, cease to have competence in the matter, which shall be transferred as it stands to the National Courts.

Article 42

A change in the nationality of one of the parties during the course of the proceedings shall have no effect on the competence of the court before which a case has been properly brought.

Article 43

The Mixed Tribunals may not directly or indirectly pass judgment on acts of sovereignty. They may not give decisions on the validity of the application of Egyptian laws or regulations to foreigners.

Furthermore, they may not give decisions on the ownership of public property.

Nevertheless, though they may not interpret an administrative act or arrest the execution thereof, they shall be competent to hear (1) all civil and commercial actions between foreigners and the State concerning movable or immovable property; (2) civil actions brought by foreigners against the State in respect of administrative measures taken in violation of laws or regulations.

(B) Criminal Competence

Article 44

The Mixed Tribunals shall hear all prosecutions of foreigners in respect of acts punishable by law.

Article 45

The Mixed Tribunals shall further hear all prosecutions against principal offenders or their accomplices, of whatever nationality, in respect of the following crimes and misdemeanors:—

(1) crimes and misdemeanors committed directly against judges and judicial officers of the Mixed Tribunals in the performance, or in connection with the performance, of their duties;

(2) crimes and misdemeanors committed directly to hinder the execution of judgments and warrants of the Mixed Tribunals;

(3) crimes and misdemeanors alleged against judges and judicial officers if they are accused of having committed them in the performance of their duties or in abuse of their powers;

(4) bankruptcy offences, whether crimes or misdemeanors with or without fraud, where the bankruptcy proceedings are before the Mixed Tribunals.

The term judicial officers in paragraphs (1) and (3) above shall comprise: clerks of the Court, sworn assistant clerks, interpreters attached to the Tribunal, and the official bailiffs, but not persons incidentally entrusted, by delegation from the Tribunal, with the service or execution of writs or warrants.

Article 46

In criminal matters the police courts shall deal with offences defined as contraventions by law and misdemeanors carrying a penalty of not more than three months' imprisonment.

The correctional courts shall deal with offences defined as misdemeanors by law other than those referred to in the preceding paragraph, and shall hear appeals against decisions given by the police courts.

The assize courts shall deal with offences defined as crimes by law.

Article 47

Arrests and domiciliary searches of foreigners, except in cases of "flagrant délit" or a call for help from within the dwelling-house shall be carried out by, or in the presence of, a member of the Mixed Parquet or an officer of the judicial police to whom such functions have been delegated by the Mixed Parquet.

Article 48

In criminal matters, if the Parquet considers there are grounds for prosecution, it must refer the case to the investigating magistrate.

In correctional matters also, the Parquet shall refer the case to the investigating magistrate unless it decides that the information received on summary enquiry is sufficient for the case to be brought to trial. In such a case, if the accused has been heard, or if his absence or the impossibility of finding his residence has been duly established, the Parquet may summon him directly before the Tribunal.

Nevertheless, at the request of the accused or of the Parquet, or without being moved thereto, the tribunal may declare the summons to be annulled and order the case to be referred to the investigating magistrate.

Article 49

The detention of any foreigner shall at once be notified to the Parquet. The Parquet is bound within the time specified in the Code d'Instruction criminelle and, at longest, within four days either to order the release of the person detained or to send him before the investigating magistrate.

Any foreigner who is detained pending trial shall have the right to inform his Consul and his lawyer of his detention through the intermediary of the Parquet.

The Consul and the lawyer of the detained person may visit him in prison under conditions approved by the Parquet.

Article 50

Except in cases of urgency, if the accused has no defending counsel one shall be appointed for him, if he so requests, at the time of his interrogation, failing which the proceedings shall be void.

A defending counsel shall further be officially appointed within a reasonable time before the hearing of the case to every accused person committed for trial before the Assize Court.

IV. GENERAL AND TRANSITORY PROVISIONS

Article 51

The Mixed Tribunals shall administer justice in Our Name.

Article 52

Where the law is silent, insufficient or obscure, the judge shall act in conformity with the principles of natural law and with the rules of equity.

Article 53

Actions begun prior to October 15th, 1937, before a Consular jurisdiction shall be continued before that jurisdiction until a final judgment has been given.

The same shall apply to actions which have been begun prior to that date before the Mixed Tribunals and which, by virtue of the present law, would come within the competence of the National Tribunals.

In civil matters, actions referred to in the two paragraphs above may, on the request of the parties thereto and with the consent of all persons having an interest therein, be referred at the stage which they have reached to the courts which are competent according to the provisions of the preceding Articles in order that they may be continued and decided therein.

In criminal matters also, Consular jurisdictions may refer cases begun prior to October 15th, 1937, to the Mixed Tribunals.

Article 54

Judgments and orders of the Consular Courts shall continue to have the force of res judicata and shall, when necessary, be executed through the agency of the Mixed Tribunals.

Article 55

Prescriptions and foreclosures which were applicable in cases when within the competence of the Consular Courts shall continue to apply when they come before the Mixed Tribunals.

Article 56

Notwithstanding the provisions of Article 27, the Mixed Tribunals shall not have competence in matters of personal status where the law applicable in accordance with the provisions of Article 29 is that of a High Contracting Party to the Convention regarding the abolition of the Capitulations in Egypt, which, in accordance with Article 9 of that Convention, has reserved jurisdiction in personal status for its Consular Courts and that reservation has not been withdrawn.

Article 57

The provisions of the existing General Judicial Regulations shall remain in force in so far as they are not abrogated or modified by the preceding provisions.

No modification of the said Regulations proposed by the General Assembly of the Court shall take effect until promulgated by decree on the proposal of the Minister of Justice.

Article 58

The present *Règlement d'organisation judiciaire pour les procès mixtes en Egypte* and any provisions contrary to the present law are hereby abrogated.

PROTOCOL

On signing the Convention regarding the abolition of the Capitulations in Egypt bearing this day's date,

The undersigned Plenipotentiaries,

Being desirous of determining exactly some of the provisions of the Convention and of its Annex,

Have agreed as follows:

I

It is understood that the provisions of Article 2, paragraph 2, of the Convention relating to the non-discrimination rule and applicable during the transition period must be interpreted in the light of international practice relating to undertakings of that nature between countries enjoying legislative sovereignty.

II

With reference to Article 6, paragraph 1, of the Règlement d'organisation judiciaire, it is understood that the selection of foreign judges is a matter for the Royal Egyptian Government, but that, in order to satisfy itself regarding the suitability of the persons whom it may select, the Royal Egyptian Government will approach unofficially the Ministers of Justice of the foreign countries concerned and will appoint only persons of whom their respective Governments approve.

Done at Montreux, in a single copy in French and English, both texts being equally authentic, on the eighth day of May one thousand nine hundred and thirty-seven.

BERT FISH
P. FORTHOMME
DAVID EUAN WALLACE
DAVID VICTOR KELLY
WILLIAM ERIC BECKETT
DAVID EUAN WALLACE
DAVID EUAN WALLACE
S. F. N. GIE
H. T. ANDREWS
F. T. CREMINS
DAVID EUAN WALLACE
N. P. ARNSTEDT
N. V. BOEG
MOUSTAPHA EL-NAHAS
A. MAHER
WACYF BOUTROS GHALI
MAKRAM EBEID
A. BADAOUI
A. FABRA RIBAS
MARIANO GOMEZ
F. DE TESSAN
HYMANS
N. POLITIS
G. ROUSSOS
C. VRYAKOS
C. M. SAKELLAROPOULO
L. ALDROVANDI
SALVATORE MESSINA
PIERO PARINI
GHIGI
MICHAEL HANSSON
W. C. BEUCKER ANDREAE
J. BOSCH DE ROSENTHAL
W. DE BYLANDT
J. CAEIRO DA MATTA
MALMAR

Certified to be true and correct copies of the certified texts of the Convention, Règlement d'Organisation Judiciaire, and Protocol furnished by the Egyptian Government.

CORDELL HULL,
Secretary of State of the United States of America.

FINAL ACT

The Capitulations Conference met at the invitation of the Government of His Majesty the King of Egypt, at Montreux, on April 12th, 1937.

The Governments enumerated below were represented at the Conference by the following delegations:

UNION OF SOUTH AFRICA

Delegates:
Dr. Stefanus François Naudé GIE, Envoy Extraordinary and Minister Plenipotentiary in Berlin;
Mr. Harry Thomson ANDREWS, Permanent Delegate to the League of Nations.
Secretary:
Mr. R. JONES, Vice Consul at Hamburg;

UNITED STATES OF AMERICA

Delegate:
Mr. Bert FISH, Envoy Extraordinary and Minister Plenipotentiary, at Cairo;
Experts:
Mr. Paul H. ALLING, Assistant-Chief, Division of Near Eastern Affairs, Department of State;
Mr. Francis Colt de WOLF, Treaty Division, Department of State;

AUSTRALIA

Delegate:
Captain the Right Honourable David Euan WALLACE, M. C., M. P.;

BELGIUM

Delegates:
M. P. FORTHOMME, former Minister of the Crown, Envoy Extraordinary and Minister Plenipotentiary, President of the Delegation.
M. J. WATHELET, Honorary Royal Counsellor of the Egyptian Government;
M. G. DELCOIGNE Secretary of Legation;
M. A. HERMENT, Assistant-Director in the Ministry of Foreign Affairs;

UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND

Delegates:
Captain the Right Honourable David Euan WALLACE, M. C., M. P., a Parliamentary Under-Secretary of State for Foreign Affairs, a Parliamentary Secretary to the Board of Trade, Secretary of the Department of Overseas Trade;
Private Secretary: Mr. Patrick MUNRO, M. P. (Private Parliamentary Secretary to Captain Wallace);
Mr. David Victor KELLY, C. M. G., M. C., Counsellor in His Britannic Majesty's Embassy at Cairo;
Mr. William Eric BECKETT, C. M. G., Second Legal Adviser to the Foreign Office;
Secretary-General:
Mr. J. S. SOMERS COCKS;

DENMARK

Delegates:
M. Niels Peter ARNSTEDT, Envoy Extraordinary and Minister Plenipotentiary, at Cairo, President of the Delegation;
M. Niels Vilhelm BOEG, Member of the Court of Appeal at Copenhagen, former Judge of the Mixed Tribunals in Egypt, former President of the Mixed Greco-Turkish Arbitration Tribunal;

EGYPT

Delegates:
MUSTAPHA EL-NAHAS Pasha, President of the Council of Ministers, Minister of the Interior and of Public Health;
Dr. AHMED MAHER, President of the Chamber of Deputies;
WACYF BOUTROS GHALI Pasha, Minister for Foreign Affairs;
MAKRAM EBEID Pasha, Minister of Finance;
ABDEL HAMID BADAOUI Pasha, President of the Comité du Contentieux de l'État;
Technical advisers:
Mr. E. F. W. BESLY, Legal Secretary to the Judicial Adviser;
M. Maurice JACQUET, Royal Counsellor;
Secretary-General:
Georges DUMANI BEY, Controller-General of the European Political Bureau;
Deputy Secretary-General:
Mohamed SALAH EDDINE BEY, Deputy Secretary-General of the Council of Ministers;
Technical Secretaries:
A. ASSAGHY BEY, Head of the Parquet of the Mixed Tribunal at Cairo;
M. J. FELDMAN, Substitut au Contentieux de l'État;
M. H. BAHGAT BADAOUI, Substitut au Contentieux de l'État;
M. L. DICHY, Secretary of the Economic Council.
Secretaries:
M. Fouad EL PHARAONY, Attaché in the Royal Egyptian Legation in Paris;
M. Aram STEPHAN, Attaché in the Royal Egyptian Legation in Paris;

SPAIN

Delegates:
M. Antonio FABRA RIBAS, Envoy Extraordinary and Minister Plenipotentiary at Berne;
Dr. Mariano GOMEZ, President of the Supreme Court of Justice, former Rector of the University of Valencia;
M. Benito PABON, President of the Legal Advisory Committee;
Secretary:
M. Rafael TOLSA;

FRANCE

Delegates:
Mr. François DE TESSAN, Deputy, Under-Secretary of State in the Department of the President of the Council;
M. Max HYMANS, Deputy, former President of the Commission for Customs and Commercial Conventions;
Deputy-delegates:
M. Jean POZZI, Minister Plenipotentiary;
M. Ernest LAGARDE, Minister Plenipotentiary, *Sous-Directeur d'Afrique-Levant;*
M. Paul CHARGUÉRAUD, Legal Adviser to the Ministry of Foreign Affairs;
Adviser:
M. Maurice LINANT DE BELLEFONDS, former Royal Counsellor of the Egyptian Government;
Secretary-General:
M. Roger GARREAU, Counsellor of Embassy;
Secretaries:
M. Roger ROBERT DU GARDIER, Secretary of Embassy *Deputy Secretary-General;*
M. Albert CHAMBON, Far-Eastern Secretary-Interpreter;
M. Henri BRADIER, Attaché in the Ministry of Foreign Affairs;
Experts:
M. Jean CABOUAT, *Chef de Cabinet* of the Under-Secretary of State in the Department of the President of the Council;
M. Raoul AGHION, Adviser on French Foreign Trade;

GREECE

Delegates:
M. Nicolas POLITIS, Greek Minister in Paris, former Minister for Foreign Affairs, *President of the Delegation;*
M. Georges ROUSSOS, Envoy Extraordinary and Minister Plenipotentiary, former Minister for Foreign Affairs;

M. Constantin VRYAKOS, Envoy Extraordinary and Minister Plenipotentiary, former Minister of Justice;
M. Constantin SAKELLAROPOULO, Envoy Extraordinary and Minister Plenipotentiary, Director of Political Affairs in the Ministry of Foreign Affairs;
Secretary-General:
M. Michel MELAS, First Secretary of Legation;

INDIA

Delegate:
Captain the Right Honourable David Euan WALLACE, M. C., M. P.;

IRISH FREE STATE

Delegate:
Mr. F. T. CREMINS, Permanent Delegate to the League of Nations;

ITALY

Delegates:
Count Luigi ALDROVANDI MARESCOTTI DI VIANO, Ambassador of His Majesty the King of Italy, Emperor of Ethiopia, *President of the Delegation;*
M. Salvatore MESSINA, President of Section in the Court of Cassation;
M. Piero PARINI, Minister Plenipotentiary, Director-General of Italians abroad;
M. Pellegrino GHIGI, Envoy Extraordinary and Minister Plenipotentiary of His Majesty the King of Italy, Emperor of Ethiopia, at Cairo;
Secretary-General:
Count Vittorio ZOPPI, Counsellor of Legation;
Experts:
M. Alberto d'AGOSTINO, Director-General in the Department of the Under-Secretary of State, for Trade and Exchange;
M. Leopoldo PICCARDI, Counsellor of State;
M. Alberto CALISSE, Assistant Director of Commercial Affairs in the Ministry of Foreign Affairs;
M. Gaetano MORELLI, Professor of International Law;
Secretaries:
M. Giacomo PROFILI;
M. Mario PIRODDI;

NORWAY

Delegate:
M. Michael HANSSON, former President of the Egyptian Mixed Court of Appeal, Norwegian Member of the Permanent Court of Arbitration at The Hague, President of the Nansen International Office for Refugees;
Technical Expert:
Georges CORONI BEY, Administrative Director of the Nansen International Office, Former Chief Registrar of the Egyptian Mixed Court of Appeal;

NEW ZEALAND

Delegate:
Captain the Right Honorable David Euan WALLACE, M. C., M. P.;

NETHERLANDS

Delegates:
M. W. C. BEUCKER ANDREAE, Head of the Legal Section in the Ministry of Foreign Affairs, The Hague;
M. le Chevalier J. J. B. BOSCH DE ROSENTHAL, Chargé d'Affaires in Egypt;
Count W. F. L. DE BYLANDT, Counsellor of the Netherlands Legation in Paris;

PORTUGAL

Delegate:
Dr. J. CAEIRO DA MATTA, Former Minister for Foreign Affairs, Professor and Rector of the University of Lisbon;

SWEDEN

Delegate:
M. K. K. F. MALMAR, Director of the Legal Division at the Ministry of Foreign Affairs.
M. Th. AGHNIDES, Director of the Disarmament Section of the Secretariat of the League of Nations, discharged the duties of Secretary-General of the Conference.

In a series of meetings held from April 12th to May 8th, 1937, throughout which the above-mentioned delegates were constantly animated by the desire to realise their Governments' intentions to establish, following upon their agreement regarding the abolition of the Capitulatory system in Egypt, the bases of the most confident collaboration between that Power and the other High Contracting Parties, the Conference drew up for signature by the Plenipotentiaries the text of the Convention, *Règlement* and Protocol and took cognizance and note of the Declaration and Letters enumerated hereunder and annexed to the present Final Act:

I. Convention regarding the abolition of the Capitulations in Egypt.
II. Règlement d'organisation judiciaire (Annex to the Convention).
III. Protocol.
IV. Declaration by the Royal Egyptian Government.
V. Letters.

IN FAITH WHEREOF the Plenipotentiaries have signed the present Act.

DONE at Montreux, this eighth day of May, one thousand nine hundred and thirty-seven, in a single copy which shall be deposited in the archives of the Royal Egyptian Government and of which certified true copies shall be delivered to the Governments of the signatory Powers.

The President of the Conference:
MOUSTAPHA EL-NAHAS.
The Secretary-General of the Conference:
TH. AGHNIDES.
Union of South Africa:
S. F. N. GIE.
H. T. ANDREWS.
United States of America:
BERT FISH.
Australia:
DAVID EUAN WALLACE.
Belgium:
P. FORTHOMME.
Great Britain and Northern Ireland:
DAVID EUAN WALLACE.
DAVID VICTOR KELLY.
WILLIAM ERIC BECKETT.
Denmark:
N. P. ARNSTEDT.
N. V. BOEG.
Egypt:
MOUSTAPHA EL-NAHAS.
A. MAHER.
WACYF BOUTROS GHALI.
MAKRAM EBEID.
A. BADAOUI.
Spain:
A. FABRA RIBAS.
MARIANO GOMEZ.
France:
F. DE TESSAN.
HYMANS.
Greece:
N. POLITIS.
G. ROUSSOS.
C. VRYAKOS.
C. M. SAKELLAROPOULO.
India:
DAVID EUAN WALLACE.
Irish Free State:
F. T. CREMINS.
Italy:
L. ALDROVANDI.
SALVATORE MESSINA.
PIERO PARINI.
GHIGI.
Norway:
MICHAËL HANSSON.
New Zealand:
DAVID EUAN WALLACE.
Netherlands:
W. C. BEUCKER ANDREAE.
J. BOSCH DE ROSENTHAL.
W. DE BYLANDT.
Portugal:
CAEIRO DA MATTA.
Sweden:
MALMAR.

Certified true copy.
The Secretary-General of the Conference.
TH. AGHNIDES

I

CONVENTION REGARDING THE ABOLITION OF THE CAPITULATIONS IN EGYPT. SIGNED AT MONTREUX, ON MAY 8TH, 1937

[NOTE.—English text is printed above page 5.]

II

REGLEMENT D'ORGANISATION JUDICIAIRE (ANNEX TO THE CONVENTION)

[NOTE.—English translation is printed above page 11.]

III

PROTOCOL

[NOTE.—English text is printed above page 22.]

IV

DECLARATION BY THE ROYAL EGYPTIAN GOVERNMENT

THE UNDERSIGNED, acting in virtue of their full powers, make the following declaration:

1. COMPETENCE OF THE MIXED TRIBUNALS

With reference to Article 25, paragraph 1, of the Reglement d'organisation judiciaire, the Royal Egyptian Government has already decided to extend by decree the competence of the Mixed Tribunals to nationals of the following eight States: Austria, Czechoslovakia, Germany, Hungary, Poland, Roumania, Switzerland, Yugoslavia.

2. NON-DISCRIMINATION RULE

With reference to Article 2, paragraph 2, of the Convention and the Protocol relating thereto, the fact that the effect of the non-

discrimination rule referred to in the above-mentioned Article 2 is limited to the duration of the transition period, does not imply any intention on the part of the Royal Egyptian Government to pursue thereafter in this matter any contrary policy of discrimination against foreigners. The Royal Egyptian Government is, moreover, prepared to conclude Establishment Treaties and Treaties of Friendship with the various Powers.

3. PERSONAL STATUS

The Royal Egyptian Government, having already, and more particularly in the Establishment Treaties which it has concluded with Iran and Turkey, spontaneously adopted the principle that, in matters of personal status, the personal law should apply, intends to adopt the same principle with regard thereto in the future.

As regards the rules of procedure, which the Royal Egyptian Government intends to enact for cases of personal status, these will be applied provided that no substantive rule of the foreign national law prevents their application.

4. DEPORTATION

Although the abolition of Capitulations entails the removal of all the existing restrictions on the Royal Egyptian Government's right to deport foreigners who are within Egyptian territory, nevertheless that Government does not intend to exercise during the transition period its right of deportation in respect of a foreigner subject to the jurisdiction of the Mixed Tribunals, who shall have resided in Egypt for at least five years, or to refuse such a foreigner access to Egyptian territory, if he has temporarily quitted that territory, unless:

(a) he has been convicted in respect of a crime or misdemeanour punishable by more than three months' imprisonment, or

(b) he has been guilty of activities of a subversive nature or to the prejudice of public order or public tranquillity, morality or health, or

(c) he is indigent and a burden upon the State.

The Royal Egyptian Government further proposes to set up an administrative advisory committee, of which the Procurator General of the Mixed Tribunals shall be a member, for the purpose of examining any disputes on the subject of the identity or the nationality of the person whose deportation is under consideration, or of the length of his residence in Egypt, or of the existence of the facts which constitute the grounds for deportation.

5. EXTRADITION

In conformity with the practice generally adopted in regard to extradition, the Royal Egyptian Government intends to adopt judicial procedure in this matter. It will therefore be necessary for the Mixed Tribunals to pronounce upon the regularity of the request for extradition when such request relates to a foreigner within the jurisdiction of the said Tribunals.

6. CLAUSE RELATING TO THE JURISDICTION TO WHICH DISPUTES SHOULD BE SUBMITTED

With reference to Article 26 of the Règlement d'organisation judiciaire, the Royal Egyptian Government does not intend to insert in Government contracts (including contracts made by public administrations and municipalities) any clause relating to the jurisdiction to which disputes should be submitted.

7. JUDGES, OFFICIALS AND MEMBERS OF THE BAR

The Royal Egyptian Government does not intend to alter either the existing conditions of service or the present salaries of judges of the Mixed Tribunals.

Similarly, the Government does not intend to alter the present salaries of officials and employees of the said Tribunals.

It will give sympathetic consideration to their treatment in respect of grading, rules for increase of salary and promotion, when the new cadre now being considered is introduced.

The case of any such officials and employees who may be retired at the end of the transition period will receive special consideration, the circumstances peculiar to each individual being taken into account. Should such circumstances justify it, certain advantages may be granted in the matter of the pension or compensation to be paid.

As regards the pensions of foreign judges, officials and employees, the Government intends to ensure that they are not prejudiced by double taxation.

Furthermore, in the case of advocates admitted to practise at the Mixed Bar the Egyptian Government intends to take the necessary measures to enable such advocates, at the end of the transition period, to obtain unconditionally the inscription of their names and the recognition of their professional seniority on the roll of the Order of Advocates practising in the National Tribunals.

DONE at Montreux on May 8th, 1937.

MOUSTAPHA EL-NAHAS.
A. MAHER.
WACYF BOUTROS GHALI.
MAKRAM EBEID.
A. BADAOUI.

The PRESIDING OFFICER. The convention is before the Senate and open to amendment. If there be no amendment to be proposed, the convention will be reported to the Senate.

The convention was reported to the Senate without amendment.

The PRESIDING OFFICER. The resolution of ratification will be read.

The legislative clerk read as follows:

Resolved (*two-thirds of the Senators present concurring therein*), That the Senate advise and consent to the ratification of Executive C (75th Cong., 3d sess.), a convention signed at Montreux, Switzerland, on May 8, 1937, between His Majesty the King of Egypt and the United States and certain other countries, defining the rights of the United States and of the other capitulatory powers in Egypt consequent upon the abolition of the capitulatory regime in that country, and an annex, protocol, and final act relating thereto.

The PRESIDING OFFICER. The question is on agreeing to the resolution of ratification. [Putting the question.] Two-thirds of the Senators present concurring therein, the resolution is agreed to, and the convention is ratified.

LABOR CONVENTIONS

Mr. THOMAS of Utah. Mr. President, there are five conventions which have been adopted by the International Labor Office. It will take only a minute or two to consider them because there was no objection either in the committee, or on the part of the State Department, or on the part of the Maritime Commission, or on the part of the Commerce Department, or on the part of the Labor Department, to any of them.

Mr. AUSTIN. Mr. President, will the Senator yield?

Mr. THOMAS of Utah. I am glad to yield.

Mr. AUSTIN. I should like to ask the Senator if any one of these conventions involves the rights of women, or changes their status.

Mr. THOMAS of Utah. There is no reference at all to women in these conventions. They are conventions dealing entirely with seamen on the high seas.

Mr. AUSTIN. I notice that one of them relates to children, and some person recently called my attention to the claim that some of these conventions affect the rights of American women. I know nothing about the conventions, not being a member of any committee which touches them. That is why I asked the question of the Senator.

Mr. THOMAS of Utah. I think the question can be answered categorically, because the American standards on all our ships are higher than the standards which any of these conventions call for. For instance, the convention which has to do with children at sea prohibits the employment of children until they are 15 years of age. Our law is 16 years; and that holds true through practically all of them.

There was one of the six conventions upon which it was suggested that we should not act at the present time, and that convention was not reported by the committee. These five have the unanimous sanction of all concerned, or I would not press them tonight.

Mr. President, I suggest that we now take up Executive W.

Mr. AUSTIN. Mr. President, I desire to ask the Senator another question. Does his request comprehend Executive E, Seventy-third Congress, No. 21?

Mr. THOMAS of Utah. No; not Executive E. That has nothing to do with these conventions.

Mr. AUSTIN. Very well. I should feel obliged to ask to have that one go over.

Mr. THOMAS of Utah. The first one is Executive W, No. 25.

Mr. KING. Mr. President, one question. Is there anything in any of these treaties or conventions which superimposes upon American sailors the same wages or hours of labor that may prevail in other countries?

Mr. THOMAS of Utah. No.

Mr. KING. I should be unwilling to have that done.

Mr. THOMAS of Utah. Of course, there would be nothing like that in any kind of a convention. The various conventions deal with different things; and, as I have just said, the American standards are so much higher than any of these conventions recommend that the aim of these conventions is

to get them universally adopted, so that our own ships may compete on a better level with the ships of other countries which have lower standards. This action will bring the standards of other ships up, not so high as ours, but up materially, so that it will help us.

Mr. KING. I should not be willing to have the standards of wages and hours of labor of American employees, whether upon the land or upon the sea, measured and determined by the wages and hours and standards in Paraguay, for example—and I am not speaking disparagingly against that country—or any other country in the world.

Mr. THOMAS of Utah. I am sure no one in the United States would, nor would any Member of the United States Senate permit that.

Mr. KING. And these conventions do not permit that?

Mr. THOMAS of Utah. Oh, no.

DRAFT CONVENTION—ANNUAL HOLIDAYS WITH PAY FOR SEAMEN

The Senate, as in Committee of the Whole, proceeded to consider Executive W (75th Cong., 1st sess.), a draft convention (No. 54) concerning annual holidays with pay for seamen, adopted by the International Labor Conference at its twenty-first session, held at Geneva, October 6-24, 1936, which was read the second time, as follows:

INTERNATIONAL LABOUR CONFERENCE

DRAFT CONVENTION (NO. 54) CONCERNING ANNUAL HOLIDAYS WITH PAY FOR SEAMEN

The General Conference of the International Labour Organisation,

Having been convened at Geneva by the Governing Body of the International Labour Office, and having met in its Twenty-first Session on 6 October 1936, and

Having decided upon the adoption of certain proposals with regard to holidays with pay for seamen, which is the fifth item on the Agenda of the Session, and

Having determined that these proposals shall take the form of a Draft International Convention,

adopts, this twenty-fourth day of October, of the year one thousand nine hundred and thirty-six, the following Draft Convention which may be cited as the Holidays with Pay (Sea) Convention, 1936:

ARTICLE 1

1. This Convention applies to the master, officers, and members of the crew, including wireless operators in the service of a wireless telegraphy company, of all sea-going vessels, whether publicly or privately owned, which are registered in a territory for which the Convention is in force and are engaged in the transport of cargo or passengers for the purpose of trade.

2. National laws or regulations shall determine when vessels are to be regarded as sea-going vessels for the purpose of this Convention.

3. This Convention does not apply to—

(a) persons employed in vessels engaged in fishing, whaling, or similar pursuits or in operations directly connected therewith;

(b) persons employed in any vessel, the crew of which consists entirely of members of the owner's family as defined by national laws or regulations;

(c) persons not remunerated for their services, or remunerated only by a nominal salary or wage, or remunerated exclusively by a share of profits;

(d) persons working exclusively or mainly on their own account;

(e) persons employed in wooden ships of primitive build, such as dhows and junks;

(f) persons whose duties are connected solely with the cargo carried on board and who are not in fact in the employment either of the owner or of the master;

(g) travelling dockers.

ARTICLE 2

1. Every person to whom this Convention applies shall be entitled after one year of continuous service with the same undertaking to an annual holiday with pay, the duration of which shall be—

(a) in the case of masters, officers, and wireless operators, not less than twelve working days;

(b) in the case of other members of the crew, not less than nine working days.

2. For the purpose of calculating when a holiday is due—

(a) service off articles shall be included in the reckoning of continuous service;

(b) short interruptions of service not due to the act or fault of the employee and not exceeding a total of 6 weeks shall not be deemed to break the continuity of the periods of service which precede and follow them;

(c) continuity of service shall not be deemed to be interrupted by any change in the management or ownership of the vessel or vessels in which the person concerned has served.

3. The following shall not be included in the annual holiday with pay:

(a) public and customary holidays;

(b) interruptions of service due to sickness;

(c) any time off allowed in compensation for Sunday rest day and public holidays worked at sea.

4. There may be defined by national laws or regulations or by collective agreements special circumstances in which, subject to conditions prescribed by such laws or regulations or fixed by such agreement,

(a) an annual holiday with pay due in virtue of this Convention may be divided into parts or be accumulated with a subsequent holiday;

(b) there may be substituted for such a holiday, when in exceptional circumstances the service so requires, a cash payment at least equivalent to the remuneration provided for in Article 4.

ARTICLE 3

1. The annual holiday shall be given in the territory in which the vessel is registered at one of the following ports:

(a) the port from which the vessel trades;

(b) the port at which the person entitled to the holiday was engaged; or

(c) the port of the vessel's final destination.

2. Provided that the holiday may be given at any other port by mutual consent.

3. When an annual holiday is due it shall be given by mutual agreement at the first opportunity as the requirements of the service allow.

ARTICLE 4

1. Every person taking a holiday in virtue of article 2 of this convention shall receive in respect of the full period of the holiday his usual remuneration.

2. The usual remuneration payable in virtue of the preceding paragraph shall include a suitable subsistence allowance and shall be calculated in a manner which shall be prescribed by national laws or regulations or fixed by collective agreement.

ARTICLE 5

Any agreement to relinquish the right to an annual holiday with pay, or to forego such a holiday, shall be void.

ARTICLE 6

National laws or regulations may provide that a person who engages in paid employment during the course of his annual holiday may be deprived of his right to payment in respect of the period of the holiday.

ARTICLE 7

A person who leaves or is discharged from the service of his employer before he has taken a holiday due to him shall receive in respect of every day of holiday due to him in virtue of this Convention the remuneration provided for in Article 4.

ARTICLE 8

Each Member which ratifies this Convention shall require employers to keep records for the purpose of facilitating its effective enforcement.

ARTICLE 9

Each Member which ratifies this Convention shall establish a system of penalties to ensure the application of its provisions.

ARTICLE 10

Nothing in this Convention shall affect any law, award, custom, or agreement between shipowners and seamen which ensures more favourable conditions than those provided by this Convention.

ARTICLE 11

1. In respect of the territories referred to in Article 35 of the Constitution of the International Labour Organisation, each Member of the Organisation which ratifies this Convention shall append to its ratification a declaration stating:

(a) the territories in respect of which it undertakes to apply the provisions of the Convention without modification;

(b) the territories in respect of which it undertakes to apply the provisions of the Convention subject to modifications, together with details of the said modifications;

(c) the territories in respect of which the Convention is inapplicable and in such cases the grounds on which it is inapplicable;

(d) the territories in respect of which it reserves its decision.

2. The undertakings referred to in subparagraphs (a) and (b) of paragraph 1 of this Article shall be deemed to be an integral part of the ratification and shall have the force of ratification.

3. Any Member may by a subsequent declaration cancel in whole or in part any reservations made in its original declaration in virtue of sub-paragraph (b), (c), or (d) or paragraph 1 of this Article.

ARTICLE 12

The formal ratification of this Convention shall be communicated to the Secretary-General of the League of Nations for registration.

ARTICLE 13

1. This Convention shall be binding only upon those Members of the International Labour Organisation whose ratifications have been registered with the Secretary-General.

2. It shall come into force six months after the date on which there have been registered by the Secretary-General of the League of Nations the ratifications of five Members of the Organisation each of which has more than one million tons gross of sea-going merchant shipping.

3. Thereafter, this Convention shall come into force for any Member six months after the date on which its ratification has been registered.

ARTICLE 14

As soon as the ratifications of five of the Members mentioned in the second paragraph of Article 13 have been registered, the Secretary-General of the League of Nations shall so notify all the Members of the International Labour Organisation. He shall likewise notify them of the registration of ratifications which may be communicated subsequently by other Members of the Organisation.

ARTICLE 15

1. A Member which has ratified this Convention may denounce it after the expiration of ten years from the date on which the Convention first comes into force, by an act communicated to the Secretary-General of the League of Nations for registration. Such denunciation shall not take effect until one year after the date on which it is registered.

2. Each Member which has ratified this Convention and which does not, within the year following the expiration of the period of ten years mentioned in the preceding paragraph, exercise the right of denunciation provided for in this Article, will be bound for another period of ten years and, thereafter, may denounce this Convention at the expiration of each period of ten years under the terms provided for in this Article.

ARTICLE 16

At the expiration of each period of ten years after the coming into force of this Convention, the Governing Body of the International Labour Office shall present to the General Conference a report on the working of this Convention and shall consider the desirability of placing on the Agenda of the Conference the question of its revision in whole or in part.

ARTICLE 17

1. Should the Conference adopt a new Convention revising this Convention in whole or in part, then, unless the new Convention otherwise provides,

(a) the ratification by a Member of the new revising Convention shall ipso jure involve the immediate denunciation of this Convention, notwithstanding the provisions of Article 15 above, if and when the new revising Convention shall have come into force;

(b) as from the date when the new revising Convention comes into force this Convention shall cease to be open to ratification by the Members.

2. This Convention shall in any case remain in force in its actual form and content for those Members which have ratified it but have not ratified the revising Convention.

ARTICLE 18

The French and English texts of this Convention shall both be authentic.

The foregoing is the authentic text of the Draft Convention duly adopted by the General Conference of the International Labour Organisation during its Twenty-first Session which was held at Geneva and declared closed the 24th day of October 1936.

In faith whereof we have appended our signatures this fifth day of December 1936.

PAAL BERG,
The President of the Conference.
HAROLD BUTLER,
The Director of the International Labour Office.

The PRESIDING OFFICER. The draft convention is before the Senate and open to amendment. If there be no amendment to be proposed, the draft convention will be reported to the Senate.

The draft convention was reported to the Senate without amendment.

The PRESIDING OFFICER. The resolution of ratification, with the understandings, will be read.

The legislative clerk read as follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of Executive W (75th Cong., 1st sess.), draft convention (No. 54) concerning annual holidays with pay for seamen, adopted by the International Labor Conference at its twenty-first session held at Geneva, October 6–24, 1936, subject to the following understandings to be made a part of such ratification:

"That the United States Government understands and construes the words 'vessels registered in a territory' appearing in this convention to include all vessels of the United States as defined under the laws of the United States.

"That the provisions of this convention shall apply to all territory over which the United States exercises jurisdiction except the Government of the Commonwealth of the Philippine Islands and the Panama Canal Zone, with respect to which this Government reserves its decision."

The PRESIDING OFFICER. The question is on agreeing to the understandings in the resolution of ratification.

The understandings were agreed to.

The PRESIDING OFFICER. The question is on agreeing to the resolution of ratification, with the understandings. [Putting the question.] Two-thirds of the Senators present concurring therein, the resolution of ratification, with the understandings, is agreed to, and the draft convention is ratified.

Mr. THOMAS of Utah. Mr. President, in connection with this convention I ask unanimous consent to have printed in the RECORD a statement which has been prepared regarding it.

The PRESIDING OFFICER. Without objection, it is so ordered.

The statement is as follows:

TREATY ON PAID VACATIONS FOR SEAMEN

In its report on the subject your Foreign Relations Committee asks you to give your advice and consent to the President for the ratification of a treaty setting forth minimum standards for vacations with pay for seamen.

This is not a new radical proposal. Almost 2 years ago a Senate committee already had recommended the application of plans for paid vacations to American seamen. They did so because it is a reform of great practical value to seamen, because it will improve the relations between owners and men, because it will improve the personnel upon our ships, and because it is sound public policy to require the execution of plans proved useful in the development of an adequate and efficient body of seamen.

SEAMEN NEED PAID VACATIONS

Compare the life of a seaman with that of an average factory worker. On shore there are certain to be 52 Sundays and probably almost as many Saturdays out of the 365 in which the man is free to be with his family, and all through each working week the factory worker is in touch with his family and friends every evening. He has a full opportunity to be a good parent, a good husband, and a good citizen. For him the social opportunities and the social responsibilities of the community are before him. And if there are occasional slack periods in his line of work, that may be spent at home, among his friends, in his own community.

By contrast the life of a seaman is lonely, remote, socially disorganized. Shipping from a home port, he may not see family or friends for weeks, months, or even many months. He is cooped up with a limited number of other members of the crew for the long voyage. Even his few hours off are spent in other ports, a visitor in other communities. And, even when he returns to his home port, he cannot afford to be away from work—or from the search for work—for more than a day or two at a time.

These are the fundamental requirements that his calling requires of every man who follows the sea. Neither this Senate nor any other earthly power can remove them. What we can do, however, is to increase the opportunity to each seaman to spend some little time each year without worry and at rest, at home with his family. This is the problem dealt with in this international treaty, and it contains an answer—a minimum of 9 days each year of paid vacation for each seaman employed during the preceding 12 months. A very modest minimum, indeed.

SHORE EXPERIENCE WITH PAID VACATIONS

What has been our experience with paid vacations in this country? In land occupations, workers for several years have been demanding paid vacations. And employers have increasingly been finding that it is good business to meet these demands, and frequently intelligent managements have voluntarily introduced the same schemes. In 1935 the National Industrial Conference Board made a study of this subject. It found that employers who had experimented with paid vacations for their wage-earning employees—the ordinary man on the bench—unanimously approved of them. It is true that between the years 1931 and 1933 a few of these firms felt forced to suspend their plans, but these same plants, the Board found, are reintroducing them as rapidly as possible. A year ago the Department of Labor had on file over 180 agreements between employers and their workpeople establishing paid vacations, including practically all of the subsidiaries of the great United States Steel Corporation. And similar plans are in effect in such companies as the Packard Motor Co., the Sherwin-Williams Co., the Stewart-Warner Co., and the Brown-Williamson Tobacco Co. The Department of Labor has under way a study of vacation plans now in force by management action or by collective agreement. Although specific conclusions are not yet available, it is apparent that vacation plans are becoming more and more general for manual workers.

Why is it that employers are so sympathetic to this new movement of vacations with pay for their skilled and unskilled workers? For the simple reason that it pays. They have found that a vacation without worry rebuilds the individual who works with his hands as thoroughly as one who works with his brains. When he returns to the shop he has a new interest in his work and a revived capacity for responsible judgments. And the shop morale improves as well. For a long time it was accepted that the brain worker needed a paid vacation. Now we understand that it is just as useful, just as important, for the manual worker as well.

MARITIME EXPERIENCE

How does this experience apply to seamen? Years ago shipowners used to say that you can't make comparisons between work at sea and on shore. What may be desirable on land may be wholly impractical on shipboard, they would say. But no longer do they apply that to this question. For even more than his fellow workers on dry land, the man employed above or below decks needs some time when he can be at home. His efficiency improves under such an arrangement, and, what is frequently the best test of morale, the turn-over among seamen is reduced.

This is the experience of the shipowners themselves, for the program we are now considering has already been put into effect for a very great number of seamen. It was begun slowly and experimentally, but by this time has been widely extended. Just as on shore the program began with white-collar workers, on ships it was first applied to officers. By now for these top men, paid vacations have become the rule. The Maritime Commission has established it for all of the officers under its employ. The list of lines which paid salaries to their officers on vacation is too long to enumerate here but includes the Munson Lines, the Standard Fruit Co., the Merchants & Marines Transportation Co., the American Sugar Transit Corporation, the Clyde Mallory Lines, the United States Ship Corporation, and many others. The amount of time permitted by these lines varies. In many of these cases the minimum provided in the treaty under discussion is exceeded, but in no case is it less than that specified in the document before you.

But just as employers on land began to experiment with the application to manual workers of the plan, so shipowners have tried out the plan on their unlicensed personnel—and equally have found it has been profitable. For some time the plan has been in effect on the tankers operating on the east coast. It has also been successfully applied by the Black Diamond Steamship Corporation, and the United States Maritime Commission over a year ago applied it to all its seagoing unlicensed personnel. Just this past week a similar standard has been incorporated into a union agreement covering a great part of the seamen on our entire eastern coast.

All that this program does, therefore, is to make universal a modest minimum standard whose principle has already won general acceptance in the shipping industry as well as on shore.

You will note that by a precisely worded section of the treaty this is dealing only with a minimum standard. No decision of an employer or agreement with a union is prevented from fixing any higher standard that may be desired.

ADVANTAGES TO THE PUBLIC OF THE REFORM

I have referred to the fact that employers have found this plan to be an advantage. I have reminded you how much it means to the individual seaman. It is just as important when we consider the general welfare. For years the representatives of the seamen have been urging various reforms upon Congress in order that the best type of men will be attracted to that calling. It is a worthy objective, and I am happy to know that over these years Congress has gone a long way to help make working standards aboard American ships among the highest in the world. We want in our merchant marine men who are responsible citizens of the community, with home ties and home responsibilities. We do not want our ships manned by floaters leading anchorless lives. And that is a fundamental purpose of this plan. This is an objective which we measure, not in reduced turn-over aboard ship, but in increasing participation in their citizenship responsibilities at home.

There is another way in which this program affects the public interest. The Senate will agree—indeed we have spent a great deal of money because we are convinced that America needs an efficient merchant marine. We need it not only in our peacetime pursuits. We need also a large body of trained, high-caliber men from which we may draw if ever war threatens us. This, then, is a plan directed to attract to our ships the highest type of American youth and to keep them healthy and happy while they are in it.

Perhaps I can best summarize the considerations which I have just been advancing by quoting from the report of the Maritime Commission to you upon this treaty. It says: "One of the major problems confronting the Maritime Commission at this time is the development of a trained and efficient personnel for the American merchant marine. The high turn-over of labor on American vessels tends to reduce efficiency. Fundamentally therefore it seems desirable to grant vacations to all seagoing personnel not only as a reward of merit but in the interest of health and morale and with the expectancy of increased efficiency. The adoption of a vacation plan would seem to fit into a well-rounded program with that end in view."

CAREFUL CONSIDERATION PRECEDED DRAFTING OF THIS TREATY

The Senate will notice that this standard for vacations with pay for seamen is cast in the form of an international treaty. This treaty was adopted in the regular way by an international conference under the auspices of the International Labor Organization, in which this country is fully represented, by a competent delegation appointed by the President, representing not only the Government but also shipowners and seamen from this country. The International Labor Organization is an institution composed of governments, which the United States Government joined several years ago. Under its rules no draft treaty is brought to the stage of a final vote until it has been fully and carefully considered by all parties.

This particular subject first came before the International Labor Organization when its maritime committee, composed of owners and seamen's representatives, recommended that since this was an important labor reform, that was bound to have an effect on competition between lines, it should be considered on an international basis. The organization accepted this suggestion, and in 1935 a preliminary conference was called. To that meeting we sent a tripartite delegation with full voting power given to the representatives of the American shipowners and seamen as well as of the Government.

This conference analyzed all of the elements involved, considered international action was possible and important, and therefore suggested to the I. L. O. that a treaty on the subject should be drawn up, for it was recognized that competition between lines and between nations is intense. Neither governments nor shipowners wished to keep this competition on the level of pressure against a minimum decent labor standard for the personnel. Consequently it was agreed that if some international agreement could be secured setting, not a maximum but at least a minimum, for the conditions of men aboard ships, it would be profitable to all concerned. It was on that basis that the preliminary conference recommended that for this and other subjects treaties should be drawn up which should be open to governments to ratify and apply.

THE TREATY WAS ADOPTED BY LARGE MAJORITY

Before any draft was written down, each government was asked its views on the desirability of international action, and the standards that might be incorporated therein. When in October 1936 a conference assembled, empowered to pass upon such a treaty, it had before it the observations of governments on this question. To that conference the United States sent another full delegation, and under the I. L. O. constitution the American shipowner and seamen's delegates again fully participated and voted upon all the decisions of the conference.

In that plenary conference on this subject vacations with pay were carefully considered for almost 3 weeks by a committee of experts from practically all of the maritime nations. The United States Government representative was the chairman of the committee and owners and seamen's representatives took an active part. Indeed, Mr. Paul H. Harwood, of the Standard Oil Co. of New Jersey, contributed greatly from the experience of his company with their plan of paid vacations.

The result of these negotiations are before you. The committee prepared a final draft of the treaty, and after a full debate of the plenary conference this was adopted by the overwhelming majority of 60 to 15. The only negative votes cast by any government representatives came from the Japanese. Such a result is not surprising when it is considered that such a minimum standard is already widely practiced in the following countries: France, Denmark, Norway, Australia, Great Britain, New Zealand, Canada, Netherlands, Spain, Sweden, Germany, Union of Soviet Socialist Republics, Finland, Belgium, Mexico, Italy, Chile, Poland, and the Dutch East Indies.

THE TREATY HAS ALREADY BEEN CAREFULLY STUDIED

This treaty now comes to the United States Government for its decision. We are given the opportunity to adopt for ourselves the standards which are the product of international negotiation in which our representatives participated and for which our Government delegates voted. Before being presented to the Senate this and the other maritime treaties which are also on the Senate Calendar today, were carefully considered by the Executive Departments concerned. You will note in the document before you that no branch of the Government has raised any objection to the ratification of this treaty. Ratification is recommended by both the Department of Labor and the Maritime Commission. It is recommended that an "understanding" be attached to the Senate action in order that the terminology of the treaty may be clear to us. In no way does it modify the treaty itself.

All of these materials were then considered by your Foreign Relations Committee and the subcommittee thereof. The treaty, therefore, already has been studied by representatives of all sections of the country and all points of view. I am happy to call your attention to the fact that after elaborate and careful consideration, the Foreign Relations Committee is unanimous in reporting favorably upon the treaty.

EFFECT OF RATIFICATION

What will be the effect of the ratification of the President of this treaty? The American merchant marine, as every Senator knows, has been under some very severe competitive pressure for years. It has not been easy for American shipowners to maintain American labor standards under such circumstances. They have frequently appealed to Congress, and we have assisted them by direct and indirect subsidies, in order not only that the American flag may continue to sail the high seas, but also that American seamen may enjoy participating in a great effort to move forward on a broader front. We have the opportunity to encourage and to assist other nations to raise their maritime labor standards nearer to ours so that American ships may not suffer the competitive disadvantages of decent labor standards. We can be effective in making such a plea upon other countries only if we are prepared to cooperate in the same program. The five maritime labor treaties now before the Senate, when ratified by our competitors, are going to substantially reduce the spread between the operating costs of American ships and their foreign competitors.

And, as a result, not only the American shipowner is to gain, but also the taxpayer who pays and pays heavily now for subsidies to our shipping. This is a program designed to lighten that burden at the same time that it provides a just compensation to seamen.

International consideration of this problem has already affected the adoption of vacation plans. Since 1935 when the I. L. O. began its discussions on the subject, by management action, by collective agreements, and by national regulation, the number of seamen enjoying vacations has been significantly enlarged. Most of the progress in this direction for the unlicensed personnel especially has been made since that date. The Senate now has the opportunity to support and extend this movement. Affirmative action by the Senate now will give a significant impetus to the world-wide extension of the reform. By the time ratification by five maritime nations has been secured to this treaty, and it, therefore, becomes effective upon this country, we may be satisfied that in this field we have secured for seamen at least some small compensation for the itinerant character of their calling.

The unanimous report of the Foreign Relations Committee is a request that you approve a reform at one and the same time designed to lessen destructive international competition, improve the efficiency of our merchant marine, lessen the subsidy expenses of this Government, and fundamentally to reward the seamen for good service with a guaranty of a more promising and stable life.

DRAFT CONVENTION—MINIMUM AGE FOR THE ADMISSION OF CHILDREN TO EMPLOYMENT AT SEA

Mr. THOMAS of Utah. I suggest that we now take up Executive CC.

The Senate, as in Committee of the Whole, proceeded to consider Executive CC (75th Cong., 1st sess.), a draft convention (No. 58) fixing the minimum age for the admission of children to employment at sea (revised 1936), adopted by the International Labor Conference at its twenty-second session, held at Geneva, October 6 to 24, 1936, which was read the second time, as follows:

[Executive CC, 75th Cong., 1st sess.]

INTERNATIONAL LABOUR CONFERENCE

DRAFT CONVENTION (NO. 58) FIXING THE MINIMUM AGE FOR THE ADMISSION OF CHILDREN TO EMPLOYMENT AT SEA (REVISED 1936)

The General Conference of the International Labour Organisation—

Having been convened at Geneva by the Governing Body of the International Labour Office, and having met in its Twenty-second Session on 22 October 1936, and

Having decided upon the adoption of certain proposals with regard to the partial revision of the Convention fixing the minimum age for admission of children to employment at sea adopted by the Conference at its Second Session, the question forming the Agenda of the present Session; and

Considering that these proposals must take the form of a Draft International Convention—

adopts, this twenty-fourth day of October of the year one thousand nine hundred and thirty-six, the following Draft Convention which may be cited as the Minimum Age (Sea) Convention (Revised), 1936:

Article 1

For the purpose of this Convention, the term "vessel" includes all ships and boats, of any nature whatsoever, engaged in maritime navigation, whether publicly or privately owned; it excludes ships of war.

Article 2

1. Children under the age of fifteen years shall not be employed or work on vessels, other than vessels upon which only members of the same family are employed.

2. Provided that national laws or regulations may provide for the issue in respect of children of not less than fourteen years of age of certificates permitting them to be employed in cases in which an educational or other appropriate authority designated by such laws or regulations is satisfied, after having due regard to the health and physical condition of the child and to the prospective as well as to the immediate benefit to the child of the employment proposed, that such employment will be beneficial to the child.

Article 3

The provisions of Article 2 shall not apply to work done by children on school-ships or training-ships, provided that such work is approved and supervised by public authority.

Article 4

In order to facilitate the enforcement of the provisions of this Convention, every shipmaster shall be required to keep a register of all persons under the age of sixteen years employed on board his vessel, or a list of them in the articles of agreement, and of the dates of their births.

Article 5

The Convention shall not come into force until after the adoption by the International Labour Conference of a Draft Convention revising the Convention fixing the minimum age for admission of children to industrial employment, 1919, and a Draft Convention revising the Convention concerning the age for admission of children to nonindustrial employment, 1932.

Article 6

The formal ratifications of this Convention shall be communicated to the Secretary-General of the League of Nations for registration.

Article 7

1. This Convention shall be binding upon only those Members of the International Labour Organisation whose ratifications have been registered with the Secretary-General.

2. Subject to the provisions of Article 5 above it shall come into force twelve months after the date on which the ratifications of two Members have been registered with the Secretary-General.

3. Thereafter this Convention shall come into force for any Member twelve months after the date on which its ratification has been registered.

Article 8

As soon as the ratifications of two Members of the International Labour Organisation have been registered the Secretary-General of the League of Nations shall so notify all the Members of the International Labour Organisation. He shall likewise notify them of the registration of ratifications which may be communicated subsequently by other Members of the Organisation.

Article 9

1. A Member which has ratified this Convention may denounce it after the expiration of ten years from the date on which the Convention first comes into force by an act communicated to the Secretary-General of the League of Nations for registration. Such denunciation shall not take effect until one year after the date on which it is registered.

2. Each Member which has ratified this Convention and which does not, within the year following the expiration of the period of ten years mentioned in the preceding paragraph, exercise the right of denunciation provided for in this Article, will be bound for another period of ten years and, thereafter, may denounce this Convention at the expiration of each period of ten years under the terms provided for in this Article.

Article 10

At the expiration of each period of ten years after the coming into force of this Convention, the Governing Body of the International Labour Office shall present to the General Conference a report on the working of this Convention and shall consider the desirability of placing on the Agenda of the Conference the question of its revision in whole or in part.

Article 11

1. Should the Conference adopt a new Convention revising this Convention in whole or in part, then, unless the new Convention otherwise provides—

(a) the ratification by a Member of the new revising Convention shall ipso jure involve the immediate denunciation of this Convention, notwithstanding the provisions of Article 9 above, if and when the new revising Convention shall have come into force;

(b) as from the date when the new revising Convention comes into force, this Convention shall cease to be open to ratification by the Members.

2. This Convention shall in any case remain in force in its actual form and content for those Members which have ratified it but have not ratified the revising Convention.

Article 12

The French and English texts of this Convention shall both be authentic.

The foregoing is the authentic text of the Draft Convention duly adopted by the General Conference of the International Labour Organisation during its Twenty-second Session which was held at Geneva and declared closed the 24th day of October 1936.

In faith whereof, we have appended our signatures this fifth day of December 1936.

PAAL BERG,
The President of the Conference.
HAROLD BUTLER,
The Director of the International Labour Office.

The PRESIDING OFFICER. The draft convention is before the Senate and open to amendment. If there be no amendment to be proposed, the draft convention will be reported to the Senate.

The draft convention was reported to the Senate without amendment.

The PRESIDING OFFICER. The resolution of ratification, with the understandings, will be read.

The legislative clerk read as follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of Executive CC (75th Cong., 1st sess.), draft convention (No. 58) fixing the minimum age for the admission of children to employment at sea (revised 1936), adopted by the International Labor Conference at its twenty-second session held at Geneva, October 6–24,

MARITIME EXPERIENCE

How does this experience apply to seamen? Years ago shipowners used to say that you can't make comparisons between work at sea and on shore. What may be desirable on land may be wholly impractical on shipboard, they would say. But no longer do they apply that to this question. For even more than his fellow workers on dry land, the man employed above or below decks needs some time when he can be at home. His efficiency improves under such an arrangement, and, what is frequently the best test of morale, the turn-over among seamen is reduced.

This is the experience of the shipowners themselves, for the program we are now considering has already been put into effect for a very great number of seamen. It was begun slowly and experimentally, but by this time has been widely extended. Just as on shore the program began with white-collar workers, on ships it was first applied to officers. By now for these top men, paid vacations have become the rule. The Maritime Commission has established it for all of the officers under its employ. The list of lines which paid salaries to their officers on vacation is too long to enumerate here but includes the Munson Lines, the Standard Fruit Co., the Merchants & Marines Transportation Co., the American Sugar Transit Corporation, the Clyde Mallory Lines, the United States Ship Corporation, and many others. The amount of time permitted by these lines varies. In many of these cases the minimum provided in the treaty under discussion is exceeded, but in no case is it less than that specified in the document before you.

But just as employers on land began to experiment with the application to manual workers of the plan, so shipowners have tried out the plan on their unlicensed personnel—and equally have found it has been profitable. For some time the plan has been in effect on the tankers operating on the east coast. It has also been successfully applied by the Black Diamond Steamship Corporation, and the United States Maritime Commission over a year ago applied it to all its seagoing unlicensed personnel. Just this past week a similar standard has been incorporated into a union agreement covering a great part of the seamen on our entire eastern coast.

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What will be the effect of the ratification of the President of this treaty? The American merchant marine, as every Senator knows, has been under some very severe competitive pressure for years. It has not been easy for American shipowners to maintain American labor standards under such circumstances. They have frequently appealed to Congress, and we have assisted them by direct and indirect subsidies, in order not only that the American flag may continue to sail the high seas, but also that American seamen may enjoy participating in a great effort to move forward on a broader front. We have the opportunity to encourage and to assist other nations to raise their maritime labor standards nearer to ours so that American ships may not suffer the competitive disadvantages of decent labor standards. We can be effective in making such a plea upon other countries only if we are prepared to cooperate in the same program. The five maritime labor treaties now before the Senate, when ratified by our competitors, are going to substantially reduce the spread between the operating costs of American ships and their foreign competitors.

And, as a result, not only the American shipowner is to gain, but also the taxpayer who pays and pays heavily now for subsidies to our shipping. This is a program designed to lighten that burden at the same time that it provides a just compensation to seamen.

International consideration of this problem has already affected the adoption of vacation plans. Since 1935 when the I. L. O. began its discussions on the subject, by management action, by collective agreements, and by national regulation, the number of seamen enjoying vacations has been significantly enlarged. Most of the progress in this direction for the unlicensed personnel especially has been made since that date. The Senate now has the opportunity to support and extend this movement. Affirmative action by the Senate now will give a significant impetus to the world-wide extension of the reform. By the time ratification by five maritime nations has been secured to this treaty, and it, therefore, becomes effective upon this country, we may be satisfied that in this field we have secured for seamen at least some small compensation for the itinerant character of their calling.

The unanimous report of the Foreign Relations Committee is a request that you approve a reform at one and the same time designed to lessen destructive international competition, improve the efficiency of our merchant marine, lessen the subsidy expenses of this Government, and fundamentally to reward the seamen for good service with a guaranty of a more promising and stable life.

DRAFT CONVENTION—MINIMUM AGE FOR THE ADMISSION OF CHILDREN TO EMPLOYMENT AT SEA

Mr. THOMAS of Utah. I suggest that we now take up Executive CC.

The Senate, as in Committee of the Whole, proceeded to consider Executive CC (75th Cong., 1st sess.), a draft convention (No. 58) fixing the minimum age for the admission of children to employment at sea (revised 1936), adopted by the International Labor Conference at its twenty-second session, held at Geneva, October 6 to 24, 1936, which was read the second time, as follows:

[Executive CC, 75th Cong., 1st sess.]

INTERNATIONAL LABOUR CONFERENCE

DRAFT CONVENTION (NO. 58) FIXING THE MINIMUM AGE FOR THE ADMISSION OF CHILDREN TO EMPLOYMENT AT SEA (REVISED 1936)

The General Conference of the International Labour Organisation—

Having been convened at Geneva by the Governing Body of the International Labour Office, and having met in its Twenty-second Session on 22 October 1936, and

Having decided upon the adoption of certain proposals with regard to the partial revision of the Convention fixing the minimum age for admission of children to employment at sea adopted by the Conference at its Second Session, the question forming the Agenda of the present Session; and

Considering that these proposals must take the form of a Draft International Convention—

adopts, this twenty-fourth day of October of the year one thousand nine hundred and thirty-six, the following Draft Convention which may be cited as the Minimum Age (Sea) Convention (Revised), 1936:

Article 1

For the purpose of this Convention, the term "vessel" includes all ships and boats, of any nature whatsoever, engaged in maritime navigation, whether publicly or privately owned; it excludes ships of war.

Article 2

1. Children under the age of fifteen years shall not be employed or work on vessels, other than vessels upon which only members of the same family are employed.

2. Provided that national laws or regulations may provide for the issue in respect of children of not less than fourteen years of age of certificates permitting them to be employed in cases in which an educational or other appropriate authority designated by such laws or regulations is satisfied, after having due regard to the health and physical condition of the child and to the prospective as well as to the immediate benefit to the child of the employment proposed, that such employment will be beneficial to the child.

Article 3

The provisions of Article 2 shall not apply to work done by children on school-ships or training-ships, provided that such work is approved and supervised by public authority.

Article 4

In order to facilitate the enforcement of the provisions of this Convention, every shipmaster shall be required to keep a register of all persons under the age of sixteen years employed on board his vessel, or a list of them in the articles of agreement, and of the dates of their births.

Article 5

The Convention shall not come into force until after the adoption by the International Labour Conference of a Draft Convention revising the Convention fixing the minimum age for admission of children to industrial employment, 1919, and a Draft Convention revising the Convention concerning the age for admission of children to nonindustrial employment, 1932.

Article 6

The formal ratifications of this Convention shall be communicated to the Secretary-General of the League of Nations for registration.

Article 7

1. This Convention shall be binding upon only those Members of the International Labour Organisation whose ratifications have been registered with the Secretary-General.

2. Subject to the provisions of Article 5 above it shall come into force twelve months after the date on which the ratifications of two Members have been registered with the Secretary-General.

3. Thereafter this Convention shall come into force for any Member twelve months after the date on which its ratification has been registered.

Article 8

As soon as the ratifications of two Members of the International Labour Organisation have been registered the Secretary-General of the League of Nations shall so notify all the Members of the International Labour Organisation. He shall likewise notify them of the registration of ratifications which may be communicated subsequently by other Members of the Organisation.

Article 9

1. A Member which has ratified this Convention may denounce it after the expiration of ten years from the date on which the Convention first comes into force by an act communicated to the Secretary-General of the League of Nations for registration. Such denunciation shall not take effect until one year after the date on which it is registered.

2. Each Member which has ratified this Convention and which does not, within the year following the expiration of the period of ten years mentioned in the preceding paragraph, exercise the right of denunciation provided for in this Article, will be bound for another period of ten years and, thereafter, may denounce this Convention at the expiration of each period of ten years under the terms provided for in this Article.

Article 10

At the expiration of each period of ten years after the coming into force of this Convention, the Governing Body of the International Labour Office shall present to the General Conference a report on the working of this Convention and shall consider the desirability of placing on the Agenda of the Conference the question of its revision in whole or in part.

Article 11

1. Should the Conference adopt a new Convention revising this Convention in whole or in part, then, unless the new Convention otherwise provides—

(a) the ratification by a Member of the new revising Convention shall ipso jure involve the immediate denunciation of this Convention, notwithstanding the provisions of Article 9 above, if and when the new revising Convention shall have come into force;

(b) as from the date when the new revising Convention comes into force, this Convention shall cease to be open to ratification by the Members.

2. This Convention shall in any case remain in force in its actual form and content for those Members which have ratified it but have not ratified the revising Convention.

Article 12

The French and English texts of this Convention shall both be authentic.

The foregoing is the authentic text of the Draft Convention duly adopted by the General Conference of the International Labour Organisation during its Twenty-second Session which was held at Geneva and declared closed the 24th day of October 1936.

In faith whereof, we have appended our signatures this fifth day of December 1936.

PAAL BERG,
The President of the Conference.
HAROLD BUTLER,
The Director of the International Labour Office.

The PRESIDING OFFICER. The draft convention is before the Senate and open to amendment. If there be no amendment to be proposed, the draft convention will be reported to the Senate.

The draft convention was reported to the Senate without amendment.

The PRESIDING OFFICER. The resolution of ratification, with the understandings, will be read.

The legislative clerk read as follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of Executive CC (75th Cong., 1st sess.), draft convention (No. 58) fixing the minimum age for the admission of children to employment at sea (revised 1936), adopted by the International Labor Conference at its twenty-second session held at Geneva, October 6–24,

1936, subject to the following understandings to be made a part of such ratification:

That the United States Government understands and construes the words "maritime navigation" appearing in this convention to mean navigation on the high seas only.

That the provisions of this convention shall apply to all territory over which the United States exercises jurisdiction except the government of the Commonwealth of the Philippine Islands and the Panama Canal Zone, with respect to which this Government reserves its decision.

The PRESIDING OFFICER. The question is on agreeing to the understandings in the resolution of ratification.

The understandings were agreed to.

The PRESIDING OFFICER. The question is on agreeing to the resolution of ratification, with the understandings. (Putting the question.) Two-thirds of the Senators present concurring therein, the resolution of ratification, with the understandings, is agreed to, and the draft convention is ratified.

DRAFT CONVENTION—LIABILITY OF THE SHIPOWNER IN CASE OF SICKNESS, INJURY, OR DEATH OF SEAMEN

Mr. THOMAS of Utah. I suggest that we now take up Executive X.

The Senate, as in Committee of the Whole, proceeded to consider Executive X (75th Cong., 1st sess.), a draft convention (No. 55) concerning the liability of the shipowner in case of sickness, injury, or death of seamen, adopted by the International Labor Conference at its twenty-first session held at Geneva, October 6–24, 1936, which was read the second time, as follows:

INTERNATIONAL LABOUR CONFERENCE

DRAFT CONVENTION (NO. 55) CONCERNING THE LIABILITY OF THE SHIPOWNER IN CASE OF SICKNESS, INJURY, OR DEATH OF SEAMEN

The General Conference of the International Labour Organisation,

Having been convened at Geneva by the Governing Body of the International Labour Office, and having met in its Twenty-first Session on 6 October 1936, and

Having decided upon the adoption of certain proposals with regard to the liability of the shipowner in case of sickness, injury, or death of seamen, which is included in the second item on the Agenda of the Session, and

Having determined that these proposals shall take the form of a Draft International Convention,

adopts, this twenty-fourth day of October of the year one thousand nine hundred and thirty-six, the following Draft Convention which may be cited as the Shipowners' Liability (Sick and Injured Seamen) Convention, 1936:

Article 1

1. This Convention applies to all persons employed on board any vessel, other than a ship of war, registered in a territory for which this Convention is in force and ordinarily engaged in maritime navigation.

2. Provided that any Member of the International Labour Organisation may in its national laws or regulations make such exceptions as it deems necessary in respect of—

(a) persons employed on board,
  (i) vessels of public authorities when such vessels are not engaged in trade;
  (ii) coastwise fishing boats;
  (iii) boats of less than twenty-five tons gross tonnage;
  (iv) wooden ships of primitive build such as dhows and junks;
(b) persons employed on board by an employer other than the shipowner;
(c) persons employed solely in ports in repairing, cleaning, loading or unloading vessels;
(d) members of the shipowner's family;
(e) pilots.

Article 2

1. The shipowner shall be liable in respect of—

(a) sickness and injury occurring between the date specified in the articles of agreement for reporting for duty and the termination of the engagement;

(b) death resulting from such sickness or injury.

2. Provided that national laws or regulations may make exceptions in respect of—

(a) injury incurred otherwise than in the service of the ship;

(b) injury or sickness due to the willful act, default or misbehaviour of the sick, injured, or deceased person;

(c) sickness or infirmity intentionally concealed when the engagement is entered into.

3. National laws or regulations may provide that the shipowner shall not be liable in respect of sickness, or death directly attributable to sickness, if at the time of the engagement the person employed refused to be medically examined.

Article 3

For the purpose of this Convention, medical care and maintenance at the expense of the shipowner comprises:

(a) medical treatment and the supply of proper and sufficient medicines and therapeutical appliances; and

(b) board and lodging.

Article 4

1. The shipowner shall be liable to defray the expense of medical care and maintenance until the sick or injured person has been cured, or until the sickness or incapacity has been declared of a permanent character.

2. Provided that national laws or regulations may limit the liability of the shipowner to defray the expense of medical care and maintenance to a period which shall not be less than sixteen weeks from the day of the injury or the commencement of the sickness.

3. Provided also that, if there is in force in the territory in which the vessel is registered a scheme applying to seamen of compulsory sickness insurance, compulsory accident insurance, or workmen's compensation for accidents, national laws or regulations may provide—

(a) that a shipowner shall cease to be liable in respect of a sick or injured person from the time at which that person becomes entitled to medical benefits under the insurance or compensation scheme;

(b) that the shipowner shall cease to be liable from the time prescribed by law for the grant of medical benefits under the insurance or compensation scheme to the beneficiaries of such schemes, even when the sick or injured person is not covered by the scheme in question, unless he is excluded from the scheme by reason of any restriction which affects particularly foreign workers or workers not resident in the territory in which the vessel is registered.

Article 5

1. Where the sickness or injury results in incapacity for work the shipowner shall be liable—

(a) to pay full wages as long as the sick or injured person remains on board;

(b) if the sick or injured person has dependents, to pay wages in whole or in part as prescribed by national laws or regulations from the time when he is landed until he has been cured or the sickness or incapacity has been declared of a permanent character.

2. Provided that national laws or regulations may limit the liability of the shipowner to pay wages in whole or in part in respect of a person no longer on board to a period which shall not be less than sixteen weeks from the day of the injury or the commencement of the sickness.

3. Provided also that, if there is in force in the territory in which the vessel is registered a scheme applying to seamen of compulsory sickness insurance, compulsory accident insurance, or workmen's compensation for accidents, national laws or regulations may provide:

(a) that a shipowner shall cease to be liable in respect of a sick or injured person from the time at which that person becomes entitled to cash benefits under the insurance or compensation scheme;

(b) that the shipowner shall cease to be liable from the time prescribed by law for the grant of cash benefits under the insurance or compensation scheme to the beneficiaries of such schemes, even when the sick or injured person is not covered by the scheme in question, unless he is excluded from the scheme by reason of any restriction which affects particularly foreign workers or workers not resident in the territory in which the vessel is registered.

Article 6

1. The shipowner shall be liable to defray the expense of repatriating every sick or injured person who is landed during the voyage in consequence of sickness or injury.

2. The port to which the sick or injured person is to be returned shall be—

(a) the port at which he was engaged; or

(b) the port at which the voyage commenced; or

(c) a port in his own country or the country to which he belongs; or

(d) another port agreed upon by him and the master or shipowner, with the approval of the competent authority.

3. The expense of repatriation shall include all charges for the transportation, accommodation, and food of the sick or injured person during the journey and his maintenance up to the time fixed for this departure.

4. If the sick or injured person is capable of work, the shipowner may discharge his liability to repatriate him by providing him with suitable employment on board a vessel proceeding to one of the destinations mentioned in paragraph 2 of this Article.

Article 7

1. The shipowner shall be liable to defray burial expenses in case of death occurring on board, or in case of death occurring on shore if at the time of his death the deceased person was entitled to medical care and maintenance at the shipowners' expense.

2. National laws or regulations may provide that burial expenses paid by the shipowner shall be reimbursed by an insurance institution in cases in which funeral benefit is payable in respect of the deceased person under laws or regulations relating to social insurance or workmen's compensation.

Article 8

National laws or regulations shall require the shipowner or his representative to take measures for safeguarding property left on board by sick, injured, or deceased persons to whom this Convention applies.

Article 9

National laws or regulations shall make provisions for securing the rapid and inexpensive settlement of disputes concerning the liability of the shipowner under this Convention.

Article 10

The shipowner may be exempted from liability under Articles 4, 6, and 7 of this Convention insofar as such liability is assumed by the public authorities.

Article 11

This Convention and national laws or regulations relating to benefits under this Convention shall be so interpreted and enforced as to ensure equality of treatment to all seamen irrespective of nationality, domicile, or race.

Article 12

Nothing in this Convention shall affect any law, award, custom, or agreement between shipowners and seamen which ensures more favourable conditions than those provided by this Convention.

Article 13

1. In respect of the territories referred to in Article 35 of the Constitution of the International Labour Organisation, each Member of the Organisation which ratifies this Convention shall append to its ratification a declaration stating:

(a) the territories in respect of which it undertakes to apply the provisions of the Convention without modification;

(b) the territories in respect of which it undertakes to apply the provisions of the Convention subject to modifications, together with details of the said modifications;

(c) the territories in respect of which the Convention is inapplicable and in such cases the grounds on which it is inapplicable;

(d) the territories in respect of which it reserves its decision.

2. The undertakings referred to in sub-paragraphs (a) and (b) of paragraph 1 of this Article shall be deemed to be an integral part of the ratification and shall have the force of ratification.

3. Any Member may by a subsequent declaration cancel in whole or in part any reservations made in its original declaration in virtue of sub-paragraphs (b), (c), or (d) of paragraph 1 of this Article.

Article 14

The formal ratifications of this Convention shall be communicated to the Secretary-General of the League of Nations for registration.

Article 15

1. This Convention shall be binding only upon those Members of the International Labour Organisation whose ratifications have been registered with the Secretary-General.

2. It shall come into force 12 months after the date on which the ratifications of two members have been registered with the Secretary-General.

3. Thereafter this Convention shall come into force for any member 12 months after the date on which its ratification has been registered.

Article 16

As soon as the ratifications of two members of the International Labour Organisation have been registered, the Secretary-General of the League of Nations shall so notify all the members of the International Labour Organisation. He shall likewise notify them of the registration of ratifications which may be communicated subsequently by other Members of the Organisation.

Article 17

1. A Member which has ratified this Convention may denounce it after the expiration of ten years from the date on which the Convention first comes into force, by an act communicated to the Secretary-General of the League of Nations for registration. Such denunciation shall not take effect until one year after the date on which it is registered.

2. Each Member which has ratified this Convention and which does not, within the year following the expiration of the period of ten years mentioned in the preceding paragraph, exercise the right of denunciation provided for in this Article, will be bound for another period of ten years and, thereafter, may denounce this Convention at the expiration of each period of ten years under the terms provided for in this Article.

Article 18

At the expiration of each period of ten years after the coming into force of this Convention, the Governing Body of the International Labour Office shall present to the General Conference a report on the working of this Convention and shall consider the desirability of placing on the Agenda of the Conference the question of its revision in whole or in part.

Article 19

1. Should the Conference adopt a new Convention revising this Convention in whole or in part, then, unless the new Convention otherwise provides,

(a) the ratification by a Member of the new revising Convention shall ipso jure involve the immediate denunciation of this Convention, notwithstanding the provisions of Article 17 above, if and when the new revising Convention shall have come into force;

(b) as from the date when the new revising Convention comes into force this Convention shall cease to be open to ratification by the Members.

2. This Convention shall in any case remain in force in its actual form and content for those Members which have ratified it but have not ratified the revising Convention.

Article 20

The French and English texts of this Convention shall both be authentic.

The foregoing is the authentic text of the Draft Convention duly adopted by the General Conference of the International Labour Organisation during its Twenty-first Session which was held at Geneva and declared closed the 24th day of October 1936.

In faith whereof we have appended our signatures this fifth day of December 1936.

PAAL BERG,
The President of the Conference.
HAROLD BUTLER,
The Director of the International Labour Office.

Mr. AUSTIN. Mr. President, will the Senator yield for a question?

Mr. THOMAS of Utah. I am glad to yield.

Mr. AUSTIN. What other country has assented to this convention?

Mr. THOMAS of Utah. The Governments supporting the convention included Argentina, Australia, Belgium, Brazil, Canada, Chile, Czechoslovakia, Denmark, Egypt, France, Greece, India, Latvia, Mexico, Netherlands, Norway, Peru, Poland, Rumania, Spain, Sweden, Turkey, Union of Soviet Socialist Republics, United States of America, and Yugoslavia.

Mr. AUSTIN. I observe the absence of any great maritime nation, unless I missed some country in the reading of the list.

Mr. THOMAS of Utah. Norway, for example, which stands third, so far as tonnage is concerned, has already ratified this convention, as has New Zealand. Belgium and France have recommended ratification. Belgium has also passed legislation in line with the convention. The Netherlands and other great maritime countries have passed legislation substantially in conformity with the principles laid down in the convention.

Mr. AUSTIN. Does Great Britain adhere to it?

Mr. THOMAS of Utah. Great Britain voted against this particular convention at the time it was offered, but she adheres to the standards, and made that statement.

Mr. AUSTIN. I ask the Senator whether he thinks this convention ought to be ratified at this hour of the day, and with a small number of Senators present. Does not the Senator think it is of a nature which should be carefully considered before the Senate acts upon it?

Mr. THOMAS of Utah. As I stated when I brought these conventions up, if every safeguard which anyone could possibly ask for had not been taken in the way of reservations and in the way of protection, I would not suggest their consideration by the Senate. The conventions have been gone over not only by a subcommittee of the Committee on Foreign Relations, but by the full committee. They have the approval of the State Department, they have the approval of the Department of Commerce, they have the approval of the Department of Labor, and of the Maritime Commission.

The point I should like to make, when the Senator asks his question is, that if there were the least bit of doubt about any of these conventions I would not suggest their ratification at this time. In fact, the one about which there is the least doubt we have not even brought up.

Mr. AUSTIN. Mr. President, I accept the statement of the Senator from Utah, in whom I have so much confidence, but I confess I am at a great disadvantage in respect to these conventions because I do not serve on any committee which has to do with them. If we were not right on the eve of adjournment, I should certainly ask that they go over; but I will ask unanimous consent that if tomorrow any Member of the Senate cares to move to reconsider, or to make a request that any of the conventions be reconsidered, the request shall be granted. Is that satisfactory?

Mr. THOMAS of Utah. That is perfectly agreeable. I am sure no one will make such a request, or I would not press for ratification at the present time.

The PRESIDING OFFICER. The draft convention is before the Senate and open to amendment. If there be no amendment to be proposed, the draft convention will be reported to the Senate.

The draft convention was reported to the Senate without amendment.

The PRESIDING OFFICER. The resolution of ratification, with the understandings, will be read.

The legislative clerk read as follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of Executive X (75th Cong. 1st sess.), draft convention (No. 55) concerning the liability of the shipowner in case of sickness, injury, or death of seamen, adopted by the International Labor Conference at its twenty-first session held at Geneva, October 6–24, 1936, subject to the following understandings to be made a part of such ratification:

"That the United States Government understands and construes the words 'vessels registered in a territory' appearing in this convention to include all vessels of the United States as defined under the laws of the United States.

"That the United States Government understands and construes the words 'maritime navigation' appearing in this convention to mean navigation on the high seas only.

"That the provisions of this convention shall apply to all territory over which the United States exercises jurisdiction except the government of the Commonwealth of the Philippine Islands and the Panama Canal Zone, with respect to which the Government reserves its decision."

The PRESIDING OFFICER. The question is on agreeing to the understandings in the resolution of ratification.

The understandings were agreed to.

The PRESIDING OFFICER. The question is on agreeing to the resolution of ratification, with the understandings. [Putting the question.] Two-thirds of the Senators present concurring therein, the resolution of ratification, with the understandings, is agreed to, and the draft convention is ratified.

DRAFT CONVENTION—HOURS OF WORK ON BOARD SHIP AND MANNING

Mr. THOMAS of Utah. Mr. President, I suggest that the Senate proceed to consider executive Z.

The Senate, as in Committee of the Whole, proceeded to consider executive Z (75th Cong., 1st sess.), draft convention (No. 57) concerning hours of work on board ship and manning, adopted by the International Labor Conference at its twenty-first session held at Geneva, October 6–24, 1936, which was read the second time, as follows:

[Executive Z, 75th Cong., 1st sess.]

NATIONAL LABOUR CONFERENCE

DRAFT CONVENTION (NO. 57) CONCERNING HOURS OF WORK ON BOARD SHIP AND MANNING

The General Conference of the International Labour Organisation,

Having been convened at Geneva by the Governing Body of the International Labour Office, and having met in its Twenty-first Session on 6 October 1936, and

Having decided upon the adoption of certain proposals with regard to the regulation of hours of work on board ship and manning in conjunction with hours of work on board ship, which is the first item on the Agenda of the Session, and

Having determined that these proposals shall take the form of a Draft International Convention,

adopts, this twenty-fourth day of October of the year one thousand nine hundred and thirty-six, the following Draft Convention which may be cited as the Hours of Work and Manning (Sea) Convention, 1936:

PART I. SCOPE AND DEFINITIONS

Article 1

1. This Convention applies to every sea going mechanically-propelled vessel whether publicly or privately owned, which—

(a) is registered in a territory for which the Convention is in force;

(b) is employed in the transport of cargo or passengers for the purpose of trade; and

(c) is engaged on an international voyage, by which is meant any voyage from a port of one country to a port outside such country, every colony, overseas territory, protectorate or territory under suzerainty or mandate being regarded as a separate country.

2. This Convention does not apply to—

(a) sailing vessels with auxiliary engines; or

(b) vessels engaged in fishing, whaling, or similar pursuits, or in operations directly connected therewith.

3. Any Member may exempt vessels registered in its territory from the application of this Convention while such vessels are exclusively engaged in voyages upon which they do not proceed further from the country from which they trade than the nearby ports of neighbouring countries within geographical limits which—

(a) are clearly specified by national laws or regulations;

(b) are uniform in respect of the application of all the provisions of this Convention;

(c) have been notified by the Member when registering its ratification by a declaration annexed thereto; and

(d) have been fixed after consultation with the other Members concerned.

Article 2

For the purpose of this Convention the following expressions have the meanings hereby assigned to them:

(a) "tons" means gross registered tons;

(b) "officers" means a person other than a master ranked as an officer by national laws or regulations, collective agreement, or custom;

(c) "rating" means a member of the crew other than an officer;

(d) "hours of work" means time during which a member of the crew is required by the orders of a superior to do any work on account of the vessel or the owner, or to be at the disposal of a superior outside the crew's quarters.

PART II. HOURS OF WORK

Article 3

This Part of this Convention does not apply to—

(a) officers in charge of departments who do not keep watch;

(b) wireless operators and telephonists;

(c) pilots;

(d) doctors;

(e) nursing staff exclusively engaged on nursing duties or hospital staff;

(f) persons working exclusively on their own account;

(g) persons remunerated exclusively by a share of profits;

(h) persons whose duties are connected solely with the cargo carried on board and who are not in fact in the employment either of the owner or of the master;

(i) travelling dockers;

(j) crews consisting entirely of members of the family, as defined by national laws or regulations, of the owner of the vessel.

Article 4

1. In vessels of over 2,000 tons the hours of work at sea and on arrival and sailing days of deck ratings whose time is divided into watches shall not exceed eight in the day nor shall they exceed fifty-six in the week.

2. In vessels of over 700 tons the hours of work at sea and on arrival and sailing days of deck ratings employed as day workers shall not exceed eight in the day nor shall they exceed forty-eight in the week.

3. Hours in excess of the limits prescribed in paragraphs 1 and 2 may be worked on arrival and sailing days. Whether or not such hours are to be worked and where such hours are allowed the conditions under which they may be worked shall be determined by national laws or regulations or collective agreements.

Article 5

1. In vessels of over 700 tons the hours of work at sea and on arrival and sailing days of engine-room and stokehold ratings whose time is divided into watches shall not exceed eight in the day or shall they exceed fifty-six in the week; Provided that extra time may be worked for the normal relieving of watches and the hoisting and dumping of ashes.

2. In vessels of over 700 tons the hours of work at sea and on arrival and sailing days of engine-room and stokehold ratings employed as day workers shall not exceed eight in the day nor shall they exceed forty-eight in the week.

3. Hours in excess of the limits prescribed in paragraphs 1 and 2 may be worked on arrival and sailing days. Whether or not such hours are to be worked and where such hours are allowed the conditions under which they may be worked shall be determined by national laws or regulations or collective agreements.

Article 6

1. In vessels of over 2,000 tons the hours of work at sea and on arrival and sailing days of deck officers shall not exceed eight in the day nor shall they exceed fifty-six in the week.

2. Provided that one additional hour per day may be worked at sea and on arrival and sailing days for navigational or clerical purposes.

3. Provided also that additional hours may be worked occasionally when the master deems it necessary to order two officers to keep watch simultaneously, so however that in no case shall any officer be required in virtue of this paragraph to work more than twelve hours in any day.

4. In vessels of over 700 tons the hours of work at sea and on arrival and sailing days of deck officers employed as day workers shall not exceed eight in the day nor shall they exceed forty-eight in the week.

5. Hours in excess of the limits prescribed in paragraphs 1 and 4 may be worked on arrival and sailing days. Whether or not such

hours are to be worked and where such hours are allowed the conditions under which they may be worked shall be determined by national laws or regulations or collective agreements.

6. The provisions of this Article apply to apprentices and cadets in the deck department.

Article 7

1. In vessels required under Article 16 to carry three or more engineer officers the hours of work of such officers at sea and on arrival and sailing days shall not exceed eight in the day nor shall they exceed fifty-six in the week.

2. In vessels of over 700 tons the hours of work at sea of engineer officers employed as day workers shall not exceed eight in the day nor shall they exceed forty-eight in the week.

3. The provisions of this Article apply to apprentices and cadets in the engine-room department.

Article 8

1. In vessels to which this Convention applies the following provisions shall apply to deck, engine-room, and stokehold ratings and to deck and engineer officers, including apprentices and cadets in the deck and engine-room departments, whenever sea watches are suspended in any port:

(a) hours of work shall not exceed eight in the day nor shall they exceed forty-eight in the week;

(b) the weekly rest day shall be observed and on that day no work shall be required except as overtime or for the purpose of ordinary routine and sanitary duties, any work required for the purpose of such duties to be included in the weekly limit of forty-eight hours;

(c) exceptions to these provisions may be made in accordance with national laws or regulations or collective agreement in the case of ratings required for the safety of the vessel or persons on board or for the preservation of the cargo.

2. Sea watches shall normally be suspended if the vessel is expected to stay in the port for more than twenty-four hours following its arrival, unless in the judgment of the master the safety of the vessel would be prejudiced thereby.

3. If sea watches are maintained in port, all time worked in excess of the limits of hours prescribed by or permitted under paragraph 1 of this Article shall, except in the case of—

(a) watches maintained for the safety of the vessel; and

(b) watches worked within twelve hours after arrival or within twelve hours before sailing,

be regarded as overtime for which the rating or officer shall be entitled to be compensated.

Article 9

1. In all vessels to which this Convention applies in respect of which there is in force—

(a) a safety certificate issued in accordance with the provisions of the International Convention for the Safety of Life at Sea for the time being in force; or

(b) a passenger certificate,

the hours of work at sea of ratings in the catering and clerical departments shall be so arranged as to insure to each such rating not less than twelve hours' rest during any period of twenty-four hours, including a rest period of at least eight consecutive hours.

2. In all vessels to which this Convention applies, other than vessels in respect of which there is in force one of the certificates referred to in the preceding paragraph, the hours of work at sea and on arrival and sailing days of ratings in the catering and clerical departments shall not exceed ten in the day.

3. In all vessels to which this Convention applies the hours of work in port of ratings in the catering and clerical departments shall not exceed eight in the day, subject to such exceptions as may be permitted by national laws or regulations.

Article 10

1. Ratings and deck and engineer officers including apprentices and cadets may be required to work in excess of the limits of hours prescribed by or permitted under the preceding Articles of this Part of this Convention, subject to the conditions that—

(a) all such time worked shall be regarded as overtime for which they shall be entitled to be compensated; and

(b) there shall be no consistent working of overtime.

2. The manner or rate or rates of such compensation shall be prescribed by national laws or regulations or be fixed by collective agreement.

Article 11

1. No rating under the age of 16 years shall work at night.

2. For the purpose of this Article the expression "night" means a period of at least nine consecutive hours between times before and after midnight to be prescribed by national laws or regulations.

Article 12

The provisions of this Part of this Convention do not apply to—

(a) work which the master deems to be necessary and urgent for the safety of the vessel, cargo, or persons on board;

(b) work required by the master for the purpose of giving assistance to other vessels or persons;

(c) musters, fire, lifeboat, and similar drills of the kind prescribed by the International Convention for the Safety of Life at Sea for the time being in force;

(d) extra work resulting from the sickness of or from injury to any officer or rating or from any unforeseeable reduction in the number of officers or ratings in the course of the voyage;

(e) extra work for the purpose of customs, quarantine, or other health formalities;

(f) work by officers for the determination of the position of the vessel at noon.

PART III. MANNING

Article 13

Every vessel of over 700 tons shall be sufficiently and efficiently manned for the purposes of—

(a) safety of life at sea; and

(b) making possible the application of the rules relating to hours set forth in Part II of this Convention.

and more particularly every such vessel shall comply with the minimum requirements as to manning set forth in this Part of this Convention.

Article 14

1. In vessels over 700 but not exceeding 2,000 tons there shall be carried at least two certificated deck officers in addition to the master.

2. In vessels of over 2,000 tons there shall be carried at least three certificated deck officers in addition to the master.

Article 15

1. In vessels of over 700 tons the number of deck ratings carried shall be sufficient to allow of three ratings being available for each navigational watch.

2. In particular, the following minimum numbers of ratings shall be carried:

(a) in vessels of over 700 but not exceeding 2,000 tons: 6;

(b) in vessels of over 2,000 tons: 9 or such larger number as may be prescribed by national laws or regulations or fixed by collective agreement.

3. The following minimum numbers of the ratings required to be carried by paragraph 2 shall comply with the conditions as to physical capacity and efficiency stated in paragraph 4:

(a) in vessels of over 700 but not exceeding 2,000 tons: 4;

(b) in vessels of over 2,000 tons: 5 or such larger number as may be prescribed by national laws or regulations or fixed by collective agreement.

4. The conditions as to physical capacity and efficiency to be fulfilled by certain ratings in accordance with paragraph 3 are that each such rating—

(a) is 18 years of age; and

(b) either has had at least three years' sea service on deck or holds a certificate, issued by the competent authority, that his standard of efficiency is equal to that of the average rating who has had three years' sea service on deck.

5. National laws or regulations or collective agreement shall limit the number of ratings with less than one year's sea service on deck who may be counted as deck ratings for the purpose of satisfying the requirements of this Article.

6. No rating signed on in a dual capacity whose services may be required in any department other than the deck department shall be counted as a deck rating for the purpose of satisfying the requirements of this Article.

7. Whether or not a wireless operator or telephonist is to be considered as belonging to the deck department for the purpose of the preceding paragraph shall be determined by national laws or regulations or collective agreement.

Article 16

1. In vessels to which this Article applies at least three certificated engineer officers shall be carried.

2. This Article applies either—

(a) to vessels of over 700 tons; or

(b) to vessels with engines exceeding 800 indicated horse-power, according as a tonnage or horse-power criterion is prescribed by national laws or regulations.

3. Provided that any Member may postpone the application of this Article for a period not exceeding five years from the coming into force of this Convention in the case of existing vessels not exceeding 1,500 tons or with engines not exceeding 1,000 indicated horse-power according as the Member applies the tonnage or horse-power criterion.

Article 17

If in the course of a voyage as a result of death, accident, or any other cause a vessel ceases to have available the number of officers or ratings required by the preceding Articles the master shall make up the deficiency at the first reasonable opportunity.

PART IV. GENERAL PROVISIONS

Article 18

The shipowners', officers', and seamen's organisations concerned shall, so far as is reasonable and practicable, be taken into consultation in the framing of all laws or regulations for giving effect to the provisions of this Convention.

Article 19

1. Each Member which ratifies this Convention shall be responsible for the application of its provisions to vessels registered in its territory and shall maintain in force national laws or regulations which—

(a) determine the respective responsibilities of the shipowner and the master for ensuring compliance therewith;

(b) prescribe adequate penalties for any violation thereof;

(c) provide for adequate public supervision of compliance with Part III before a vessel leaves a home port on an international voyage;

(d) require the keeping of records of all overtime worked in pursuance of Article 10 and of the compensation granted in respect thereof; and

(e) ensure to seamen the same remedies for recovering extra payments in respect of overtime as they have for recovering other arrears of wages.

2. In any case in which it comes to the knowledge of the competent authority of a port that a vessel registered in a territory for which this Convention is in force in virtue of ratification by another Member is not carrying the number of officers and ratings required by Part III of this Convention the said authority shall so notify the consul of the said Member.

Article 20

Nothing in this Convention shall affect any law, award, custom, or agreement between shipowners and seamen which ensures more favourable conditions than those provided by this Convention.

Article 21

1. Vessels existing at the date of the coming into force of this Convention in respect of which the competent authority of the territory of registration is satisfied, after consulting the organisations interested, that the circumstances are such that the provision of fresh accommodation or other permanent equipment necessary for an increased crew is not reasonably possible may be exempted from the application of the Convention.

2. Such exemption shall be granted by the issue of an exemption certificate, which shall be carried on the vessel, exempting the said vessel from such of the requirements of this Convention as are specified in the said certificate.

3. Exemption certificates shall not be issued for a period exceeding four years at a time.

4. Every Member taking advantage of the provisions of this Article shall communicate to the International Labour Office in its annual report upon the application of this Convention:

(a) the texts of all laws and regulations relating to the grant of exemption under this Article;

(b) particulars as to the number of vessels and total tonnage in respect of which exemption certificates are for the time being in force; and

(c) any observations as to the grant of exemption made by the shipowners', officers' and seamen's organisations concerned.

PART V. FINAL PROVISIONS

Article 22

1. In respect of the territories referred to in Article 35 of the Constitution of the International Labour Organisation, each Member of the Organisation which ratifies this Convention shall append to its ratification a declaration stating:

(a) the territories in respect of which it undertakes to apply the provisions of the Convention without modification;

(b) the territories in respect of which it undertakes to apply the provisions of the Convention subject to modifications, together with details of said modifications;

(c) the territories in respect of which the Convention is inapplicable and in such cases the grounds on which it is inapplicable;

(d) the territories in respect of which it reserves its decision.

2. The undertakings referred to in subparagraphs (a) and (b) of paragraph 1 of this Article shall be deemed to be an integral part of the ratification and shall have the force of ratification.

3. Any Member may by a subsequent declaration, cancel in whole or in part any reservations made in its original declaration in virtue of sub-paragraphs (b), (c) or (d) of paragraph 1 of this Article.

Article 23

The formal ratifications of this Convention shall be communicated to the Secretary-General of the League of Nations for registration.

Article 24

1. This Convention shall be binding only upon those Members of the International Labour Organisation whose ratifications have been registered with the Secretary-General.

2. It shall come into force six months after the date on which there have been registered by the Secretary-General of the League of Nations the ratifications of five Members of the Organisation each of which has a mercantile marine tonnage of not less than one million tons.

3. Thereafter, this Convention shall come into force for any Member six months after the date on which its ratification has been registered.

Article 25

As soon as the ratifications of five of the Members mentioned in the second paragraph of Article 24 have been registered, the Secretary-General of the League of Nations shall so notify all the Members of the International Labour Organisation. He shall likewise notify them of the registration of ratifications which may be communicated subsequently by other Members of the Organisation.

Article 26

1. A Member which has ratified this Convention may denounce it after the expiration of five years from the date on which the Convention first comes into force by an act communicated to the Secretary-General of the League of Nations for registration. Such denunciation shall not take effect until one year after the date on which it is registered.

2. Each Member which has ratified this Convention and which does not, within the year following the expiration of the period of five years mentioned in the preceding paragraph, exercise the right of denunciation provided for in this Article, will be bound for another period of five years and, thereafter, may denounce this Convention at the expiration of each period of five years under the terms provided for in this Article.

Article 27

At the expiration of each period of five years after the coming into force of this Convention, the Governing Body of the International Labour Office shall present to the General Conference a report on the working of this Convention and shall consider the desirability of placing on the Agenda of the Conference the question of its revision in whole or in part.

Article 28

1. Should the Conference adopt a new Convention revising this Convention in whole or in part, then, unless the new Convention otherwise provides,

(a) the ratification by a Member of the new revising Convention shall ipso jure involve the immediate denunciation of this Convention, notwithstanding the provisions of Article 26 above, if and when the new revising Convention shall have come into force;

(b) as from the date when the new revising Convention comes into force this Convention shall cease to be open to ratification by the Members.

2. This Convention shall in any case remain in force in its actual form and content for those Members which have ratified it but have not ratified the revising Convention.

Article 29

The French and English texts of this Convention shall both be authentic.

The foregoing is the authentic text of the Draft Convention duly adopted by the General Conference of the International Labour Organisation during its Twenty-first Session which was held at Geneva and declared closed the 24th day of October 1936.

In faith whereof we have appended our signatures this fifth day of December 1936.

PAAL BERG,
The President of the Conference.
HAROLD BUTLER,
The Director of the International Labour Office.

Mr. AUSTIN. Mr. President, if this convention is agreed to by the necessary vote, it is, I understand, upon condition that unanimous consent is given now that the vote may be reconsidered on the request of any Senator tomorrow.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The draft convention is before the Senate and open to amendment. If there be no amendment to be proposed, the draft convention will be reported to the Senate.

The draft convention was reported to the Senate without amendment.

The PRESIDING OFFICER. The resolution of ratification, with the understandings, will be read.

The legislative clerk read as follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of Executive Z, Seventy-fifth Congress, first session, draft convention (No. 57), concerning hours of work on board ship and manning, adopted by the International Labor Conference at its twenty-first session, held at Geneva, October 6–24, 1936, subject to the following understandings to be made a part of such ratification:

"That the United States Government understands and construes the words 'vessels registered in a territory' appearing in this Convention to include all vessels of the United States as defined under the laws of the United States.

"Nothing in this Convention shall be so construed as to prevent the authorities of the United States from making such inspection of any vessel referred to in article 19, paragraph 2, within the jurisdiction of the United States, as may be necessary to determine that there has been a compliance with the terms of this Convention, or to prevent such authorities from withholding clearance to any such vessel which they find has not complied with the provisions of the Convention, until such time as any such deficiency shall be corrected.

"That the provisions of this Convention shall apply to all territory over which the United States exercises jurisdiction except the Government of the Commonwealth of the Philippine Islands and the Panama Canal Zone, with respect to which this Government reserves its decision.

The PRESIDING OFFICER. The question is on agreeing to the understandings in the resolution of ratification.

The understandings were agreed to.

The PRESIDING OFFICER. The question is on agreeing to the resolution of ratification, with the understandings. [Putting the question.] Two-thirds of the Senators present concurring therein, the resolution of ratification, with the understandings, is agreed to, and the draft convention is ratified.

DRAFT CONVENTION—MINIMUM REQUIREMENT OF PROFESSIONAL CAPACITY FOR MASTERS AND OFFICERS ON BOARD MERCHANT SHIPS

Mr. THOMAS of Utah. I suggest that the Senate proceed to consider Executive V.

The Senate, as in Committee of the Whole, proceeded to consider Executive V (75th Cong., 1st sess.), draft convention (No. 53) concerning the minimum requirement of professional capacity for masters and officers on board merchant ships, adopted by the International Labor Conference at its twenty-first session held at Geneva, October 6–24, 1936, which was read the second time, as follows:

INTERNATIONAL LABOUR CONFERENCE

DRAFT CONVENTION (NO. 53) CONCERNING THE MINIMUM REQUIREMENT OF PROFESSIONAL CAPACITY FOR MASTERS AND OFFICERS ON BOARD MERCHANT SHIPS

The General Conference of the International Labour Organisation—

Having been convened at Geneva by the Governing Body of the International Labour Office, and having met in its Twenty-first Session on 6 October 1936, and

Having decided upon the adoption of certain proposals with regard to the establishment by each maritime country of a minimum requirement of professional capacity in the case of captain, navigating and engineer officers in charge of watches on board merchant ships, which is the fourth item on the Agenda of the Session, and

Having determined that these proposals shall take the form of a Draft International Convention,

adopts, this twenty-fourth day of October of the year one thousand nine hundred and thirty-six, the following Draft Convention, which may be cited as the Officers, Competency Certificates Convention, 1936:

Article 1

1. This Convention applies to all vessels registered in a territory for which this Convention is in force and engaged in maritime navigation with the exception of—

(a) ships of war;

(b) Government vessels, or vessels in the service of a public authority, which are not engaged in trade;

(c) wooden ships of primitive build such as dhows and junks.

2. National laws or regulations may grant exceptions or exemptions in respect of vessels of less than 200 tons gross registered tonnage.

Article 2

For the purpose of this Convention the following expressions have the meanings hereby assigned to them:

(a) "master or skipper" means any person having command or charge of a vessel;

(b) "navigating officer in charge of a watch" means any person, other than a pilot, who is for the time being actually in charge of the navigation or manœuvering of a vessel;

(c) "chief engineer" means any person permanently responsible for the mechanical propulsion of a vessel;

(d) "engineer officer in charge of a watch" means any person who is for the time being actually in charge of the running of a vessel's engines.

Article 3

1. No person shall be engaged to perform or shall perform on board any vessel to which this Convention applies the duties of master, or skipper, navigating officer in charge of a watch, chief engineer, or engineer officer in charge of a watch, unless he holds a certificate of competency to perform such duties, issued or approved by the public authority of the territory where the vessel is registered.

2. Exceptions to the provisions of this Article may be made only in cases of force majeure.

Article 4

1. No person shall be granted a certificate of competency unless—

(a) he has reached the minimum wage prescribed for the issue of the certificate in question;

(b) his professional experience has been of the minimum duration prescribed for the issue of the certificate in question; and

(c) he has passed the examinations organized and supervised by the competent authority for the purpose of testing whether he possesses the qualifications necessary for performing the duties corresponding to the certificate for which he is a candidate.

2. National laws or regulations shall—

(a) prescribe a minimum age to have been attained by and a minimum period of professional experience to have been completed by candidates for each grade of competency certificate;

(b) provide for the organization and supervision by the competent authority of one or more examinations for the purpose of testing whether candidates for competency certificates possess the qualifications necessary for performing the duties corresponding to the certificates for which they are candidates.

3. Any Member of the Organisation may, during a period of three years from the date of its ratification, issue competency certificates to persons who have not passed the examinations organised in virtue of paragraph 2 (b) of this Article who—

(a) have in fact had sufficient practical experience of the duties corresponding to the certificate in question; and

(b) have no record of any serious technical error against them.

Article 5

1. Each Member which ratifies this Convention shall ensure its due enforcement by an efficient system of inspection.

2. National laws or regulations shall provide for the cases in which the authorities of a Member may detain vessels registered in its territory on account of a breach of the provisions of this Convention.

3. Where the authorities of a Member which has ratified this Convention find a breach of its provisions on a vessel registered in the territory of another Member which has also ratified the Convention, the said authorities shall communicate with the consul of the Member in the territory of which the vessel is registered.

Article 6

1. National laws or regulations shall prescribe penalties or disciplinary measures for cases in which the provisions of this Convention are not respected.

2. In particular, such penalties or disciplinary measures shall be prescribed for cases in which—

(a) a shipowner, shipowner's agent, master or skipper has engaged a person not certificated as required by this Convention;

(b) a master or skipper has allowed any of the duties defined in Article 2 of this Convention to be performed by a person not holding the corresponding or a superior certificate;

(c) a person has obtained by fraud or forged documents an engagement to perform any of the duties defined in the said Article 2 without holding the requisite certificate.

Article 7

1. In respect of the territories referred to in Article 35 of the Constitution of the International Labour Organisation, each Member of the Organisation which ratifies this Convention shall append to its ratification a declaration stating:

(a) the territories in respect of which it undertakes to apply the provisions of the Convention without modification;

(b) the territories in respect of which it undertakes to apply the provisions of the Convention subject to modifications, together with details of the said modifications;

(c) the territories in respect of which the Convention is inapplicable and in such cases the grounds on which it is inapplicable;

(d) the territories in respect of which it reserves its decision.

2. The undertakings referred to in sub-paragraphs (a) and (b) of paragraph 1 of this Article shall be deemed to be an integral part of the ratification and shall have the force of ratification.

3. Any Member may by a subsequent declaration cancel in whole or in part any reservations made in its original declaration in virtue of sub-paragraphs (b), (c), or (d) of paragraph 1 of this Article.

Article 8

The formal ratifications of this Convention shall be communicated to the Secretary-General of the League of Nations for registration.

Article 9

1. This Convention shall be binding only upon those Members of the International Labour Organisation whose ratifications have been registered with the Secretary-General.

2. It shall come into force twelve months after the date on which the ratifications of two Members have been registered with the Secretary-General.

3. Thereafter, this Convention shall come into force for any Member twelve months after the date on which its ratification has been registered.

Article 10

As soon as the ratifications of two Members of the International Labour Organisation have been registered, the Secretary-General of the League of Nations shall so notify all the Members of the International Labour Organisation. He shall likewise notify them of the registration of ratifications which may be communicated subsequently by other Members of the Organisation.

Article 11

1. A Member which has ratified this Convention may denounce it after the expiration of 10 years from the date on which the Convention first comes into force, by an act communicated to the Secretary-General of the League of Nations for registration.

Such denunciation shall not take effect until 1 year after the date on which it is registered.

2. Each Member which has ratified this Convention and which does not, within the year following the expiration of the period of 10 years mentioned in the preceding paragraph, exercise the right of denunciation provided for in this Article, will be bound for another period of 10 years and, thereafter, may denounce this Convention at the expiration of each period of 10 years under the terms provided for in this Article.

Article 12

At the expiration of each period of 10 years after the coming into force of this Convention, the governing body of the International Labour Office shall present to the General Conference a report on the working of this Convention and shall consider the desirability of placing on the Agenda of the Conference the question of its revision in whole or in part.

Article 13

1. Should the Conference adopt a new Convention revising this Convention in whole or in part, then, unless the new Convention otherwise provides,

(*a*) the ratification by a Member of the new revising Convention shall *ipso jure* involve the immediate denunciation of this Convention, notwithstanding the provisions of Article 11 above, if and when the new revising Convention shall have come into force;

(*b*) as from the date when the new revising Convention comes into force this Convention shall cease to be open to ratification by the Members.

2. This Convention shall in any case remain in force in its actual form and content for those Members which have ratified it but have not ratified the revising Convention.

Article 14

The French and English texts of this Convention shall both be authentic.

The foregoing is the authentic text of the Draft Convention duly adopted by the General Conference of the International Labour Organization during its Twenty-first Session which was held at Geneva and declared closed the 24th day of October 1936.

In faith whereof we have appended our signatures this fifth day of December 1936.

PAAL BERG,
The President of the Conference.
HAROLD BUTLER,
The Director of the International Labour Office.

Mr. AUSTIN. Mr. President, it is understood that this is accepted upon the same condition?

The PRESIDING OFFICER. With that understanding the draft convention is before the Senate and open to amendment. If there be no amendment to be proposed, the draft convention will be reported to the Senate.

The draft convention was reported to the Senate without amendment.

The PRESIDING OFFICER. The resolution of ratification, with the understandings, will be read.

The legislative clerk read as follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of Executive V (75th Cong., 1st sess.), draft convention (No. 53) concerning the minimum requirement of professional capacity for masters and officers on board merchant ships, adopted by the International Labor Conference at its twenty-first session held at Geneva, October 6–24, 1936, subject to the following understandings to be made a part of such ratification:

"That the United States Government understands and construes the words 'vessels registered in a territory' appearing in this convention to include all vessels of the United States as defined under the laws of the United States.

"That the United States Government understands and construes the words 'maritime navigation' appearing in this convention to mean navigation on the high seas only.

"Nothing in this convention shall be so construed as to prevent the authorities of the United States from making such inspection of any vessel referred to in article V, paragraph 3, within the jurisdiction of the United States, as may be necessary to determine that there has been a compliance with the terms of this convention, or to prevent such authorities from withholding clearance to any such vessel which they find has not complied with the provisions of the convention until such time as any such deficiency shall be corrected.

"That the provisions of this Convention shall apply to all territory over which the United States exercises jurisdiction, except the Government of the Commonwealth of the Philippine Islands and the Panama Canal Zone, with respect to which this Government reserves its decision.

The PRESIDING OFFICER. The question is on agreeing to the understandings in the resolution of ratification.

The understandings were agreed to.

The PRESIDING OFFICER. The question is on agreeing to the resolution of ratification, with the understandings. [Putting the question.] Two-thirds of the Senators present concurring therein, the resolution of ratification, with the understandings, is agreed to, and the draft convention is ratified.

Mr. THOMAS of Utah. Mr. President, I ask unanimous consent to have printed in the RECORD in connection with these conventions a report I have prepared on Executive AA, recommendation No. 48. This recommendation requires no action on the part of the Senate at this time, but the attention of the proper committees of Congress and of the proper departments of the Government should be directed to the recommendation. I shall deem this to have been done if the recommendation is printed in connection with the resolution of advice and consent to the ratification of these international labor office conventions at this time.

The PRESIDING OFFICER. Is there objection?

There being no objection, the report was ordered to be printed in the RECORD.

Mr. THOMAS of Utah. From the Committee on Foreign Relations, I have the honor to report to the Senate the recommendation (No. 48) concerning the promotion of seamen's welfare, transmitted to the Senate along with six draft conventions and one other recommendation adopted by the International Labor Conference at its twenty-first and twenty-second sessions at Geneva, in October 1936. Abstracts from memoranda of the Acting Solicitor of the Department of Commerce, dated August 13, 1937, and from a letter of the Chairman of the United States Maritime Commission to the Secretary of State, dated August 11, 1937, are appended to this report for the information of the Senate.

As this recommendation requires no action by the Committee on Foreign Relations, it would not be in order to consider it further at this time. However, I now ask unanimous consent to have this recommendation inserted in the RECORD at this point, with the suggestion that it be referred to the Committee on Commerce for future reference.

INTERNATIONAL LABOUR CONFERENCE

RECOMMENDATION (NO. 48) CONCERNING THE PROMOTION OF SEAMEN'S WELFARE IN PORTS

The General Conference of the International Labour Organisation,

Having been convened at Geneva by the Governing Body of the International Labour Office, and having met in its Twenty-first Session on 6 October 1936, and

Having decided upon the adoption of certain proposals with regard to the promotion of seamen's welfare in ports, which is the third item on the Agenda of the Session, and

Having determined that these proposals shall take the form of a Recommendation,

adopts, this twenty-fourth day of October of the year one thousand nine hundred and thirty-six, the following Recommendation, which may be cited as the Seamen's Welfare in Ports Recommendation, 1936:

Whereas by the nature of their calling seamen are frequently deprived for long periods of the advantages of family life and may be exposed while in ports, particularly in foreign countries, to special dangers and difficulties; and whereas it is not always possible for them to have the benefit of arrangements made to organise the spare time, promote the welfare, and safeguard the health of the general body of workers;

Whereas certain Governments and different private associations have successfully taken various measures for the special help and protection of seamen in ports; and whereas such protection should be extended to as large a number of seamen as possible; and

Whereas it is important, notwithstanding differences which may exist in national and local needs and customs, to develop and coordinate nationally and internationally the principal forms of action, in a manner which draws no distinction of race between seamen;

The Conference recommends that each Member of the International Labour Organisation should take the following principles and methods into consideration for the promotion of the welfare of both national and foreign seamen in ports.

PART I. GENERAL ORGANISATION

1. It is desirable to create in every important port an official or officially recognised body, which might comprise representatives of shipowners, seamen, national and local authorities and the chief associations concerned, for the purposes of—

(a) collecting, as far as possible in conjunction with the different authorities or organisations concerned, including the con-

sular authorities of maritime States, all useful information and suggestions on the conditions for seamen in the port;

(b) advising the competent departments, authorities, and associations as to the adoption, adaptation, and co-ordination of measures for the improvement of such conditions; and

(c) collaborating if required with other competent bodies in carrying out such measures.

2. It is desirable, in order to enable the International Labour Office to inform the Governments of the maritime States and to assist them to co-ordinate their action, that each of them should keep in touch with the Office and furnish it every three years with all useful information on the experience acquired in the promotion of seamen's welfare in ports and on the progress made in this field.

PART II. REGULATION

3. There should be laws or regulations to protect seamen, by measures including the following, from the dangers to which they are exposed in certain establishments or in the docks as such:

(a) the regulation of the sale of intoxicating liquor;

(b) the prohibition of the employment in public houses, of young persons of either sex under a certain age;

(c) the application of the provisions of international agreements limiting the sale and use of narcotics to all seamen without distinction of nationality;

(d) the prohibition of the entry into the docks and harbour area generally of undesirable persons;

(e) the fencing off of dock areas and the protection of the edges of wharves and quays and other dangerous parts of the docks by fixed or movable barriers, wherever such measures are practicable;

(f) the provision of sufficient lighting and, where necessary, of signposts for docks and approaches.

4. In order to ensure the strict enforcement of the measures indicated above and to increase their efficacy, there should be arrangements for supervision, including:

(a) supervision of establishments where intoxicating liquors are sold and, where necessary and practicable, of hotels, cafés, lodging houses, and other similar establishments in the harbour area;

(b) supervision, which might be carried out jointly by masters and the public authorities, of persons visiting ships, including boatmen plying between ships and the shore, with a view to preventing intoxicating liquor or narcotics being wrongfully brought on board or the fulfillment of any other illicit purpose;

(c) the maintenance in the harbour area of adequate police forces, specially trained and equipped, which should keep in touch with the other supervising bodies.

5. For the better protection of foreign seamen, measures should be taken to facilitate:

(a) their relations with their consuls; and

(b) effective co-operation between consuls and the local or national authorities.

PART III. HEALTH

6. Soliciting and enticing, whether directly or indirectly, in the neighbourhood of the harbour and in districts frequented by seamen should be energetically repressed.

7. All suitable measures should be taken to make known to seamen entering the port, irrespective of their nationality:

(a) the dangers and means of preventing diseases to which they are exposed, including more particularly tuberculosis and tropical and venereal diseases;

(b) the necessity for persons suffering from disease to undergo treatment and the facilities available for such treatment; and

(c) the dangers arising from the habit of using narcotics.

8. The treatment of seamen suffering from disease should be facilitated by suitable measures including:

(a) as wide extension as possible, especially in the dock area, of free and continued treatment for venereal diseases, as provided, for example, by the Agreement concerning Facilities to be given to Merchant Seamen for the Treatment of Venereal Diseases, signed at Brussels, 1 December 1924;

(b) the admission of seamen to clinics and hospitals in ports, without difficulty and irrespective of nationality or religious belief;

(c) as wide application as possible to foreign seamen of the provision made for the protection of nationals against tuberculosis;

(d) the provision, whenever possible, of arrangements designed to ensure, when necessary, continuation of treatment with a view to supplementing the medical facilities available to seamen.

PART IV. ACCOMMODATION AND RECREATION

9. Arrangements should be made, at least in the larger ports, for the material and general assistance of seamen while in the port and such arrangements should more particularly include:

(a) the institution or development of seamen's hostels of a satisfactory character and furnishing suitable board and lodging at reasonable prices;

(b) the institution or development of institutes—which might be distinct from the seamen's hostels, but should keep as far as possible in touch with them—providing meeting and recreation rooms (canteens, rooms for games, libraries, etc.);

(c) the organisation, where possible in co-operation with ships' sports clubs, of healthy recreations, such as sports, excursions, etc.;

(d) the promotion, by every possible means, of the family life of seamen.

PART V. SAVINGS AND REMITTANCE OF WAGES

10. In order to help seamen to save and to transmit their savings to their families—

(a) there should be adopted a simple, rapid, and safe system, operating with the assistance of consuls, masters, shipowners' agents, or reliable private institutions, for enabling seamen, and more especially those who are in a foreign country, to deposit or remit the whole or part of their wages;

(b) a system for enabling seamen, at the time of their signing on or during the voyage, to allot, if they so desire, a proportion of their wages for remittance at regular intervals to their families should be instituted or made of more general application.

PART VI. INFORMATION FOR SEAMEN

11. In view of the fact that the success of most of the measures recommended above must depend to a large extent on suitable publicity among seamen, such publicity should be organised and undertaken by the public authorities, the bodies referred to in Part I of this Recommendation, and the competent associations, assisted as far as possible by the ship's officers and doctor and by ships' sport clubs.

12. Such publicity might include:

(a) the distribution on shore and, subject to the consent of the master, on board ship, of pamphlets in the most appropriate languages giving clear information as to the facilities available for seamen in the port of call or in the next ports for which the ship is bound;

(b) the creation in the larger ports of information officers, either at shipping offices or elsewhere, easily accessible to seamen and staffed by persons capable of giving directly such explanations or guidance as may be useful;

(c) the inclusion of some useful information for the physical well-being and general protection of seamen in seamen's books, discharge books, or other documents habitually carried by seamen, or in notices posted in a conspicuous place in the crew's quarters;

(d) the frequent publication of articles of general and educational interest to seamen in periodicals read by seamen, both of specialised and general interest, and also the use of the cinema for this purpose;

(e) the distribution of information concerning the tariffs of local transport and of local places of interest and entertainment.

PART VII. EQUALITY OF TREATMENT

13. Governments, authorities, and organisations which may have to administer funds for the welfare of seamen are specially urged not to concern themselves solely with seamen of a particular nationality, but to act as generously as possible in the spirit of international solidarity.

The foregoing is the authentic text of the Recommendation duly adopted by the General Conference of the International Labour Organisation during its Twenty-first Session which was held at Geneva and declared closed the 24th day of October 1936.

In faith whereof we have appended our signatures this fifth day of December 1936.

PAAL BERG,
The President of the Conference.
HAROLD BUTLER,
The Director of the International Labour Office.

The following are abstracts from a memorandum of the Acting Solicitor of the Department of Commerce under date of August 13, 1937:

IN RE DRAFTS OF SIX CONVENTIONS AND TWO RECOMMENDATIONS, RELATING TO OFFICERS AND SEAMEN OF VESSELS, ADOPTED BY THE INTERNATIONAL LABOR CONFERENCE AT GENEVA, SWITZERLAND, OCTOBER 1936

There have been submitted to this office for examination five draft conventions and two recommendations adopted by the twenty-first session of the International Labor Conference, and a copy of a draft convention adopted by the twenty-second session of that conference, held in Geneva, Switzerland, in October 1936, all of which were referred to this Department by the State Department with the request for "Any comment or recommendation which you may wish to make concerning these draft conventions and recommendations."

At the outset I wish to state that these several conventions and recommendations relate to officers and seamen on merchant vessels of the United States and are of direct concern to the Bureau of Marine Inspection and Navigation of this Department. These conventions involve questions of policy which must necessarily be considered by the Bureau and the Department with a view to determining the advisability of the ratification by the United States of any or all of them, and also whether any reservations should be made to any of them—the result of which determination no doubt will be included in the comments and recommendations (requested by the State Department) to be prepared by the Bureau for submission by this Department. This office has therefore confined itself to an examination of the several documents with respect to their legal scope and to pointing out wherein they add to or change existing laws with respect to the subject-matters thereof. * * *

RECOMMENDATION (NO. 48) CONCERNING THE PROMOTION OF SEAMEN'S WELFARE IN PORTS

This recommendation also concerns the welfare of seamen and is very comprehensive in its scope. Aside from the laws to which reference has been made heretofore in connection with the draft convention no. 55, the question of seamen's welfare along the lines indicated in this recommendation is largely left to religious and

eleemosynary institutions. A more extended reference to this subject may be found on page 22 of a pamphlet issued in 1929 entitled "The Promotion of Seamen's Welfare in Port" issued by the International Labor Conference, in connection with its thirteenth session held at Geneva, 1929. This recommendation, together with its provisions, is also a matter for administrative consideration.

The following are abstracts from a letter of the Chairman of the United States Maritime Commission to the Secretary of State under date of August 11, 1937:

RECOMMENDATION (NO. 48) CONCERNING THE PROMOTION OF SEAMEN'S WELFARE IN PORTS

Summary of the recommendation: This proposal suggests that each member of the labor organization take into consideration the following principles and methods in order to promote the seamen's (both national and foreign) welfare in ports.

The creation in every important port of an officially recognized body which might be composed of representatives of shipowners, seamen, local authorities, and associations to (a) collect useful information and suggestions on conditions for seamen in the port; (b) advise competent departments' authorities and others as to the adoption and coordination of measures for improving conditions; (c) work with other bodies to carry out the measures provided; (d) furnish every 3 years a report to the International Labor Office containing useful information acquired, which could be used for the general benefit of all members (pt. I).

The recommendation states that "there should be laws or regulations to protect seamen by measures including the following from the dangers to which they are exposed in certain establishments or in the docks as such." A number of specific suggestions are then given concerning the regulation of the sale of intoxicating liquor, prohibition of the use of narcotics, protection on piers by proper fencing, etc.; supervision of hotels, cafes, lodging houses, and other establishments in the harbor area; proper policing of the harbor area, etc. (pt. II).

On the subject of the health of the seamen, the recommendation carries a number of suggestions for the better protection of the men while in port from the standpoint of education, prevention, and therapeutics (pt. III).

In the matter of accommodation and recreation it is recommended that arrangements be made for the material and general assistance of seamen while in port as to development of seamen's hostels of a satisfactory character, furnishing suitable board and lodging at reasonable rates; development of meeting and recreation rooms, canteens, libraries, etc.; the promotion of the family life of seamen (pt. IV).

The conference went on record as suggesting means by which the seamen can be helped to save and to transmit their savings to their families (pt. V).

In order to publicize the recommendations among seamen, it is suggested that the publicity should be organized and undertaken by the public authorities and competent associations assisted by the ships' officers and doctor and by ships' sports clubs. Various suggestions on the method of dissemination are furnished (pt. VI).

Governments, authorities, and organizations which administer funds for the seamen's welfare are urged not to concern themselves with the welfare of seamen of a particular nationality only but of all seamen in order to further the spirit of "international solidarity" (pt. VII).

Comments.—The objectives set forth in this recommendation appear to be very desirable with a view to raising the general standards of the environment of seamen, thereby promoting morale, efficiency, and the attractiveness of sea service. It is suggested that it may be desirable for the Government of the United States to provide a Federal coordinator for all of the various American institutions, public and private, which are now engaged in activities such as are covered by this recommendation; that a thorough study of the existing activities be made within a reasonable time; and that a constructive, coordinated plan be prepared containing suggestions as a basis for future activities and expansion in this field. The Maritime Commission is prepared to cooperate in this, insofar as it is or may be authorized by law to do so.

MABEL F. HOLLINGSWORTH

The Senate resumed legislative session.

The PRESIDING OFFICER (Mr. SHEPPARD in the chair) laid before the Senate the amendments of the House of Representatives to the bill (S. 606) for the relief of Mabel F. Hollingsworth, which were, on page 1, line 10, to strike out "late a retired" and insert "who died August 18, 1935, from chronic silicosis and hypertrophy of the heart alleged to be the result of his employment as a"; on page 1, line 10, to strike out all after "clerk", down to and including "concerned", in line 12; and on page 2, line 3, to strike out "1 year" and insert "6 months."

Mr. DUFFY. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

MRS. MORGAN R. BUTLER

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 2994) for the relief of Mrs. Morgan R. Butler which were, on page 1, line 4, to strike out all after "money", down to and including "Corps" in line 6, and insert "in the Treasury not otherwise appropriated"; and on page 1, line 9, after "injuries", to insert "and property damage."

Mr. LA FOLLETTE. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

PRESENTATION OF GOLD MEDALS TO MRS. ROBERT ALDRICH AND ANNA BOULIGNY (DECEASED)

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 3917) authorizing the President to present gold medals to Mrs. Robert Aldrich and posthumously to Anna Bouligny which were on page 1, line 4, to strike out "Robert" and insert "Richard"; and to amend the title so as to read: "An act authorizing the President to present gold medals to Mrs. Richard Aldrich and posthumously to Anna Bouligny."

The PRESIDING OFFICER. Without objection, the amendments of the House are concurred in.

RECESS

Mr. BARKLEY. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 6 o'clock and 38 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, June 14, 1938, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received June 13 (legislative day of June 7), 1938

ENVOY EXTRAORDINARY AND MINISTER PLENIPOTENTIARY

Frederick A. Sterling, of Texas, appointed Envoy Extraordinary and Minister Plenipotentiary to Estonia and Latvia, to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to Sweden, vice Fred Morris Dearing.

SUPREME COURT OF HAWAII

Hon. Samuel B. Kemp, of Hawaii, to be an associate justice of the Supreme Court, Territory of Hawaii, vice Hon. James J. Banks.

COLLECTOR OF INTERNAL REVENUE

James H. Latchum, of Milford, Del., to be collector of internal revenue for the district of Delaware, in place of Willard F. Deputy, resigned.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 13 (legislative day of June 7), 1938

DIPLOMATIC AND FOREIGN SERVICE

TO BE A CONSUL GENERAL

William P. Blocker

TO BE FOREIGN SERVICE OFFICERS OF CLASS 3

James Hugh Keeley, Jr.
George R. Merrell
Hugh Millard
Orsen N. Nielsen
Harold Shantz
Harold S. Tewell

TO BE FOREIGN SERVICE OFFICERS OF CLASS 4

Ellis O. Briggs
Edward S. Crocker, 2d
Samuel J. Fletcher
Walter A. Foote
Waldemar J. Gallman
C. Porter Kuykendall
Alfred T. Nester
Sydney B. Redecker
Rollin R. Winslow

TO BE FOREIGN SERVICE OFFICERS OF CLASS 5

Clayson W. Aldridge	Eugene M. Hinkle
William H. Beach	David McK. Key
Leo J. Callanan	Edward P. Lawton
C. Paul Fletcher	Warwick Perkins
Julian F. Harrington	George Tait

UNITED STATES ATTORNEYS

George Philip to be United States attorney for the district of South Dakota.

Carlisle W. Higgins to be United States attorney for the middle district of North Carolina.

UNITED STATES MARSHAL

Charles W. Robertson to be United States marshal for the district of South Dakota.

APPOINTMENTS, BY TRANSFER, IN THE REGULAR ARMY

TO QUARTERMASTER CORPS

Capt. John Salisbury Fisher.

TO COAST ARTILLERY CORPS

First Lt. Gwinn Ulm Porter.

PROMOTIONS IN THE NAVY

Charles H. Maddox to be captain.
Edward C. Ewen to be lieutenant commander.
Frank C. Sutton to be lieutenant commander.
Alan R. Nash to be lieutenant commander.
Albert F. White to be lieutenant.
Charles W. Lord to be lieutenant.
Edmund S. L. Marshall to be lieutenant.
Roy A. Newton to be lieutenant.
Theodore T. Miller to be lieutenant.
Erik G. Hakansson to be medical inspector.
Walter H. Bicknell to be pay inspector.
Alexander Sledge to be naval constructor.
George D. Wetsel to be civil engineer with rank of commander.
Valentine J. McManus to be civil engineer with rank of commander.
Hugo C. Fischer to be civil engineer with rank of commander.
Lewis N. Moeller to be civil engineer with rank of commander.
Andrew G. Bisset to be civil engineer with rank of commander.
Joseph F. Jelley, Jr., to be civil engineer with rank of lieutenant.
Thomas L. Davey to be civil engineer with rank of lieutenant.
John E. Faigle to be civil engineer with rank of lieutenant.
Wesley H. Randig to be civil engineer with rank of lieutenant.
Archibald D. Hunter to be civil engineer with rank of lieutenant.
Hunt V. Martin to be civil engineer with rank of lieutenant.
Albert F. Schnell to be chief machinist.
Joseph M. Lenart to be chief machinist.
Stanton M. Trott to be assistant paymaster in the Navy, with the rank of ensign.
Philip H. Fox to be assistant paymaster in the Navy, with the rank of ensign.
Richard L. Myers to be assistant paymaster in the Navy, with the rank of ensign.
Randolph Meade, Jr., to be assistant paymaster in the Navy, with the rank of ensign.
Martin Miller to be assistant paymaster in the Navy, with the rank of ensign.
Herbert F. Leary to be rear admiral.
Archibald McGlasson to be captain.
Charles M. Cooke, Jr., to be captain.
Mervyn S. Bennion to be captain.
Gordon Rowe to be commander.
Christopher C. Miller to be commander.
Donald W. Loomis to be commander.
John S. Phillips to be commander.
Harry W. Need to be commander.
Earle W. Mills to be commander.
Harry D. Hoffman to be commander.
Isaiah Olch to be lieutenant commander.
Samuel K. Groseclose to be lieutenant commander.
Willard J. Suits to be lieutenant commander.
Cecil C. Adell, an additional number in grade, to be lieutenant commander.
Marion N. Little to be lieutenant commander.
Frederick L. Riddle to be lieutenant commander.
Whitaker F. Riggs, Jr. to be lieutenant commander.
Robert Hall Smith to be lieutenant commander.
Henry F. MacComsey to be lieutenant commander.
Chauncey Moore to be lieutenant commander.
Howard E. Oren to be lieutenant commander.
Eugene E. Elmore to be lieutenant commander.
Howard D. McIntosh to be lieutenant commander.
Donald H. Johnston to be lieutenant commander.
Lloyd D. Follmer to be lieutenant commander.
Emory P. Hylant to be lieutenant commander.
Harold M. Heming to be lieutenant.
George L. Heap to be lieutenant.
George M. Chambers to be lieutenant.
Mervin Halstead to be lieutenant.
George F. Kosco to be lieutenant.
John J. Shaffer, 3d, to be lieutenant.
Herschel A. House to be lieutenant.
George T. McCready, Jr., to be lieutenant.
John Hulme to be lieutenant.
Rudolph C. Bauer to be lieutenant.
William N. Wylie to be lieutenant.
Carlton R. Adams to be lieutenant.
Emmet O'Beirne to be lieutenant.
Scarritt Adams to be lieutenant.
Vernon L. Lowrance to be lieutenant.
Charles R. Herms to be lieutenant.
William O. Snead, Jr., to be lieutenant.
Charles H. Ostrom to be lieutenant.
Thomas J. Thornhill, Jr., to be lieutenant.
Lawrence E. Ruff to be lieutenant.
Nathan S. Haines to be lieutenant.
Ira E. McMillian to be lieutenant.
William Y. Allen, Jr., to be lieutenant.
John K. Bisson to be lieutenant.
Walter W. Strohbehn to be lieutenant.
James D. Whitfield, Jr., to be lieutenant.
Charles H. Andrews to be lieutenant.
Arthur H. Mayo to be pay director.
Omar D. Conger to be pay director.
Marvin F. Hathaway to be chief electrician.
Martin I. Lapp to be chief radio electrician.
Thomas E. Norris to be assistant paymaster, with rank of lieutenant (junior grade).
Howard F. Kuehl to be assistant paymaster, with rank of lieutenant (junior grade).
Harry S. Atherton to be assistant paymaster, with rank of lieutenant (junior grade).
Harold E. Cole to be assistant paymaster, with rank of lieutenant (junior grade).
William W. Hyland to be assistant paymaster with rank of ensign.
Thomas A. Brown to be assistant paymaster with rank of ensign.
Joseph M. Lyle to be assistant paymaster with rank of ensign.
Warren E. Oliver to be assistant paymaster with rank of ensign.

Constantine C. Mathas to be assistant paymaster with rank of ensign.
Herschel J. Goldberg to be assistant paymaster with rank of ensign.
John P. Kilroy to be assistant paymaster with rank of ensign.
Richard B. Winfield to be assistant paymaster with rank of ensign.
Stephen Sherwood to be assistant paymaster with rank of ensign.
Glenn W. Clegg to be assistant paymaster with rank of ensign.
Charles H. McCarthy, Jr., to be assistant paymaster with rank of ensign.
Ned J. Wentz to be assistant paymaster.
Joseph P. Rockwell to be lieutenant commander.
George C. Tasker to be pay inspector.

MARINE CORPS

Arnold F. Johnston to be first lieutenant.
Robert A. Black to be first lieutenant.
Cordon E. Hendricks to be first lieutenant.
John J. Cosgrove, Jr., to be first lieutenant.
Richard D. Hughes to be first lieutenant.
Kenneth D. Kerby to be first lieutenant.
Michael S. Currin to be first lieutenant.
Robert T. Stivers, Jr., to be first lieutenant.
Charles T. Tingle to be first lieutenant.
Harvey S. Walseth to be first lieutenant.
John M. Miller to be first lieutenant.
Henry B. Cain, Jr., to be first lieutenant.
Bernard E. Dunkle to be first lieutenant.
Gunner Robert A. McCook to be chief marine gunner.

POSTMASTERS

ARIZONA

Emory D. Miller, Nogales.

ALABAMA

Robert B. Vail, Bay Minette.
Ruth Duffey, Dadeville.
Emmett M. Wimberley, Reform.
Craig Smith Robbins, Selma.

ARKANSAS

Charles F. Elza, Benton.
Maude Simpkins, Shirley.

COLORADO

Heman H. Davis, Springfield.

CONNECTICUT

Edward M. Doyle, Bantam.
Martin M. J. Murray, Falls Village.
Harry W. Potter, Glastonbury.
Nellie A. Byrnes, Pomfret.
Willis Hodge, South Glastonbury.

FLORIDA

Nannie Moye, Fort Barrancas.
James E. Wall, Sr., Tampa.

GEORGIA

James Homer Hart, Ellaville.
Rhesa S. Farmer, Louisville.

IDAHO

Mary K. Will, Kuna.
Fred L. Cruikshank, Montpelier.
Wando J. Andrasen, St. Anthony.

ILLINOIS

William J. Fahey, Bloomington.
Narcisse L. Marcotte, Bourbonnais.
Bernard G. Finnegan, Bradford.
Esther R. Webb, Buda.
Conrad C. Miller, Chadwick.
Gilbert Jeptha Armstrong, Chandlerville.
Walter T. McCanna, Chillicothe.
Jaunita H. Whitten, Coffeen.
Arthur L. Larson, Des Plaines.
Philip G. Barron, Du Quoin.
James F. Grogan, Elmhurst.
Harold R. Tomb, Eureka.
James A. Cragan, Evansville.
Beryl J. Donaldson, Farina.
John P. Hook, Jr., Fulton.
Edward P. Malone, Gilman.
Anna E. Sullivan, Grand Tower.
David McGrath, Hampshire.
James R. Maher, Hillside.
Charles M. McCoy, Hutsonville.
Clifford W. Brewer, Knoxville.
Carl E. Saur, Malta.
Joseph A. Maier, Marseilles.
Joe W. Wilson, Morrison.
Blanche B. Hood, Mound City.
Harold E. Young, Mounds.
George Huthmacher, Murphysboro.
John R. Sheehan, Ohio.
Henry Cottlow, Oregon.
O. Cammie Seeders, Palestine.
Thomas J. Cody, Peoria.
Hugh J. Gorman, Peotone.
William C. Dufrenne, Prairie du Rocher.
David W. Leigh, Ramsey.
William W. Sloan, Rockton.
Ross St. Clair Tary, Seaton.
Edgar V. Galloway, Shawneetown.
Merr L. Abbott, Sheridan.
Curtis E. Veach, Valier.
Irvin M. Lewis, Walnut.
Mathew L. McHugh, Westmont.

INDIANA

Ira Clouser, Crawfordsville.
William L. Eastin, Ewing.
Orel J. Montgomery, Holton.
Pauline M. Rierden, Montezuma.
William N. Burns, Otterbein.
Carl A. Waiz, Sellersburg.

IOWA

Joseph F. Rettenmaier, Carroll.
Martin W. Brockman, Clarksville.
Nettie Blair Lewis, Columbus Junction.
Albert B. Mahnke, Greene.
John N. Day, Klemme.
Russell G. Mellinger, Oakville.
Edward Van Zante, Pella.
Harris D. MacGugin, Wellman.

KANSAS

Hugo A. Simonton, Alta Vista.
Jesse T. Poland, Barnes.
Dixie Elliott, Blue Rapids.
Jane Waters, Bonner Springs.
Samuel E. Notestine, Burdett.
James W. O'Connor, Chapman.
James D. Egbert, Cimarron.
Benjamin F. Hemphill, Clay Center.
Alexander A. Niernberger, Collyer.
Asa I. Cox, Colony.
Elmer R. Eyman, Deerfield.
Mildred F. Atkinson, De Soto.
Carl A. Gibson, Dighton.
Mae S. Hodgson, Downs.
Charles A. Hegarty, Effingham.
Walter S. Davis, Florence.
Fred V. Morgan, Greeley.
Warren D. Gilmore, Highland.
John J. Lindsay, Horton.
William A. Hess, Humboldt.
Bryan F. Scarborough, Iola.
Charles R. Hollenberg, Irving.
Stephen E. Murray, Jamestown.

Pearl E. Holmes, Kincaid.
Harry T. Fish, La Crosse.
Lee Calvin, La Cygne.
Axel A. Peterson, La Harpe.
Lottie Victor, Larned.
Hazel R. Craft, Lewis.
Jack W. Boyle, McDonald.
Harry M. Brodrick, Marysville.
Cecil C. Pember, Olathe.
Edmund C. Turner, Overland Park.
Lawrence W. Leisure, Pleasanton.
Richard S. Ikenberry, Quinter.
George J. Smith, Summerfield.
James A. Hanks, Wetmore.

KENTUCKY

Katy Mullins, Mount Vernon.
William Lester Tarter, Science Hill.

LOUISIANA

Marvin A. Kent, De Quincy.
Felix J. Orgeron, Harvey.
Vivien T. Swords, Kinder.
James R. Wooten, Monroe.
William E. Brock, Natchitoches.
Arthur Deshotels, Washington.

MAINE

John L. Tarr, Anson.
Lee M. Rowe, Bryant Pond.
Willis H. Allen, Columbia Falls.
Erma G. Maxim, Corinna.
Leon C. Weed, Deer Isle.
Elsie S. Dow, Eagle Lake.
John A. Lyons, East Millinocket.
Leo V. Keenan, Mars Hill.
George E. Dugal, St. Agatha.
Earll W. Gott, South West Harbor.
George H. Foster, Unity.
Orrin V. Drew, Vinalhaven.
Fred T. Eaton, York Harbor.

MARYLAND

Charles H. Wilson, Forest Hill.
Malcolm F. Caplan, St. Michaels.

MASSACHUSETTS

Charles L. Goodspeed, Dennis.

MICHIGAN

Clare E. Richardson, Augusta.
Joseph W. Harlan, Davison.
Leonard J. McGraw, Engadine.
David L. Treat, Flint.
Floyd T. King, Marysville.
William M. Zeitler, Republic.
Gordon W. Huffman, Tustin.
Joseph R. Haferkorn, Vulcan.
Clayton H. Norton, Walkerville.

MINNESOTA

Joseph A. Heimer, Adams.
William L. Ward, Anoka.
Thomas Hughes, Bemidji.
Patrick V. Ryan, Caledonia.
John M. Augustin, Comfrey.
Albert O. McEachern, Delano.
Norman M. Brown, Ely.
Isaac R. Lamppa, Jr., Embarrass.
Gladys M. Freeman, Franklin.
James F. Fahey, Graceville.
Earl Stanton, Hayfield.
Carl S. Nygren, Lake City.
Robert A. Collopy, Lake Elmo.
John Claude Gowan, Ortonville.

MISSOURI

Alfred M. Pondrom, Florissant.
Sadocia B. Herndon, Fulton.
Pat Melone, Jamesport.
Frank E. Sibley, Matthews.
Elmer S. Foster, Neelyville.
Charles F. Halligan, Union.
John H. Dickbrader, Washington.

NEBRASKA

Max C. Jensen, Bridgeport.
Hjalmar A. Swanson, Clay Center.
Clifford R. Frasier, Gothenburg.
Harold C. Menck, Grand Island.
Hugo Stevens, Kilgore.
William Vogt, Jr., Oakland.
Lula Newman, Wallace.

NEVADA

Roy T. Williams, Minden.

NORTH DAKOTA

John M. McCabe, Belfield.
Andrew O. Williams, Bottineau.
Herman A. Emanuel, Crosby.
Altha B. Waddell, Forbes.
Charles C. Shearer, Flasher.
James R. Turner, Fort Yates.
Karl E. Fischer, Hague.
Francis Oscar Johnson, Hillsboro.
John A. Hamilton, McClusky.
John F. Swanston, McVille.
John E. Hunter, Mayville.
William T. Wakefield, Mott.
Erick J. Moen, Osnabrock.
Bennie M. Burreson, Pekin.
John D. Prindiville, Rutland.
Nicholas J. Krebsbach, Velva.
James F. Keaveny, Wales.
Hans C. Nelson, Washburn.
Margaret T. Rogers, Zap.

OHIO

Charles M. Easley, Bloomdale.
Harold Q. Overholser, Camden.
Charles J. Bocklet, Cincinnati.
Paul D. Fleming, Cardington.
John B. Neth, Covington.
Leslie O. Campbell, Georgetown.
James M. Ruckman, La Rue.
Herman E. Homberger, Mansfield.
James H. Smith, Middleport.
John L. O'Hara, New London.
Stanley F. Kimmel, New Madison.
Donald K. Studer, Whitehouse.
Thomas H. Rice, New Vienna.
Paul R. Clemson, Thornville.

OKLAHOMA

Logan E. Lentz, Ames.
Lee Kennedy, Broken Bow.
James W. King, Checotah.
Cloyd H. Burton, Commerce.
Pauline M. Angevine, Dewey.
Erwin D. Keys, Earlsboro.
James Jones Quarles, Jr., Fairfax.
Branson N. Bills, Gotebo.
Jesse W. Keith, Haileyville.
Cyril M. Surry, Hartshorne.
Hugh Johnson, Hugo.
Georgie M. Jeffers, Inola.
Hiram Impson, McAlester.
Rex T. Strickland, Madill.
Omri Bud Autry, Marietta.
Chester E. Halley, Minco.
Kinley Case, Paden.
John V. Cavender, Porum.
Monroe Burton, Poteau.
Theodore C. Bowling, Pryor.
Guy B. Hilton, St. Louis.

Kib H. Warren, Shawnee.
John R. Redwine, Jr., Spiro.
John C. Bennett, Tishomingo.
Harry James Barclay, Tonkawa.
Tom L. Pike, Weleetka.

OREGON

Robert H. Fox, Bend.
May B. Johnson, Madras.
William J. McLean, Kerby.
Ermel H. Hosley, Chiloquin.

PENNSYLVANIA

Daniel J. McDonough, Ardmore.
James P. Bryan, Beaver.
Daniel E. Hartman, Benton.
Lewis M. Sutton, Camp Hill.
Francis P. Kelly, Carbondale.
Martin A. King, Clarks Summit.
Grace Brubaker, Claysburg.
Amy A. Short, Conway.
Beulah E. Hayden, Dalton.
Ethel G. Davis, Duncansville.
Laura E. Rich, Enola.
Dominick Franceski, Forest City.
Glenn C. Meyers, Gardners.
William L. Nolder, Grampian.
Raymond R. Kinsinger, Halifax.
Walter C. Blessing, Hellam.
Thomas H. Black, Hershey.
Harry A. McIntosh, Hollidaysburg.
John L. Clover, Knox.
Stephen F. Payer, McAdoo.
Robert O. Lamborn, Madera.
Helen T. Henrie, Meshoppen.
Emery C. Mahaffey, Mahaffey.
John C. Tritch, Middletown.
Elmer G. Corter, Mill Hall.
John M. Langan, Moscow.
William J. Burke, Mount Carmel.
James W. Hatch, North Girard.
John H. Snyder, Richfield.
Robert E. Spancake, Ringtown.
Paul A. Martin, Roaring Spring.
Joseph F. Conrad, Scranton.
James D. Creary, Shenandoah.
Robert D. Fister, Shillington.
John E. Blair, Shippensburg.
Otis C. Quimby, Springboro.
Harold I. Haines, Thompsontown.
Olive W. Aucker, Tionesta.
Rosanna McGee, Towanda.
John D. Cox, Tyrone.
Fred A. Entrot, Union Dale.
Joseph P. Caufield, Verona.
Hazel B. Davis, Westfield.
J. Richard Hancock, Williamstown.
Charles M. Boyer, York Springs.
Frank A. Crippen, Youngsville.

RHODE ISLAND

Winfred C. Kingsley, Wickford.

TENNESSEE

Donald B. Todd, Etowah.
Joseph M. Dedman, Columbia.
Harry M. Calloway, Lenoir City.
William Gupton, Nashville.
Katherine P. Hale, Rogersville.

TEXAS

Martin N. Guest, Aspermont.
S. Scott Pegues, Crystal City.
Fred E. Horton, Greenville.
Jessie L. Kay, Lytle.
Jack V. Gray, Rotan.
Frederick I. Massengill, Terrell.

VERMONT

Mary A. Keleher, Bethel.
William T. Johnson, Hardwick.
John E. Stewart, Morrisville.
Alson Leon Esty, Richford.
John J. Cain, Orwell.
Waldo K. Powers, Vergennes.
Mabel R. Turner, Rupert.
Irving E. Bronson, Swanton.
Ruth A. Randall, Wells River.

VIRGINIA

Franklin O. Caffrey, Bumpass.
William H. Smith, Jr., Charlotte Court House.
Lena S. Perkins, Cedar Bluffs.
Robert W. Ervin, Dante.
Beveridge B. Cox, Gate City.
James G. Albert, Honaker.
John L. Sibold, Pembroke.
John W. Wright, Roanoke.
Joseph S. Rasnick, St. Paul.
Alice H. Tyler, Warsaw.
William A. Miller, Washington.

REJECTIONS

Executive nominations rejected by the Senate June 13 (legislative day of June 7) 1938

POSTMASTERS

PENNSYLVANIA

Arthur B. Clark to be postmaster at Altoona, in the State of Pennsylvania.

James F. Boran to be postmaster at Minersville, in the State of Pennsylvania.

Harry H. Schaicher to be postmaster at Newton Square, in the State of Pennsylvania.

Nevin L. Wuchter to be postmaster at Orwigsburg, in the State of Pennsylvania.

James H. Rattigan to be postmaster at Pottsville, in the State of Pennsylvania.

James K. Bell to be postmaster at Warren, in the State of Pennsylvania.

HOUSE OF REPRESENTATIVES

MONDAY, JUNE 13, 1938

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Christ of Judah, O Christ of God, let Thy name prevail from age to age. May praise and gratitude to Thee wait in all hearts. May we be blest in the folds of divine companionship and in the fellowship of man, thus we become related to the precious things of life. Give us the farsight of the soul that sees through all shadows and the ears that hear through all discords the clear note of the coming day. Bless us all with bigness of life and with richness of soul; hold us each day in the fold-clasp of the Good Shepherd. Almighty God, to Thee we pray, to Thee we cry: This ageless world seems to be rocking upon its very foundations. It seems to be breaking away from God and becoming dehumanized in the hell of hate and war. On bended knee we beseech Thee to stop the ravages and the slaughter of undeclared war, and Thine shall be the praise. In the name of our Elder Brother. Amen.

The Journal of the proceedings of Saturday, June 11, 1938, was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Latta, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and joint resolutions of the House of the following titles:

On June 10, 1938:

H. R. 9996. An act to authorize the registration of certain collective trade-marks;

H. J. Res. 667. Joint resolution to authorize an appropriation to aid in defraying the expenses of the observance of the seventy-fifth anniversary of the Battles of Chickamauga, Ga.; Lookout Mountain, Tenn.; and Missionary Ridge, Tenn.; and commemorate the one hundredth anniversary of the removal from Tennessee of the Cherokee Indians, at Chattanooga, Tenn., and at Chickamauga, Ga., from September 18 to 24, 1938, inclusive, and for other purposes; and

H. J. Res. 582. Joint resolution supplementing and amending the act for the incorporation of Washington College of Law, organized under and by virtue of a certificate of incorporation pursuant to class 1, chapter 18, of the Revised Statutes of the United States relating to the District of Columbia.

On June 11, 1938:

H. R. 10643. An act to amend the act of August 9, 1935 (Public, No. 259, 74th Cong., 1st sess.);

H. J. Res. 658. Joint resolution for the designation of a street or avenue to be known as "Maine Avenue"; and

H. J. Res. 672. Joint resolution for the designation of a street to be known as "Oregon Avenue," and for other purposes.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. St. Claire, one of its clerks, announced that the Senate had passed a joint resolution of the following title, in which the concurrence of the House is requested:

S. J. Res. 308. Joint resolution to prescribe the acreage allotments for wheat for 1939.

The message also announced that the Senate agrees to the amendments of the House to the amendments of the Senate Nos. 101, 107, and 113 to the bill (H. R. 10238) making appropriations for the Department of Agriculture and for the Farm Credit Administration for the fiscal year ending June 30, 1939, and for other purposes.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3845) entitled "An act to create a Civil Aeronautics Authority, and to promote the development and safety and to provide for the regulation of civil aeronautics."

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 10594. An act to provide for the creation, organization, administration, and maintenance of a Naval Reserve and a Marine Corps Reserve.

The message also announced that the Senate insists upon the amendments to the foregoing bill, requests a conference with the House thereon, and appoints Mr. WALSH, Mr. GERRY, and Mr. JOHNSON of California to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10315) entitled "An act to amend the Merchant Marine Act, 1936, to further promote the merchant-marine policy therein declared, and for other purposes."

ORDER OF BUSINESS

Mr. SNELL. Mr. Speaker, may I ask that the Speaker or the majority leader, as far as they are able, give us some information about the program that will be followed today?

The SPEAKER. The Chair will ask the gentleman from Texas [Mr. RAYBURN] to reply to that inquiry.

Mr. RAYBURN. Mr. Speaker, the program from now on has been handed to the Speaker. Of course, today is District day. How much time the committee will take I do not know. Then Mr. BLAND's committee has a conference report.

Mr. SNELL. A conference report from Mr. BLAND's committee?

Mr. RAYBURN. Yes.

Mr. BLAND. On H. R. 7158.

Mr. RAYBURN. I think it is also the intention to recognize the gentleman from Ohio [Mr. CROSSER] to suspend the rules on the railroad retirement bill. Then what other conference reports are on the Speaker's table I do not know.

Mr. MAPES. May I ask, will the conference report on the food and drug bill be brought up today?

Mr. RAYBURN. There will be a conference report on the stream-pollution bill. If possible, we may get to the food and drug bill. Then there is a conference report on a bill which comes from the Ways and Means Committee, although I do not know which one that is.

Mr. SNELL. That is in connection with the administration of customs.

Mr. RAYBURN. That is as far as I can go. There are some special rules, seven in number.

Mr. SNELL. Later in the day will the gentleman from Texas give us the order in which they will be called?

Mr. RAYBURN. I can give you the order in which the rules will be called now.

The first will be House Resolution 523, pertaining to rotary planes; Resolution 92, radio investigation; Resolution 498, merchant marine inquiry; Resolution 522, the Camp Springs airport bill; Resolution 524, Mexican claims, which is a Senate bill; Resolution 526, the institution of fine arts.

I understand from the chairman of the Rules Committee a rule was reported this morning on a bill by the gentleman from West Virginia [Mr. RAMSAY], having to do with assumption of risks.

Mr. O'MALLEY. Will the gentleman yield?

Mr. RAYBURN. I yield to the gentleman from Wisconsin.

Mr. O'MALLEY. Is it intended to bring up the resolution for the creation of a bureau of fine arts today?

Mr. RAYBURN. Not today. I do not think it can be reached, because that is the sixth rule reported.

EXTENSION OF REMARKS

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to print in the RECORD an address I delivered over station WIRE, of Indianapolis, Ind.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. ANDERSON of Missouri. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD, and to include a resolution by the Allied Veterans' Committee pertaining to hospitalization at Jefferson Barracks, St. Louis County, Mo.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. PACE. Mr. Speaker, I ask unanimous consent to address the House.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. PACE. Mr. Speaker, the farm legislation enacted at this session of Congress has not solved our agricultural problem and will not bring the early relief to which the 30,000,000 farmers of this Nation are entitled. I am greatly disturbed about the conditions facing our farm population, particularly in the South, and I wish to call to the attention of the Members

of the House the absolute necessity of adopting before we adjourn that provision in the so-called recovery or pump-priming bill which appropriates $212,000,000 to be applied toward the payment of parity prices for farm commodities.

While this recovery bill was pending in the House we were unable to get the committee to include any money for the direct benefit of the farmers, and nearly all of the billions carried in that bill are for the special benefit of those who live in the cities and great industrial centers. The bill included $1,250,000,000 for W. P. A. for 7 months, $75,000,000 for N. Y. A., $175,000,000 for the Farm Security Administration for loans and rehabilitation, $965,000,000 for W. P. A. projects, $130,000,000 for public buildings, $100,000,000 for rural electrification, and $300,000,000 additional for housing or city slum clearance.

But when that bill was under consideration in the Senate, the junior Senator from Georgia, Hon. RICHARD B. RUSSELL, Jr., proposed and succeeded in having adopted the following amendment:

> There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, to be available until expended, the sum of $212,000,000 to enable the Secretary of Agriculture to make price-adjustment payments to producers of wheat, cotton, corn in the commercial corn-producing area, the kinds of tobacco for which farm-acreage allotments were established under the 1938 agricultural conservation program, and rice upon the normal yield of the farm-acreage allotment established for the commodity under the 1939 agricultural conservation program. Such payments shall not be made with respect to any farm on which the acreage planted to the commodity for harvest in 1939 exceeds the farm-acreage allotment for the commodity established under said 1939 agricultural conservation program. The rates of such payments shall not be less than 10 cents per bushel in the case of wheat, 2 cents per pound in the case of lint cotton, 5 cents per bushel in the case of corn, 1 cent per pound in the case of any of the foregoing kinds of tobacco, and one-fifth cent per pound in the case of rough rice: *Provided*, That if a smaller rate shall be sufficient to bring the average farm price for any commodity to 75 percent of the parity price, the payments with respect to such commodity shall be made at such smaller rate. If funds should remain after payments were made at the foregoing rates, said rates of payment may be increased. Any increases in such rates shall be made so as to bring the average return to producers from each commodity, including the payment hereunder, as nearly as may be possible to a uniform percentage, not in excess of 75 percent of the parity price.

This amendment will probably come to us for consideration within the next few hours and I hope it will receive your approval. I know it will receive your sympathetic consideration if you fully understand the conditions existing in our great farming sections today.

In the new farm bill which was enacted during the first part of the present session of Congress, and which was approved by the President on February 16, a specific promise was made to the farmers that we would undertake to secure parity prices for them. Section 303 of that act provides as follows:

> If and when appropriations are made therefor, the Secretary is authorized and directed to make payments to producers of corn, wheat, cotton, rice, or tobacco, on their normal production of such commodities in amounts which, together with the proceeds thereof, will provide a return to such producers which is as nearly equal to parity price as the funds so made available will permit. All funds available for such payments with respect to these commodities shall, unless otherwise provided by law, be apportioned to these commodities in proportion to the amount by which each fails to reach the parity income. Such payments shall be in addition to and not in substitution for any other payments authorized by law.

You understand, I presume, that parity, as applied to prices for agricultural commodities, is defined to be the price which will give to the commodity the purchasing power with respect to articles that farmers buy equal to the purchasing power which such commodity had during the period from August 1909 to July 1914. It was during those years that the prices which the farmer received for his products and the prices which he had to pay for manufactured articles and necessities were on a fair or equal basis. As it is now, the prices of the farmers' products have gone down while the prices of the things he must buy have gone up and therefore they are not on a fair basis or parity. In the May report of the Bureau of Agricultural Economics, it is shown that the parity prices of certain farm commodities were as follows:

	Cents
Cotton	16.1
Corn	83.5
Wheat	114.9
Peanuts	6.2

That means that, as compared with the things he has to buy, the farmer should today be receiving 16.1 cents for his cotton, 83.5 cents for his corn, $1.15 for his wheat, and $125 per ton for his peanuts, while he is actually receiving only about one-half of those prices.

It is only through Government assistance that the cotton farmer can hope to receive anything like a parity price for his cotton during the next 2 or 3 years. The report on the cotton situation by the Department of Agriculture on April 26 shows that the domestic consumption of cotton during the current season will be from 1,750,000 to 2,125,000 bales less than the consumption of 1936–37; that the consumption in February of this year was 20 percent less than in February last year, and this March was 9 percent less than last March. About the same situation exists abroad. From August through March our exports of cotton to Japan were only about one-third as large as during the first 8 months of 1936–37. Consumption of all kinds of cotton in foreign countries is running about 8 percent less than a year ago. Yet we had the greatest production of cotton last year ever known, producing 18,746,000 bales in the United States and 20,054,000 bales in other countries, a total of nearly 40,000,000 bales.

The Department now estimates that on August 1, when we start gathering another cotton crop, we will then have on hand in this country at least 13,000,000 bales, or more than a year's supply for domestic consumption and export, and that the carry-over of foreign cotton will be at least 10,000,000 bales. This will be a total carry-over on August 1 of 23,000,000 bales and will be 10,000,000 bales more than was on hand on August 1, 1937. These are not cheerful facts and figures and offer no hope for a rise in the price of cotton for several years to come.

Only through Government cooperation can our peanut producers hope to realize parity price for their peanuts; this cooperation to be either in the form of financial assistance or through protection against foreign imports. The price of peanuts is not controlled or influenced in the least by the nut itself or its edible value, but is governed entirely by the rise and fall in the price of fats and oils; that is, peanuts have no market of their own and the peanut producer is entirely dependent on the oil market. If we would substantially reduce or prohibit the importation of foreign oils, it would be immediately reflected in a better price for the peanut producers of this Nation.

When the farmer produces a bale of cotton he also produces 1,000 pounds of cottonseed, which he sells to the mills to be processed into cottonseed oil and meal. During the past season the farmer has received about $10 per 1,000 pounds for these cottonseed, due to the enormous supply of domestic and foreign oils. While we have no control over the production of cotton in foreign countries, we can control and prohibit these foreign producers from shipping their cottonseed oil into this country in competition with our own farmers. If the tariff on these foreign oils is raised to where they cannot enter this country, it will mean a much better price to the cotton farmer for his cottonseed and in part help him bear the loss he must take on his cotton, as the present price of cotton does not pay the cost of production.

The following report from the Department of Commerce on April 30 shows the enormous quantities of foreign fats and oils imported into this country during the first 3 months of this year and gives you some idea of what the American farmer is up against:

Fats and oils imported for consumption, quarter ending Mar. 31, 1938

[The quantities entered for warehouse and not yet withdrawn are not included]

KIND AND POUNDS	
Animal oils and fats, edible	885,370
Tallow, inedible	350,841
Wool grease	565,333
Whale oil	3,100,425
Cod oil	5,655,990
Cod-liver oil	130,898
Other fish oil	146,325
Stearic acid	7,056,038
Cottonseed oil, crude	38,818
Cottonseed oil, refined	7,372,000
Corn oil	5,840,565
Peanut oil	183,166
Palm-kernel oil	60,603
Olive oil, edible	20,763,021
Olive oil, sulphured	1,372,738
Olive oil, other inedible	851,974
Tung oil	28,046,191
Coconut oil	92,208,124
Palm oil	75,376,103
Soybean oil	2,015,440
Rapeseed (colza) oil	2,390,115
Linseed oil	50,095
Perilla oil	8,421,173
Teaseed oil	291,726
Oiticica oil	306,720
Sesame oil	342,255
Other vegetable oils	5,019,683
Fatty acids, vegetable	1,074,610
Carnauba wax	4,983,405
Other vegetable wax	793,459
Vegetable tallow	67,200
Glycerin, crude	1,852,477
Glycerin, refined	666,243
Grease and oils, n. e. s	$574

There should be more to the farm program than just reduction in the number of acres which a farmer can plant. We would not need so much reduction in production if we gave the American farmer better protection from foreign competition. How can the American farmer improve his standard of living and increase his purchasing power when he must sell his products in an open and unprotected market and in competition with the cheap labor in the other parts of the world?

While my main personal interest is in those farmers who produce cotton, corn, peanuts, and tobacco, which are the principal cash crops in my section, at the same time I want to be of all help I can to the wheat producers, and a report received today indicates that they will soon be facing a critical situation. This report forecasts a wheat crop of over 1,000,000,000 bushels to be added to the surplus already on hand of 200,000,000 bushels. This would be the largest wheat crop in American history, and with the expected consumption of only about 700,000,000 bushels will create a surplus in wheat of 500,000,000 bushels. So we are facing the greatest surplus ever known for both cotton and wheat. To move these surpluses out of storage and into the hands of the millions of our population who are today without sufficient food and without sufficient clothing is the great problem confronting us at this time along with that of saving our farmers from bankruptcy.

Since this parity payment appropriation was passed in the Senate I have heard some objection to our appropriating any more money for the benefit of the cotton farmers of the South. I am sure this objection could be made only by those who have not investigated the situation and do not understand conditions among our farm population and do not realize how the money which has been appropriated in the past has been distributed among the different States. Let us look at the figures for a minute. I have here a statement showing a summary of the rental and benefit payments through June 30, 1937, as follows:

Summary statement of rental and benefit payments through June 30, 1937

[U. S. Department of Agriculture, Agricultural Adjustment Administration, Records and Accounts Section]

State	Total	Farm population on Jan. 1, 1935
Alabama	$31,647,289.93	1,386,074
Arizona	2,374,317.43	100,083
Arkansas	37,415,288.56	1,180,238
California	16,835,225.09	608,838
Colorado	20,273,783.12	276,198
Connecticut	2,632,238.41	143,157
Delaware	547,769.84	48,558
Florida	3,430,547.70	319,658
Georgia	32,549,811.89	1,405,944
Hawaii	13,323,861.57	
Idaho	16,169,140.70	198,983
Illinois	71,413,115.94	1,017,650
Indiana	43,975,176.72	852,994
Iowa	114,794,863.34	967,979
Kansas	120,480,900.12	703,743
Kentucky	24,170,582.05	1,307,816
Louisiana	32,285,781.21	859,351
Maine	7,115.00	184,697
Maryland	4,108,224.58	241,596
Massachusetts	1,621,892.73	163,219
Michigan	11,081,698.83	840,514
Minnesota	40,647,866.91	928,487
Mississippi	35,440,849.74	1,332,981
Missouri	53,003,890.15	1,183,490
Montana	24,696,946.69	195,262
Nebraska	76,441,437.70	580,694
Nevada	187,929.64	15,385
New Hampshire	73,993.02	76,007
New Jersey	606,482.50	144,368
New Mexico	4,614,475.89	189,358
New York	707,981.67	784,483
North Carolina	33,192,859.02	1,623,481
North Dakota	52,033,842.07	385,614
Ohio	34,671,707.54	1,127,405
Oklahoma	64,687,862.49	1,015,562
Oregon	10,840,427.66	248,767
Pennsylvania	4,431,476.27	975,082
Philippine Islands	15,361,736.80	
Puerto Rico	18,121,878.23	
Rhode Island	7,284.49	21,751
South Caro'ina	22,623,343.66	948,445
South Dakota	40,282,824.78	358,204
Tennessee	21,806,672.65	1,308,420
Texas	146,249,556.30	2,332,693
Utah	4,903,740.03	138,242
Vermont	117,378.30	122,655
Virginia	8,477,222.94	1,053,460
Washington	21,426,105.08	335,840
West Virginia	948,979.83	561,919
Wisconsin	14,566,824.87	930,515
Wyoming	4,223,325.82	74,507
Total	1,356,354,537.50	31,800,907

The figures showing the distribution of the rental and benefit payments for 1937 are not available for the reason that the farmers in my section have not yet received these payments, although it is now the middle of June 1938 and although they are in most urgent need of the money. However, I do have a separate statement of the distribution for 1936, as follows:

1936 AGRICULTURAL CONSERVATION PROGRAM

Total paid to farmers under the 1936 program up to Nov. 30, 1937, $376,091,826, by States

State	Amount	Farm population on Jan. 1, 1935
Alabama	$10,924,968.22	1,386,074
Arizona	1,068,401.68	100,083
Arkansas	10,621,372.91	1,180,238
California	4,365,198.31	608,838
Colorado	4,424,088.07	276,198
Connecticut	363,671.89	143,157
Delaware	325,049.04	48,558
Florida	1,157,563.00	319,658
Georgia	11,153,148.73	1,405,944
Idaho	2,701,274.29	198,983
Illinois	16,403,436.24	1,017,650
Indiana	10,316,155.46	852,994
Iowa	27,631,216.77	967,979
Kansas	18,089,678.21	703,743
Kentucky	11,051,425.97	1,307,816

Total paid to farmers under the 1936 program up to Nov. 30, 1937, $376,091,826, by States—Continued

State	Amount	Farm population on Jan. 1, 1935
Louisiana	$7,140,378.54	859,351
Maine	337,311.21	184,697
Maryland	1,363,053.68	241,596
Massachusetts	209,724.57	163,219
Michigan	6,777,033.14	840,514
Minnesota	17,976,105.33	928,487
Mississippi	11,295,984.65	1,332,981
Missouri	12,680,020.08	1,183,499
Montana	6,989,435.67	195,262
Nebraska	14,902,179.92	580,694
Nevada	136,674.55	15,385
New Hampshire	94,851.12	76,007
New Jersey	314,238.60	144,368
New Mexico	2,882,779.58	189,358
New York	2,894,168.45	784,483
North Carolina	12,302,541.09	1,623,481
North Dakota	20,935,116.47	385,614
Ohio	9,346,718.55	1,127,405
Oklahoma	14,505,463.89	1,015,562
Oregon	1,926,729.45	248,767
Pennsylvania	2,770,567.84	975,082
Rhode Island	8,868.06	21,751
South Carolina	7,896,046.93	948,435
South Dakota	15,648,768.22	358,204
Tennessee	8,566,939.50	1,308,420
Texas	37,112,113.61	2,332,693
Utah	987,040.73	138,242
Vermont	294,890.70	122,655
Virginia	3,296,436.98	1,053,469
Washington	2,439,552.99	335,840
West Virginia	655,175.52	561,919
Wisconsin	11,111,056.90	930,515
Wyoming	1,170,668.03	74,507
Total		31,800,907

In addition to the rental and benefit payments, we appropriate funds each year to the Farm Security Administration for use in making loans and grants to farmers in need, and I wish to call your attention to the following statement of how these grants or gifts were distributed to the farmers of the different States during the years 1936 and 1937:

Statement of grants by States, fiscal years 1936 and 1937

States	Fiscal year 1936	Fiscal year 1937	Total	Farm population Jan. 1, 1935
Alabama	$49,046.44	$124,828.62	$173,875.06	1,386,074
Arizona	50,915.95	4,551.97	55,467.92	100,083
Arkansas	112,088.59	710,412.30	822,510.39	1,180,238
California	731,734.18	66,951.24	798,685.42	606,838
Colorado	811,512.46	381,180.20	1,192,692.66	276,198
Connecticut		3,507.50	3,507.50	143,157
Delaware	102.00	1,675.00	1,777.00	48,558
Florida	87,036.95	94,672.31	181,709.26	319,658
Georgia	89,135.90	361,619.50	450,755.40	1,405,944
Idaho	246,125.56	58,506.69	304,632.25	198,983
Illinois	300,717.64	740,811.71	1,041,529.35	1,017,650
Indiana	42,894.13	85,536.43	128,430.56	852,994
Iowa	47,637.48	602,343.97	649,981.45	967,979
Kansas	1,036,335.00	2,869,702.29	3,906,037.29	703,743
Kentucky	170,902.55	1,309,871.50	1,480,774.05	1,307,816
Louisiana	57,708.76	68,235.76	125,944.52	859,351
Maine	12,358.43	14,397.05	26,755.48	184,697
Maryland	2,080.55	4,185.00	6,265.55	241,596
Massachusetts	5,739.07	3,883.00	9,622.07	163,219
Michigan	253,446.49	123,801.75	377,248.24	804,514
Minnesota	511,495.83	1,225,168.11	1,736,663.94	928,487
Mississippi	132,762.04	165,361.99	298,124.03	1,332,981
Missouri	600,257.77	3,138,946.00	3,739,203.77	1,183,499
Montana	203,816.95	1,203,118.27	1,406,935.22	195,262
Nebraska	397,783.39	2,904,819.61	3,302,603.00	580,694
Nevada	6,142.50	990.00	7,132.50	15,385
New Hampshire	4,885.32	8,491.32	13,376.84	76,007
New Jersey	18,459.86	20,135.09	38,594.95	144,368
New Mexico	112,444.50	117,186.95	229,631.45	189,358
New York	64,138.29	36,907.27	101,045.56	784,483
North Carolina	231,611.97	103,878.01	335,489.98	1,623,481
North Dakota	1,655,539.21	5,720,595.79	7,376,135.00	385,614
Ohio	446,244.07	103,629.29	549,873.36	1,127,405
Oklahoma	887,627.39	3,226,728.33	4,114,355.77	1,015,562
Oregon	217,109.48	38,167.56	255,277.04	248,767
Pennsylvania	22,025.95	29,785.00	51,810.95	975,082
Rhode Island	11,446.11	3,188.67	14,634.78	21,751
South Carolina	43,154.98	156,702.41	199,857.39	948,435
South Dakota	2,397,638.37	5,959,018.92	8,356,657.29	358,204
Tennessee	114,314.02	74,494.16	188,808.18	1,308,420
Texas	1,316,057.32	736,102.89	2,052,160.21	2,332,693
Utah	265,906.38	76,769.55	342,726.93	138,242
Vermont	10,329.00	9,567.50	19,896.50	122,655
Virginia	6,057.05	12,739.50	18,796.55	1,053,469
Washington	456,293.93	102,394.31	558,688.24	335,840
West Virginia	125,358.33	168,130.50	293,488.83	561,919
Wisconsin	511,474.63	1,924,312.28	2,435,786.91	930,515
Wyoming	221,389.10	263,105.63	484,494.73	74,507
Total	15,099,352.07	35,161,099.75	50,260,451.82	31,800,907

You will notice on these statements I have shown the farm population in each of the States, for certainly this program is intended to help the individual farmer in every section of the country without any preference to the farmers in any particular State or section.

This distribution may be entirely fair and just, but I believe it is worthy of your earnest consideration. The only excuse I have ever heard of why so much more is paid to the farmers of the Western States than to the farmers of the Southern States is that all of the land in the South is poor, produces very little, and therefore our payments are small; yet we have thousands and thousands of acres which will produce a bale of cotton to the acre or a ton of peanuts to the acre or from 25 to 50 bushels of corn to the acre. And if any consideration is given to the question of need it would seem that on the theory that our land is poor and we cannot produce much per acre, then our need is greater and our benefits should be larger.

These figures show that my State, Georgia, has a farm population of 1,405,944 and up to June 30, 1937, had received a total in benefit payments of $32,549,811.89, while the State of Kansas with a farm population of 703,743, or exactly one-half of that of the State of Georgia, received $120,480,900.12, or with one-half the population that State received four times as much money, which gave each farmer in Kansas eight times as much as each farmer in Georgia. Then look at Iowa, with a farm population of 967,979, receiving $114,794,863.34; also look at North Dakota with a farm population of only 385,614, or one-fourth that of the State of Georgia, receiving $52,033,842.07, or nearly twice as much as the State of Georgia. South Dakota is about the same. And look at Nebraska, Illinois, and Indiana.

In the table showing grants it appears that my State with a farm population of 1,405,944 received only $450,000 in grants but the following States with a smaller farm population received the following: South Dakota, $8,356,657.29; North Dakota, $7,376,135; Nebraska, $3,302,603; Montana, $1,406,935.22; Missouri, $3,739,203.77; Minnesota, $1,736,663.94; Kansas, $3,906,037.29; Illinois, $1,041,529.35; Colorado, $1,192,692.66, and Wisconsin, $2,435,786.91. And Wyoming, with only 5 percent as large farm population as my State, receives more in grants. There may be some adequate and satisfactory explanation showing that this is a fair distribution of this money, but I want to hear a better one than just the statement that the lands in the South are all poor and the lands in the West are all rich.

For he that hath, to him shall be given; and he that hath not, from him shall be taken even that which he hath.

It would seem that it is still good advice to "Go West, young man, go West," there is still "gold in them thar hills" in the form of Government checks.

And while on this subject I call your attention to the following statement of how the $14,000,000 for the purchase of surplus farm commodities for last year was used:

Statement of purchases, fiscal year 1937

Commodity:	
Apples	0
Dried beans	$37,000
Cabbage	0
Carrots	
Cauliflower	85,000
Cheese	0
Cotton products	10,000
Eggs	2,275,000
Grapefruit	3,750,000
Dry skim milk	1,860,000
Evaporated milk	1,115,000
Onions	275,000
Dried peaches	252,000
Pears	341,000
Dried peas	160,000
Potatoes	675,000
Prunes	2,350,000
Sirup	100,000
Wheat	50,000
Butter	925,000
Total	14,260,000

N. B.—These commodities were purchased by the Agricultural Adjustment Administration but distributed by the Federal Surplus Commodities Corporation.

Last Wednesday the gentleman from Illinois [Mr. DIRKSEN], while we were discussing the activities of the Commodity Credit Corporation, said it presented "an excellent opportunity to make a rousing speech on the rise and fall of the prune. The prune has certainly come into a position of glory." I do not know so much about prunes, but surely we can class it as one of the minor farm commodities, as compared with cotton, and corn, and wheat, and so forth. But this statement shows that of $14,000,000 spent last year in buying up surplus farm commodities, nearly 20 percent of all of the money, or $2,350,000, was spent in buying prunes; and even a larger percent, or $3,750,000, was spent in buying grapefruit; nearly $3,000,000 for milk and over $2,000,000 for eggs. As I pointed out a few minutes ago, the two great surplus crops, with the greatest surpluses ever known in the history of the Nation, are cotton and wheat, and yet it appears that of all this money, only $50,000 was used in purchasing wheat and the pitiful sum of $10,000 for cotton products. All hail the glorious prune!

As we watch these millions go west, let us see what is being done with the billions appropriated for relief and recovery. When the relief bill was up for consideration a few weeks ago I called your attention to the fact that the following States of this Union—Alabama, Arkansas, Florida, Georgia, Louisiana, Mississippi, North Carolina, South Carolina, Tennessee, Texas, and Virginia—are those States that for many, many years, through good weather and bad, have stood by the Democratic Party. The population of these 11 States is approximately 29,000,000 people.

I also called your attention to the fact that the great State of Pennsylvania, with a population of 9,631,350, is now looked upon as a doubtful State and is Democratic for the first time in 40 years. I then called your attention to the fact that the one State of Pennsylvania received more W. P. A. funds last year than all of these 11 Southern States combined. Here are the official figures:

State	Population, 1930 census	Works Progress Administration expenditures, fiscal year 1937
Alabama	2,646,248	$18,850,556.85
Arkansas	1,854,482	6,732,082.62
Florida	1,468,211	17,097,083.98
Georgia	2,908,506	20,607,593.85
Louisiana	2,101,593	22,118,440.62
Mississippi	2,009,821	15,516,880.88
North Carolina	3,170,276	14,620,166.46
South Carolina	1,738,765	13,761,813.28
Tennessee	2,616,556	18,845,424.43
Texas	5,824,715	39,464,816.91
Virginia	2,421,851	13,332,415.69
Total, 11 States	28,761,024	210,750,000.00
Pennsylvania	9,631,350	214,565,000.00

The State of New York is also regarded as doubtful politically, at times. It appears that New York City received $241,215,600.98, and the balance of New York State received $80,216,460.52, making a total for the entire State of $321,432,061.50.

This gave the two States, Pennsylvania and New York, a total for the fiscal year 1937 of $535,997,000. The total W. P. A. funds available was $1,899,069,166.44, and you will see that these two States alone received almost 30 percent of the funds for the entire Nation.

They are both great States, with great industrial centers. They have problems which deserve our sympathetic consideration, but I cannot believe that the needs in these two States, as compared with conditions in the South, are such as to justify expenditures for New York and Pennsylvania of nearly three times the amount expended in the 11 Southern States, or $535,000,000 for 2 and $210,000,000 for 11.

These figures are taken from the testimony of Mr. Harry Hopkins, W. P. A. administrator, given before the Appropriations Committee of this House on April 20. The statement of expenditures which he filed with that committee being as follows:

Works Progress Administration expenditures, by States, fiscal year 1937

	Amount
Alabama	$18,850,556.85
Arizona	6,732,082.62
Arkansas	16,540,629.40
California	103,346,497.91
Colorado	21,321,165.33
Connecticut	19,385,670.26
Delaware	1,734,515.24
District of Columbia	9,272,679.10
Florida	17,097,083.98
Georgia	20,607,593.85
Idaho	5,721,570.04
Illinois	130,642,639.74
Indiana	53,715,017.17
Iowa	18,520,679.70
Kansas	27,888,660.17
Kentucky	26,747,501.97
Louisiana	22,118,440.62
Maine	6,580,594.42
Maryland	12,570,110.55
Massachusetts	93,315,532.46
Michigan	59,824,089.66
Minnesota	43,513,128.17
Mississippi	15,516,880.88
Missouri	54,838,411.49
Montana	12,929,022.35
Nebraska	16,636,992.64
Nevada	1,627,304.94
New Hampshire	6,250,099.16
New Jersey	75,867,022.05
New Mexico	7,572,630.28
New York City	241,215,600.98
New York (excluding New York City)	80,216,460.52
North Carolina	14,620,166.46
North Dakota	16,266,591.13
Ohio	120,643,471.92
Oklahoma	34,647,647.40
Oregon	13,621,167.17
Pennsylvania	214,565,157.88
Rhode Island	8,765,128.17
South Carolina	13,761,813.28
South Dakota	19,284,459.09
Tennessee	18,845,424.43
Texas	39,464,816.91
Utah	7,717,903.32
Vermont	2,577,378.03
Virginia	13,332,415.69
Washington	25,135,615.86
West Virginia	28,580,714.60
Wisconsin	47,043,373.83
Wyoming	3,176,166.86
Central textile advance account adjustment	−1,772,065.18
Alaska	4,422.65
Hawaii	2,574,496.65
Puerto Rico	32,238.33
Virgin Islands	3,993.32
Central office administrative expense	7,459,804.09
Grand total	1,899,069,166.44

From this statement you will see that of the $1,890,000,000 spent for W. P. A. last year, 8 States—Illinois, Indiana, Massachusetts, Michigan, New Jersey, New York, Ohio, and Pennsylvania—with a total population of only 52,000,000, received $1,070,003,000, leaving the other 40 States and the District of Columbia with only $870,000,000. Here are the figures:

Works Progress Administration expenditures, by States, fiscal year 1937

State	Amount	Population
Illinois	$130,642,000	7,630,654
Indiana	53,715,000	3,238,503
Massachusetts	93,315,000	4,249,614
Michigan	59,824,000	4,842,325
New Jersey	75,867,000	4,041,334
New York	321,432,000	12,588,066
Ohio	120,643,000	6,646,697
Pennsylvania	214,565,000	9,631,350
Total	1,070,003,000	52,868,543

Since then I have made some further investigation and have secured the figures showing the total expenditures in

the 11 Southern States mentioned and in the States of New York and Pennsylvania for the period from March 4, 1933, until January 1, 1938, covering the six principal relief or recovery agencies, as follows:

Total expenditures, by States, during the period from Mar. 4, 1933, through Dec. 31, 1937, and population according to 1930 official census

State	Civil Works Administration	Federal Emergency Relief Administration	Social Security Act	Public Works Administration	Works Progress Administration	Public buildings (Treasury)	Total for State	Population
Alabama	$15,708,874	$50,546,780	$3,249,278	$15,390,388	$40,254,453	$1,120,634	$126,270,407	2,646,248
Arkansas	11,365,667	46,980,969	2,620,857	22,831,577	34,556,332	896,415	119,251,817	1,854,482
Florida	15,293,607	49,890,781	1,886,078	28,551,141	38,364,364	1,639,307	135,625,278	1,468,211
Georgia	12,996,496	53,083,583	1,739,608	24,331,242	44,247,455	1,203,359	137,601,743	2,908,506
Louisiana	12,805,388	49,971,312	3,974,357	29,149,172	47,829,174	592,772	144,322,175	2,101,593
Mississippi	8,297,883	34,793,392	1,671,818	33,327,012	30,807,951	1,313,933	110,211,989	2,009,821
North Carolina	12,143,150	59,898,184	2,404,004	25,736,399	31,640,977	2,170,723	113,993,437	3,170,276
South Carolina	9,127,881	37,251,842	1,172,886	22,741,499	27,853,638	1,012,564	99,160,310	1,738,765
Tennessee	12,695,596	37,802,879	2,055,186	35,037,620	38,758,500	1,403,830	127,753,611	2,616,556
Texas	31,695,716	98,456,763	17,639,069	60,560,916	84,120,304	6,198,291	307,671,059	5,824,715
Virginia	11,865,284	26,302,851	1,315,504	72,807,368	29,629,018	1,448,962	143,368,987	2,421,851
Total	153,995,542	524,979,336	39,728,645	379,464,334	448,062,166	19,090,790	1,565,230,813	28,761,024
New York	79,476,366	411,586,244	28,993,276	211,159,736	700,007,330	12,926,162	1,444,149,114	12,588,066
Pennsylvania	44,983,254	298,072,735	22,065,365	112,196,142	423,424,873	3,105,589	903,847,958	9,631,350
Total	124,459,620	709,658,979	51,058,641	323,355,878	1,123,432,203	16,031,751	2,347,997,072	22,219,416

I want you to study the figures shown in this table, for it appears that through these 6 agencies these 11 Southern States during the 5 years received a total of $1,565,230,813, while the one State of New York received $1,444,149,114, or nearly as much as the 11 States combined, and that the two States of New York and Pennsylvania received a total of $2,347,997,072.

After I discussed this matter on the floor a few weeks ago one of the Members came to me and said, "Yes; we get most of the W. P. A. money, but you get all of the Rural Electrification money." I told him that I thought that the Rural Electrification was for the farming sections which did not have electric power and felt sure that we should be getting most of that money, but that in the first place the Rural Electrification appropriation was small as compared with W. P. A. funds, and in the second place, I would look it up and see where that money is going. I now have that information, and it appears that during the 2 years 1936 and 1937 only $46,000,000 was spent for rural electrification, and here is how it was spent, together with the number of farms in each State and the farm population of each State:

Rural Electrification Administration allotments

States	1936 funds	1937 funds	Number of farms	Farm population, Jan. 1, 1935
Alabama	$65,000	$1,053,000	273,455	1,386,074
Arizona		145,000	18,824	100,083
Arkansas		617,000	253,013	1,180,238
California		1,200,000	150,368	608,838
Colorado	140,000	250,000	63,644	276,198
Connecticut			32,157	143,157
Delaware		405,000	10,381	48,558
Florida	164,500	48,500	72,857	319,658
Georgia	763,200	1,628,915	250,544	1,405,944
Idaho	89,750	594,000	45,113	198,983
Illinois	141,500	1,952,000	231,312	1,017,650
Indiana	1,426,926	3,218,000	200,835	852,994
Iowa	537,617	3,256,712	221,986	967,979
Kansas		649,651	174,589	703,743
Kentucky	261,700	1,160,000	278,298	1,307,816
Louisiana		905,000	170,216	859,351
Maine			41,907	184,697
Maryland		165,000	44,412	241,596
Massachusetts			35,094	163,219
Michigan		2,845,000	196,517	804,514
Minnesota	1,461,000	3,154,954	203,302	928,487
Mississippi	81,000	748,200	311,683	1,332,981
Missouri		1,717,000	278,454	1,183,499
Montana	155,000	560,600	50,564	195,262
Nebraska	1,832,000	2,479,750	133,616	580,694
Nevada			3,696	15,385
New Hampshire			17,695	76,007
New Jersey		245,000	29,375	144,368
New Mexico		164,000	41,369	189,358
New York			177,025	734,483
North Carolina	645,250	565,000	300,967	1,623,481
North Dakota		500,000	84,606	385,614
Ohio	2,549,200	3,191,600	255,146	1,127,405
Oklahoma	70,000	1,716,000	213,325	1,015,562

Rural Electrification Administration allotments—Continued

States	1936 funds	1937 funds	Number of farms	Farm population, Jan. 1, 1935
Oregon		$302,000	64,826	248,767
Pennsylvania	$100,000	1,550,000	191,284	975,082
Rhode Island			4,327	21,751
South Carolina	648,328		165,504	948,435
South Dakota	77,000	313,000	83,303	358,204
Tennessee	338,258	1,073,000	273,783	1,308,420
Texas	497,500	2,291,000	501,017	2,332,693
Utah			30,695	138,242
Vermont			27,061	122,655
Virginia	577,800	1,061,000	197,632	1,053,469
Washington	13,000	831,200	84,381	335,840
West Virginia		428,000	104,747	561,919
Wisconsin	1,539,600	2,901,000	199,877	930,515
Wyoming		454,000	17,487	74,507
Total	14,475,129	46,339,082	6,812,350	31,800,907

While my State has received a total of $1,600,000 of this money, which is more than its share, considering the number of States, yet there is no section which is more anxious to secure the comforts and benefits from rural electrification, and when you consider the fact that my State has the third largest farm population of all of the States it would seem that we would be receiving a greater allotment. I cannot help but believe that we need rural electrification as much as any State in the Union; and yet it will be seen that Indiana, Iowa, Michigan, Minnesota, Nebraska, Ohio, and Wisconsin, all with farm populations much less than Georgia, have each received about or more than twice as much money for rural electrification.

I have not brought these facts to your attention in an effort to raise a sectional issue or to create any feeling between States. I am glad that these other States are receiving these enormous benefits, and I hope they will appreciate what the administration is doing for them. I presume that there is some explanation as to why all of the farm money is going West and all of the relief money is going North, and I intend to keep digging until I either secure a satisfactory explanation or a correction of this situation.

But my purpose at this time in bringing these facts to your attention is in the hope that those who seem to feel that the farmers of the South are not entitled to some further assistance will give their active support and sympathetic approval to this amendment to appropriate funds for making a parity payment to the farmers of this Nation. Never at any time shall I ask for more than our fair share; never at any time shall I be satisfied with less.

Mr. SCOTT. Mr. Speaker, I ask unanimous consent to address the House.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. SCOTT. Mr. Speaker, this morning I read in the local papers what I considered a very unjust, and unsupported, in fact, criticism by the gentleman from Massachusetts [Mr. TINKHAM] of the Secretary of State and the manner in which he is conducting the foreign relations of the United States.

The paper quotes the gentleman as saying that the policies of the State Department are moving the United States toward involvement in a European war. He accuses the Secretary of preaching a doctrine of peace and at the same time opposing at every turn and in every possible way a policy of neutrality of this country.

I see nothing in the speeches or actions of the Secretary of State that can justify a statement of that kind from anybody. To the contrary, I feel justified in saying that I am willing to continue my confidence in Mr. Hull and his efforts and desires to preserve the peace and national security of the United States.

Mr. Speaker, there have been very few times in the history of the United States when the duties of the Secretary of State and his Department have been more arduous or fraught with greater difficulty than today. There have been few, if any, times, in my opinion, when the State Department was in better hands. I am sorry that the gentleman from Massachusetts saw fit to make such an unconsidered statement that the Secretary of State is trying to lead the United States into war with any other country. I believe the majority of the people of the country feel the same way as I do about this.

Mr. Welles has condemned the indiscriminate bombing of unprotected civilians and Mr. Hull has asked the manufacturers of airplanes to refuse to sell to governments who order these attacks. The newspapers said he meant Japan. Fine; they are guilty and should be condemned. I think that Germany and Italy should be named, too; they are doing the bombing in Spain.

I think that the majority of our people applaud Mr. Welles for his statement and Mr. Hull for his request.

Yesterday at the Foundry Methodist Episcopal Church here in the District 800 people arose to approve a resolution calling for an embargo on Japan proposed by Rev. Dr. Frederick Brown Harris. Never before in Foundry's 123 years, according to the papers, has there been such action.

The people are with Secretary Hull. Dr. Harris compared Japan to the Cash kidnaper, and said:

It is unthinkable that a Christian nation should stand silent while these wanton attacks continue.

The resolution adopted follows:

Whereas Japan has day after day ruthlesaly bombed the undefended city of Canton, resulting in more than 8,000 dead and wounded noncombatants and untold destruction of property, and has announced, through Government spokesmen, its intention of continuing such action, be it

Resolved, That the Government of the United States immediately adopt the policy of nonparticipation in aggression by planning an embargo on exports to Japan of munitions and war materials, including oil, gasoline, pig and scrap iron, airplanes and airplane parts, machinery and engines, copper, automobiles and auto accessories, and chemicals.

Again I say, Mr. Speaker, our State Department has a terrific job on its hands. Such unbridled attacks as that made this morning by the gentleman from Massachusetts [Mr. TINKHAM] against a man who has been working day and night to preserve our peace, to strengthen our national security, and to call the attention of the world to our repugnance of the uncivilized actions of the present disturbers of world peace, will not, I feel sure, find favor with the people of our Nation.

In accord with these aims is a statement released by the League for Peace and Democracy, as follows:

MAY 13, 1938.

The critical state of world affairs impels us to address you concerning the foreign policy of our Government in relation to war and the future of democracy.

The wars now being waged in Spain and in China, the policies and plans of those who have invaded these countries, threaten the world with another general conflict. Facing this prospect the other nations are now arming to an extent unparalleled in history. Abandoning the effort to provide mutual insurance against war, through the League of Nations and other covenants, they are reverting to the pre-war system of military alliances. Thus they are making more certain the catastrophe they desire to avoid.

The immediate responsibility for this general course of disaster rests upon Germany, Italy, and Japan because they are now waging war upon the soil of other nations in violation of their pledged word. Both the President and the Secretary of State have correctly voiced the protest of the American people against the acts and policies of these invaders. But the policy of our Government moves in the opposite direction from these words. It still permits the sale to Germany, Japan, and Italy of the means to carry on their aggressive wars. The only government it has quarantined is that of the Spanish democracy, a victim of invasion.

We submit that the direction of our foreign policy needs to be sharply reversed; it needs to be based upon the only possible substitute for war with treaty-breaking aggressors—economic noncooperation.

We hold that the guiding principles of our foreign policy at this moment should be:

No use of American goods or money by the aggressors who are invading other nations.

Full access to our markets for the victims of invasion under regulations designed to remove the risk of our being drawn into war.

In the immediate situation this policy means:

The lifting of the embargo against the Spanish Government.

An embargo on arms, munitions, and materials of war, on oil, and all metals essential to arms manufacture, on cotton and foods above peacetime quotas, against Germany, Italy, and Japan.

The use of reciprocal-trade treaties to strengthen the democratic nations.

No recognition of any conquest by Italy, Japan, or Germany.

No participation in financing these countries or their conquered territories, directly or indirectly.

The consistent defense of democratic and civil rights in this country, since the attack on these rights emanates from the same circles of warmakers here who attempt to influence our foreign policy in favor of the aggressors.

This policy of economic noncooperation with invaders should be accompanied by announcement of our willingness to cooperate with these nations in the solution of their economic difficulties as soon as they withdraw their invading forces, drop their plans of aggression, and cease building up armaments.

We believe that if the United States will take advantage of its comparative security and its economic strength to initiate this policy, its challenge to the common conscience and the common sense of mankind will enable those of like mind in the other democratic nations to do likewise. Thus effective concerted action to halt and to prevent war may come about.

EMERGENCY RELIEF AND PUBLIC BUILDINGS BILL

Mr. WOODRUM. Mr. Speaker, I ask unanimous consent that the conferees on the relief bill may be given until midnight to file a report.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

EXTENSION OF REMARKS

Mr. BARTON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. The gentleman already has that permission under the general order.

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent that my colleague the gentleman from Massachusetts [Mr. TINKHAM] may be permitted to extend his own remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. BACON. Mr. Speaker, I ask unanimous consent that in connection with an extension of my remarks I may be permitted to quote from a short article.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. GRAY of Indiana. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. GRAY of Indiana. Mr. Speaker, I take this precious minute to inform the House that I will speak tonight over radio station WOL, Washington, D. C., at 9 o'clock, to explain to the membership of this House how full and complete relief from the depression can be provided without passing a new law, without creating any new boards or bureaus, without providing a new office or any new public officials, and without providing any new or different money. Relatively or comparatively speaking, if this action was taken today, the administration of such relief measure could start tomorrow and prosperity would be at the train the next day to meet the Members returning home.

[Here the gavel fell.]

COMMITTEE ON RULES

Mr. O'CONNOR of New York. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight to file certain reports.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

LIABILITY OF RAILROADS TO EMPLOYEES

Mr. O'CONNOR of New York, from the Committee on Rules, submitted the following privileged resolution (Rept. No. 2741), which was referred to the House Calendar and ordered to be printed:

House Resolution 530

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 10250, a bill to amend an act entitled "An act relating to the liability of common carriers by railroad to their employees in certain cases," approved April 22, 1908 (U. S. C., title 45, sec. 51). That after general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

EXTENSION OF REMARKS

Mr. PIERCE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a speech made by Captain Stacy, of the C. C. C.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. DALY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an article from the Washington Star affecting my colleague the gentleman from Pennsylvania, Mr. DREW.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. HOPE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including therein a short newspaper editorial.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. OLIVER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein certain letters.

The SPEAKER. Is there objection to the request of the gentleman from Maine?

There was no objection.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including therein a resolution.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

DISTRICT OF COLUMBIA BUSINESS

The SPEAKER. This is District of Columbia day. The Chair recognizes the gentleman from Maryland.

AMENDMENT OF DISTRICT OF COLUMBIA ALLEY DWELLING ACT

Mr. PALMISANO. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 10642) to amend an act entitled "District of Columbia Alley Dwelling Act," approved June 12, 1934, and for other purposes, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert:

"That the first section of the District of Columbia Alley Dwelling Act, approved June 12, 1934, is hereby amended to read as follows:

"'TITLE I

"'SECTION 1. (a) It is hereby declared to be a matter of legislative determination that the conditions existing in the District of Columbia with respect to the use of buildings in alleys as dwellings for human habitation are injurious to the public health, safety, morals, and welfare; and it is hereby declared to be the policy of the United States to protect and promote the welfare of the inhabitants of the seat of the Government by eliminating all such injurious conditions by employing all means necessary and appropriate for the purpose; and control by regulatory processes having proved inadequate and insufficient to remedy the evils, it is in the judgment of Congress necessary to acquire property in the District of Columbia by gift, purchase, or the use of eminent domain in order to effectuate the declared policy by the discontinuance of the use for human habitation in the District of Columbia of buildings in alleys, and thereby to eliminate the communities in the inhabited alleys in said District, and to provide decent, safe, adequate, and sanitary habitations for persons or families substantially equal in number to those who are to be deprived of habitation by reason of the demolition of buildings under the terms of this title, and to prevent an acute shortage of decent, safe, adequate, and sanitary dwellings for persons of low income, and to carry out the policy declared in the act approved May 18, 1918, as amended, of caring for the alley population in the District of Columbia, and to that end it is necessary to enact the provisions hereinafter set forth.

"'(b) In order to remedy the conditions and evils hereinbefore recited and to carry out the policy hereinbefore declared, the President is hereby authorized and empowered to acquire by purchase, gift, condemnation, or otherwise—

"'(1) any land, building, or structures, or any interest therein, situated in or adjacent to any inhabited alley in the District of Columbia;

"'(2) any land, buildings, or structures, or any interest therein, within any square containing an inhabited alley, the acquisition of which is reasonably necessary for utilization, by replatting, improvement or otherwise, pursuant to the provisions of this act, of any property acquired under subparagraph (1) of this subsection; and

"'(3) any other land, together with any structures that may be located thereon, in the District of Columbia that may be necessary to provide decent, safe, adequate, and sanitary housing accommodations for persons or families substantially equal in number to those who are to be deprived of habitation by reason of the demolition of buildings pursuant to the provisions of this title.

"'(c) The Authority is authorized and empowered to replat any land acquired under this Act; to pave or repave any street or alley thereon; to construct sewers and water mains therein; to install street lights thereon; to demolish, move, or alter any buildings or structures situated thereon and erect such buildings or structures thereon as deemed advisable: *Provided, however*, That the same shall be done and performed in accordance with the laws and municipal regulations of the District of Columbia applicable thereto.

"'(d) The Authority is hereby authorized and empowered to lease, rent, maintain, equip, manage, exchange, sell, or convey any such lands, buildings, or structures acquired under this title, for such amounts and upon such terms and conditions as it may determine: *Provided*, That sales of real property shall be made at public sale to the highest responsible bidder on terms satisfactory to the Authority after advertising for three consecutive weeks in at least one daily newspaper of general circulation published in the District of Columbia: *Provided, however*, That the Authority may, without advertising, sell such property to a quasi-public institution or agency not organized or operated for private profit at not less than the cost of such property to the Authority, including

improvements: *And provided further*, That if any such lands, buildings, or structures are required for the purposes of the United States or of the District of Columbia, they may be transferred thereto upon payment to the Authority of the reasonable value thereof.

"'(e) The Authority is authorized and empowered to aid in providing, equipping, managing, and maintaining houses and other buildings, improvements, and general community utilities on the property acquired under the provisions of this title, by loans, upon such terms and conditions as it may determine, to limited dividend corporations whose dividends do not exceed 6 per centum per annum, or to home owners to enable such corporations or home owners to acquire and develop sites on the property: *Provided, however*, That no loan shall be made at a lower rate of interest than 5 per centum per annum, and that all such loans shall be secured by reserving a first lien on the property involved for the benefit of the United States.'

"SEC. 2. Section 3 (b) of such Act is hereby amended by adding thereto the following: 'The Authority is hereby authorized and empowered to accept gifts of money from private sources; to borrow from the Treasury of the United States not to exceed $1,000,000 in the fiscal year ending June 30, 1939, and a like sum in each of the four succeeding fiscal years, upon such terms and conditions as the President may deem advisable, and appropriations for such purpose are hereby authorized out of the general fund of the Treasury: *Provided*, That the Authority shall be obligated for the payment of interest at the going Federal rate as defined in the United States Housing Act of 1937.'

"SEC. 3. Section 3 (d) of such Act is amended to read as follows:

"'(d) The total amount paid for property or properties acquired, except by condemnation, in any square shall not exceed 30 per centum over and above the current assessed value of all the property or properties acquired, except by condemnation, in such square to carry out the provisions of this Act.'

"SEC. 4. Section 3 of such Act is amended by adding thereto the following:

"'(e) In carrying out the provisions of this Act, the Authority is hereby authorized and empowered (1) to procure services or make any purchase without regard to the provisions of section 3709 of the Revised Statutes, provided the aggregate amount involved is not more than $100, (2) to purchase books of reference, directories, and periodicals that are necessary in connection with its work, and (3) to secure architectural and engineering services on specific projects, without regard to the Civil Service laws and the Classification Act of 1923, as amended: *Provided*, That this authorization shall not apply to the employment of architects and engineers by the Authority on a permanent basis.'

"SEC. 5. Such Act of June 12, 1934, is further amended by adding at the end thereof the following new title:

"'TITLE II

"'SEC. 201. As used in this title—

"'(a) The term "housing project" shall mean any low-rent housing (as defined in the United States Housing Act of 1937), the development or administration of which is assisted by the United States Housing Authority.

"'(b) The term "development" shall mean any or all undertakings necessary for planning, financing (including payment of carrying charges), land acquisition, demolition, construction, or equipment, in connection with a housing project, but not beyond the point of physical completion.

"'SEC. 202. In addition to its other powers, the Authority shall have the power to acquire sites for and to prepare, carry out, acquire, lease, and operate housing projects, as defined in section 201 of this title, and to construct or provide for the construction, reconstruction, improvement, alteration, or repair of any such housing project, or any part thereof, in the District of Columbia.

"'SEC. 203. For the purposes of this title the Authority shall be considered a public housing agency within the meaning of, and to carry out the purposes of, the United States Housing Act of 1937; and as such, the Authority is empowered to borrow money or accept contributions, grants, or other financial assistance from the United States Housing Authority for or in aid of any housing project in the District of Columbia, in accordance with the United States Housing Act of 1937, to take over or lease or manage any such housing project or undertaking constructed, owned, or operated by the United States Housing Authority, and to those ends to comply with such conditions and enter into such mortgages, trust indentures, leases, or agreements as may be necessary, convenient, or desirable: *Provided*, That the tax exemption of the property of the Authority shall be deemed a contribution by the District of Columbia in accordance with the local contributions requirements of section 10 (a) or section 11 (f) of the United States Housing Act of 1937. It is the purpose and intent of this title to authorize the Authority to do any and all things necessary to secure the financial aid of the United States Housing Authority in the undertaking, construction, maintenance, or operation in the District of Columbia of any housing project by the Authority.

"'SEC. 204. For the purpose of aiding and cooperating in the planning, undertaking, construction, or operation of housing projects, the District of Columbia, or any department, instrumentality, or agency thereof, may, upon such terms, with or without consideration, as it may determine, as a contribution—

"'(a) Dedicate, sell, convey, or lease any needed property to the Authority;

"'(b) Cause parks, playgrounds, or recreational, community, educational, water, sewer, or drainage facilities, or any other works which it is otherwise empowered to undertake, to be furnished adjacent to or in connection with housing projects;

"'(c) Furnish, dedicate, close, pave, install, grade, regrade, plan, or replan streets, roads, roadways, alleys, sidewalks, or other places which it is otherwise empowered to undertake;

"'(d) Enter into agreements with the Authority respecting action to be taken pursuant to any of the powers granted by this Act;

"'(e) Cause services of a character which it is otherwise empowered to furnish to be furnished to the Authority;

"'(f) Enter into agreements with the Authority respecting the elimination of unsafe, insanitary, or unfit dwellings; and

"'(g) Do any and all things necessary or convenient to aid and cooperate in the planning, undertaking, construction, or operation of such housing projects.

"'SEC. 205. The Commissioners of the District of Columbia are hereby authorized to lend to the Authority such amounts as may be necessary to enable the Authority to comply with the provisions of the United States Housing Act of 1937, and appropriations for such purpose are hereby authorized out of the revenues of the District of Columbia, and the Authority is empowered to accept such loans.'"

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

LEVYING AND COLLECTING TAXES AND ASSESSMENTS

Mr. PALMISANO. Mr. Speaker, I call up the bill (H. R. 10423) relating to the levying and collecting of taxes and assessments, and for other purposes, and ask unanimous consent that a similar Senate bill (S. 3846) may be considered in lieu of the House bill.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That any property owner aggrieved by any special assessment levied by the District of Columbia for any public improvement, other than a special assessment levied by a jury in a condemnation proceeding, may, within, 60 days after service of notice of such assessment as provided in section 3 hereof, file with the Commissioners of the District of Columbia a protest in writing against such assessment setting forth specifically the grounds of such protest and may request a hearing thereon. No ground of protest not specifically set forth need be considered by the Commissioners. If a hearing is requested the same shall be held, in the discretion of the Commissioners, either before them or before one or more agents designated by them. At such hearing physical facts which may be ascertained by view may be considered whether proven or not. If the hearing is held before an agent or agents, such agent or agents shall report in writing to the Commissioners the substance of the evidence taken and the arguments made at the hearing, together with the findings (which may include a statement of any physical facts not proven at the hearing but which may be ascertained by view) and the recommendations of such agent or agents. A copy of such report, findings, and recommendations shall be mailed to the protestant 10 days before being presented to the Commissioners, and the protestant may, before such report, findings, and recommendations are presented to the Commissioners, file with such agent or agents exceptions to such report and findings, which exceptions shall be presented to the Commissioners with such report, findings, and recommendations. If the Commissioners find that the property of the owner so protesting is not benefited by the improvement for which said assessment is levied, or is benefited less than the amount of such assessment or is unequally or inequitably assessed with relation to other property abutting such improvement, said Commissioners shall abate, reduce, or adjust such assessment in accordance with such findings. In computing the time hereinafter provided in which a special assessment may be paid without interest there shall be excluded therefrom the time between the date of the filing of any such protest and the date of mailing notice of the action thereon by the Commissioners. This section shall be effective only as to assessments levied for work completed subsequent to the passage and approval of this act.

SEC. 2. The Commissioners of the District of Columbia are authorized, but not directed, whenever in their judgment and discretion any property upon which a special assessment has been levied by the District of Columbia is not benefited by the improvement for which such special assessment was levied, or is benefited less than the amount of such assessment, or is unequally or inequitably assessed with relation to other property abutting such improvement, to abate, reduce, or adjust such assessment in accordance with such finding. This section shall not apply to any assessment levied by a jury in a condemnation proceeding, or to any assessment levied for work completed subsequent to the passage and approval of this act, or to any assessment levied under the act of Congress entitled "An act to provide for special assessments for the paving of roadways and the laying of curbs and gutters," approved February 20, 1931: *Provided, however*, That nothing in this section shall be construed as

affecting protests filed under the provisions of said act of February 20, 1931, within the time prescribed in said act.

SEC. 3. (a) When any special assessment for a public improvement, with the exception of assessments levied in condemnation proceedings, is levied by the District of Columbia upon any lot or parcel of land, notice of the levying of such assessment shall be served upon the record owner thereof in the manner herein provided and if there be more than one record owner of such lot or parcel of land notice served on one of the owners shall be sufficient. If the address of the owner be unknown or if the owner be a nonresident, such notice shall be served on his tenant or agent. The service of such notice shall be either personal or by leaving the same with some person of suitable age at the residence or place of business of such owner, agent, or tenant. If there be no tenant or agent known to the Commissioners, then they shall give notice of such assessment by advertisement once a week for two successive weeks in some daily newspaper of general circulation published in the District of Columbia. The cost of such publication shall be paid out of the general revenues of the District. The notice herein provided for shall be in lieu of any and all other notice now required by law.

This subsection shall apply to all assessments (other than assessments in condemnation proceedings) notice of which has not been served prior to the approval of this act.

(b) All special assessments authorized to be levied by the District of Columbia for public improvements, with the exception of assessments levied in condemnation proceedings, may be paid without interest within 60 days from the date of service of notice or of the last publication of notice as the case may be. Interest of one-half of 1 percent for each month or part thereof shall be charged on all unpaid amounts from the expiration of 60 days from the date of service or last publication as the case may be. Any such assessment may be paid in three equal installments with interest thereon. If any such assessment or any part thereof shall remain unpaid after the expiration of 2 years from date of service of notice or last publication of notice as the case may be, the property against which said assessment was levied may be sold for such assessment or unpaid portion thereof with interest and penalties thereon at the next ensuing annual tax sale in the same manner and under the same conditions as property sold for delinquent general taxes, if said assessment with interest and penalties thereon shall not have been paid in full prior to said sale.

This subsection shall apply only to assessments for public improvements completed subsequent to the date of the approval of this act, and assessments for public improvements completed on or before the date of the approval of this act shall be levied and collected and bear interest as if this act had not been passed, except that where service sewers or water mains, or both, have been laid prior to the approval of this act, but assessments therefor have not been levied for the reason that the property abutting the street, avenue, road, or alley in which the service sewer or water main is laid has not been subdivided, assessments for such sewers or water mains, or both, levied after the approval of this act because of the subdivision of the property or its connection with the sewer or water main, or both, shall be levied, collected, and bear interest as provided in this subsection.

SEC. 4. Special assessments authorized to be levied in condemnation proceedings instituted by the District of Columbia may be paid without interest within 60 days after the ratification or confirmation of the verdict of the jury. Interest of one-third of 1 percent for each month or part thereof shall be charged on all unpaid amounts from the expiration of 60 days from the date of the ratification or confirmation of the verdict of the jury. Any such assessment may be paid in five equal installments with interest thereon. If any such assessment or any part thereof shall remain unpaid after the expiration of 4 years from the date of the ratification or confirmation of the verdict of the jury, the property against which said assessment was levied may be sold for such assessment or unpaid portion thereof with interest and penalties thereon at the next ensuing annual tax sale in the same manner and under the same conditions as property sold for delinquent general taxes, if said assessment with interest and penalties thereon shall not have been paid in full prior to said sale. This section shall apply only to assessments ratified or confirmed by the court after the date of the approval of this act and assessments ratified or confirmed on or before the date of the approval of this act shall be levied and collected and bear interest as if this act had not been passed.

SEC. 5. All assessments authorized to be levied by the District of Columbia to reimburse it for money expended in the removal of nuisances shall bear interest at the rate of one-half of 1 percent per month or part thereof from the date such assessment was levied. If any such assessment shall remain unpaid after the expiration of 60 days from the date such assessment was levied the property against which such assessment was levied may be sold for such assessment with interest and penalties thereon at the next ensuing annual tax sale in the same manner and under the same conditions as property sold for delinquent general taxes, if such assessment with interest and penalties thereon shall not have been paid in full prior to said sale.

SEC. 6. The Commissioners of the District of Columbia are hereby authorized and directed, in any case where a special assessment for public improvements in the District of Columbia, other than an assessment levied by a jury in a condemnation proceeding, has been or hereafter may be quashed, set aside, or declared void by any court for any reason other than the right of the public authorities to levy an assessment for such improvement, to reassess the property in accordance with the benefits received from such improvement, after notice to the owner of the property and an opportunity afforded him to be heard, the hearing to be had before such agent or agents as the Commissioners may designate. At such hearing physical facts which may be ascertained by view may be considered, whether proven or not. Such agent or agents shall report in writing to the Commissioners the substance of the evidence taken and the arguments made at the hearing, together with the findings (which may include a statement of any physical facts not proven at the hearing which may be ascertained by view) and the recommendations of such agent or agents. A copy of such report, findings, and recommendations shall be mailed to the protestant 10 days before being presented to the Commissioners, and the protestant may, before such report, findings, and recommendations are presented to the Commissioners, file with such agent or agents exceptions to such report and findings, which exceptions shall be presented to the Commissioners with such report, findings, and recommendations. The reassessment shall be made within 1 year from the date the judgment or decree quashing, setting aside, or declaring void the assessment becomes final and not subject to review. Notice of such reassessment shall be given the property owner in the same manner as if such reassessment was an original assessment, and such reassessment shall bear interest and be collected in the same manner as if such reassessment was an original assessment.

SEC. 7. The Commissioners of the District of Columbia are authorized, in their discretion, to waive, in whole or in part, interest or penalties, or both, on unpaid taxes and special assessments due the District of Columbia, when, in their judgment, such action would be equitable or just or in the public interest.

SEC. 8. That section 8 of the act entitled "An act in relation to taxes and tax sales in the District of Columbia," approved February 28, 1898 (30 Stats. 250), as amended by the act entitled "An act to amend an act entitled 'An act in relation to taxes and tax sales in the District of Columbia,' approved February 28, 1898," approved July 1, 1902 (32 Stats. 635), be further amended to read as follows:

"SEC. 8. That hereafter the assessor of the District of Columbia shall furnish information with respect to taxes, special assessments, and valuations to any person having any interest in the property with respect to which such information is requested."

SEC. 9. (a) So much of section 3 of the act entitled "An act in relation to taxes and tax sales in the District of Columbia," approved February 28, 1898, as amended by the act entitled "An act to amend an act entitled 'An act in relation to taxes and tax sales in the District of Columbia,' approved February 28, 1898," approved July 1, 1902, as reads: "the amount for which it was sold at such sale, exclusive of surplus, and 12 percent per annum thereon," is hereby further amended to read as follows: "the amount for which it was sold at such sale, exclusive of surplus, and 1 percent thereon for each month or part thereof."

(b) So much of said section 3 of said act of February 28, 1898, as amended by the act of July 1, 1902, as reads "by the payment of the taxes, penalties, and costs due at the time of the sale and that may have accrued after that date, and 8 percent per annum thereon," is hereby further amended to read as follows: "by the payment of the taxes, penalties, and costs due at the time of the sale and that may have accrued after that date, and 1 percent thereon for each month or part thereof."

(c) So much of said section 3 of said act of February 28, 1898, as amended by the act of July 1, 1902, as reads "the amount exclusive of surplus paid by the person or persons to whom such certificate was issued and 12 percent per annum thereon," is further amended to read as follows: "the amount exclusive of surplus paid by the person or persons to whom such certificate was issued and 1 percent thereon for each month or part thereof,".

(d) These amendments shall apply only to tax sales held after the passage and approval of this act, and said section 3 of the act of February 28, 1898, as amended by the act of July 1, 1902, shall remain in full force and effect as to all tax sales held prior to the passage and approval of this act.

SEC. 10. The Commissioners of the District of Columbia are authorized to direct the collector of taxes of the District of Columbia to omit from his records as assets of the District of Columbia any and all taxes, real and personal, and all special assessments which the Commissioners may determine are uncollectible, but such determination on the part of the Commissioners or the failure of the collector to carry such taxes on his records as assets shall not affect the liability of the taxpayer for the payment of said taxes.

SEC. 11. On and after the date of the approval of this act all records and accounts in any way relating or pertaining to the bookkeeping, accounting, and collection of taxes and assessments now prepared by the assessor of the District of Columbia and now kept in the office of the collector of taxes of the District of Columbia shall be transferred to and kept in the office of the said assessor. The said assessor shall hereafter be charged with the duties heretofore required of the collector of taxes in relation to the preparation and issuance of tax bills and bills for special taxes and assessments, the preparation for public inspection of lists of all real estate in the District of Columbia heretofore sold or which may hereafter be sold for the nonpayment of any general or special taxes or assessments, the furnishing of certified statements

over his hand and official seal of all taxes and assessments general and special that may be due at the time of making the said certificate, and the preparation of the lists of taxes on real property in said District subject to taxation on which taxes are levied and in arrears on the 1st day of July in each year. Hereafter on or before September 1 of each year the assessor shall prepare and retain in his office tax accounts in such form as shall be prescribed by the Commissioners of the District showing the assessed owners, amount, description, and value of real property listed for taxation in the District of Columbia, and on or before April 1 of each year the assessor shall prepare and retain in his office personal tax accounts in such form as may be prescribed by the Commissioners of the District showing the names and addresses of assessed owners, and the location and value of the property assessed.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A House bill (H. R. 10423) was laid on the table.

CONSTRUCTION OF CERTAIN MUNICIPAL BUILDINGS IN THE DISTRICT OF COLUMBIA

Mr. PALMISANO. Mr. Speaker, I call up the bill (H. R. 10638) authorizing advancements from the Federal Emergency Administration of Public Works for the construction of certain municipal buildings in the District of Columbia, and for other purposes, and ask unanimous consent that the bill may be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

Mr. WADSWORTH. Reserving the right to object, Mr. Speaker, could the gentleman state the character of municipal buildings involved?

Mr. PALMISANO. This permits the District Commissioners to obtain money on a par with other cities and municipalities of the country through the W. P. A. with respect to the different buildings they have to erect, like a courthouse building or the recorder of deeds building.

Mr. WADSWORTH. Does the bill outline some of the buildings?

Mr. PALMISANO. No; I do not think so. It only puts them on a par with other cities with respect to borrowing money from the P. W. A.

Mr. WADSWORTH. Then may the Commissioners erect any sort of building they desire after borrowing the money?

Mr. PALMISANO. No; only the buildings that have already been authorized by the Congress.

Mr. O'MALLEY. Mr. Speaker, I reserve the right to object so I may interrogate the gentleman from Maryland. This bill provides for the District borrowing money from the P. W. A., does it not?

Mr. PALMISANO. On a par with other cities.

Mr. O'MALLEY. How much does it provide they can borrow?

Mr. PALMISANO. Only for buildings that have been authorized.

Mr. O'MALLEY. I understand that, but how much money can they borrow?

Mr. PALMISANO. The bill does not state any amount.

Mr. O'MALLEY. In there any limitation whatever upon it?

Mr. PALMISANO. The limitation is the provision with respect to buildings already authorized by Congress and in the last Congress we passed a bill authorizing and directing the District Commissioners to build a new police court building and a recorder of deeds building.

Mr. O'MALLEY. Out of P. W. A. funds or out of appropriations in the District of Columbia appropriation bill?

Mr. PALMISANO. On a loan, of course. The amount ran up to $20,000,000, as the gentleman will recall.

Mr. O'MALLEY. Does the gentleman realize the more money the District of Columbia gets from P. W. A., the less P. W. A. money there is for the rest of the country, and the District of Columbia has more buildings now and has never had a depression so far as building is concerned, and now does the gentleman propose to come in and let them take away some of the funds that his district and my district and every other district needs so badly to restore employment?

Mr. PALMISANO. I think the people here who pay taxes to the Federal Government are entitled to the same courtesy and the same privilege as the citizens of Maryland or Wisconsin.

Mr. O'MALLEY. If the gentleman believes that we ought to reduce the amount of P. W. A. funds available for the rest of the country by giving the District of Columbia money out of that fund, it is O. K. with me.

Mr. PALMISANO. It would not make any difference with respect to the rest of the country.

The SPEAKER. Is there objection to the request of the gentleman from Maryland [Mr. PALMISANO]?

There was no objection.

Mr. PALMISANO. Mr. Speaker, I ask unanimous consent that a similar Senate bill (S. 4024) authorizing advancements from the Federal Emergency Administration of Public Works for the construction of certain municipal buildings in the District of Columbia, and for other purposes, may be considered in lieu of the House bill.

There being no objection, the Clerk read the Senate bill (S. 4024), as follows:

Be it enacted, etc., That the Commissioners of the District of Columbia are hereby authorized to accept advancements for the District of Columbia from the Federal Emergency Administration of Public Works, created by the National Industrial Recovery Act, and said administration with the approval of the President is authorized to advance to said Commissioners the sum of $18,150,000, or any part thereof, in addition to any sums heretofore advanced to the District of Columbia by said administration, out of funds authorized by law for said administration, for the acquisition, purchase, construction, establishment, and development of public works, including among others a building or buildings for the municipal court, the recorder of deeds, and the juvenile court, or any of them, said buildings to be located on such portions or parts of Judiciary Square, or the area bounded by Fourth and Fifth Streets, D and G Streets, NW., or upon such other area or areas as shall be approved by said Commissioners and the National Capital Park and Planning Commission and the making of such advances is hereby included among the purposes for which funds heretofore appropriated or authorized for said administration, including funds appropriated by the Public Works Administration Appropriation Act of 1938, may be used, in addition to the other purposes specified in the respective acts appropriating or authorizing said funds.

SEC. 2. The sum authorized by section 1 hereof, or any part thereof shall, when advanced, be available to the Commissioners of the District of Columbia for the acquisition by dedication, purchase, or condemnation of the fee-simple title to land, or rights or easements in land, for the public uses authorized by this act, and for the preparation of plans, designs, estimates, models, and specifications; and for architectural and other necessary professional services without reference to the Classification Act of 1923, as amended, and section 3709 of the Revised Statutes; for the construction of buildings, including materials and labor, heating, lighting, elevators, plumbing, landscaping, and all other appurtenances, and the purchase and installation of machinery, furniture, equipment, apparatus, and any and all other expenditures necessary for or incident to the complete construction and equipment for use of the aforesaid buildings and plants. All contracts, agreements, and proceedings in court for condemnation or otherwise, pursuant to this act shall be had and made in accordance with existing provisions of law except as otherwise herein provided.

SEC. 3. That the Federal Emergency Administration of Public Works shall be repaid 55 percent of any moneys advanced under section 1 of this act in annual installments over a period of not to exceed 25 years with interest thereon for the period of amortization: *Provided*, That such sums as may be necessary for the reimbursement herein required of the District of Columbia, and for the payment of interest, shall be included in the annual estimates of the Commissioners of the District of Columbia, the first reimbursement to be made on June 30, 1941: *Provided further*, That whenever the District of Columbia is under obligation by virtue of the provisions of section 4 of Public Act No. 284, Seventy-first Congress, reimbursement under that act shall be not less than $300,000 in any one fiscal year.

SEC. 4. That the Commissioners of the District of Columbia shall submit with their annual estimates to the Congress a report of their activities and expenditures under section 1 of this act.

SEC. 5. That the Commissioners of the District of Columbia are not authorized to borrow any further sum or sums under the provisions of an act of Congress known as Public Law No. 465, Seventy-third Congress, approved June 25, 1934, as amended by Public Law No. 51, Seventy-fourth Congress, approved May 6, 1935.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A House bill (H. R. 10688) was laid on the table.

ZONING OF THE DISTRICT OF COLUMBIA

Mr. PALMISANO. Mr. Speaker, I call up the bill (H. R. 9844) providing for the zoning of the District of Columbia and the regulation of the location, height, bulk, and uses of buildings and other structures and of the uses of land in the District of Columbia, and for other purposes, with Senate amendments, and ask unanimous consent to concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 4, strike out "and" and insert "or."
Page 2, line 3, strike out "and distribution."
Page 2, line 20, after "prevent", insert "the undue concentration of population and."
Page 2, line 23, after "prosperity", insert "protection of property."
Page 3, line 20, strike out "thereon, at least 15" and insert "thereon. At least 30."
Page 3, line 21, strike out "which shall be published" and insert "such hearings shall be published at least once."
Page 4, line 3, after "hearing", insert "The Zoning Commission shall give such additional notice of such hearing as it shall deem feasible and practicable. At such hearing it shall afford any person present a reasonable opportunity to be heard. Such public hearing may be adjourned from time to time and if the time and place of the adjourned meeting be publicly announced when the adjournment is had, no further notice of such adjourned meeting need be published."
Page 4, line 13, after "Columbia" insert ", all of whom shall be persons experienced in zoning practice and shall serve without additional compensation."
Page 5, strike out lines 5 to 23, inclusive, and insert:
"SEC. 7. The lawful use of a building or premises as existing and lawful at the time of the original adoption of any regulation heretofore adopted under the authority of the aforesaid act of March 1, 1920, or, in the case of any regulation hereafter adopted under this act, at the time of such adoption, may be continued although such use does not conform with the provisions of such regulation, provided no structural alteration, except such as may be required by law or regulation, or no enlargement is made or no new building is erected. The Zoning Commission may in its discretion provide, upon such terms and conditions as may be set forth in the regulations, for the extension of any such nonconforming use throughout the building and for the substitution of nonconforming uses."
Page 6, line 7, strike out all after "members" down to and including "District", in line 9, and insert "each of whom shall have been a resident of the District of Columbia for at least 3 years immediately preceding his appointment and at least one of whom shall own his own home."
Page 7, line 10, after "Commission", insert "after public hearing thereon as provided in section 3."
Page 8, line 7, after "aggrieved", insert "or organization authorized to represent such person."
Page 8, line 17, after "appeal", insert ": *Provided*, That no citizens' association, or association created for civic purposes and not for profit shall be required to pay said fee. There shall be a public hearing on appeal."
Page 9, after line 20, insert:
"(4) In exercising the above-mentioned powers the Board of Adjustment may, in conformity with the provisions of this act, reverse or affirm, wholly or partly, or may modify the order, requirement, decision, determination, or refusal appealed from or may make such order as may be necessary to carry out its decision or authorization, and to that end shall have all the powers of the officer or body from whom the appeal is taken."
Page 9, after line 23, insert:
"Nothing herein contained shall prohibit the Zoning Commission from providing by regulation for appeals to it from any action of the Board of Zoning Adjustment."
Page 10, line 7, strike out "substantially."
Page 10, line 11, strike out "substantial."
Page 10, line 14, strike out "substantial."
Page 10, line 21, strike out "substantially."
Page 11, line 3, strike out "substantially."
Page 13, line 9, after "map", insert "The words 'administrative decision', 'administrative officer', 'administrative officer or body', when used in section 8 of this act shall not be deemed to include the Zoning Commission."
Page 13, lines 23 and 24, after "however", insert "That the compensation of any member shall not exceed $1,000 per annum: *And provided further*."
Page 14, after line 2, insert:
"SEC. 16. The provisions of this act shall not apply to Federal public buildings: *Provided, however*, That, in order to insure the orderly development of the National Capital, the location, height, bulk, number of stories, and size of Federal public buildings in the District of Columbia and the provision for open space in and around the same will be subject to the approval of the National Capital Park and Planning Commission."
Page 14, after line 2, insert:
"SEC. 17. If any provision contained in this act be declared invalid, such invalidity shall not be deemed to affect or impair the validity of the remainder or of any other part of this act."

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

AMENDMENT OF SECTIONS 729 AND 743 OF THE DISTRICT OF COLUMBIA CODE

Mr. PALMISANO. Mr. Speaker, I call up the bill (S. 3754) to amend sections 729 and 743 of the Code of Laws of the District of Columbia, and ask unanimous consent that the bill may be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That sections 729 (31 Stat. 1306) and 743 (31 Stat. 1309) of chapter XVIII of the Code of Laws of the District of Columbia are amended as follows:

That the first sentence of the said section 729 be amended so as to read as follows: "The capital stock of every such company shall be divided into shares of $100 each, or into shares of such less amount as may be provided in the certificate of incorporation or amendment thereof."

That the title of the said section 743 be amended to read as follows: "Increase or decrease of capital stock."

That the said section 743 be amended by adding at the end thereof the following new paragraph:

"Any company transacting the business of a trust company heretofore or hereafter organized or operating under the provisions of this subchapter may by the vote of shareholders owning two-thirds of its capital stock reduce its capital to any sum not below the amount required by this subchapter; but no such reduction shall be made until the amount of the proposed reduction has been reported to the Comptroller of the Currency and such reduction has been approved by said Comptroller of the Currency, and no shareholder shall be entitled to any distribution of cash or other assets by reason of any reduction of the common capital of any such corporation unless such distribution shall have been approved by the Comptroller of the Currency and by the affirmative vote of at least two-thirds of the shares of stock outstanding."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DR. SIGFRIED SPEYER

Mr. PALMISANO. Mr. Speaker, I call up the bill (S. 3694) to provide for the issuance of a license to practice the healing art in the District of Columbia to Dr. Sigfried Speyer, and ask unanimous consent that the bill may be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Maryland.

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That notwithstanding any limitation relating to the time within which an application for a license must be filed or to the granting of licenses on a reciprocal basis in the jurisdiction from which the applicant came, the Commission on Licensure to Practice the Healting Art in the District of Columbia is authorized to issue a license to practice the healing art in the District of Columbia to Dr. Sigfried Speyer, of Washington, D. C., if found qualified in accordance with the provisions of section 25 of the Healing Arts Practice Act, District of Columbia, 1928.

Mr. COLLINS. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COLLINS: On page 1, line 10, after the word "Speyer", insert "Dr. Luther Fete", and amend the title by adding after the name "Speyer", "Dr. Luther Fete."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill to provide for the issuance of a license to practice the healing art in the District of Columbia to Dr. Sigfried Speyer and Dr. Luther Fete."

SOCIETY OF AMERICAN FLORISTS

Mr. PALMISANO. Mr. Speaker, I call up the bill H. R. 10380, to amend the act entitled "An act to incorporate the Society of American Florists and Ornamental Horticulturists within the District of Columbia," which I send to the desk and ask to have read.

The Clerk read as follows:

Be it enacted, etc., That the act entitled "An act to incorporate the Society of American Florists and Ornamental Horticulturists within the District of Columbia," approved March 3, 1901 (31 U. S. Stat. L., ch. 876, p. 1453), is amended to read as follows:

"SECTION 1. That James Dean, of Freeport; Charles W. Ward, of Queens; William Scott, of Buffalo; and Charles Henderson, of New York City, all in the State of New York; William J. Stewart, Michael H. Norton, and Patrick Welch, of Boston; Edmund M. Wood, of Natick; and Lawrence Cotter, of Dorchester, all in the State of Massachusetts; Edward G. Hill, of Richmond, in the State of Indiana; John N. May, of Summitt, John G. Esler, of Saddle River; Patrick O'Mara, of Jersey City; William A. Manda, of South Orange, all in the State of New Jersey; Benjamin Durfee, William R. Smith, William F. Gude, and Henry Small, Jr., of Washington, in the District of Columbia; Willis N. Rudd, of Chicago; Emil Buettner, of Park Ridge; John C. Vaughan, of Chicago, all in the State of Illinois; Joseph A. Dirwanger, of Portland, in the State of Maine; Robert Craig, Edwin Lonsdale, W. Atlee Burpee, and John Burton, of Philadelphia; H. B. Beatty, of Oil City; and William Falconer, of Pittsburgh; all in the State of Pennsylvania; George M. Kellogg, of Pleasant Hill, in the State of Missouri; John T. D. Fulmer, of Des Moines, and J. C. Rennison, of Sioux City, in the State of Iowa; L. A. Berckmans, of Augusta, in the State of Georgia; H. Papworth, of New Orleans, in the State of Louisiana; Elmer D. Smith, of Adrian, and Henry Balsley, of Detroit, in the State of Michigan; F. A. Whelan, of Mount Vernon on the Potomac, in the State of Virginia; Adam Graham, of Cleveland, in the State of Ohio; William Fraser, of Baltimore, in the State of Maryland; John Spalding, of New London, and John Champion, of New Haven, in the State of Connecticut; and Charles M. Hoitt, of Nashua, in the State of New Hampshire, their associates and successors, are hereby created a body corporate and politic, by the name of the Society of American Florists and Ornamental Horticulturists, for the education of the general public and of members of the florist industry in the subjects of, and for the scientific development of, floriculture and horticulture in all their branches. Said corporation is authorized to adopt a constitution and to make bylaws not inconsistent with law, to hold real and personal estate in the District of Columbia and elsewhere, so far only as may be necessary to its lawful ends, to an amount not exceeding $1,000,000, and such other estate as may be donated or bequeathed in any State or Territory: *Provided*, That all property so held, and the proceeds thereof, shall be held and used solely for the purposes set forth in the act. Said corporation shall operate without profit and any earnings and/or surplus funds that may be created through any of its educational or scientific activities shall be available only for the further accomplishment of the corporation's stated purposes. The principal office of the corporation shall be located within the confines of continental United States at such place as may be determined by the incorporators or their successors, but the annual meetings may be held in such other places as the incorporators or their successors shall determine: *Provided*, That this corporation shall not be permitted to occupy any park in the city of Washington.

"SEC. 2. That Congress reserves the right to alter, amend, or repeal this act in whole or in part."

With the following committee amendments:

Page 2, line 21, strike out "Henry" and insert "Harry."

Page 3, line 2, strike out "M" and insert the capital letter "W."

Line 5, after the word "politic", insert "within the District of Columbia."

Page 3, line 23, after the word "the", strike out the remainder of the line and all of lines 24 and 25, down to the word "but", and insert "District of Columbia."

The committee amendments were agreed to; and the bill as amended was ordered to be engrossed and read the third time, was read the third time, and passed, and a motion to reconsider laid on the table.

HEIGHT OF BUILDINGS IN DISTRICT OF COLUMBIA

Mr. PALMISANO. Mr. Speaker, I call up the bill (H. R. 9813) to amend an act regulating the height of buildings in the District of Columbia, approved June 1, 1910, which I send to the desk and ask to have read.

The Clerk read as follows:

Be it enacted, etc., That an act entitled "An act to regulate the height of buildings in the District of Columbia", approved June 1, 1910, be, and it is hereby, amended by adding at the end of paragraph 5 of said act the following proviso: "*And provided further*, That the building to be erected on lots 21, 22, 23, 811, 812, A. B. in square 283, located on the southeast corner of Thirteenth Street and Massachusetts Avenue NW., be permitted to be erected to a height not to exceed 110 feet above the Thirteenth Street curb."

Mr. BREWSTER. Mr. Speaker, will the gentleman yield to me?

Mr. PALMISANO. Mr. Speaker, I yield 5 minutes to the gentleman from Maine [Mr. BREWSTER].

Mr. BREWSTER. Mr. Speaker, this is a bill dealing with the height of buildings in the District of Columbia. It makes an exception in allowing the erection of a building downtown to the height of 110 feet at Thirteenth Street and Massachusetts Avenue. I believe everyone is concerned about the orderly development of the city of Washington. I think we are all proud of the great progress that has been made in recent years in making Washington one of the most beautiful capitals to be found in the world. That has been due in no small measure to the careful regulation of the construction and height of buildings and their control. We have a zoning law. We have adopted the zoning ordinance which permits the Commissioners to control the erection of these buildings, and the purpose for which they shall be used. Now, by legislative act, it is proposed to make an exception of one specific building at one specific location. I ask that the House shall seriously consider whether that is the way to accomplish the objective that we have in mind, whether it is not better to leave these matters to the control of existing law and ordinances as they may be developed in the zoning regulations, rather than for the House to start in making specific exceptions.

Mr. McGEHEE. Is it not true there are many other buildings in the city of Washington that are 110 feet high?

Mr. BREWSTER. I would not say many others. There are some, it is true. Certain exceptions have been made, but I believe the only way to get anywhere with zoning is to stop and stop now. As long as we go on creating exceptions, we are going to be involved in endless difficulties. Once you permit exceptions, it will make it easier for the next one and before you know it the whole orderly development of the city is going to be checked.

Mr. O'MALLEY. What is this building, and who is going to build it?

Mr. PALMISANO. I am not familiar with the details, but the bill was introduced by my colleague from Maryland [Mr. KENNEDY] and reported out by the chairman of the subcommittee [Mr. McGEHEE].

Mr. O'MALLEY. How much higher would this building be than the law now provides?

Mr. PALMISANO. About 20 feet.

Mr. COLLINS. As I understand it, it is just one story.

Mr. BREWSTER. It may be a small baby, but the principle is very great.

Mr. O'MALLEY. Oh, we have been straining at gnats all week, and 20 feet is not much.

Mr. BREWSTER. I want the House to act in full knowledge of precisely what it is doing. I predict this is only the beginning of what will create a great deal of difficulty as it goes on. We are establishing a precedent for destroying much of what we have done to make Washington the most beautiful capital to be found in the world.

Mr. PALMISANO. Mr. Speaker, I yield 5 minutes to the gentleman from Mississippi [Mr. McGEHEE].

Mr. McGEHEE. Mr. Speaker, it may be that I can clarify the situation with reference to this bill now pending before the House. The bill was introduced by the gentleman from Maryland [Mr. KENNEDY] to permit a group of people to construct an apartment house on Thirteenth Street NW., where it connects with Massachusetts Avenue, and to permit them to build it one story higher than the zoning laws in

effect now permit. There are several buildings in the city of Washington that are 110 feet high and some 120 feet high. They have been constructed, as I understand, by reason of special acts passed by Congress permitting it to be done. The reason for the Zoning Act and the limitation of the construction of buildings above a certain height in certain sections in the city of Washington was because of narrow streets, congestion of traffic, and various other reasons peculiar to an individual section.

I understand that Thirteenth Street has been widened from 40 or 50 feet at this particular point and for some distance north and south from the block on which this building is contemplated being constructed, thereby relieving the situation which would ordinarily prohibit it; that is, streets are widened so as not to cause traffic jams. This bill permits the people who contemplate constructing this apartment house to build it only one story higher than the zoning laws now permit.

Mr. BREWSTER. Mr. Speaker, will the gentleman yield?

Mr. McGEHEE. I yield.

Mr. BREWSTER. I think we both are concerned with the artistic development of Washington.

Mr. McGEHEE. Certainly.

Mr. BREWSTER. We now have zoning laws regulating the construction of buildings in this city, do we not?

Mr. McGEHEE. Yes.

Mr. BREWSTER. Will the gentleman tell the House, if we grant this permit, how we are going to draw the line against other applicants for similar permits? What reason can we advance for refusing to grant a similar permit to erect a building 110, 120, or even 130 feet tall?

Mr. McGEHEE. I think it very proper that when a person or group of persons desire to construct a large building in any section of the city they should come to Congress for specific authority.

Mr. BREWSTER. Does the gentleman think the Congress should exercise the entire zoning authority for every building which is erected on any lot? Is it possible that Congress could exercise such authority?

Mr. McGEHEE. No doubt they could, for the reason that it is within the power of Congress to pass zoning laws.

Mr. BREWSTER. I am not questioning the authority, I am questioning the feasibility. Would the gentleman as a member of the Committee on the District of Columbia want to pass on every structure that was erected anywhere in the city?

Mr. McGEHEE. I certainly would because I am as much interested on maintaining the beauty of this city as the gentleman or any of its citizens.

Mr. BREWSTER. I believe so.

Mr. McGEHEE. I think as long as Congress has jurisdiction over the District of Columbia it should have the power to say whether or not certain buildings should be constructed.

I may say to the gentleman that the building that is to be erected on this site will do away with a number of undesirable small houses that now shelter undesirable women.

Mr. BLOOM. Mr. Speaker, will the gentleman yield?

Mr. McGEHEE. I yield.

Mr. BLOOM. This thing has been done before.

Mr. McGEHEE. Certainly.

Mr. BLOOM. It is nothing new. And the situation is just the same as it is in any other city.

Mr. McGEHEE. I stated that to the Members a minute ago.

Mr. FITZPATRICK. Mr. Speaker, will the gentleman yield?

Mr. McGEHEE. I yield.

Mr. FITZPATRICK. If this bill passes, will the Zoning Commission have any option in the matter, any veto power, or will it be mandatory on them to grant the application?

Mr. McGEHEE. The Commission must pass on it also.

Mr. FITZPATRICK. What I am asking is whether they have any veto power over it or whether this will be mandatory on the Commission.

Mr. McGEHEE. No; it means that the person will have the right to erect the building to this height.

Mr. FITZPATRICK. Then it will be mandatory. It does not give the Commission the option they otherwise would have.

Mr. McGEHEE. The Commission does not object, they are favorable.

Mr. FITZPATRICK. Then they will not have a veto power in this case?

Mr. McGEHEE. No, certainly not; because Congress has the veto power.

Mr. PALMISANO. Mr. Speaker, I move the previous question on the bill to final passage.

The previous question was ordered.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TAXICAB LIABILITY, DISTRICT OF COLUMBIA

Mr. PALMISANO. Mr. Speaker, I call up the conference report on the bill (H. R. 7084) to provide that all cabs in the District of Columbia be compelled to carry insurance for the protection of passengers, and for other purposes.

The Clerk read the title of the bill.

CALL OF THE HOUSE

Mr. O'MALLEY. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. PALMISANO. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 113]

Amlie	Curley	Hoffman	Randolph
Andrews	Deen	Hook	Reed, N. Y.
Ashbrook	Dempsey	Jarman	Richards
Atkinson	De Muth	Johnson, Minn.	Ryan
Beiter	Dickstein	Lemke	Satterfield
Boehne	Ditter	Lewis, Md.	Scrugham
Buckley, N. Y.	Dockweiler	McAndrews	Shafer, Mich.
Caldwell	Doughton	McClellan	Shanley
Cartwright	Douglas	McGranery	Smith, Okla.
Champion	Fernandez	McMillan	Stack
Clark, Idaho	Gasque	Mitchell, Tenn.	Steagall
Cochran	Goldsborough	Mouton	Sweeney
Coffee, Nebr.	Green	Murdock, Utah	Taylor, Colo.
Cole, N. Y.	Griswold	O'Connor, Mont.	Tinkham
Cooley	Hancock, N. C.	O'Day	Wearin
Crawford	Harrington	O'Neal, Ky.	Weaver
Crosby	Hendricks	Owen	White, Idaho
Culkin	Hennings	Plumley	Woodruff

The SPEAKER. Three hundred and fifty-six Members have answered to their names. A quorum is present.

Further proceedings under the call were dispensed with.

THE LATE ADNA ROMULUS JOHNSON

Mr. JENKINS of Ohio. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman fom Ohio?

There was no objection.

Mr. JENKINS of Ohio. Mr. Speaker, I arise to announce the passing of Hon. Adna Romulus Johnson, of Ironton, Ohio. Mr. Johnson died last Saturday afternoon, June 11, at his home in Ironton, Ohio.

Mr. Johnson was born in Sweet Springs, Saline County, Mo., December 14, 1860, and moved with his mother to Lawrence County, Ohio, in 1864, where he lived practically all his life. He served as a Member of this House during the Sixty-first Congress from March 4, 1909, to March 3, 1911. He represented what was then the Tenth Congressional District of Ohio, comprising the counties of Gallia, Lawrence, Jackson, Scioto, Pike, and Adams. The boundaries of the congressional districts in Ohio have been changed since then. Three of the counties that he represented are now a part of the district which I have the honor to represent.

Mr. Johnson was a prominent man, and for the past 50 years was a prominent figure in the political activities of the State of Ohio. He was also an eminent lawyer. His practice

was wide and varied, and carried him into all the courts, both State and Federal.

He leaves a widow, Elizabeth Schrader Johnson, and three sons, Adna R. Johnson, Jr., Newton Johnson, and Donald Johnson.

COMMITTEE ON ACCOUNTS

Mr. WARREN. Mr. Speaker, I ask unanimous consent that the Committee on Accounts may be permitted to sit during the sessions of the House for the remainder of this session of Congress.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

INSURANCE OF TAXICABS IN THE DISTRICT OF COLUMBIA

Mr. PALMISANO. Mr. Speaker, I ask unanimous consent that the statement on the bill (H. R. 7084) to provide that all cabs for hire in the District of Columbia be compelled to carry insurance for the protection of passengers, and for other purposes, may be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The conference report and statement are as follows:

CONFERENCE REPORT

(To accompany H. R. 7084)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7084) to provide that all cabs for hire in the District of Columbia be compelled to carry insurance for the protection of passengers, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 1, 3, 4, 5, 7, 8, 9, 11, 12, 14, 15, 16, 17, and 18; and agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment as follows: In addition to the matter proposed to be stricken out by the Senate amendment, on page 2, line 7, of the House bill strikes out "surety or"; and the Senate agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment as follows: In addition to the matter proposed to be stricken out by the Senate amendment, on page 2, line 17, of the House bill strike out "bond or undertaking or"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment as follows: On page 2, line 15, of the Senate engrossed amendments strike out "at" and insert "and"; and the Senate agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment as follows: On page 3, line 13, of the House bill strike out "twenty" and insert "ten", and on page 3, line 14, of the House bill, strike out "or termination"; and the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

"SEC. 3. Any corporation, company, association, joint-stock company or association, partnership or person, and any lessee, trustee or receiver, who violates any of the provisions of this act, or the regulations lawfully promulgated thereunder, shall, upon conviction, be punished by a fine of not more than $300 or by imprisonment for not more than ninety days, and by cancelation of license. For violations of this act, the Commissioners of the District of Columbia are authorized to suspend or revoke licenses issued under paragraphs 31 (c), (d) and (e) of section 7 of the act entitled 'An act making appropriations to provide for the government of the District of Columbia for the fiscal year ending June 30, 1903, and for other purposes', approved July 1, 1902, as amended; and any such suspension or revocation may be without prior conviction.

"SEC. 4. This act shall take effect on January 1, 1939."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate to the title of the bill, and agree to the same.

VINCENT L. PALMISANO,
JACK NICHOLS,
EVERETT M. DIRKSEN,
Managers on the part of the House.

M. E. TYDINGS,
HERBERT E. HITCHCOCK,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7084) to provide that all cabs for hire in the District of Columbia be compelled to carry insurance for the protection of passengers, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

On amendments Nos. 1, 2, 6, 7, 11, 15, and 17: The House bill provided that every person operating a motor vehicle for hire in the District of Columbia should be required to file with the Public Utilities Commission for each such vehicle a bond or policy of liability insurance or certificate of insurance in a solvent and responsible surety or insurance company authorized to do business in the District. It was also provided that any owner of a public vehicle required to file such a bond or policy might in lieu thereof file a blanket bond or policy in an amount not to exceed $75,000 or create and maintain a sinking fund not in excess of that amount. The blanket bond or policy, or the sinking fund if that was created, was to cover all vehicles operated by the same owner.

The Senate amendments provided merely for the filing with the Public Utilities Commission of insurance policies, and the provisions of the House bill with respect to bonds, blanket bonds, blanket policies, and sinking funds were eliminated. The conference adopts the policy of the Senate amendments.

On amendments Nos. 4, 5, 12, 14, and 16: These amendments are purely clarifying. The House recedes.

On amendment No. 3: This amendment added a provision that any insurance company authorized to do business in the District which issued insurance policies for the purpose of the bill should be a company subject to the act of March 4, 1922, relating to the organization and operation of mutual insurance companies. The House recedes.

On amendments Nos. 8 and 9: The House bill provided that the bond or policy issued for the purposes of the act might limit the liability of the surety or insured on any one judgment to $5,000 for bodily injuries or death and $1,000 for damage to or destruction of property.

These Senate amendments provide that the insurance policy shall limit the liability of the insurer on any one judgment to "not less than" $5,000 for bodily injuries or death and "not less than" $1,000 for damage to or destruction of property. The House recedes.

On amendment No. 10: The House bill provided that any policy of liability insurance shall be issued only by insurance companies authorized to do business in the District and that any surety bond or undertaking should be insured by a corporate surety approved by the Superintendent of Insurance of the District. The Superintendent of Insurance was also authorized to make reasonable rules and regulations relating to the rating of taxicab insurance and was empowered to determine the maximum rates to be charged on such insurance. This amendment requires each insurance company authorized to do business in the District or the rating organization of which it is a member or subscriber to file with the Superintendent of Insurance every rate manual, schedule of rates, rating plan, and other information concerning insurance required by this act. It also prohibits unfair discrimination in cases where the risks are essentially the same. The superintendent is also authorized, after notice and hearing, to order the removal of any unfair discrimination in rates and to order an adjustment of rates whenever he finds that an excessive, inadequate, or unreasonable profit will be produced. The House recedes with a clarifying amendment.

On amendment No. 13: The House bill provided that no bond or insurance policy should be canceled unless not less than 20 days prior to such cancelation notice of intention was filed in writing with the Public Utility Commission. This amendment strikes out 20 days and inserts 10 days, and the House recedes with a further clarifying amendment.

On amendment No. 18: This amendment requires all vehicles subject to the provisions of the act to be kept in a clean, sanitary, good mechanical condition at all times, subject to regulations of the Public Utilities Commission and the Traffic Act of March 3, 1925. The House recedes.

On amendment No. 19: This amendment, in addition to the penalties provided by the House bill, provides for canceling the license of any person violating the act. The Commissioners of the District are also authorized, in cases of violation of the act, to suspend or revoke licenses issued under paragraphs 31 (c), (d), and (e) of section 7 of the act of July 1, 1902, as amended, and any such suspension or revocation may be without prior conviction. The House recedes with clarifying amendments, and with an amendment making January 1, 1939, the effective date of the act.

The House recedes from its disagreement to the amendment of the Senate to the title of the bill.

VINCENT L. PALMISANO,
JACK NICHOLS,
EVERETT M. DIRKSEN,
Managers on the part of the House.

Mr. PALMISANO. Mr. Speaker, may I call the attention of the Members of the House to the fact that this is a bill providing for insurance of taxicabs in the District of Columbia.

It provides that each taxicab operated in the District of Columbia shall be on a par with associations that may operate a hundred or a thousand taxicabs in the District. This will be discussed by various Members who may be in favor of the bill or opposed to the bill.

Mr. Speaker, I reserve the balance of my time, and yield 5 minutes to the gentleman from Illinois [Mr. DIRKSEN].

Mr. LEWIS of Colorado. Will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from Colorado.

Mr. LEWIS of Colorado. There has been a good deal of discussion as to whether or not this bill will deprive many men who are making a living driving taxicabs of the opportunity to make a living. It has been stated that the adoption of the conference report will deprive some of these men who are now earning a living of the opportunity so to do, and will put them on relief. What is the exact situation? Will the gentleman explain that?

Mr. DIRKSEN. I will explain that to the gentleman.

Mr. Speaker, the conference report presented to you today does not differ essentially from other substitutive matters carried in the bill heretofore. As will be remembered, when the bill passed the House it provided alternative forms of insurance. First of all, on a unit cab basis; and, second, by means of a blanket policy or a blanket bond whereby the cost of insurance to larger associations operating 100, 300, or 1,000 cabs, or any other number, might be infinitely cheaper than on a unit cab basis. Such blanket bond or policy would have to be approved by the Public Utilities Commission.

In that form the bill left the House. When it got over to the Senate, that body struck out the alternative proposal, so that virtually it was reduced to the unit cab basis. The bill went to conference and then the fuss began.

Frankly I do not know what the equities of the situation are today. We have heard a lot of testimony. I have been buttonholed by first this person, then that person, and I swear to you I do not know just exactly what the difficulty is at the present time. I opposed the bill before when it was considered by the House, because I did not like the idea of spending $1,500,000 to be paid to insurance companies for the taxicab business of the District of Columbia or for those who are operating here for whatever might be involved. That looked like a huge and unnecessary outlay in order to provide the public with proper and adequate protection.

It seems that there is a labor element involved and that one group would like to preserve the benefits of group or blanket insurance. The blanket bond or blanket policy as recited in the conference report, since this plan has been reduced to a unit cab basis, falls with equal weight and equal burden upon every taxicab operator in the District of Columbia. It would seem, therefore, that while we are doing justice over on this side we are reducing everybody to a common denominator and taking away, of course, the opportunity of large associations to file a blanket bond or blanket policy to the extent say of $75,000 with the Public Utilities Commission, therefore, having to pay a considerable excess for insurance that may otherwise not be necessary.

Mr. NICHOLS. Will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from Oklahoma.

Mr. NICHOLS. May I point out that under the bill as now written, of course, blanket policies of insurance can be taken out for fleets of taxicabs.

Mr. O'MALLEY. But on a unit cab basis.

Mr. DIRKSEN. Frankly I do not know whether it is going to drive anybody out of business or not. It may. I fancy there are some who ought to be driven out. For instance, it is alleged that we have 450 Government workers who in their spare time are driving taxicabs today. It seems to me there is something wholly inequitable about that. If a man is on Uncle Sam's pay roll, he should not be taking bread from some jobless person by driving a taxicab in his spare time. Of course, he may have a wife and children who need support. He may be paying interest every month on a mortgage in order to buy his home. I realize all of that, but we are in a situation today of trying to spread work as much as possible. Therefore, some may be driven out. Others may be driven out if they do not have enough income with which to pay this insurance.

Frankly I do not know. Experience alone will determine the effect. On the other side of the ledger you have this situation: You have a town of 650,000 people who are unprotected. You have 4,300 taxicabs, more or less, operating today without any public liability whatsoever. Much might be said on that side. When you come to draw a bill that will be satisfactory to the public, to the citizens' associations, to the automobile associations, to the taxi drivers, to the insurance people, and to those who operate great fleets of cabs, you have an almost impossible job on your hands. I say to you for one that no conference report and no bill that we can bring into this House is going to be satisfactory to everybody. That is the situation. I am not going to urge it one way or another. I am going to submit the matter entirely to the House and let it exercise its own responsibility in that respect.

Mr. LEWIS of Colorado. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from Colorado.

Mr. LEWIS of Colorado. Will the gentleman explain just what this conference report provides in regard to the methods of insurance?

Mr. DIRKSEN. I do not want to take any more time, because the gentleman from Oklahoma is going to explain a little bit further, so I will yield my time and let him explain.

Mr. LEWIS of Colorado. I trust the gentleman from Oklahoma will explain the matter.

Mr. DIRKSEN. The thing has been bandied about here so often that I thought everybody was thoroughly familiar with the provisions of the bill.

[Here the gavel fell.]

Mr. PALMISANO. Mr. Speaker, I yield 5 minutes to the gentleman from Wisconsin [Mr. O'MALLEY].

Mr. O'MALLEY. Mr. Speaker, the last time this conference report was up for consideration the House by an overwhelming vote defeated it upon a record vote. On page 11685 of the RECORD of Friday, June 10, I have done all I can to present to the House labor's side of this problem. In the RECORD at that point you will find a letter from the Central Labor Union, a letter from the A. F. of L. national representative, and the amendment that the labor union in the taxicab industry offered to the conferees as a compromise that would not destroy the jobs of the workers, as this conference report would do.

There is not much more to say about this conference report except that it comes back here with somewhat different wording, but it does the same thing that the original Senate amendments did, and, though the wording is changed, the penalizing principle is entirely retained.

Mr. FORD of California. Mr. Speaker, will the gentleman yield?

Mr. O'MALLEY. I yield to the gentleman from California.

Mr. FORD of California. Is not this bill as it is drawn now merely going to afford an opportunity for a lot of fly-by-night insurance companies to come in and write insurance, and then you will not be able to collect a dollar from them?

Mr. O'MALLEY. The gentleman is absolutely correct. An insurance company under the present laws of the District of Columbia can incorporate for $10,000 and take these premiums, amounting to millions of dollars a year, away from the cab drivers, taking the money out of their pockets, not the pockets of the associations, but the pockets of the workingmen. Then if the insurance companies get one judgment against them they can fold up and go through bankruptcy, and their backers will be gone far away from the District with hundreds of thousands of dollars of premiums taken from the men and the litigant holds the bag. If this conference report is adopted, it will cost one company that has union drivers $1,750,000 a year at least in premiums.

Mr. NICHOLS. What company is that?

Mr. O'MALLEY. I believe it is the Premier Cab Co., I may say to the gentleman.

Under the cash-bond proposition which has been brought in here, it will cost one company at least $438,000 a year to put up a cash bond and maintain it on the unit-bond basis. This unfair measure will put out of business at least 2,500 cab drivers in this District.

There is need for liability insurance, I agree. I hope we can get a bill in here that will provide for that need. The House bill did it, but someone, some inveterate enemy of labor, has prevented for weeks any compromise that would allow the workingman from even getting a show in this matter. Whoever would enrich some insurance company by at least $3,000,000 worth of premiums a year has certainly done a good job in working out a report that would do that very thing. Consumer protection can be obtained without enriching insurance racketeers.

We face this alternative today. We either vote down this conference report again, as we did once before, and compel whoever these elements are that are fighting to destroy labor to at least give fair consideration to labor and to the workingman before any law is enacted. Let us not leave these Halls when Congress adjourns knowing we are putting 2,500 to 3,000 more men on the relief rolls of this District. A real bill can only be worked out with proper time for study, which will be next session.

Mr. DIRKSEN. Mr. Speaker, will the gentleman yield?

Mr. O'MALLEY. I yield to the gentleman from Illinois.

Mr. DIRKSEN. I may say to the gentleman from Milwaukee and for the benefit of the House that what the gentleman says about a mutual company being able to incorporate at $10,000 and write insurance is correct. I may say also it is almost impossible to write a bill, unless it might be called an insurance bill. Of course, the rates are not made in Washington. The rates are made by the Rating Bureau. As I pointed out before, the rates will run up to $360 a year.

Mr. O'MALLEY. Three hundred and sixty-five dollars per cab per year. Under the proposed conference report the rates will run up that high. The drivers can put up a cash bond. That is what we asked, and that is what labor asked; but they have worded this report so that the cash bond has to be put upon a unit basis, so much insurance for each cab. They have worked it to harm organized cab drivers and strike directly at their welfare. Let me say right here and now that I am for organized workers, including cab drivers, whenever they legitimately try to improve their conditions. I want them to get a fair deal whether they belong to an association or not. The drivers ought to be organized, and they should not be penalized for organizing, as this report would do.

Mr. McFARLANE. Mr. Speaker, will the gentleman yield?

Mr. O'MALLEY. I yield to the gentleman from Texas.

Mr. McFARLANE. In other words, this bill on which we are again asked to vote is a bill that ought to be entitled "An act to help the insurance companies."

Mr. O'MALLEY. Or an act to put out of business the union cab drivers and the organized workers who have guts enough, when they cannot get work some other place, to drive a cab and stay off relief rolls thereby. [Applause.]

[Here the gavel fell.]

Mr. PALMISANO. Mr. Speaker, I yield 5 minutes to the gentleman from Indiana [Mr. SCHULTE].

Mr. SCHULTE. Mr. Speaker, I do not like to differ with my friends on this committee relative to taxicab insurance. I believe we are all agreed that there should be some kind of insurance carried by the taxicab drivers in the District of Columbia. No one denies this fact, but I am not going to be a party or take any part in the conniving that is going on here to enrich the insurance companies to the extent of $1,533,000 at the expense of the taxicab drivers.

The sum and substance of it all is that we have today in the District of Columbia 6,200 men and women who are earning their living driving taxicabs on the streets of the District of Columbia. We have 4,200 cabs on the streets operating today, and their insurance today amounts to about $60 apiece, yet some fly-by-night insurance man is in the District here today who has been lobbying industriously trying to put this thing over on an unsuspecting public; and, Mr. Speaker, any reliable insurance company that undertakes to insure taxicabs wants $365 a year apiece; in other words, they do not want the insurance; yet the mutual insurance laws in the District are so flimsy that all that is necessary is $10,000; and we took the House bill and agreed to accept $75,000 for any fleet insurance; but this provision was rewritten in the Senate. Now we have 4,200 taxicabs in the District of Columbia. Now, 4,200 times $365 is $1,533,000 in premiums going to the fly-by-night insurance companies. In addition to this, if the conference report is accepted you are going to drive from the streets of the District of Columbia about 1,200 cabs, with the result that you will have 1,200 men who are now making a bare existence put on the relief rolls. This is the sum and substance of the taxicab bill as it now stands.

I say in fairness to all those interested, as well as in fairness to the District of Columbia, let us vote down the conference report in spite of some of the eloquent pleas you are going to hear on the floor about accepting this report in order to protect them. But it will not do that; it will harm them.

Mr. O'MALLEY. Mr. Speaker, will the gentleman yield?

Mr. SCHULTE. I will be pleased to yield to my good friend from Wisconsin.

Mr. O'MALLEY. It has been said here that you cannot write a taxicab-liability bill without insurance companies getting in it. I want to refer the gentlemen to the ordinances of my own city that allow any number of cab drivers or any company or association to put up a cash bond, and when the bond falls below what the ordinance requires their license can be revoked unless they pay any judgment.

Mr. SCHULTE. They tell you that the taxicab companies can go into the insurance business under this agreement. Do not let them josh you about that. The thing to do at this particular time is to vote down the conference report. They wait until the last moment to bring in this bill and hope to have it passed in a hurry. Now, I believe the proper solution of this question for the protection of everyone concerned is to vote down this conference report, and when we come back next year let us write a real insurance bill that will protect everyone and not write one for the benefit of the insurance companies or the fly-by-nights who are now trying to operate in the District of Columbia with nothing at stake.

Mr. MEEKS. Mr. Speaker, will the gentleman yield?

Mr. SCHULTE. I would be glad to yield to my friend from Illinois.

Mr. MEEKS. The statement has been made here that 450 Government employees are driving taxicabs in the city here. Does this bill undertake to deal with them in any way?

Mr. SCHULTE. In no way whatsoever.

Mr. MEEKS. They still would have the right to remain in competition with taxicab drivers who are in the business permanently?

Mr. SCHULTE. Absolutely; and I may say to my friend that there are any number of boys in the District of Columbia who are going to school and driving taxicabs. There are any number of boys in the District of Columbia who are employed by the Government getting the lowest salary the Federal Government pays and yet are trying to make both ends meet by driving taxicabs at night.

I hope the House will vote down the conference report. [Applause.]

Mr. PALMISANO. Mr. Speaker, I yield 5 minutes to the gentleman from Minnesota [Mr. JOHNSON].

Mr. JOHNSON of Minnesota. Mr. Speaker, I probably am the only Member of the House that has made a business of writing taxicab insurance. At one time in Minnesota, a few years ago, I wrote many of the taxi policies in that State. In the first place under this bill, no conference casualty company is going to write this business. It is extra hazardous. They cannot write it; and if they are going to write it, they

will have to charge a premium of $450 to $500, as they have found out from experience. Under this bill as it is written, the only way that you will write taxicab insurance in the District of Columbia is under a mutual law, and when you write it under mutual insurance laws you write it on the basis of contingent liability; and when you write cab insurance, the first thing you have to set up is your nuisance factor in the taxicab game. You have to be prepared as an operator or as a special agent for the insurance company writing this list to write as high as $250 check for the nuisance factor. That is called a nuisance law factor.

In 1931 I wrote to 100 cities in the United States on this question of taxicab insurance for the city of Minneapolis. We have a dual set-up. We have a policy set-up as it is in this report, and we also have a bond or a reserve set-up. If you write your policy in an insurance company, you cannot write it in a conference company. You may be able to write it in a mutual company, and in 1931 in the city of New York not one conference company was writing taxicab insurance, but there were 14 contingent liability mutuals that were writing it, and the situation is this: If the going gets too tough for the contingent mutual company, they assess the other policyholders to pay the claim, and if your reserve is not large enough they go into bankruptcy and you wind it up, and from the department or the officer or the commissioner of insurance over a period of years to get a driblet of money to pay the loss.

Mr. O'MALLEY. And what happens to the money that these taxicab drivers who formerly made a living now have paid into those mutual companies?

Mr. JOHNSON of Minnesota. That goes the way of all things.

Mr. MAVERICK. Mr. Speaker, the gentleman has made an address about insurance. Is he for the bill or against the bill? As an insurance man, does he think it is good or bad?

Mr. JOHNSON of Minnesota. As an insurance man, I think the best bill would be the conference report plus the House bill.

Mr. MAVERICK. But we have to vote this up or down.

Mr. JOHNSON of Minnesota. As this thing is now, I would vote it down, for the welfare of the people of the District of Columbia.

Mr. PALMISANO. What does the gentleman mean by the House bill?

Mr. JOHNSON of Minnesota. I mean the original bill passed here.

Mr. PALMISANO. And what is the special provision? I would like the gentleman to tell the House.

Mr. JOHNSON of Minnesota. I think the best safety set-up that you can get—and insurance men call this the safety factor—is to set up a check-off system, whereby a driver each month pays into his association a certain sum; and you should never let the reserve drop below perhaps $50,000 or $75,000. You have your own safety men; you have your own adjusters that will go out and settle those claims; but you must keep one thing in mind, and that is to always have enough money in there so that you can pay the adjudicated claims that arise during the transactions of the company.

Mr. O'MALLEY. And that is what is being done right now by all organized cab drivers in this District and has been done for years.

Mr. JOHNSON of Minnesota. It is being done in many cities of the United States.

Mr. PALMISANO. And would the gentleman regulate that pro rata payment by some Government official, so that all taxicab drivers would pay share and share alike, instead of considering an association as against one or two people?

Mr. JOHNSON of Minnesota. I would write one provision in this bill whereby under the taxicab inspector of the police department of the city of Washington any cab driver who has an unpaid claim against him should have his license revoked, and that license should not be reissued until such time as he made full and fair settlement of the claim.

Mr. O'MALLEY. And this committee has had the right to bring that kind of a bill in here, but they have never brought it in.

The SPEAKER pro tempore. The time of the gentleman from Minnesota has expired.

Mr. PALMISANO. Mr. Speaker, I yield 20 minutes to the gentleman from Oklahoma [Mr. NICHOLS].

Mr. NICHOLS. Mr. Speaker, at the outset, in answer to the last statement by the distinguished gentleman from Minnesota [Mr. JOHNSON], and answering the statement made by my friend from Wisconsin [Mr. O'MALLEY], we have on the books of the District of Columbia today a law which was passed by the last Congress, and it is called the financial responsibility law. That law provides that any driver or any automobile operator, be he a taxicab driver or a private operator, shall have his license revoked if there is a judgment against him, until the judgment is paid. That is in the law now. Let me tell you how these racketeers and taxi operators have avoided that provision.

When their company or one of the individuals in their association had a judgment rendered against them, they simply formed a new association, gave it another name, and the license is issued to the new name. So, having that provision in this bill convinces me that the gentlemen do not know what they are talking about, because that is already the law.

Let me give you the history of this thing—and I do not think, surely, that my distinguished friend from Indiana, when he talks about "they conniving," and "they doing this," and "they doing that," can surely have any reference to the conferees on this bill; I do not think he does. If he does, I would like to have him be specific. Here is the real situation: When this bill was before the House previously it was voted down by the House, and it was voted down largely by reason of the fact that there was a letter read on the floor by one of the Members saying that labor was against the bill.

We went back to conference. We said: "All right, what does labor want?" I myself got permission from the Department of Labor to use in the union labor hall and there addressed 700 or 800 cab drivers in a mass meeting about this bill. I discussed nothing but the single insurance feature of the bill. I told those boys that night that whatever a majority of that meeting did would govern my actions on the conference committee. I wanted to do the thing, besides protecting the public, which would protect them. The man who was presiding over that meeting refused to let them vote after I got through with my speech. I know what the sentiment of the cab drivers in this city is, at least of those who are not affiliated with an association of cab drivers who want to do something to further the selfish interests of the association. They have always said this, and nothing else, that when a taxicab liability insurance bill is passed they simply want it to affect all cab drivers alike, that they did not want any association to have the best of it over an individual or a private cab operator. That seemed reasonable to me. I do not think there is a man or woman in this House who will not agree with me that it is a stinking shame that this is the only city remaining in the United States of anywhere near its size that does not compel the operators of motor vehicles for hire to provide some sort of protection to the public. This city does not do it. We shall be remiss in our duty, Mr. Speaker, unless we pass some sort of law which will protect your constituents and mine when they come to the city of Washington, which will protect you and me when we drive our automobiles on the street among the 5,300 taxicabs.

Mr. CASEY of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. NICHOLS. I yield.

Mr. CASEY of Massachusetts. In this connection may I say that some time ago a constituent was visiting me here in Washington. She was the victim of a collision between two cabs owned by the same company, in one of which she was a passenger. The matter was placed in the hands of a lawyer and she got judgment, but could not collect. Will

the gentleman explain why it is, both cabs being owned by the same company, she could not collect when she obtained judgment?

Mr. NICHOLS. The association, of course, did not have any funds on which they could collect; they were not financially responsible. Under this bill both of those taxicabs would be compelled to carry policies of liability insurance.

My friend the gentleman from Minnesota [Mr. JOHNSON] points out that no insurance companies will write this insurance unless they make the premium prohibitive. I am frank to say that that is probably true; but it is also true in every other city in the United States; it is also true in every city that is operating under compulsory liability insurance laws. In those cities damages are paid by the mutual companies which are there organized.

The very reason the American Federation of Labor is against this bill now is because they want to have it fixed so that the American Federation of Labor can organize among themselves an association to provide protection to those people who are members of the American Federation of Labor: and I am all for that; that is all right. But if it can be organized into a company by the deposit of a cash bond which will protect those people who ride in taxicabs, why is it not a little farfetched to say that you cannot organize just as strong a mutual insurance company?

Mr. O'MALLEY. Mr. Speaker, will the gentleman yield?

Mr. NICHOLS. The gentleman refused to yield to me; I cannot yield to him.

Mr. O'MALLEY. I yielded to the gentleman, and I answered his question.

Mr. NICHOLS. I yield.

Mr. O'MALLEY. The gentleman indicates that this is the only city without liability insurance on taxicabs. I hope he does not want to give the House the impression that all the other cities of the United States compel a cab driver to buy insurance policies, because that is not the fact. They allow him to place a bond.

Mr. NICHOLS. I may say to the gentleman I think a majority of the cities probably provide an alternative plan, either the purchase of insurance, the depositing of an insurance bond, or the depositing or creation of a savings fund. I think most of them follow that alternative.

Mr. O'MALLEY. That is all we asked the conferees to do.

Mr. NICHOLS. I have met with labor. There is no one will question my regard for labor.

Mr. O'MALLEY. Will the gentleman yield?

Mr. NICHOLS. I will be happy to yield to the gentleman.

Mr. O'MALLEY. The evidence of regard for labor, as labor believes, is indicated by votes.

Mr. NICHOLS. I do not agree with that statement. I am one of those Members who reserves the right to be honest and frank; then if my vote does not test my stand, I am willing to fall on the record I have made.

Mr. Speaker, I talked to the boys and they said, "We want it fixed so that every cab driver will be treated alike. We also want the provision for an insurance bond, sinking bond, or a bond put up by a surety company." I said, "All right; prepare your amendment." They did prepare it and brought the amendment to me. I went into the conference, as every one of the conferees will agree, and fought for their position. I am perfectly willing that there shall be an alternative and no labor man will question that statement.

The thing that kept us from agreeing was the Senate conferees. They said, "All right, we will go along with you on your sinking fund, we will go along with you on your surety bond, but we are going to insist that it be put on a unit basis." That is, a man will put up an insurance bond for 1 taxicab and another man will put up an insurance bond for 20 taxicabs, but the man with the 20 taxicabs will be putting up 20 times as much as the man with 1 taxicab.

That was not agreed to by labor. They said they did not want that. So we were not able to agree. Finally I was advised that labor had agreed to the Senate bill, although I was later advised that those same representatives retracted their statement. I do not know whether they agreed or not, but I was advised by Mr. Cleveland, of the American Automobile Association, and I was advised by a representative of the Washington Board of Trade, that labor had agreed with them. I find later that labor made the statement they did not agree. I took their word for it and the conference report was filed in both Houses.

Mr. WOOD. Will the gentleman yield?

Mr. NICHOLS. I yield to the gentleman from Missouri.

Mr. WOOD. May I ask the gentleman, has anyone documentary evidence or communications, by letter or otherwise, as to what is the position of organized labor on this bill? I do not know what it is myself.

Mr. NICHOLS. I have one I will be glad to read to the gentleman. I do not know what it may be worth. This is addressed to Mr. VINCENT PALMISANO, chairman of the Committee on the District of Columbia, House of Representatives:

> Special interests have confused labor's position, claiming unanimous opposition to taxicab-liability legislation.
>
> We join with public and overwhelming majority taxi drivers demanding acceptance of pending conferees' report providing protection to Washington citizens.
>
> Labor and Congress cannot accept responsibility for continued failure to enact legislation giving compensation for taxicab injuries and deaths.
>
> JOHN PROCTOR,
> *Business Representative, Local No. 10,*
> *International Union of Elevator Constructors.*

Mr. Speaker, I do not know what that may be worth, but it is an expression of an organized labor group that came to me unsolicited.

I have another telegram I will read, although I do not know what it may be worth. This is also addressed to Mr. PALMISANO, and reads as follows:

> We have written every Congressman urging passage of taxicab-liability law as agreed to by conferees' committee.
>
> Failure to pass legislation now will leave Washington citizens without redress against taxicab injuries for another year.
>
> All except selfish private interests unite in supporting immediate enactment.
>
> HARRY S. WENDER,
> *Chairman, Safety Committee,*
> *Federation of Citizens' Association.*

Mr. HEALEY. Will the gentleman yield?

Mr. NICHOLS. I yield to the gentleman from Massachusets.

Mr. HEALEY. I wonder if the gentleman will tell us or give us some approximate idea what the cost of this insurance is going to be?

Mr. NICHOLS. I can do that.

Mr. HEALEY. What are the premiums to be?

Mr. NICHOLS. Mr. Speaker, the gentleman from Wisconsin [Mr. O'MALLEY], stated they would be $365 a year, and the gentleman from Illinois [Mr. DIRKSEN], agreed. Many say it will be at least that much, which would be $1 per day. However, I have a communication in my files from an insurance company in New York—whether they are reputable or not I do not know, although they are doing business—which says for $24 a month they will write the individual risk.

Mr. Speaker, when we were having hearings on this bill testimony was given and agreed to by every taxi driver that the average number of calls per day in Washington is 20 trips. We agreed that if the Public Utilities Commission would raise the taxi fare in the District of Columbia 5 cents per zone, which would increase the rate from 20 cents to 25 cents, from 30 cents to 35 cents, from 50 cents to 55 cents, and from 70 cents to 75 cents, this 5-cent increase per zone will make up to the taxi driver the $1 a day and the insurance will cost him nothing in his present operation. I may say that I am advised by the Public Utilities Commission that that will be done.

Mr. HEALEY. Will the gentleman yield?

Mr. NICHOLS. I yield to the gentleman from Massachusetts.

Mr. HEALEY. What is the limit of liability, $5,000?

Mr. NICHOLS. Yes; that is right.

Mr. HEALEY. For personal injuries?

Mr. NICHOLS. That is right.

Mr. HEALEY. A taxi driver, in order to buy insurance to secure himself against a $5,000 liability, must pay $365?

Mr. NICHOLS. I am assuming that for the sake of argument, as I want to put it on its worst basis, but I think it is all right.

Mr. FLETCHER. Mr. Speaker, will the gentleman yield?

Mr. NICHOLS. I yield to the gentleman from Ohio.

Mr. FLETCHER. I should like to ask the gentleman whether the actuaries placing that rate at a dollar a day based it on the number of accidents, and is that indicative of the grave hazard of traffic in this District?

Mr. NICHOLS. It is indicative of that. The very reason the premiums are so high is that the rate of taxi accidents is as high as it is.

Mr. FLETCHER. Then without the insurance we are running a great risk here in the District?

Mr. NICHOLS. Everyone surely is conscious of the risk we run here. There are 5,300 taxicabs operating on the streets of the District of Columbia, and I venture the assertion that 98 percent of them are financially irresponsible.

This is the real truth about this matter. There was no opposition to this taxicab legislation until Harry Davis—I am ready to call names—president of the Diamond Cab Co., sent two paid lobbyists up here. One was named Harter and the other, Dollar; neither one cares for labor or any taxi driver; all they are interested in is the filthy money they get for selling out the other taxi drivers, and Davis is paying the bill.

Mr. FLETCHER. Gonzola?

Mr. NICHOLS. No. He sent these two lobbyists to this hill, and they have been here ever since I introduced this bill, lobbying Members of Congress against this legislation; and this is the reason they do not want it: The Diamond Cab Co. now assesses its drivers 60 cents a shift, and with two shifts that is $1.20 a day, for the privilege of driving under the Diamond emblem. It tells these drivers that this money goes into a sinking fund which insures their passengers. Talk about these taxi drivers being abused under this bill! Not only do they pay tribute of $1.20 a day to the company, but they are compelled to buy their gasoline from it, and the company does not give the drivers the wholesale rate. No; they buy their gasoline at retail. Further, they are compelled to buy their casings and other accessories from the company. It was through the influence of Harry Davis and his lobbyists up here that a great sentiment has been built up against this bill.

I am very sorry that labor has been dragged into this matter, because, as a matter of fact, labor's only interest is that it be permitted to organize the taxi drivers, and I hope to goodness they are organized. I hope the drivers go into that organization, and then things like this cannot happen.

[Here the gavel fell.]

Mr. PALMISANO. Mr. Speaker, I yield 5 additional minutes to the gentleman from Oklahoma.

Mr. LEWIS of Colorado. Mr. Speaker, will the gentleman yield?

Mr. NICHOLS. I yield to the gentleman from Colorado.

Mr. LEWIS of Colorado. Would not the gentleman state briefly what the House bill provided, what the Senate bill provided, and what this conference report provides?

Mr. NICHOLS. Yes.

Mr. KENNEDY of Maryland. Mr. Speaker, will the gentleman yield?

Mr. NICHOLS. In just a moment. I have to answer this question.

When we reported this bill from the House committee the bill provided a straight insurance plan, very similar to the one that is here now. When we brought the bill onto the floor of the House an amendment was offered by the gentleman from Indiana [Mr. SCHULTE] which provided for an alternative plan of putting up a cash bond or a cash sinking fund, but the amendment provided that in no case could the bond be more than $75,000, for one cab or 10,000 cabs. The amendment was adopted by the House. When the bill went to the Senate the Senate struck out all of that provision, not the provision as reported from our committee, but the amendment which was put into the bill on the floor. Then the bill came back to the House in just the form it is now.

As I said a minute ago, in the conference we tried to reach an agreement between everybody as to a cash bond, or the alternative of a surety bond, but the conferees could never agree, so the bill is back here now in almost exactly the form it came out of the House committee.

Under a $75,000 or $100,000 cash deposit, or the alternative, either a $75,000 or $100,000 surety bond, you will still have exactly what you have today, because no reputable surety company will give a bond upon the operation of taxicabs unless the taxicab operators put up cash collateral in the amount of the bond. If there is a single company in the District of Columbia today which has enough money to maintain a $100,000 sinking fund and add to it as liabilities accrue against it, that company can much more cheaply and a great deal more safely employ the insurance of an insurance company, and you will have just exactly what you have now.

Mr. KENNEDY of Maryland. Mr. Speaker, will the gentleman yield?

Mr. NICHOLS. I yield to the gentleman from Maryland.

Mr. KENNEDY of Maryland. As I understand, this proposal is for the protection of the public?

Mr. NICHOLS. That is right.

Mr. KENNEDY of Maryland. Will the gentleman inform the House what kind of insurance companies will write taxicab insurance?

Mr. NICHOLS. Nothing but mutual companies, I may say to the gentleman.

Mr. KENNEDY of Maryland. Has not the experience been that fly-by-night companies take on these risks and that when the time comes for the payment of the claims they are not in business?

Mr. NICHOLS. I am familiar with the gentleman's argument. It has been made here before. I do not know, as I am not an insurance man, but I do know that insurance companies are being organized all over the United States to write taxicab insurance.

Maybe a lot of them have gone broke, I do not know. I want to leave with you this last thought. This thing is not perfect. No law I have ever seen pass this Congress ever was perfect. Every one of them had to be amended and fixed up. All I want this House to do is to agree to this conference report and let us get the sentiment of this thing on the books, if nothing else, and let us say to the taxicab drivers in the District of Columbia, "If you are going to haul people around for hire you must protect their lives and their limbs." If this bill is not exactly in the proper form we will be back here in January and we will be here from then on, intermittently, and we can correct it by amending it. As I have said, I have never seen a perfect piece of legislation passed in the first instance. Let us take this thing and do what every one of you has agreed is right, that a man operating a taxicab for hire should protect his passengers and the public.

Mr. SMITH of Connecticut. Mr. Speaker, will the gentleman yield?

Mr. NICHOLS. I yield.

Mr. SMITH of Connecticut. Has the gentleman any figures on the number of death and personal-injury cases per year that these taxicabs are involved in?

Mr. NICHOLS. They are very incomplete, I will say to my friend. The newspapers in the District of Columbia have compiled them and I may say that the figures are absolutely staggering. There is no city with a rate of accidents per taxicab any higher than here. Listen to this statement: There are 5,300 cabs here and I venture the assertion there is not another city in the United States of this size that has a number approaching 5,300 cabs—5,300 irresponsible cabs.

[Here the gavel fell.]

Mr. O'MALLEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD at this point and include

therein a letter from the Central Labor Union and the A. F. of L. pleading with the Congress to defeat this conference report.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The matter referred to follows:

BAKERY AND CONFECTIONERY WORKERS' INTERNATIONAL UNION OF AMERICA, LOCAL UNION NO. 118 AND AUXILIARIES,
June 10, 1938.

Hon. THOMAS J. O'MALLEY,
House Office Building, Washington, D. C.

DEAR SIR: I am writing you in regard to the action of the Central Labor Union in regard to the taxicab bill now before the Congress of the United States.

Our action still stands, and the Washington Central Labor Union has not retracted its action as opposing the Senate bill.

The story in the morning newspaper is very misleading, and we want it known it is not our action, and I am speaking to you as the vice president of the Washington Central Labor Union, and this is the only way I can let you know of their action.

I remain,

Respectfully yours,

CHAS. B. MCCLOSKY,
Vice President, Washington Central Labor Union.

Congressman O'MALLEY:

My letter addressed to you under date of May 3, 1938, still stands.

W. C. HUSHING,
National Legislative Representative, American Federation of Labor.

MAY 3, 1938.

Congressman O'MALLEY,
House Office Building, Washington, D. C.

MY DEAR CONGRESSMAN: I wish to direct your attention to the conference report on H. R. 7084, which I understand is to be considered today in the House.

This letter comes at a rather late date due to the fact that the Washington Central Labor Union did not act on the conference report until it met last night.

This bill, as you of course know, compels all taxi drivers to carry liability insurance. We find that the conference report is not in accordance with the bill as passed originally by the House, in which form it was acceptable to the Washington Central Labor Union and to the local union of drivers involved.

It is understood by those interested that if the conference report in its present form is adopted that the independent taxi owners in the District of Columbia will be put out of business, and that the larger companies, who have pressed for the passage of this bill, will be in complete control of the situation in this city. We, therefore, advocate the "blanket provision" as originally passed by the House, and would appreciate efforts made by you and our friends to achieve this purpose.

Sincerely,

WILLIAM C. HUSHING,
National Legislative Representative, American Federation of Labor.

Mr. PALMISANO. Mr. Speaker, I yield myself 8 minutes.

I have heard considerable said here about mutual insurance companies and I have heard a number of members say that the only companies that will write taxicab insurance are mutual insurance companies. I have noticed that everyone agrees that a majority of the large cities of this country do have taxicab insurance and they are based on equality or on a unit basis. If one company has 1 or 5 taxicabs and another has 20, they pay according to the number of taxies they have, and the only contention you have here is that a company with 1,400 cabs shall put up a bond of $75,000, and one with 4 or 5 cabs must put up $10,000 apiece. In other words, you have the man with 5 cabs put up $50,000 and you have the man with 1,400 put up $70,000.

At the time we had up the House bill originally they offered me an amendment at that time to require a $50,000 bond, and I said, "No; not under any circumstances," and then I had a suggestion from the gentleman from Indiana [Mr. SCHULTE] and under his advice I took the $75,000 amendment and accepted it.

Mr. SCHULTE. Mr. Speaker, will the gentleman yield?

Mr. PALMISANO. No; I cannot yield now.

Mr. SCHULTE. The gentleman has mentioned my name and should certainly yield.

Mr. PALMISANO. Is not that statement true?

Mr. SCHULTE. No; it is not true and the gentleman should yield to me to explain it.

Mr. PALMISANO. Did not the gentleman propose a $75,000 bond as an amendment to the House bill?

Mr. SCHULTE. Will the gentleman now yield?

Mr. PALMISANO. Yes; for an answer to that question.

Mr. SCHULTE. If the gentleman yields for an answer to his statement that I suggested it, I may say that the gentleman's memory is mighty short if the gentleman believes that, because the gentleman himself recommended that.

Mr. PALMISANO. Does the gentleman mean to say that he did not suggest to me in the beginning that that suggestion was given to him and then to me? Certainly, the gentleman knows that is true.

Now, the gentleman from Indiana would have you believe that he is trying to protect the Government employees who are chiseling on the poor taxicab drivers. I say with all due respect that a man who has a job today with the Federal Government ought not to chisel on the poor taxicab drivers who are working 16 and 18 hours a day to make a living.

If you put a provision in the law to apply the wage and hour provision to it you will find there will not be a taxicab driver in the District of Columbia. They are compelled to work 16 hours, and as a taxicab rider spending from 50 to 80 cents a day in riding taxicabs in the District, I may say that I am willing to permit a 5-cent raise per zone, as the gentleman from Oklahoma has suggested, and help to pay for this insurance so that you may know when your constituents, as well as mine, come here and ride in a taxicab they are going to be protected, and this is what you will have to do in order to grant them such protection.

Protect them in the same way that you would have them protected at home. Give us something to start with. This thing has been dragged around here for 10 years, and it is time that we do something to protect the public. Some time ago one of our Members was killed out here, and I say let us protect the widows and orphans wherever there is a death caused by a taxicab, and you can go home and rest assured that you have done your duty to your constituents.

There has been some talk about the rate. I have here a letter from the Eastern Mutual Casualty Co. They write taxicab insurance in Baltimore.

Mr. SCHULTE. In Baltimore?

Mr. PALMISANO. All right, but you come to Baltimore and you will find that you are protected. In Baltimore the taxicab rate is divided into four sections. The Markel Service Incorporation writes about 31 percent, the Eastern Mutual Co. writes about 31 percent, and the National Mutual Co. writes about 30 percent and the Empire Mutual Insurance Co. writes about 7 percent. Listen to this. My colleague from Indiana [Mr. SCHULTE] while he did not say so today, the last time we had this question up said that 98 percent of the losses against taxicab companies here in the District of Columbia are unpaid. Say what you will about mutual companies not paying, but let me read this to you:

> We maintain a competent claims department for prompt and efficient service, and there are no judgments outstanding against the Eastern Mutual Casualty Co.

They claim in this letter that the taxicab rate in the District of Columbia would be about $25 a month, this being due to better traffic conditions in this locality. So that I ask that this conference report be accepted, that we proceed, and if any injustice is done to the taxicab drivers in this District, I for one, if I am back here in the next Congress, will vote to correct it, because I want to do justice to the little individual taxicab driver.

Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the conference report.

The question was taken; and on a division (demanded by Mr. PALMISANO) there were—ayes 27, noes 104.

Mr. NICHOLS. Mr. Speaker, I object to the vote upon the ground that there is no quorum present.

The SPEAKER. The gentleman from Oklahoma makes the point of order that there is no quorum present and objects to the vote upon that ground. The Chair will count. [After counting.] Two hundred and forty-five Members present, a quorum.

So the conference report was rejected.

UNEMPLOYMENT INSURANCE FOR RAILROAD EMPLOYEES

Mr. CROSSER. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 10127) to regulate interstate commerce by establishing an unemployment-insurance system for individuals employed by certain employers engaged in interstate commerce, and for other purposes, as amended.

The Clerk read the title of the bill.

The bill is as follows:

Be it enacted, etc.

DEFINITIONS

SECTION 1. For the purposes of this act, except when used in amending the provisions of other acts—

(a) The term "employer" means any carrier (as defined in subsection (b) of this section), and any company which is directly or indirectly owned or controlled by one or more such carriers or under common control therewith, and which operates any equipment or facility or performs any service (except trucking service, casual service, and the casual operation of equipment or facilities) in connection with the transportation of passengers or property by railroad, or the receipt, delivery, elevation, transfer in transit, refrigeration or icing, storage, or handling of property transported by railroad, and any receiver, trustee, or other individual or body, judicial or otherwise, when in the possession of the property or operating all or any part of the business of any such employer: *Provided, however,* That the term "employer" shall not include any street, interurban, or suburban electric railway, unless such railway is operating as a part of a general steam-railroad system of transportation, but shall not exclude any part of the general steam-railroad system of transportation now or hereafter operated by any other motive power. The Interstate Commerce Commission is hereby authorized and directed upon request of the Board, or upon complaint of any party interested, to determine after hearing whether any line operated by electric power falls within the terms of this proviso. The term "employer" shall also include railroad associations, traffic associations, tariff bureaus, demurrage bureaus, weighing and inspection bureaus, collection agencies, and other associations, bureaus, agencies, or organizations controlled and maintained wholly or principally by two or more employers as hereinbefore defined and engaged in the performance of services in connection with or incidental to railroad transportation; and railway labor organizations, national in scope, which have been or may be organized in accordance with the provisions of the Railway Labor Act, and their State and national legislative committees and their general committees and their insurance departments and their local lodges and divisions, established pursuant to the constitution and bylaws of such organizations.

(b) The term "carrier" means an express company, sleeping-car company, or carrier by railroad, subject to part I of the Interstate Commerce Act.

(c) The term "company" includes corporations, associations, and joint-stock companies.

(d) The term "employee" (except when used in phrases establishing a different meaning) means any individual who is or has been (i) in the service of one or more employers for compensation, or (ii) an employee representative. The term "employee" shall include an employee of a local lodge or division defined as an employer in section 1 (a) only if he was in the service of a carrier on or after August 29, 1935. The term "employee" includes an officer of an employer.

An individual is in the service of an employer whether his service is rendered within or without the United States if he is subject to the continuing authority of the employer to supervise and direct the manner of rendition of his service, which service he renders for compensation: *Provided, however,* That an individual shall be deemed to be in the service of an employer not conducting the principal part of its business in the United States only when he is rendering service to it in the United States.

(e) The term "employee representative" means any officer or official representative of a railway labor organization other than a labor organization included in the term "employer" as defined in section 1 (a) who before or after August 29, 1935, was in the service of an employer as defined in section 1 (a) and who is duly authorized and designated to represent employees in accordance with the Railway Labor Act, and any individual who is regularly assigned to or regularly employed by such officer or official representative in connection with the duties of his office.

(f) The term "part-time worker" means any employee whose contract of hire (i) provides for regular employment for less than the normal number of hours per day, or less than the normal number of days per month, or both, prevailing for the class of service which he renders to one or more employers, and (ii) does not provide that he shall be continuously subject to call for service for the normal number of hours per day and the normal number of days per month prevailing for the class of service which he renders.

(g) The term "employment" means service performed as an employee.

(h) The term "half-month" means a period of any 15 consecutive days; but, with respect to any individual, no day shall be included in more than one half-month.

(i) The term "compensation" means any form of money remuneration, including pay for time lost but excluding tips, payable for services rendered as an employee to one or more employers, or as an employee representative: *Provided, however,* That in computing the compensation payable to any employee with respect to any calendar month, no part of any compensation in excess of $300 shall be recognized.

(j) The term "remuneration" means pay for services for hire, including pay for time lost, and tips, but pay for time lost shall be deemed earned on the day on which such time is lost. The term "remuneration" does not include (i) the voluntary payment by another, without deduction from the pay of an employee, of any tax or contribution now or hereafter imposed with respect to the remuneration of such employee, or (ii) any money payments received pursuant to any nongovernmental plan for unemployment insurance.

(k) Subject to the provisions of section 4 of this act, a day of unemployment, with respect to any employee, means a calendar day on which he is able to work and is available for work and with respect to which (i) no remuneration is payable to him, and (ii) he has, in accordance with such regulations as the Board may prescribe, registered at an employment office: *Provided, however,* That with respect to a part-time worker a calendar day on which he is not normally employed shall not constitute a day of unemployment: *And provided further,* That, with respect to any employee whose normal work shift includes a part of each of 2 consecutive calendar days, the term "calendar day," as heretofore used in this subsection, shall mean such equivalent period of 24 hours as the Board may by regulation prescribe.

(l) The term "base year" means the year with respect to which an employee's compensation is used in determining his qualification for, and the amounts of, benefits; and, with respect to any employee, shall be the last completed calendar year before the beginning of his benefit year if his benefit year begins on or after July 1 of any calendar year, and the next to the last completed calendar year before the beginning of his benefit year if his benefit year begins before July 1 of any calendar year.

(m) The term "benefits" (except when used in the term "unemployment benefits") means the money payments payable to an employee as provided in this act, with respect to his unemployment.

(n) The term "benefit year," with respect to any employee, means the 12 months' period which begins with the first day with respect to which benefits are first payable to him, and thereafter the 12 months' period which begins with the first day with respect to which benefits are next payable to him after the termination of his last preceding benefit year.

(o) The term "employment office" means a free employment office operated by the Board, or designated as such by the Board pursuant to section 12 (i) of this act.

(p) The term "account" means the railroad unemployment insurance account established pursuant to section 10 of this act in the unemployment trust fund.

(q) The term "fund" means the railroad unemployment insurance administration fund, established pursuant to section 11 of this act.

(r) The term "Board" means the Railroad Retirement Board.

(s) The term "United States", when used in a geographical sense, means the States, Alaska, Hawaii, and the District of Columbia.

(t) The term "State" means any of the States, Alaska, Hawaii, or the District of Columbia.

(u) Any reference in this act to any other act of Congress, including such reference in amendments to other acts, includes a reference to such other act as amended from time to time.

BENEFITS

SEC. 2. (a) Except as may otherwise be prescribed for part-time workers pursuant to subsection (d) of this section, a qualified employee shall be paid benefits for each day of unemployment in excess of 7 during any half month which begins after June 30, 1939.

The benefits payable to any such employee for each such day of unemployment shall be the amount appearing in the following table in column II on the line on which, in column I, appears the compensation-range containing the total amount of compensation payable to him with respect to employment in his base year:

Column I. Total compensation:	Column II. Daily benefit amount:
$150 to $199.99	$1.75
$200 to $474.99	2.00
$475 to $749.99	2.25
$750 to $1,024.99	2.50
$1,025 to $1,299.99	2.75
$1,300 and over	3.00

(b) The benefits provided for in this section shall be paid to an employee at such reasonable intervals as the Board may prescribe.

(c) The maximum benefits payable to an employee for unemployment within his benefit year shall not exceed eighty times the daily benefits payable to him.

(d) The Board shall prescribe regulations for determining the amount of daily benefits, and the maximum benefits during any

benefit year, to be payable to part-time workers and for determining the days of unemployment with respect to which such benefits shall be payable. Such regulations shall provide benefits reasonably proportionate to the benefits hereinbefore provided for other employees, with due regard to the compensation payable per month to a part-time worker with respect to his part-time employment, as compared with the compensation per month prevailing in the same locality for employees employed by employers for the full-time hours or days per month prevailing in the locality for the same class of service. Such regulations shall provide also for the payment of such benefits to a part-time worker only with respect to his days of unemployment in excess of a number to be prescribed with due regard to the proportion of full time which he regularly works.

(e) The provisions of section 9 of the Railroad Retirement Act of 1937 shall be applicable to benefits under this act to the same extent and in the same manner as therein provided with respect to annuities, death benefits, and pensions.

(f) No benefits shall be assignable or be subject to any tax or to garnishment, attachment, or other legal process under any circumstances whatsoever, nor shall the payment thereof be anticipated.

(g) If (i) benefits are paid to any employee with respect to any period, and there is later determined to be payable to such employee any remuneration with respect to such period, and (ii) the person or company from whom such remuneration is payable has, before payment thereof, notice of the payment of such benefits, the remuneration so payable shall not be reduced by reason of such benefits but the remuneration so payable, to the extent of such benefits, shall be held to be a special fund in trust for the Board. The amount of such special fund shall be paid to the Board and in the collection thereof the Board shall have the same authority, and the same penalties shall apply, as are provided in section 8 of this act with respect to contributions. The proceeds of such special fund shall be credited to the account. The amount of such benefits, to the extent that it is represented in such a special fund which has been collected by the Board, shall be disregarded for the purposes of subsections (a) and (c) of this section.

QUALIFYING CONDITIONS

SEC. 3. An employee shall be qualified to receive benefits in accordance with section 2 of this act only if the Board finds that—

(a) There was payable to him compensation of not less than $150 with respect to employment during his base year; and

(b) Within 6 months prior to his benefit year and after June 15, 1939, he has had a waiting period of at least 15 consecutive days of unemployment, or 2 half-months during each of which he had at least 8 days of unemployment. No such period shall be counted for the purposes of this subsection if unemployment benefits have been paid with respect to the whole or any part thereof under this act, any other act of Congress, or under any other unemployment-compensation law.

DISQUALIFYING CONDITIONS

SEC. 4. (a) There shall not be considered as a day of unemployment, with respect to any employee—

(i) any of the 30 days beginning with the day with respect to which the Board finds that he left work voluntarily without good cause;

(ii) any of the 45 days beginning with the day with respect to which the Board finds that he was discharged or suspended for misconduct related to his work;

(iii) any of the 30 days beginning with the day with respect to which the Board finds that he failed, without good cause, to accept suitable work available on such day and offered to him;

(iv) any of the 15 days beginning with the day with respect to which the Board finds that he was, with proper notice, called upon to report for suitable work available on such day and was able to work but was not available;

(v) subject to the provisions of subsection (b) of this section, any day with respect to which the Board finds that his unemployment was due to a stoppage of work because of a strike in the establishment, premises, or enterprise at which he was last employed, and the Board finds that such strike was commenced in violation of the provisions of the Railway Labor Act or in violation of the established rules and practices of a bona fide labor organization of which he was a member;

(vi) any of the 75 days beginning with the first day of any half-month with respect to which the Board finds that he knowingly made or aided in making or caused to be made any false or fraudulent statement or claim for the purpose of causing benefits to be paid;

(vii) any day in any period with respect to which the Board finds that he is receiving, has received, or has a right to receive compensation or other wages in lieu of notice, annuity payments, or pensions under the Railroad Retirement Act of 1935 or the Railroad Retirement Act of 1937, or old-age benefits under title II of the Social Security Act or payments for similar purposes under any other act of Congress; or he is receiving or has received unemployment benefits under an unemployment compensation law of any State or of the United States other than this act;

(viii) any day in any half-month with respect to which the Board finds that he performed at least 25 percent of the maximum employment allowable to him for a calendar month pursuant to a contract of employment providing for the determination of his compensation, wholly or partially, on a mileage basis;

(ix) any day in any calendar month with respect to which the Board finds that he had prior to such day performed at least 50 percent of the maximum employment allowable to him during such calendar month pursuant to a contract of employment providing for the determination of his compensation, wholly or partially, on a mileage basis.

(b) The disqualification provided in section 4 (a) (v) of this act shall not apply if the Board finds that—

(i) the employee is not participating in or financing or directly interested in the strike which causes the stoppage of work: *Provided*, That payment of regular union dues shall not be construed to constitute financing a strike or direct interest in a strike within the meaning of this and the following paragraphs; and

(ii) he does not belong to a grade or class of workers of which, immediately before the commencement of the stoppage, there were members employed in the establishment, premises, or enterprise at which the stoppage occurs, any of whom are participating in or financing or directly interested in the dispute: *Provided*, That if separate types of work are commonly conducted in separate departments of a single enterprise, each such department shall, for the purposes of this subsection, be deemed to be a separate establishment, enterprise, or other premises.

(c) No work shall be deemed suitable for the purposes of section 4 (a) (iii) or 4 (a) (iv) of this act, and benefits shall not be denied under this act to any otherwise qualified employee for refusing to accept work if—

(i) the position offered is vacant due directly to a strike, lock-out, or other labor dispute;

(ii) the remuneration, hours, or other conditions of work offered are substantially less favorable to the employee than those prevailing for similar work in the locality, or the rate of remuneration is less than the union wage rate, if any, for similar work in the locality;

(iii) as a condition of being employed he would be required to join a company union or to resign from or refrain from joining any bona fide labor organization;

(iv) acceptance of the work would require him to engage in activities in violation of law or which, by reason of their being in violation of reasonable requirements of the constitution, by-laws, or similar regulations of a bona fide labor organization of which he is a member, would subject him to expulsion from such labor organization; or

(v) acceptance of the work would subject him to loss of substantial seniority rights under any collective bargaining agreement between a railway labor organization, organized in accordance with the provisions of the Railway Labor Act, and any other employer.

(d) In determining, within the limitations of section 4 (c) of this act, whether or not any work is suitable for an employee for the purposes of sections 4 (a) (iii) and 4 (a) (iv) of this act, the Board shall consider, in addition to such other factors as it deems relevant, (i) the current practices recognized by management and labor with respect to such work; (ii) the degree of risk involved to such employee's health, safety, and morals; (iii) his physical fitness and prior training; (iv) his experience and prior earnings; (v) his length of unemployment and prospects for securing work in his customary occupation; and (vi) the distance of the available work from his residence and from his most recent work.

(e) For the purposes of section 4 (a) (i) of this act no voluntary leaving of work shall be deemed to have been without good cause if the Board finds that such work would not have been suitable for the purposes of section 4 (a) (iii) and 4 (a) (iv) of this act.

CLAIMS FOR BENEFITS

SEC. 5. (a) Claims for benefits and appeals from determinations with respect thereto shall be made in accordance with such regulations as the Board shall prescribe. Each employer shall post and maintain, in places readily accessible to employees in his service, such printed statements concerning such regulations as the Board supplies to him for such purpose, and shall keep available to his employees copies of such printed statements. Such printed statements shall be supplied by the Board to each employer without cost to him.

(b) The Board is authorized and directed to make findings of fact with respect to any claim for benefits and to make decisions as to the right of any claimant to benefits. The Board is further authorized to hold such hearings, to conduct such investigations and other proceedings, and to establish, by regulations or otherwise, such procedures as it may deem necessary or proper for the determination of a right to benefits.

(c) Each claimant whose claim for benefits has been denied upon an initial determination with respect thereto, shall be granted an opportunity for a fair hearing thereon before a district board. The Board shall establish such district boards as it may deem necessary to provide for such hearings. Each district board shall consist of three members, one of whom shall be a representative of the Board, who shall serve as chairman, one of whom shall be appointed by the Board from recommendations made by representatives of employees, and one of whom shall be appointed by the Board from recommendations made by representatives of employers. Each of the latter two members shall not be subject to the civil-service laws or rules and shall be paid a per diem salary of such amount as the Board finds reasonable for each day of active service on such district board, plus necessary expenses. The Board may designate an alternate for each member of a district board to serve

in the absence or disqualification of such member. In no case shall a hearing before a district board proceed unless the chairman thereof is present. In the absence or disqualification of any other member and his alternate, the chairman shall act alone as the district board.

(d) The Board shall prescribe regulations governing the filing of cases with and the decision of cases by district boards, and the review of such decisions. The Board may provide for intermediate reviews of such decisions by such bodies as the Board may establish or assign thereto. The Board may (i) on its own motion review a decision of a district board or of an intermediate reviewing body on the basis of the evidence previously submitted in such case, and may direct the taking of additional evidence, or (ii) permit such parties as it finds properly interested in the proceedings to take appeals to the Board. Unless a review or an appeal is had pursuant to this subsection, the decision of a district board or of an intermediate reviewing body shall, subject to such regulations as the Board may prescribe, be deemed to be the final decision of the Board.

(e) In any proceeding other than a court proceeding, upon a claim for benefits, the rules of evidence prevailing in courts of law or equity shall not be controlling, but a full and complete record shall be kept of all proceedings and testimony, and the Board's final determination allowing or denying benefits, together with its findings of fact and conclusions of law in connection therewith, shall be communicated to the claimant within 15 days after the date of such final determination.

(f) Any claimant, and any railway labor organization organized in accordance with the provisions of the Railway Labor Act, of which such claimant is a member, may, only after all administrative remedies within the Board have been availed of and exhausted, obtain a review of any final decision of the Board with reference to a claim for benefits by filing a petition for review within 90 days after the mailing of notice of such decision to the claimant, or within such further time as the Board may allow, in the United States district court for the judicial district in which the claimant resides, or in the United States District Court for the District of Columbia. A copy of such petition, together with initial process, shall forthwith be served upon the Board or any officer designated by it for such purpose. Service may be made upon the Board by registered mail addressed to the chairman. Within 15 days after receipt of service, or within such additional time as the court may allow, the Board shall certify and file with the court in which such petition has been filed a transcript of the record upon which the findings and decision complained of are based. Upon such filing the court shall have exclusive jurisdiction of the proceeding and of the question determined therein, and shall give precedence in the adjudication thereof over all other civil cases not otherwise entitled by law to precedence. It shall have power to enter upon the pleadings and transcript of the record a decree affirming, modifying, or reversing the decision of the Board, with or without remanding the cause for rehearing. The findings of the Board as to the facts, if supported by evidence and in the absence of fraud, shall be conclusive. No additional evidence shall be received by the court, but the court may order additional evidence to be taken before the Board, and the Board may, after hearing such additional evidence, modify its findings of fact and conclusions and file such additional or modified findings and conclusions with the court, and the Board shall file with the court a transcript of the additional record. The judgment and decree of the court shall be final, subject to review as in equity cases.

An applicant for review of a final decision of the Board concerning a claim for benefits shall not be liable for costs, including costs of service or costs of printing records, except that costs may be assessed by the court against such applicant if the court determines that the proceedings for such review have been instituted or continued without reasonable ground.

(g) Findings of fact and conclusions of law of the Board in the determination of any claim for benefits or refund and the determination of the Board that the unexpended funds in the account are available for the payment of any claim for benefits or refund under this act, shall be, except as provided in subsection (f) of this section, binding and conclusive for all purposes and upon all persons, including the Comptroller General and any other administrative or accounting officer, employee, or agent of the United States, and shall not be subject to review in any manner other than that set forth in subsection (f) of this section.

(h) Except as may be otherwise prescribed by regulations of the Board, benefits payable with respect to any period prior to the date of a final decision of the Board with respect to a claim therefor shall be paid only after such final decision.

(i) No claimant claiming benefits shall be charged fees of any kind by the Board, its employees or representatives, with respect to such claim. Any such claimant may be represented by counsel or other duly authorized agent in any proceeding before the Board or its representatives or a court, but no such counsel or agent shall either charge or receive for such services more than an amount approved by the Board or by the court before whom the proceedings of the Board are reviewed. Any person who violates any provision of this subsection shall be punished by a fine of not more than $10,000 or by imprisonment not exceeding 1 year.

CONCLUSIVENESS OF RETURNS OF COMPENSATION AND OF FAILURE TO MAKE RETURNS OF COMPENSATION

SEC. 6. Employers shall file with the Board, in such manner and form and at such times as the Board by regulations may prescribe, returns under oath of monthly compensation of employees, and, if the Board shall so require, shall furnish employees with statements of their monthly compensation as reported to the Board. Any such return shall be conclusive as to the amount of compensation earned by an employee during each month covered by the return, and the fact that no return was made of the compensation claimed to be earned by an employee during a particular calendar month shall be taken as conclusive that no compensation was earned by such employee during that month, unless the error in the amount of compensation returned in the one case, or the failure to make return of the compensation in the other case, is called to the attention of the Board within 4 years after the last date on which return of the compensation was required to be made.

FREE TRANSPORTATION

SEC. 7. It shall not be unlawful for carriers to furnish free transportation to employees qualified for benefits or serving waiting periods under this act.

CONTRIBUTIONS

SEC. 8. (a) Every employer shall pay a contribution, with respect to having employees in his service, equal to 3 percent of so much of the compensation as is not in excess of $300 for any calendar month payable by him to any employee with respect to employment after June 30, 1939: *Provided, however,* That if compensation is payable to an employee by more than one employer with respect to any such calendar month, the contributions required by this subsection shall apply to not more than $300 of the aggregate compensation payable to said employee by all said employers with respect to such calendar month, and each such employer shall be liable for that proportion of the contribution with respect to such compensation which the amount payable by him to the employee with respect to such calendar month bears to the aggregate compensation payable to such employee by all employers with respect to such calendar month.

(b) Each employee representative shall pay, with respect to his income, a contribution equal to 3 percent of so much of the compensation of such employee representative as is not in excess of $300 for any calendar month, paid to him for services performed as an employee representative after June 30, 1939. The compensation of an employee representative and the contribution with respect thereto shall be determined in the same manner and with the same effect as if the employee organization by which such employee representative is employed were an employer as defined in this act.

(c) In the payment of any contribution under this act, a fractional part of a cent shall be disregarded unless it amounts to one-half cent or more, in which case it shall be increased to 1 cent.

(d) If more or less than the correct amount of the contribution required by this section is paid with respect to any compensation, then, under regulations prescribed under this act by the Board, proper adjustments with respect to the contribution shall be made, without interest, in connection with subsequent contribution payments made under this act by the same employer or employee representative.

(e) If more or less than the correct amount of the contribution required by this section is paid with respect to any compensation and the overpayment or underpayment of the contribution cannot be adjusted under subsection (d) of this section, the amount of the overpayment shall be refunded from the account, or the amount of the underpayment shall be collected, in such manner and at such times (subject to the statute of limitations properly applicable thereto) as may be prescribed by regulations of the Board.

(f) The contributions required by this act shall be collected by the Board and shall be deposited by it with the Secretary of the Treasury of the United States, 90 percent thereof to the credit of the account and 10 percent thereof to the credit of the fund.

(g) The contributions required by this act shall be collected and paid quarterly or at such other times and in such manner and under such conditions not inconsistent with this act as may be prescribed by regulations of the Board, and shall not be deducted, in whole or in part, from the compensation of employees in the employer's employ. If a contribution required by this act is not paid when due, there shall be added to the amount payable (except in the case of adjustments made in accordance with the provisions of this act) interest at the rate of 1 percent per month or fraction of a month from the date the contribution became due until paid. Any interest collected pursuant to this subsection shall be credited to the account.

(h) All provisions of law, including penalties, applicable with respect to any tax imposed by section 600 or section 800 of the Revenue Act of 1926, and the provisions of section 607 of the Revenue Act of 1934, insofar as applicable and not inconsistent with the provisions of this act, shall be applicable with respect to the contributions required by this act: *Provided, however,* That all authority and functions conferred by or pursuant to such provisions upon any officers or employees of the United States, except the authority to institute and prosecute, and the function of instituting and prosecuting, criminal proceedings, shall, with respect to the contributions required by this act, be vested in and exercised by the Board or such officers and employees of the Board as it may designate therefor.

PENALTIES

SEC. 9. (a) Any officer or agent of an employer, or any employee representative, or any employee acting in his own behalf, or any person whether or not of the character hereinbefore defined, who

shall willfully fail or refuse to make any report or furnish any information required by the Board in the administration of this act, or who shall knowingly make or aid in making or cause to be made any false or fraudulent statement or report when a statement or report is required to be made for the purposes of this act, or who shall knowingly make or aid in making or cause to be made any false or fraudulent statement or claim for the purpose of causing benefits or other payment to be made or not to be made under this act, shall be punished by a fine of not more than $10,000 or by imprisonment not exceeding 1 year, or both.

(b) Any agreement by an employee to pay all or any portion of the contribution required of his employer under this act shall be void, and it shall be unlawful for any employer, or officer or agent of an employer, to make, require, or permit any employee to bear all or any portion of such contribution. Any employer, or officer or agent of an employer, who violates any provision of this subsection shall be punished for each such violation by a fine of not more than $10,000 or by imprisonment not exceeding 1 year, or both.

(c) Any person who violates any provision of this act, the punishment for which is not otherwise provided, shall be punished for each such violation by a fine of not more than $1,000 or by imprisonment not exceeding 1 year, or both.

(d) All fines and penalties imposed by a court pursuant to this act shall be paid to the court and be remitted from time to time by order of the judge to the Treasury of the United States to be credited to the account.

RAILROAD UNEMPLOYMENT INSURANCE ACCOUNT

SEC. 10. (a) The Secretary of the Treasury shall maintain in the unemployment trust fund established pursuant to section 904 of the Social Security Act an account to be known as the railroad unemployment insurance account. This account shall consist of (i) 90 percent of all contributions collected pursuant to section 8 of this act, together with all interest thereon collected pursuant to section 8 of this act; (ii) all amounts transferred or paid into the account pursuant to section 13 or section 14 of this act; (iii) all additional amounts appropriated to the account in accordance with any provision of this act or with any provision of law now or hereafter adopted; (iv) a proportionate part of the earnings of the unemployment trust fund, computed in accordance with the provisions of section 904 (e) of the Social Security Act; (v) all amounts realized in recoveries for overpayments or erroneous payments of benefits; (vi) all amounts transferred thereto pursuant to section 11 of this act; (vii) all fines or penalties collected pursuant to the provisions of this act; and (viii) all amounts credited thereto pursuant to section 2 (g) or section 12 (j) of this act. Notwithstanding any other provision of law, all moneys credited to the account shall be mingled and undivided, and are hereby permanently appropriated to the Board to be continuously available to the Board without further appropriation, for the payment of benefits and refunds under this act, and no part thereof shall lapse at any time, or be carried to the surplus fund or any other fund.

(b) All moneys in the account shall be used solely for the payment of the benefits and refunds provided for by this act. The Board shall, from time to time, certify to the Secretary of the Treasury the name and address of each person or company entitled to receive benefits or a refund payment under this act, the amount of such payment, and the time at which it shall be made. Prior to audit or settlement by the General Accounting Office, the Secretary of the Treasury, through the Division of Disbursements of the Treasury Department, shall make payments from the account directly to such person or company of the amount of benefits or refund so certified by the Board: *Provided, however,* That if the Board shall so request, the Secretary of the Treasury, through the Division of Disbursements of the Treasury Department, shall transmit benefit payments to the Board for distribution by it through employment offices or in such other manner as the Board deems proper.

(c) The Board shall include in its annual report to Congress a statement with respect to the status and operation of the account.

(d) The Secretary of the Treasury is hereby directed to advance to the credit of the account such sums, but not more than $25,000,000, as the Board requests for the purpose of paying benefits. Such sums shall be repaid from the account on January 1, 1941, or at such earlier time as the Board may, by agreement with the Secretary of the Treasury, determine.

(e) Section 904 (a) of the Social Security Act is hereby amended to read as follows:

"There is hereby established in the Treasury of the United States a trust fund to be known as the 'unemployment trust fund', hereinafter in this title called the 'fund.' The Secretary of the Treasury is authorized and directed to receive and hold in the fund all moneys deposited therein by a State agency from a State unemployment fund, or by the Railroad Retirement Board to the credit of the railroad unemployment insurance account. Such deposit may be made directly with the Secretary of the Treasury or with any Federal Reserve bank or member bank of the Federal Reserve System designated by him for such purpose."

(f) Section 904 (e) of the Social Security Act is hereby amended to read as follows:

"The fund shall be invested as a single fund, but the Secretary of the Treasury shall maintain a separate book account for each State agency and the railroad unemployment insurance account and shall credit quarterly on March 31, June 30, September 30, and December 31, of each year, to each account, on the basis of the average daily balance of such account, a proportionate part of the earnings of the fund for the quarter ending on such date."

(g) Section 904 (f) of the Social Security Act is hereby amended by adding thereto the following sentence: "The Secretary of the Treasury is authorized and directed to make such payments out of the fund as the Railroad Retirement Board may duly certify, not exceeding the amount standing to the railroad unemployment insurance account at the time of such payment."

RAILROAD UNEMPLOYMENT INSURANCE ADMINISTRATION FUND

SEC. 11. (a) There is hereby established in the Treasury of the United States a fund to be known as the railroad unemployment insurance administration fund. This fund shall consist of (i) 10 percent of all contributions collected pursuant to section 8 of this act (ii) all amounts advanced to the fund by the Secretary of the Treasury pursuant to this section; (iii) all amounts appropriated by subsection (b) of this section; and (iv) such additional amounts as Congress may appropriate for expenses necessary or incidental to administering this act. Such additional amounts are hereby authorized to be appropriated.

(b) In addition to the other moneys herein provided for expenses necessary or incidental to administering this act, there is hereby appropriated to the fund such amount as the Secretary of the Treasury and the Board shall jointly estimate to have been collected or to be collectible with respect to the calendar years 1936, 1937, 1938, and 1939, from employers subject to this act, under title IX of the Social Security Act less such amount as the Secretary of the Treasury and the Board shall jointly estimate will be appropriated or has been appropriated to States or Territories pursuant to the act of Congress approved August 24 1937 (Public, No. 353, Seventy-fifth Congress), as proceeds of taxes paid by employers pursuant to title IX of the Social Security Act.

Until the amount appropriated by this subsection is credited to the fund, the Secretary of the Treasury is hereby directed to advance to the credit of the fund such sums, but not more than $2,000,000, as the Board requests for the purpose of financing the costs of administering this act. Such advance shall be repaid from the fund at such time after the amount appropriated by this subsection is credited to the fund as the Board by agreement with the Secretary of the Treasury may determine, but not later than January 1, 1940.

(c) Notwithstanding any other provision of law, all moneys at any time credited to the fund are hereby permanently appropriated to the Board to be continuously available to the Board without further appropriation for any expenses necessary or incidental to administering this act, including personal services in the District of Columbia and elsewhere; travel expenses, including expenses of attendance at meetings when authorized by the Board; actual transportation expenses and not to exceed $10 per diem to cover subsistence and other expenses while in attendance at and en route to and from the place to which he is invited, to any person other than an employee of the Federal Government who may, from time to time, be invited to the city of Washington or elsewhere for conference or advisory purposes in furthering the work of the Board; when found by the Board to be in the interest of the Government, not exceeding 3 percent, in any fiscal year, of the amounts credited during such year to the fund, for engaging persons or organizations, by contract or otherwise, for any special technical or professional services, determined necessary by the Board, including but not restricted to accounting, actuarial, statistical, and reporting services, without regard to section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5) and the provisions of other laws applicable to the employment and compensation of officers and employees of the United States; services; advertising, postage, telephone, telegraph, teletype, and other communication services and tolls; supplies; reproducing, photographing, and all other equipment, office appliances, and labor-saving devices, including devices for internal communication and conveyance; purchase and exchange, operation, maintenance and repair of motor-propelled passenger-carrying vehicles to be used only for official purposes in the District of Columbia and in the field; printing and binding; purchase and exchange of lawbooks, books of reference, and directories; periodicals, newspapers and press clippings, in such amounts as the Board deems necessary, without regard to the provisions of section 192 of the Revised Statutes; manuscripts and special reports; membership fees or dues in organizations which issue publications to members only, or to members at a lower price than to others, payment for which may be made in advance; rentals, including garages, in the District of Columbia or elsewhere; alterations and repairs; if found by the Board to be necessary to expedite the certification to the Board by the Civil Service Commission of persons eligible to be employed by the Board, and to the extent that the Board finds such expedition necessary, meeting the expenses of the Civil Service Commission in holding examinations for testing the fitness of applicants for admission to the classified service for employment by the Board pursuant to the second paragraph of section 12 (1) of this act, but not to exceed the additional expenses found by the Board to have been incurred by reason of the holding of such examinations; and miscellaneous items, including those for public instruction and information deemed necessary by the Board: *Provided,* That section 3709 of Revised Statutes (U. S. C., title 41, sec. 5) shall not be construed to apply to any purchase or procurement of supplies or services by the Board from moneys in the fund when the aggregate amount involved does not exceed $300. Determinations of the Board whether the fund or an appropriation for the administration of the Railroad Retirement Act of 1937 and the Railroad Retirement Act of

1935 is properly chargeable with the authorized expenses, or parts thereof, incurred in the administration of such acts, or of this act, shall be binding and conclusive for all purposes and upon all persons, including the Comptroller General and any other administrative or accounting officer, employee, or agent of the United States, and shall not be subject to review in any manner.

(d) No part of the fund shall lapse at any time, or be carried to the surplus fund or any other fund, except that at the expiration of the fiscal year 1946, and of each fiscal year thereafter, there shall be transferred from the fund and credited to the account such part as the Board deems proper of the excess, if any, of the amount credited to the fund during the preceding 7 fiscal years pursuant to section 8 (f) of this act over the total amount expended by the Board during the same period for the purpose of administering this act.

DUTIES AND POWERS OF THE BOARD

SEC. 12. (a) For the purpose of any investigation or other proceeding relative to the determination of any right to benefits, or relative to any other matter within its jurisdiction under this act, the Board shall have the power to issue subpenas requiring the attendance and testimony of witnesses and the production of any evidence, documentary or otherwise, that relates to any matter under investigation or in question, before the Board or any member, employee, or representative thereof. Any member of the Board or any of its employees or representatives designated by it may administer oaths and affirmations, examine witnesses, and receive evidence. Such attendance of witnesses and production of evidence may be required from any place in the United States or any Territory or possession thereof at any designated place of hearing. All subpenas may be served and returned by anyone authorized by the Board in the same manner as is now provided by law for the service and return by the United States marshals of subpenas in suits in equity. Such service may also be made by registered mail and in such case the return post-office receipt shall be proof of service. Witnesses summoned in accordance with this subsection shall be paid the same fees and mileage as are paid witnesses in the district courts of the United States.

(b) In case of contumacy by, or refusal to obey a subpena lawfully issued to, any person, the Board may invoke the aid of the district court of the United States or the United States courts of any Territory or possession, where such a person is found or resides or is otherwise subject to service of process, or the District Court of the United States for the District of Columbia if the investigation or proceeding is being carried on in the District of Columbia, in requiring the attendance and testimony of witnesses and the production of evidence. Any such court shall issue an order requiring such person to appear before the Board or its specified employee or representative at the place specified in the subpena of the Board, whether within or without the judicial district of the court, there to produce evidence, if so ordered, or there to give testimony concerning the matter under investigation or in question; and any failure to obey such order of the court may be punished by said court as a contempt thereof. All orders, writs, and processes in any such proceeding may be served in the judicial district of the district court issuing such order, writ, or process, except that the orders, writs, and processes of the District Court of the United States for the District of Columbia in such proceedings may run and be served anywhere in the United States.

(c) No person shall be excused from attending or testifying in obedience to a subpena issued under this act or from complying with any subpena duces tecum issued under this act, on the ground that the testimony or evidence, documentary or otherwise, required of him may tend to incriminate him or subject him to a penalty or forfeiture; but no person shall be prosecuted or subjected to any penalty or forfeiture for or on account of any transaction, matter, or thing concerning which he is compelled, after having claimed his privilege against self-incrimination, to testify or produce evidence, documentary or otherwise, but such person so testifying shall not be exempt from prosecution and punishment for perjury committed in so testifying.

(d) Information obtained by the Board in connection with the administration of this act shall not be revealed or open to inspection nor be published in any manner revealing an employee's identity: *Provided, however,* That (i) the Board may arrange for the exchange of any information with governmental agencies engaged in functions related to the administration of this act; (ii) the Board may disclose such information in cases in which the Board finds that such disclosure is clearly in furtherance of the interest of the employee or his estate; and (iii) any claimant of benefits under this act shall, upon his request, be supplied with information from the Board's records pertaining to his claim.

(e) The Board shall provide for the certification of claims for benefits and refunds and may arrange total or partial settlements at such times and in such manner as may appear to the Board to be expedient. The Board shall designate and authorize one or more of its employees to sign vouchers for the payment of benefits and refunds under this act. Each such employee shall give bond, in form and amount fixed by the Board, conditioned upon the faithful performance of his duties. The premiums due on such bonds shall be paid from the fund and deemed to be a part of the expenses of administering this act.

(f) The Board may cooperate with or enter into agreement with the appropriate agencies charged with the administration of State, Territorial, Federal, or foreign unemployment-compensation laws or employment offices, with respect to investigations, the exchange of information and services, the establishment, maintenance, and use of free employment service facilities, and such other matters as the Board deems expedient in connection with the administration of this act, and may compensate any such agency for services or facilities supplied to the Board in connection with the administration of this act. The Board may enter also into agreements with any such agency, pursuant to which any unemployment benefits provided for by this act or any other unemployment-compensation law may be paid through a single agency to persons who have, during the period on the basis of which eligibility for and duration of benefits is determined under the law administered by such agency or under this act, or both, performed services covered by one or more of such laws, or performed services which constitute employment as defined in this act: *Provided,* That the Board finds that any such agreement is fair and reasonable as to all affected interests.

(g) In determining whether an employee has qualified for benefits in accordance with section 3 (a) of this act, and in determining the amount of benefits to be paid to such employee in accordance with sections 2 (a) and 2 (c) of this act, the Board is authorized to consider as employment (and compensation therefor) services for hire other than employment (and remuneration therefor) if such services for hire are subject to an unemployment-compensation law of any State, provided that such State has agreed to reimburse the United States such portion of the benefits to be paid upon such basis to such employee as the Board deems equitable. Any amounts collected pursuant to this paragraph shall be credited to the account.

If a State, in determining whether an employee is eligible for unemployment benefits under an unemployment-compensation law of such State, and in determining the amount of unemployment benefits to be paid to such employee pursuant to such unemployment-compensation law, considers as services for hire (and remuneration therefor) included within the provisions of such unemployment-compensation law, employment (and compensation therefor) after June 30, 1939, the Board is authorized to reimburse such State such portion of such unemployment benefits as the Board deems equitable; such reimbursements shall be paid from the account and are included within the meaning of the word "benefits" as used in this act.

(h) The Board may enter into agreements or arrangements with employers, organizations of employers, and railway-labor organizations which are duly organized in accordance with the provisions of the Railway Labor Act, for securing the performance of services or the use of facilities in connection with the administration of this act, and may compensate any such employer or organization therefor upon such reasonable basis as the Board shall prescribe, but not to exceed the additional expense incurred by such employer or organization by reason of the performance of such services or making available the use of such facilities pursuant to such agreements or arrangements. Such employers and organizations, and persons employed by either of them, shall not be subject to the act of Congress approved March 3, 1917 (39 Stat. 1106, ch. 163, sec. 1).

(i) The Board may establish, maintain, and operate free employment offices, and may designate as free employment offices facilities maintained by (i) a railway labor organization which is duly authorized and designated to represent employees in accordance with the Railway Labor Act, or (ii) any other labor organization which has been or may be organized in accordance with the provisions of the Railway Labor Act, or (iii) one or more employers, or (iv) an organization of employers, or (v) a group of such employers and labor organizations, or (vi) a State, Territorial, foreign, or the Federal Government. The Board may also enter into agreements or arrangements with one or more employers or railway labor organizations organized in accordance with the provisions of the Railway Labor Act, pursuant to which notice of the availability of work and the rights of employees with respect to such work under agreements between such employers and railway labor organizations may be filed with employment offices and pursuant to which employees registered with employment offices may be referred to such work.

The Board shall prescribe a procedure for registration of unemployed employees at employment offices. Such procedure for registration shall be prescribed with a view to such registration affording substantial evidence of the days of unemployment of the employees who register. The Board may, when such registration is made personally by an employee, accept such registration as initial proof of unemployment sufficient to certify for payment a claim for benefits.

The regulations of the Board concerning registration at employment offices by unemployed persons may provide for group registration and reporting, through employers, and need not be uniform with respect to different classes of employees.

The operation of any employment facility operated by the Board shall be directed primarily toward the reemployment of employees who have theretofore been substantially employed by employers.

(j) The Board may appoint national or local advisory councils composed of equal numbers of representatives of employers, representatives of employees, and persons representing the general public, for the purpose of discussing problems in connection with the administration of this act and aiding the Board in formulating policies. The members of such councils shall serve without remuneration, but shall be reimbursed for any necessary traveling and subsistence expenses or on a per diem basis in lieu of subsistence expenses.

(k) The Board, with the advice and aid of any advisory council appointed by it, shall take appropriate steps to reduce and pre-

vent unemployment and loss of earnings; to encourage and assist in the adoption of practical methods of vocational training, retraining, and vocational guidance; to promote the reemployment of unemployed employees; and to these ends to carry on and publish the results of investigations and research studies.

(l) In addition to the powers and duties expressly provided, the Board shall have and exercise all the powers and duties necessary to administer or incidental to administering this Act, and in connection therewith shall have such of the powers, duties, and remedies provided in section 10 (b) (4) of the Railroad Retirement Act of 1937, with respect to the administration of said act as are not inconsistent with the express provisions of this act. A person in the employ of the Board under section 205 of the act of Congress approved June 24, 1937 (50 Stat. 307), shall acquire a competitive classified civil-service status if, after recommendation by the Board to the Civil Service Commission, he shall pass such noncompetitive tests of fitness as the Civil Service Commission may prescribe.

The Board may employ such persons and provide for their remuneration and expenses, as may be necessary for the proper administration of this act. Such persons shall be employed and their remuneration prescribed in accordance with the civil-service laws and the Classification Act of 1923, except that the Board may fix the salary of a Director of Unemployment Insurance at $10,000 per annum: *Provided*, That in the employment of such persons the Board shall give preference, as between applicants attaining the same grades, to persons who have had experience in railroad service, and notwithstanding any other provisions of law, rules, or regulations, no other preference shall be given or recognized: *And provided further*, That certification by the Civil Service Commission of persons for appointment to any positions at minimum salaries of $4,600 per annum, or less, shall, if the Board so requests, be upon the basis of competitive examinations, written, oral, or both, as the Board may request.

(m) The Board is authorized to delegate to any member, officer, or employee of the Board any of the powers conferred upon the Board by this act, excluding only the power to prescribe rules and regulations.

EXCLUSIVENESS OF PROVISIONS; TRANSFERS FROM STATE UNEMPLOYMENT COMPENSATION ACCOUNTS TO RAILROAD UNEMPLOYMENT INSURANCE ACCOUNT

SEC. 13. (a) Effective July 1, 1939, section 907 (c) of the Social Security Act is hereby amended by substituting a semicolon for the period at the end thereof, and by adding: "(8) service performed in the employ of an employer as defined in the Railroad Unemployment Insurance Act and service performed as an employee representative as defined in said act."

(b) By enactment of this act the Congress makes exclusive provision for the payment of unemployment benefits for unemployment occurring after June 30, 1939, based upon employment (as defined in this act). No employee shall have or assert any right to unemployment benefits under an unemployment compensation law of any State with respect to unemployment occurring after June 30, 1939, based upon employment (as defined in this act). The Congress finds and declares that by virtue of the enactment of this act the application of State unemployment compensation laws after June 30, 1939, to such employment, except pursuant to section 12 (g) of this act, would constitute an undue burden upon, and an undue interference with the effective regulation of, interstate commerce. In furtherance of such determination, after June 30, 1939, the term "person" as used in section 906 of the Social Security Act shall not be construed to include any employer (as defined in this act) or any person in its employ: *Provided*, That no provision of this act shall be construed to affect the payment of unemployment benefits with respect to any period prior to July 1, 1939, under an unemployment compensation law of any State based upon employment performed prior to July 1, 1939, and prior to such date employment as defined in this act shall not constitute "Service with respect to which unemployment compensation is payable under an [or "service under any"] unemployment compensation system [or "plan"] established by an act of Congress" [or "a law of the United States"] or "employment in interstate commerce, of an individual who is covered by an unemployment compensation system established directly by an act of Congress," or any term of similar import, used in any unemployment compensation law of any State.

(c) The Social Security Board is hereby directed to determine for each State, after agreement with the Railroad Retirement Board, and after consultation with such State; the total (hereinafter referred to as the "preliminary amount") of (i) the amount remaining as the balances of reserve accounts of employers as of June 30, 1939, if the unemployment compensation law of such State provides for a type of fund known as "Reserve Accounts," plus (ii) if the unemployment compensation law of such State provides for a type of fund known as "Pooled Fund" or "Pooled Account," that proportion of the balance of such fund or account of such State as of June 30, 1939, as the amount of taxes or contributions collected from employers and their employees prior to July 1, 1939, pursuant to its unemployment compensation law and credited to such fund or account bears to all such taxes or contributions thereofore collected from all persons subject to its unemployment compensation law and credited to such fund or account; and the additional amounts (hereinafter referred to as the "liquidating amount") of taxes or contributions collected from employers and their employees from July 1, 1939, to December 31, 1939, pursuant to its unemployment compensation law.

(d) The Social Security Board shall withhold from certification to the Secretary of the Treasury for payment the amounts determined by it pursuant to section 302 (a) of the Social Security Act to be necessary for the proper administration of each State's unemployment-compensation law, until an amount equal to its "preliminary amount" plus interest from July 1, 1939, at 2½ percent per annum on such portion thereof as has not been used as the measure for withholding certification for payment, has been so withheld from certification pursuant to this paragraph: *Provided, however*, That if a State shall, prior to whichever is the later of (i) 30 days after the close of the first regular session of its legislature which begins after the approval of this act, and (ii) July 1, 1939, authorize and direct the Secretary of the Treasury to transfer from its account in the unemployment trust fund to the railroad unemployment-compensation account in the unemployment trust fund an amount equal to its "preliminary amount", no amount shall be withheld from certification for payment to such State pursuant to this paragraph.

The Social Security Board shall withhold from certification to the Secretary of the Treasury for payment the amounts determined by it pursuant to section 302 (a) of the Social Security Act to be necessary for the proper administration of each State's unemployment compensation law, until an amount equal to its "liquidating amount" plus interest from January 1, 1940, at 2½ percent per annum on such portion thereof as has not been used as the measure for withholding certification for payment has been so withheld from certification pursuant to this paragraph: *Provided, however*, That if a State shall, prior to whichever is the later of (i) 30 days after the close of the first regular session of its legislature which begins after the approval of this act, and (ii) January 1, 1940, authorize and direct the Secretary of the Treasury to transfer from its account in the unemployment trust fund to the railroad unemployment compensation account in the unemployment trust fund an amount equal to its "liquidating amount," no amount shall be withheld from certification for payment to such State pursuant to this paragraph.

The withholdings from certification directed in each of the foregoing paragraphs of this subsection shall begin with respect to each State when the Social Security Board finds that such State is unable to avail itself of the condition set forth in the proviso contained in such paragraph.

(e) The transfers described in the provisos contained in the several paragraphs of subsection (d) of this section shall not be deemed to constitute a breach of the conditions set forth in sections 303 (a) (5) and 903 (a) (4) of the Social Security Act; nor shall the withdrawal by a State from its account in the unemployment trust fund of amounts, but not to exceed the total amount the Social Security Board shall have withheld from certification with respect to such State pursuant to subsection (d) of this section, be deemed to constitute a breach of the conditions set forth in sections 303 (a) (5) and 903 (a) (4) of the Social Security Act, provided the moneys so withdrawn are expended solely for expenses which the Social Security Board determines to be necessary for the proper administration of such State's unemployment compensation law.

(f) The Social Security Board is authorized and directed to certify to the Secretary of the Treasury for payment, and the Secretary shall pay, into the railroad unemployment insurance account, such amounts as the Social Security Board withholds from certification pursuant to subsection (d) of this section and the appropriations authorized in section 301 of the Social Security Act shall be available for payments authorized by this subsection. The Secretary shall transfer from the account of a State in the unemployment trust fund to the railroad unemployment insurance account in the unemployment trust fund such amounts as the State authorizes and directs him so to transfer pursuant to subsection (d) of this section.

(g) Section 303 of the Social Security Act is hereby amended by adding thereto the following additional subsection:

"(c) The Board shall make no certification for payment to any State if it finds, after reasonable notice and opportunity for hearing to the State agency charged with the administration of the State law—

"(1) That such State does not make its records available to the Railroad Retirement Board, and furnish to the Railroad Retirement Board at the expense of the Railroad Retirement Board such copies thereof as the Railroad Retirement Board deems necessary for its purposes; or

"(2) That such State is failing to afford reasonable cooperation with every agency of the United States charged with the administration of any employment insurance law."

DISTRICT OF COLUMBIA UNEMPLOYMENT COMPENSATION ACT

SEC. 14. (a) Effective July 1, 1939, section 1 (b) of the District of Columbia Unemployment Insurance Act is amended by substituting a semicolon for the period at the end thereof and by adding: "(8) service performed in the employ of an employer as defined in the Railroad Unemployment Insurance Act and service performed as an employee representative as defined in said act." This amendment shall not be construed to affect the payment of unemployment benefits at any time with respect to any period prior to July 1, 1939, based upon employment performed prior to July 1, 1939.

(b) The Secretary of the Treasury is authorized and directed to transfer from the account of the District of Columbia in the unemployment trust fund to the railroad unemployment insurance account in the unemployment trust fund an amount equal

to the "preliminary amount" and an amount equal to the "liquidating amount," whenever such amounts, respectively, have been determined, with respect to the District of Columbia, pursuant to section 13 of this act.

TRANSITIONAL PROVISIONS

SEC. 15. (a) Notwithstanding the provisions of section 1 (n) of this act, until July 1, 1940, the term "benefit year" as defined in section 1 (n) of this act means, with respect to any individual, the 12-month period which begins with either the first day with respect to which benefits are first payable to him under this act or the first day after July 1, 1938, but before July 1, 1939, with respect to which unemployment benefits are received by him under an unemployment-compensation law of any State, whichever is the earlier.

(b) For the purposes of section 2 (c) of this act, all unemployment benefits paid to an employee pursuant to an unemployment-compensation law of any State, with respect to any period prior to July 1, 1939, shall be considered as though they were benefits paid under this act.

(c) Section 3 (b) of this act shall not be applicable to an otherwise qualified employee with respect to whom there is, pursuant to subsection (a) of this section, current a benefit year beginning before July 1, 1939.

(d) Any employee for whom there is, pursuant to subsection (a) of this section, current a benefit year beginning before July 1, 1939, and who, solely by reason of the enactment of this act, becomes ineligible to continue to receive benefits under the unemployment-compensation law of any State with respect to unemployment occurring after July 1, 1939, shall, for the purposes of section 3 (a) of this act, be deemed to have earned compensation with respect to employment in his base year of not less than $150: *Provided*, That, notwithstanding the provisions of section 2 (c) of this act, the maximum benefits payable to such employee for unemployment within such benefit year shall not exceed the maximum amount to which he would otherwise have been entitled under the unemployment-compensation law of such State.

SEPARABILITY

SEC. 16. If any provision of this act or the application thereof to any person or circumstance is held invalid, the application of such provision to other persons or circumstances, and the remainder of this act, shall not be affected thereby.

SHORT TITLE

SEC. 17. This act may be cited as the "Railroad Unemployment Insurance Act."

The SPEAKER. Is a second demanded?

Mr. MAPES. Mr. Speaker, I am in favor of the legislation, but for the purpose of debate I ask for a second.

Mr. CROSSER. Mr. Speaker, I ask unanimous consent that a second may be considered as ordered.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The gentleman from Ohio is entitled to 20 minutes and the gentleman from Michigan to 20 minutes.

Mr. CROSSER. Mr. Speaker, the bill, the passage of which I have just proposed, might be called a companion of the railroad retirement bill, which was passed by Congress several years ago after a long struggle. The purpose of this bill, however, is to establish an unemployment insurance system for railroad workers of the United States. Under present conditions the railroads and railroad workers may be subject to different insurance laws in the 48 States. Obviously that not only causes a great deal of confusion and unnecessary clerical work, but in addition, causes the men very great trouble.

A railroad worker hardly knows at the present just what his legal rights are. Now, it is admitted by practically everyone who is concerned about the subject, that the bill which I am presenting for the consideration of the House would save the railroads of the country from five to six million dollars

The total amount of contributions or taxes to be collected from the railroads will be less under the terms of this bill than at present. A definite limitation of $300 per month as base pay is fixed by the terms of this bill just as is the case in the railroad-retirement bill. Under the different State systems there is no such limitation.

The railroads themselves, therefore, will be saved a substantial amount in the contributions or taxes which they will be required to pay under the terms of this bill. They will also avoid much expense now necessary because of the numerous reports which they must make to the States. It would seem, therefore, that even from the standpoint of the railroads this should be regarded as highly desirable legislation.

The railroad men, since the passage of the Social Security Act, have found themselves in serious difficulty in asserting their rights to benefits under the prevailing unemployment-insurance systems of the States. I was told recently of the case of a railroad worker whose work took him into three States, namely, Pennsylvania, West Virginia, and Maryland. There was accordingly quite a dispute as to which State was under obligation to pay him unemployment insurance.

There are many other reasons which might be given for the enactment of this legislation. Practically all of the employment relations of railroad workers and their employers are at the present time regulated by national agencies. Fifty years ago last year the Interstate Commerce Commission was established for the purpose of regulating the railroad industry of the United States. Since then we have enacted the Federal safety-appliance law, the boiler-inspection law, the Railway Labor Act, the Railroad Retirement Act, and many other laws for the regulation of railroad employer and employee relationships. The Railway Labor Act, with its Railway Mediation Board, established what is regarded as incomparably the best system for settling labor disputes so far provided in the United States. Members no doubt remember that we passed that act about midnight of the last day of the session in the summer of 1934. It has proven more satisfactory in the settlement of serious disputes in the railroad industry than has been the case in regard to any other system of procedure. We have ample precedent, therefore, for the establishment of a national system for unemployment insurance for railroad men. The railroad retirement law is operating to the satisfaction, generally speaking, of the men and also of the railroad companies of the United States. Let us remove the confusion which prevails at the present time in regard to unemployment insurance and now set up, on a national basis, an unemployment insurance system for the railroads and the railroad men of the country.

Almost everyone recognizes the fact that the railroad industry more than any other industry in the country should be considered as a unit and must be so managed and must be so regulated if we are to have really satisfactory transportation service.

I do not believe that there is any serious opposition to the bill, and I shall not therefore bother the House with a long discussion. I shall yield a few moments to my distinguished friend from Colorado [Mr. MARTIN], who desires to make a statement, and then I shall yield to the gentleman from Michigan [Mr. MAPES] on the other side of the House, who also approves the bill.

Mr. STEFAN. Mr. Speaker, will the gentleman yield for a question?

Mr. CROSSER. I yield.

Mr. STEFAN. The fact is that this will not cost the railroads of the country one additional cent. As a matter of fact they may even save some money under it.

Mr. CROSSER. I think it will save them between $5,000,000 and $6,000,000 a year.

Mr. WHITE of Ohio. Mr. Speaker, will the gentleman yield?

Mr. CROSSER. I yield.

Mr. WHITE of Ohio. The most important effect of this bill will be to obviate endless confusion that faces the railroad employees in this matter. It is a measure in their behalf.

Mr. CROSSER. Absolutely so. We centralize authority so that no matter where a railroad man is employed he will file his claim in Washington instead of guessing as to which of the 48 States in which to file his claim.

Mr. WHITE of Ohio. I would like to congratulate my colleague who is known as practically the father of all forward-looking legislation that has been passed in the last 20 or 25 years. [Applause.]

Mr. THOMPSON of Illinois. Mr. Speaker, will the gentleman yield?

Mr. CROSSER. I yield.

Mr. THOMPSON of Illinois. No tax is levied by this bill, as I understand it.

Mr. CROSSER. No. The railroads will make their contributions to the Federal Government instead of to the 48 State governments.

Mr. THOMPSON of Illinois. They just pay the tax levied under the Social Security Act.

Mr. CROSSER. We collect the contribution from the railroads on a national basis instead of having them contribute to 48 State systems.

Mr. WITHROW. Mr. Speaker, will the gentleman yield?

Mr. CROSSER. I yield.

Mr. WITHROW. I understand this bill comes to the House with a unanimous report.

Mr. CROSSER. Yes. I should have mentioned the fact that it is accompanied by a unanimous report. There is no minority report.

Mr. MURDOCK of Arizona. Mr. Speaker, will the gentleman yield?

Mr. CROSSER. I yield.

Mr. MURDOCK of Arizona. On constitutional grounds our dual system of government usually requires cooperative action between State and National legislatures in such matters as pensions and social-security provisions for unemployment insurance. Many railroad men work in several States. The most beneficial effect of the bill is to centralize this matter in one place. National legislation alone should apply to this class of interstate employment. I favor it.

Mr. CROSSER. The gentleman's reasoning is in my opinion entirely sound.

Mr. Speaker, objection has been raised by some because of the fact that the bill makes a larger proportionate provision for the short-time low-paid men in the railroad industry than it does for the higher-paid railway workers. That, Mr. Speaker, to my mind is one of the very best features of the bill. The lower-paid employees who are less regularly employed during the year surely should have our greatest consideration. Nothing will help more to establish harmony in the industrial world than measures tending to stabilize employment and to assure some income at least.

I feel that the leaders among the railroad workers who have earnestly urged this legislation are entitled to much credit for endeavoring to afford the greatest possible protection to the railroad men, who are the victims of uncertainty in regard to employment and who receive a lower rate of pay than the older and established workers. Surely, therefore, the objection made that the short-time, lower-paid men will receive greater assistance under this bill than the higher-paid men will receive no degree of approval whatsoever in this House. Opportunity to earn a livelihood for one's family has been a great concern of men for ages. Ultimately the problem will be solved, but in the meantime we must provide some method of lessening the suffering incident to unemployment.

I remember how, years ago, I was impressed by the lines of Robert Burns on this very subject. The words of one of the stanzas of Burns' Man Was Made to Mourn are as follows:

> See yonder poor, o'erlabour'd wight,
> So abject, mean, and vile,
> Who begs a brother of the earth
> To give him leave to toil;
> And see his lordly fellow-worm
> The poor petition spurn,
> Unmindful, tho' a weeping wife
> And helpless offspring mourn.

Members of this House, let us by an overwhelming vote give a rebuke to those in the world who are so heartless as to manifest such contempt and indifference to their fellow men who suffer mental anguish and privation because they cannot find an opportunity to earn a livelihood for their dependents and themselves. Let us do our part in arousing the people of the world to a consciousness of the fact that all men are truly brothers.

Mr. MAPES. Mr. Speaker, as the distinguished gentleman from Ohio [Mr. CROSSER] has stated, this legislation is based upon the theory that it is better to have a national law applying uniformly to all employees of railroads as far as unemployment compensation is concerned, somewhat after the manner of the railroad retirement legislation, than it is to leave the subject to the different States to be dealt with in 48 different ways perhaps.

The railroad brotherhoods in their testimony before the Committee on Interstate and Foreign Commerce stated with emphasis that the enactment of this legislation would result in actual savings to the railroads. The railroads appeared in opposition to the legislation, their principal opposition being, as it seemed to me, to some of the principles of the legislation rather than to the cost of it.

As I interpret the testimony of the representatives of the railroads as given before the committee, they did not contend that the legislation as drafted would substantially increase the cost to the railroads above the contributions which they now have to make under the different State laws providing for unemployment compensation. This position I believe was summarized in answer to questions by the gentleman from Indiana [Mr. HALLECK], as clearly and concisely as it is possible to state it. I call attention to two or three questions asked by the gentleman from Indiana [Mr. HALLECK], and the replies thereto. Referring to page 173 of the hearings I quote the following:

> Mr. HALLECK. Mr. Chairman, I wonder if I might interject at this point to ask a question with respect to what the railroads pay into this fund, the contributions of the employer. Is there any change made by this proposal as distinguished from the various State acts that are now in effect?
>
> Mr. PARMELEE. There are some slight changes, Mr. Halleck.
>
> Mr. HALLECK. On the whole, is it fair to say that the contributions that would be made by the employers represent the same under this act as they are under the 48 separate State acts?
>
> Mr. PARMELEE. Broadly speaking, yes; that is a correct statement.
>
> Mr. HALLECK. Your discussion, then, goes to the question of the sufficiency of the fund that is created to pay the benefits?
>
> Mr. PARMELEE. What tax rate should be expected to provide the fund; yes, sir.
>
> Mr. HALLECK. Of course, as far as the employers are concerned, except as they might have been made liable for some deficit, probably the passage of this bill would not directly affect them in a financial way.
>
> Mr. PARMELEE. The question, of course, Mr. Congressman, would be this. If a deficit is encountered, how shall it be met? That would be a question for the determination of the Congress.

Mr. Speaker, those few questions and answers give the whole story as far as the position of the railroads is concerned on the cost of this legislation.

The brotherhoods contend that the legislation will result in an actual saving to the railroads. The railroads contend that the benefits provided for in the bill may amount to more than will be raised as the bill is written, and thereby subject them to the possibility of having their taxes or assessments increased in the future, but they do not claim that the bill itself will increase their expense to any appreciable extent at present.

It is a piece of legislation that seems to meet with general approval. The railroad brotherhoods and all railroad employees are solidly behind it. It comes here without any opposition in the Committee on Interstate and Foreign Commerce, so far as the record vote on it, at least, was concerned. It is a good bill. I am very happy to support it.

[Here the gavel fell.]

Mr. CROSSER. Mr. Speaker, I yield to the gentleman from Colorado [Mr. MARTIN] such time as he may require.

Mr. MARTIN of Colorado. Mr. Speaker, H. R. 10127, devising a Federal plan of unemployment insurances for railway employees to supersede 48 different State systems, was, as stated by the sponsor of the bill, Mr. CROSSER, of Ohio, unanimously reported out favorably by the House Committee on Interstate and Foreign Commerce. Having participated in all the hearings on this bill, I have some foundation for the hope that it will pass the House unanimously. This unanimous action by one of the major committees of the House is a most convincing argument for the legislation.

There are a number of such arguments. One of the weightiest, if not the most weighty, is the fact that State

unemployment insurance of railway employees is an anomaly in the whole field of railroad operation and legislation. Beginning with the Interstate Commerce Act in 1887 and ending with the Railroad Retirement Act in 1937, the trend has been continually and increasingly toward Federal regulation of all phases of railway operation.

Railway traffic routes and rates, railway financing, railway labor, railway liability for injuries to employees, railway safety in the matter of all types of equipment, and now railway pensions, are all under Federal law. What are the distinguishing characteristics of railroad unemployment that it should be excepted from the entire field of railway operation and left to the differing laws of 48 States? I listened attentively throughout the entire hearings without hearing anything that, in my opinion, would justify such an exception.

Another convincing argument in favor of the bill is the fact, as testified to before our committee, that the unemployment insurance laws of 41 States carry provisions anticipatory of and preparatory to the acceptance of a Federal plan of unemployment insurance for railway employees. This is a recognition by the States themselves that this is a Federal problem.

Still another argument for the bill is that it will be administered by the Railroad Retirement Board, having jurisdiction of the Railroad Retirement Act, and this being companion legislation to that act, I think this fact is recognized by all students of social security, that retirement pensions and unemployment insurance go together.

Mr. Speaker, in order for the Members to determine how they should vote on this bill it is not necessary to understand the mechanics and complexities or the details of such legislation. A statement of the main points of controversy is sufficient. I shall state these points briefly on both sides at this point and then go more into detail for those who may wish to obtain a more thorough understanding of the bill.

The employees stress two main points as to why they favor the legislation: The interstate nature of their service, and the complexities and differences between the 48 State systems as compared with the simple and uniform plan carried in the bill.

The carriers have two main objections to the legislation. The first is that the major part of the benefits will go to employees earning the least wages, thereby depleting and perhaps exhausting the fund, to the injury of the higher-paid employees who may eventually become unemployed; and the second is the lack of what is known as the merit rating system, under which the stronger and more stabilized industries are rewarded by corresponding reductions in the amount of their unemployment-insurance taxes, but which plan throws the burden of supporting the benefit fund on the weaker industries and employers.

There were lesser claims made for the legislation by the employees than those I have mentioned and lesser objections by the carriers, but the major claims I have stated dominate to such an extent that they should determine the merits of the legislation and how you should vote on it. I shall confine myself to these main controversial questions involved in the proposed change from the State systems to a Federal system, why the employees want the change, and why the carriers do not.

The chief point stressed by the employees for the legislation was the interstate scope of the duties performed by all of the transportation employees and many other branches of railway service. As an instance, transportation employees between Washington and New York operate through five States and the District of Columbia. Bridge and building employees on a large southern railway system operate through six or seven Southern States. This condition is general throughout the country.

The method of computing the unemployment period and determining benefits under the laws of all these States differ. The methods employed in many of them for determining unemployment benefits are so complicated and involve so many factors that employees are unable to determine what their benefits are, and only an expert can understand the formulas employed. The recitation of one of these formulas before the committee was simply bewildering. I would not undertake to comprehend these formulas.

Another serious objection of the employees to the State systems is the difficulty of determining in what State an employee is entitled to unemployment benefits. For example, many railway employees operating out of Cumberland, Md., cross the line into the State of Pennsylvania and perform nearly all their service in that State. They are not entitled to benefits in Maryland because they do their work in Pennsylvania, and they are not entitled to benefits in Pennsylvania because they reside in Maryland. The same trouble exists in other sections of the country. Much administrative work and delay is entailed in working out these problems, and many others, and much dissatisfaction.

The bill proposes a simple plan of paying daily unemployment benefits, as shown in the short table at the bottom of page 8 of the bill. The bill establishes a base year in which the employee must earn at least $150 to qualify him for benefits the following year. He would be paid benefits for each day of unemployment in excess of 7 during any half month; that is, for 8 days, beginning after June 30, 1939. The limit of benefit days in the year would be 80. A man earning between $150 and $200 in the base year would get $1.75 per day for a maximum of 80 days. This graduates up to $3 per day for employees earning $1,300 and over during the base year. The minimum of annual benefits would be 80 times $1.75, or $140; and the maximum would be 80 times $3, or $240.

As the benefit plan and the table for computing benefits are very brief I shall insert them at this point in my remarks.

BENEFITS

SEC. 2. (a) Except as may otherwise be prescribed for part-time workers pursuant to subsection (d) of this section, a qualified employee shall be paid benefits for each day of unemployment in excess of 7 during any half month which begins after June 30, 1939. The benefits payable to any such employee for each such day of unemployment shall be the amount appearing in the following table in column II on the line on which, in column I, appears the compensation range containing the total amount of compensation payable to him with respect to employment in his base year:

Column I Total compensation:	Column II Daily benefit amount
$150 to $199.99	$1.75
$200 to $474.99	2.00
$475 to $749.99	2.25
$750 to $1,024.99	2.50
$1,025 to $1,299.99	2.75
$1,300 and over	3.00

(c) The maximum benefits payable to an employee for unemployment within his benefit year shall not exceed 80 times the daily benefits payable to him.

Simple though this plan reads, it is followed by five pages, beginning on page 11 of "Disqualifying conditions," and conditions under which the disqualifications do not apply. If I should undertake to explore them I would get lost and you could not find me.

Provision is also made in the bill for insurance benefits to part-time workers—men who may be scheduled for only an hour or 2 or 3 for some special duty. The formula is difficult to a layman and is criticized as such by an expert for the carriers; but the Administrator of the Railroad Retirement Act says that it is understandable and workable, and being strictly a layman I shall let it go at that. In a word, it is proportioned to full-time benefits in the same class of service in the locality.

It is objected by the carriers that no provision is made for diminishing or offsetting the benefits paid to seasonal or temporary workers by their earnings in other employments. I consider this a minor objection, since it is not likely that any great number of workers who find it an inducement to take employment with a railway company which nets them less than $200 per year, under which rating nearly all such workers would fall, would be able to get sufficient other employment to furnish them on the whole more than a bare subsistence.

The cost of the unemployment fund would be borne by the carriers by payment into the Federal fund of 3 percent of the pay roll, the same tax carried in the Social Security

Act. Forty-one of the State laws carry provisions adopted in anticipation of, and for the purpose of accepting, a Federal plan. This indicates not a great amount of difficulty in affecting the transfer, the mechanics of which are set up in the bill.

The cost of this plan will be less to the carriers than the State systems. A saving of $1,200,000 annually will be effected by reason of the fact that the carriers will not be required to pay the tax on excess wages above $300 per month, whereas there is no limit in the State laws. This saving is admitted by the carriers.

The employees estimate savings of three or four million dollars in administrative costs to the carriers, who will be required to make but one report and have but one accounting system, instead of 48 as under the State systems. Several representatives of the carriers admitted an administrative saving of some unstated amount, but an auditor of the carriers claimed that it would entail an expense additional to that of the State systems which might reach $4,000,000. There was no break-down of this possible additional cost. I think the great preponderance of the evidence shows that the Federal system will be less expensive to administer and entail much less administrative work.

Two main objections were made by the carriers to this legislation. The first was that the greater part of the benefits would go to temporary, seasonal, or occasional workers, who might be employed only a few months in the year, but earn enough to establish the $150 minimum, which would qualify them for benefits beginning the first of July of the following year. They estimated that 20 to 25 percent of railway employment is in this category and that the amount of benefits payable to them would be so great as to deplete and perhaps exhaust the unemployment-insurance fund, to the deprivation of permanent and regular employees of years' standing in the service, who might at some future time become unemployed.

There are two answers to this objection. The first is that if the insurance fund should become depleted or exhausted, it is admitted that it would entail no increased financial obligation on the carriers. It would not increase their taxes. New legislation by Congress would first be requred to augment or restore the fund. Should that condition ensue, it would give added weight to the claim of the carriers that there should be employee contribution. That would be a matter for a future Congress to determine. Six States have some employees' contribution, but I cannot give you the figure. There is nothing new in the provision of the bill requiring the fund to be financed wholly by the carriers. That is also provided for under title IX of the Social Security Act. Under either system it is 3 percent of pay roll, limited in the bill to wages not in excess of $300 per month. I am only dealing here with new questions.

The answer to the objection that the insurance fund might be depleted or exhausted by payments to employees in the lower employment brackets, leaving nothing for older employees, is that the great bulk of the long-time regular employees, enjoying seniority rights, will not become unemployed unless railroad transportation is to go out of the picture and unless the country is to exist in a permanent low economic condition. It may be presumed that nearly all railway employees who are in service at the present very low ebb of railway transportation will continue.

It is the workers in the lower brackets who present the unemployment problem. Under the bill and under the State systems the maximum benefit is the same, $240 per year, but under the bill the minimum benefit, where any at all is payable, is $140 per year, while the State minimums go as low as $25, a negligible sum, so low, in fact, when spread out over 16 payment periods as hardly worth either administering or collecting. There are cases in which the cost exceeds the benefit. This difference in benefits in favor of workers in the lower brackets caused opponents of the bill to characterize it as a relief instead of an insurance measure. Naturally they would prefer to have the relief of these employees paid by the taxpayers. Obviously they must be paid the amount carried in the bill, and more, by one method or the other. Since the Federal plan will cost them less than the State systems, the carriers should not be heard to complain.

The higher-paid workers are not complaining that their lower-paid brethren are getting the lion's share of the funds, and when the higher-paid employees, earning as much as $300 per month, to which their scale of living is geared, accept without murmur a benefit of only $240 per year, or $20 per month, the carriers should accept the maximum benefit provision of $140 per year for the lower-paid workers. Another consideration is that in the Railroad Retirement Act of 1937 a floor is placed under retirement benefits, so that an employee gets a certain benefit regardless of the amount of his wages or his contribution to the retirement fund.

The other main objection by the carriers is that the bill does not carry what is known as the merit-rating provisions which are to be found in most of the State systems. The merit-rating system provides for a reduction to the employer in the amount of his tax corresponding to the employment stabilization of his business, whereby the payment of the annual tax may be reduced in proportion to the growth of the tax fund which is not expended on unemployment benefits. The tax on the stabilized carrier may eventually reach the vanishing point. It is claimed that employers should be encouraged to stabilize employment in this manner. The omission of merit rating is regarded as penalizing the stronger and more stable industries for the benefit of the weaker industries, with their greater proportion of unemployment.

A somewhat similar objection was raised to the insurance of bank deposits, that the strong banks were to be taxed to support the weaker; and the honest, properly managed banks, to be taxed to protect the depositors of the dishonest and inefficient banks. I suggested at the hearings, and I think not inappropriately, that one-half of the country was being taxed to feed the other half, and that living people paid life-insurance premiums for the benefit of dead ones.

A weighty objection to the merit rating system is that the gradual elimination of the stronger carriers, or substantial reduction in their tax contribution, would leave the support of the fund largely to the weaker carriers with the greater unemployment, probably resulting in the break-down of the whole insurance system. The merit rating system is a fine theory, but if it were applied to the whole scheme of social security, there would probably not be any. As the State systems are only getting under way, it is too early to determine the effect of the merit rating system on them and I do not favor experimenting with it in this bill.

Administrator Latimer of the Railroad Retirement Board, who is rated as a very high authority on social security, including old-age pensions and unemployment insurance, appeared before the committee and discussed at length the questions involved in both this legislation and the State systems. He did not favor placing merit rating in the bill. He expressed the opinion that the benefit formula is fair and equitable as well as understandable and workable. He further said that the administration of the bill would not add to the complexity of the work of the Railroad Retirement Board but would only increase the volume of its work, and that much of the work involved in the administration of the Railroad Retirement Act would dovetail into the administration of unemployment insurance.

I consider it a very weighty consideration in favor of this legislation that it is proposed to place its administration under the Railroad Retirement Board, with its competent administrative head and experienced personnel, and at a time when the Board has passed the peak load, amounting to 140,000 cases in 1 year, caused by the accumulation of eligibles for retirement dating back to August 29, 1935, the effective date of the original Retirement Act, and the load taken over from the private company pension systems. I think both the record and the testimony of the administrator warrant the view that he may be safely entrusted with the task of working out any conjectural questions involved in the legislation, submitting to the Congress for correction any defects or inequities which may develop. [Applause.]

Mr. CROSSER. Mr. Speaker, I yield such time as he may desire to the gentleman from New York [Mr. MEAD].

Mr. MEAD. Mr. Speaker, the Coordinator of Railroads recommended this legislation some time ago. When we passed the Social Security Act we contemplated this legislation. It comes before us unanimously approved by the committee which has given it consideration.

Mr. Speaker, this legislation is consistent with our action in connection with railroad retirement and employees' liability legislation. It presents no conflict nor inconsistency and it is in keeping with our actions of the past. It is another evidence of the statesmanship of leaders of the railroad brotherhoods. Their splendid example in the field of legislative achievement may well be followed by other organizations.

I desire to congratulate the sponsor of this measure, the able and distinguished gentleman from Ohio [Mr. CROSSER]. During all the years of his service in the Congress he has rendered efficient and consistent service to those employed on the great railroad systems of the country.

I desire also to compliment the chairman of the Committee on Interstate and Foreign Commerce, as well as honor his associates on both the Democratic and the Republican side for the consideration they have given this measure and for the unanimous report on this very necessary and helpful legislation.

I hope the bill will be adopted by the unanimous vote of the House and that its consideration in the other body will be accomplished without delay.

The enactment of this bill will create a unified, coordinated system of unemployment insurance for the railroad workers of the country. It will result in a more orderly system, and it will likewise prove economical from the standpoint of the railroad companies. It is a most salutary piece of legislation. It truly expands our social frontiers. It is an act of justice for the workers of this great industry.

Mr. MAPES. Mr. Speaker, I yield 5 minutes to the gentleman from New Jersey [Mr. WOLVERTON].

Mr. WOLVERTON. Mr. Speaker and Members of the House, the bill now before the House provides for a system of unemployment insurance for railroad employees. It is to be supported through contributions collected from the same employers as are now subject to the Railroad Retirement Act.

It has been my pleasure and privilege on many previous occasions to follow the leadership of the gentleman from Ohio [Mr. CROSSER] in matters of legislation beneficial to railroad workers. He has been an outstanding champion of such legislation. Many of the bills that have been enacted bear the name of this distinguished gentleman. The fact that the present bill was introduced by him is a sufficient guaranty to this House that it is worth while and merits support.

Congress has long recognized that a number of problems peculiar to the railroad industry necessitate separate treatment of that industry, rather than subjecting it to other Federal legislation having application to industries generally or leaving it subject to varied State laws. As proof of this fact, there have been enacted the Railroad Labor Act, Hours of Service Limitation Act, the Employers' Liability Act, and the Railroad Retirement Act.

Since the adoption of the several State unemployment insurance acts and titles III and IX of the Social Security Act, which include the railroad industry, there have appeared many inequities and inequalities to railroad workers. This is largely due to the fact that a railroad system operates in many States. For instance, the Pennsylvania system operates in 13 States and the District of Columbia; the Union Pacific in 13; the Louisville & Nashville in 13; the Chicago, Burlington & Quincy in 11; the Milwaukee in 11; the New York Central in 11; the Northwestern in 9; the Frisco in 9; the Missouri Pacific in 8; and so it goes. Some of the smaller lines operate in three, four, and five States. This creates a condition that is equally annoying and troublesome to management as well as men. Continually questions are being raised as to what particular State law is applicable under numerous and varied conditions arising because of the operation of the railroad and the work of the employees extending into and through several States.

Furthermore, the seniority rule in effect on railroads all over the country creates many difficult problems, because the operation of this rule frequently covers an entire railroad system and seldom, if ever, less than a division. In either case the jurisdiction or territory within which the seniority rule is effective will cover several States. One crew on a train or one gang of maintenance-of-way men may include workers from three or four different States and working at different times in three or more States. What State law is applicable in such a case? It is to correct such impractical situations as I have just mentioned that the present law is offered.

I would also like to emphasize the fact that this proposed legislation has the support of the 21 railroad brotherhoods. Their representatives appeared before the Committee on Interstate and Foreign Commerce and presented in an intelligent, logical, and forceful manner the necessity for the legislation and the good, both to management and men, that would result from its enactment. And in this connection may I say that the representatives of the different railroad brotherhoods who have appeared before the Interstate and Foreign Commerce Committee of the House and other congressional committees have uniformly been fair and always intelligent in presenting their viewpoint. This fact has been recognized by the management of the railroads. It has enabled them time and again to appear jointly before committees of Congress in seeking legislation that would be beneficial to both. There has been a more pronounced spirit of cooperation between the management and men in the railroad industry than in any other industry. Consequently we find labor legislation affecting railroad workers far in advance of that affecting any other industry. In many particulars railroad labor laws have pointed the way for other industries.

The legislation now before the House is of a kind that is mutually beneficial. It provides a more workable plan for both the men and the railroads, and at no greater cost than the railroads are now required to pay to the several States under the unemployment laws now in effect. In fact, it is stated by the spokesmen for the several brotherhoods and the American Federation of Labor that it will result in a considerable saving to the railroads, and it will not add to the expense of the Federal Government.

The administration of the act will be under the jurisdiction of the Railroad Retirement Board. The highly satisfactory manner in which the latter Board has administered the Railroad Retirement Act is proof that this bill, if enacted into law, will likewise have similar efficient and highly satisfactory administration. I ask the membership of the House to give the bill the support which the object of the bill is entitled to have. [Applause.]

Mr. SNELL. Mr. Speaker, will the gentleman yield for a question?

Mr. WOLVERTON. I yield to the gentleman from New York.

Mr. SNELL. As I understand this bill, it does not materially increase the obligations of the railroads.

Mr. WOLVERTON. The gentleman is correct.

Mr. SNELL. I understand the bill is fairly agreeable to both the employers and the employees.

Mr. WOLVERTON. The representatives of the brotherhoods who appeared before the committee stated emphatically that it would be a saving to the railroads. Some of the railroad representatives did not agree with that statement in its entirety but did admit that under certain conditions it could be a saving. Under some conditions it might not be a saving. Generally speaking, however, it would lead to a more practical operation than is possible under the present unemployment laws.

Mr. SNELL. However, it certainly will not result in any material extra costs to the railroads?

Mr. WOLVERTON. That is the understanding.

Mr. SNELL. If both sides are agreed, we ought to pass this bill quickly, before they get some other agreement.

Mr. MAPES. Mr. Speaker, I yield 3 minutes to the gentleman from Indiana [Mr. HALLECK].

Mr. HALLECK. Mr. Speaker, it is apparent there is no controversy in the House regarding this bill, and the Members are getting impatient and are eager to vote. I do not want to detain them except to add my word in support of this bill.

This bill takes the railroad employees out of the operation of the general social-security law, as it affects unemployment insurance, and sets up for them a fund of their own. As has been pointed out, as far as the employers are concerned, the expense will not be increased. In my opinion, it will be decreased because there should be more ease of accounting and less expense involved in making payments to one general Federal fund than in handling 52 separate funds.

Since this debate opened a question has been asked regarding the expense of administration. The bill provides that the expense of administration shall be paid out of the fund itself, and this means there will be no added expense to the Federal Government for the administration of this act.

Mr. CROSSER. Mr. Speaker, I yield to the gentleman from Ohio [Mr. FLETCHER] such time as he may desire.

Mr. FLETCHER. Mr. Speaker and Members of the House, it is my intention to vote for the bill now under consideration, H. R. 10127, providing unemployment insurance for railroad employees, as I have on previous occasions voted for all legislation in the interest of justice to labor in every field.

As a laborer in the steel mills that manufactured the steel products for railroad equipment and later, when the mills closed down, working as a freight handler in the railroad freight transfer, paid on a tonnage basis, I had an opportunity to learn something from the laborers' viewpoint that I have never forgotten. This labor experience has much to do with my attitude in favor of all practical and constructive labor legislation ever since I first became a Member of Congress.

It was this same personal experience as a laborer, toiling long hours at low pay, under conditions at times almost unendurable, that was an important factor in my decision to use the influence of the newspaper of which I was then editor and publisher, in fighting on the side of the railroad men when the great strike came in which railroad employees of long years of faithful service had their jobs threatened.

In the years since that time, traveling over the railroads in every State and throughout Canada, opportunity has been afforded for personal observation and study of railroad problems involving both employers and employees.

This legislation providing unemployment insurance for railroad employees now under consideration is the type of much-needed legislation which the socially intelligent men and women everywhere will approve.

But I did not rise to speak at length on this bill because that is not necessary. It has the approval of all the enlightened, socially intelligent Members of the House.

My chief purpose in speaking at this time is to say a few words with reference to my friend, the distinguished Ohio statesman, ROBERT CROSSER, who sponsored this bill.

His leadership in behalf of all labor legislation is universally acknowledged and respected.

It is fortunate for the cause of labor everywhere in America that the citizens of Ohio have had the loyalty and wisdom to keep Mr. CROSSER in this House year after year, so through experience and extensive service he might be able to advance to the position of usefulness, power, and influence that makes him one of the outstanding statesmen of his generation.

Beginning in 1896, prior to his first vote, the gentleman from Ohio [Mr. CROSSER] began the effort, through public discussion and otherwise, to bring law into adjustment with the principles of economic justice, assuring all men the full value of the product of their toil.

Beginning in 1902 and continuing until 1911 he earnestly supported Tom L. Johnson in his efforts to establish economic justice. He believed with Johnson that the proper observance of the laws of mind and the prevention rather than the control of monopoly is all-important, for by such a course we prevent special privilege manifesting itself in any harmful way.

The counter program assumes it to be right to grant monopolies and then to undertake to control them by mandatory official edict. Johnson did not approve the latter plan.

During the winter of 1911 Mr. CROSSER served as a member of the State house of representatives. He introduced and secured passage of the first municipal initiative and referendum law for the State of Ohio. The constitution at that time did not authorize the legislature to make provision for initiative and referendum as applied to State laws.

In 1912 he served as a member of the fourth constitutional convention of Ohio and introduced a proposal for the initiative and referendum as applied to State laws.

This measure provided that all laws passed by the legislature would be subject to the referendum, provided that a proper petition signed by the necessary number of voters requested the submission of such law to the voters for approval or rejection.

It also provided that a certain number of citizens may file a petition with the secretary of state proposing a law, and that the question would be submitted to the voters at the next general election to determine whether the majority of the people of the State approved or disapproved such proposed law.

The proposal also provided for the submission of proposed amendments to the Constitution itself by means of the initiative petition. Our friend, the author of the amendment, regarded this as very far reaching in its effects and probably his most important official accomplishment.

In 1914 he secured a favorable report on a bill providing for the ownership and operation of the street-railway system in Washington by the government of the District of Columbia, but the war breaking immediately afterward prevented further consideration.

In 1916 he introduced a measure known as the colonization bill providing for a utilization of all the public lands. The plan was to use the public lands by the establishment of colonies. The Government advancing money to make the improvements and those who should secure a house and land under such conditions were to pay back the loan in 40 years and also the market rate of interest on the yearly value of the land, but such persons, however, were not to be allowed to transfer the title to the land but could transfer their rights in improvements to others.

In 1916 as a member of the first Flood Control Committee he proposed control of floods by controlling the cause through the building of reservoirs, dams, and so forth, rather than building of levees only. One other member of the committee signed the report approving such a plan, but the committee under the leadership of Ben Humphries, chairman, opposed the plan vigorously. The proposal has now, however, become the law of the land.

He was the author of the amended Railway Labor Act, the author of three different railway retirement laws, the last one having been passed in 1932, and the author of the railroad unemployment-insurance law which passed Congress on the 16th day of June 1938.

During the earlier part of official service intense application and effort were devoted to the endeavor to secure legislation along the lines indicated. It is interesting to note, however, that while the same intensity of application and earnestness of effort were brought to bear during the last few years, the legislation which was enacted as a result was greater in extent by far than what preceded and the opposition made was far less effective.

With vigor and tireless energy ROBERT CROSSER works incessantly for the welfare of all the people and today at the height of his power and skill as a legislator he has well earned the distinction of being one of the most highly respected and one of the most influential Members of the United States Congress.

Mr. MAPES. Mr. Speaker, I yield 2 minutes to the gentleman from Tennessee [Mr. REECE].

Mr. REECE of Tennessee. Mr. Speaker, instead of 48 State systems of unemployment insurance for railroad employees whose services are primarily interstate in character, this measure sets up a national unemployment insurance system for such employees. No additional cost is involved to the Government, to the railways, or the employees in the setting up or the administration of this system. It is of benefit to the employees in that they will have one national system which will better serve their interests, and in the long run I believe it will be in the interest of the railways themselves. It comes from the Committee on Interstate Commerce, of which I am a member, with a unanimous report, and it appeared from the hearings held by our committee that this proposal was approved by the leading students of unemployment insurance. I am pleased to give this measure my support, and I hope to see it become a law before Congress adjourns.

Mr. MAPES. Mr. Speaker, I yield one-half minute to the gentleman from New York [Mr. FISH].

Mr. FISH. Mr. Speaker, there is no finer or more loyal or industrious group than the railroad employees. I am very glad to have an opportunity to vote for this bill, which is a simple act of justice for hundreds of thousands of railroad workers, by setting up for them a system of national unemployment insurance which will give them more adequate benefits. There is no group of American workers more deserving of the consideration of Congress than those employed on our railroads. The situation of the railroads in this depression is deplorable and is growing worse each month, and Congress should not adjourn without dealing in a constructive way with this critical situation. I hope before adjournment that the bill reported from the Banking and Currency Committee, of which I am a member, enabling the R. F. C. to make special loans to railroads for equipment and to reemploy those who have already been laid off will pass. It is essential that the Congress grant the R. F. C. wide powers to make loans to railroads, at least to keep them going until Congress meets next January. I am interested in both the efficiency of the service of the railroads to the public and in the welfare and employment of the railroad employees. They are one and inseparable and both are deserving of the support of the American people.

Mr. MAPES. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. LORD].

Mr. LORD. Mr. Speaker, this unemployment insurance for all railroad employees seems to meet the approval of all concerned as near as legislation can ever please everyone. It takes 48 State insurance companies as it now exists and places it in one great national company. I am pleased to know that we are all of one accord on this measure, and when we are it must be that this insurance will work out to the best interests of all, and I am glad to support it.

In an earlier session we passed the Social Security Act, and we were not all agreed on that bill. Many of us of the Republican Party pointed out that the amount that a person could draw under the act was far too small to ever do much real good. In fact, we tried to increase the amount to $50, or even $40, per month so that one would have a little chance to live on the allowance, but were voted down by the majority party.

The result has been even worse than we anticipated then, and the allowance that is being doled out in most, if not all, cases is too small for any kind of a decent living. To make matters worse, the Government is collecting millions of dollars that is being spent for the many wild schemes that the Government is carrying on and an I O U put in the safe as a credit, but where is the money coming from to pay the insured when the time comes for payment? Industry is paying in to the Government money that is needed to expand business, the Government is using up the money, business is growing worse all of the time, and this is one of the reasons for it.

This has not worked, and to my mind we need insurance on a much broader scale. Many older people cannot get the assistance they are entitled to, and I believe the whole social security should be repealed and a pay-as-you-go policy adopted, with a more liberal allowance and a much broader base.

It is too late to accomplish any changes this year, but I hope that next year we can have some such advanced measure as I have suggested and that it will come in here with this same unanimous approval as this railroad bill has today.

[Here the gavel fell.]

Mr. MAPES. Mr. Speaker, I yield one-half minute to my colleague the gentleman from Michigan [Mr. SHAFER].

Mr. MAPES. Mr. Speaker, I yield such time as he may desire to my colleague the gentleman from Michigan [Mr. SHAFER].

Mr. SHAFER of Michigan. Mr. Speaker, the gentleman from New York [Mr. LORD] who has just preceded me, may be assured of my cooperation and assistance in his efforts to amend the Social Security Act to create more liberal allowances for the older people of this Nation who are now unable to obtain the assistance they are entitled to. I desire at this point to remind the gentleman that I introduced a resolution at the opening of this session of Congress, calling for an investigation of the manner in which the millions of dollars being collected by the Federal Government for social security are being spent. At the time I introduced the resolution, which to date has not seen the light of day, I called attention to the fact that most of the $1,660,000,000 collected had been spent for the many things this Government is spending money for, and in its place were I O U's. At that time I also asked the question of where the money is coming from when the time comes for social-security payments.

In regard to H. R. 10127, now under discussion, it should be passed without a dissenting vote. It is meritorious legislation designed to do for the railroad industry, with respect to unemployment insurance, what the Railroad Retirement Act does with respect to old-age benefits. It will create a separate system applicable to that industry—a system that has been recommended for several years. Enactment of this legislation will accomplish four major purposes.

First. It will relieve railroad workers from the inequalities, inequities, and the intolerable delay or denial of benefits which result from the attempt now being made to apply the many State and Territorial unemployment compensation laws to interstate workers.

Second. It will save the railroads, now clamoring for relief, several million dollars each year in taxes and accounting costs.

Third. It will tend to simplify the administration of State unemployment insurance laws, which are now threatened by administration complexities.

Fourth. It will make the whole Nation-wide unemployment insurance system that has been set up by Federal and State cooperation workable.

This bill was drafted by and is being sponsored by the 20 standard railroad labor organizations of the United States and is endorsed by the American Federation of Labor. Its enactment is essential to the protection of unemployed railroad workers, who are entitled to more equitable treatment than they are now receiving under the various and many State laws.

I give my wholehearted support to this bill and urge its immediate enactment. [Applause.]

Mr. CROSSER. Mr. Speaker, I yield as much time as he may desire to the gentleman from Oklahoma [Mr. BOREN].

Mr. BOREN. Mr. Speaker, this bill has the unanimous support of the Committee on Interstate and Foreign Commerce and should have that same support in the House. As a first-term Member of Congress, serving on that great committee, I have had opportunity to participate in a great deal of legislation affecting the railroads and railroad labor. I

am particularly proud of my part as one of those who helped to produce the Railroad Retirement Act, and I believe that this bill is second in importance to that great act in the service of the interests of labor engaged in the railroad industry. This bill has been ably presented, Mr. Speaker, and I urge, without further use of the time of the House, that we unite in a common consent and make this bill a law.

Mr. CROSSER. Mr. Speaker, I yield to the gentleman from Michigan [Mr. DINGELL] as much time as he may desire.

Mr. DINGELL. Mr. Speaker, I have been privileged to participate in the building up of the Social Security Act and the Railroad Retirement Act as a member of the Ways and Means Committee, which had charge of the original legislation. My record as to the contribution I have thus far made toward the well-being of our deserving working men and women is too well known to discuss during the few short hours remaining before adjournment of this session. I do want, however, to give my unqualified approval to the report presented by my friend from Ohio [Mr. CROSSER] and to say that it covers the subject so well that I will read for the RECORD the general statement on unemployment insurance for railroad employees covering H. R. 10127.

I am certain the House will act favorably and add substance, strength, and practicality to existing law. I quote from the report:

The bill provides for a system of unemployment insurance for the same employees as are covered by the Railroad Retirement Act of 1937, and the support of such system of unemployment insurance through contributions collected from the same employers as are subject to the Railroad Retirement Act of 1937. At present these employees and employers are included within the unemployment insurance acts of the various States. Especially with regard to relations of management and labor, Congress has long recognized that a number of problems peculiar to the railroad industry necessitate separate treatment of that industry in various aspects, rather than subjecting it to other Federal legislation applicable to industries generally or leaving it subject to varied State laws, and to meet that necessity has enacted such legislation as the Railway Labor Act, the Employers' Liability Act, and the Railroad Retirement Acts. For similar reasons, the inclusion of the railroad industry under the various State unemployment insurance acts and titles III and IX of the Social Security Act results in needless inequalities and inequities to the employers and employees. Unemployment insurance for railroad workers is especially not susceptible of treatment by numerous State plans, since a large proportion of railroad workers perform their services in more than one State and find it extremely difficult satisfactorily to adjust their rights under the somewhat varied State plans. The employers also are confronted with the problem of keeping records and making reports under the divergent requirements of the State acts. The bill provides for a system of unemployment insurance designed to meet the peculiar needs of the industry, and in so doing avoids many of the intricacies and complexities of the existing State plans.

The bill removes from the coverage of the unemployment insurance acts of the States and from title IX of the Social Security Act the employees and employers covered by the Railroad Retirement Act of 1937 and the Carriers' Taxing Act of 1937. The costs of the system, including both the payment of unemployment benefits and the administration of the act, are to be paid from funds into which are to be deposited the taxes collected from employers under the act. These taxes amount to substantially less than the aggregate of the taxes imposed by the State acts and title IX of the Social Security Act. The administration of the act is to be vested in the Railroad Retirement Board, which administers the Railroad Retirement Acts of 1937 and 1935, dealing with the related problem of retirement of railroad employees. The vesting of the administration of the act in the Railroad Retirement Board, and the identical coverage of this bill with the Railroad Retirement Acts and the Carriers' Taxing Act, will simplify the reporting burdens of the employers and the record-keeping of the administrative agency. It is the opinion of the committee, also, that the bill establishes an unemployment insurance system far simpler than those established by the States, and that under this system it will be possible for employees readily to understand their rights, and for their claims to be met expeditiously.

The bill is divided into 17 sections, as follows:

1. Definitions.
2. Benefits.
3. Qualifying conditions.
4. Disqualifying conditions.
5. Claims for benefits.
6. Conclusiveness of returns of compensation and of failure to make returns of compensation.
7. Free transportation.
8. Contributions.
9. Penalties.
10. Railroad unemployment insurance account.
11. Railroad unemployment insurance administration fund.
12. Duties and powers of the Board.
13. Exclusiveness of provisions; transfers from State unemployment compensation accounts to railroad unemployment insurance account.
14. District of Columbia Unemployment Compensation Act.
15. Transitional provisions.
16. Separability.
17. Short title.

Mr. CROSSER. Mr. Speaker, I ask for a vote on the bill.

The SPEAKER. The question is on the motion to suspend the rules and pass the bill H. R. 10127, as amended.

Mr. COLLINS. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were refused.

The question was taken; and two-thirds having voted in favor thereof, the rules were suspended, and the bill was passed.

A motion to reconsider was laid on the table.

FAIR LABOR STANDARDS ACT OF 1938

Mrs. NORTON. Mr. Speaker, I submit a unanimous conference report and statement on the bill (S. 2475) to provide for the establishment of fair labor standards in employments in and affecting interstate commerce, and for other purposes, for printing under the rule.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES—REVISION AND CODIFICATION OF THE NATIONALITY LAWS OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Immigration and Naturalization:

To the Congress of the United States:

I transmit herewith a report concerning the revision and codification of the nationality laws of the United States, submitted upon my request by the Secretary of State, the Attorney General, and the Secretary of Labor. The report is accompanied by a draft code, with three appendixes containing explanatory matter, prepared by officials of the three interested Departments who are engaged in the handling of cases relating to nationality.

The report indicates the desirability from the administrative standpoint of having the existing nationality laws, now scattered among a large number of separate statutes, embodied in a single, logically arranged, and understandable code. Certain changes in substance are likewise recommended.

In the enclosed letter forwarding the report to me the Secretary of State calls attention to a single question on which there is a difference of opinion between the Departments of Justice and Labor on the one hand and the Department of State on the other hand. If the committees of Congress decide to consider this question, the views of the three Departments may be presented directly to them.

I commend this matter to the Congress for the attentive consideration which its wide scope and great importance demand.

THE WHITE HOUSE, *June 13, 1938.*

FRANKLIN D. ROOSEVELT.

[Enclosures: 1. Report; 2. Draft code and annexes; 3. From the Secretary of State.]

CELEBRATION OF THE ANNIVERSARY OF THE BIRTH OF JOHN HAY

The SPEAKER. Pursuant to the provisions of House Concurrent Resolution 53, Seventy-fifth Congress, the Chair appoints as members of the joint committee to attend the celebration of the one hundredth anniversary of the birth of John Hay the following Members of the House: Messrs. CROWE, CROSSER, FRIES of Illinois, and WADSWORTH.

LETTER CARRIERS IN VILLAGE DELIVERY SERVICE

Mr. MEAD. Mr. Speaker, I ask unanimous consent for the immediate consideration of a concurrent resolution (H. Con.

Res. 64), which I send to the Clerk's desk, to make a correction in the enrollment of a bill.

The Clerk read the concurrent resolution, as follows:

House Concurrent Resolution 64

Resolved by the House of Representatives (the Senate concurring), That in the enrollment of the bill (H. R. 4285) to increase the salaries of letter carriers in the Village Delivery Service, the Clerk of the House is authorized and directed, in section 2 relating to the effective date, to strike out "1937" and insert "1938."

The House concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

PRODUCTION OF MUNITIONS OF WAR

Mr. MAY. Mr. Speaker, I call up the conference report on the bill (H. R. 6246) to provide for placing educational orders to familiarize private manufacturing establishments with the production of munitions of war of special or technical design, noncommercial in character.

The Clerk read the conference report.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6246) to provide for placing educational orders to familiarize private manufacturing establishments with the production of munitions of war of special or technical design, noncommercial in character, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment.

A. J. MAY,
R. E. THOMASON,
DOW W. HARTER,
L. C. ARENDS,
CHARLES R. CLASON,
Managers on the part of the House.

ED. C. JOHNSON,
LISTER HILL,
H. C. LODGE, Jr.,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 6246) providing for placing educational orders to familiarize private manufacturing establishments with the production of munitions of war of special or technical design, noncommercial in character, submit the following written report to the effect that the Senate receded from its amendment and accepted the bill in the exact language as it passed the House.

A. J. MAY,
R. E. THOMASON,
DOW W. HARTER,
L. C. ARENDS,
CHARLES R. CLASON,
Managers on the part of the House.

The conference report was agreed to.

A motion to reconsider was laid on the table.

EXEMPTION OF UNRIGGED VESSELS FROM CERTAIN PROVISIONS OF THE ACT OF JUNE 25, 1936

Mr. BLAND. Mr. Speaker, I call up the conference report on the bill (H. R. 7158) to except yachts, tugs, towboats, and unrigged vessels from certain provisions of the act of June 25, 1936, as amended, and ask unanimous consent that the statement may be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 7158) to except yachts, tugs, towboats, and unrigged vessels from certain provisions of the act of June 25, 1936, as amended, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: Omit the matter proposed to be inserted by the Senate amendment, and on page 3 of the House bill, line 1, before the figure "4" strike out "sections 2 and" and insert "section"; and the Senate agree to the same.

S. O. BLAND,
WM. I. SIROVICH,
ROBERT RAMSPECK,
RICHARD J. WELCH,
FRANCIS D. CULKIN,
Managers on the part of the House.

ROYAL S. COPELAND,
JOSIAH W. BAILEY,
HIRAM W. JOHNSON,
WALLACE H. WHITE, Jr.,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 7158) to except yachts, tugs, towboats, and unrigged vessels from certain provisions of the act of June 25, 1936, as amended, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate amendment limited hours of labor to 8 hours in any 24 hours in the case of licensed officers and members of the crews of unrigged vessels without any limitations as to size or class, or as to waters upon which they are operated. The existing law (sec. 2 of the act of June 25, 1936) limits hours of labor of licensed officers and seamen in the deck or engine department of merchant vessels of the United States of more than 100 tons gross (except those operating on rivers, harbors, bays, canals, etc.), to 8 hours in any one day, which has been interpreted to mean from midnight to midnight. The House bill related primarily to exempting unrigged vessels, such as barges operating on sounds and to the dumping grounds outside of harbor limits, from certain provisions of law prescribing the qualifications for seamen, hours of work, and inspection of crew's quarters. Section 2 of the House bill, among other things, exempted all unrigged vessels (except seagoing vessels) from section 2 of the said act of June 25, 1936, which imposes the said limitation of 8 hours of work in any one day. The conference agreement omits the language of the Senate amendment, and strikes out of section 2 of the House bill the language which exempted unrigged vessels from section 2 of the said act of June 25, 1936, with the effect that the existing law relating to hours of labor of licensed officers and seamen of unrigged vessels will continue to apply.

S. O. BLAND,
WM. I. SIROVICH,
ROBERT RAMSPECK,
RICHARD J. WELCH,
FRANCIS D. CULKIN,
Managers on the part of the House.

The conference report was agreed to.

A motion to reconsider was laid on the table.

WATER-POLLUTION CONTROL

Mr. MANSFIELD. Mr. Speaker, I call up the conference report on the bill (H. R. 2711) to create a division of water, pollution control in the United States Public Health Service, and for other purposes.

The Clerk read the conference report.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 2711) to create a division of water pollution control in the United States Public Health Service, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with amendments as follows:

In the amendment of the Senate strike out subsection "c" of section 7, and strike out all of sections 8 and 9, and the Senate agree to the same.

J. J. MANSFIELD,
RENÉ L. DEROUEN,
GEORGE N. SEGER,
ALBERT E. CARTER,
Managers on the part of the House.

ROYAL S. COPELAND,
HATTIE W. CARAWAY,
JOSEPH F. GUFFEY,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of

the Senate to the bill (H. R. 2711) to create a division of water pollution control in the United States Public Health Service, and for other purposes, submit the following written statement explaining the effect of the action agreed upon:

The Senate amendment struck out all of the House bill after the enacting clause, and in its amendment included practically all of the House bill. The effect of the amendment on the House bill is as follows; the House bill being printed in roman type, and the Senate amendments thereto being printed in italics:

Be it enacted, etc., That there is hereby established in the United States Public Health Service a Division of Water Pollution Control (hereinafter referred to as the Division). The Division shall be in charge of a Director, who shall be a commissioned engineer officer of the United States Public Health Service detailed by the Surgeon General of the Public Health Service (hereinafter referred to as the Surgeon General). Such engineer officer, while serving as Director, shall have the rank of an Assistant Surgeon General of the Public Health Service, subject to the provisions of law applicable to Assistant Surgeons General in charge of administrative divisions in the District of Columbia of the Public Health Service.

SEC. 2. (a) The Division shall, after careful investigation, and in cooperation with the *Chief of Engineers of the War Department and the* agencies of the several States authorized by law or duly designated to deal with water pollution, and in cooperation with the municipalities and industries involved, prepare comprehensive plans for eliminating or reducing the pollution and improving the sanitary condition of the navigable waters of the United States and streams tributary thereto. In the development of such comprehensive plans due regard shall be given to the improvements which are necessary to conserve such waters and promote their use for public water supplies, propagation of fish and aquatic life, recreational purposes, agricultural, industrial, and other legitimate uses, and for this purpose the Division is authorized to make joint investigations with the aforesaid agencies of any State or States of the condition of any waters of the United States, either navigable or otherwise, and the discharges of any sewage, industrial wastes, or substances which may deleteriously affect such waters.

(b) The Division shall encourage cooperative activities by the several States for the prevention and abatement of water pollution; encourage the enactment of uniform State laws relating to water pollution; encourage compacts between the several States for the prevention and abatement of water pollution; collect and disseminate information; make available to State agencies, municipalities, industries, and individuals, the results of surveys, studies, investigations, and experiments conducted by the Division and by other agencies, public and private; and furnish such assistance to State agencies as may be authorized by law.

(c) *The consent of Congress is hereby given to two or more States to enter into agreements or compacts, not in conflict with any law of the United States, for cooperative effort and mutual assistance for the prevention and abatement of water pollution and the enforcement of their respective laws relating thereto, and to establish such agencies, joint or otherwise, as they may deem desirable for making effective such agreements and compacts.*

SEC. 3. The Division, upon request of any State health authority and subject to the approval of the Surgeon General, shall conduct investigations and make surveys of any specific problem of water pollution confronting any State, drainage-basin authority, community, or municipality with a view to effecting a solution of such problem, and shall make definite recommendations for the correction and elimination of the deleterious conditions found to exist.

SEC. 4. The Public Health Service shall prepare and publish, from time to time, reports of such surveys, studies, investigations, and experiments as shall be made under the authority of this act, together with appropriate recommendations with regard to the control of pollution of the waters of the United States.

SEC. 5. Any State, municipality, or other public body which is discharging untreated or inadequately treated sewage or wastes into navigable waters of the United States or streams tributary thereto is hereby declared to be eligible to Federal aid in the form of grants-in-aid [and/]or loans for the construction of necessary treatment works, in accordance with plans approved by the respective State health authority and the Surgeon General. Such loans and grants-in-aid shall be made upon such terms and conditions as the Secretary of the Treasury with the approval of the President may prescribe, subject to the following limitations: (1) Loans or grants-in-aid shall be made only upon the certification of the State health authority having jurisdiction and upon approval and recommendation of the Surgeon General; (2) no grant-in-aid shall be made in respect of any project of an amount in excess of 33⅓ percent of the cost of the labor and materials employed upon such project, including the cost of preparation of plans and the carrying of same into execution.

SEC. 6. Any person discharging untreated or inadequately treated sewage or waste in character or quantity sufficient to be deleterious to the navigable waters of the United States or streams tributary thereto is hereby declared to be eligible to Federal aid in the form of *grants-in-aid or* loans for the construction of necessary treatment works in accordance with plans approved by the respective State health authority and the Surgeon General. Such *grants-in-aid or* loans shall be made upon such terms and conditions as the Secretary of the Treasury with the approval of the President may prescribe, subject to the following limitations: [Loans] *Grants-in-aid or loans* shall be made only upon the certification of the State health authority having jurisdiction and upon approval and recommendation of the Surgeon General.

SEC. 7. (a) There is hereby established in the Division, by detail from time to time, a board of five commissioned engineer officers of the Public Health Service, a majority of whom shall be experienced in sanitary engineering, whose duties shall be fixed by the Surgeon General and to which board shall be referred for consideration and recommendations, in addition to any other duties assigned, so far as in the opinion of the Surgeon General may be necessary, all reports of examinations, investigations, plans, and surveys made pursuant to the provisions of this act or hereafter provided for by Congress, and all applications for grants-in-aid or loans for the construction of necessary treatment works made pursuant to sections 5 and 6 of this act, and all other matters in connection therewith upon which report is desired by the Surgeon General. The board shall submit to the Surgeon General recommendations as to the desirability of commencing, continuing, or extending any and all projects for treatment works upon which reports are desired and for which grants-in-aid or loans have been applied. In the consideration of such proposed treatment works and projects the board shall have in view the benefits to be derived by the construction thereof in accomplishing the purposes of this act, and the relation of the ultimate cost of such works, both as to the cost of construction and maintenance, to the public interests involved, the public necessity for such works and propriety of construction in part at the expense of the United States, and the adequacy of the provisions made or agreed upon by the applicant for the grant-in-aid or loan for assuring proper and efficient operation and maintenance of the works after completion of the construction thereof. The board shall, when it considers the same necessary, and with the approval and under orders from the Surgeon General, make as a board or through its members, personal examinations of localities where the proposed treatment works are to be located. All plans, [cost] *costs* estimates, information, and arguments which are presented to the board for its consideration in connection with any matter referred to it by the Surgeon General shall be reduced to and submitted in writing, and shall be made a part of the records of the Office of the Surgeon General.

(b) *As soon as practicable, the board shall classify the navigable waters of the continental United States into districts to be known as sanitary water districts. The board shall fix and define the boundaries of each such district and may from time to time alter such boundaries. The areas of such districts shall, insofar as practicable, conform to the areas of watersheds not wholly contained within the boundaries of one State.*

(c) *The board shall fix standards of purity in each such district for the navigable waters thereof and for such tributaries from which pollution may flow, be washed, or carried into such navigable waters; shall establish minimum requirements as to the treatment of polluting material before it is discharged into such waters; and shall promulgate regulations governing the discharge of any matter or materials into such waters.*

[(b)] (*d*) All special reports ordered by the Congress pursuant to the provisions of this act shall, at the discretion of the Surgeon General, be reviewed in like manner by the said board; and the said board shall also, on request by resolution of the Committee on Commerce of the Senate or the Committee on Rivers and Harbors of the House of Representatives submitted to the Surgeon General, examine and review the report of any examination, investigation, survey, or project for the elimination or reduction of water pollution or for treatment works made pursuant to any act or resolution of the Congress, and shall report through the Surgeon General, who shall submit his conclusions thereon as in other cases. The said board shall, at the discretion of the Surgeon General, make estimates of the amount of money required each year for each and all project applications for treatment works which have been approved under the provisions of sections 5 and 6 of this act, for an extension of Federal aid in the form of grants-in-aid or loans to any States, municipalities, or other public bodies or in the form of loans to persons, as provided for in said sections. The board shall recommend the order or sequence of priority for such individual projects in accordance with their estimated importance or value in the elimination or reduction of water pollution as determined by the said board as hereinbefore provided, and shall report thereon through the Surgeon General, who shall submit his conclusions as in other cases.

[(c)] (*e*) The Secretary of the Treasury shall cause the manuscript of that portion of the annual report of the Surgeon General as is concerned with the Division, including a schedule of approved projects for treatment works and cost estimates thereof for grants-in-aid and loans together with such supplementary reports as may be pertinent thereto, to be placed in the hands of the Public Printer on or before the 15th day of October in each year, and the Public Printer shall cause such portion of the annual report of the Surgeon General and supplementary reports to be printed with an accurate and comprehensive index thereof, on or before the 3d day of January in each year, for the use of the Congress; and all special reports of investigations of surveys which may be prepared during the recess of the Congress shall, in the discretion of the Secretary of the Treasury, be printed by the Public Printer as documents of the following session of the Congress.

[(d)] (f) There are authorized to be appropriated such sums as may be necessary to carry out such projects or portions thereof for treatment works as are authorized annually by the Congress from the schedule of approved projects and cost estimates submitted to the Congress as hereinbefore provided, and the appropriations therefor shall be included in the annual appropriation bill for the Treasury Department or in any other supplementary or deficiency appropriation bill. Grants and loans thus provided for shall be made by the Secretary of the Treasury under the conditions set forth in sections 5 and 6 of this act. Any moneys appropriated for such projects shall remain available for expenditure for such purpose until the expiration of the fiscal year next succeeding the fiscal year for which the appropriation is made. In case that the costs of construction of treatment works are less than the original estimates as appropriated for by Congress, the proportionate part of such moneys belonging to the United States as has not been expended shall be refunded or returned to the Treasury of the United States, under such rules and regulations as the Secretary of the Treasury may prescribe. In case that the costs of construction of treatment works exceed, or appear likely to exceed, the original estimates as appropriated for by Congress, the Surgeon General may submit to Congress, as in other cases, estimates of the additional moneys necessary to meet increased costs arising because of unforeseen contingencies, structural difficulties, or other causes, which, in the opinion of the Surgeon General, require consideration by Congress. Alterations of, amendments, or revisions to approved project plans for treatment works which do not increase the total cost of the projects may be authorized at the discretion of the Surgeon General.

Sec. 8. Pursuant to the powers of the United States to regulate interstate commerce and navigation; to extend, change, and amend the Admiralty and Maritime Act; to give due effect to the Migratory Bird Treaty; and to protect the fisheries, particularly the anadromous fish, Congress hereby declares the discharge or deposit of any waste, except the normal discharge of sewage from toilets of boats or from the galley sink drains or the normal amount of oil that may be discharged from the exhaust pipe of a motorboat, or other substance, whether in a solid, gaseous, or liquid state, into any of the navigable waters of the United States, or into any tributary from which the same may flow, be washed, or carried into any of such navigable waters, in violation of regulation or regulations promulgated by the board, if such waste or other substance is or may be injurious to human health or to any other form of life, including aquatic life, or to migratory birds as defined in the Migratory Bird Treaty of August 16, 1916, or impairs in any manner the utility of such waters for navigation purposes, to be against the public policy of the United States and to be a public and common nuisance. After the expiration of 3 years after the date of enactment of this act an action to prevent or abate any such nuisance may be brought in the name of the United States by any United States attorney, and it shall be the duty of such attorneys to bring such an action when directed to do so by the Attorney General of the United States. Such action shall be brought as an action in equity and may be brought in any court of the United States in the district where the alleged nuisance exists.

Sec. 9. Nothing contained in this act shall be construed to limit in any manner the rights of any person or public body to bring actions for damages on account of the pollution of any waters, or for the abatement of such pollution.

SEC. [8] *10.* There is hereby authorized to be appropriated for each fiscal year, beginning with the fiscal year ending June 30, 1938, the sum of $300,000, for all necessary expenses of the Division in administering the provisions of this act, including: (a) Expenses of investigations made under this act, including (1) printing and binding of the findings of such investigations, (2) the pay and allowances and travel expenses of personnel of the Public Health Service (including commissioned officers) while engaged in field investigation, (3) (upon the approval of the Surgeon General) the expenses of packing, crating, drayage, and transportation of the personal effects of such personnel and personnel of other Government departments on duty with the Public Health Service upon permanent change of station under competent orders in connection therewith while engaged in such investigations, and (4) purchases required for such investigations, without regard to the provisions of section 3709 of the Revised Statutes (U. S. C., 1934 ed., title 41, sec. 5), when the aggregate amount involved does not exceed $100; (b) upon approval of the Surgeon General, the necessary expenses of the board of engineer officers provided for in section 7 of this act; (c) the pay and allowances and travel expenses of reserve engineer officers while on active duty under section 10 (a) of this act; and (d) for the reimbursement of appropriations insofar as expended for pay and allowances of personnel detailed to the Division under section 10 (c) or 10 (d) of this act.

SEC. [9] *11.* There is hereby authorized to be appropriated for each fiscal year, beginning with the fiscal year ending June 30, 1938, the sum of $700,000, to be paid to the States for expenditures by or under the direction of their respective State health authorities in the promotion, investigation, surveys, and studies necessary in the prevention and control of water pollution; this sum to be allotted, under the supervision of the Surgeon General, to the States in accordance with rules and regulations prescribed by the Secretary of the Treasury. The amount of any allotment for any fiscal year remaining unpaid at the end of such fiscal year shall be available for allotment hereunder for the succeeding fiscal year, in addition to the amount appropriated for such year.

SEC. [10] *12.* (a) For the administration of this act the Secretary of the Treasury may, upon recommendation of the Surgeon General, appoint such engineers, attorneys, experts, research assistants, examiners, and consultants as may be necessary, and fix their compensation, in the manner provided by law for the appointment and fixing of compensation of such personnel of the Public Health Service; and the Surgeon General is authorized to transfer, assign, or detail to the Division, from any other division of the Public Health Service, such professional and scientific personnel as may be available. Not exceeding 10 engineer officers in the reserve of the Public Health Service may be ordered to active duty for such periods of time as may be desirable, extending not more than 5 years beyond the date of enactment of this act, to assist in carrying out the purposes thereof.

(b) Such clerks, stenographers, and other employees as may be necessary to discharge the duties of the Division and for the investigations in the field shall be appointed by the Secretary of the Treasury in accordance with the civil-service laws, and their compensation shall be fixed in accordance with the Classification Act of 1923, as amended, and he shall prescribe such rules and regulations with respect to their duties as he may find necessary.

(c) The personnel of the Public Health Service paid from any appropriation not made pursuant to section 8 may be detailed to assist in carrying out the purposes of this act.

(d) The Secretary of the Treasury, with the consent of the Secretary of any other department of the Federal Government, may utilize such officers and employees of said department as may be found necessary to assist in carrying out the purposes of this act.

SEC. [11] *13.* When used in this act, the term "State health authority" means the official State health department, State board of health, or such other official State agency as is empowered with the duties of enforcing State laws pertaining to health; the term "treatment works" means the various devices used in the treatment of sewage or industrial waste of a liquid nature, including the necessary intercepting sewers, outfall sewers, pumping and power equipment and their appurtenances; the term "person" means an individual in the capacity of proprietor of an industrial enterprise, a partnership, a private corporation, an association, a joint-stock company, a trust, or an estate.

SEC. [12] *14.* If any provision of this act, or the application thereof to any person or circumstance, is held invalid, the remainder of the act, and the application of such provision to other persons or circumstances, shall not be affected thereby.

SEC. [13] *15.* This act may be cited as the Water Pollution Act.

As the result of the conference, subsection (c) of section 7, and sections 8 and 9 are eliminated from the bill.

J. J. MANSFIELD,
RENÉ L. DEROUEN,
GEORGE N. SEGER,
ALBERT E. CARTER,
Managers on the part of the House.

The conference report was agreed to.

A motion to reconsider was laid on the table.

ADMINISTRATIVE PROVISIONS OF THE TARIFF ACT OF 1930

Mr. McCORMACK. Mr. Speaker, I call up the conference report on the bill (H. R. 8099) to amend certain administrative provisions of the Tariff Act of 1930, and for other purposes.

The Clerk read the conference report.

Mr. McCORMACK (interrupting the reading of the report). Mr. Speaker, I ask unanimous consent that the further reading of the report may be dispensed with.

Mr. RICH. Mr. Speaker, reserving the right to object, what revision is the gentleman proposing to make with reference to the tariff?

Mr. McCORMACK. This is a bill that passed the House and the Senate and is a noncontroversial report. The bill passed this body last year, and the House provisions are retained. There were some amendments put on in the Senate, and they have been adjusted.

Mr. RICH. It is not a bill to reduce the tariff in any way?

Mr. McCORMACK. No. It relates to the administrative features of the customs law.

Mr. RICH. It is not proposed to lower any tariffs without hearings?

Mr. McCORMACK. No; we put three things on a tariff.

Mr. RICH. You ought to put a whole lot more on.

Mr. McCORMACK. I thank the gentleman for his compliment.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts that the further reading of the conference report be dispensed with?

There was no objection.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8099) to amend certain administrative provisions of the Tariff Act of 1930, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 6, 26, 29, 44, 45, and 71.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 7, 8, 9, 11, 14, 15, 16, 17, 18, 19, 20, 21, 22, 24, 25, 37, 38, 39, 41, 42, 48, 50, 52, 61, 68, 69, 72, 74, and 75, and agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment as follows: On page 2 of the Senate engrossed amendments, line 4, strike out "reasonably"; and the Senate agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with the following amendment: Retain the matter proposed to be inserted by the Senate amendment, and on page 5, line 4, of the House bill strike out "(E),"; and the Senate agree to the same.

Amendment numbered 23: That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with the following amendments: On page 3 of the Senate engrossed amendments, line 20, strike out "continuous customs custody", and in lieu thereof insert the following: "bonded warehouses, bonded manufacturing warehouses, or continuous customs custody elsewhere than in a bonded warehouse"; on page 4 of the Senate engrossed amendments, lines 15 and 16, strike out "continuous customs custody", and in lieu thereof insert the following: "bonded warehouses, bonded manufacturing warehouses, or continuous customs custody elsewhere than in a bonded warehouse"; on page 5 of the Senate engrossed amendments, line 9, after "Secretary of Commerce", insert the following: "that he has found"; and on page 5 of the Senate engrossed amendments, line 13, after "Treasury", insert the following: "that he has found"; and the Senate agree to the same.

Amendment numbered 33: That the House recede from its disagreement to the amendment of the Senate numbered 33, and agree to the same with the following amendment: On page 11 of the Senate engrossed amendments, line 3, strike out "14", and in lieu thereof insert "13"; and the Senate agree to the same.

Amendment numbered 55: That the House recede from its disagreement to the amendment of the Senate numbered 55, and agree to the same with the following amendment: On page 14 of the Senate engrossed amendments, line 18, strike out "27", and in lieu thereof insert "25"; and the Senate agree to the same.

Amendment numbered 62: That the House recede from its disagreement to the amendment of the Senate numbered 62, and agree to the same with the following amendment: On page 15 of the Senate engrossed amendments, line 17, strike out "33", and in lieu thereof insert "31"; and the Senate agree to the same.

Amendment numbered 63: That the House recede from its disagreement to the amendment of the Senate numbered 63, and agree to the same with the following amendments: On page 16 of the Senate engrossed amendments, line 2, strike out "34", and in lieu thereof insert "32"; and on page 16 of the Senate engrossed amendments, line 5, strike out "thirty", and in lieu thereof insert "fifteen"; and the Senate agree to the same.

Amendments numbered 65 and 66: That the House recede from its disagreement to the amendments of the Senate numbered 65 and 66, and agree to the same with the following amendment: Beginning with the word "but" in line 17, page 33, of the House bill, strike out all down to and including "articles." on page 34, line 2, and insert in lieu thereof the following: "but such duties shall not be levied or collected on any merchandise (except white soft wastes, white threads and noils, which shall be dutiable at seven-eighths of such regular duties when used or transferred for use otherwise than in the manufacture of the enumerated articles) resulting in the usual course of manufacture of such enumerated manufactured articles which cannot be used (with or without further preparation) in the usual course of the manufacture of such enumerated articles, or which is exported or destroyed"; and the Senate agree to the same.

Amendment numbered 76: That the House recede from its disagreement to the amendment of the Senate numbered 76 and agree to the same with the following amendment: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "That (a) in the case of articles acquired in any country other than a contiguous country which maintains a free zone or free port, the exemption authorized by the preceding proviso shall apply only to articles so acquired by a returning resident who has remained beyond the territorial limits of the United States for a period of not less than forty-eight hours and (b) in the case of articles acquired in a contiguous country which maintains a free zone or free port, the Secretary of the Treasury shall by special regulation or instruction, the application of which may be restricted to one or more individual ports of entry, provide that the exemption authorized by the preceding proviso shall be applied only to articles acquired abroad by a returning resident who has remained beyond the territorial limits of the United States for not less than such period (which period shall not exceed twenty-four hours) as the Secretary may deem necessary in the public interest or to facilitate enforcement at the specified port or ports of the requirement that the exemption shall apply only to articles acquired as an incident of the foreign journey: *Provided further*, That the exemption authorized by the second preceding proviso shall apply only to articles declared in accordance with regulations to be prescribed by the Secretary of the Treasury by a returning resident who has not taken advantage of the said exemption within the thirty-day period immediately preceding his return to the United States: *Provided further*, That no such special regulation or instruction shall take effect until the lapse of ninety days after the date of such special regulation or instruction"; and the Senate agree to the same.

Amendment numbered 77: That the House recede from its disagreement to the amendment of the Senate numbered 77 and agree to the same with the following amendment: On page 39 of the House bill, strike out lines 17 to 19, inclusive, and insert in lieu thereof the following:

"SEC. 37. Sections 31 and 34 of this Act shall take effect on the date of enactment of this Act. Except as otherwise specially provided in this Act, the remainder of this Act shall take effect on the thirtieth day following the date of its enactment."

And the Senate agree to the same.

Amendments numbered 27, 28, 30, 31, 32, 34, 35, 36, 40, 43, 46, 47, 49, 51, 53, 54, 56, 57, 58, 59, 60, 64, 67, 70, and 73: That the House recede from its disagreement to the amendments of the Senate numbered 27, 28, 30, 31, 32, 34, 35, 36, 40, 43, 46, 47, 49, 51, 53, 54, 56, 57, 58, 59, 60 64, 67, 70, and 73, and agree to the same with amendments, as follows: In lieu of the matter proposed to be inserted by the Senate amendments, insert "8," "9," "10," "11," "12," "14," "15," "16," "17," "18," "19," "20," "21," "22," "23," "24," "26," "27," "28," "29," "30," "33," "34," "35," and "36," respectively; and the Senate agree to the same.

The committee of conference have not agreed on amendment numbered 12.

THOMAS H. CULLEN,
MORGAN G. SANDERS,
JOHN W. MCCORMACK,
HAROLD KNUTSON,
Managers on the part of the House.

DAVID I. WALSH,
TOM CONNALLY,
JOSIAH W. BAILEY,
BENNETT CHAMP CLARK,
A. H. VANDENBERG,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8099) to amend certain administrative provisions of the Tariff Act of 1930, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

On amendment No. 1: This amendment changes the year in the short title of the act to agree with the year of enactment. The House recedes.

On amendments Nos. 2 and 3: These amendments provide that shipments to Wake Island, Midway Islands, or Kingman Reef shall be treated as exportations in the case of goods shipped from customs manipulation warehouses in the same manner as goods so shipped from other customs warehouses. The amendments are necessary to complete the separation of the places named from the territory subject to the customs laws of the United States. The House recedes.

On amendments Nos. 4 and 5: These are clerical amendments. The House recedes.

On amendment No. 6: The House bill authorized the Secretary of the Treasury to determine the character, method, and place of marking articles to indicate their origin, and to require additional marking to prevent deception or mistake. The Senate amendment eliminated this authority in the case of articles subject to special marking provisions of the tariff law. The Senate recedes.

On amendments Nos. 7, 8, and 9: The House bill provided that the Secretary of the Treasury may by regulation prescribe the method of marking imported goods to indicate the country of their origin. The Senate amendments provided that the requirements of the Secretary of the Treasury should be "reasonable." The House recedes.

On amendment No. 10: The House bill provided that the Secretary of the Treasury may provide by regulation the place on the article where the marking shall appear. The Senate amendment provided it should be a "reasonably conspicuous" place. The House recedes with an amendment to strike out the word "reasonably."

On amendment No. 11: This is a clerical amendment. The House recedes.

On amendment No. 13: This amendment expressly provides that the usual containers of importations need not be marked to indicate the origin of the containers. The House recedes with an amendment which retains the Senate amendment, and in addition strikes out "(E)", on page 5, line 4, of the House bill.

On amendment No. 14: The House bill provided that when imported articles were not properly marked to indicate their origin the examination packages from the shipment should not be delivered until the articles therein and all other articles of the importation were properly marked. The Senate amendment adds a provision to authorize the release of the articles in examination packages if estimated marking duty on the unmarked articles is deposited. This will cover cases where articles released from customs custody cannot be recovered for proper marking and will not interfere with the collection of penalties under entry bonds for failure to redeliver the released goods where the importer has not been diligent to secure proper marking. The House recedes.

On amendment No. 15: This is a clerical amendment. The House recedes.

On amendments Nos. 16 and 17: These are clarifying amendments. The House recedes.

On amendments Nos. 18, 19, 20, 21, and 22: The House bill provided that nonresidents might import vehicles or boats for racing or personal transportation for a period not to exceed 90 days (or 6 months in the case of vehicles and craft from a country which accords a similar privilege to vehicles and craft of the United States) without furnishing a bond to assure exportation. The Senate amendments extend similar privileges to horses imported for like purposes. The House recedes.

On amendment No. 23: This amendment adds a new section to the bill which extends to foreign vessels and to domestic aircraft the privileges of free withdrawal of imported supplies now enjoyed by domestic vessels engaged in foreign trade. It also provides, on a basis of reciprocity, for the free withdrawal of imported supplies and equipment for a foreign aircraft engaged in international commerce. The House recedes with clarifying amendments.

On amendments Nos. 24 and 25: These amendments make changes in section numbers. The House recedes.

On amendment No. 26: This amendment provided for declaratory rulings by means of which the Treasury Department could advise importers and others concerning customs rights and liabilities and divest the Department of the power to reverse itself within a specified minimum of time, normally 1 year. The Senate recedes.

On amendments Nos. 27 and 28: These amendments make changes in section numbers. The House recedes with amendments further changing such section numbers

On amendment No. 29: The House bill provided for the payment of overtime compensation to customs employees in all cases where overtime services are rendered in behalf of any private interests. Payment of such compensation cannot be required under existing law for services rendered otherwise than for a common carrier in connection with traffic over highway bridges and tunnels, but where such services are required it is the practice of the Treasury Department to maintain employees on regular tours of duty without requiring them to work overtime. The Senate amendment was designed to continue this situation by exempting the operators of highway bridges and tunnels from any liability for payment of overtime compensation. The Senate recedes.

On amendments Nos. 30, 31, and 32: These amendments make changes in section numbers. The House recedes with amendments further changing such section numbers.

On amendment No. 33: This amendment provides that agents of individuals or partnerships may sign the consignee's declarations required by law for each importation of merchandise, provided such agents have actual knowledge of the facts alleged in the declaration. Under existing law such declarations may be signed by agents only if the consignee is a corporation. The House recedes with an amendment changing the section number.

On amendments Nos. 34, 35, and 36: These amendments make changes in section numbers. The House recedes with amendments further changing such section numbers.

On amendment No. 37: The House bill provided that a special regulation or instruction of the Secretary of the Treasury permitting the examination of less than the usual 10 percent of each importation may be applicable only at one or more ports, to one or more importations, or to one or more classes of merchandise. The Senate amendment provides that all such regulations or instructions shall be published within 15 days after issuance and before the liquidation of any customs entries affected thereby. The House recedes.

On amendment No. 38: The House bill provided that no customs appraisement shall be held invalid because less than the statutory quantity of merchandise was examined, unless the person claiming invalidity establishes that an incorrect appraisement resulted from the failure to examine additional goods. The Senate amendment prevents retroactive effect of this provision. The House recedes.

On amendment No. 39: The House bill provided that appraising and examining officers should be competent to testify in customs valuation litigation as to facts within their knowledge or obtained from certain records notwithstanding an original appraisement should be held invalid and the merchandise or samples thereof not be available for examination. The Senate amendment eliminated this provision and revised the remaining language for purposes of clarification. The House recedes.

On amendment No. 40: This amendment changes a section number. The House recedes with an amendment further changing such section number.

On amendment No. 41: The House bill amended the provisions of the Tariff Act of 1930 relating to protests by American manufacturers against the classification of competitive imports. The Senate amendment provides that such protests shall have precedence in the customs courts. The House recedes.

On amendment No. 42: This is a clarifying amendment. The House recedes.

On amendment No. 43: This amendment changes a section number. The House recedes with an amendment further changing such section number.

On amendments Nos. 44 and 45: These amendments added to the House bill by the Senate would have repealed provisions of existing law which require comptrollers of customs to verify all assessments of duties and allowances of draw-back made by collectors. The Senate recedes.

On amendments Nos. 46 and 47: These amendments make changes in section numbers. The House recedes with amendments further changing such section numbers.

On amendment No. 48: The House bill provided that taxes on imports shall be construed to be customs duties only if the law under which they are imposed provides that they shall be treated as customs duties. The Senate amendment makes it clear that the provision does not affect the jurisdiction of the customs courts. The House recedes.

On amendment No. 49: This amendment changes a section number. The House recedes with an amendment further changing such section number.

On amendment No. 50: The House bill contained a provision to permit the transportation of automobiles between foreign points through the United States otherwise than by common carrier, even though common carrier facilities were available. The Senate struck out this provision and the House recedes.

On amendment No. 51: This amendment changes a section number. The House recedes with an amendment further changing such section number.

On amendment No. 52: This is a clarifying amendment. The House recedes.

On amendments Nos. 53 and 54: These amendments make changes in section numbers. The House recedes with amendments further changing such section numbers.

On amendment No. 55: This Senate amendment inserted a new section in the bill to permit manipulation of merchandise, such as may now be done in bonded warehouses, to be done elsewhere than in a bonded warehouse in cases where neither the protection of the revenue nor the proper conduct of customs business requires that such manipulation be done in a bonded warehouse. The House recedes with an amendment changing the section number.

On amendments Nos. 56, 57, 58, 59, and 60: These amendments make changes in section numbers. The House recedes with amendments further changing such section numbers.

On amendment No. 61: This is a clarifying amendment. The House recedes.

On amendment No. 62: Under existing law as construed by the Treasury Department, dates packed in bricklike units, weighing less than 10 pounds each and separated by strips of paper but not enclosed in separate containers, may be imported without paying the rate of 7½ cents per pound provided in the Tariff Act for dates "in packages weighing with the immediate container not more than 10 pounds each." The Senate amendment gives effect to the original intent of Congress by applying the 7½-cent rate to such dates. The House recedes with an amendment changing the section number.

On amendment No. 63: Existing law provides that a claim for losses in excess of 10 percent in a package of imported liquor, resulting from leakage or damage on the voyage of importation, shall be allowed only if the loss is verified by an affidavit of the importer filed within 5 days after delivery of the merchandise. The Senate amendment extended the period for filing the affidavit to 30 days from the date of delivery of the merchandise. The House recedes with amendments to make the period 15 days from the date of delivery of the merchandise, and to change the section number.

On amendment No. 64: This amendment changes a section number. The House recedes with an amendment further changing such section number.

On amendments Nos. 65 and 66: The House bill provided that wastes, whether white or colored, resulting in the usual course of manufacture of carpets and other articles enumerated in the second proviso to paragraph 1101 (a) of the Tariff Act of 1930 should be subject to the regular duties provided for in the Tariff Act if they could be used, with or without further preparation, in the manufacture of such article and were not so used; and that noils should be dutiable at the rate which was being applied on July 1, 1937. The Senate amendment provided that such wastes and noils should be subject to the regular duties when not used in the manufacture of the enumerated articles if they could be used (with or without further preparation) in the manufacture of the enumerated articles or in the manufacture of any knit or woven fabrics, blankets, or other textile articles. The conference agreement restores the provision contained in the House bill with an exception which provides

that white soft wastes, white threads, and noils shall be dutiable at seven-eighths of the regular duties in cases in which they are used or transferred for use otherwise than in the manufacture of the enumerated articles without regard to whether they can be used (with or without further preparation) in the manufacture of the enumerated articles. The Senate amendment also provided that no duty should be assessed on wastes and noils which are exported. The conference agreement extends this exemption to wastes and noils which are either exported or destroyed.

On amendment No. 67: This amendment changes a section number and makes a clerical amendment. The House recedes with an amendment further changing such section number.

On amendment No. 68: Existing law, as established by a recent court decision, provides that hat bodies and similar articles are dutiable under paragraph 1115 (b) of the Tariff Act of 1930 only if made from a material which existed as felt before the bodies and other articles were made. The Senate amendment provides that hat bodies and similar articles shall be dutiable under paragraph 1115 (b), as originally intended by the Congress, if they are in chief value of wool felt, regardless of the time when the material became felt. The House recedes.

On amendment No. 69: Existing law, as established by a court decision, provides that certain cheap Oriental rugs with a crude design made by colored threads on the narrow strip of base fabric appearing between the pile and fringe are dutiable as embroidered articles rather than as rugs. The Senate amendment provides that they shall be dutiable as rugs according to the original intent of the Congress. The House recedes.

On amendment No. 70: This amendment changes a section number. The House recedes with an amendment further changing such section number.

On amendment No. 71: This amendment provided for the free entry of containers of foreign merchandise made abroad from lumber exported from the United States. The Senate recedes.

On amendment No. 72: This is a clarifying amendment. The House recedes.

On amendment No. 73: This amendment changes a section number. The House recedes with an amendment further changing such section number.

On amendment No. 74: This is a clerical amendment. The House recedes.

On amendment No. 75: This amendment provides that not more than 100 cigars may be included in the $100 exemption accorded residents of the United States returning from abroad for articles acquired for their personal use. The House recedes.

On amendment No. 76: Section 31 of the House bill provided that the $100 exemption should be accorded only to returning residents who had remained abroad for not less than 48 hours. The Senate amendment eliminated this provision and provided that the Secretary of the Treasury might by special regulation or instruction, which could be restricted to one or more ports, provide that the exemption could be accorded returning residents who had remained abroad for such period as was required by the applicable special regulation or instruction except that such regulation or instruction could not require them to stay abroad more than 48 hours in order to get the exemption. The Senate amendment also provided that the section should not take effect until 90 days after the effective date of the act, and that no special regulation or instruction should become effective until 90 days after its issue. The conference agreement eliminates the Senate amendment postponing the effective date of the section for 90 days and restores the flat statutory 48-hour requirement as to articles acquired in countries other than Mexico. In the case of articles acquired in Mexico, the Secretary of the Treasury shall by special regulations or instructions, which may be restricted in their operation to one or more individual ports of entry, provide that the exemption may be accorded to a returning resident who has remained abroad for not less than such period (which shall not exceed 24 hours) as the Secretary deems necessary in the public interest or to facilitate enforcement at the specified port or ports of the requirement that the exemption shall be accorded only to articles which are acquired as an incident of the foreign journey.

On amendment No. 77: The House bill provided that, unless otherwise specially provided, the act should not take effect until the thirtieth day after the enactment date. The Senate amendment made a change in the section number, to which the House receded with a further change in the section number and with the added provision that sections 31 and 34 should become effective on the enactment date.

On amendment No. 12 the conferees are unable to agree.

THOMAS H. CULLEN,
MORGAN G. SANDERS,
JOHN W. MCCORMACK,
HAROLD KNUTSON,
Managers on the part of the House.

Mr. McCORMACK. Mr. Speaker, I yield to the gentleman from Ohio [Mr. JENKINS].

Mr. JENKINS of Ohio. Mr. Speaker, the primary purpose of the bill is to regulate salaries and charges of investigations, is it not?

Mr. McCORMACK. No; this is the bill that came out of the subcommittee of which the distinguished gentleman from New York [Mr. CULLEN] is the chairman, to amend, in the main, certain administrative provisions of the Tariff Act of 1930.

Mr. JENKINS of Ohio. In a few words what does it do?

Mr. McCORMACK. It clarifies existing law in many respects, simplifies it for the benefit of business, and the purpose of the bill is to assist not only the American manufacturer, but the importer, so far as the simplification of the law is concerned. It covers 20 or 30 different subjects.

Mr. JENKINS of Ohio. Mr. CULLEN was the author of the bill?

Mr. McCORMACK. He was the chairman of the subcommittee. The distinguished gentleman from North Carolina [Mr. DOUGHTON], as I remember it, introduced the bill originally.

Mr. PIERCE rose.

Mr. McCORMACK. That is the bill that the gentleman from Oregon is interested in. We are going to recommend an amendment.

Mr. PIERCE. On the marking of lumber?

Mr. McCORMACK. Yes. We retain the Senate provision, with an amendment. That particular Senate amendment is in disagreement, and, with the acceptance of the conference report, I shall move to recede and concur in the Senate amendment with an amendment.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. Yes.

Mr. RICH. I congratulate the gentleman from Massachusetts if he has placed a tariff on any commodity whereby it will help American labor and American manufacturers, but if it is within the province of this committee, or some committee, to limit the great importations coming into the country now and in that way benefit American labor and manufacturers, I wish that committee would do it.

Mr. McCORMACK. In answer to the gentleman let me say that for years there has been coming into this country certain woolen blankets, which, because of technical language of our tariff law, came in duty-free, because of a little fringe on it, or something of that kind. For years they have been trying to have that put on the dutiable list, even when the party of my distinguished friend from Pennsylvania was in the majority.

Of course, my distinguished friend from Massachusetts [Mr. TREADWAY] knows that one of the most substantial supporters of the Republican Party in Massachusetts is the woolen industry, a fine body of men, but they are stalwart Republicans, and during the Republican administration even they could not get that put on the dutiable list. It has remained for this administration to do it. We are putting it on the dutiable list. Also, by reason of a recent decision of the United States Customs Court, woolen felt hats coming into this country, because of another technicality of the law, were given a lower duty than that imposed by the Treasury Department. This bill meets that decision and provides the imposition of the higher duty. Also, for the woolen industry of all of the country, we provide in this bill for the imposition of a duty on certain oriental rugs coming into this country. A rug with a little design on it, even a little thread which could be taken out, was not subject to duty. Simply because the little fringe or thread with a design on it could be pulled out, it came in duty free because of a technicality. It was an avoidance of the duty.

Again, while my Republican friends did not take care of that—and I say this not in criticism, but for the information of my friend from Pennsylvania—that was taken care of also in this bill. So the gentleman can see that we Democrats have been very considerate of American business in those particular respects, even though up my way most of those in that business activity, while outstanding citizens, are stalwart supporters of the party of which my distinguished friend is a member. In this bill the Democratic majority has been kind to them.

Mr. RICH. And if there are any more duties that the gentleman can put on, I say as a Republican I think he ought to put them on—put them on everything.

Mr. McCORMACK. Does not my friend compliment the committee on what it has done?

Mr. RICH. Yes; but the committee did not go far enough.

Mr. McCORMACK. But we went further than the gentleman's party did.

Mr. RICH. And what is the committee doing about the 24,000 bales of cotton that are coming in here free of duty? The gentleman ought to protect the cotton industry.

Mr. CELLER. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. Yes.

Mr. CELLER. Have there been taken from the bill a great many technicalities which have prevented the very efficient Customs Bureau of the Treasury Department from rendering decisions fairly quickly? Businessmen in New York are complaining that they have been unable to get decisions from the Treasury Department expeditiously. The Treasury Department, particularly the Customs Bureau, also complain that the technicalities of the act precluded them from rendering decisions as quickly as they desired. Has that been remedied by the bill?

Mr. McCORMACK. Where protests are made by American manufacturers, we have provided that preferential action shall be taken in the Customs Court. That is not only for the benefit of the American producers and manufacturers, but also for the benefit of the importers. That is in this bill.

Mr. CELLER. I understand that the effective date of the act varies with the various provisions of the act.

Mr. McCORMACK. The bill, in general, takes effect 30 days after its passage, but with reference to the three items that I called to the attention of my distinguished friend from Pennsylvania [Mr. RICH], and for his information, the bill becomes effective 1 day after it becomes law.

Mr. McLAUGHLIN. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. McLAUGHLIN. Can the gentleman inform the House whether this bill in any way affects the judicial functions of the Cutoms Court?

Mr. McCORMACK. The Senate has receded on that item.

Mr. McLAUGHLIN. That is not in the bill.

Mr. McCORMACK. No.

Mr. TREADWAY. Mr. Speaker, will the gentleman yield further?

Mr. McCORMACK. I yield.

Mr. TREADWAY. In spite of the information the gentleman from Massachusetts gave the gentleman from Pennsylvania, is it not a fact that this bill corrects technicalities in administration rather than purposely affecting any duty or rates as established by previous law?

Mr. McCORMACK. The gentleman is absolutely correct, with the exception of the three matters to which I referred. The effect of these administrative changes is to transfer two of them from the duty-free list to the dutiable list, and in the case of woolen felt hats, to provide for the higher duty.

Mr. TREADWAY. I appreciate that. Notwithstanding that, it was not the intention of the gentleman or his subcommittee directly to affect tariff policies or tariff rates.

Mr. McCORMACK. Except that 75 percent of a tariff law is controlled by its administrative features. For instance, in those cases where there is an ad valorem duty or a specific duty and an ad valorem duty, a combination, it is controlled to a great extent by the administrative features of the law; but the gentleman's statement, as a general proposition, is correct.

Mr. TREADWAY. I am entirely in favor of the bill as drawn by the subcommittee, and I think my colleagues of this side on the Ways and Means Committee are also in favor of it. The only exception I take to the statement made by my colleague was his reference to stalwart Republicans. He seemed to imply that it was more or less of a disgrace to be a stalwart Republican.

Mr. McCORMACK. Oh, no, no.

Mr. TREADWAY. On the contrary, I think it is to a man's credit to be a stalwart Republican, and I hope there will be more in the near future. Aside from that, I agree with the gentleman.

Mr. McCORMACK. The gentleman does himself an injustice when he erroneously interprets my statement. I do not think I said anything which would justify the construction he places on it. I was endeavoring to enlighten the gentleman from Pennsylvania as to some very important facts in which I knew he was interested.

Mr. TREADWAY. If the gentleman will permit this one further observation, my objection goes to the way in which the gentleman referred to the stalwart Republicans, as though that was something to be avoided.

Mr. McCORMACK. I think it is a fine thing to have stalwart Democrats and stalwart Republicans.

Mr. TREADWAY. I wish there were more of them.

Mr. McCORMACK. I believe in a two-party system.

Mr. TREADWAY. And I believe in having them more nearly equal.

Mr. McCORMACK. That is a different question.

Mr. DINGELL. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. DINGELL. Can the gentleman tell us about the provision in H. R. 8099 pertaining to the markings of imported materials, both crude and finished products?

I have given assurance to many of my constituents that some of their fears with regard to the loosening up of regulations which would permit importations of commodities from foreign countries will not materialize. I have pursued this particular phase of the regulations with my friend and discussed it. I understand that such weaknesses as may have appeared originally have now been completely eliminated and that the American purchaser will receive more protection under the new revised administrative customs law than was possible heretofore. For this reason I was willing to go along with the bill.

Mr. McCORMACK. The gentleman's statement is in general correct. With reference to section 304 on page 2 of the bill, which eliminated exemption from the marking of containers—I assume that is what the gentleman is referring to.

Mr. DINGELL. That is the most important.

Mr. McCORMACK. That is at least eliminated in this conference report.

I may also advise the gentleman with reference to another amendment in which he was interested in relation to the customs employees and their peculiar situation at Detroit that it has been retained in the bill. It was in the House bill, was stricken out in the Senate, but it has been restored in conference. It was the amendment that the gentleman so ably fought to have incorporated in the House bill.

Mr. DINGELL. One more question: The gentleman will remember I sponsored an amendment relative to the 48-hour provision on importations of $100 worth of commodities once every 30 days. I believe it was Senator CONNALLY who insisted upon a certain differential, but, as I understand it now, the compromise between the House and the Senate permits an exception to be made only insofar as goods coming in from Mexico are concerned, but that the 48-hour provision pertains with reference to the East, the North, and the West.

Mr. McCORMACK. The gentleman's understanding is absolutely correct.

Mr. THOMASON of Texas. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. THOMASON of Texas. I was interested in the question asked by the gentleman from Michigan relative to that provision of the bill requiring tourists to remain in Mexico 48 hours before they could avail themselves of the exemption.

Mr. McCORMACK. An exception has been made insofar as the Mexican border is concerned, leaving discretion with the Treasury Department.

It would permit them to go back over, like now, except the 48-hour provision will apply to the rest of the United States.

Mr. THOMASON of Texas. May I say in that connection that the city of Brownsville, which Mr. WEST represents,

and the city of El Paso, which I represent, enjoy a large tourist travel. A great many tourists want to go to cities across the Rio Grande in Mexico to get some curios or things of that sort. They also want to see a foreign country. Surely they should not be required to stay over there, where there are poor hotel accommodations, for 48 hours before they can avail themselves of the exemption. I do not want the hotels, tourist camps, and restaurants of my city penalized by any such hard and fast regulation.

Mr. McCORMACK. We have permitted in the conference report the Treasury Department to make an exception up to 24 hours. In other words, you do not have to stay out over 24 hours. The amendment which Senator CONNALLY introduced in the Senate has been met in conference and has been harmonized with the House bill.

Mr. THOMASON of Texas. Does that mean that the tourists who go to Brownsville or El Paso or any other city on the Mexican border and want to go across the river must stay there 24 hours or overnight before they can avail themselves of this exemption? Is that in the discretion of the Treasury Department or is that compulsory?

Mr. McCORMACK. It is in the discretion of the Treasury Department. It had to be in that language in order to meet the differences that existed between both branches and to accomplish the objective which the gentleman from Texas desires.

The gentleman from Texas [Mr. SANDERS] fought very hard, and Senator CONNALLY also fought very hard. Their arguments were very convincing and the conferees made an agreement that took care of the Canadian situation and at the same time will permit the Treasury Department to take care of the situation on the Texas border. It took care of the situation.

Mr. THOMASON of Texas. That is all right if it is within the discretion of the Secretary of the Treasury, and it is now understood that the Secretary will act favorably to my people.

Mr. McCORMACK. It says here:

> That the Secretary of the Treasury may by special regulation or instruction, the application of which may be restricted to one or more individual ports of entry, provide that the exemption authorized by the preceding proviso shall be applied only to articles acquired abroad by a returning resident who has remained beyond the territorial limits of the United States for such period, not to exceed 48 hours, as the Secretary may deem necessary at the specified port or ports to facilitate enforcement of the requirement that the exemption shall apply only to articles acquired as an incident of the foreign journey.

Mr. THOMASON of Texas. I understand that the Treasury Department in exercising its discretion will not require the American tourists to stay in Mexico even the 24 hours. That would mean the bone fide tourist would have to spend the night in Mexico, which he will not do.

Mr. McCORMACK. They may promulgate a regulation or rule which will permit the same conditions to continue as now exist.

Mr. THOMASON of Texas. Is it not compulsory that they stay over 24 hours?

Mr. McCORMACK. No. It is discretionary with the Treasury Department.

Mr. BATES of Massachusetts. Will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Massachusetts.

Mr. BATES of Massachusetts. I am interested in the paragraph pertaining to wool-felt hat bodies. As the gentleman well knows, under the definition on that paragraph the customs has already levied a duty to a total amount of over $2,000,000 that is now being held in dispute. The matter has been brought into court for determination. I wonder if there are any retroactive features which will invalidate that action.

Mr. McCORMACK. No. The gentleman refers to the wool-felt hats?

Mr. BATES of Massachusetts. Wool-felt hat bodies.

Mr. McCORMACK. The Senate put in an amendment to have the higher duty applied; that is, the duty imposed by the Treasury Department; and the House concurred in the amendment. So the situation is the same as when the Senate put the amendment in the bill. Of course that is what everyone who was interested in that matter wanted.

Mr. BATES of Massachusetts. That is right.

Mr. McCORMACK. The House conferees unanimously concurred in that action.

Mr. BATES of Massachusetts. I was wondering if there were any retroactive features in the bill which will invalidate the collection of that $2,000,000 in dispute.

Mr. McCORMACK. I do not think we entered into that at all.

Mr. RABAUT. Will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Michigan.

Mr. RABAUT. Is there any change in reference to tourist travel to Canada?

Mr. McCORMACK. The provisions of the bill as it passed the House compelled persons to remain in Canada 48 hours or more and those provisions still apply. That is mandatory. With reference to the Mexican border, we made it discretionary. The mandatory provisions compel them to remain out of the continental United States for a period in excess of 48 hours before they may come back and get an exemption up to $100 which they are allowed. That applies to the Canadian border. I can assure the gentleman of that because I was particularly interested in it myself, as well as my distinguished friend from New York [Mr. REED], the gentleman from Minnesota [Mr. KNUTSON], and the gentleman from New York [Mr. CULLEN]. In other words, we harmonized the differences there. We gave the Members from Texas a discretion, and the Secretary of the Treasury can give them what they wanted and we retained what we thought was for the best interests of the Canadian border.

Mr. RABAUT. The hotel accommodations there are better.

Mr. McCORMACK. Yes.

Mr. MURDOCK of Arizona. Will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Arizona.

Mr. MURDOCK of Arizona. Does that refer to Arizona and other border States which border Mexico, as well as Texas?

Mr. KNUTSON. It applies to any contiguous country that has free ports. If there are free ports across from Arizona, they would apply to those ports.

There are three free ports, as I recollect it.

Mr. McCORMACK. I think Texas is the only one that has them.

Mr. KNUTSON. There are three free ports according to our information and I think they are all contiguous to Texas. It was the only way the committee could fix it without appearing to violate international agreements. I think Juarez is one and Laredo another. I would not say what the other one is.

Mr. MURDOCK of Arizona. Is Nogales one of them? The chambers of commerce of several Arizona cities are deeply concerned for tourist accommodation in this matter.

Mr. KNUTSON. In order to be able to try to differentiate between the northern boundary of Canada and the one between this country and Mexico, it was necessary to handle the matter on the basis of free ports.

Mr. McCORMACK. It is my understanding this applies in the case of articles acquired in a contiguous country which maintains a free zone or free port.

The United States and Mexico, as we have been informed, have such an agreement, so, of course, I should say it would apply equally to your States. It could apply along the Mexican border.

Mr. BUCK. I believe it would apply generally as far as Mexico is concerned, but I do not know whether there is a free port of entry opposite Arizona.

Mr. THOMASON of Texas. What does the gentleman mean by a free port?

Mr. BUCK. A free zone or a free port.

Mr. MURDOCK of Arizona. Nogales may be such a port. I think it means a free port on the part of Mexico.

Mr. BUCK. Nogales may be such a port, I would not be surprised.

Mr. THOMASON of Texas. There is no free port on the Mexican border.

Mr. WEST. What does the gentleman mean by a free port?

Mr. McCORMACK. It does not necessarily have to be a free port in the sense that it must be located at or near the water front. You have some ranches down there where customs men are stationed. There are two or three of them in Texas. They are called free ports, so we were informed.

Mr. THOMASON of Texas. I may say frankly to the gentleman my concern is that there are no first-class hotel accommodations at many of the Mexican towns just across the Texas border, and good-faith American tourists should not be required to spend the night over there when they could come back to an American city to spend the night and yet not get the advantage of the exemption. My city has several fine hotels, many modern tourist camps, and up-to-date stores that attract tourists, and while they desire to visit Mexico, yet they want to spend their nights in El Paso.

Mr. McCORMACK. We recognized that fact. The Senate amendment was a compromise, so that in the discretion of the Treasury Department that could be accomplished. If the discretion exists throughout the United States, the Treasury Department frankly told us they would not exercise it, because they could not have a 48-hour regulation or provision for the Canadian border and less than a 48-hour regulation or provision for the Mexican border.

Mr. THOMASON of Texas. Did the conference committee have the assurance of the Treasury Department that they would not exercise that option or that right on the Mexican border? El Paso is now one of the great tourist cities of the country. We want to attract more of them. All tourists want to visit a foreign country and bring back some curios. I want to encourage such business rather than discourage it. It promotes friendly relations between the two countries and helps business in both Mexico and the United States.

Mr. McCORMACK. We were informed that if the original Connally amendment was agreed to the Treasury Department would not exercise the discretion under it, but as to this language, which is entirely different from the Connally amendment, the Treasury Department has never made a statement they would not exercise the discretion. I cannot say that they made the statement that they would exercise it, but it leaves the situation such that you will not have opposition from those interested in the Canadian border to obtaining anything you have in mind with reference to continuing the present situation.

Mr. THOMASON of Texas. In order that the intent of the Congress may be read into the debate here, do I correctly understand that the conference committee felt that that discretion should not be exercised on the Mexican border? I mean that the tourist will not be required to remain in Mexico over night.

Mr. McCORMACK. I believe I can safely say that the members of the conference committee were of the unanimous opinion that the conditions at the Mexican border were such that the situation existing under present law should continue, and drafting the language as we did was the only way we could accomplish it without failing completely to obtain the objective you gentlemen from Texas and the States along the Mexican border desire and are seeking to obtain.

Mr. THOMASON of Texas. But the committee wants it left as it is now?

Mr. McCORMACK. As far as the Mexican border is concerned, we do.

Mr. MURDOCK of Arizona. That is all the border. Of course, every American port on the Mexican border should have the same treatment. If by free port it is meant that Mexico has such and Canada does not, then this measure might permit different treatment respecting those two borders. I can see a reason for such a different treatment.

Mr. McCORMACK. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. BUCK.]

Mr. BUCK. Mr. Speaker, I desire to call the attention of the gentleman from Massachusetts to Senate amendment 55, which inserted a section that in the bill as it passed the Senate is known as section 27. I do not know what its number is in your final revision. This gives authority to importers to manipulate imported products in other than bonded warehouses. In view of the fact that we import a considerable quantity of wine, among other articles, I should like to have an official interpretation of what the word "manipulation" means. Does it mean blending? Can it be adulterated or altered in any way? Can cocktails be made from it? Will it enable importers to escape any rectifying or other tax?

Mr. McCORMACK. The gentleman from California called the attention of some of the conferees on the part of the House to that question and we were assured by the Treasury Department that the fears of those whom the gentleman from California so ably represents were not warranted.

Mr. BUCK. In other words, there is no opportunity under this amendment for wine to be imported in bulk and adulterated and made up in competition with wines produced here?

Mr. McCORMACK. Exactly. The conferees requested a letter from the Treasury Department to be inserted in the RECORD in order that those interested in this question might have something official from the Treasury Department interpreting the word "manipulation" as used in the amendment to which the gentleman refers.

Mr. BUCK. Will the gentleman ask permission to have that letter inserted in the RECORD?

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to insert in my remarks at this point in the RECORD a letter received by the distinguished gentleman from New York [Mr. CULLEN] from the Acting Secretary of the Treasury, Mr. Gibbons, on the point referred to by the gentleman from California [Mr. BUCK].

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, the letter referred to is as follows:

TREASURY DEPARTMENT,
Washington, April 22, 1938.

MY DEAR MR. CULLEN: In compliance with your informal request I wish to advise you that in the opinion of the Treasury Department, section 27 of the pending customs administrative bill, H. R. 8099, as passed by the Senate on April 1, 1938, does not permit any treatment of imported liquor which may not be done under the existing provisions of section 562 of the Tariff Act of 1930 (U. S. C., title 19, sec. 1562). It merely provides that such manipulation of imported merchandise as is now authorized to be done in customs bonded warehouses may be done "elsewhere than in a bonded warehouse, in cases where neither the protection of the revenue nor the proper conduct of customs business requires that such manipulation be done in a bonded warehouse."

It is the considered opinion of the Treasury Department that section 27 of the customs bill, if enacted into law, will not afford any possibility for importers to escape rectifying or other taxes imposed under existing law with respect to wines and liquors.

The section does not preclude the possibility present in existing law of obtaining reductions in customs duties by changing the condition of imported goods. For example, imported rum is dutiable under paragraph 802 of the Tariff Act of 1930 (U. S. C., title 19, sec. 1001, par. 802) at the rate of $5 per proof gallon unless in containers holding each 1 gallon or less, in which case it is dutiable at $2.50 per proof gallon under the trade agreement with Haiti which became effective on June 3, 1935 (T. D. 47667).

It is permissible under existing law and under the proposed amendment to transfer imported rums from casks to bottles and thereby secure a reduction in duty from $5 to $2.50 per proof gallon after the rum has been imported.

This information is furnished you as chairman of the House conferees on H. R. 8099, in connection with a query by Congressman BUCK.

Very truly yours,

STEPHEN B. GIBBONS,
Acting Secretary of the Treasury.

HON. THOMAS H. CULLEN,
House of Representatives, Washington, D. C.

Mr. KEOGH. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from New York.

Mr. KEOGH. Will the gentleman be good enough to give me the official explanation of Senate amendment No. 23, which I understand is a new section, relating to section 309?

Mr. McCORMACK. This Senate amendment is to carry out treaty agreements our country has heretofore made with other countries and which we were unable to keep without this particular legislation. This permits vessels and aircraft to obtain their own supplies in this country, and this is to enable our country to keep good faith with other countries that we have made treaties with but have been unable to comply with the terms of such treaties because there was no legislation permitting it. This is an amendment that was put in by the Senate to enable the United States to respect its treaty agreements with other countries.

Mr. SMITH of Washington. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. SMITH of Washington. The gentleman is aware of my interest in the marking provisions of this legislation. The House bill required all imported articles, including lumber, to be marked showing the country of their origin.

Mr. McCORMACK. The gentleman refers to what particular amendment?

Mr. SMITH of Washington. I am speaking now about amendment No. 12, particularly; amendments 6, 7, 8, 9, and 10 also relate to marking of imports, but I understand from the report that amendment No. 12 is in disagreement.

Mr. McCORMACK. Amendment No. 6 was a restrictive amendment which would have restricted the marking provisions of the present law and the pending bill, and the Senate has receded on that.

Mr. SMITH of Washington. Is it the understanding of the gentleman that under that recession by the Senate the provision of the House bill is reinstated?

Mr. McCORMACK. Absolutely.

Mr. SMITH of Washington. So that lumber imported into this country will have to be marked showing the country of its origin?

Mr. McCORMACK. I do not want to say that as to lumber because that is an exception. Lumber is taken care of in an amendment which is in disagreement. Amendment No. 12 is the one the gentleman refers to.

Mr. SMITH of Washington. Yes; what does that provide?

Mr. McCORMACK. Senate amendment No. 12, under the House provision, states that—

> Such article is of a class or kind with respect to which the Secretary of the Treasury has given notice by publication in the weekly Treasury Decisions within 2 years after July 1, 1937, that articles of such kind or class were imported in substantial quantities during the 5-year period immediately preceding January 1, 1937, and were not required during such period to be marked to indicate their origin.

This means they could continue not to be marked. The Senate put in an amendment providing for marking, and that is in disagreement, and we are going to recede and concur with an amendment to the Senate amendment. I know that something along this line should be done for those from the lumber States, and, I understand, the amendment to the Senate amendment I am going to recommend is satisfactory.

Mr. SMITH of Washington. The House provision required marking, but there was a Senate amendment, to which we objected, exempting lumber from marking. We appreciate the cooperation we have had from the gentleman from Massachusetts in this matter, and I hope that the final language as adopted in the conference report will require that the lumber importations be marked showing the country of their origin, because this is a matter of very vital concern to the industries of my State, as well as of the entire Pacific Northwest. We have sought this protection for many years.

Mr. McCORMACK. We change the Senate amendment by adding an amendment. In other words, the fight was to have the Senate amendment as modified retained and we retain it with an amendment which, as I understand, is agreeable to those from the lumber States.

Mr. SMITH of Washington. I thank the gentleman.

Mr. MOTT. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. MOTT. I would like to say to the gentleman in that regard that, as he is aware, I have been very much interested in this matter. I made a fight on the floor at the last session against the provision of the House bill which sought to do away with the lumber marking requirement. I appeared before the Senate committee in order to get proper consideration for lumber because this bill in the House was up under suspension and could not be amended. But I have never been advised by any member of the gentleman's committee that an agreement has been reached on Senate amendment No. 12, and I would be very glad to know how an agreement was reached in view of the fact that the conference report states that Senate amendment No. 12 is in disagreement. I would also like to know just what amendment the gentleman has in mind to offer as a substitute for Senate amendment No. 12.

Mr. McCORMACK. The Senate amendment is to be retained with an amendment providing that the President is authorized to suspend the effectiveness of this proviso if he finds such action required to carry out any treaty agreement entered into under the authority of the act of June 12, 1934. In other words, this retains the Senate provision and it becomes law if there is no reciprocal-trade agreement entered into with England. This is the meaning of it.

Mr. MOTT. Will the gentleman tell me how the conferees happened to arrive at such a compromise? Do they contemplate that in the proposed treaty with Great Britain that one of the provisions of that treaty may be that lumber shall be imported into this country unmarked? I can hardly imagine so. Who suggested the compromise? The State Department?

Mr. McCORMACK. I may say to the gentleman that it is my own, personal opinion that there would have been insistence upon the Senate receding unless some amendment could have been agreed upon, and the information I have received is that representatives of the lumber interests were consulted, and so far as I am personally concerned I wanted, if possible, some amendment put in which would retain the Senate amendment without interfering with the negotiations going on. We were faced with a very difficult situation on this amendment. The problem that confronted us has been met in a practical way, and as I understand, having in mind the situation that existed, in a satisfactory manner.

I understand that representatives of the lumber interests conferred with the State Department, and agreed on that amendment after the conferees had considered an amendment along such lines.

Mr. MOTT. The gentleman from Massachusetts will recall that both he and the gentleman from New York [Mr. CULLEN] when the bill was under consideration at the last session of Congress, assured me that so far as they were concerned they desired the lumber marking requirements of existing law to be retained and that this would be taken care of in the Senate, since the House bill, under suspension of the rules could not be amended in the House.

Mr. McCORMACK. I assure the gentleman that the assurances I received were very authentic, and that this amendment is a compromise which effectively retains the Senate amendment, with the exception therein mentioned, and it was a hard fight, I assure the gentleman. I hope he will realize that some of us who come from States where there are no lumber interests made the fight for him, and other Members interested, and that we accomplished an awful lot. I remember well how many times the gentleman from Washington Mr. WALLGREN, Governor PIERCE, the gentleman from Washington, Mr. SMITH, and others spoke to me on this matter. I know other members of the conference committee were likewise contacted.

Mr. SMITH of Washington. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. Yes.

Mr. SMITH of Washington. I would like to state that I am informed that the labor organizations, the National Lumber Manufacturers' Association, and the West Coast Lumbermen's Association are satisfied with the proviso the gentleman from Massachusetts has referred to, even subject to the qualification that there may be suspensive action taken by the President or State Department, which we trust there will not be. We all appreciate the efforts of the gentleman from Massachusetts and his coconferees in securing that concession, and feel confident it will aid materially in accomplishing the objective which we have in view.

Mr. McCORMACK. If action is not taken, it becomes effective, and if it is taken later when it expires, it is effective. It is on the statute books.

I yield 2 minutes to the gentleman from Ohio [Mr. JENKINS].

Mr. JENKINS of Ohio. Mr. Speaker, while this bill relieves some unfortunate situations, it does not go far enough. Practically all of these bills are drawn for the benefit, primarily, of the importer, and the consumer is not given much consideration. For instance, when the Ways and Means Committee had this bill under consideration, I made a fight for the benefit of the pottery people of this country who complain about the importations of pottery from Japan. I wanted an amendment to the bill to the effect that Japanese pottery products be marked more clearly as to the location of their manufacture. Take, for instance, a large plate coming in from Japan. It will have a design that one looking at it casually might conclude that it was made either in England or in France. It will have a name like Windsor or Smithfield, or something like that, and that will be in the center of the plate on the back, but in some out-of-the-way place you will find the little word "Japan." If a woman goes into a store and buys gloves, she may not be able to find any mark on them at all, but, perchance, if she feels something in the end of one of the fingers some day after she has worn the gloves and she looks at it she will find a small mark there to indicate that the glove was made in Japan. Purchasers buying most of the gloves thus marked will never know that they have been wearing Japanese products. My amendment went to the effect that the markings should be more distinct and that in every place where the marking was made, as I indicated in the case of pottery, in what we call the legend, that in the same circle with the legend the name "Japan" should be placed; but the amendment was not agreed to. There is one article where Japan places its mark in a conspicuous place where it can be seen. I refer to these miniature American flags. All of you have seen these little American flags, about 2 inches square, placed about tables when you go to a banquet, be it Republican, Democratic, or any other kind of a banquet. If these little flags are there, you will see on the staff of the flag a piece of paper, which is out of all proportion in size to what it should be, and is very conspicuous. You unwrap that piece of paper and it carries the word "Japan." Over a course of years I have never seen any of these little flags that are made anywhere except in Japan. That mark they make very conspicuous, I suppose to make fun of us.

I introduced a bill to correct all this. I refer to H. R. 7376, and I ask unanimous consent, Mr. Speaker, to have a copy of that bill inserted as a part of my remarks in this place in the RECORD. My bill, if passed, would require a greater protection to the consumer, and when the American consumer has an even chance to choose between American-made goods and foreign-made goods, he will accept the former.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The bill referred to is as follows:

A bill to amend the act entitled "An act to amend certain administrative provisions of the Tariff Act of 1930, and for other purposes"

Be it enacted, etc., That section 304 of the Tariff Act of 1930 be amended to read as follows:

"SEC. 304. Marking of imported articles and containers.

"(a) Every article imported into the United States and its immediate container, or package in which such article is imported, shall be marked, stamped, branded, or labeled, in legible English words, in as conspicuous a place as the nature of the article will permit, in such manner as to clearly indicate to the ultimate consumer the country of origin of such article. Such mark, stamp, brand, or label shall be a part of any descriptive legend on such article and of approximately the same prominence as other words in such legend. Such marking, stamping, branding, or labeling shall be as nearly indelible and permanent as the nature of the article will permit and shall be made under regulations prescribed by the Secretary of the Treasury. The Secretary of the Treasury may authorize the exception of any article from the requirement of marking if he is satisfied that such article was incapable of being marked without injury prior to importation, and at the time of manufacture, or except at an expense economically prohibitive of its importation, or that the marking of the immediate container will indicate the country of origin when the article itself is excepted from marking.

"(b) Additional duties for failure to mark: If at the time of importation any article or its container is not marked, stamped, branded, or labeled in accordance with the requirements of this section, there shall be levied, collected, and paid on such article, unless exported under customs supervision, a duty of 10 percent of the value of such article, in addition to any other duty imposed by law, or, if such article is free of duty, there shall be levied, collected, and paid a duty of 10 percent of the value thereof.

"(c) Delivery withheld until marked: No imported article or package held in customs custody shall be delivered until such article (and its container) or package and every other article (and its container) or package of the importation, whether or not released from customs custody, shall have been marked, stamped, branded, or labeled in accordance with the requirements of this section. Nothing in this subdivision shall be construed to relieve from the requirements of any provision of this act relating to the marking of particular articles or their containers.

"(d) Penalties: If any person shall, with intent to conceal the information given thereby or contained therein, deface, destroy, remove, alter, cover, obscure, or obliterate any mark, stamp, brand, or label required under the provisions of this act, he shall upon conviction be fined not more than $5,000 or imprisoned not more than 1 year, or both."

Mr. McCORMACK. Mr. Speaker, does the gentleman from Minnesota desire time?

Mr. KNUTSON. Yes; about 5 minutes.

Mr. McCORMACK. Mr. Speaker, I yield 5 minutes to the gentleman from Minnesota. Meanwhile I assure my distinguished friend from Oregon [Mr. MOTT] that on the lumber amendment all of the House conferees fought together.

Mr. MOTT. I am very glad indeed to know that, and I thank my distinguished friend from Massachusetts.

Mr. KNUTSON. Mr. Speaker, all in all, I think this is a pretty fair report. The conferees worked hard and long to arrive at a fair compromise on the various questions where there was a difference between the two Houses. Of course, I realize there are Members who perhaps are not entirely satisfied with this report, more particularly those who did not get all they wanted. I do not think any Member of this body, with one or two outstanding exceptions, need have any hesitancy in voting for this conference report. We agreed on everything but amendment No. 12. That was put in by the Senate, and I understand that the gentleman from Massachusetts is going to offer an amendment that will clarify and make the Senate amendment satisfactory.

The gentleman from Massachusetts has covered this matter thoroughly. In this connection I want to say that Mr. McCORMACK has done a fine job. He was able to bring together several divergent views in a very diplomatic way. You who have served as conferees know that it is not the easiest thing in the world to sit down with a conference committee from the other body under certain circumstances.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. KNUTSON. I yield.

Mr. RICH. What provision has been made for marking imported commodities such as cotton, wheat, sugar, and

things that would be difficult to mark so that the people of this country will know what is imported.

Mr. KNUTSON. The gentleman knows that it is impossible to mark wheat.

Mr. RICH. That is why I am asking. We are importing into this country hundreds of thousands of bushels of wheat. The people ought to know when they are buying imported wheat.

Mr. KNUTSON. The manifest that accompanies the cargo to the port of entry shows the country of origin. There are many things that would be difficult to mark. It would be difficult to mark lumber.

Mr. RICH. We ought to require that they be marked or else prohibit their importation. We should save the American market for the American farmers.

Mr. KNUTSON. I agree with the gentleman.

Mr. MURDOCK of Arizona. Mr. Speaker, will the gentleman yield?

Mr. KNUTSON. I yield.

Mr. MURDOCK of Arizona. The gentleman thinks, then, that the effect of the bill is that tourists can cross into Mexico and return with less than $100 of trophies.

Mr. KNUTSON. And they would not be required to stay more than 12 hours; whereas on the Canadian border in order to bring back $100 worth of goods they would have to stay 48 hours.

Mr. COFFEE of Washington. Mr. Speaker, will the gentleman yield?

Mr. KNUTSON. I yield.

Mr. COFFEE of Washington. I have just learned authoritively by telephone from the National Association of Lumber Manufacturers that they approve in toto the amendment which was read to the committee by the gentleman from Massachusetts. I congratulate the conference committee upon the excellent work they have done on a very difficult subject.

Mr. KNUTSON. That is a very, very good piece of news because I did not before realize that the National Lumber Manufacturers Association was legislating for this great country.

[Here the gavel fell.]

Mr. McCORMACK. Mr. Speaker, I yield 3 minutes to the gentleman from Oregon [Mr. MOTT].

Mr. MOTT. Mr. Speaker, my concern in this particular amendment in disagreement lies in the fact that in normal times between 65 and 70 percent of the entire industrial pay roll of the Pacific Northwest comes out of lumber and its allied products.

Under existing law every foreign article that is imported into this country must be marked with the name of the country of its origin. For the last 6 or 8 years this requirement of the law has to a large extent been disregarded by the Treasury Department, which is charged by law with its enforcement. It has been disregarded particularly in the matter of marking lumber.

Now, to make matters even worse, at the last session of the Congress a bill was reported to the House which provided that if foreign products had been imported into this country in substantial quantities during the previous 5 years and if, during that period, the Secretary had not enforced the law requiring those products to be marked, then the Secretary of the Treasury could publish that fact in the Federal decisions, and thereupon he would not be required in the future to pay any attention to the law.

This fantastic proposal seemed to me almost unbelievable. I called the attention of the House and of the committee to what it would do to the lumber industry. The bill then was being considered under suspension and it was not in order to offer an amendment to it. I am glad to say that the gentleman from Massachusetts [Mr. MCCORMACK] and the gentleman from New York [Mr. CULLEN] assured me at that time from the floor that I would have full opportunity to take care of this proposal and to eliminate it in the Senate. I appeared before the Senate committee, and that committee, after a full hearing, made an exemption in the case of lumber, and accordingly amended the bill. The bill passed the Senate as amended and went to conference. This is the only amendment upon which the conferees did not agree, and the only amendment which the conferees in their report have stated to be in disagreement. If, since the filing of the report, the conferees have come to an informal agreement, I have had no notice of it.

I understand now, however, since this debate opened, that the gentleman from Massachusetts has an amendment to offer to the Senate amendment. I have not heard the language of the amendment, but from what he has said I think will be reasonably satisfactory to me. It provides, as I understand it, simply that in the event a foreign trade agreement should be in process of negotiation that it would be possible to waive this provision if that should become necessary. So far as I can see, there is no probability of any foreign trade agreement being entered into which would specifically provide that imported articles shall not be marked with the name of the country of origin.

It seems to me that the amendment to be offered to the Senate amendment, so far as the House is concerned, is in the nature of a face-saving amendment, and I think the gentleman from Massachusetts has done a very good job in that regard. And I think also that he will agree with me that the provisions of the House bill which brought about this controversy should never have been written into the House bill in the first place.

I had understood there was some opposition to the Senate amendment on the part of some of the House conferees.

I am glad to learn that my information on this point was not in accordance with the facts, and that very likely the only criticism there was to Senate amendment No. 12 came from the State Department. The gentleman from Massachusetts has assured me that all of the House conferees were anxious to protect the lumber industry and to retain in substance and principle the Senate amendment, and, of course, I take his word for it. He has shown himself in the past, as well as now, to be a friend of the industry which is so vital to the welfare of the people I represent, and I thank him very much on my own behalf and on behalf of the chief industry of the Pacific Northwest.

Mr. McCORMACK. Mr. Speaker, I move the previous question on agreeing to the conference report.

The conference report was agreed to; and a motion to reconsider was laid on the table.

The SPEAKER. The Clerk will report the amendment in disagreement.

The Clerk read as follows:

Amendment No. 12: Page 4, line 23, after the word "origin", insert "*Provided*, That this subdivision (J) shall not apply to sawed lumber and timbers, telephone, trolley, electric-light, and telegraph poles of wood, and bundles of shingles."

Mr. McCORMACK. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. MCCORMACK moves that the House recede on Senate amendment No. 12, which was reported in disagreement by the conferees, and accept that amendment with the following amendments:

Page 2 of the Senate engrossed amendments: Line 7, after the word "apply", insert the words "after September 1, 1938";

Page 2 of the Senate engrossed amendments: Line 9, after the word "shingles", insert a semicolon and the following, "but the President is authorized to suspend the effectiveness of this proviso if he finds such action required to carry out any trade agreement entered into under the authority of the act of June 12, 1934 (U. S. C., 1934 ed., title 19, secs. 1351–1354), as extended."

The motion was agreed to.

FOOD, DRUG, AND COSMETIC ACT

Mr. LEA. Mr. Speaker, I call up the conference report on the bill (S. 5) to prohibit the movement in interstate commerce of adulterated and misbranded food, drugs, devices, and cosmetics, and for other purposes, and ask unanimous consent that the statement may be read in lieu of the report.

The Clerk read the title of the conference report.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 5) to prevent the adulteration, misbranding, and false advertisement of food, drugs, devices, and cosmetics in interstate, foreign, and other commerce subject to the jurisdiction of the United States, for the purposes of safeguarding the public health, preventing deceit upon the purchasing public, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following:

"CHAPTER I—SHORT TITLE

"SECTION 1. This Act may be cited as the Federal Food, Drug, and Cosmetic Act.

"CHAPTER II—DEFINITIONS

"SEC. 201. For the purposes of this Act—

"(a) The term 'Territory' means any Territory or possession of the United States, including the District of Columbia and excluding the Canal Zone.

"(b) The term 'interstate commerce' means (1) commerce between any State or Territory and any place outside thereof, and (2) commerce within the District of Columbia or within any other Territory not organized with a legislative body.

"(c) The term 'Department' means the Department of Agriculture of the United States.

"(d) The term 'Secretary' means the Secretary of Agriculture.

"(e) The term 'person' includes individual, partnership, corporation, and association.

"(f) The term 'food' means (1) articles used for food or drink for man or other animals, (2) chewing gum, and (3) articles used for components of any such article.

"(g) The term 'drug' means (1) articles recognized in the official United States Pharmacopœia, official Homœopathic Pharmacopœia of the United States, or official National Formulary, or any supplement to any of them; and (2) articles intended for use in the diagnosis, cure, mitigation, treatment, or prevention of disease in man or other animals; and (3) articles (other than food) intended to affect the structure or any function of the body of man or other animals; and (4) articles intended for use as a component of any article specified in clause (1), (2), or (3); but does not include devices or their components, parts, or accessories.

"(h) The term 'device' (except when used in paragraph (n) of this section and in sections 301 (i), 403 (f), 502 (c), and 602 (c)) means instruments, apparatus, and contrivances, including their components, parts, and accessories, intended (1) for use in the diagnosis, cure, mitigation, treatment, or prevention of disease in man or other animals; or (2) to affect the structure or any function of the body of man or other animals.

"(i) The term 'cosmetic' means (1) articles intended to be rubbed, poured, sprinkled, or sprayed on, introduced into, or otherwise applied to the human body or any part thereof for cleansing, beautifying, promoting attractiveness, or altering the appearance, and (2) articles intended for use as a component of any such articles; except that such term shall not include soap.

"(j) The term 'official compendium' means the official United States Pharmacopœia, official Homœopathic Pharmacopœia of the United States, official National Formulary, or any supplement to any of them.

"(k) The term 'label' means a display of written, printed, or graphic matter upon the immediate container of any article; and a requirement made by or under authority of this Act that any word, statement, or other information appear on the label shall not be considered to be complied with unless such word, statement, or other information also appears on the outside container or wrapper, if any there be, of the retail package of such article, or is easily legible through the outside container or wrapper.

"(l) The term 'immediate container' does not include package liners.

"(m) The term 'labeling' means all labels and other written, printed, or graphic matter (1) upon any article or any of its containers or wrappers, or (2) accompanying such article.

"(n) If an article is alleged to be misbranded because the labeling is misleading, then in determining whether the labeling is misleading there shall be taken into account (among other things) not only representations made or suggested by statement, word, design, device, or any combination thereof, but also the extent to which the labeling fails to reveal facts material in the light of such representations or material with respect to consequences which may result from the use of the article to which the labeling relates under the conditions of use prescribed in the labeling thereof or under such conditions of use as are customary or usual.

"(o) The representation of a drug, in its labeling, as an antiseptic shall be considered to be a representation that it is a germicide, except in the case of a drug purporting to be, or represented as, an antiseptic for inhibitory use as a wet dressing, ointment, dusting powder, or such other use as involves prolonged contact with the body.

"(p) The term 'new drug' means—

"(1) Any drug the composition of which is such that such drug is not generally recognized, among experts qualified by scientific training and experience to evaluate the safety of drugs, as safe for use under the conditions prescribed, recommended, or suggested in the labeling thereof, except that such a drug not so recognized shall not be deemed to be a 'new drug' if at any time prior to the enactment of this Act it was subject to the Food and Drugs Act of June 30, 1906, as amended, and if at such time its labeling contained the same representations concerning the conditions of its use; or

"(2) Any drug the composition of which is such that such drug, as a result of investigations to determine its safety for use under such conditions, has become so recognized, but which has not, otherwise than in such investigations, been used to a material extent or for a material time under such conditions.

"CHAPTER III—PROHIBITED ACTS AND PENALTIES

"PROHIBITED ACTS

"SEC. 301. The following acts and the causing thereof are hereby prohibited:

"(a) The introduction or delivery for introduction into interstate commerce of any food, drug, device, or cosmetic that is adulterated or misbranded.

"(b) The adulteration or misbranding of any food, drug, device, or cosmetic in interstate commerce.

"(c) The receipt in interstate commerce of any food, drug, device, or cosmetic that is adulterated or misbranded, and the delivery or proffered delivery thereof for pay or otherwise.

"(d) The introduction or delivery for introduction into interstate commerce of any article in violation of section 404 or 505.

"(e) The refusal to permit access to or copying of any record as required by section 703.

"(f) The refusal to permit entry or inspection as authorized by section 704.

"(g) The manufacture within any Territory of any food, drug, device, or cosmetic that is adulterated or misbranded.

"(h) The giving of a guaranty or undertaking referred to in section 303 (c) (2), which guaranty or undertaking is false, except by a person who relied upon a guaranty or undertaking to the same effect signed by, and containing the name and address of, the person residing in the United States from whom he received in good faith the food, drug, device, or cosmetic; or the giving of a guaranty or undertaking referred to in section 303 (c) (3), which guaranty or undertaking is false.

"(i) Forging, counterfeiting, simulating, or falsely representing, or without proper authority using any mark, stamp, tag, label, or other identification device authorized or required by regulations promulgated under the provisions of section 404, 406 (b), 504, or 604.

"(j) The using by any person to his own advantage, or revealing, other than to the Secretary or officers or employees of the Department, or to the courts when relevant in any judicial proceeding under this Act, any information acquired under authority of section 404, 505, or 704 concerning any method or process which as a trade secret is entitled to protection.

"(k) The alteration, mutilation, destruction, obliteration, or removal of the whole or any part of the labeling of, or the doing of any other act with respect to, a food, drug, device, or cosmetic, if such act is done while such article is held for sale after shipment in interstate commerce and results in such article being misbranded.

"(l) The using, on the labeling of any drug or in any advertising relating to such drug, of any representation or suggestion that an application with respect to such drug is effective under section 505, or that such drug complies with the provisions of such section.

"INJUNCTION PROCEEDINGS

"SEC. 302. (a) The district courts of the United States and the United States courts of the Territories shall have jurisdiction, for cause shown, and subject to the provisions of section 17 (relating to notice to opposite party) of the Act entitled 'An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes', approved October 15, 1914, as amended (U. S. C., 1934 ed., title 28, sec. 381), to restrain violations of section 301, except paragraphs (e), (f), (h), (i), and (j).

"(b) In case of violation of an injunction or restraining order issued under this section, which also constitutes a violation of this Act, trial shall be by the court, or, upon demand of the accused, by a jury. Such trial shall be conducted in accordance with the practice and procedure applicable in the case of proceedings subject to the provisions of section 22 of such Act of October 15, 1914, as amended (U. S. C., 1934 ed., title 28, sec. 387).

"PENALTIES

"SEC. 303. (a) Any person who violates any of the provisions of section 301 shall be guilty of a misdemeanor and shall on conviction thereof be subject to imprisonment for not more than one year, or a fine of not more than $1,000, or both such imprisonment and fine; but if the violation is committed after a conviction of such person under this section has become final such person shall be subject to imprisonment for not more than three years, or a fine of not more than $10,000, or both such imprisonment and fine.

"(b) Notwithstanding the provisions of subsection (a) of this section, in case of a violation of any of the provisions of section

301, with intent to defraud or mislead, the penalty shall be imprisonment for not more than three years, or a fine of not more than $10,000, or both such imprisonment and fine.

"(c) No person shall be subject to the penalties of subsection (a) of this section, (1) for having received in interstate commerce any article and delivered it or proffered delivery of it, if such delivery or proffer was made in good faith, unless he refuses to furnish on request of an officer or employee duly designated by the Secretary the name and address of the person from whom he purchased or received such article and copies of all documents, if any there be, pertaining to the delivery of the article to him; or (2) for having violated section 301 (a) or (d), if he establishes a guaranty or undertaking signed by, and containing the name and address of, the person residing in the United States from whom he received in good faith the article, to the effect, in case of an alleged violation of section 301 (a), that such article is not adulterated or misbranded, within the meaning of this Act, designating this Act, or to the effect, in case of an alleged violation of section 301 (d), that such article is not an article which may not, under the provisions of section 404 or 505, be introduced into interstate commerce; or (3) for having violated section 301 (a), where the violation exists because the article is adulterated by reason of containing a coal-tar color not from a batch certified in accordance with regulations promulgated by the Secretary under this Act, if such person establishes a guaranty or undertaking signed by, and containing the name and address of, the manufacturer of the coal-tar color, to the effect that such color was from a batch certified in accordance with the applicable regulations promulgated by the Secretary under this Act.

"SEIZURE

"SEC. 304. (a) Any article of food, drug, device, or cosmetic that is adulterated or misbranded when introduced into or while in interstate commerce, or which may not, under the provisions of section 404 or 505, be introduced into interstate commerce, shall be liable to be proceeded against while in interstate commerce, or at any time thereafter, on libel of information and condemned in any district court of the United States within the jurisdiction of which the article is found: *Provided, however,* That no libel for condemnation shall be instituted under this Act, for any alleged misbranding if there is pending in any court a libel for condemnation proceeding under this Act based upon the same alleged misbranding, and not more than one such proceeding shall be instituted if no such proceeding is so pending, except that such limitations shall not apply (1) when such misbranding has been the basis of a prior judgment in favor of the United States, in a criminal, injunction, or libel for condemnation proceeding under this Act, or (2) when the Secretary has probable cause to believe from facts found, without hearing, by him or any officer or employee of the Department that the misbranded article is dangerous to health, or that the labeling of the misbranded article is fraudulent, or would be in a material respect misleading to the injury or damage of the purchaser or consumer. In any case where the number of libel for condemnation proceedings is limited as above provided the proceeding pending or instituted shall, on application of the claimant, seasonably made, be removed for trial to any district agreed upon by stipulation between the parties, or, in case of failure to so stipulate within a reasonable time, the claimant may apply to the court of the district in which the seizure has been made, and such court (after giving the United States attorney for such district reasonable notice and opportunity to be heard) shall by order, unless good cause to the contrary is shown, specify a district of reasonable proximity to the claimant's principal place of business, to which the case shall be removed for trial.

"(b) The article shall be liable to seizure by process pursuant to the libel, and the procedure in cases under this section shall conform, as nearly as may be, to the procedure in admiralty; except that on demand of either party any issue of fact joined in any such case shall be tried by jury. When libel for condemnation proceedings under this section, involving the same claimant and the same issues of adulteration or misbranding, are pending in two or more jurisdictions, such pending proceedings, upon application of the claimant seasonably made to the court of one such jurisdiction, shall be consolidated for trial by order of such court, and tried in (1) any district selected by the claimant where one of such proceedings is pending; or (2) a district agreed upon by stipulation between the parties. If no order for consolidation is so made within a reasonable time, the claimant may apply to the court of one such jurisdiction, and such court (after giving the United States attorney for such district reasonable notice and opportunity to be heard) shall by order, unless good cause to the contrary is shown, specify a district of reasonable proximity to the claimant's principal place of business, in which all such pending proceedings shall be consolidated for trial and tried. Such order of consolidation shall not apply so as to require the removal of any case the date for trial of which has been fixed. The court granting such order shall give prompt notification thereof to the other courts having jurisdiction of the cases covered thereby.

"(c) The court at any time after seizure up to a reasonable time before trial shall by order allow any party to a condemnation proceeding, his attorney or agent, to obtain a representative sample of the article seized, and as regards fresh fruits or fresh vegetables, a true copy of the analysis on which the proceeding is based and the identifying marks or numbers, if any, of the packages from which the samples analyzed were obtained.

"(d) Any food, drug, device, or cosmetic condemned under this section shall, after entry of the decree, be disposed of by destruction or sale as the court may, in accordance with the provisions of this section, direct and the proceeds thereof, if sold, less the legal costs and charges, shall be paid into the Treasury of the United States; but such article shall not be sold under such decree contrary to the provisions of this Act or the laws of the jurisdiction in which sold: *Provided,* That after entry of the decree and upon the payment of the costs of such proceedings and the execution of a good and sufficient bond conditioned that such article shall not be sold or disposed of contrary to the provisions of this act or the laws of any State or Territory in which sold, the court may by order direct that such article be delivered to the owner thereof to be destroyed or brought into compliance with the provisions of this Act under the supervision of an officer or employee duly designated by the Secretary, and the expenses of such supervision shall be paid by the person obtaining release of the article under bond. Any article condemned by reason of its being an article which may not, under section 404 or 505, be introduced into interstate commerce, shall be disposed of by destruction.

"(e) When a decree of condemnation is entered against the article, court costs and fees, and storage and other proper expenses, shall be awarded against the person, if any, intervening as claimant of the article.

"(f) In the case of removal for trial of any case as provided by subsections (a) or (b)—

"(1) The clerk of the court from which removal is made shall promptly transmit to the court in which the case is to be tried all records in the case necessary in order that such court may exercise jurisdiction.

"(2) The court to which such case was removed shall have the powers and be subject to the duties, for purposes of such case, which the court from which removal was made would have had, or to which such court would have been subject, if such case had not been removed.

"HEARING BEFORE REPORT OF CRIMINAL VIOLATION

"SEC. 305. Before any violation of this Act is reported by the Secretary to any United States attorney for institution of a criminal proceeding, the person against whom such proceeding is contemplated shall be given appropriate notice and an opportunity to present his views, either orally or in writing, with regard to such contemplated proceeding.

"REPORT OF MINOR VIOLATIONS

"SEC. 306. Nothing in this Act shall be construed as requiring the Secretary to report for prosecution, or for the institution of libel or injunction proceedings, minor violations of this act whenever he believes that the public interest will be adequately served by a suitable written notice or warning.

"PROCEEDINGS IN NAME OF UNITED STATES; PROVISION AS TO SUBPENAS

"SEC. 307. All such proceedings for the enforcement, or to restrain violations, of this Act shall be by and in the name of the United States. Notwithstanding the provisions of section 876 of the Revised Statutes, subpenas for witnesses who are required to attend a court of the United States, in any district, may run into any other district in any such proceeding.

"CHAPTER IV—FOOD

"DEFINITIONS AND STANDARDS FOR FOOD

"SEC. 401. Whenever in the judgment of the Secretary such action will promote honesty and fair dealing in the interest of consumers, he shall promulgate regulations fixing and establishing for any food, under its common or usual name so far as practicable, a reasonable definition and standard of identity, a reasonable standard of quality, and/or reasonable standards of fill of container: *Provided,* That no definition and standard of identity and no standard of quality shall be established for fresh or dried fruits, fresh or dried vegetables, or butter, except that definitions and standards of identity may be established for avocadoes, cantaloupes, citrus fruits, and melons. In prescribing any standard of fill of container, the Secretary shall give due consideration to the natural shrinkage in storage and in transit of fresh natural food and to need for the necessary packing and protective material. In the prescribing of any standard of quality for any canned fruit or canned vegetable, consideration shall be given and due allowance made for the differing characteristics of the several varieties of such fruit or vegetable. In prescribing a definition and standard of identity for any food or class of food in which optional ingredients are permitted, the Secretary shall, for the purpose of promoting honesty and fair dealing in the interest of consumers, designate the optional ingredients which shall be named on the label. Any definition and standard of identity prescribed by the Secretary for avocadoes, cantaloupes, citrus fruits, or melons shall relate only to maturity and to the effects of freezing.

"ADULTERATED FOOD

"SEC. 402. A food shall be deemed to be adulterated—

"(a) (1) If it bears or contains any poisonous or deleterious substance which may render it injurious to health; but in case the substance is not an added substance such food shall not be considered adulterated under this clause if the quantity of such substance in such food does not ordinarily render it injurious to health; or (2) if it bears or contains any added poisonous or added deleterious substance which is unsafe within the meaning of section 406; or (3) if it consists in whole or in part of any filthy, putrid, or decomposed substance, or if it is otherwise unfit for food; or (4) if it has been prepared, packed, or held under insanitary conditions whereby it may have become contaminated with filth, or whereby it may

have been rendered injurious to health; or (5) if it is, in whole or in part, the product of a diseased animal or of an animal which has died otherwise than by slaughter; or (6) if its container is composed, in whole or in part, of any poisonous or deleterious substance which may render the contents injurious to health.

"(b) (1) If any valuable constituent has been in whole or in part omitted or abstracted therefrom; or (2) if any substance has been substituted wholly or in part therefor; or (3) if damage or inferiority has been concealed in any manner; or (4) if any substance has been added thereto or mixed or packed therewith so as to increase its bulk or weight, or reduce its quality or strength, or make it appear better or of greater value than it is.

"(c) If it bears or contains a coal-tar color other than one from a batch that has been certified in accordance with regulations as provided by section 406: *Provided*, That this paragraph shall not apply to citrus fruit bearing or containing a coal-tar color if application for listing of such color has been made under this Act and such application has not been acted on by the Secretary, if such color was commonly used prior to the enactment of this Act for the purpose of coloring citrus fruit.

"(d) If it is confectionery, and it bears or contains any alcohol or nonnutritive article or substance except harmless coloring, harmless flavoring, harmless resinous glaze, not in excess of four-tenths of 1 per centum, natural gum, and pectin: *Provided*, That this paragraph shall not apply to any confectionery by reason of its containing less than one-half of 1 per centum by volume of alcohol derived solely from the use of flavoring extracts, or to any chewing gum by reason of its containing harmless nonnutritive masticatory substances.

"MISBRANDED FOOD

"SEC. 403. A food shall be deemed to be misbranded—

"(a) If its labeling is false or misleading in any particular.

"(b) If it is offered for sale under the name of another food.

"(c) If it is an imitation of another food, unless its label bears, in type of uniform size and prominence, the word 'imitation' and, immediately thereafter, the name of the food imitated.

"(d) If its container is so made, formed, or filled as to be misleading.

"(e) If in package form unless it bears a label containing (1) the name and place of business of the manufacturer, packer, or distributor; and (2) an accurate statement of the quantity of the contents in terms of weight, measure, or numerical count: *Provided*, That under clause (2) of this paragraph reasonable variations shall be permitted, and exemptions as to small packages shall be established, by regulations prescribed by the Secretary.

"(f) If any word, statement, or other information required by or under authority of this Act to appear on the label or labeling is not prominently placed thereon with such conspicuousness (as compared with other words, statements, designs, or devices, in the labeling) and in such terms as to render it likely to be read and understood by the ordinary individual under customary conditions of purchase and use.

"(g) If it purports to be or is represented as a food for which a definition and standard of identity has been prescribed by regulations as provided by section 401, unless (1) it conforms to such definition and standard, and (2) its label bears the name of the food specified in the definition and standard, and, insofar as may be required by such regulations, the common names of optional ingredients (other than spices, flavoring, and coloring) present in such food.

"(h) If it purports to be or is represented as—

"(1) a food for which a standard of quality has been prescribed by regulations as provided by section 401, and its quality falls below such standard, unless its label bears, in such manner and form as such regulations specify, a statement that it falls below such standard; or

"(2) a food for which a standard or standards of fill of container have been prescribed by regulations as provided by section 401, and it falls below the standard of fill of container applicable thereto, unless its label bears, in such manner and form as such regulations specify, a statement that it falls below such standard.

"(i) If it is not subject to the provisions of paragraph (g) of this section unless its label bears (1) the common or usual name of the food, if any there be, and (2) in case it is fabricated from two or more ingredients, the common or usual name of each such ingredient; except that spices, flavorings, and colorings, other than those sold as such, may be designated as spices, flavorings, and colorings without naming each: *Provided*, That to the extent that compliance with the requirements of clause (2) of this paragraph is impracticable, or results in deception or unfair competition, exemptions shall be established by regulations promulgated by the Secretary.

"(j) If it purports to be or is represented for special dietary uses, unless its label bears such information concerning its vitamin, mineral, and other dietary properties as the Secretary determines to be, and by regulations prescribes as, necessary in order fully to inform purchasers as to its value for such uses.

"(k) If it bears or contains any artificial flavoring, artificial coloring, or chemical preservative, unless it bears labeling stating that fact: *Provided*, That to the extent that compliance with the requirements of this paragraph is impracticable, exemptions shall be established by regulations promulgated by the Secretary. The provisions of this paragraph and paragraphs (g) and (i) with respect to artificial coloring shall not apply in the case of butter, cheese, or ice cream.

"EMERGENCY PERMIT CONTROL

"SEC. 404. (a) Whenever the Secretary finds after investigation that the distribution in interstate commerce of any class of food may, by reason of contamination with micro-organisms during the manufacture, processing, or packing thereof in any locality, be injurious to health, and that such injurious nature cannot be adequately determined after such articles have entered interstate commerce, he then, and in such case only, shall promulgate regulations providing for the issuance, to manufacturers, processors, or packers of such class of food in such locality, of permits to which shall be attached such conditions governing the manufacture, processing, or packing of such class of food, for such temporary period of time, as may be necessary to protect the public health; and after the effective date of such regulations, and during such temporary period, no person shall introduce or deliver for introduction into interstate commerce any such food manufactured, processed, or packed by any such manufacturer, processor, or packer unless such manufacturer, processor, or packer holds a permit issued by the Secretary as provided by such regulations.

"(b) The Secretary is authorized to suspend immediately upon notice any permit issued under authority of this section if it is found that any of the conditions of the permit have been violated. The holder of a permit so suspended shall be privileged at any time to apply for the reinstatement of such permit, and the Secretary shall, immediately after prompt hearing and an inspection of the establishment, reinstate such permit if it is found that adequate measures have been taken to comply with and maintain the conditions of the permit, as originally issued or as amended.

"(c) Any officer or employee duly designated by the Secretary shall have access to any factory or establishment, the operator of which holds a permit from the Secretary, for the purpose of ascertaining whether or not the conditions of the permit are being complied with, and denial of access for such inspection shall be ground for suspension of the permit until such access is freely given by the operator.

"REGULATIONS MAKING EXEMPTIONS

"SEC. 405. The Secretary shall promulgate regulations exempting from any labeling requirement of this act (1) small open containers of fresh fruits and fresh vegetables and (2) food which is, in accordance with the practice of the trade, to be processed, labeled, or repacked in substantial quantities at establishments other than those where originally processed or packed, on condition that such food is not adulterated or misbranded under the provisions of this act upon removal from such processing, labeling, or repacking establishments.

"TOLERANCES FOR POISONOUS INGREDIENTS IN FOOD AND CERTIFICATION OF COAL-TAR COLORS FOR FOOD

"SEC. 406. (a) Any poisonous or deleterious substance added to any food, except where such substance is required in the production thereof or cannot be avoided by good manufacturing practice shall be deemed to be unsafe for purpose of the application of clause (2) of section 402 (a); but when such substance is so required or cannot be so avoided, the Secretary shall promulgate regulations limiting the quantity therein or thereon to such extent as he finds necessary for the protection of public health, and any quantity exceeding the limits so fixed shall also be deemed to be unsafe for purposes of the application of clause (2) of section 402 (a). While such a regulation is in effect limiting the quantity of any such substance in the case of any food, such food shall not, by reason of bearing or containing any added amount of such substance, be considered to be adulterated within the meaning of clause (1) of section 402 (a). In determining the quantity of such added substance to be tolerated in or on different articles of food the Secretary shall take into account the extent to which the use of such substance is required or cannot be avoided in the production of each such article, and the other ways in which the consumer may be affected by the same or other poisonous or deleterious substances.

"(b) The Secretary shall promulgate regulations providing for the listing of coal-tar colors which are harmless and suitable for use in food and for the certification of batches of such colors, with or without harmless diluents.

"CHAPTER V—DRUGS AND DEVICES

"ADULTERATED DRUGS AND DEVICES

"SEC. 501. A drug or device shall be deemed to be adulterated—

"(a) (1) If it consists in whole or in part of any filthy, putrid, or decomposed substance; or (2) if it has been prepared, packed, or held under insanitary conditions whereby it may have been contaminated with filth, or whereby it may have been rendered injurious to health; or (3) if it is a drug and its container is composed, in whole or in part, of any poisonous or deleterious substance which may render the contents injurious to health; or (4) if it is a drug and it bears or contains, for purposes of coloring only, a coal-tar color other than one from a batch that has been certified in accordance with regulations as provided by section 504.

"(b) If it purports to be or is represented as a drug the name of which is recognized in an official compendium, and its strength differs from, or its quality or purity falls below, the standard set forth in such compendium. Such determination as to strength, quality, or purity shall be made in accordance with the tests or methods of assay set forth in such compendium, except that

whenever tests or methods of assay have not been prescribed in such compendium, or such tests or methods of assay as are prescribed are, in the judgment of the Secretary, insufficient for the making of such determination, the Secretary shall bring such fact to the attention of the appropriate body charged with the revision of such compendium, and if such body fails within a reasonable time to prescribe tests or methods of assay which, in the judgment of the Secretary, are sufficient for purposes of this paragraph, then the Secretary shall promulgate regulations prescribing appropriate tests or methods of assay in accordance with which such determination as to strength, quality, or purity shall be made. No drug defined in an official compendium shall be deemed to be adulterated under this paragraph because it differs from the standard of strength, quality, or purity therefor set forth in such compendium, if its difference in strength, quality, or purity from such standard is plainly stated on its label. Whenever a drug is recognized in both the United States Pharmacopœia and the Homœopathic Pharmacopœia of the United States it shall be subject to the requirements of the United States Pharmacopœia unless it is labeled and offered for sale as a homœopathic drug, in which case it shall be subject to the provisions of the Homœopathic Pharmacopœia of the United States and not to those of the United States Pharmacopœia.

"(c) If it is not subject to the provisions of paragraph (b) of this section and its strength differs from, or its purity or quality falls below, that which it purports or is represented to possess.

"(d) If it is a drug and any substance has been (1) mixed or packed therewith so as to reduce its quality or strength or (2) substituted wholly or in part therefor.

"MISBRANDED DRUGS AND DEVICES

"SEC. 502. A drug or device shall be deemed to be misbranded—

"(a) If its labeling is false or misleading in any particular.

"(b) If in package form unless it bears a label containing (1) the name and place of business of the manufacturer, packer, or distributor; and (2) an accurate statement of the quantity of the contents in terms of weight, measure, or numerical count: *Provided*, That under clause (2) of this paragraph reasonable variations shall be permitted, and exemptions as to small packages shall be established, by regulations prescribed by the Secretary.

"(c) If any word, statement, or other information required by or under authority of this act to appear on the label or labeling is not prominently placed thereon with such conspicuousness (as compared with other words, statements, designs, or devices, in the labeling) and in such terms as to render it likely to be read and understood by the ordinary individual under customary conditions of purchase and use.

"(d) If it is for use by man and contains any quantity of the narcotic or hypnotic substance alpha eucaine, barbituric acid, beta-eucaine, bromal, cannabis, carbromal, chloral, coca, cocaine, codeine, heroin, marihuana, morphine, opium, paraldehyde, peyote, or sulphonmethane; or any chemical derivative of such substance, which derivative has been by the Secretary, after investigation, found to be, and by regulations designated as, habit forming; unless its label bears the name, quantity, and percentage of such substance or derivative and in juxtaposition therewith the statement 'Warning—May be habit forming'.

"(e) If it is a drug and is not designated solely by a name recognized in an official compendium unless its label bears (1) the common or usual name of the drug, if such there be; and (2), in case it is fabricated from two or more ingredients, the common or usual name of each active ingredient, including the quantity, kind, and proportion of any alcohol, and also including, whether active or not, the name and quantity or proportion of any bromides, ether, chloroform, acetanilid, acetphenetidin, amidopyrine, antipyrine, atropine, hyoscine, hyoscyamine, arsenic, digitalis, digitalis glucosides, mercury, cuabain, strophanthin, strychnine, thyroid, or any derivative or preparation of any such substances, contained therein: *Provided*, That to the extent that compliance with the requirements of clause (2) of this paragraph is impracticable, exemptions shall be established by regulations promulgated by the Secretary.

"(f) Unless its labeling bears (1) adequate directions for use; and (2) such adequate warnings against use in those pathological conditions or by children where its use may be dangerous to health, or against unsafe dosage or methods or duration of administration or application, in such manner and form, as are necessary for the protection of users: *Provided*, That where any requirement of clause (1) of this paragraph, as applied to any drug or device, is not necessary for the protection of the public health, the Secretary shall promulgate regulations exempting such drug or device from such requirement.

"(g) If it purports to be a drug the name of which is recognized in an official compendium, unless it is packaged and labeled as prescribed therein: *Provided*, That the method of packing may be modified with the consent of the Secretary. Whenever a drug is recognized in both the United States Pharmacopœia and the Homœopathic Pharmacopœia of the United States, it shall be subject to the requirements of the United States Pharmacopœia with respect to packaging and labeling unless it is labeled and offered for sale as a homœopathic drug, in which case it shall be subject to the provisions of the Homœopathic Pharmacopœia of the United States, and not to those of the United States Pharmacopœia.

"(h) If it has been found by the Secretary to be a drug liable to deterioration, unless it is packaged in such form and manner, and its label bears a statement of such precautions, as the Secretary shall by regulations require as necessary for the protection of the public health. No such regulation shall be established for any drug recognized in an official compendium until the Secretary shall have informed the appropriate body charged with the revision of such compendium of the need for such packaging or labeling requirements and such body shall have failed within a reasonable time to prescribe such requirements.

"(i) (1) If it is a drug and its container is so made, formed, or filled as to be misleading; or (2) if it is an imitation of another drug; or (3) if it is offered for sale under the name of another drug.

"(j) If it is dangerous to health when used in the dosage, or with the frequency or duration prescribed, recommended, or suggested in the labeling thereof.

"EXEMPTIONS IN CASE OF DRUGS AND DEVICES

"SEC. 503. (a) The Secretary is hereby directed to promulgate regulations exempting from any labeling or packaging requirement of this Act drugs and devices which are, in accordance with the practice of the trade, to be processed, labeled, or repacked in substantial quantities at establishments other than those where originally processed or packed, on condition that such drugs and devices are not adulterated or misbranded under the provisions of this Act upon removal from such processing, labeling, or repacking establishment.

"(b) A drug dispensed on a written prescription signed by a physician, dentist, or veterinarian (except a drug dispensed in the course of the conduct of a business of dispensing drugs pursuant to diagnosis by mail), shall if—

"(1) such physician, dentist, or veterinarian is licensed by law to administer such drug, and

"(2) such drug bears a label containing the name and place of business of the dispenser, the serial number and date of such prescription, and the name of such physician, dentist, or veterinarian, be exempt from the requirements of section 502 (b) and (e), and (in case such prescription is marked by the writer thereof as not refillable or its refilling is prohibited by law) of section 502 (d).

"CERTIFICATION OF COAL-TAR COLORS FOR DRUGS

"SEC. 504. The Secretary shall promulgate regulations providing for the listing of coal-tar colors which are harmless and suitable for use in drugs for purposes of coloring only and for the certification of batches of such colors, with or without harmless diluents.

"NEW DRUGS

"SEC. 505. (a) No person shall introduce or deliver for introduction into interstate commerce any new drug, unless an application filed pursuant to subsection (b) is effective with respect to such drug.

"(b) Any person may file with the Secretary an application with respect to any drug subject to the provisions of subsection (a). Such person shall submit to the Secretary as a part of the application (1) full reports of investigations which have been made to show whether or not such drug is safe for use; (2) a full list of the articles used as components of such drug; (3) a full statement of the composition of such drug; (4) a full description of the methods used in, and the facilities and controls used for, the manufacture, processing, and packing of such drug; (5) such samples of such drug and of the articles used as components thereof as the Secretary may require; and (6) specimens of the labeling proposed to be used for such drug.

"(c) An application provided for in subsection (b) shall become effective on the sixtieth day after the filing thereof unless prior to such day the Secretary by notice to the applicant in writing postpones the effective date of the application to such time (not more than one hundred and eighty days after the filing thereof) as the Secretary deems necessary to enable him to study and investigate the application.

"(d) If the Secretary finds, after due notice to the applicant and giving him an opportunity for a hearing, that (1) the investigations, reports of which are required to be submitted to the Secretary pursuant to subsection (b), do not include adequate tests by all methods reasonably applicable to show whether or not such drug is safe for use under the conditions prescribed, recommended, or suggested in the proposed labeling thereof; (2) the results of such tests show that such drug is unsafe for use under such conditions or do not show that such drug is safe for use under such conditions; (3) the methods used in, and the facilities and controls used for, the manufacture, processing, and packing of such drug are inadequate to preserve its identity, strength, quality, and purity; or (4) upon the basis of the information submitted to him as part of the application, or upon the basis of any other information before him with respect to such drug, he has insufficient information to determine whether such drug is safe for use under such conditions, he shall, prior to the effective date of the application, issue an order refusing to permit the application to become effective.

"(e) The effectiveness of an application with respect to any drug shall, after due notice and opportunity for hearing to the applicant, by order of the Secretary be suspended if the Secretary finds (1) that clinical experience, tests by new methods, or tests by methods not deemed reasonably applicable when such application became effective show that such drug is unsafe for use under the conditions of use upon the basis of which the application became effective, or (2) that the application contains any untrue statement of a material fact. The order shall state the findings upon which it is based.

"(f) An order refusing to permit an application with respect to any drug to become effective shall be revoked whenever the Secretary finds that the facts so require.

"(g) Orders of the Secretary issued under this section shall be served (1) in person by any officer or employee of the department designated by the Secretary or (2) by mailing the order by registered mail addressed to the applicant or respondent at his last-known address in the records of the Secretary.

"(h) An appeal may be taken by the applicant from an order of the Secretary refusing to permit the application to become effective, or suspending the effectiveness of the application. Such appeal shall be taken by filing in the district court of the United States within any district wherein such applicant resides or has his principal place of business, or in the District Court of the United States for the District of Columbia, within sixty days after the entry of such order, a written petition praying that the order of the Secretary be set aside. A copy of such petition shall be forthwith served upon the Secretary, or upon any officer designated by him for that purpose, and thereupon the Secretary shall certify and file in the court a transcript of the record upon which the order complained of was entered. Upon the filing of such transcript such court shall have exclusive jurisdiction to affirm or set aside such order. No objection to the order of the Secretary shall be considered by the court unless such objection shall have been urged before the Secretary or unless there were reasonable grounds for failure so to do. The finding of the Secretary as to the facts, if supported by substantial evidence, shall be conclusive. If any person shall apply to the court for leave to adduce additional evidence, and shall show to the satisfaction of the court that such additional evidence is material and that there were reasonable grounds for failure to adduce such evidence in the proceeding before the Secretary, the court may order such additional evidence to be taken before the Secretary and to be adduced upon the hearing in such manner and upon such terms and conditions as to the court may seem proper. The Secretary may modify his findings as to the facts by reason of the additional evidence so taken, and he shall file with the court such modified findings which, if supported by substantial evidence, shall be conclusive, and his recommendation, if any, for the setting aside of the original order. The judgment and decree of the court affirming or setting aside any such order of the Secretary shall be final, subject to review as provided in sections 128, 239, and 240 of the Judicial Code, as amended (U. S. C., 1934 ed., title 28, secs. 225, 346, and 347), and in section 7, as amended, of the Act entitled 'An Act to establish a Court of Appeals for the District of Columbia', approved February 9, 1893 (D. C. Code, title 18, sec. 26). The commencement of proceedings under this subsection shall not, unless specifically ordered by the court to the contrary, operate as a stay of the Secretary's order.

"(i) The Secretary shall promulgate regulations for exempting from the operation of this section drugs intended solely for investigational use by experts qualified by scientific training and experience to investigate the safety of drugs.

"CHAPTER VI—COSMETICS

"ADULTERATED COSMETICS

"SEC. 601. A cosmetic shall be deemed to be adulterated—

"(a) If it bears or contains any poisonous or deleterious substance which may render it injurious to users under the conditions of use prescribed in the labeling thereof, or under such conditions of use as are customary or usual: *Provided*, That this provision shall not apply to coal-tar hair dye, the label of which bears the following legend conspicuously displayed thereon: 'Caution—This product contains ingredients which may cause skin irritation on certain individuals and a preliminary test according to accompanying directions should first be made. This product must not be used for dyeing the eyelashes or eyebrows; to do so may cause blindness.', and the labeling of which bears adequate directions for such preliminary testing. For the purposes of this paragraph and paragraph (e) the term 'hair dye' shall not include eyelash dyes or eyebrow dyes.

"(b) If it consists in whole or in part of any filthy, putrid, or decomposed substance.

"(c) If it has been prepared, packed, or held under insanitary conditions whereby it may have become contaminated with filth, or whereby it may have been rendered injurious to health.

"(d) If its container is composed, in whole or in part, of any poisonous or deleterious substance which may render the contents injurious to health.

"(e) If it is not a hair dye and it bears or contains a coal-tar color other than one from a batch that has been certified in accordance with regulations as provided by section 604.

"MISBRANDED COSMETICS

"SEC. 602. A cosmetic shall be deemed to be misbranded—

"(a) If its labeling is false or misleading in any particular.

"(b) If in package form unless it bears a label containing (1) the name and place of business of the manufacturer, packer, or distributor; and (2) an accurate statement of the quantity of the contents in terms of weight, measure, or numerical count: *Provided*, That under clause (2) of this paragraph reasonable variations shall be permitted, and exemptions as to small packages shall be established, by regulations prescribed by the Secretary.

"(c) If any word, statement, or other information required by or under authority of this Act to appear on the label or labeling is not prominently placed thereon with such conspicuousness (as compared with other words, statements, designs, or devices, in the labeling) and in such terms as to render it likely to be read and understood by the ordinary individual under customary conditions of purchase and use.

"(d) If its container is so made, formed, or filled as to be misleading.

"REGULATIONS MAKING EXEMPTIONS

"SEC. 603. The Secretary shall promulgate regulations exempting from any labeling requirement of this Act cosmetics which are, in accordance with the practice of the trade, to be processed, labeled, or repacked in substantial quantities at establishments other than those where originally processed or packed, on condition that such cosmetics are not adulterated or misbranded under the provisions of this Act upon removal from such processing, labeling, or repacking establishment.

"CERTIFICATION OF COAL-TAR COLORS FOR COSMETICS

"SEC. 604. The Secretary shall promulgate regulations providing for the listing of coal-tar colors which are harmless and suitable for use in cosmetics and for the certification of batches of such colors, with or without harmless diluents.

"CHAPTER VII—GENERAL ADMINISTRATIVE PROVISIONS

"REGULATIONS AND HEARINGS

"SEC. 701. (a) The authority to promulgate regulations for the efficient enforcement of this Act, except as otherwise provided in this section, is hereby vested in the Secretary.

"(b) The Secretary of the Treasury and the Secretary of Agriculture shall jointly prescribe regulations for the efficient enforcement of the provisions of section 801, except as otherwise provided therein. Such regulations shall be promulgated in such manner and take effect at such time, after due notice, as the Secretary of Agriculture shall determine.

"(c) Hearings authorized or required by this Act shall be conducted by the Secretary or such officer or employee as he may designate for the purpose.

"(d) The definitions and standards of identity promulgated in accordance with the provisions of this Act shall be effective for the purposes of the enforcement of this Act, notwithstanding such definitions and standards as may be contained in other laws of the United States and regulations promulgated thereunder.

"(e) The Secretary, on his own initiative or upon an application of any interested industry or substantial portion thereof stating reasonable grounds therefor, shall hold a public hearing upon a proposal to issue, amend, or repeal any regulation contemplated by any of the following sections of this Act: 401, 403 (j), 404 (a), 406 (a) and (b), 501 (b), 502 (d), 502 (h), 504, and 604. The Secretary shall give appropriate notice of the hearing, and the notice shall set forth the proposal in general terms and specify the time and place for a public hearing to be held thereon not less than thirty days after the date of the notice, except that the public hearing on regulations under section 404 (a) may be held within a reasonable time, to be fixed by the Secretary, after notice thereof. At the hearing any interested person may be heard in person or by his representative. As soon as practicable after completion of the hearing, the Secretary shall by order make public his action in issuing, amending, or repealing the regulation or determining not to take such action. The Secretary shall base his order only on substantial evidence of the record at the hearing and shall set forth as part of the order detailed findings of fact on which the order is based. No such order shall take effect prior to the ninetieth day after it is issued, except that if the Secretary finds that emergency conditions exist necessitating an earlier effective date, then the Secretary shall specify in the order his findings as to such conditions and the order shall take effect at such earlier date as the Secretary shall specify therein to meet the emergency.

"(f) (1) In a case of actual controversy as to the validity of any order under subsection (e), any person who will be adversely affected by such order if placed in effect may at any time prior to the ninetieth day after such order is issued file a petition with the Circuit Court of Appeals of the United States for the circuit wherein such person resides or has his principal place of business, for a judicial review of such order. The summons and petition may be served at any place in the United States. The Secretary, promptly upon service of the summons and petition, shall certify and file in the court the transcript of the proceedings and the record on which the Secretary based his order.

"(2) If the petitioner applies to the court for leave to adduce additional evidence, and shows to the satisfaction of the court that such additional evidence is material and that there were reasonable grounds for the failure to adduce such evidence in the proceeding before the Secretary, the court may order such additional evidence (and evidence in rebuttal thereof) to be taken before the Secretary, and to be adduced upon the hearing, in such manner and upon such terms and conditions as to the court may seem proper. The Secretary may modify his findings as to the facts, or make new findings, by reason of the additional evidence so taken, and he shall file such modified or new findings, and his recommendation, if any, for the modification or setting aside of his original order, with the return of such additional evidence.

"(3) The court shall have jurisdiction to affirm the order, or to set it aside in whole or in part, temporarily or permanently. If the order of the Secretary refuses to issue, amend, or repeal a regulation and such order is not in accordance with law the court shall by its judgment order the Secretary to take action, with respect to such regulation, in accordance with law. The

findings of the Secretary as to the facts, if supported by substantial evidence, shall be conclusive.

"(4) The judgment of the court affirming or setting aside, in whole or in part, any such order of the Secretary shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in sections 239 and 240 of the Judicial Code, as amended.

"(5) Any action instituted under this subsection shall survive notwithstanding any change in the person occupying the office of Secretary or any vacancy in such office.

"(6) The remedies provided for in this subsection shall be in addition to and not in substitution for any other remedies provided by law.

"(g) A certified copy of the transcript of the record and proceedings under subsection (e) shall be furnished by the Secretary to any interested party at his request, and payment of the costs thereof, and shall be admissible in any criminal, libel for condemnation, exclusion of imports, or other proceeding arising under or in respect to this Act, irrespective of whether proceedings with respect to the order have previously been instituted or become final under subsection (f).

"EXAMINATIONS AND INVESTIGATIONS

"SEC. 702. (a) The Secretary is authorized to conduct examinations and investigations for the purposes of this Act through officers and employees of the Department or through any health, food, or drug officer or employee of any State, Territory, or political subdivision thereof, duly commissioned by the Secretary as an officer of the Department. In the case of food packed in a Territory the Secretary shall attempt to make inspection of such food at the first point of entry within the United States when, in his opinion and with due regard to the enforcement of all the provisions of this Act, the facilities at his disposal will permit of such inspection. For the purposes of this subsection the term 'United States' means the States and the District of Columbia.

"(b) Where a sample of a food, drug, or cosmetic is collected for analysis under this Act the Secretary shall, upon request, provide a part of such official sample for examination or analysis by any person named on the label of the article, or the owner thereof, or his attorney or agent; except that the Secretary is authorized, by regulations, to make such reasonable exceptions from, and impose such reasonable terms and conditions relating to, the operation of this subsection as he finds necessary for the proper administration of the provisions of this Act.

"(c) For purposes of enforcement of this Act, records of any department or independent establishment in the executive branch of the Government shall be open to inspection by any official of the Department of Agriculture duly authorized by the Secretary to make such inspection.

"RECORDS OF INTERSTATE SHIPMENT

"SEC. 703. For the purpose of enforcing the provisions of this Act, carriers engaged in interstate commerce, and persons receiving food, drugs, devices, or cosmetics in interstate commerce or holding such articles so received, shall, upon the request of an officer or employee duly designated by the Secretary, permit such officer or employee, at reasonable times, to have access to and to copy all records showing the movement in interstate commerce of any food, drug, device, or cosmetic, or the holding thereof during or after such movement, and the quantity, shipper, and consignee thereof; and it shall be unlawful for any such carrier or person to fail to permit such access to and copying of any such record so requested when such request is accompanied by a statement in writing specifying the nature or kind of food, drug, device, or cosmetic to which such request relates: *Provided*, That evidence obtained under this section shall not be used in a criminal prosecution of the person from whom obtained: *Provided further*, That carriers shall not be subject to the other provisions of this Act by reason of their receipt, carriage, holding, or delivery of food, drugs, devices, or cosmetics in the usual course of business as carriers.

"FACTORY INSPECTION

"SEC. 704. For purposes of enforcement of this Act, officers or employees duly designated by the Secretary, after first making request and obtaining permission of the owner, operator, or custodian thereof, are authorized (1) to enter, at reasonable times, any factory, warehouse, or establishment in which food, drugs, devices, or cosmetics are manufactured, processed, packed, or held, for introduction into interstate commerce or are held after such introduction, or to enter any vehicle being used to transport or hold such food, drugs, devices, or cosmetics in interstate commerce; and (2) to inspect, at reasonable times, such factory, warehouse, establishment, or vehicle and all pertinent equipment, finished and unfinished materials, containers, and labeling therein.

"PUBLICITY

"SEC. 705. (a) The Secretary shall cause to be published from time to time reports summarizing all judgments, decrees, and court orders which have been rendered under this Act, including the nature of the charge and the disposition thereof.

"(b) The Secretary may also cause to be disseminated information regarding food, drugs, devices, or cosmetics in situations involving, in the opinion of the Secretary, imminent danger to health or gross deception of the consumer. Nothing in this section shall be construed to prohibit the Secretary from collecting, reporting, and illustrating the results of the investigations of the Department.

"COST OF CERTIFICATION OF COAL-TAR COLORS

"SEC. 706. The admitting to listing and certification of coal-tar colors, in accordance with regulations prescribed under this Act, shall be performed only upon payment of such fees, which shall be specified in such regulations, as may be necessary to provide, maintain, and equip an adequate service for such purposes.

"CHAPTER VIII—IMPORTS AND EXPORTS

"SEC. 801. (a) The Secretary of the Treasury shall deliver to the Secretary of Agriculture, upon his request, samples of food, drugs, devices, and cosmetics which are being imported or offered for import into the United States, giving notice thereof to the owner or consignee, who may appear before the Secretary of Agriculture and have the right to introduce testimony. If it appears from the examination of such samples or otherwise that (1) such article has been manufactured, processed, or packed under insanitary conditions, or (2) such article is forbidden or restricted in sale in the country in which it was produced or from which it was exported, or (3) such article is adulterated, misbranded, or in violation of section 505, then such article shall be refused admission. This paragraph shall not be construed to prohibit the admission of narcotic drugs the importation of which is permitted under section 2 of the Act of May 26, 1922, as amended (U. S. C., 1934 edition, title 21, sec. 173).

"(b) The Secretary of the Treasury shall refuse delivery to the consignee and shall cause the destruction of any such article refused admission, unless such article is exported by the consignee within three months from the date of notice of such refusal, under such regulations as the Secretary of the Treasury may prescribe: *Provided*, That the Secretary of the Treasury may deliver to the consignee any such article pending examination and decision in the matter on execution of a bond as liquidated damages for the amount of the full invoice value thereof together with the duty thereon and on refusing for any cause to return such article or any part thereof to the custody of the Secretary of the Treasury when demanded for the purpose of excluding it from the country or for any other purpose, such consignee shall forfeit the full amount of the bond as liquidated damages.

"(c) All charges for storage, cartage, and labor on any article which is refused admission or delivery shall be paid by the owner or consignee and in default of such payment shall constitute a lien against any future importations made by such owner or consignee.

"(d) A food, drug, device, or cosmetic intended for export shall not be deemed to be adulterated or misbranded under this Act if it (1) accords to the specifications of the foreign purchaser, (2) is not in conflict with the laws of the country to which it is intended for export, and (3) is labeled on the outside of the shipping package to show that it is intended for export. But if such article is sold or offered for sale in domestic commerce, this subsection shall not exempt it from any of the provisions of this Act.

"CHAPTER IX—MISCELLANEOUS

"SEPARABILITY CLAUSE

"SEC. 901. If any provision of this Act is declared unconstitutional, or the applicability thereof to any person or circumstances is held invalid, the constitutionality of the remainder of the Act and the applicability thereof to other persons and circumstances shall not be affected thereby.

"EFFECTIVE DATE AND REPEALS

"SEC. 902. (a) This Act shall take effect twelve months after the date of its enactment. The Federal Food and Drugs Act of June 30, 1906, as amended (U. S. C., 1934 ed., title 21, secs. 1–15), shall remain in force until such effective date, and, except as otherwise provided in this subsection, is hereby repealed effective upon such date: *Provided*, That the provisions of section 701 shall become effective on the enactment of this Act, and thereafter the Secretary is authorized hereby to (1) conduct hearings and to promulgate regulations which shall become effective on or after the effective date of this Act as the Secretary shall direct, and (2) designate prior to the effective date of this Act food having common or usual names and exempt such food from the requirements of clause (2) of section 403 (i) for a reasonable time to permit the formulation, promulgation, and effective application of definitions and standards of identity therefor as provided by section 401: *Provided further*, That sections 502 (j), 505, and 601 (a), and all other provisions of this Act to the extent that they may relate to the enforcement of such sections, shall take effect on the date of the enactment of his Act, except that in the case of a cosmetic to which the proviso of section 601 (a) relates, such cosmetic shall not, prior to the ninetieth day after such date of enactment, be deemed adulterated by reason of the failure of its label to bear the legend prescribed in such proviso: *Provided further*, That the Act of March 4, 1923 (U. S. C., 1934 ed., title 21; sec. 6; 42 Stat. 1500, ch. 268), defining butter and providing a standard therefor; the Act of July 24, 1919 (U. S. C., 1934 ed., title 21, sec. 10; 41 Stat. 271, ch. 26), defining wrapped meats as in package form; and the amendment to the Food and Drugs Act, section 10A, approved August 27, 1935 (U. S. C., 1934 ed., Sup. III, title 21, sec. 14a), shall remain in force and effect and be applicable to the provisions of this Act.

"(b) Meats and meat food products shall be exempt from the provisions of this Act to the extent of the application or the extension thereto of the Meat Inspection Act, approved March 4, 1907, as amended (U. S. C., 1934 ed., title 21, secs. 71–91; 34 Stat. 1260 et seq.).

"(c) Nothing contained in this Act shall be construed as in any way affecting, modifying, repealing, or superseding the provisions of the virus, serum, and toxin Act of July 1, 1902 (U. S. C., 1934 ed., title 42, chap. 4); the Filled Cheese Act of June 6, 1896 (U. S. C., 1934 ed., title 26, ch. 10), the Filled Milk Act of March 4, 1923 (U. S. C., 1934 ed., title 21, ch. 3, secs. 61–63); or the Import Milk Act of February 15, 1927 (U. S. C., 1934 ed., title 21, ch. 4, secs. 141–149).

"(d) In order to carry out the provisions of this Act which take effect prior to the repeal of the Food and Drugs Act of June 30, 1906, as amended, appropriations available for the enforcement of such Act of June 30, 1906, are also authorized to be made available to carry out such provisions."

And the House agree to the same.

That the Senate recede from its disagreement to the amendment of the House to the title and agree to the same.

CLARENCE F. LEA,
VIRGIL CHAPMAN,
WILLIAM P. COLE, JR.,
SAMUEL B. PETTENGILL,
HERRON PEARSON,
CARL E. MAPES,
CHARLES A. HALLECK,
B. CARROLL REECE,
Managers on the part of the House.

ROYAL S. COPELAND,
JOSIAH W. BAILEY,
BENNETT CHAMP CLARK,
ERNEST W. GIBSON,
A. H. VANDENBERG,
CHAS. L. MCNARY,
HATTIE W. CARAWAY,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the bill (S. 5) to prevent the adulteration, misbranding, and false advertisement of food, drugs, devices, and cosmetics in interstate, foreign, and other commerce subject to the jurisdiction of the United States, for the purposes of safeguarding the public health, preventing deceit upon the purchasing public, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The bill as agreed to in conference is substantially the same as the amendment of the House to the Senate bill. The important changes from the House amendment are as follows:

Injunctions to restrain violations

The bill as agreed to in conference permits injunctions to restrain violation of the act in the following respects in which the House amendment did not provide for injunctions:

(1) Manufacture within any Territory (including the District of Columbia) of any food, drug, device, or cosmetic that is adulterated or misbranded.

(2) Tampering with the labeling of, or doing any other act with respect to, a food, drug, device, or cosmetic, if such act is done while the article is held for sale after shipment in interstate commerce and results in such article being misbranded.

(3) Using, on the labeling of a drug or in advertising a drug, a representation that an application with respect to such drug is effective under the "new drug" section, or that such drug complies with the provisions of such section.

Permission for multiple libels

Under the House amendment multiple libels in cases of misbranding are permitted when the Secretary has probable cause to believe that the misbranded article is dangerous to health or that the labeling of the misbranded article is, in a material respect, false or fraudulent. Under the conference agreement such libels are permitted when the Secretary from facts found, without hearing, by him or any officer or employee of the Department of Agriculture, has probable cause to believe that the misbranded article is dangerous to health or that the labeling of the misbranded article is fraudulent, or would be in a material respect misleading to the injury or damage of the purchaser or consumer.

Change of venue when only one libel permitted

Under the House amendment where the number of libels for misbranding is limited to one proceeding, such proceeding shall on application of the claimant seasonably made be removed for trial to a district in a State contiguous to the State of the claimant's principal place of business; such district to be stipulated between the parties, or, if they cannot agree, to be designated by the court to which the application is made. Under the conference agreement the change of venue is to any district agreed upon by the parties, or, if they cannot agree within a reasonable time, the court within which the libel is pending (after reasonable notice and opportunity for hearing to the United States attorney) shall by order, unless good cause to the contrary is shown, provide for the removal of the case to a district of reasonable proximity to the claimant's principal place of business.

Consolidation of multiple libels

Under the House amendment when libel proceedings involving the same claimant and the same issues of adulteration or misbranding are pending in two or more district courts, such proceedings upon application of the claimant to one of such courts may be consolidated for trial by order of such court and tried in any district, selected by the claimant, where one of the proceedings is pending, or, if not so selected, in a district contiguous to the State of the claimant's principal place of business, to be agreed upon between the parties, or, if they cannot agree, to be designated by the court to which the application is made. The conference agreement requires the consolidation to be in a district selected by the claimant where one of the proceedings is pending or in a district agreed upon between the parties, and further provides that if not selected in one of these manners, the court to which the application is made (after reasonable notice and opportunity for hearing to the United States attorney) shall by order, unless good cause to the contrary is shown, order the consolidation to be made in a district of reasonable proximity to the claimant's principal place of business.

Warning of minor violations

The conference agreement omits the limitation that only one warning of a minor violation of the act may be given by the Secretary.

Adulteration of ice cream

Under the House amendment ice cream, in addition to being subject to the general provisions relating to other foods, is considered as adulterated if it bears or contains any alcohol or nonnutritive article or substance except harmless coloring, harmless flavoring, harmless, resinous glaze, harmless stabilizer of animal or vegetable origin, natural gum, and pectin, but it is provided that this provision shall not apply by reason of its containing less than one-half of 1 percent of alcohol derived solely from the use of flavoring extracts. The conference agreement omits this special provision with relation to ice cream.

Harmless resinous glaze

The conference agreement limits the amount of harmless resinous glaze permissible in confectionery to four-tenths of 1 percent.

Label disclosure of ingredients of food

The House amendment and the bill as agreed to in conference require the labels of all food products for which no definition and standard of identity have been prescribed, and which are made from two or more ingredients, to bear the names of each ingredient, except spices, flavorings, and colorings, unless exempted by regulations on the ground that compliance is impracticable or results in deception or unfair competition. The conference agreement omits a provision of the House amendment which exempted also proprietary products, when label disclosures would give competitors information they could not otherwise obtain, on condition that the composition had been disclosed to the Secretary.

Whisky

Under the House amendment if any article is labeled as "whisky" (with or without qualifying words) and it or any part of it is distilled from a source other than grain, it shall be deemed not to provide the consumer with adequate information as to its identity within the meaning of certain provisions of the Federal Alcohol Administration Act. This provision is omitted by the conference agreement.

Variations in strength, quality, and purity of official drugs

The House amendment defined drugs recognized in official compendia as adulterated if they differ in strength, quality, or purity from the official standard, but permitted difference in strength on condition that the difference from the standard be plainly stated on the label. The conference agreement permits, on the same condition, differences also in quality and purity.

Identity of drugs

Under the House amendment a drug or device which does not purport to be and is not represented as a drug recognized in an official compendium is considered adulterated if its identity differs from that which it purports or is represented to possess. This provision is omitted under the conference agreement as surplusage since in the case of these drugs and devices, as well as in the case of drugs recognized in an official compendium, if the identity differs from that which it purports or is represented to possess, they would either be considered to be adulterated under section 501 (d) or misbranded under section 502, or both.

Drugs or devices dangerous to health when used in accordance with the label

The conference agreement transfers from the adulteration section to the misbranding section the provision of the House amendment relating to drugs and devices which are dangerous to health when used in the dosage or with the frequency or duration prescribed, recommended, or suggested in the labeling.

Label disclosure of ingredients of drugs

The House amendment and the bill as agreed to in conference requires the label of all drugs, except those recognized in official compendia, which are made with two or more active ingredients, to bear the names of each active ingredient, unless exempted by regulations on the ground that compliance is impracticable. The conference agreement omits a provision of the House amendment which exempted all drugs from this requirement, except with respect to alcohol, if their composition had been disclosed to the Secretary, but adds a provision, not found in the House amendment, also requiring label disclosure of the name and quantity or

proportion of any bromides, ether, chloroform, acetanilid, acetphenetidin, amidopyrine, antipyrine, atropine, hyoscine, hyoscyamine, arsenic, digitalis, digitalis glucosides, mercury, cuabain, strophanthin, strychnine, thyroid, or any derivative or preparation of any such substances.

Warnings against misuse of drugs and devices

Under the House amendment a drug or device is considered misbranded unless its labeling bears such warnings against use in pathological conditions or by children where its use may be dangerous to health or against unsafe dosage or methods or duration of administration or application, in such manner and form, as the Secretary finds necessary for the protection of users and by regulations prescribes. Under the conference agreement a drug or device is considered misbranded unless its labeling bears such adequate warnings in the cases specified in the House amendment as are necessary for the protection of users.

Packing of drugs

Under the House amendment an article purporting to be a drug the name of which is recognized in an official compendium is deemed misbranded if not packaged and labeled as prescribed in the compendium. The conference agreement permits the method of packing to be modified with the consent of the Secretary.

Judicial review of regulations

Judicial review of the Secretary's order putting into effect a regulation under section 701 (e) under the conference agreement is had in the circuit court of appeals of the circuit of the residence or principal place of business of the person aggrieved. Under the House amendment review is in the United States district court.

The conference agreement gives the court jurisdiction to affirm or set aside the order, in whole or in part, and the order may be set aside temporarily or permanently. The conference agreement also gives the court the express power to require the Secretary to take action in accordance with law when there is error in an order of the Secretary which refuses to issue, amend, or repeal a regulation of the Secretary. The findings of the Secretary as to facts, if supported by substantial evidence, are conclusive on the court.

The type of judicial review provided in the agreement is as broad as the Constitution permits in the case of review by a constitutional court. It is to be noted that the function of the Secretary in making regulations and orders to carry them out is legislative in character. The bill as agreed to in conference retains the provisions of the House bill in section 701 (e) which lays down the rules under which the regulations may be formulated and issued. Notice, hearing, and findings are required, and the Secretary must base an order only on substantial evidence of record. Judicial review of the Secretary's action to determine if there has been compliance with such requirements, whether or not there was substantial evidence to support the finding, and, of course, upon constitutional questions, may be had.

Under the conference agreement additional evidence is to be taken before the Secretary. The provision in the House amendment for an alternative of taking such evidence before the court or a master is omitted.

Express provision is made under the conference agreement for review by the Supreme Court of the United States upon certiorari or certified questions.

The provision of the House amendment under which the remedies provided for are in addition to, and not in substitution for, other legal remedies, is retained.

CLARENCE F. LEA,
VIRGIL CHAPMAN,
WILLIAM P. COLE,
SAMUEL B. PETTENGILL,
HERRON PEARSON,
CARL E. MAPES,
B. CARROLL REECE,
CHARLES A. HALLECK,
Managers on the part of the House.

Mr. LEA. Mr. Speaker, this report was agreed to unanimously by the conferees of the Senate and House. It has also been approved by the Senate.

The conference report proposes legislation under S. 5 substantially the same as the bill passed the House. I shall briefly refer to a few changes agreed to by the conferees. I may say in this connection that someone in looking over the bill as it left the House ascertained that there were 97 changes in the Senate bill as passed by the House. Many of these changes were of a minor nature, but all of them were the result of careful attention given by the House committee for the purpose of improving, balancing, and strengthening the bill.

The Senate readily accepted 74 of these changes. There were a few matters in controversy that occupied the 5 days of attention given to the bill while it was in conference. Most of the matters of controversy were of comparatively minor importance. A few were important.

One proposal agreed to in conference extends injunctive relief as given to the Government under the bill as it passed the House. So the conference agreement includes three additional types of prohibited acts, making them subject to injunctive action by the Government in addition to those carried in the bill as it passed the House.

There is a change in the bill in regard to libel in cases where there is a representation on the label that is in a material respect false or fraudulent. The conferees agreed to change this language so that it reads: "would be in a material respect fraudulent or misleading to the injury or damage of the purchaser or consumer."

The object of that change was to make it clear that the misleading statement which it was intended to prohibit by seizure should be of such character as it might mislead a customer or purchaser to his damage. It has in mind consumer protection.

The same change in the provisions was made in reference to the venue of seizure cases. The bill as it passed the House provided for a limitation on seizure cases that might be maintained simultaneously. Under the bill as it came before the House the claimant in case of seizure was entitled to have a transfer of the case to a district court adjacent to the State of his residence or principal place of business, if that could be arranged by stipulation. In the absence of such an agreement, the court, unless good cause to the contrary is shown, would transfer the trial of the case to such adjoining State. As agreed upon by the conferees, in case the parties fail to agree as to the trial court, the court where the case was filed may likewise order the removal to a court of reasonable proximity to claimant's principal place of business. The same rule in reference to change of venue is applied in reference to consolidation of seizure cases.

There is also a provision in reference to ice cream which after the changes made in conference permits harmless coloring matter to be used in ice cream as well as the use of a harmless stabilizer.

But the ice cream must be subjected to a reasonable standard of quality as prescribed by the Secretary of Agriculture. A limit can be placed on the amount of stabilizer in ice cream to the extent that the Secretary has power to prescribe a reasonable standard of identity.

A limitation was placed by the conference agreement on the amount of resinous glaze that may be put in confectionery. Harmless glaze is exempted, but is subject to a limitation that the amount of glaze shall not exceed four-tenths of 1 percent of the quantity of the confectionery involved.

There is a change to some extent in reference to the requirement of the disclosure of ingredients of food products. The conference report omits a sentence from the bill as it passed the House exempting certain proprietary products where a disclosure is made to the Secretary. The exemption applied only to fabricated foods. The bill as agreed on requires certain disclosures. The conference agreement still permits exemptions to be made by regulations established by the Secretary as to disclosures in reference to fabricated foods where the Secretary finds that the disclosure on the label is impracticable, or results in deception, or unfair competition.

Mr. ANDRESEN of Minnesota. Mr. Speaker, will the gentleman yield?

Mr. LEA. I yield to the gentleman from Minnesota.

Mr. ANDRESEN of Minnesota. Is it the understanding, then, that any manufacturer of drugs, medicines, or preparations may file the formula with the Secretary without putting the formula of ingredients upon the label?

Mr. LEA. What I have just said referred only to fabricated foods. The bill as agreed upon in conference requires the label of all drugs, except those recognized in the official compendium, which are fabricated, to bear the names of each ingredient, unless exempted by regulations on the ground of impracticability. A disclosure is required, but the Secretary may prescribe regulations relieving of that disclosure in the case of these fabricated drugs.

Mr. ANDRESEN of Minnesota. By "fabricated drugs" does the gentleman mean patent medicines?

Mr. LEA. Drugs composed of two or more drugs that do not have their standard name in the official compendium.

The conferees also agreed upon a provision requiring adequate warnings upon the label against use in certain pathological conditions or by children where its use may be dangerous to health, or against unsafe dosage or duration of use. The substance of the change as agreed to by the conference is that the warning must be "adequate," instead of being prescribed by regulations of the Secretary. The Secretary, however, can prescribe exemptions to those regulations on the ground of impracticability.

There is also a provision in reference to the packaging of drugs. Where the official compendium requires a drug on account of its deteriorating character, or some other reason, to be packaged in a certain manner and the Secretary finds that it is undesirable or unnecessary to so package drugs, he may permit a modification.

This covers the main changes made in the bill by the conference report. I believe you will all recognize that the changes are few and mostly not of great importance.

I wish to discuss the provisions in reference to court reviews. The conferees delayed in reaching an agreement in regard to this matter. The conferees of the Senate long insisted on a provision that would bring cases from all over the country to the District Court of the District of Columbia for judicial review of regulations. The House bill proposed the United States district courts for such judicial reviews. The House conferees submitted a proposal that the circuit courts of appeals of the United States be accepted as the courts for judicial reviews. Finally this proposal of the House conferees was accepted as the compromise on which unanimous agreement was reached.

In this connection we must recognize that under our system of government we have three distinct departments of government. The happy choice that the Nation undoubtedly desires is that each function of government shall be performed by that division to which its execution is assigned by the Constitution. In other words, it is highly desirable that the executive, legislative, and judicial departments shall each perform its function and not trespass upon the prerogatives of the other fundamental divisions of government.

When we have a dissatisfaction with the action of any particular function of government or one of these great agencies, there may be the temptation to go too far in restricting the constitutional activities of that division of our Government. Unquestionably, from the long-time viewpoint, the welfare of our country is best preserved by maintaining unimpaired, the independence of the legislative, the executive, and the judicial branches without destroying the fundamental cleavage that should separate the activities of these functions of the Government.

The facts of a case are presented to the reviewing court of law for the purpose primarily of putting the court in position to perform its function. Part of its duties is to protect against invasion of the rights of these separate functions of the Government.

As I understand it, the fundamental principle back of court reviews is not that the court shall dominate an administrative agency, but rather restrain its unwarranted actions.

There is no purpose that the court shall exercise the functions that belong to the executive or the legislative branches, but it is the function of the Federal courts to preserve with integrity the duties that belong to the legislative, the executive, and the judicial branches of the Government and protect the citizens against the illegitimate use of their powers. For that purpose, when Congress creates an agency having quasi-judicial or quasi-legislative functions, we expect that agency to function in its proper sphere according to its rights under the Constitution and under the rights delegated by Congress. Against the abuse or improper use of that power we place the restraining influence of the courts. They are designed to be the protectors of the law.

This does not mean the courts cannot inquire into the facts to see whether or not the agency of Congress has violated its duty; but we, on the other hand, do not assume to transfer to the courts the burden of the legislative function intended to be performed by the agency of Congress. To pass all this responsibility to the courts would impose upon them a burden they could not possibly carry and which, as I take it, under the Constitution they do not assume to carry.

Here we provide a requirement that the action of the administrative body shall be based upon substantial evidence. When this case goes to the appellate court to determine whether or not that agency has properly performed its duties, the upper court, among other things, can inquire into these questions:

First. Is the regulation warranted by the legislative delegation of power?

Second. Does Congress itself have power to grant the power that is exercised by the agency?

Third. Has the administrative agency complied with the procedural requirements of Congress?

In this particular act we have set up a procedure, a regular order of procedure, that is to be followed by the administrative agency. The conditions under which hearings to make regulations shall be held are prescribed, with notice of hearing, both sides must present their evidence and a transcript of that evidence is the record on which the case goes to the appellate court.

The regulation that is adopted in this bill in section (e) of 701, in my opinion, is of more importance to orderly procedure and in aid of the Government departments in passing regulations than the court review section itself. This provision in our bill was written before the Supreme Court made its famous decision in the Morgan case, but it, in substance, provides that the legislative agency shall do the very things that the Supreme Court said they should do in the Morgan case.

Fourth. Have the due process requirements of the Constitution been complied with?

The Supreme Court has defined the rights of the courts in this respect. It is the duty of the courts that they have properly assigned to themselves, to inquire into the facts, to see whether or not the due process required to be accorded litigants, under the Constitution, has been complied with, and the Court has this unlimited authority to inquire into the facts for that purpose.

Fifth. Have the constitutional requirements as to protection against confiscation been regarded?

The courts have the undoubted right to go into the facts for that purpose.

Sixth. Is there substantial evidence to support the findings of the Secretary?

For this purpose the court must determine whether or not there is substantial evidence to support the findings made by the administrative agency. This goes into the question of materiality. It goes into the question whether or not the information furnished is essential and important. When we use that language we mean what the word "substantial" means in the ordinary affairs of life. It must be important, substantial, and material. It must answer the requirements of the act. In other words, the court is not debarred from going into the facts to ascertain if there is substantial evidence because there is evidence that is merely colorable, seeming or merely nominal. It means an honest-to-God review by the court for the purpose of performing its function of protecting the law against the legislative or the executive departments of the Government; and

Finally, the courts must go into the question of whether the action taken is arbitrary, unreasonable, or capricious.

They have a right—a duty—to do this under the Constitution and not merely on account of our having written that into this bill.

I now call the attention of those who are inclined to be critical of the court review section, claiming it does not go as far as it should, that this section provides for a review of a negative order of the Secretary of Agriculture.

At the present time the law affords no remedy against a negative order, for instance, refusing a permit under the emergency permit section of this law, or refusing to take

any action to remedy an unwarranted provision of a regulation promulgated under this proposed act. When this bill is enacted, the interested person who has a case will have a right to a hearing, and, in case there is an adverse order, a court review on the question of a negative order.

Mr. ROBERTSON. Mr. Speaker, will the gentleman yield?

Mr. LEA. I yield to the gentleman.

Mr. ROBERTSON. In referring to the honest-to-God investigation of what is and what is not substantial evidence, would not the court also give consideration to evidence of the ultimate fact which the Secretary is finding as distinguished from opinion evidence?

Mr. LEA. That is very true. Opinion evidence might become worthless in view of concrete indisputable direct evidence.

Mr. BUCK. Mr. Speaker, will the gentleman yield?

Mr. LEA. I yield.

Mr. BUCK. As far as I can find, there has been no judicial construction of what the word "substantial" means in connection with evidence. The interpretation that the gentleman is putting on what substantial evidence is is the interpretation, then, that the conferees want to go into the RECORD for future consideration by any court if there is a matter of review involved; is that right?

Mr. LEA. I trust the language I have spoken here in reference to the matter correctly reflects the viewpoint of the conferees.

Mr. BUCK. I think, Mr. Speaker, that it is of some importance to those of us who have fought for this court review section that a proper interpretation be placed in the RECORD when there is no decision as to what the words "substantial evidence" mean, and I want some assurance, as far as the distinguished gentleman from California [Mr. LEA] is concerned. If his statement is the considered statement of the conferees, I am satisfied. That is all I want.

Mr. LEA. I take that to be the fact. I might call attention of the gentleman that when this bill was pending in the Committee of the Whole, it emphatically rejected a proposed amendment that would have made the findings of the Secretary conclusive if supported by any evidence. On a motion to recommit, the House likewise rejected that proposal as a substitute for the requirement of substantial evidence required by this bill.

We are not presenting or requesting a definition in the technical sense, but in the sense of the ordinary acceptance of the meaning of the word "substantial."

Mr. BUCK. "Substantial" is not going to mean evidence based on a lot of opinions that some bureaucrats would seem to want to offer?

Mr. LEA. No.

At this point I quote some excerpts from a stockyards case decided, I believe, about 2 years ago, and reported in Two Hundred and Ninety-eighth United States Reports, page 50. These quotations are of a general character but pertinent to the problem before us:

> The Court does not sit as a board of revision to substitute its judgment for that of the legislature or its agents as to matters within the province of either.
>
> "When the legislature acts directly its action is subject to judicial scrutiny and determination in order to prevent the transgression of these limits of power. The legislature cannot preclude that scrutiny and determination by any declaration of legislative finding. Legislative declaration of finding is necessarily subject to independent judicial review upon the facts and the law by courts of competent jurisdiction to the end that the Constitution as the supreme law of the land may be maintained. Nor can the legislature escape the constitutional limitation by authorizing its agents to make findings that the agent has kept within that limitation. Legislative agencies, with varying qualifications, work in a field peculiarly exposed to political demands. Some may be expert and impartial, others subservient. * * *
>
> But to say that their findings of fact may be made conclusive where constitutional rights of liberty and property are involved, although the evidence clearly establishes that the findings are wrong and constitutional rights have been invaded, is to place those rights at the mercy of administrative officials and seriously impair the security inherent in our judicial safeguards. That prospect, with our multiplication of administrative agencies, is not one to be lightly regarded.
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> * * * * * *
>
> Under our system there is no warrant for the view that the judicial power of a competent court can be circumscribed by any legislative arrangement designed to give effect to administrative action going beyond the limits of constitutional authority.

Judge Brandeis in the course of further discussion said:

> The order of an administrative tribunal may be set aside for error of law, substantive or procedural.
>
> Where what purports to be a finding upon a question of fact is so involved with and dependent upon questions of law as to be in substance and effect a decision of the latter the court will, in order to decide the legal question, examine the entire record, including the evidence if necessary, as it does in cases coming from the highest court of a State.
>
> It may set aside an order for lack of findings necessary to support it.
>
> Or because findings were made without evidence to support them.
>
> Or because the evidence was such that it was impossible for a fair-minded board to come to the result which was reached.
>
> Or because the order was based on evidence not legally cognizable.
>
> Or because facts and circumstances which ought to have been considered were excluded from consideration.
>
> Or because facts and circumstances were considered which could not legally influence the conclusion.
>
> * * * * * * *
>
> These deal with errors of law or irregularities of procedure.

Mr. LEAVY. Mr. Speaker, will the gentleman yield?

Mr. LEA. Yes.

Mr. LEAVY. I take it the gentleman's definition of "substantial evidence" would be evidence where a fact could be established by evidence. The fact is the thing that should be established, rather than the expression of an opinion by an expert.

Mr. LEA. Of course the court has a right to review the whole testimony before it, with a view of determining whether or not there is substantial evidence.

Mr. LEAVY. We have direct evidence of the fact, and we have opinion evidence, when a man can qualify as an expert.

Mr. LEA. Of course it is the fundamental or ultimate fact we are dealing with in deciding what is substantial evidence.

Mr. LEAVY. I have no fault to find with the general legislation. I think it is highly commendable and desirable that the American people be protected with a wise pure food and drug act, but the regulation heretofore made in reference to fruit, particularly apples and pears, affecting the citizens of 45 States in the Nation, was made apparently upon opinion evidence 12 years ago of a few men who could qualify as experts. Spray residue ought to be removed from fruit if it is deleterious to health, but it has become a question of degree, and arbitrarily a degree has been fixed so low that it is destructive of the industry, and no proof that it is injurious. Under the court review as the conferees have reported this back, would we still have relief from an order that has been in existence for 12 years, though no record has been made, no findings of fact have ever been made?

Mr. LEA. No. That situation is this. I have been interested to some extent, as the gentleman has. I think the regulations or practice referred to could not be sustained in any court that would do its duty. The regulations or determinations were unreasonable and arbitrary, and I think almost absurd, but that was only an order. No regulations will exist with reference to spray, except what are made pursuant to this bill, when it is enacted.

Mr. LEAVY. That is, subsequent to the enactment of the bill?

Mr. LEA. Yes. A review is had and regulations may be established under this bill. What was done with reference to the spray residue was that a very limited amount was declared to be an adulteration under the criminal statute against adulteration. There was a certain amount of tolerance permitted before prosecutions would be made. There is now no regulation that controls the spray residue, and

there will not be until this bill goes into effect and regulations have been adopted.

Before that adoption occurs there will be a hearing, notice will be given, evidence taken and reduced to a record. Then when the Secretary of Agriculture acts he will be in a different position from that under which he formerly acted. He will act under a sense of responsibility, and he will have to assign the reasons for his actions, and he will have to know that when he goes to court his action will be under the scrutiny of the court, and he must meet the test of substantial evidence.

Mr. LEAVY. From the statement just made I understand that the present existing regulation, after the enactment of this legislation, will be no longer binding or effective.

Mr. LEA. There would still be a possible prosecution for adulteration, but I have no doubt that the regulations will be adopted under the circumstances that I have described and the matter treated in an orderly way.

Mr. LEAVY. All the growers ask is to comply with any regulation based on facts found after a full and fair hearing and then make the limit whatever that finding discloses it should be.

Mr. LEA. I think they will get that opportunuity under this bill. In this connection I believe in what the committee has done. We have made a material contribution to the welfare of the departments themselves. In the last few days since this has been a matter of debate, at least two responsible, experienced attorneys in the Government service, connected with important agencies, have told me they think this bill makes a splendid contribution to administrative law; that it will add to the prestige and dignity and success of these agencies themselves. They gave me the viewpoint that these agencies ought to welcome this sort of orderly procedure instead of resisting it, and if so they will gain more public confidence and there will be more justice in what they do and far less reason for the courts to invalidate their actions.

Mr. BUCK. Mr. Speaker, will the gentleman yield?

Mr. LEA. I yield.

Mr. BUCK. I understand this is true if the Secretary of Agriculture acts.

Mr. LEA. Yes.

Mr. BUCK. If he does not act, if he makes no regulation at all, refuses to amend any order, and so forth, the pear grower, the apple grower, the tomato grower, or anybody else affected still has a right to appeal to the courts.

Mr. LEA. That is right. This is a new feature of administrative law and I believe a very important and sensible one. If the Secretary refuses to act when the evidence shows that it is his duty to act, or to repeal an unlawful or an unwarranted finding, that would be subject to review by the courts.

Mr. REECE of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. LEA. I yield.

Mr. REECE of Tennessee. The court review provision included in the conference report is an indication of an advance in the field of administrative law. It is not too much to expect that in the future some similar provision may be adopted in connection with the extension of authority which Congress gives.

Mr. LEA. I think that may well be anticipated.

Mr. LUCAS. Mr. Speaker, will the gentleman yield?

Mr. LEA. I yield.

Mr. LUCAS. Does the gentleman feel that the conference committee could have done anything else than bring in this court review provision in view of what the Court said in the Morgan case?

Mr. LEA. I think not. We have simply recognized constitutional limitations and followed out the sensible suggestions of the Supreme Court. This provision was written, however, before the Court decision was rendered.

Mr. LUCAS. If I understand it correctly the conference committee has retained the full legislative power that the Constitution intended without delegating any of it to the Executive in this bill.

Mr. LEA. We believe so.

Mr. LUCAS. Let me ask one further question. The gentleman said a moment ago in reply to a question that everyone would receive notice when a certain regulation was promulgated by the Secretary of Agriculture. Will the gentleman explain whom he meant by everybody?

Mr. LEA. My statement was not strictly accurate, but public notice will be given in agricultural publications and by other usual methods so that everybody within reason will be able to learn of it. There is no attempt at personal service on everybody, of course.

Mr. LUCAS. I appreciate that. I am thinking particularly of the spray residue problem that has been debated here in the House. I have apple growers in my district. I am wondering now just how a man in that particular county would receive notice in connection with a hearing upon a regulation affecting spray residue, for instance.

Mr. LEA. I think in practice it will be given through agricultural publications, through the press generally. It will be handled in a satisfactory way, I am sure. The notice must meet the requirements of the law.

Mr. MEAD. Mr. Speaker, will the gentleman yield?

Mr. LEA. I yield.

Mr. MEAD. Did the gentleman's committee take up the question of misbranding packages? For example, canners of standard brands, oftentimes they will eliminate a part of the quantity yet continue the same labeling so that the purchaser will be under the impression that he is buying a standard package when in reality he is buying only a part of a standard package. I have known canners to remove one or two tomatoes from a can and yet sell the can as a standard can of tomatoes.

Mr. LEA. We have specifically provided against that very thing.

Mr. MEAD. That is very good.

I understood from what the chairman of the committee said to the gentleman from Washington that the apple and pear industry will be given more liberal consideration under the terms of the bill than they have received in the past.

Mr. LEA. They will be given a full hearing and opportunity to present their case.

Mr. MEAD. From the standpoint of a layman and subscribing to the philosophy of this bill, this bill not only covers foods and drugs but, of course, extends the authority of the original law to cosmetics and devices and, as such, it gives the public greater protection than has been the case in the past. Is that true?

Mr. LEA. That is true beyond question.

Mr. MEAD. Just one further question, if the gentleman will permit: Is the judicial procedure prescribed in this bill in keeping with the judicial decisions that have been rendered recently, particularly in the Humphreys case and in cases where the executive and the judicial authority have been in conflict? As I understand it, this simplifies and specifies the procedure so that the conflict between the Executive and the judiciary will no longer exist.

Mr. LEA. That line, I think, is pretty clearly drawn. We have also followed the recent decision of the Supreme Court, particularly in the Morgan case. We have respected the legitimate division of legislative, executive, and judicial powers.

Mr. MEAD. That is the case I have in mind.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. LEA. I yield.

Mr. SABATH. Section 701 takes away from the courts the power vested in the judiciary?

Mr. LEA. No.

Mr. SABATH. In view of the confidence the gentleman has in our judiciary, he feels that the public will be protected if that power is vested in the judiciary?

In this connection, I desire to call attention to this morning's paper, which gives a report of some of the actions of

our courts. In the third circuit, out of 16 cases, there were 16 reversals by the Supreme Court. In the seventeenth district, out of 14, there were 11 reversals. In the ninth district, out of 17 cases there were 14 reversals.

This being the case, I cannot feel so confident that these courts, if given this power, will be of greater service to the Nation than some of the departments, or gentlemen in control of the departments, have in connection with service, and real, honest service, they have rendered, and they have not been reversed during many years of faithful service.

Mr. LEA. What the gentleman states justifies what is proposed here. Instead of proceeding uncharted and holding these hearings and having reversals for procedural reasons, we map out a course that is easy for the Departments to follow. If the Departments do follow this procedural course, reversals will not occur. Instead of railing at the Supreme Court, the Departments ought to welcome a system by which the Congress will clearly chart their way and if followed they will be secure.

Mr. SABATH. Will this aid the courts in the future so that it will not be necessary for the courts to reverse 90 percent of the cases, and in some instances 100 percent of the rulings? I am referring to the Supreme Court of the United States.

Mr. LEA. Those overturns largely were on account of procedure. It frequently happens that the procedure of a department is so in disregard of recognized principles of justice that the courts naturally go into the case with merited distrust. We will give these departments the prestige and respect they deserve from the people and the courts if they comply with orderly procedure; if they give a fair hearing after notice, and make a full and fair record. When they do that they make it possible to go into a court in a way that they will enjoy the respect of the court. They will be sustained by the court, just as these quasi judicial bodies in the Federal Government are sustained. There is where your weakness is. There is where the fault is.

Mr. SABATH. I hope this will cure that weakness. I may say that I am of the opinion that these courts have assumed too much jurisdiction in nullifying the action of Congress, and it became necessary finally in the last few months for the Supreme Court to stop this abuse on the part of our courts. They have done this by reversing, according to the report I hold in my hand, in one district every 1 of the 16 cases, in another district 14 out of 17 cases, and in still another district 11 out of 14 cases. That surely is a mighty poor record. I cannot point with pride to the action of some of the circuit courts or even our district courts.

Mr. LEA. Of course, the gentleman has overruled the Supreme Court.

Mr. SABATH. No; I am with the Supreme Court, because they have reversed the findings of these courts that have usurped the power of Congress in trying to nullify the action of the Congress by issuing injunctions against the bureaus and Departments that have been trying to enforce laws we have enacted.

Mr. LEA. If the gentleman will look into the facts, he will find that the quasi judicial organizations of the Federal Government have found it possible to win confidence in their proceedings. If they follow orderly procedure and use competent care, their reversals will not be numerous. It is these irresponsible actions by administrative bodies that lead to distrust and reversals and, worse still, destroy confidence in the Government.

Mr. Speaker, before I conclude I would like to refer to the fact that in mentioning the circuit court of appeals, we used only that general language without specific reference to the United States Circuit Court of Appeals for the District of Columbia. It was the purpose of the committee to include the Circuit Court of Appeals of the District of Columbia within that term. The Supreme Court has already construed similar language as including the Circuit Court of Appeals of the District of Columbia.

Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. MAPES].

Mr. MAPES. Mr. Speaker, as the chairman of the Committee on Interstate and Foreign Commerce just said, this conference report comes to the House with the unanimous approval of all conferees, both of the House and Senate. The adoption of it will mean the culmination of years of work on the part of friends of food and drug legislation. It will mean the enlargement of the scope of the food and drug law and the improvement and strengthening of it to a very great extent.

I shall not take any extended time to discuss the conference report except to express my approval of it and of the work of the conferees. I had my say during discussion of the bill in the House of Representatives, and I am glad to say the conference report contains the identical provisions in substance, as far as the court-review section is concerned, that I offered as an amendment to the bill when it was being considered in the House.

This legislation as now presented is a tremendous step in the right direction. It is a great encouragement to the friends of proper food and drug legislation to have the conference report brought back to the House in the shape it is in. I trust it may be speedily adopted.

Mr. LEA. Mr. Speaker, I yield myself 1 additional minute. When I extend my remarks, I shall include some quotations of the Court in further exposition of what I have just said.

Mr. DOXEY. Will the gentleman yield?

Mr. LEA. I yield to the gentleman from Mississippi.

Mr. DOXEY. Mr. Speaker, I may say to the distinguished gentleman from California it is not my purpose to delay action on this conference report, but when this bill was before the House for consideration we had some little discussion concerning whether or not a doctor or firm could prescribe for the afflicted by mail. I am interested to know if the conferees made any change or modification in that particular exemption section. May I ask the gentleman if the conferees were able to comply to some degree with the request I made, in line with the amendment I introduced at that time?

Mr. LEA. We were unable to secure any change. That was a matter of some discussion. There is no change in the bill in that respect.

Mr. DOXEY. I thank the gentleman from California for that information. You know of my interest and I regret exceedingly that the conferees were not able to include within the exemption section such firms and doctors as I mentioned to you in our discussions.

Mr. Speaker, while I have the floor, I ask unanimous consent to extend my remarks in the RECORD by including therein a statement prepared by the Department of Agriculture with reference to the agricultural situation in Mississippi for the years 1932 to 1937.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. LEA. Mr. Speaker, I yield 5 minutes to the gentleman from Indiana [Mr. PETTENGILL].

Mr. PETTENGILL. Mr. Speaker, I doubt if any bill in recent years has been as carefully considered as the bill that is now before the House for final action. This bill, in one form or another, has engaged the attention of our committee and of the Congress for 5 years. We have slept with it, we have eaten with it, and we have bled with it. The bill passed at the previous session of the Congress, and, as the Members know, failed for the reason that the House and the Senate could not agree on a conference report. Now, after 5 years of the most painstaking study it is possible for a committee of Congressmen to engage in, the bill is here with a unanimous report of the conference committee, the managers on the part of the House as well as those of the Senate, and with the information from the chairman of our committee that the Senate has already adopted the conference report.

I am happy, indeed, to have had some small part in working out this bill, both as a member of the subcommittee which considered it during the present session and of the full Committee on Interstate and Foreign Commerce.

Mr. Speaker, I believe some rather unjust criticism has gone out to the country from certain organizations representing so-called consumer interests to the effect that this bill emasculates even the existing law. There has been a great deal of objection made on this question of court review. I have received letters in the last week or 10 days from a number of these organizations stating that the bill is worse than no bill at all because the question of regulations and orders will be interminably before the country and a hostile interest can forever postpone effective action. There is no warrant for such a statement.

If no application for a court review is filed within 90 days, that ends it as far as the new section of the statute is concerned. Consequently, it seems to me this is actually a strong step, not only in protecting the interest of the great producing industries of America, whether they produce apples or pears or anything else, but in strengthening the authority of the Secretary in issuing these rules and regulations. If no challenge is made within the 90 days, then the rule or regulation goes to the country, authenticated by the fact that nobody has challenged it, and this in itself would give a great deal of weight to its consideration. However, if some substantial part of an effective industry filed an application for court review within 90 days, it would soon be determined by a circuit court of appeals of the United States, and the order would either be sustained or reversed or modified. When that is done, it becomes an authoritative precedent for the rule or regulation or order throughout the United States.

I am satisfied, Mr. Speaker, that although this is new legislation in the pure food and drug line, it is actually a splendid step forward. I hope the principle of court review that has now been adopted in this pure food and drug regulation will be enacted into law with respect to other acts of Congress which deal with the orders of a great and growing bureaucracy in this country.

[Here the gavel fell.]

Mr. LEA. Mr. Speaker, I yield 5 minutes to the gentleman from Tennessee [Mr. REECE].

Mr. REECE of Tennessee. Mr. Speaker, as I remarked when this bill was before the House a few days ago, I believe it substantially extends and strengthens the Pure Food and Drugs Act and will enable the Department of Agriculture under the authority here given to protect the public adequately from any situation which might conceivably arise. Insofar as it is possible to give the Department authority to foresee possible dangers and prevent such dangers from occurring, that authority is here given. The controversy that has arisen with reference to the court-review section of the bill has served to obscure many other provisions of the bill which are vital to the protection of the public. I may emphasize that the other provisions of the bill undertake to give the authority for such protection, and, in my judgment, do give it in an eminently satisfactory way. When the bill was before the House I expressed the view that the court-review provision should not be permitted to undo the other desirable provisions of the bill which are so badly needed for the protection of the public; but I am pleased to say that this provision has now been worked out so that it meets with the approval of all the interested parties. I am particularly pleased to see the court-review provision worked out so as to meet with the approval of the Department of Agriculture, which, according to my understanding, at no time raised an objection to the bills containing a court-review provision which would enable the orders of the Department to have their validity passed upon before they become effective.

I think the enactment of this piece of legislation will accomplish a great benefit to the people, and I may say on behalf of Chairman LEA and the ranking minority member, Mr. MAPES, as well as the other members of the committee, that I have never seen members of a committee work more conscientiously than these men have worked in developing and perfecting this legislation. The primary objective of all their efforts has been to protect the consuming public and to do so insofar as possible without bringing any injury to the legitimate industry which is being affected by the legislation. As a member of the subcommittee which has developed this bill, I wish to express my greatest satisfaction that it is now about to become law.

[Here the gavel fell.]

Mr. LEA. Mr. Speaker, I yield 5 minutes to the gentleman from Kentucky [Mr. CHAPMAN].

Mr. CHAPMAN. Mr. Speaker, after several years of rather arduous labor on the part of the members of the subcommittee, and for my part very pleasant association with the members of the subcommittee, in the hour of adoption of this conference report I feel like expressing my sentiments in the words of the old hymn, "This is a day I long have sought and mourned because I found it not."

This is far from a perfect bill on a subject that affects every man, woman, and child in America, because every person between the two oceans is a user of one or more of these products—foods, drugs, cosmetics, and therapeutic devices.

This bill could contain some provisions, which it does not contain, that I think would make it a better bill for the protection of the public. It has a few legislative excrescences which maybe ought not to be attached to it, but taken section by section, line by line, from beginning to end, it constitutes a vast improvement over the existing 32-year-old food and drug law, and I am glad today to join in the adoption of this conference report, signed unanimously by the House and Senate conferees.

Mr. REECE of Tennessee. Mr. Speaker, will the gentleman yield

Mr. CHAPMAN. I yield to the gentleman.

Mr. REECE of Tennessee. For 2 years I worked as a member of the subcommittee of which the distinguished gentleman from Kentucky was chairman, and I want to pay a tribute to the fine work which the gentleman from Kentucky has done toward the development of this legislation, and I wish to say I believe there is no Member of the House who has been more solicitous about getting legislation which would adequately protect the interests of the public than the gentleman from Kentucky, and no one has expended more intelligent effort in an attempt to do so. [Applause.]

Mr. CHAPMAN. Mr. Speaker, I am very grateful for the gracious sentiment expressed by the gentleman from Tennessee, and I desire also to pay tribute to the interest and activity of the gentleman in helping to perfect a good bill, and this applies also to other members of the committee.

Mr. Speaker, we have a good bill, a bill which I believe will enable the Department of Agriculture, the enforcement agency, to protect more adequately the public than has been possible under the antiquated statute which has been on the books for more than 30 years, and may I say, since the subject has been raised here, as one who joined with the distinguished gentleman from Michigan [Mr. MAPES], than whom no man has been more solicitous of the public welfare in the study and drafting of this measure—and who in ability, character, and courage ranks with the finest statesmen it has been my privilege to know—as one who joined with him in filing a minority report, let me say that if the bill reported to the House originally had contained a court-review section such as that contained in the bill we are adopting today, I am sure the gentleman from Michigan and I never would have filed that minority report.

Mr. Speaker, I am pleased to see this bill pass. I think it means a great deal for the protection of the men, women, and children of America. [Applause.]

[Here the gavel fell.]

Mr. LEA. Mr. Speaker, I yield myself 1 additional minute.

As chairman of the committee that has worked with this bill for the last 2 years, I would not attempt to distinguish between the service of the members of our subcommittee, but I do want to say that, without exception, they have worked with the highest purpose to try to serve the public, and I

have a great admiration for the work that has been done. I would also say, Mr. Speaker, that our differences of opinion have in the end worked to give us better legislation.

Mr. Speaker, I move the adoption of the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

NATURAL GAS IN INTERSTATE COMMERCE

Mr. LEA. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 6586) to regulate the transportation and sale of natural gas in interstate commerce, and for other purposes, with Senate amendments, and consider the Senate amendments in the House.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The SPEAKER. The Clerk will report the first Senate amendment.

The Clerk read as follows:

Senate amendment No. 1: Page 3, strike out lines 16 to 25, inclusive, and lines 1 to 6, inclusive, on page 4.

Mr. LEA. Mr. Speaker, I offer the motion which I send to the desk.

The Clerk read as follows:

Mr. LEA moves that the House disagree to Senate amendment No. 1.

The motion was agreed to.

The SPEAKER. The Clerk will report the next Senate amendment.

The Clerk read as follows:

Page 8, line 8, after "order", insert ": *Provided, however*, That the Commission shall have no power to order any increase in rates, but may order a decrease where existing rates are unjust, unduly discriminatory, preferential, otherwise unlawful, or are not the lowest reasonable rates."

Mr. LEA. Mr. Speaker, I offer the following motion, which I send to the desk.

The Clerk read as follows:

Mr. LEA moves that the House concur in the amendment of the Senate to section 5 (b) of the bill, on page 8, line 8, with an amendment: On page 8, line 8, in lieu of the matter inserted by the Senate amendment insert the following: *"Provided, however*, That the Commission shall have no power to order any increase in any rate contained in the currently effective schedule of such natural-gas company on file with the Commission unless such increase is in accordance with a new schedule filed by such natural-gas company; but the Commission may order a decrease where existing rates are unjust, unduly discriminatory, preferential, otherwise unlawful, or are not the lowest reasonable rates."

The SPEAKER. The question is on agreeing to the motion offered by the gentleman from California.

Mr. LEA. Mr. Speaker, this amendment was authorized by the committee.

Mr. FADDIS. Mr. Speaker, will the gentleman yield?

Mr. LEA. Yes.

Mr. FADDIS. That amendment provides that a gas company may apply for an increase in rates by filing a schedule.

Mr. LEA. It provides that the rates shall not be made higher than the schedule asked for by the company. The purpose of the Senate amendment was to prevent any company's rates being raised over their objection, with the idea of stifling competition with a competitor. This means that the rates of the gas company will not be raised higher than their schedules.

The SPEAKER. The question is on agreeing to the motion of the gentleman from California.

The motion was agreed to.

The SPEAKER. The Clerk will report the next Senate amendment.

The Clerk read as follows:

Page 11, line 3, after "Commission", insert "In passing on applications for certificates of convenience and necessity the Commission shall give primary consideration to the applicant's ability to render services at rates lower than those prevailing in the territory to be served, it being the intention of Congress that gas shall be sold in interstate commerce for resale for ultimate public consumption for domestic, commercial, industrial, or any other use at the lowest possible lawful rate consistent with the maintenance of adequate service in the public interest."

Mr. LEA. Mr. Speaker, I offer the following motion, which I send to the desk.

The Clerk read as follows:

Mr. LEA moves that the House concur in the amendment of the Senate to section 7 (c) of the bill on page 11, after line 3, with an amendment as follows: In lieu of the matter proposed by said amendment of the Senate insert:

"In passing on applications for certificates of convenience and necessity, the Commission shall give due consideration to the applicant's ability to render and maintain adequate service at rates lower than those prevailing in the territory to be served, it being the intention of Congress that natural gas shall be sold in interstate commerce for resale for ultimate public consumption for domestic, commercial, industrial, or any other use at the lowest possible lawful, reasonable rate consistent with the maintenance of adequate service in the public interest."

Mr. LEA. Mr. Speaker, this amendment was authorized by the Interstate and Foreign Commerce Committee.

Mr. FADDIS. Mr. Speaker, will the gentleman yield for a question?

Mr. LEA. Yes.

Mr. FADDIS. To ask the gentleman a question in that connection, Does the gentleman believe that the language of this amendment is sufficient to take care of a situation such as might arise of this character? Suppose a gas company should drill in, and new gas flowed with tremendous rock pressure and volume, then under the amendment will they be precluded from coming in and underbidding some established company that has a franchise for a borough or a city or a municipality of some kind, and would the public be amply protected from the fact that their reserves may not be sufficient to enable them to supply this vicinity for any appreciable length of time? Does the gentleman believe this amendment will protect the public against that?

Mr. LEA. This will, in addition to what the Senate amendment will require. This requires a new company to show it is capable of maintaining its rates as well as providing them immediately.

Mr. FADDIS. That is highly important in a matter of this kind.

Mr. LEA. That it requires reasonable rates instead of the lowest lawful rate.

Mr. FADDIS. Does the gentleman believe this will prevent a lot of cutthroat competition among the various companies?

Mr. LEA. We believe it will. It will carry out the purpose of the bill as it passed the House.

Mr. FADDIS. Of course, I know the gentleman is in strict accord with the principles of the administration insofar as cutthroat competition shall not be encouraged. What we have been trying to do here for the last 6 or 7 years is to prevent cutthroat competition going to the extent of destroying industry and labor engaged in industry; and the gentleman believes this is sufficient?

Mr. LEA. I believe that is sufficient.

The amendment was agreed to.

A motion to reconsider the votes whereby the several amendments were agreed to was laid on the table.

AMENDMENT OF BANKRUPTCY LAW

Mr. CHANDLER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 8046) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto; and to repeal section 76 thereof and all acts and parts of acts inconsistent therewith, with Senate amendments, and concur in the Senate amendments.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Clerk read the Senate amendments, as follows:

Page 2, line 2, strike out "and XIII" and insert "XIII, and XIV."

Page 3, lines 16 and 17, after "applicable", insert "and."

Page 3, line 18, strike out ", and the United States Court of Alaska."

Page 7, lines 16 and 17, strike out "bankruptcy as hereinbefore defined are hereby" and insert "the United States hereinbefore defined as courts of bankruptcy are hereby created courts of bankruptcy and are hereby."

Page 7, lines 19 and 20, strike out ", in equity, and in admiralty" and insert "and in equity."

Page 12, line 3, strike out all after "arrangement" down to and including "of" in line 5 and insert "or a plan under."

Page 16, line 9, strike out "of" where it occurs the first time, and insert "or."

Page 19, line 12, strike out "jurisdiction" and insert "State."

Page 25, line 2, strike out "bankrupt;" and insert "bankrupt."

Page 27, lines 24 and 25, strike out "or the United States attorney" and insert "the United States attorney, or such other attorney as the Attorney General may designate."

Page 29, line 13, after "pending", insert "or such other attorney as the Attorney General may designate."

Page 30, strike out lines 12 to 15, inclusive, and insert "a. A discharge in bankruptcy shall release a bankrupt from all of his provable debts, whether allowable in full or in part, except such as (1) are due as a tax levied by the United States, or any State, county, district, or municipality."

Page 30, line 16, after "obtaining", insert "money or."

Page 39, strike out lines 23, 24, and 25, and lines 1 to 20, inclusive, on page 40, and insert:

"a. The Circuit Courts of Appeals of the United States and the United States Court of Appeals for the District of Columbia, in vacation, in chambers, and during their respective terms, as now or as they may be hereafter held, are hereby invested with appellate jurisdiction from the several courts of bankruptcy in their respective jurisdictions in proceedings in bankruptcy, either interlocutory or final, and in controversies arising in proceedings in bankruptcy, to review, affirm, revise, or reverse, both in matters of law and in matters of fact: *Provided, however,* That the jurisdiction upon appeal from a judgment on a verdict rendered by a jury, shall extend to matters of law only: *Provided further,* That when any order, decree, or judgment involves less than $500, an appeal therefrom may be taken only upon allowance of the appellate court."

Page 40, line 22, strike out all after "appeal" down to and including "right" in line 11, page 41.

Page 41, line 13, strike out "appellate jurisdiction from" and insert "jurisdiction to review judgments, decrees, and orders of."

Page 41, line 21, strike out "of" where it occurs the second time and insert "for."

Page 41, line 22, strike out "twenty" and insert "thirty."

Page 45, line 22, after "offense" insert ": *Provided,* That the offense of concealment of assets of a bankrupt shall be deemed to be a continuing offense until the bankrupt shall have been finally discharged, and the period of limitations herein provided shall not begin to run until such final discharge."

Page 50, line 25, strike out "thereof," and insert "thereof."

Page 51, line 1, strike out "them," and insert "them."

Page 52, line 23, strike out all after "any," down to and including "jurisdiction" in line 11, page 53, and insert: "to be paid in full. Referees in ancillary proceedings shall receive as full compensation for their services, payable after they are rendered, a fee of $15 deposited in each case with the clerk of the ancillary court at the time the ancillary proceeding is instituted, and 1 percent commission on all moneys disbursed in the ancillary proceeding to lien creditors, as well as on all moneys transmitted and on the fair value of all property turned over in kind by the court of the ancillary jurisdiction to the court of primary jurisdiction. The judge may, however, by standing rule or otherwise, fix a lower rate of compensation, so that no referee shall receive excessive compensation during his term of office, and, in any case of an extension, the judge may prescribe terms and conditions for the payment of the referee's compensation."

Page 54, line 9, strike out ", and" and insert "or."

Page 63, line 24, strike out "confirmation" and insert "consummation."

Page 64, line 6, strike out "confirmation" and insert "consummation."

Page 68, line 21, after "VIII," insert "IX."

Page 71, line 22, strike out all after "however," down to and including "further," in line 6, page 72.

Page 72, line 6, after "unliquidated" insert "or contingent."

Page 72, line 7, after "liquidated" insert "or the amount thereof estimated."

Page 72, line 10, strike out "or that its liquidation" and insert "or of reasonable estimation or that such liquidation or estimation."

Page 72, line 18, strike out "seems" and insert "seem."

Page 74, line 25, strike out "in" where it occurs the first time and insert "and filed in the."

Page 75, line 3, after "That" insert "the court may, upon application before the expiration of such period and for cause shown, grant a reasonable fixed extension of time for the filing of claims by the United States or any State or subdivision thereof: *Provided further,* That."

Page 81, line 9, strike out "his bankruptcy, the" and insert "the filing by or against him of the petition in bankruptcy, or of the original petition under chapter X, XI, XII, or XIII of this act, the."

Page 81, line 18, strike out "bankruptcy" and insert "the filing of the petition in bankruptcy or of the original petition under chapter X, XI, XII, or XIII of this act."

Page 81, line 21, strike out "voided" and insert "avoided."

Page 84, line 21, strike out "(a)" and insert "a."

Page 85, line 16, after "were," insert "more than 4 months before bankruptcy or."

Page 86, line 14, after "stockbroker," insert "more than 4 months before his bankruptcy or."

Page 85, line 17, after "stockbroker," insert "more than 4 months before his bankruptcy or."

Page 86, strike out lines 24 and 25, and lines 1 to 8, inclusive, on page 87, and insert "of receivers and trustees, and shall require from each such banking institution a good and sufficient bond with surety, to secure the prompt repayment of the deposit. Said judges may, in accordance with the provisions of, and the authority conferred in section 1126 of the Revenue Act of 1926, as amended (U. S. C., title 6, sec. 15), accept the deposit of the securities therein designated, in lieu of a surety or sureties upon such bond and may, from time to time as occasion may require, by like order increase or decrease the number of depositories or the amount of any bond or other security or change such depositories: *Provided,* That no security in the form of a bond or otherwise shall be required in the case of such part of the deposits as are insured under section 12 B of the Federal Reserve Act, as amended: *And provided further,* That depository banks shall place such securities, accepted for deposit in lieu of a surety or sureties upon depository bonds, in the custody of Federal Reserve banks or branches thereof designated by the judges of the several courts of bankruptcy, subject to the orders of such judges. All national banking associations designated as depositories, pursuant to the provisions of this section of this act, are authorized to give such security as may be required. All pledges of securities heretofore made for the purposes herein named are hereby ratified, validated and approved."

Page 87, line 11, strike out "(1)" and insert "a."

Page 87, line 18, strike out "(2)" and insert "b."

Page 87, line 19, after "the" insert "prosecution of proceedings and the."

Page 88, line 4, strike out "(3)" and insert "c."

Page 88, line 16, strike out "(4)" and insert "d."

Page 90, line 4, strike out "as."

Page 90, lines 4 and 5, strike out "for injury", and insert "from injury, if such injury occurred."

Page 90, line 13, strike out "by the receiver or trustee."

Page 91, line 11, strike out all after "the" where it occurs the second time, down to and including "bankruptcy" in line 15, and insert "rejection of an executory contract or unexpired lease, as provided in this act, shall constitute a breach of such contract or lease as of the date of the filing of the petition in bankruptcy, or of the original petition under chapter X, XI, XII, or XIII of this act."

Page 91, strike out lines 16 to 22, inclusive, and insert:

"d. Where any contingent or unliquidated claim has been proved, but, as provided in subdivision d of section 57 of this act, has not been allowed, such claim shall not be deemed provable under this act."

Page 96, line 17, strike out "before the filing."

Page 96, line 18, strike out "proposing an arrangement or plan."

Page 96, line 19, after "under" insert "chapter X, XI, XII, or XIII of."

Page 97, lines 9 and 10, strike out "proposing an arrangement or plan."

Page 97, line 10, after "under", insert "chapter X, XI, XII, or XIII of."

Page 97, line 17, strike out "of a person."

Page 99, line 13, strike out "four months prior to his bankruptcy" and insert "four months prior to the filing of the petition in bankruptcy or of the original petition under chapter X, XI, XII, or XIII of this act, by or against him."

Page 99, line 21, strike out all after "'c." down to and including "including" in line 22, and insert "Where not enforced by sale before the filing of a petition in bankruptcy or of an original petition under chapter X, XI, XII, or XIII of this act, though valid under subdivision b of this section, statutory liens, including."

Page 101, line 5, strike out all after "(2)" down to and including "is" in line 6, and insert "Every transfer made and every obligation incurred by a debtor within 4 months prior to the filing of a petition in bankruptcy or of an original petition under chapter X, XI, XII, or XIII of this act by or against him is."

Page 102, line 1, strike out all after "(3)" down to and including "bankruptcy" in line 2, and insert "Every transfer made and every obligation incurred by a debtor with 4 months prior to the filing of a petition in bankruptcy or of an original petition under chapter X, XI, XII, or XIII of this act by or against him.

Page 102, line 11, strike out all after "(4)" down to and including "is" in line 13, and insert "Every transfer of partnership property and every partnership obligation incurred within 1 year prior to the filing of a petition in bankruptcy or of an original petition under chapter XI or XII of this act by or against the partnership, when the partnership is."

Page 103, line 1, strike out all after "is" down to and including "bankruptcy" in line 3, and insert "not so perfected prior to the filing of the petition in bankruptcy or of the original petition under chapter XI or XII of this act, it shall be deemed to have been made immediately before the filing of such petition."

Page 109, line 17, strike out "executory contract" and insert "contract or lease."

Page 114, lines 5 and 6, strike out "bankruptcy proceeding was instituted" and insert "property to be sold is situated."

Page 114, line 18, strike out all after "plan" down to and including "plan" in line 21, and insert "or at such later time as may be provided by the arrangement or plan, or in the order confirming the arrangement or plan, the title to the property dealt with shall revest in the bankrupt or debtor, or vest in such other person as may be provided by the arrangement or plan or in the order confirming the arrangement or plan."

Page 115, strike out lines 20, 21, and 22 and insert:

"SEC. 102. The provisions of chapters I to VII, inclusive, of this act shall, insofar as they are not inconsistent or in conflict with the provisions of this chapter, apply in proceedings under this chapter: *Provided, however,* That section 23, subdivisions h and n of section 57, section 64, and subdivision f of section 70, shall not apply in such proceedings unless an order shall be entered directing that bankruptcy be proceeded with pursuant to the provisions of chapters I to VII, inclusive. For the purposes of such application, provisions relating to 'bankrupts' shall be deemed to relate also to 'debtors', and 'bankruptcy proceedings' or 'proceedings in bankruptcy' shall be deemed to include proceedings under this chapter. For the purposes of such application the date of the filing of the petition in bankruptcy shall be taken to be the date of the filing of an original petition under section 128 of this act, and the date of adjudication shall be taken to be the date of approval of a petition filed under section 127 or 128 of this act except where an adjudication had previously been entered."

Page 118, line 17, strike out "judicial."

Page 119, line 16, after "debtor", insert "except contracts in the public authority."

Page 120, line 3, strike out "trustee or" and insert "receiver or a trustee or a."

Page 126, line 7, after "section", insert "136 or."

Page 126, line 11, after "143", insert "or 144."

Page 127, line 11, strike out "judicial."

Page 127, line 21, strike out "trustees who" and insert "trustees. Any trustee appointed under this chapter."

Page 128, line 2, after "possession", insert "In any case where a trustee is appointed the judge may, for the purposes specified in section 189 of this act, appoint as an additional trustee a person who is a director, officer, or employee of the debtor."

Page 129, line 6, strike out "nay."

Page 129, line 7, after "shown", insert "nay."

Page 129, lines 7 and 8, strike out "trustees, or may" and insert "trustees or."

Page 130, line 17, after "claims", insert "and securities."

Page 132, line 1, strike out "Shall forthwith, under the control of the judge" and insert "shall, if the judge shall so direct, forthwith."

Page 132, lines 7 and 8, strike out "at such hearing or hearings as the judge may direct" and insert "if the judge shall so direct."

Page 134, line 4, strike out "judge; and" and insert "judge."

Page 134, line 5, strike out "the" and insert "The."

Page 134, lines 5 and 6, strike out "any such plan" and insert "such plans."

Page 134, line 22, strike out "investigation, examination," and insert "examination."

Page 135, line 20, strike out "trustee," and insert "trustee."

Page 136, line 19, after "shall", insert ", without the consent of the court."

Page 136, line 18, after "invalid" insert ", unless such consent of the court has been so obtained."

Page 137, after line 6, insert:

"SEC. 178. In case a debtor is a public utility corporation, wholly intrastate, subject to the jurisdiction of a State commission having regulatory jurisdiction over such debtor, a plan shall not be approved, as provided in section 174 of this act, unless such State commission shall have first certified its approval of such plan as to the public interest therein and the fairness thereof. Upon its failure to certify its approval or disapproval within 30 days, or such further time as the court may prescribe, after the submission of the plan to it, as provided in section 177 of this act, the public interest shall, for the purposes of such approval and of the confirmation of the plan, not be deemed to be affected by the plan."

Page 137, line 7, strike out "178" and insert "179."

Page 138, line 1, strike out "179" and insert "180."

Page 138, line 5, after "title" insert ", rights."

Page 138, line 8, strike out "the title of" and insert "such title as."

Page 138, line 9, after "Act" insert "would have."

Page 138, line 12, after "the" where it occurs the first time, insert "same."

Page 138, line 12, after "the" where it occurs the second time, insert "same."

Page 138, line 13, after "the" insert "same."

Page 138, line 13, strike out "of" and insert "as."

Page 139, line 5, after "management" insert "shall file."

Page 139, line 6, strike out "shall be filed."

Page 139, line 21, strike out "a rate" and insert "rates."

Page 141, line 3, strike out "of America."

Page 142, line 10, strike out "direction" and insert "provisions of a plan or to the permission."

Page 143, line 14, after "which" insert ", as provided in the plan or final decree."

Page 143, line 18, strike out all after "securities" down to and including "plan" in line 19, and insert "After such time no such claim or stock shall participate in the distribution under the plan."

Page 144, line 4, after "chapter." insert "The judge may, for cause shown, permit a labor union or employees' association, representative of employees of the debtor, to be heard on the economic soundness of the plan affecting the interests of the employees.

Page 144, strike out lines 12 to 19, inclusive, and insert:

"SEC. 208. The Securities and Exchange Commission shall, if requested by the judge, and may, upon its own motion if approved by the judge, file a notice of its appearance in a proceeding under this chapter. Upon the filing of such a notice, the Commission shall be deemed to be a party in interest, with the right to be heard on all matters arising in such proceeding, and shall be deemed to have intervened in respect of all matters in such proceeding with the same force and effect as if a petition for that purpose had been allowed by the judge; but the Commission may not appeal or file any petition for appeal in any such proceeding.

Page 147, line 14, after "contract", insert "except contracts in the public authority."

Page 148, line 20, strike out "will" and insert "will.".

Page 149, line 11, strike out "include" and insert "include:".

Page 150, after line 9, insert:

"(12) shall provide for the inclusion in the charter of the debtor, or any corporation organized or to be organized for the purpose of carrying out the plan, of—

"(a) provisions prohibiting the debtor or such corporation from issuing nonvoting stock, and providing, as to the several classes of securities of the debtor or of such corporation possessing voting power, for the fair and equitable distribution of such power among such classes, including, in the case of any class of stock having a preference over other stock with respect to dividends, adequate provisions for the election of directors representing such preferred class in the event of default in the payment of such dividends; and

"(b) (1) provisions which are fair and equitable and in accordance with sound business and accounting practice, with respect to the terms, position, rights, and privileges of the several classes of securities of the debtor or of such corporation, including, without limiting the generality of the foregoing, provisions with respect to the issuance, acquisition, purchase, retirement, or redemption of any such securities, and the declaration and payment of dividends thereon; and (2) in the case of a debtor whose indebtedness, liquidated as to amount and not contingent as to liability, is $250,000 or over, provisions with respect to the making, not less than once annually, of periodic reports to security holders which shall include profit and loss statements and balance sheets prepared in accordance with sound business and accounting practice.

Page 150, strike out lines 10, 11, and 12, and insert:

"(13) may include provisions for the settlement or adjustment of claims belonging to the debtor or to the estate; and shall provide, as to such claims not settled or adjusted in the plan, for their retention and enforcement by the trustee or, if the debtor has been continued in possession, by an examiner appointed for that purpose; and

Page 150, line 13, strike out "(13)" and insert "(14)."

Page 150, line 19, strike out "articles VII and" and insert "article VII, section 199, and article."

Page 151, line 21, strike out "its" and insert "his."

Page 151, line 25, strike out "of article VII of this chapter."

Page 152, line 4, after "in" where it occurs the first time insert "article VII of."

Page 152, line 20, after "allowed" insert "or are allowable."

Page 154, line 21, after "transfer" insert "or retention."

Page 154, line 22, after "trustee" insert ", if any."

Page 155, lines 23 and 24, strike out "not filed in a pending bankruptcy proceeding" and insert: "filed under section 128 of this act."

Page 156, line 5, strike out all after "(1)" down to and including "proceeding" where it occurs the first time in line 10, and insert "where the petition was filed under section 127 of this act, the bankruptcy proceeding shall be deemed reinstated and shall thereafter be conducted, so far as possible, as if the petition under this chapter had not been filed; or where the petition was filed under section 128 of this act."

Page 157, line 22, strike out "court" and insert "judge."

Page 158, line 4, after "interest" insert "except the Securities and Exchange Commission."

Page 158, line 5, after "foregoing" insert "except the Securities and Exchange Commission."

Page 158, lines 19 and 20, strike out "in a pending bankruptcy proceeding" and insert "under section 127 of this act."

Page 158, line 23, strike out "such" and insert "the pending."

Page 159, line 15, strike out all after "246" down to and including "proceeding" in line 18, and insert "Upon the dismissal of a proceeding under this chapter, or the entry of an order adjudging the debtor a bankrupt, the judge may allow reasonable compensation for services rendered and reimbursement for proper costs and expenses incurred in such proceeding prior to such dismissal or order of adjudication."

Page 161, strike out lines 1 to 12, inclusive, and insert:

"SEC. 249. Any person seeking compensation for services rendered or reimbursement for costs and expenses incurred in a

proceeding under this chapter shall file with the court a statement under oath showing the claims against, or stock of, the debtor, if any, in which a beneficial interest, direct or indirect, has been acquired or transferred by him or for his account, after the commencement of such proceeding. No compensation or reimbursement shall be allowed to any committee or attorney, or other person acting in the proceedings in a representative or fiduciary capacity, who at any time after assuming to act in such capacity has purchased or sold such claims or stock, or by whom or for whose account such claims or stock have, without the prior consent or subsequent approval of the judge, been otherwise acquired or transferred.

Page 161, line 13, after "Appeals" insert "may be taken."

Page 161, line 15, after "reimbursement" insert ", and."

Page 161, line 22, after "prior" insert "mortgage foreclosure, equity, or other."

Page 162, strike out lines 3 to 11, inclusive, and insert:

"SEC. 257. The trustee appointed under this chapter, upon his qualification, or if a debtor is continued in possession, the debtor, shall become vested with the rights, if any, of such prior receiver or trustee in such property and with the right to the immediate possession thereof. The trustee or debtor in possession shall also have the right to immediate possesion of all property of the debtor in the possession of a trustee under a trust deed or a mortgagee under a mortgage."

Page 163, line 4, strike out "limitations" and insert "limitation."

Page 163, line 18, after "264." insert "a."

Page 164, line 10, before "As" insert "b."

Page 164, line 15, strike out "(1)" and insert "a."

Page 164, line 18, after "chapter" insert: "Any notice which this chapter requires to be given to the Securities and Exchange Commission shall be deemed to have been sufficiently given if it is given by registered first-class mail, postage prepaid, addressed to the Securities and Exchange Commission at Washington, D. C., or at such other place as the Securities and Exchange Commission shall designate by written notice filed in the proceeding and served upon the parties thereto."

Page 164, line 21, strike out "(a)" and insert "(1)."

Page 164, line 22, strike out "(b)" and insert "(2)."

Page 164, line 22, strike out "(c)" and insert "(3)."

Page 164, line 23, strike out "(d)" and insert "(4)."

Page 164, line 24, strike out "(e)" and insert "(5)."

Page 165, line 3, strike out "(f)" and insert "(6)."

Page 165, line 4, strike out "(g)" and insert "(7)."

Page 165, line 6, strike out "(h)" and insert "(8)."

Page 165, line 8, strike out "(i)" and insert "(9)."

Page 165, line 10, strike out "(j)" and insert "(10)."

Page 165, line 11, strike out "(k)" and insert "(11)."

Page 165, line 12, strike out "(l)" and insert "(12)."

Page 165, lines 17 and 18, strike out "by the clerk."

Page 165, line 19, strike out "(2)" and insert "b."

Page 166, line 2, after "clerk", insert "and, in the case of a reference, the referee, after such reference."

Page 166, line 20, strike out "No" and insert "Except as provided in section 270 of this act, no."

Page 166, line 22, strike out "be deemed."

Page 166, line 23, strike out "under this chapter."

Page 166, line 23, strike out "debtor," and insert "debtor in a proceeding under this chapter be deemed."

Page 167, lines 2 and 3, strike out "liquidation" and insert "cancelation."

Page 167, line 4, strike out "plan consummated" and insert "proceeding."

Page 167, after line 13, insert:

"SEC. 270. In determining the basis of property for any purposes of any law of the United States or of a State imposing a tax upon income, the basis of the debtor's property (other than money) or of such property (other than money) as is transferred to any person required to use the debtor's basis in whole or in part shall be decreased by an amount equal to the amount by which the indebtedness of the debtor, not including accrued interest unpaid and not resulting in a tax benefit on any income-tax return, has been canceled or reduced in a proceeding under this chapter. The Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, shall prescribe such regulations as he may deem necessary in order to reflect such decrease in basis for Federal income-tax purposes and otherwise carry into effect the purposes of this section."

Page 167, line 14, strike out "270" and insert "271."

Page 168, line 3, strike out "271" and insert "272."

Page 168, line 17, strike out "(1)" and insert "a."

Page 168, line 23, strike out "(2)" and insert "b."

Page 169, line 5, strike out "(3)" and insert "c."

Page 169, line 12, strike out "(a)" and insert "(1)."

Page 169, line 16, strike out "(b)" and insert "(2)."

Page 169, line 21, strike out "(c)" and insert "(3)."

Page 169, line 21, strike out "section 268" and insert "sections 268 and 270."

Page 170, strike out lines 12, 13, and 14 and insert:

"SEC. 302. The provisions of chapters I to VII, inclusive, of this act shall, insofar as they are not inconsistent with or in conflict with the provisions of this chapter, apply in proceedings under this chapter. For the purposes of such application, provisions relating to 'bankrupts' shall be deemed to relate also to 'debtors', and 'bankruptcy proceedings' or 'proceedings in bankruptcy' shall be deemed to include proceedings under this chapter. For the purposes of such application the date of the filing of the petition in bankruptcy shall be taken to be the date of the filing of an original petition under section 322 of this act, and the date of adjudication shall be taken to be the date of the filing of the petition under section 321 or 322 of this act except where an adjudication had previously been entered.

Page 171, line 17, after "'debts'", insert "or 'claims.'"

Page 173, line 19, strike out "which" and insert "which,".

Page 175, line 19, strike out "any," and insert "any".

Page 180, line 3, after "management", insert "shall file."

Page 180, line 4, strike out "shall be filed."

Page 180, line 17, strike out "shall" and insert "may."

Page 181, after line 8, insert:

"SEC. 353. In case an executory contract shall be rejected pursuant to the provisions of an arrangement or to the permission of the court given in a proceeding under this chapter, or shall have been rejected by a trustee or a receiver in bankruptcy or receiver in equity in a prior pending proceeding, any person injured by such rejection shall, for the purposes of this chapter and of the arrangement, its acceptance and confirmation, be deemed a creditor. The claim of the landlord for injury resulting from the rejection of an unexpired lease of real estate or for damages or indemnity under a covenant contained in such lease shall be provable, but shall be limited to an amount not to exceed the rent, without acceleration, reserved by such lease for the 3 years next succeeding the date of the surrender of the premises to the landlord or the date of rentry of the landlord, whichever first occurs, whether before or after the filing of the petition, plus unpaid accrued rent, without acceleration, up to the date of surrender or reentry: *Provided*, That the court shall scrutinize the circumstances of an assignment of a future rent claim and the amount of the consideration paid for such assignment in determining the amount of damages allowed the assignee thereof."

Page 181, line 9, strike out "353" and insert "354."

Page 181, line 17, strike out "354" and insert "355."

Page 181, line 21, strike out "353" and insert "354."

Page 183, lines 6 and 7, strike out "the confirmation of the arrangement and until its provisions" and insert "provisions of the arrangement, after its confirmation."

Page 185 line 25, after "allowed", insert "and are allowable."

Page 186, line 7, strike out "353" and insert "354."

Page 187, line 13, strike out "353" and insert "354."

Page 190, line 9, strike out "arrangements:" and insert "arrangements,".

Page 192, line 7, after "393", insert "a."

Page 192, line 23, before "As", insert "b."

Page 194, strike out lines 5 to 22, inclusive, and insert:

"SEC. 395. Except as provided in section 396 of this act, no income or profit, taxable under any law of the United States or of any State now in force or which may hereafter be enacted, shall, in respect to the adjustment of the indebtedness of a debtor in a proceeding under this chapter, be deemed to have accrued to or to have been realized by a debtor or a corporation organized or made use of for effectuating an arrangement under this chapter by reason of a modification in or cancelation in whole or in part of any such indebtedness in a proceeding under this chapter: *Provided, however*, That if it shall be made to appear that the arrangement had for one of its principal purposes the evasion of any income tax, the exemption provided by this section shall be disallowed.

"SEC. 396. In determining the basis of property for any purposes of any law of the United States or of a State imposing a tax upon income, the basis of the debtor's property (other than money) or of such property (other than money) as is transferred to any person required to use the debtor's basis in whole or in part shall be decreased by an amount equal to the amount by which the indebtedness of the debtor, not including accrued interest unpaid and not resulting in a tax benefit on any income-tax return, has been canceled or reduced in a proceeding under this chapter. The Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, shall prescribe such regulations as he may deem necessary in order to reflect such decrease in basis for Federal income-tax purposes and otherwise carry into effect the purposes of this section.

Page 196, line 4, strike out "section" and insert "sections 395 and."

Page 196, strike out lines 15, 16, and 17, and insert:

"SEC. 402. The provisions of chapters I to VII, inclusive, of this act shall, insofar as they are not inconsistent or in conflict with the provisions of this chapter, apply to proceedings under this chapter: *Provided, however*, That subdivision n of section 57 shall not apply in such proceedings unless an order shall be entered directing that bankruptcy be proceeded with pursuant to the provisions of chapters I to VII, inclusive. For the purposes of such application, provisions relating to 'bankrupts' shall be deemed to relate also to 'debtors', and 'bankruptcy proceedings' or 'proceedings in bankruptcy' shall be deemed to include proceedings under this chapter. For the purposes of such application the date of the filing of the petition in bankruptcy shall be taken to be the date of the filing of an original petition under section 422 of this act, and the date of adjudication shall be taken to be the date of the filing of the petition under section 421 or 422 of this act."

Page 196, line 21, strike out "arrangements" and insert "arrangement."

Page 196, lines 21 and 22, strike out "altering or modifying" and insert "which has for its primary purpose the alteration or modification of."

Page 205, line 15, strike out "or of any State."

Page 206, line 15, after "management" insert "shall file."

Page 206, line 15, strike out "shall be filed."

Page 207, line 6, strike out all after "court" down to and including "controversy" in line 8.

Page 207, strike out lines 9, 10, and 11, and insert:

"SEC. 452. For the purposes of the arrangement and its acceptance, the court may fix the division of creditors into classes according to the nature of their respective claims, and, in the event of controversy, the court shall after hearing upon notice summarily determine the controversy."

Page 207, line 17, strike out "designate" and insert "designate,".

Page 207, lines 22 and 23, strike out "where such holders" and insert "who."

Page 208, line 15, after "court" insert: ": *Provided*, That if the Secretary of the Treasury shall fail to accept or reject an arrangement for more than 60 days after receipt of written notice so to do from the court to which the arrangement has been proposed, accompanied by a certified copy of the arrangement, his consent shall be conclusively presumed."

Page 209, after line 11, insert:

"SEC. 458. In case an executory contract shall be rejected pursuant to the provisions of an arrangement or to the permission of the court given in a proceeding under this chapter, or shall have been rejected by a receiver in bankruptcy or receiver in equity in a prior pending proceeding, any person injured by such rejection shall, for the purposes of this chapter and of the arrangement, its acceptance and confirmation, be deemed a creditor. The claim of the landlord for injury resulting from the rejection of an unexpired lease of real estate or for damages or indemnity under a covenant contained in such lease shall be provable, but shall be limited to an amount not to exceed the rent, without acceleration, reserved by such lease for the 3 years next succeeding the date of the surrender of the premises to the landlord or the date of reentry of the landlord, whichever first occurs, whether before or after the filing of the petition, plus unpaid accrued rent, without acceleration, up to the date of surrender or reentry: *Provided*, That the court shall scrutinize the circumstances of an assignment of a future rent claim and the amount of the consideration paid for such assignment in determining the amount of damages allowed the assignee thereof."

Page 209, line 12, strike out "458" and insert "459."

Page 210, line 20, strike out "court" and insert "judge."

Page 211, line 17, strike out "include" and insert "include:".

Page 213, strike out lines 9 to 13, inclusive, and insert:

"(1) it has been accepted in writing by the creditors of each class, holding two-thirds in amount of the debts of such class affected by the arrangement proved and allowed before the conclusion of the meeting, or before such other time as may be fixed by the court, exclusive of creditors or of any class of them who are not affected by the arrangement or for whom payment or protection has been provided as prescribed in paragraph (11) of section 461 of this act; and."

Page 215, line 13, after "allowed", insert "and are allowable."

Page 220, strike out "g", following the word "subdivision" in lines 21 and 22, and insert "f."

Page 221, line 11, after "chapter", insert "or the entry of an order adjudging the debtor a bankrupt."

Page 221, line 13, after "proceeding", insert "prior to such dismissal or order of adjudication."

Page 222, line 15, after "Appeals", insert "may be taken."

Page 222, line 17, after "reimbursement", insert ", and."

Page 222, line 24, after "prior", insert "mortgage foreclosure, equity, or other."

Page 223, strike out lines 4 and 5 and insert:

"SEC. 507. Such prior proceeding shall be stayed by the filing of a petition under this chapter. The trustee appointed under this chapter, upon his qualification, or, if a debtor is continued in possession, the debtor shall become vested with the rights, if any of such prior receiver or trustee in such property and with the right to the immediate possession thereof. The trustee or debtor in possession shall also have the right to immediate possession of all real property and chattels real of the debtor in the possession of a trustee under a trust deed or a mortgagee under a mortgage."

Page 223, line 12, strike out "preceeding" and insert "proceeding."

Page 223, line 22, strike out "arrangements:" and insert "arrangements,".

Page 225, line 18, after "thereto", insert "; nor shall its provisions be deemed to allow extension or impairment of any secured obligation held by Home Owners' Loan Corporation or by any Federal home-loan bank or member thereof."

Page 225, line 19, after "518." insert "a."

Page 226, line 11, before "As", insert "b."

Page 227, strike out lines 21 to 25, inclusive.

Page 228, line 1, strike out "521" and insert "520."

Page 228, line 1, strike out "No" and insert "Except as provided in section 522 of this act, no."

Page 228, line 3, strike out "be deemed."

Page 228, line 4, strike out "under this chapter."

Page 228, line 4, strike out "debtor," and insert "debtor in a proceeding under this chapter, be deemed."

Page 228, line 9, strike out "liquidation" and insert "cancelation."

Page 228, line 12, strike out "522" and insert "521."

Page 228, line 13, strike out "avoidance" and insert "evasion."

Page 228, after line 21, insert:

"SEC. 522. In determining the basis of property for any purposes of any law of the United States or of a State imposing a tax upon income, the basis of the debtor's property (other than money) or of such property (other than money) as is transferred to any person required to use the debtor's basis in whole or in part shall be decreased by an amount equal to the amount by which the indebtedness of the debtor, not including accrued interest unpaid and not resulting in a tax benefit on any income-tax return, has been canceled or reduced in a proceeding under this chapter. The Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, shall prescribe such regulations as he may deem necessary in order to reflect such decrease in basis for Federal income-tax purposes and otherwise carry into effect the purposes of this section."

Page 229, line 11, strike out "plan" and insert "arrangement."

Page 230, line 9, strike out "section 521" and insert "sections 520 and 522."

Page 230, line 14, strike out "521" and insert "520."

Page 230, line 20, strike out "522" and insert "521."

Page 231, strike out lines 1, 2, and 3, and insert:

"SEC. 602. The provisions of chapters I to VII, inclusive, of this act shall, insofar as they are not inconsistent or in conflict with the provisions of this chapter, apply in proceedings under this chapter: *Provided, however*, That subsection f of section 70 shall not apply in such proceedings unless an order shall be entered directing that bankruptcy be proceeded with pursuant to the provisions of chapters I to VII, inclusive. For the purposes of such application, provisions relating to 'bankrupts' shall be deemed to relate also to 'debtors,' and 'bankruptcy proceedings' or 'proceedings in bankruptcy' shall be deemed to include proceedings under this chapter. For the purposes of such application the date of the filing of the petition in bankruptcy shall be taken to be the date of the filing of an original petition under section 622 of this act, and the date of adjudication shall be taken to be the date of the filing of the petition under section 621 or 622 of this act except where an adjudication had previously been entered."

Page 231, lines 14 and 15, strike out "by or against whom" and insert "who filed."

Page 231, line 15, strike out "has been filed."

Page 232, lines 2 and 3, strike out "not exceeding" and insert "which, when added to all his other income, does not exceed."

Page 238, after line 6, insert:

"SEC. 642. In case an executory contract shall be rejected pursuant to the provisions of a plan or to the permission of the court given in a proceeding under this chapter, or shall have been rejected by a trustee or receiver in bankruptcy in a prior pending proceeding, any person injured by such rejection shall, for the purpose of this chapter and of the plan, its acceptance and confirmation, be deemed a creditor. The claim of the landlord for injury resulting from the rejection of an unexpired lease of real estate or for damages or indemnity under a covenant contained in such lease shall be provable, but shall be limited to an amount not to exceed the rent, without acceleration, reserved by such lease for the year next succeeding the date of the surrender of the premises to the landlord or the date of reentry of the landlord, whichever first occurs, whether before or after the filing of the petition, plus unpaid or accrued rent, without acceleration, up to the date of surrender or reentry: *Provided*, That the court shall scrutinize the circumstances of an assignment of a future rent claim and the amount of the consideration paid for such assignment in determining the amount of damages allowed the assignee thereof.

Page 238, line 7, strike out "642" and insert "643."

Page 238, line 15, strike out "643" and insert "644."

Page 238, line 19, strike out "642" and insert "643."

Page 239, line 4, strike out "generally" and insert "generally,".

Page 241, line 12, after "accepted," insert: "the alterations or modifications and the plans so altered or modified, unless the previous acceptance provides otherwise."

Page 241, line 17, after "256", insert "(a)."

Page 242, after line 3, insert: "(b) Before confirming any such plan the court shall require proof from each creditor filing a claim that such claim is free from usury as defined by the laws of the place where the debt was contracted."

Page 242, line 8, after "allowed", insert "or are allowable."

Page 244, line 2, strike out "642" and insert "643."

Page 244, line 13, strike out "642" and insert "643."

Page 244, line 19, after "661" insert "of this act."

Page 248, line 16, strike out "521 and 522" and insert "621 and 622."

Page 249, line 15, strike out "be deemed."

Page 249, line 16, strike out "under this chapter."

Page 249, line 17, strike out "debtor", and insert "debtor in a proceeding under this chapter, be deemed."

Page 249, line 18, strike out "liquidation" and insert "cancelation."

Page 249, line 19, strike out "plan consummated" and insert "proceeding."

Page 249, line 20, strike out ", except that" and insert ": *Provided, however*, That."

Page 249, lines 21 and 22, strike out "avoidance of income taxes" and insert "evasion of any income tax."

Page 249, line 23, strike out "may" and insert "shall."
Page 250, line 16, strike out "dates" and insert "date."
Page 251, after line 9, insert:

"CHAPTER XIV—MARITIME COMMISSION LIENS

"SEC. 701. Notwithstanding any provision of law, in any proceeding in a bankruptcy, equity, or admiralty court of the United States in which a receiver or trustee may be appointed for any corporation engaged in the operation of one or more vessels of United States registry between the United States and any foreign country, upon which the United States holds mortgages, the court upon finding that it will inure to the advantage of the estate and the parties in interest and that it will tend to further the purposes of the Merchant Marine Act, 1936, may constitute and appoint the United States Maritime Commission as sole trustee or receiver, subject to the directions and orders of the court, and in any such proceeding the appointment of any person other than the Commission as trustee or receiver shall become effective upon the ratification thereof by the Commission without a hearing, unless the Commission shall deem a hearing necessary. In no such proceeding shall the Commission be constituted as trustee or receiver without its express consent.

"SEC. 702. If the court, in any such proceeding, is unwilling to permit the trustee or receiver to operate such vessels in such service pending the termination of such proceeding, without financial aid from the Government, and the Commission certifies to the court that the continued operation of such vessels is, in the opinion of the Commission, essential to the foreign commerce of the United States and is reasonably calculated to carry out the purposes and policy of the Merchant Marine Act, 1936, as amended, the court may permit the Commission to operate the vessels subject to the orders of the court and upon terms decreed by the court sufficient to protect all the parties in interest, for the account of the trustee or receiver, directly or through a managing agent or operator employed by the Commission, if the Commission undertakes to pay all operating losses resulting from such operation, and comply with the terms imposed by the court, and such vessel shall be considered to be a vessel of the United States within the meaning of the Suits in Admiralty Act. The Commission shall have no claim against the corporation, its estate, or its assets for the amount of such payments, but the Commission may pay such sums for depreciation as it deems reasonable and such other sums as the court may deem just. The payment of such sums, and compliance with other terms duly imposed by the court, together with the payment of the operating losses, shall be in satisfaction of all claims against the Commission on account of the operation of such vessels.

"SEC. 703. No injunction powers vested in the courts of bankruptcy under the act entitled 'An act to establish a uniform system of bankruptcy throughout the United States,' approved July 1, 1898, and acts amendatory thereof and supplementary thereto, shall be construed or be deemed to affect or apply to the United States as a creditor under a preferred ship mortgage, as defined in the Ship Mortgage Act, 1920, as amended, unless the Commission files with the court a written waiver of the provisions of this section.'"

Page 251, after line 9, insert:

"SEC. 2. (a) Any farmer who filed a petition under section 75 of the act entitled 'An act to establish a uniform system of bankruptcy throughout the United States,' approved July 1, 1898, as amended, and in whose case a bankruptcy court has, under subsection (s) thereof, granted a stay of proceedings may, if the period for which such stay was granted has expired or is about to expire, make application to such court for an extension of such stay. If the court finds that such farmer has substantially complied with the provisions of paragraph (2) of subsection (s) of section 75 of such act, as amended, during the period of such stay, the court may extend the period of such stay to November 1, 1939."

Page 251, after line 9, insert:

"(b) The second sentence of subsection (b) of section 75 of such act, as amended, is amended to read as follows: 'The conciliation commissioner shall receive as compensation for his services a fee of $25 for each case submitted to him, to be paid out of the Treasury when the conciliation commissioner completes the duties assigned to him by the court.'"

Page 251, after line 9, insert:

"SEC. 3. (a) The act entitled 'An act to establish a uniform system of bankruptcy throughout the United States,' approved July 1, 1898, as amended by the act of August 16, 1937 (50 Stat. 653), is hereby further amended by striking out the heading 'Chapter X' before section 81 of said act and inserting in lieu thereof 'Chapter IX.'"

Page 251, after line 9, insert:

"(b) Section 83 of such chapter IX is amended by adding at the end thereof the following new subsection:

"'(j) The partial completion or execution of any plan of composition as outlined in any petition filed under the terms of this act by the exchange of new evidences of indebtedness under the plan for evidences of indebtedness covered by the plan, whether such partial completion or execution of such plan of composition occurred before or after the filing of said petition, shall not be construed as limiting or prohibiting the effect of this act, and the written consent of the holders of any securities outstanding as the result of any such partial completion or execution of any plan of composition shall be included as consenting creditors to such plan of composition in determining the percentage of securities affected by such plan of composition.'"

Page 251, line 10, strike out "2" and insert "4."
Page 251, line 14, strike out "4" and insert "6."
Page 251, line 17, strike out "3" and insert "5."
Page 252, line 4, strike out "4" and insert "6."
Page 252, line 16, strike out "5" and insert "7."

Mr. MICHENER (interrupting the reading of the amendments). Mr. Speaker, these amendments can be explained by the gentleman from Tennessee. They are technical, they are long. I ask unanimous consent that the further reading of the amendments be dispensed with but that they be printed in the RECORD.

The SPEAKER. Without objection it is so ordered.

There was no objection.

Mr. CHANDLER. Mr. Speaker, this bill was passed by the House last August, and when it reached the Senate, a subcommittee of the Senate Judiciary Committee was appointed to give it thorough study. Under the leadership of the distinguished Senator from Wyoming [Mr. O'MAHONEY], the subcommittee went into every nook and corner of the bill. It was submitted to all of the Government departments that might be affected, extensive hearings were held beginning during the extra session, and I am gratified to say that the House bill stood the test of searching inquiry, and that the amendments which were adopted by the Senate are, in a large measure, clarifying and perfecting amendments. Quite naturally, careful study of any bill like this, which involves the first general overhauling of the Bankruptcy Act in 40 years, would disclose ambiguities and needed changes in phraseology, and so forth, and the Senate has made a number of such changes.

The fundamental changes made by the Senate in the House bill, Mr. Speaker, should be explained somewhat in detail, and I would like to be indulged for that purpose.

The major substantive amendments adopted by the Senate are as follows:

Admiralty jurisdiction (sec. 2): The House amendment added jurisdiction of the bankruptcy court "in admiralty." The Senate did not concur in this amendment for the reason that so few cases arise in the bankruptcy courts involving admiralty claims that there is no immediate practical necessity for the change. There is also ground for fearing that confusion might arise as between the jurisdiction of the bankruptcy and the admiralty courts. The United States Maritime Commission formally objected to the inclusion of this clause.

Dischargeability of tax claims (sec. 17): The House bill makes Federal taxes dischargeable, while the Senate amendment retains existing law with a clarifying change. The Senate felt that if Federal taxes were made dischargeable, it would open the door to evasion. The Treasury Department recommended against the House amendment.

Appeals (sec. 24): The House bill makes certain amendments in the sections of the act (24–25) relative to appeals, but preserves the existing distinction between appeals as of right and appeals by leave of the appellate courts. The amendment by the Senate practically abolishes this distinction. Under it, appeals may be made as of right in all cases involving $500 or more. In controversies of less than this amount, appeals may be taken only upon allowance by the appellate court. The jurisdiction of the appellate court will extend both to matters of law and of fact, except that in an appeal from a judgment on a verdict rendered by a jury the jurisdiction will extend to matters of law only. The removal of the troublesome distinction will be a service to both bench and bar. It is often difficult to determine the proper procedure under the present law and frequently appeals are taken in both ways in order to be certain. The House bill seeks to remedy this condition by providing that in the event of mistake the appellate court may consider the appeal as properly taken and proceed to a determination of the case. The Senate believes it much better to eliminate the distinction altogether.

Contingent claims (sec. 57, subdivision d): Under the present law, certain types of contingent claims are not

allowable. The House bill attempts to extend the allowability of such claims to cases where the contingency occurs before the declaration of a final dividend or before the confirmation of a settlement under the debtor relief chapters. Under the English Bankruptcy Act, contingent claims are allowable if they can be reasonably valued, regardless of the occurrence of the contingency. The Senate by this amendment would adopt the English rule, which has worked well. The provision is in the interest of the bankrupt because it broadens the scope of his discharge by including contingent claims that are not now allowable and therefore not dischargeable.

Including Government claims within bar time—Extension of time (sec. 57, subdivision n): The House bill includes within the bar time for the proving of claims, all claims of the United States and of any State or subdivision thereof. The Senate has both strengthened and extended this proposed amendment by providing, first, that such claims must actually be filed within the bar time, and, second, by permitting additional time for the filing of such claims upon application for cause shown. The Senate agrees with the proposal that governmental claims should be subjected to the same requirements as other claims but it is of the opinion that the limitation should be tempered by the provision for extension, for the reason that it is sometimes difficult for the Government to prepare and present its claims within a fixed time. The limitation will speed up the closing of estates, and the extension will provide a reasonable flexibility.

Application of preference provisions to debtor relief chapters (sec. 60, subdivision a): Because of a doubt expressed as to whether, under the language of this subdivision in the House bill, the provisions of the section would be applicable in proceedings under the debtor relief chapters, it is deemed advisable to make that purpose clear by specific reference to such chapters.

Stock-brokerage cases (sec. 60, subdivision e): There are no provisions in the present act specifically relating to these cases. The Senate believes that the new subdivision e proposed in the House bill covers the difficult situations which arise in such cases, and has perfected it by providing in clause 4 that a segregation of securities made more than 4 months before bankruptcy, regardless of the stockbroker's solvency or insolvency, shall be effective. This change accords with the policy of the act in analogous situations, in which the period of 4 months is used as a bar time.

Bankruptcy depositories (sec. 61): The present situation with regard to depository bonds is very trying both for courts and for depositories. The act now requires banking institutions designated as official depositories of bankruptcy funds to furnish bonds to the United States in such amounts as may be fixed by the courts. The House amendment to the section permits the furnishing of "other security." This the Senate believes is not adequate to meet the situation and proposes a more complete remedy as suggested by the Attorney General. Under this proposed provision, depositories may pledge securities. These are to be deposited with Federal Reserve banks, thus enabling depositors to collect their interest on such securities and at the same time to protect the bankruptcy deposits. No bonds are required where the deposits are protected by Federal deposit insurance.

Claims for breach of executory contracts (sec. 63, subdivision c): This is a new provision which is intended in the House bill to clarify and strengthen the existing law in regard to claims for the breach of executory contracts. While the Senate is in accord with the objective of this provision, it deems it inadvisable to make a distinction in regard to the date of the breach, between a strict bankruptcy and a debtor-relief proceeding. Therefore, it has removed this distinction and has related the time of the breach to the date of the filing of the petition under the act. While this is a fictional relation back, it is necessary as a mechanical device.

Contingent or unliquidated claims (sec. 63, subdivision d, 94): This subdivision has been rewritten in order to conform with the changes proposed by the Senate in subdivision d, of section 57.

CHAPTER X. CORPORATE REORGANIZATIONS

Rejection of executory contracts (sec. 116, sec. 216 (4)): The Senate has deemed it advisable to restore to the House bill, in connection with the power granted under section 216 (4), to reject executory contracts in a plan of reorganization, the exception in the case of contracts in the public authority which is presently to be found in section 77B. Consistently under this change, the same exception has been made applicable to the rejection of executory contracts under section 116 of the House bill.

Appointment of cotrustees (sec. 156): The Senate has deemed it advisable to amend this section so as to make it possible for the judge to appoint an officer or employee of the debtor as cotrustee for the single purpose of aiding in the management and operation of the debtor's business or property. In the unusual case this may be desirable, and the Senate amendment supplies flexibility in this regard. Since the disinterested trustee is empowered to employ officers of a debtor (sec. 191), such appointment of a cotrustee would not be necessary in the ordinary case.

Approval by State commissions (sec. 178): The House bill did not include the provision of section 77B which requires the approval, by State commissions possessing regulatory jurisdiction over intrastate public-utility corporations, of plans of reorganization for such corporations. This jurisdiction is in effect preserved in section 224 of the House bill, but the Senate considers it desirable to remove any ambiguity with respect thereto by restoring to the bill the language of the present law.

Right of persons to be heard (sec. 206): For the reason that the interests of a corporation's employees may at times be affected by the consequences of a reorganization plan, the Senate added to the House bill a provision empowering the judge, in his discretion, to hear union or other organizations representative of a debtor's employees, with respect to the provisions of a plan affecting the interests of such employees. This will constitute solely a right to be heard thereon; and does not in any way make such organizations a party to the proceedings.

Intervention by the Commission (sec. 208): The House bill provides that the Securities and Exchange Commission shall, upon filing a notice of appearance, be deemed a party in interest with the right to be heard on all matters arising in the proceeding. The Senate amendment provides that the Securities and Exchange Commission shall, if requested by the judge, and may, upon its own motion if approved by the judge, file a notice of appearance in proceedings under this chapter. The amendment also prohibits the Commission from taking an appeal in any such proceeding.

Fairness of terms of new securities (sec. 216 (12)): The Senate in this section has amplified the statement of essential matters to which the attention of the judge is addressed in passing upon the fairness of reorganization plans. This section requires a plan to contain provisions for the equitable distribution of voting power among any new voting securities to be issued, and would prevent the issuance of any nonvoting stock in this connection. It puts emphasis upon the requirement of the issuance of fair and sound securities, and upon the making of periodic reports to security holders. This provision is in essence a codification of the best practice already prescribed under section 77B.

Retention and enforcement of claims (sec. 216 (13)): In this section the Senate has added a clause the purport of which is to make it clear that in the case of claims belonging to the debtor or the estate which are not settled or adjusted in a reorganization plan, such claims are to be retained and enforced by the trustee, or if none has been appointed, by an examiner appointed for that purpose. The question may arise whether the retention and enforcement just mentioned

refers to all claims belonging to the debtor or the estate, including such claims as ordinary accounts receivable. It is not so intended. The provision must be read against the background of reorganization experience, and the purpose of section 216. The latter deals with the provisions of a reorganization plan. Such plans are primarily concerned with claims against a debtor, not those belonging to it. The only ones of the latter sort with which plans usually deal are claims either in litigation or otherwise in controversy. Frequently they may be causes of action arising out of misconduct or irregularities in the conduct of the debtor's affairs, such as are referred to in section 167 (3) of chapter X. It is this type of claim, illustrated in the recent reorganization of Paramount-Publix Corporation, with which section 216 (13) deals when it speaks of their retention and enforcement. It does not have reference to the ordinary obligations owed to a debtor which arise in the everyday conduct of its business affairs. Of course, any claim, of any sort, may be settled or adjusted in a plan, if necessary to the effectuation of a proper plan.

Denial of allowances for breach of duty (sec. 249): This section of the House bill denies any compensation out of the estate to persons who violate their representative or fiduciary capacity by buying or selling claims or stock of the debtor during the proceedings. To prevent hardship in the unusual case where an exception to this rule might be equitable, the Senate has added a clause giving the judge power to approve beforehand or consent subsequently to an acquisition or transfer in such exceptional case.

Income-tax exemptions (sec. 268): The Senate has adopted the revised language submitted by the Treasury Department, precluding tax assessments resulting from the scaling of indebtedness on the basis of a write-down in the valuation of a debtor's assets, without an actual sale or exchange of such assets. Such an exemption is in accordance with the fundamental objective of a debt readjustment.

Basis of property (sec. 270): This provision is intended to avoid a double deduction. Where debt forgiveness, resulting from a debt readjustment, is exempt from the tax upon income or profit, the cost of the property dealt with by the settlement is to be decreased, for future tax-valuation purposes, by an amount equal to the amount of the indebtedness canceled or reduced in the proceeding.

CHAPTER X. ARRANGEMENTS

Applicability of provisions of act (sec. 302): The Senate amendment amplifies the provision with reference to applicability so as to leave no doubt that the provisions of chapters I to VII are to be applicable, except where inconsistent or in conflict with the provisions of the chapter.

Future rent claims (sec. 353): The Senate deemed it advisable to insert in this chapter the provisions dealing with future rent claims in the form and language as contained in section 202 of chapter X.

Stamp-tax exemptions (sec. 395): The House bill exempted from the imposition of stamp taxes all instruments of transfer executed under the provisions of this chapter. The Treasury Department objected to the exemption in any case. Since the exemption is now allowed under section 77B, the Senate considered it advisable to retain the provision in chapter X. In the other chapters the amount of the tax imposed will be comparatively slight, and it is deemed inexpedient to extend the exemption further. This disposition of the matter meets the objection of the Treasury Department.

Income-tax exemptions (sec. 396): This section of the House bill is rewritten and renumbered to stand as section 395. A new section No. 396 is inserted. Both of these sections clarify and amplify the provisions of the bill in regard to income-tax exemptions and make no substantive changes.

These income-tax provisions are new and are intended to preclude tax assessments resulting from the scaling of indebtedness on the basis of a write-down in the valuation of a debtor's assets, without an actual sale or exchange of such assets. They are in accord with the fundamental objective of a debt readjustment and correct a defect in the existing law which makes no such provision.

The "property basis" provision is intended to avoid a double deduction. Where debt forgiveness, resulting from a debt readjustment, is exempt from the tax upon income or profit, the cost of the property dealt with by the settlement is to be decreased, for future tax valuation purposes, by an amount equal to the amount of the indebtedness canceled or reduced in the proceeding.

Both of the foregoing sections are in the revised language submitted by the Treasury Department.

CHAPTER XII. REAL PROPERTY ARRANGEMENTS BY PERSONS OTHER THAN CORPORATIONS

Applicability of provisions of act (sec. 402): As in the case of section 302, this amendment amplifies the provisions with respect to applicability so as to leave no doubt that the provisions of chapters I to VII are alone to be deemed applicable, except where inconsistent or in conflict with the provisions of this chapter.

Equity rights and powers of trustee (sec. 442): By inadvertence, there was included in the House bill a reference to the court "of any State." The Senate agrees with the substance of this section in respect to vesting in the trustee the rights and powers of an equity receiver appointed by a United States court. The deletion conforms this section to a similar provision contained in section 187 of chapter X.

Bar time for filing claims and classification of creditors (secs. 451 and 452): By inadvertence, the clause dealing with the hearing of controversies in regard to the classification of creditors was inserted in section 451 of the House bill. The Senate has corrected this error by transposing the clause from section 451 to section 452, where it properly belongs, and by rewriting the latter section.

Claims of the United States (sec. 455): This section has been copied from section 199 of chapter X, but as contained in the House bill, the proviso, through oversight, was not included. The instant amendment, proposed by the Senate, inserts the proviso but reduces the period for acceptance by the Secretary of the Treasury from 90 to 60 days. Because of the less involved nature of a proceeding under chapter XII, and in order to expedite the proceeding, a shorter period is deemed adequate and advisable.

Future rent claims (sec. 458): The Senate deems it also advisable to insert in this chapter the provisions dealing with future rent claims in like form and language as contained in section 202 of chapter X and section 353 of chapter XI.

Majority of creditors necessary for acceptance of an arrangement (clause (1) of sec. 468): This amendment makes a clarifying and conforming change. Clause (11) of section 461 provides adequate protection in the case of any class of creditors which does not accept by the requisite majority the proposed arrangement. As contained in the House bill, clause (1) makes no reference to this exception. The Senate has, therefore, rewritten the provision so that it will be clearly indicated that creditors for whom adequate protection has been provided, in the manner above set forth, are not to be counted in computing the required majorities for acceptance. In formulating this additional provision, further language has been added to make certain that creditors not affected for any other reason shall not be included in the computation.

Allowances (sec. 495): These changes are intended to clarify the section and to make certain that allowances for reasonable compensation shall be made for services rendered in cases where the arrangement has not been consummated and the proceeding has been entirely dismissed or an order of adjudication has been entered.

Stays of proceedings (sec. 507): This section in the House bill merely provides that a prior proceeding shall be stayed upon the filing of a petition under this chapter. As in the case of the analogous section 257 of chapter X, it was deemed by the Senate advisable to include the provisions dealing with the divesting of the rights and possession of a prior receiver, indenture trustee, and mortgagee in possession.

Stamp-tax exemption (sec. 520): The deletion of this section is in conformity with the purpose expressed in the foregoing comment, No. 24.

Income-tax exemption and "basis of property" (secs. 520 and 522): Section 520, renumbered, has been amended to conform to like changes in section 268 of chapter X and section 395, renumbered, of chapter XI. Likewise, section 522 has been added to conform to section 270 of chapter X and section 396 of chapter XI. As indicated, these changes and additions are proposed by the Treasury Department.

CHAPTER XIII. WAGE-EARNERS PLANS

Applicability of provisions of act (Sec. 602): This section is amended to conform to like changes in section 102 of chapter X, section 302 of chapter XI, and section 402 of chapter XII in respect to the reference to chapters I to VII.

Definition of "debtor" (clause (3) of sec. 606): "Debtor" is defined in the House bill to mean a wage earner by or against whom a petition is filed. The definition is inaccurate; a petition under this chapter may not be filed against the wage earner. The instant Senate amendment makes the necessary correction.

Future rent claims (sec. 642): The Senate deemed it advisable, for the sake of uniformity, to insert also in this chapter the provisions dealing with future rent claims in the form and language as contained in section 202 of chapter X, section 353 of chapter XI, and section 458 of chapter XII. However, for the purposes of this chapter, the measure of damage is restricted to 1 year's rent instead of 3 years'. This settlement is deemed advisable so that the relief accorded by this chapter will be more readily available to a wage earner. In the case of a bankruptcy liquidation, the measure of damages is also restricted to 1 year's rent. (See sec. 63, subdivision a, clause 9, p. 93.)

Income-tax exemption (sec. 679): The changes made in this section conform to like changes in section 268 of chapter X, section 395, renumbered, of chapter XI and section 520, renumbered, of chapter XII. For the purpose of a proceeding under this chapter it was not thought necessary by the Senate to include the provisions in regard to the "basis of property."

Section 2 of bill

Section 2 of the bill, page 269, amends the Frazier-Lemke Act (sec. 75 of the Bankruptcy Act) to allow the courts to grant to farmers who have been granted a stay of proceedings under section 75 (s) of such act, a further stay to November 1, 1939. It also provides for compensation to conciliation commissioners upon completion of duties assigned to them by the courts.

CHAPTER XIV

The Senate has added to the bill chapter XIV, relating to liens of the United States Maritime Commission. The amendment was offered by Senator COPELAND, at the request of the Maritime Commission, for the general purpose of providing for the continued operation of merchant vessels of the United States on essential trade routes.

Three days of hearings were held upon the amendment and all interested parties were heard. The necessity for this legislation arises from the fact that the Government holds approximately $75,000,000 in preferred ship mortgages to secure indebtedness incurred by operators either in connection with the construction of vessels or the purchase of vessels from the old Shipping Board at very low prices. At the time the amendment was suggested, application had been made to the United States District Court for the Southern District of New York to foreclose its mortgages upon four vessels purchased from the Shipping Board in 1925 by the Munson Steamship Line. Proceedings for the reorganization of this line were instituted on June 11, 1934, but no plan of reorganization had been consummated. The construction of the four vessels involved was completed by the Shipping Board in 1921 and 1922 at a cost of $24,989,056.98. They were sold to the Munson interests in 1925 for a price of $4,104,000, 25 percent of which was paid in cash, the balance to be paid over a period of years in equal annual installments of $51,300 on each vessel. The last payment on these vessels was made by the Munson interests in 1929, except for a payment of $28,000, overdue interest, made in February 1934. During the period commencing August 1, 1928, up to February 1, 1937, the line was receiving payments under its ocean-mail contract approximating $1,250,000 per year. Notwithstanding this, as has been stated, no payments on the indebtedness to the United States were made.

This legislation, however, would not now apply to the Munson situation, for the reason that during its pendency the United States district court has appointed a receiver in admiralty, with authority to operate the vessels during foreclosure proceedings, and the essential service, which has, unfortunately, been interrupted for several weeks, will now be reestablished.

The purpose of the amendment is to assure the continued operation of vessels upon which the Government holds ship mortgages upon essential routes in the foreign commerce of the United States. There are other lines which may possibly file reorganization proceedings, with possible interruptions of service, similar to the Munson situation, detrimental to the interests of the United States. One of these is the Dollar Line, and unless this service can be continued it would mean that the United States would have no American-flag service to the Orient. This is unthinkable.

Certain objections have been raised by the attorneys for the trustees in the Munson case, and by representatives of creditor groups of the Munson Co. Chapter XIV, however, was redrafted by the Senate committee for the purpose of meeting these objections.

In section 1 there is now a requirement that the court, before appointing the Maritime Commission to act as trustee or receiver, shall make a finding that such action will inure to the advantage of the estate and the parties in interest, as well as tend to further the purposes of the Merchant Marine Act, 1936. This gives full protection to all interested groups, since this determination is left entirely to the court upon such evidence as it may require. It would seem, therefore, that no reasonable criticism can be made of this section.

Objections made to section 2 are upon the theory that the depreciation allowed by the Commission during the period of operation of the vessels under receivership may not be in an amount sufficiently large to satisfy the objectors to this measure. The Maritime Commission would be governed in determining the amount of depreciation by the standard fixed in the Merchant Marine Act, 1936, which provides that depreciation charges shall be computed on a 20-year life expectancy of a subsidized vessel. The only objection that can be made to this provision of the proposed amendment is that the Maritime Commission would not be required to allow depreciation upon a fictitious valuation of the vessels claimed by the objectors to the measure. Section 2 also provides for the payment by the Commission of such other sums as the court may deem just. Certainly no legitimate objection can be raised by any person, other than the Maritime Commission, to this provision. It is believed that in circumstances where this section would become operative, the Commission should not be required to pay any sums in addition to the depreciation charges and such repairs as may be necessary in order to keep the boats in operating condition. These sums, of course, will be paid by the Commission as the repairs are made, in accordance with the practice in the steamship business. This section, therefore, clearly is not unfair to the other creditors. In fact, the Government will have to rely upon the court to protect it against unfair payments under the provision authorizing the payment of "such other sums as the court may deem just."

Section 3 is designed to protect the interests of the United States where it has sold its vessels on deferred payments, and where it has loaned money for the construction of vessels. Existing statutory law requires the Maritime Commission to accept first preferred mortgages upon such vessels in such cases. First preferred mortgages are defined in the Ship Mortgage Act, 1920. This section will make them first preferred mortgages in fact, as well as in name, and will make

certain that the position of the United States as mortgagee under such mortgages is protected, as well as to make certain of the continued operation of such vessels in essential routes. The Maritime Commission, under authority of this section, may file with the court a written waiver of the provisions of the section, in cases where an injustice to the creditors might occur by reason of its operation. The history of the Maritime Commission and its predecessors has not been such as to justify the inference that any injustice will be done to the operators of vessels upon which the Government holds mortgages.

Under all the facts, there is no merit in the objections raised by the representatives of the Munson trustees and the other interests involved. The amendment is solely for the purpose of protecting interests necessary to the national welfare, without prejudicing the interests of any creditor group in any particular situation.

Now, Mr. Speaker, I believe that I have covered every essential amendment, and will not take the time to explain the minor amendments. This law will not go into effect for 3 months, and, as you all know, any provisions which may not work well can be changed in the next session of Congress.

Before concluding, I would like to state that the Senate and House Judiciary Committees have been aided greatly by the investigations conducted by the Select Committee to Investigate Real Estate Bondholders Reorganizations, authorized by the Seventy-third Congress, of which committee the gentleman from Illinois [Mr. SABATH] is chairman; and the provisions of chapter X relating to the participation by the Securities and Exchange Commission in reorganization proceedings are quite similar to the Sabath bill which the House passed last year. Some of its provisions have been incorporated in the bill now before the House. Mention should be made of the work of that committee, of which the gentleman from New York [Mr. KENNEDY], the gentleman from Arkansas [Mr. FULLER], the gentleman from Wisconsin [Mr. O'MALLEY], the gentleman from New York [Mr. CULKIN], and the gentleman from Illinois [Mr. DIRKSEN] were members serving under the chairman [Mr. SABATH].

I should state also that the work of the McAdoo committee appointed by the Senate to investigate bankruptcy and receivership proceedings in the Federal courts was very useful in the preparation and study of the pending bill. Furthermore, the investigations made by the Securities and Exchange Commission into the activities of protective and reorganization committees gave our committee much valuable information in connection with the revision of section 77B.

Too much praise cannot be given to the Senator from Wyoming [Mr. O'MAHONEY] for his intelligent persistence in pressing the bill to successful action in the Senate. With the aid of the Senator from Texas [Mr. CONNALLY], the Senator from Indiana [Mr. VAN NUYS], and the Senator from Vermont [Mr. AUSTIN], the Senator from Wyoming succeeded in passing through the Senate a well-balanced, comprehensive bill which I am glad to move that the House accept by concurring in the Senate amendments.

Finally, I would like to express my appreciation of the splendid services of the House Judiciary Committee in this long and somewhat tedious work. Bankruptcy is neither a pleasant nor a profitable subject, and the bill now before you represents the culmination of the efforts of the Committee on the Judiciary to present to Congress a bill which is intended and which we believe will promote the general well-being of the people of our country.

The SPEAKER. The question is on the Senate amendments.

The Senate amendments were agreed to; and a motion to reconsider was laid on the table.

WHEAT ACREAGE ALLOTMENTS

Mr. JONES. Mr. Speaker, I ask unanimous consent for the present consideration of Senate Joint Resolution 308.

The Clerk read as follows:

Resolved, etc., That section 333 of the Agricultural Adjustment Act of 1938, as amended, is amended by adding at the end thereof a sentence to read as follows:

"The national acreage allotment for wheat for 1939 shall be not less than 55,000,000 acres."

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, the gentleman from South Dakota is very much interested in this legislation. I promised him that I would see that he was here when it was taken up. I do not want to make a point of no quorum. I wonder if the gentleman would not withdraw the resolution for about 10 minutes until I can get in communication with the gentleman from South Dakota [Mr. CASE].

Mr. JONES. I would if I could be sure of getting recognition then. It is rather late in the session. I do not think the gentleman from South Dakota will object to this. This fixes the allotment at 55,000,000 acres. It is agreed to on both sides.

Mr. MARTIN of Massachusetts. He wanted to be on the floor when this bill came up. Unless the gentleman can withhold his request I shall have to make a point of order that a quorum is not present.

Mr. JONES. Mr. Speaker, I ask unanimous consent temporarily to withdraw my request until the gentleman from Massachusetts can get in touch with the gentleman from South Dakota.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

BLIND-MADE PRODUCTS

The SPEAKER. The Chair recognizes the gentleman from New York [Mr. LANZETTA].

Mr. LANZETTA. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 2819) to create a commission on purchases of blind-made products, and for other purposes.

The Clerk read the title of the bill.

Mr. MARTIN of Massachusetts. Mr. Speaker, may the bill be reported?

The SPEAKER. Without objection, the Clerk will read the bill.

There was no objection.

The Clerk read as follows:

Be it enacted, etc., That there is hereby created a Committee to be known as the Committee on Purchases of Blind-made Products (hereinafter referred to as the "Committee") to be composed of a private citizen conversant with the problems incident to the employment of the blind and a representative of each of the following Government departments: The Navy Department, the War Department, the Treasury Department, the Department of Agriculture, the Department of Commerce, and the Department of the Interior. The members of the Committee shall be appointed by the President, shall serve without additional compensation, and shall designate one of their number to be chairman.

SEC. 2. It shall be the duty of the Committee to determine the fair market price of all brooms and mops and other suitable commodities manufactured by the blind and offered for sale to the Federal Government by any nonprofit-making agency for the blind organized under the laws of the United States or of any State, to revise such prices from time to time in accordance with changing market conditions, and to make such rules and regulations regarding specifications, time of delivery, authorization of a central nonprofit-making agency to facilitate the distribution of orders among the agencies for the blind, and other relevant matters of procedure as shall be necessary to carry out the purposes of this act: *Provided*, That no change in price shall become effective prior to the expiration of 15 days from the date on which such change is made by the Committee.

SEC. 3. All brooms and mops and other suitable commodities hereafter procured in accordance with applicable Federal specifications by or for any Federal department or agency shall be procured from such nonprofit-making agencies for the blind in all cases where such articles are available within the period specified at the price determined by the Committee to be the fair market price for the article or articles so procured: *Provided*, That this act shall not apply in any cases where brooms and mops are available for procurement from any Federal department or agency and procurement therefrom is required under the provisions of any law in effect on the date of enactment of this act, or in cases where brooms and mops are procured for use outside continental United States.

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman from New York explain the bill?

Mr. LANZETTA. Mr. Speaker, this bill creates a Committee on Purchases of Blind-made Products, to be composed of a private citizen conversant with the problems incident to the employment of the blind and a representative from each of the Departments of the Government named in the bill. Under present conditions organizations for the blind are ruinously competing against each other in an effort to get Government work. The competition has become so keen that the prices at which this work is now being let are so low as to be practically ruinous.

We have been assured that under this bill the committee which it creates will first establish what the fair prices for these articles are; and, second, it will distribute the orders among the various agencies for the blind. In other words, instead of the present cutthroat competition the blind people who are engaged in this type of work will be able to obtain it at a fair price. They want to help themselves and by passing this bill we will not only be helping them to keep occupied, but we will also make it possible for them to receive fair and adequate compensation for their work.

Mr. MARTIN of Massachusetts. Are they inmates of institutions?

Mr. LANZETTA. No; they are not inmates of institutions. They belong to organizations which not only assist them but also obtain work for them. It seems that a great many persons who suffer with this affliction devote themselves to the making of mops and brooms.

Mr. MARTIN of Massachusetts. They do not make any other article except mops and brooms?

Mr. LANZETTA. That is all.

Mr. MARTIN of Massachusetts. What committee does this come from?

Mr. LANZETTA. From the Committee on Expenditures in the Executive Departments, of which the gentleman from Missouri [Mr. COCHRAN] is chairman.

Mr. MARTIN of Massachusetts. Does it come with a unanimous report?

Mr. LANZETTA. Yes; there was a unanimous report. It has also been passed by the Senate, as the gentleman knows.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. LANZETTA. I yield.

Mr. MICHENER. This legislation would permit the agency established to fix the price at which the Government would buy mops and brooms.

Mr. LANZETTA. The gentleman is correct.

Mr. MICHENER. This would take the buying of mops and brooms out of competitive bidding?

Mr. LANZETTA. That is right.

Mr. MICHENER. Who is going to do the allocating as to whom the contracts will be let?

Mr. LANZETTA. This committee will allocate the work to the various organizations and will see to it that each gets a fair share of the work.

Mr. MICHENER. Assume a manufacturer of mops in New York City employs only blind people in his factory. Has the gentleman such an institution?

Mr. LANZETTA. I do not know whether there is such an institution or not.

Mr. MICHENER. If the gentleman is on the committee, he should know. Does he know that there are any institutions manufacturing mops or brooms that employ only blind people?

Mr. LANZETTA. Yes. Under this bill the committee will be composed of a private citizen conversant with the problems incident to the employment of the blind, and one who is fully acquainted with all the blind organizations in the United States engaged in this particular kind of work. I understand that these blind organizations work pretty close together.

Mr. MICHENER. I have in mind institutions of this kind that manufacture mops or brooms—not in my district, however. They hire workmen. They hire some blind people. Because that institution employs blind people is no reason why the Federal Government should fix the price which the Federal Government will pay for a product, and thereby eliminate competition.

Mr. McGRANERY. Will the gentleman yield?

Mr. LANZETTA. I yield to the gentleman from Pennsylvania.

Mr. McGRANERY. May I say to the gentleman I feel this bill has been designed to take care of institutions where they are training blind persons. This committee would purchase the products made by these blind students. For instance, in Philadelphia we have the Pennsylvania School for the Blind, which is the only place I know of throughout the State that makes brooms, mops, and so forth. After they have been sufficiently trained, they are turned out of the institution and can go anywhere to obtain employment. I believe, under the bill, if it passes, persons employing in private industry blind people certainly will be on a competitive basis and not receive the benefits of this act.

Mr. MICHENER. We have another resolution coming up here to investigate monopolies, trusts, and things of that kind. A bill preceding that bill by an hour or two sets up a monopoly or trust and provides that the Government must pay a given price fixed by this agency of the Government, regardless of what the articles may be bought for on the open market in competition with ordinary labor.

Mr. LANZETTA. May I explain to the gentleman that, because of the situation as it now exists, the brooms and mops now being manufactured for the Federal Government are now all being made practically by blind organizations. The reason for this condition is that private industry cannot compete with the blind organizations insofar as Government purchases of these products are concerned. I understand that the manufacturers of mops and brooms are not interested in this bill, nor do they feel that this bill will affect them in any way. The competition in this field exists mostly between various blind organizations throughout the United States which, in their enthusiasm to obtain this work, are cutting the prices down so low that they are now at a level where even the blind cannot earn enough money to live on.

Mr. MICHENER. The gentleman from Pennsylvania [Mr. McGRANERY] just stated the purpose of this bill is to give relief to institutions which teach people how to make brooms and how to make mops. If that is true, this would be a direct subsidy to that particular institution. Is that not true?

Mr. LANZETTA. No; that is not true. I explained to the gentleman what the situation is in this field. I say that because of the keen competition this field is now already controlled by blind workers.

Mr. MICHENER. Give us an illustration of what you mean by blind organizations. Give us one.

Mr. LANZETTA. Here is what I mean by a blind organization. There is a blind organization in New York City.

Mr. MICHENER. There are a lot of them up there.

Mr. LANZETTA. I know of one, the lighthouse at Fifty-ninth Street. I understand that this organization not only trains them but that it also provides them with work so that once they learn how to do a particular kind of work they are placed in plants where only blind people are employed. The gentleman must understand that blind people cannot engage in every type of work. Their field is very limited. This making of brooms and mops is one of the few things that most blind people can do and that is the reason why private industry has practically stepped out of this field.

Mr. MICHENER. I want to assist the blind people and we have done it by various kinds of subsidies. That is all right and proper. We should do it, but in doing so I doubt the wisdom of setting up a price-fixing agency in the Government, which agency will have the discretion of determining what the Federal Government is going to pay for its mops and brooms, regardless of market price. I may say the Government uses thousands and thousands of dollars worth of them every year.

Mr. LANZETTA. I do not know whether I have made myself clear or not. This committee is created for the purpose

of eliminating the present cutthroat competition. The gentleman must understand that there are thousands of blind people who are not able to do all the things in life that the ordinary normal person can do; consequently, they have concentrated in a few trades. The making of mops and brooms is one of the fields where we find most of the blind people engaged in, so that whenever the Government is in the market for brooms and mops we find that the various blind organizations throughout the United States in their anxiety to obtain the work bid so low as to leave very little for the individual worker.

This bill will eliminate the present ruinous competition because under this bill the committee will have the power to establish a fair market price for these articles and to distribute the orders among the various blind agencies. If private industry was in competition with these blind organizations, I might agree with the gentleman that there would be some cause for complaint; but I have been given to understand that private industry is not in competition with these organizations insofar as these articles are concerned.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. CRAWFORD. I object, Mr. Speaker.

The SPEAKER. The Chair recognizes the gentleman from New York to suspend the rules and pass the bill.

Mr. LANZETTA. Mr. Speaker, I move to suspend the rules and pass the bill (S. 2819) to create a Committee on Purchases of Blind-made Products.

The Clerk read the title of the bill.

ORDER OF BUSINESS

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent that the conferees on the part of the House have until midnight tonight to file a report on the bill H. R. 10618, the flood-control bill.

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, and, of course, I am not going to object, when is that bill going to be called up? Is not that the spending bill?

Mr. RAYBURN. Tomorrow we will have two matters we must dispose of. One is the conference report on the wage and hour bill, and the other is the conference report on the recovery bill. As I understand, there will be at least two separate votes in connection with disposing of the recovery bill.

Mr. TABER. There will be more than two separate votes on the spending bill, four or five, anyway.

Mr. RAYBURN. If we could get to the flood-control bill tomorrow we would like to do it, otherwise it will have to go over until Wednesday.

Mr. MARTIN of Massachusetts. I have no objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

FLOOD CONTROL

Mr. WHITTINGTON, from the committee of conference, submitted a report and statement.

BLIND-MADE PRODUCTS

The SPEAKER. Is a second demanded on the motion of the gentleman from New York to suspend the rules and pass the bill S. 2819?

Mr. CRAWFORD. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER. The gentleman from New York will be recognized for 20 minutes, and the gentleman from Michigan will be recognized for 20 minutes.

Mr. LANZETTA. Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania [Mr. McGRANERY].

Mr. McGRANERY. Mr. Speaker, I had no notice this bill was going to be presented this afternoon. I know of no more humane piece of legislation that has been presented to this Congress than this particular bill, dealing with products created by persons afflicted with blindness.

I read in last Sunday's paper about the training of youngsters born blind, who have never had the advantages of sight. The big problem is: How are they to be trained so they may be independent and be able to create some income of their own? This bill which the gentleman from New York [Mr. LANZETTA] has taken upon himself to put through the House is one designed to make possible the absorption of brooms, mops, and wares made by blind people. In my district I have an asylum for the blind. I have realized, after talking with these blind men, just what it means that they be kept busy. There is no more active mind in a human body than the mind of a blind person, because he is constantly concentrating and not being disturbed by things that go on about him. The Members of this House have no need to fear blind-made goods entering into competition with private industry. As I see it, the committee this bill creates is established merely for the protection of the blind persons themselves. The institutions where blind people are taught are not institutions conducted by businessmen but rather by pedagogs. They are teachers; they are instructors; they know nothing of the outside world, so it is absolutely essential, if the blind are going to get a fair price for their products, that they have in charge of the distribution of their products someone who knows business methods and who has been trained along business lines. This is not the creation of a monopoly. This bill does not establish a price-fixing body in the sense we have come to understand the words "price-fixing body"; rather it sets up a price-fixing body for the protection of the blind themseves.

Mr. DORSEY. Mr. Speaker, will the gentleman yield?

Mr. McGRANERY. I yield to the gentleman from Pennsylvania.

Mr. DORSEY. In protecting the price level of the products of these institutions, you at the same time protect the price level of private manufactures.

Mr. McGRANERY. I thank the gentleman. I believe that is a fair statement. There is absolutely no fear of a monopoly or a price-fixing body here. We must understand that the schools where the blind are trained and where the goods are made are not conducted by persons with business training.

Mr. WADSWORTH. Mr. Speaker, will the gentleman yield?

Mr. McGRANERY. I yield to the gentleman from New York.

Mr. WADSWORTH. Is the institution which furnishes these materials to the Government bound in its contract with the Government by the provisions of the Walsh-Healey Act?

Mr. McGRANERY. I am not familiar enough with the act to answer that question. I am looking particularly at the human side of this problem rather than the legal phase of it. I do not know whether there will be any interference from the Walsh-Healey Act in this matter. I believe someone more conversant with the bill had best answer the question.

Mr. SIROVICH. Mr. Speaker, will the gentleman yield?

Mr. McGRANERY. I yield to the gentleman from New York.

Mr. SIROVICH. I believe the fundamental purpose of this humane bill is to make the blind people self-supporting and self-respecting as American citizens.

Mr. McGRANERY. Exactly, and to occupy their time. Just picture in your own mind for a moment your sight being blotted out and your sitting here not knowing what is going on about you and being unable to do anything except twitch your fingers. There is no more serious problem before our people today than this one.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?

Mr. McGRANERY. I yield to the gentleman from Michigan.

Mr. CRAWFORD. Can the gentleman tell us whether or not the terms of the Walsh-Healey bill as now about to be revised will operate in such a manner as to prevent the Government from buying products made by such a nonprofit corporation organized in behalf of the blind?

Mr. McGRANERY. I cannot answer that question.

[Here the gavel fell.]

Mr. LANZETTA. Mr. Speaker, I yield myself such time as I may need.

Mr. Speaker, as already explained, this bill is for the purpose of creating a Committee on Purchases of Blind-made Products. This committee will consist of a private citizen conversant with the problems incident to the employment of the blind and a representative of various Government departments.

Mr. HOUSTON. Mr. Speaker, will the gentleman yield?

Mr. LANZETTA. I yield.

Mr. HOUSTON. There will not be any salary attached to membership on this committee?

Mr. LANZETTA. No; none at all.

Mr. HOUSTON. Who will appoint the members of the committee?

Mr. LANZETTA. The heads of the various departments will appoint the representatives of the departments to the committee.

I understand that there are many blind organizations where persons who suffer with this affliction go to get work. Many of them have been trained in the business of making mops and brooms. In the last several years, because of the drop in this business, these various organizations have gone into keen competition with each other so much so that the prices which they quote in seeking this work are so low as to be practically ruinous.

Many of the Members of this House may be worried about whether this bill will give a monopoly to the blind people to the detriment of private industry. I might explain to Members of the House that private industry does not compete in this field. They realize that this is a field exclusively engaged in by blind people, and, consequently, whatever we do under this bill today will not in any way injure private industry.

There is one thing I want to point out which was called to my attention by the gentlemen who objected to the unanimous-consent request, and that is that section 2 of the bill reads as follows:

> It shall be the duty of the committee to determine the fair market price of all brooms and mops and other suitable commodities manufactured by the blind and offered for sale to the Federal Government by any non-profit-making agency for the blind organized under the laws of the United States or of any State.

Under this bill, no profit-making organization will share in the work that will be allotted.

Mr. SIROVICH. Mr. Speaker, will the gentleman yield?

Mr. LANZETTA. I yield.

Mr. SIROVICH. As I understand this bill, it will take care of about 3,000 blind people all over the United States who otherwise would be liable to become public charges, and it is also my understanding that they receive all the money that is received from the sale of these articles, minus the expenses, for their own comfort and benefit, and the bill will allow others to come in later?

Mr. LANZETTA. I agree with the gentleman.

Mr. SIROVICH. Why should anybody object to this?

Mr. LANZETTA. I also wish to point out to the House that with respect to blind people, their field of activity is limited, and that they do not have many diversions. We all know that the average person who is not incapacitated by any serious affliction, even though unemployed, can occupy his mind in many ways. These blind people who unfortunately are also limited in their diversions must have something to do to occupy their time, and it is for this reason that they are so anxious to obtain this work and why they do not hesitate to quote very low figures in trying to obtain this work.

Mr. SIROVICH. Is it not a fact that these little returns which they receive prevent them from becoming public charges?

Mr. LANZETTA. Yes.

Mr. O'MALLEY. Mr. Speaker, will the gentleman yield?

Mr. LANZETTA. I yield to the gentleman from Wisconsin.

Mr. O'MALLEY. There is no question about these people competing with labor because there is no organized labor in this field.

Mr. LANZETTA. The gentleman is correct.

Mr. O'MALLEY. And it usually has been a sweatshop field at the best, has it not?

Mr. LANZETTA. Yes.

Mr. HAINES. Mr. Speaker, will the gentleman yield?

Mr. LANZETTA. I yield.

Mr. HAINES. Is the gentleman's bill limited to brooms and mops?

Mr. LANZETTA. Brooms, mops, and I may say that the Senate bill contains the words "and other suitable commodities manufactured by the blind and offered for sale to the Federal Government."

Mr. HAINES. I have in my district a blind center in one of the cities; they could qualify to sell their products to the Federal Government?

Mr. LANZETTA. Yes; they could.

Mr. WADSWORTH. Can the gentleman answer my question addressed to the gentleman who preceded him as to whether the Walsh-Healey Act applies to this operation?

Mr. LANZETTA. I do not believe it does.

Mr. WADSWORTH. What I want to know is whether it will be compulsory that the blind receive 40 cents an hour. As I understand, that is what the Walsh-Healey Act provides with respect to goods furnished under contract to the United States Government.

Mr. O'MALLEY. Mr. Speaker, will the gentleman yield?

Mr. LANZETTA. I yield.

Mr. O'MALLEY. I may be able to help the gentleman. I do not believe the Walsh-Healey Act can apply to a nonprofit-making cooperative organization such as this provides.

Mr. WADSWORTH. Is the gentleman sure?

Mr. O'MALLEY. It does not apply to fraternal nonprofit groups or cooperatives in my State.

Mr. WADSWORTH. This is not a cooperative or a fraternity.

Mr. O'MALLEY. A nonprofit organization would be usually under the cooperative laws, would it not?

Mr. WADSWORTH. I would like to be sure.

Mr. SNELL. Is this a nonprofit organization?

Mr. O'MALLEY. Yes.

Mr. SNELL. And the money goes to pay this labor?

Mr. MICHENER. Whether it was a cooperative organization would make absolutely no difference here, because the Walsh-Healey Act attempts to fix hours and wages and working conditions for the producers of all Government-purchased materials within the contract price limitation, and whether it is a cooperative or not has nothing to do with it. It is just a question if the Government fixes the conditions. I asked the gentleman a while ago whether or not this would repeal the existing law by implication.

Mr. LANZETTA. Mr. Speaker, I agree with the gentleman from Wisconsin [Mr. O'MALLEY] that inasmuch as this applies to nonprofit organizations, that the Walsh-Healey Act does not apply.

Mr. SIROVICH. Mr. Speaker, will the gentleman yield?

Mr. LANZETTA. I yield.

Mr. SIROVICH. Mr. Speaker, in reply to the gentleman from Michigan, who suggests that maybe a monopoly is created, let me call attention to the report, which says that about half of the broom requirements of the Federal Government have to be obtained in the open market. That shows there will be no monopoly.

Mr. FULLER. Mr. Speaker, will the gentleman yield?

Mr. LANZETTA. Yes.

Mr. FULLER. It is my opinion that even if the Walsh-Healey Act would be a restriction against this kind of goods by passing this act for the purpose of helping this particular class of people, it would to that extent repeal the Walsh-Healey tax, and most of the membership of the House would be very glad to see that done in order to take care of these people.

Mr. EBERHARTER. Mr. Speaker, will the gentleman yield?

Mr. LANZETTA. Yes.

Mr. EBERHARTER. I have one of these blind centers in my district, and I am interested in the legislation the gentleman is presenting to the House. I understand that labor has no objection to this bill.

Mr. LANZETTA. No objection whatsoever.

Mr. EBERHARTER. Will this have any effect upon the purchase by the Government of prison-made mops and brooms?

Mr. LANZETTA. No, because the Government purchases a certain amount of prison-made goods, and I think that the only time it goes out into the open market is when the amount produced by prison labor is not sufficient. I may say to the House that this bill has been endorsed by Dr. Helen A. Keller and by the American Foundation of the Blind, Inc., of which President Franklin D. Roosevelt is the honorary president.

Mr. Speaker, I trust that the membership of this House will support this measure.

Mr. CRAWFORD. Mr. Speaker, I yield myself 10 minutes. I certainly have not objected to this bill for the purpose of doing an injury to the blind. I have had too much practical experience in and around some of the works where these people keep themselves occupied. My reason for objecting was that we not rush in and pass a bill here that may resolve itself into preventing the sale of the products of the blind. Let me ask the members of the committee in charge of this bill one or two questions. Let us consider the Blind Institute, of Minneapolis, Minn., where it is a voluntary set-up, and where the merchants and businessmen and private citizens of that town encourage the bringing together of machinery and buildings and even of an organization to keep all of the blind people in the city of Minneapolis engaged in making brooms and rugs and mops and trinkets of all kinds. What effect will this type of bill have on that institution? Then, let us take another illustration. I understood one of the gentlemen to say that all mops and brooms are made by these nonprofit blind institutions. I do not want to say that that is a misstatement, but I cannot possibly believe it under any circumstances.

Mr. LANZETTA. Mr. Speaker, will the gentleman yield?

Mr. CRAWFORD. Yes.

Mr. LANZETTA. I made the statement that insofar as Government consumption is concerned, private industry has not competed because of the fact that so many blind organizations compete amongst themselves, and that the bid prices are so low as not to interest them.

Mr. CRAWFORD. Is this a correct interpretation of that statement—that when private industry makes a bid to the Government on mops and brooms, and that bid is compared to the bid made by nonprofit blind organizations, the bid made by the nonprofit organization is so low that private industry is out of the field?

Mr. LANZETTA. That is correct.

Mr. CRAWFORD. Suppose this price-fixing scheme moves that price above the prices being quoted by that part of private industry which manufactures brooms and mops and which heretofore has been unable to secure any of the Government business? Then what happens to the products of the blind?

Mr. LANZETTA. I do not think that will ever occur, for this reason. First of all, you are dealing with a nonprofit organization, and, secondly, you are dealing with a type of people who are afflicted and who are willing to work not so much for the money but to keep themselves occupied, so that the proposition of prices getting above the market level is somewhat remote.

Mr. CRAWFORD. Do I understand that in the broom and mop industry mechanical devices are not used in bringing together the elements that go to make up a broom or a mop?

Mr. LANZETTA. So far as the blind are concerned, it is mostly hand work.

Mr. CRAWFORD. I know it is by personal experience, but you are bringing into operation here a prize-fixing scheme, which is governed by humanitarian motives, to the end that the efforts of blind people and their products shall bring a living wage. Suppose when that price is fixed, it goes above the price made by A, who is running a mechanized broom or mop factory. Then will the Government buy blind-made products at a higher price than that bid by private industry?

Mr. LANZETTA. Private industry cannot compete now with these blind-made products. If some machinery should come on the market tomorrow, that would make it possible for private industry to manufacture brooms and mops more cheaply than the blind, then some change would have to be made.

Right now, and that fact was brought out forcibly because no outside concern was against this bill; I mean, we received no communication from any concern opposed to the bill.

Mr. CRAWFORD. Under no circumstances would the operator of a private industry dare appear against a bill of this kind. All his goods would be blacklisted by other industrial concerns to whom he now sells.

Mr. LANZETTA. I cannot agree with the gentleman, because if private industry were competing in business against blind-made products, I do not think they would have hesitated to set forth their views on this bill.

Mr. CRAWFORD. When you submit a bid to the Government you do not know whom you are bidding against, you bid against all bidders. Otherwise, there must be something crooked in the department that accepts the bids.

Mr. LANZETTA. In the broom and mop industry, private manufacturers know that their only competitors are the blind organizations.

Mr. DUNN. Mr. Speaker, will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. DUNN. Did the gentleman receive any communication from manufacturers of brooms or mops complaining about this bill?

Mr. CRAWFORD. Not a single communication.

Mr. DUNN. May I say, and the information which I obtained is correct, that the industries that manufacture brooms and mops did not protest against this bill; in fact, they consented to it.

Mr. CRAWFORD. The gentleman means that those who appeared did.

Mr. DUNN. I may say to the gentleman that if I were convinced that this bill would hurt any factory that was really protesting against the bill I would be against it because I do not believe it is right for the Federal or State Governments to appropriate money to buy products made by the blind, particularly when private industrial plants are paying a gigantic tax to maintain themselves. But they have not complained, and that is one of the reasons I am for it.

Mr. CRAWFORD. What I am seeking is information. We do not want to do something which will destroy that which we are trying to build up. Does the gentleman believe that at the present time, and when I say "present time" I mean a few minutes before this bill becomes enacted into law and begins to operate, does the gentleman believe that at the present time with the methods of production which are now being used by the nonprofit blind institutions can they compete with private industry?

Mr. DUNN. Yes; because most of the products made by the blind are not made by machinery but are made by hand, articles such as brooms, hammocks, mops, and so forth. I was taught those trades in a school for the blind 30 years ago. No hand-made product can hope to compete with machine-made products.

Mr. CRAWFORD. The gentleman says that no industry operated by the blind can compete with ordinary industry.

Mr. DUNN. Yes.

Mr. CRAWFORD. At the present time the Government buys blind-made products. Does the gentleman mean to

say that private industry does not submit bids to the Government on these articles?

Mr. DUNN. Here is what I believe this bill does——

Mr. CRAWFORD. I am trying to get an answer to a specific question. If private industry is not bidding for the business, that is one thing. If private industry is bidding for the business and is being underbid, that is another thing. As soon as this bill becomes law and the Government pays more for these blind-made products why will not other units of the industry be interested in submitting bids? I am looking at this from a cold-blooded practical commercial viewpoint. I am trying to find out if this bill will do what its sponsors hope it will.

Mr. DUNN. Mr. Speaker, will the gentleman yield further?

Mr. CRAWFORD. I yield.

Mr. DUNN. The gentleman is absolutely right so far as the facts are concerned. If a blind representative offered brooms and mops to the Government in such a way that the products of the blind were undermining the products of private business I would be opposed to this bill, but the enactment of this bill will not do that. Just as I said before, this bill—I believe it is the Senate bill—has been pending quite a while and not one word of complaint has come from any manufacturer of mops or brooms or any other article that is produced by the blind. If they were opposed to it, if this bill were going to hurt them, does not the gentleman think somebody would have received a communication in opposition to the legislation?

Mr. CRAWFORD. The gentleman misunderstands my purpose. I am not making a plea for private industry. I do not care whether the business goes to private industry. And I hope it goes to the blind industries. But, I know that with a mechanized plant it can produce and sell considerably below what a standard or decent living wage would be for a blind man working with his hands. Now, when the committee sets the price above that bid by private industry to the Government how are you going to keep the Government agency from buying the product of private industry quoted at a lower price?

Mr. DUNN. Under this bill the Government can purchase goods manufactured by private industry.

Mr. CRAWFORD. Let me put it another way.

Mr. DUNN. It does not say that the Government shall purchase goods made by the blind in preference to the products made by any other factory.

Mr. CRAWFORD. Suppose the gentleman were sitting down here in the Procurement Division of the Treasury Department and two bids came before him after this bill is enacted into law, one for 100 gross of brooms, we will say, at an average of 15 cents apiece from the blind, and another from private industry at 12 cents apiece. Which order would be purchased by the Procurement Division?

Mr. DUNN. According to law, and he has to comply with the law, it says he must give it to the lowest bidder. In that instance the blind would not receive the order.

Mr. CRAWFORD. Why not?

Mr. McGRANERY. The gentleman's question, if I understood it correctly, was to the effect, if private industry entered a bid of 12 cents as against a bid on the part of a blind institution of 15 cents, which particular one would get the business?

Mr. CRAWFORD. Yes.

Mr. McGRANERY. If I understand the bill, it, in effect, sets up a commission which will determine the price to be paid to the blind for their products, with a view, as I understand it, of taking over from the blind institutions as much as they can furnish and so much as the Government can use of the products made by them at a price fixed by the committee.

Mr. CRAWFORD. May I ask the gentleman this question: Do you mean to say we are about to pass a bill here which would authorize this committee to set the price which the Government shall pay for brooms and mops, beyond which or below which the Government cannot go in making the purchase, and having set the price this committee will then be authorized to allocate whatever purchases are made by the Government to the different blind institutions of this country as it sees fit?

Mr. McGRANERY. Not quite as the gentleman puts it. They will establish what is a fair price for their product. It may be above or it may be below the price submitted by some private industry.

Mr. CRAWFORD. Suppose it is above, and the business goes to the other fellow, where are the blind people?

Mr. McGRANERY. This committee will see to it, as I understand the bill, that the blind people get that work.

Mr. MICHENER. Under the Walsh-Healey Act we have an hour and wage law and we have under the proposed wage and hour bill an hour and a wage law. Will this committee fix working conditions or hours and wages for those employed different than the other law provides?

Mr. McGRANERY. I believe the gentleman is a capable lawyer and he would know, certainly, that the same power which creates the wage and hour bill would have the right to create this act, which in effect would be an exemption insofar as the Walsh-Healey Act is concerned.

Mr. MICHENER. What I am getting at is this: If the blind man is handicapped so that he cannot do the same work as the man who is not blind, and you fix a wage for the man who is not blind and give him an amount as a proper wage to be paid, then are you going to fix the same standard for the blind person?

Mr. McGRANERY. I think the gentleman is sparring. It is not a case of a man with a finger off and he is therefore less capable. It is not a case of making fine distinctions. We have set forth clearly in this act—"blind persons."

Mr. CRAWFORD. Mr. Speaker, I yield to the gentleman from Iowa [Mr. THURSTON].

Mr. THURSTON. I would like to make an inquiry in reference to the phrase "of a non-profit-making agency for the blind." Would that include an institution supported by a State government?

Mr. LANZETTA. I do not believe it does. It only includes an organization where these blind people band together for the purpose of ameliorating their condition.

Mr. THURSTON. Many States have institutions for the blind that turn out these products. Should they not be included within the provisions of this act?

Mr. LANZETTA. Should they be included?

Mr. THURSTON. Yes.

Mr. LANZETTA. If they are nonprofit organizations, then they would be included without further ado. That is, if they are a nonprofit organization.

Mr. THURSTON. That is the intent and the construction the gentleman places on that language; that is, it would include an institution under the control of a State?

Mr. LANZETTA. If it is a nonprofit institution.

Mr. CRAWFORD. May I ask the gentleman another question? Let us assume, as I understand, there is at Saginaw, Mich., an institution set up, the buildings being paid for by the State, the personnel appointed by the Governor, and it produces brooms and sells them. Does the gentleman mean to say that the committee can set the price of the products of a State institution?

Mr. LANZETTA. Oh, no; not a State institution, only the Federal Government.

Mr. THURSTON. I call attention to the fact that many States do have institutions for the blind and other persons suffering from disabilities. Should they not have the same right to come in and bid on Government or Federal projects or contracts that any private institution would have?

Mr. LANZETTA. If they are now bidding on Federal contracts or have been bidding in the past, they will be permitted to continue in the future and will participate under this bill.

Mr. THURSTON. That is the gentleman's construction?

Mr. LANZETTA. That is my construction of the language used in the bill.

Mr. THURSTON. I see.

Mr. LANZETTA. There seems to be a doubt in the gentleman's mind as to whether this bill will harm private industry.

Mr. CRAWFORD. Oh, no; not at all.

Mr. LANZETTA. Your question was, How can a handmade product be produced cheaper than a machine-made product? The gentleman must understand that it is not a question of producing it cheaper; it is a question of how much the blind worker is willing to take for his work.

With regard to all these blind-made products, it appears that notwithstanding the fact that it may take longer or cost more to produce them, that these blind persons are willing to take less for their product as long as they keep themselves occupied.

Mr. CRAWFORD. It appears I have not made myself clear to the proponents of this bill. We face a situation where the Walsh-Healey Act governs on one side of the trade; the Government purchases at the lowest bid price on the other; this committee to be created by this law on still another side of the case is to fix a price below which nonprofit blind institutions shall not sell their products.

I have brought about this discussion in an attempt to ascertain if the enactment of this law will cause the institutions for the blind to lose the business by one of two causes or by both; that is, through not conforming to the provisions of the Walsh-Healey Act or by reason of the fact the fixed price of the committee may be so high that private industry, operating for a profit and using mechanical means for the production of competitive goods may find themselves able to sell their products to the Government at a price lower than the price fixed by the committee. If the private operator makes a lower bid than the fixed price, what choice has the Government purchasing agency in the matter? Will not the Government have to purchase from the lowest bidder? This all seems to have been entirely overlooked by those who have drafted the provisions of the bill. I desire that the business go to the institutions for the blind. But I am frank to say that I feel the bill is inadequately drawn and I do hope it will not result in the loss of this business by the blind producers and workers.

Mr. CRAWFORD. Mr. Speaker, I yield 2 minutes to the gentleman from Arkansas [Mr. FULLER].

Mr. FULLER. Mr. Speaker, answering the gentleman from Michigan, I believe this is a most meritorious bill and I am willing to vote for it in its present status, but I believe there is a grave question whether or not under existing law, the Walsh-Healey Act, the Government will be permitted to buy these blind-made products under the conditions as set up in this bill unless the sellers are the lowest bidder. The gentleman from New York is crowding this bill. He does not want an amendment. I believe he is doing himself more or less of an injustice. I think if this bill were amended so as to state that notwithstanding any law to the contrary the various governmental agencies are hereby authorized to purchase products under the terms and provisions of this bill regardless of competition, you would have an absolute certainty of buying the products of these dependent people and this would have a tendency to keep them off the relief rolls.

Mr. CRAWFORD. I may say I am in the same position as the gentleman from Arkansas. I intend to vote for the bill as it is, but I believe the gentleman's amendment should be placed in the bill.

Mr. FULLER. I am not going to offer it if you do not want it, but I believe it should be in the bill.

Mr. LANZETTA. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is, Shall the rules be suspended and the bill S. 2819, be passed?

The question was taken; and two-thirds having voted in favor thereof, the rules were suspended, and the bill was passed.

A motion to reconsider was laid on the table.

OMAHA-COUNCIL BLUFFS MISSOURI RIVER BRIDGE BOARD OF TRUSTEES

Mr. McLAUGHLIN. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 10726) to provide that the Omaha-Council Bluffs Missouri River Bridge Board of Trustees shall be composed wholly of public officers.

Mr. HOLMES. I object, Mr. Speaker.

WHEAT ACREAGE ALLOTMENT

Mr. JONES. Mr. Speaker, I renew my request for the immediate consideration of Senate Joint Resolution 308.

The Clerk read the joint resolution, as follows:

Resolved, etc., That section 333 of the Agricultural Adjustment Act of 1938, as amended, is amended by adding at the end thereof a sentence to read as follows:

"The national acreage allotment for wheat for 1939 shall be not less than 55,000,000 acres."

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. CASE of South Dakota. Reserving the right to object, Mr. Speaker, may I ask the gentleman from Texas if this resolution represents an increase in the minimum acreage over the amount in the bill to the consideration of which I objected the other night?

Mr. JONES. It represents an increase of 3,000,000 acres in the minimum. Of course, the actual allotment may run above either minimum.

Mr. CASE of South Dakota. And to that extent it would afford proportionate relief for the hard-wheat growers for whom I was concerned the other night?

Mr. JONES. It would in the event the formula drives the acreage below the minimum provided here.

Mr. CASE of South Dakota. I think we have gained something by the further consideration. May I ask the gentleman a further question? As the gentleman knows, I have had it in mind to offer an amendment to the resolution. I realize, however, that under the present parliamentary situation with adjournment near, we may get nothing to relieve the situation unless we pass this bill now. And realizing that it is better to have a floor of 55,000,000 acres than to be forced down to 42 or 44 million, with this gain of 3,000,000 over the first resolution offered, I am inclined now not to object further. I wonder, however, if I might have the assurance of the gentleman that he will present to his committee for consideration the hard-wheat amendment I had in mind if I offer it as a separate resolution?

Mr. JONES. I should be pleased to submit the matter to the committee for its consideration. Of course, I could not make any commitments on the merits of it one way or the other, but I shall, of course, be pleased to have it submitted to the committee for its consideration. In fact, all measures that are filed and referred to the committee are submitted to it for consideration.

Mr. CASE of South Dakota. I thank the gentleman. Mr. Speaker, I realize this resolution with the three million increase now offered will be that much better than the situation that would confront us if this resolution is not passed. Therefore I shall not object.

Mr. SNELL. Reserving the right to object, Mr. Speaker, what is the practical effect of the resolution whose consideration the gentleman now requests?

Mr. JONES. One effect is that under the terms of the bill, as construed by the Department, if the production of wheat for this year should run as high as the indications are that it may, the total allocation of acres for 1939 might run as low as 45,000,000 or 46,000,000 acres.

Mr. SNELL. How many acres of wheat are there this year?

Mr. JONES. This year it is estimated there are about 79,000,000 acres. However, that estimate is much above what has been the average acreage.

Mr. SNELL. How much could be planted next year under the provisions of this resolution?

Mr. JONES. Under the provisions of this resolution there is no limit. This simply forms a bottom below which it cannot go; in other words, this is simply a minimum. The resolution states the allotment shall not be less than that minimum.

Mr. SNELL. Why is it we have to have a resolution setting a minimum? Is that not up to the Department at the present time?

Mr. JONES. As I construe the language, there is some ground for the position the officials of the Department take. I believe a liberal construction would permit them to make the national acreage higher, but, of course, they are required to construe the language in the light of their advice and counsel, and they construe it as requiring them to adjust on a lower basis in the event the production runs high.

Mr. SNELL. Have they not been doing exactly that in the last couple of years?

Mr. JONES. No; in the last 2 years there has simply been an estimate of the acreage and production and the amount that they calculate should be diverted under a proper soil-conservation and soil-building program, and adjustment along with it.

Mr. SNELL. I admit these acts have had so many amendments they are almost beyond the comprehension of the common layman, but I do not believe you ought to go so far that you absolutely limit by law the crop production of the country.

Mr. JONES. Of course, the business of agriculture is pretty vast and far reaching. I find it much easier to understand the provisions of this act than some of the provisions and syllables in any of the tariff acts. I happen to recall there is one word in the tariff act that has 13 syllables. I never got an explanation of it. However, the business of the country is complex. There are many farm commodities and a wide variety of circumstances. It is a troublesome problem and a difficult one, but I believe we are making headway on it.

Mr. BOILEAU and Mr. RICH rose.

Mr. BOILEAU. Reserving the right to object, Mr. Speaker, I notice the bill before us, which is a Senate bill, provides for not less than 55,000,000 acres, whereas the bill that was before the House committee the other day, and which was reported by the House committee, was for 52,000,000 acres.

Mr. JONES. Yes.

Mr. BOILEAU. I assume when the House Committee on Agriculture reported out the bill containing the figure of 52,000,000 acres, it was the consensus of the committee that that was the proper figure. I wonder what is the reason for making the change with respect to the situation.

Mr. JONES. The gentleman will recall that we had considerable discussion in the committee when we had the matter up. Some thought at the time that it should be 55,000,000 and we had some preliminary discussion by the wheat people before it was introduced. I made the suggestion of 55,000,000 acres to the preliminary group. The Senate has already passed this measure. It is simply a bottom or a minimum anyway, and I do not want to take a chance on being driven into a jam and have misunderstandings by quibbling over the difference between 52,000,000 and 55,000,000 acres.

Mr. BOILEAU. This will provide about 11,000,000 acres more than would be provided if this bill were not passed?

Mr. JONES. I think they now estimate it would probably run about 46,000,000 acres.

Mr. BOILEAU. I thought it was around 44,000,000.

Mr. JONES. They stated today it would probably be 46,000,000 and that depends, of course, on the production. As the gentleman knows, the production in a certain area is turning out not to be as great as at first estimated.

Mr. BOILEAU. That is a change that has been brought about in the last couple of days, but say it would be nine or ten million dollars, the Senate put an amendment into the so-called recovery bill providing for payments to wheat growers out of a fund of $212,000,000 during the year 1939 of 10 cents a bushel on all wheat produced during the next year, and I would like to ask the gentleman whether or not that part of the $212,000,000 that is to be paid over for wheat was calculated on an acreage of 44,000,000 or 45,000,000 or 55,000,000 acres?

Mr. JONES. This particular matter is with respect to the 1939 figure and that is on the 1938 production.

Mr. BOILEAU. As I understand, the relief bill provides for the payment of 10 cents a bushel on wheat produced and harvested during 1939.

Mr. JONES. The gentleman may be right. I have not read with care that provision with that particular thought in mind. However, I had understood it was to be based on a normal yield rather than on actual yield, anyway, and on the average number of acres, and so forth.

Mr. BOILEAU. Yes; but the bill provides 10 cents a bushel on wheat provided he has complied with the terms and conditions, and if we permit the spending of 10 cents a bushel with an additional yield of 13,000,000 bushels, that means about $1,300,000 that we would have to pay.

Mr. JONES. No; for this year it is fixed at 62,500,000, and may I say in that connection that this last estimate was made in the light of the estimated production that became apparent within the last few weeks.

Mr. BOILEAU. But the amendment in the Senate bill provides "such payments shall not be made with respect to any farm on which the acreage planted to the commodity for harvest in 1939 exceeds the farm-acreage allotment for the commodity established under said 1939 agricultural conservation program." I am satisfied from a very hurried reading of the amendment that this amount of $212,000,000, or a part of it, will be used to pay 10 cents a bushel on wheat produced in 1939.

Mr. JONES. Does not that say "not exceeding that amount," and then it is divided according to a formula that would not affect that situation?

Mr. BOILEAU. The language is:

> Any farm on which the acreage planted to the commodity for harvest in 1939 exceeds the farm-acreage allotment for the commodity established under said 1939 agricultural conservation program.

And I was told by some member of the committee it would mean 1939. I am not positive that is true; but if that is true, we are herein providing an additional 13,000,000 bushels, upon which we will pay 10 cents a bushel, which will be an increase of $1,300,000; and I am wondering if that is being considered insofar as consideration of the Senate amendment is concerned.

Mr. JONES. No; that was not considered in that connection at all.

Mr. BOILEAU. I did not assume it was.

Mr. JONES. That is to be distributed according to a formula, and it is not to be in excess of a certain amount per bushel.

Mr. BOILEAU. Ten cents a bushel on the 1939 production, as I understand.

Mr. WADSWORTH. Mr. Speaker, will the gentleman yield.

Mr. BOILEAU. I yield to the gentleman if I have the floor.

Mr. WADSWORTH. I was going to ask the chairman of the Committee on Agriculture if any way has yet been devised by which the law can keep pace with the weather?

Mr. JONES. I do not believe anybody, anywhere, has been able to foretell the weather.

Mr. WADSWORTH. Then we may expect further amendments?

Mr. JONES. I do not believe we have had any law enacted in the last 50 years that amounted to anything that we did not later have to amend. Most of us would not like to ride in a 1913 model car.

Mr. BOILEAU. I have brought this up to show the absolutely ridiculous situation with which we are confronted with the Appropriations Committee and the Agricultural Committee working on bills and then something else comes

in that has not been presented to the committee which materially changes the whole situation, and it is more or less of a hodgepodge.

I shall not object personally, but I think this whole thing should be gone into carefully and that one committee should make its recommendation to the House.

Mr. RICH. Mr. Speaker, I reserve the right to object, to ask the gentleman if he is going to cut down the acreage in 1939 from what it is this year. As I understand it is 79,000,000 acres, and it is suggested to cut it down 60 percent?

Mr. JONES. No; we want to fix it so that we can cut it lower than that.

Mr. RICH. What is the reason? Is the gentleman afraid of the Agricultural Department?

Mr. JONES. I think there is a limit to how much you can adjust in 1 year on these things, and certainly the gentleman would not object to a minimum limit on the thing.

Mr. RICH. No. I think you are wise in doing that, but I think you ought to go further. If you cut down 60 percent of the production in 1939 of the wheat of this country, how much will you permit to be imported—as much as you did last year?

Mr. JONES. The question of imports is an entirely different question. Of course, you will not have any great imports of wheat in the next few years, because there is a production this year of a billion bushels, and we have a carry-over of 200,000,000 bushels.

Mr. RICH. How does the gentleman know we will not?

Mr. JONES. We probably will not.

Mr. RICH. What we should do is to utilize the ground in this country for raising our own wheat and employing our own labor.

Mr. JONES. I wish the gentleman would tell us what to do with a whole lot of the wheat that we are producing this year.

Mr. RICH. If the gentleman will leave it open to the American businessman, he will probably get rid of it to some foreign country, and we will not increase the price of bread so high that the poor fellow who needs something to eat will not be able to get it.

Mr. JONES. But we have a provision in this bill to that effect.

Mr. LUCAS. What the gentleman wants to do is to go back to 1932.

Mr. RICH. No. I want to let the wheat-growing farmers of this country have permission to grow the wheat that we want to use and not bring in wheat from foreign countries as we did last year, and if we do that we will not have to buy about 40,000,000 acres of submarginal lands and then go out at the same time into the West and make these great reclamation projects and start to put 3,000,000 acres more into cultivation.

Mr. LAMNECK. Mr. Speaker, I object.

Mr. JONES. Mr. Speaker, may I be permitted to move to suspend the rules?

The SPEAKER pro tempore (Mr. RAYBURN). The present occupant of the chair is not able to answer that question.

NAVAL RESERVE

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 10594) to provide for the creation, organization, administration, and maintenance of a Naval Reserve and a Marine Corps Reserve, with Senate amendemnts thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The SPEAKER pro tempore. Without objection, the present occupant of the chair appoints the following conferees: Mr. VINSON of Georgia, Mr. DREWRY of Virginia, and Mr. MAAS.

SLUM-CLEARANCE PROJECTS IN PUERTO RICO

Mr. KOCIALKOWSKI. Mr. Speaker, I move to suspend the rules and pass the bill (S. 3929) to authorize the Legislature of Puerto Rico to create public corporate authorities to undertake slum clearance and projects, to provide dwelling accommodations for families of low income, and to issue bonds therefor; to authorize the legislature to provide for financial assistance to such authorities by the government of Puerto Rico and its municipalities, and for other purposes, which I send to the desk.

The Clerk read as follows:

Be it enacted, etc., That the Legislature of Puerto Rico may create public corporate authorities to undertake slum clearance and projects to provide dwelling accommodations for families of low income.

SEC. 2. The Legislature of Puerto Rico may provide for the appointment and terms of the commissioners of such authorities, and for the powers of such authorities, except that such authorities shall be given no power of taxation, and may authorize the commissioners of such authorities to fix the salaries of employees.

SEC. 3. The legislature may appropriate funds for and may make and authorize any municipality of Puerto Rico to make loans, donations, and conveyances of money or property to such authorities; may make and authorize any municipality of Puerto Rico to make available its facilities and services to such authorities and take other action in aid of slum clearance or low-rent housing; and may, without regard to any Federal acts restricting the disposition of public property or lands in Puerto Rico, provide for the use by or disposal to such authorities of any public lands or other property held or controlled by the people of Puerto Rico, its municipalities, or other subdivisions.

SEC. 4. The legislature may authorize such authorities to issue bonds or other obligations with such security as the legislature may provide and may provide for the disposition of the proceeds of such bonds and all receipts and revenues of such authorities.

SEC. 5. Such bonds shall not be a debt of Puerto Rico or any municipality, and shall not constitute a public indebtedness within the meaning of section 3 of the act of Congress approved March 2, 1917, entitled "An act to provide a civil government for Porto Rico, and for other purposes", as amended.

SEC. 6. All legislation heretofore enacted by the Legislature of Puerto Rico dealing with the subject matter of this act and not inconsistent herewith is hereby ratified and confirmed.

The SPEAKER pro tempore. Is a second demanded?

Mr. TABER. Mr. Speaker, I demand a second.

Mr. KOCIALKOWSKI. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. KOCIALKOWSKI. Mr. Speaker, I yield 5 minutes to the Delegate from Puerto Rico [Mr. IGLESIAS].

Mr. IGLESIAS. Mr. Speaker, I assure the gentlemen that this measure is a meritorious one. It tends to help the working people, and the families of low income in Puerto Rico. If the bill is passed, it will help the masses of the workers in the first place, and the families of low income in the second place. The necessary housing authorities have already been created by the Legislature of Puerto Rico in conjunction and cooperation with the provisions in the bill before you. We have already passed three measures to help the people of the country over there. These measures, together with the assistance of the Housing Authority in Puerto Rico, will benefit the people and will create another opportunity for the working classes, and the agricultural workers, and the families of low income, and help them to live better and to change the housing conditions in Puerto Rico.

These houses are going to be built along lines of good construction, but economically. The purpose of the bill, as you realize, is to aid and assist the most modest and humble people of Puerto Rico.

The work of constructing these buildings and everything in connection with them will, of course, be in accordance with the law and under the supervision of the Housing Authority. The Legislature of Puerto Rico has the duty of cooperating with the Federal Government and the passing of suitable legislation to carry out the principles of the House bill.

In passing this bill the Congress of the United States will be doing a great service to the entire people of the Island. It will be a great forward step in uplifting the condition of

all the people and offer an inducement to them to improve living conditions generally; and, speaking for the people of the island, they will cooperate and assist in carrying out the principles and aims of this bill.

I appeal to the Members of the House to vote favorably for this measure, for it is but a further step in the progress that your influence and cooperation has made possible the last few years. We want to continue making progress, and the enactment of this bill into law will be a great encouragement to our efforts. As I say, there will be no manipulation or speculation under it, but its entire benefits will be directed toward helping and assisting the people of the island.

In closing, I ask and request you to vote in favor of the bill. [Applause.]

[Here the gavel fell.]

Mr. TABER. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, it seems to me that the House should have in front of it a picture of what is being done to the country by this housing operation, how it is working out, and the debts it is getting the country into.

I am going to read from the hearings of the Committee on Banking and Currency on the nine projects that have been adopted, with the cost per unit of each one:

Austin, Tex., 186 units, $643,000; a unit cost of $3,500 per family in a moderate-sized community. Charleston, S. C., a moderate-sized city; 216 units at a cost of $1,017,000, a unit cost of $5,000. New Orleans, La., 1,397 units, a total cost of $8,411,000, or a unit cost of a little more than $7,000, the largest unit cost of any of the nine. Syracuse, N. Y., 678 units; total cost, $3,913,000. This makes a unit cost of about $5,300. Youngstown, Ohio, 600 units at a total cost of $2,835,000; a unit cost of $4,750. Augusta, Ga., 335 units at a total cost of $1,369,000; a unit cost of $4,000. Jacksonville, Fla., 224 units, a total cost of $1,027,000; a unit cost of $4,700. Louisville, Ky., 814 units at a total cost of $4,261,000; a unit cost of $5,000. New York City, 5,194 units at a total cost of $30,000,000; a unit cost of $6,000.

Every one of us knows that these unit costs are in every instance double what it costs to take care of a family that is earning its own living in decent shape in those places.

I understand from the hearings before the Committee on Insular Affairs that it was indicated that in the operations in Puerto Rico they have spent as high as $2,500 on these houses. You can put up a house there to take good care of a family for $700. They do not have to have heat, and they do not need the type of construction we must have in the North.

There is absolutely no reason why we should go ahead with this kind of operation unless we provide an intelligent set-up for this work, without which we are never going to get anywhere. For that reason I hope there will be some semblance of intelligence used by the House in passing on this bill. Let us see what the situation is in this relief bill that was passed—and there is no difference between the Houses on it. Including reappropriations, there is approximately $8,000,000 available for the Puerto Rican Commission. This is a lot of money. It is enough to take care of them in pretty good shape. It goes a long way further than it goes here in this country because of the low cost of living.

If there were a limitation in the bill as to the amount of money that might be spent for a single unit, limiting the expenditure to a reasonable amount, there might be some hope; but the idea of going ahead and spending money for units beyond the range of the earning capacity of the people who will live in them is beyond my comprehension; yet this is being done all through the States.

I cannot see that that is a slum clearance. It is purely and simply a raid on the Treasury of the United States and an operation that will help cripple us completely. With this explanation as to just what the bill does and how it operates, I hope the House will not agree to this resolution.

Mr. KOCIALKOWSKI. Mr. Speaker, I yield such time as he may desire to the gentleman from New Jersey [Mr. O'NEILL].

THE SEVENTY-FIFTH CONGRESS

Mr. O'NEILL of New Jersey. Mr. Speaker, I have enjoyed my service in the Seventy-fifth Congress. With adjournment, which all of us hope will come within the next few days, our legislative responsibilities for the present Congress will end.

The provision in our Constitution requiring that at the end of every second year an election be held for each of the 435 seats in the House of Representatives proves again the wisdom of those who organized our form of government. One-third of the Members of the other body of Congress are elected every second year for the term of 6 years. The President of the United States is elected for 4 years. Hence, through their representation in the lower House of Congress the American people are most directly the Government of the Nation.

Recurring efforts to extend the term of Representatives are not soundly founded. We in the House have first jurisdiction in all matters affecting the public purse. All tax-imposing legislation and all legislation making appropriations of the public moneys must here originate. It is proper that those who send us here should have the opportunity after 2 years to carefully weigh our service and decide whether or not we shall be returned to our seats.

COMMITTEES

I have enjoyed my experience on the Committees on the Civil Service, Education, District of Columbia, Claims, and Coinage, Weights, and Measures. The duties of some were more exacting than others, but each afforded an experience I am very glad to have had.

In accordance with the rules of the House, I resigned my membership on all of these committees upon my election to the major committee on Interstate and Foreign Commerce. To this committee is assigned all legislation affecting motor, rail, and air carriers; securities and exchange legislation; food and drug legislation; most legislation dealing with the problem of public health; in general, all legislation affecting interstate and foreign commerce.

During the consideration in committee of the bill creating the Civil Aviation Authority it became apparent that cities having airports would be denied any assistance from the Federal Government should the bill pass in the form in which it was introduced. With the assistance of several colleagues in committee, we were successful in amending the bill, putting airports in much the same category in relation to the Federal Government as are rivers and harbors.

The city of Newark has an investment of nearly $10,000,000 in what is considered to be the Nation's greatest airport. It is not of direct benefit solely to the people of Newark, who are obliged to maintain it, and we insist—reasonably, we think—that the Federal Government has a very definite obligation to assist in its maintenance.

Outstanding among the bills enacted with relation to public health was the antisyphilis bill, enabling the United States Public Health Service to more capably operate in combating this dreadful social disease.

NEUTRALITY

The first vote I cast in Congress was for the passage of the bill to amend the neutrality law, and during the subsequent debate on the new Neutrality Act I joined with those in the Congress who believe that we can contribute most effectively to peace by prohibiting the shipment of arms and ammunition during peacetime as well as wartime. Though we were not successful, I still hold to that conviction and hope that such a provision will be enacted during the next Congress.

AMERICA WANTS PEACE

More than almost anything else the men and women of America want peace. We have suffered now for more than a generation as a result of the economic maladjustment produced of the last war. It is sometimes distressing to have come across our desks appeals for action in behalf of one side or another in conflicts between nations and in nations where civil conflict exists. It has always seemed to me that the very important matter of finding a way to bring security and contentment to the millions of our people who are unemployed is sufficiently large a problem to require our best effort and attention. I have tried to adhere to such a course.

TAXATION

The new Revenue Act adopted by this Congress contains many substantial and necessary revisions. It carries in it practically the repeal of all nuisance taxes, makes inoperative except where there might be an attempt at willful evasion the undistributed-profits and capital-gains taxes. In the campaign which resulted in my election to Congress I declared against this method of taxation and I was among those who successfully opposed my party's leaders in the attempt to levy an additional tax on closely held corporations.

I think the administration must continue its effort to broaden the tax base so that those who are willing to invest their capital in private enterprise may do so with the reasonable assurance of having returned a fair and reasonable profit.

I hope that an early Congress will see the psychological wisdom of enacting a tax law that will draw from every wage earner in the country, no matter who, a portion, at least, of his earnings, though it be but a dollar or two a year, for the direct support of his Government. Until we do this hundreds of thousands of our citizens will continue to think that the cost of Government is borne only by the rich, when in fact they are paying a far larger proportion through indirect taxes. The free institutions, the armed forces, all agencies of the Government, are operated for the benefit of all the people and all the people should help to maintain them.

AGRICULTURAL ACT

I did not feel too ashamed of the statement I had earlier made that I did not understand the Farm Act when, during the debate, a large number of Representatives of agricultural sections plainly said on the floor of the House that they, too, did not understand it. Many of them said it was unworkable. I voted against it.

HOUSING

The Federal Government took a firm and definite step forward in the enactment of legislation to aid the States in a program of slum clearance.

In the city of Newark, in which I reside, plans are under consideration at the present time for the erection of the first three units under the program. One of the units, I am informed, is to be located in the congressional district which I represent.

Arrangements are also being made for participation in the program by the Board of Commissioners of the City of Orange. No pressing need exists in East Orange, South Orange, or West Orange. It has been a source of satisfaction to me to have assisted in the enactment of this social legislation.

FEDERAL HOUSING ADMINISTRATION

The great contribution of this governmental agency to recovery from 1934 until 1937 prompted the Congress to revamp the act, liberalizing its requirements. In my opinion the administration of this agency might well be taken as a criterion by many other agencies of the Government. It has been conducted on a high plane and has generally won the cooperation and confidence of business throughout the Nation.

HOME OWNERS' LOAN CORPORATION

On June 10 I indicated to the House that while we have very definitely advanced as a result of the slum clearance and Federal Housing Administration legislation this Congress has been wholly negligent in recognizing the difficulties confronting borrowers through the Home Owners' Loan Corporation.

As a result of a number of conferences with officials of that agency a committee of Members of the House has submitted certain recommendations. Should they not be made effective before the convening of the Seventy-sixth Congress it will be necessary to revise the act immediately.

VETERANS' LEGISLATION

It was my pleasure to assist in passing measures designed to aid the veterans of our wars, their widows and dependents. The men and women of the Nation who were its defense when they were needed most will never be adequately compensated for the sacrifices they made and it will be my pleasure in the future to assist them in all worthy endeavors and requests.

ANTILYNCHING

The House of Representatives during the first session of the Seventy-fifth Congress adequately refuted the every campaign Republican charge that a Democratic Congress would prevent the enactment of an antilynching law. On April 15, 1937, 277 to 119, the House passed and sent to the Senate H. R. 1507, to assure to persons within the jurisdiction of every State the equal protection of the laws, and to punish the crime of lynching. It was my pleasure to speak for the passage of the bill and I am confident that early in the next Congress the House will again pass and lay at the door of the Senate this legislation.

THE BILL TO REORGANIZE THE AGENCIES OF THE GOVERNMENT

This measure, as most of us know, was designed to reduce expenditures, increase efficiency, regroup offices, reduce the number of agencies, and eliminate overlapping Federal agencies. No more innocuous piece of legislation came before the Congress, but a flood of violent propaganda led the great number of those protesting its passage to believe that the bill was a design for eventual presidential dictatorship.

The bill, as recommitted to the Select Committee on Government Reorganization, was hardly in any part the bill which passed the Senate of the United States.

Those who were propagandizing against the bill were not propagandizing against legislation. They were using it as a screen through which they might repudiate the present administration. If the bill was what the American people were led to believe it was, then the administration should have been repudiated, but how anyone who had studied the bill, analyzed the arguments in favor of it, and the arguments against it, could decide to vote against it for the purpose of repudiating a thing apart does not seem to me to be morally sound.

The chief arguments against the bill were four: First, on constitutionality of its delegation of power; secondly, dictatorial power over expenditures; thirdly, destruction of Civil Service; and, fourthly, not the time for it.

Rather than being a delegation of power, the bill delegated to the Executive a specific task to be completed before July 1, 1940. The specific task was the reorganization and regrouping of certain overlapping agencies. The 35 agencies of the Government now administering welfare work would have been regrouped into a single agency. The numerous agencies dealing with housing functions would have been joined. The agencies dealing with agricultural powers would have been concentrated, and like steps taken wherever there might be duplication.

Certain agencies created by the Congress, such as the Federal Trade Commission, Interstate Commerce Commission, Social Security Board, Federal Power Commission, Securities and Exchange Commission—in fact, all of the quasi-judicial agencies—would not have been touched, as they were specifically, each by name, exempted in the bill.

Before any reclassification could be made, the bill required that the Executive submit to the Congress a recommendation embodying the proposed changes, with the further requirement that the recommendation lie before the Congress, while in session, for at least 60 days. If the Congress chose within that time it could, by majority vote, veto the recommendation.

The impracticality of expecting the House and Senate to abolish and consolidate bureaus is apparent. The ememployees' organizations of the Government agencies would begin their log rolling. There would be trades and swaps, and the necessity for Government reorganization would forever be before us, as it has been for the past 25 years.

That it be effected was recommended by President Wilson, President Harding, President Coolidge, and President Hoover.

Secondly, the duty of the Comptroller General is to audit expenditures. The bill provided for a division of his functions, a separation of functions purely executive from functions legislative.

Thirdly, the Civil Service Commission, as presently constituted, consists of three Commissioners. Under the recommitted bill the Commission would have been increased to seven members, not more than four of whom could be members of the same political party, and an administrator who would be appointed under much the same conditions and requirements as relate at the present time to the appointment of the Comptroller General. Rather than a destruction of civil service, this would have indeed been a strengthening of it.

Fourthly, the bill needed more study, but it needed that study by the people who were protesting against it.

An effort has been made, as I have pointed out, for many years to have each succeeding Congress effect some intelligent, efficient, workable reorganization. Those who took the time to really analyze the bill for themselves instead of depending upon biased columnists for the formation of their opinion would agree with former President Hoover:

> Not only do different factions of the Government fear such reorganization, but many associations and agencies throughout the country will be alarmed that the particular function to which they are devoted may in some fashion be curtailed. Proposals to the Congress of detailed plans for the reorganization of the many different bureaus and independent agencies have always proved in the past to be a signal for the mobilization of opposition from all quarters, which has destroyed the possibility of constructive action.

That some columnists really measured the situation which occurred is indicated in the words of Arthur Krock, which appeared in the New York Times:

> If the opposition to the Byrnes bill had been kept within bounds of truth and reason, Wall Street and other interests would have paid only ordinary attention to the legislation. The powers it delegates to the President do not bear on anything that is disturbing confidence in this country or depressing business.

I could not find it morally possible to vote against a bill which I knew to be a good bill, having taken part in the consideration of it, simply because a great many people were lead to believe it was not a good bill.

WAGE AND HOUR LEGISLATION

After a stormy path, which included its recommitment to the Committee on Labor, the wage and hour bill is before us again in the form of a conference report unanimously agreed upon by all of the conferees of the House and the Senate.

This bill will lay upon no fair employer of labor any additional burden. It will give a good whack to those who sweat from labor all it may have to give. Thousands in my district who are of the too-lowly paid and who have been unable to bring to themselves the reasonable protection of organization will be lifted to a wage that will provide for them a little more decent standard of living.

It will aid the manufacturer in the great metropolitan area of New York to compete on a more equitable basis with the manufacturer of like products in the cheap-labor sections of the country.

Some of the manufacturers in the metropolitan district have an appreciation and an understanding of the provisions of the act. Mr. William Bal, president of the William Bal Corporation, manufacturers in Newark since 1898, in a letter to me on June 2 wrote:

> I am writing you regarding the wage and hour bill. As I understand it, it seems to me this would help to equalize wages and hours throughout the entire country, which, to my mind, is rather important for the following reason:
> In the years gone by Newark was the great trunk center of the country. Here was located many large concerns who have since been forced to liquidate. Most of this business has gone to the South—Petersburg, Va.—where they have an abundant supply of very cheap labor, with the result that there are more Petersburg trunks sold in Newark today than there are Newark-made trunks, and Petersburg is the great trunk center of the country today instead of Newark.

During the first session I was among those who voted to send the bill back to committee for the reason that the large differentials permitted in the first version of the bill would have made the bill useless as far as improving the lot either of the worker or employer in the large industrial centers. The present bill meets these conditions more equitably and, upon whatever experience is gained from the administration of the law after it becomes effective, improvements may be effected.

WAGNER LABOR RELATIONS ACT

Administration of the Wagner Labor Relations Act, since its constitutionality was upheld by the Supreme Court of the United States, has indicated how wholly unfair to the employer are certain provisions of the act. Should the voters of my district return me as their Representative, I will assist in the movement to have enacted supplementary legislation extending to the employer the same protection given the employee. One should not have an unequal advantage over the other. The employer and employee are coequal and conecessary in the production of goods. They should be coequal in sharing the benefit of the profit from the goods.

I do not favor taking from labor any of the advantages gained through the Wagner Labor Relations Act, but I do favor laying upon labor responsibility to a degree equal with that laid upon the employer in the act.

SIT-DOWN STRIKES

On April 8, 1937, I voted with the minority for the appointment of a congressional committee to investigate the cause and place the responsibility for the sit-down strikes which spread across the Nation like an epidemic. The resolution was defeated but helped to organize an aroused public opinion, causing an infamous and illegal movement to die of its own weight.

UN-AMERICAN ACTIVITIES

Today the Nation is aroused in like temper against another effort of subversive forces. In a radio report to the people of my district at the conclusion of the special session I touched upon this growing menace. I called attention to the fact that certainly there was no right granted anyone to conduct a meeting such as that which was called the Annual Convention of the Communist Party of America and held in Madison Square Garden. Photo reports of the meeting indicated an auditorium filled with men and women and hanging about them on every side were signs, "For a Soviet America."

In the speech to which I refer, delivered over the Mutual Broadcasting System on Saturday, December 18, I said:

> Recently in the city of New York the Communist Party held a convention. Banners strung about Madison Square Garden carried the slogan, "For a Soviet America." Three thousand men rose and with clenched fists upraised cried, "For a Soviet America." Do we—indeed, do they who are not its leaders—know what it means? Closely allied with the Communist Party is a high-sounding League Against War and Fascism. Now, just being American—a real American, I mean—presupposes that one is against war and fascism, and the interesting thing about this organization is that it has never issued any pronouncement against another menace to democratic government—Soviet fascism.
> If this so-called League Against War and Fascism would change its name to the League Against War and Civil War, Fascism, and Communism, that would be something, but that could not be, for that would mean a break in their united front. We will concede that communism is against war and fascism, but communism is not against civil war because out of civil war emerges the soviet form of fascism. For that we need look only upon the desecrated and torn land of Spain in her present sorrow because she did not see. Why, too, do we permit another flank in this united front to collect money here to prolong the strife in Spain? They are high sounding, too, "the Friends of Spanish Democracy." Now, no matter which side wins in Spain, Spain will not know democracy, and a recent report by the Federal Government indicates that but a small percentage of the money solicited found its way to Spain. The rest was spent, and is being spent, here to spread the propaganda of the Soviet state.

LABOR'S FALSE FRIENDS

> These organizations would make it appear that they carry labor's banner, and when labor finally realizes that they are but false and expedient friends and casts them out labor will make more progress by doing so than since the first workers' guild of centuries ago until now. We must remember that our rights of free speech, free press, and assemblage are recognized by our Government, which itself is derived from the people; and all must understand, and those who do not must be taught, that liberty implies obedience to legitimate authority. Now, my friends, it is a fact well known that no

Communist or "red," or agitator of any label, will make a convert of a contented propertied worker. There are conditions and facts which must be recognized, not only by labor but by capital as well. If our form of society is to go on as we know and cherish it, then capital must cure the cause of social unrest, and the cure is a fair wage under decent working conditions, and the wage contract should as soon as possible be modified so that the worker will have a share in the profits, management, and ownership of industry. There are two extreme errors concerning profits—one is the liberal error that capital is entitled to all of the profits; the other is the Marxist error that labor is entitled to all of the profits. In between is the golden mean that since both capital and labor share in the production of wealth, each should share to some extent in the profits.

LIBERTY NOT UNBOUNDED LICENSE

Just as labor must not believe its anti-law-and-order leaders who teach that liberty is unbounded license, so must the employer know that capitalism has its responsibilities to the hands that produce the Nation's wealth. No workman will ever sit down on his machine if he knows that he can derive from working the machine a fair and decent wage. Capital and labor each has its responsibilities to the other, and the Government, derived of both, should be the protector of both.

A "Soviet America" is the ultimate aim and purpose of the Communist Party of America. Its leader, Browder, is not an American in any sense of the word, and those of my colleagues in the Congress who have been shouting for the right of free speech for these opponents of our governmental system have laid themselves open to serious doubt as to the quality of their own Americanism. The right of free speech does not mean the right to destroy a right, and those who hide behind a Constitution which ultimately they mean to destroy should not be tolerated.

A "Soviet America" means a dictatorship of the proletariat. It means again Russia. It means the enslavement of the working classes, many of whom have been deluded into believing that the Communist Party is the party for the worker. It means the destruction of minority rights. It means the destruction of the dignity of man.

There is no room for communism, fascism, nazi-ism in the heart of any real American. I do not agree with those of my colleagues who feel that the best solution is to let the "reds" talk their heads off. It began that way in other countries and immediately brought into force communism's opposite extreme—fascism. If fascism is the cure for communism, it is an abhorrent cure, and so that it will not be necessary to apply the cure we must vigilantly suppress the cause.

The symbol of the Communist Party in America is the clenched fist—itself the symbol of hate. I am not one of those who believe that we can open those fists through retaliatory violence. I share the resentment of my friends and neighbors in the city of Newark of the vulgar display in connection with a meeting for which a permit had been granted. Licensed public addresses, at designated places, under police surveillance, to prevent disorder, is a fair limitation on free speech; but the exercise of that right under such conditions demands full protection. We are not going to make better Americans through egg throwing. We can open the clenched fist only by teaching misled and deluded followers that the thing for which they clamor under an odious banner is already theirs—freedom and liberty—but that neither the freedom nor the liberty, inherent rights guaranteed by the Constitution, is license to transgress upon the rights of another.

In the first session I was among those who endeavored to have a committee appointed to investigate subversive activities. We were defeated, but I am glad that during the third session of the Seventy-fifth Congress we reversed ourselves and created a committee to investigate all of these alien tendencies. I trust that the committee will make a contribution to American thought that will materially help in warding off those who would tear apart our present structure.

In passing I feel that I should make mention of a statement by one of my colleagues who was unceremoniously given his hat and asked what was his hurry on a recent visit to a New Jersey city. The statement that he will take time from his own campaign for reelection in Montana to return to New Jersey to defeat me is a testimonial of which I might be proud. "A man is known by the enemies he makes."

I do not think that the colleague to whom I refer is a Communist. Despite his statement of June 19 that he thinks the Daily Worker is America's outstanding daily labor newspaper, despite his free trip to Spain in behalf of the American Friends of Spanish Democracy, despite his expressed high opinion of Mother Bloor on her communistic activities, and despite the fact that he considers the majority of his colleagues to be political reactionaries—despite all of this I do not consider him to be any more of a Communist at heart than many hundreds of men and women who are enrolled in the Communist Party. Were they to realize that their very identification with the party binds them to support the program of the Third Internationale for a world revolution they would not for very long profess their membership. Most of them are like my colleague from Montana. He is suckerized and deluded by those who will leave him first, and slightly dizzy from the glare of newspaper photographers' flash bulbs. I am sure that as he grows older he will wonder how things so reprehensible and shallow ever at any time attracted him. [Applause.]

SUMMARY

I have here reviewed, with necessarily brief observations, some of the accomplishments of our Seventy-fifth Congress and my attitude on legislation which will certainly come before the next Congress.

In submitting it to the electorate of my district, I do it with a confidence that as their voice in the Nation I have tried to be truly representative of their will.

It is my honest belief that during these 2 years, despite many difficulties, the Government of the United States has been able to definitely progress toward a social balance for its people, the while we seek to strike an economic balance. No one can explain why, in the face of economic difficulty, with millions unemployed, we in the United States should have escaped the scourges which are rending practically every other nation in the world. Perhaps the only answer is that we are truly a democracy.

That we so continue is the matter of greatest importance.

Mr. KOCIALKOWSKI. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. LANZETTA].

Mr. LANZETTA. Mr. Speaker, I am afraid that the fears of the gentleman from New York who preceded me are unfounded. This bill does nothing more than create a housing authority, or, perhaps, I should say it authorizes the Puerto Rico Legislature to create a housing authority. Everyone knows that no State has been able to operate under the new Housing Act without first setting up a housing authority of its own. This bill authorizes the Legislature of Puerto Rico to create public corporate authorities to undertake slum clearance and the building of houses for families of low income. The reason why this bill is here is because of some doubt in the minds of the members of the legal department of the Housing Authority that the Puerto Rico Legislature may not have power under the organic act to pass such legislation. Were it not for this doubt this bill would not be here. It would have already been passed by the Puerto Rico Legislature.

Mr. Speaker, I want to read an excerpt from the letter received by the chairman of the Committee on Insular Affairs from Mr. Straus, Administrator of the Housing Authority:

Under the United States Housing Act of 1937 we are authorized to make loans and grants to public-housing agencies in order to assist in the development of low-rent housing and slum-clearance projects. It is generally expected that the public-housing agencies which will be selected to undertake these local programs will be the local housing authorities created under State legislation. In this connection it is important to note that the term "State" is defined in our act to mean not only the States of the Union but also "Territories, dependencies, and possessions of the United States." It was obviously the intention of Congress, through this definition, to extend the benefits of the act as widely as possible and not to restrict them to the States on the continent. As a matter of fact, Hawaii already has adoped the necessary legislation and the Congress has adopted an act (Public, No. 202, 75th Cong.)

ratifying the action of the Legislature of the Territory of Hawaii in creating housing authorities in Hawaii. As Mr. Miller informed you at the hearings, we have an earmarking in the amount of $2,400,000 for projects in Hawaii.

The thing I want to impress upon the Members of this House is that, although Puerto Rico is already included in the Housing Act, that only by the passage of this bill will it be able to share the benefits in accordance with the intention of Congress.

With respect to the cost of houses in Puerto Rico, may I say to the gentleman from New York that this item will be controlled by the existing conditions in Puerto Rico. The United States Housing Authority will see to it that no money is wasted in building these houses. When Mr. Straus appeared before our committee he stated that the most important factor in slum clearance was the keeping down of costs, and that unless costs were kept down that the modern and sanitary homes contemplated under the Housing Act would get beyond the reach of the low-wage earners. The United States Housing Authority has given every indication that they are closely watching the costs of these undertakings in the various areas, and I am certain that insofar as Puerto Rico is concerned that they will continue to do so.

Mr. Speaker, I wish to read what Mr. Straus has to say about the importance of the passage of this legislation:

The absence of an act similar to H. R. 10050 applicable to Puerto Rico places Puerto Rico in the same position as are the 15 States which have not adopted enabling housing legislation. This means that until such legislation is adopted it will not be possible for us to make financial assistance available for projects in these States. In this connection you will be interested in knowing that over $334,000,000 have been set aside for slum clearance and low-rent housing projects for 80 communities in 23 States and the Territory of Hawaii.

Mr. Speaker, this bill has nothing to do with the cost of the houses which will be built in Puerto Rico. As I have already stated, that phase of the housing program will be watched over and taken care of by the United States Housing Authority. All we do here is authorize the Puerto Rico Legislature to pass a housing act so that Puerto Rico can proceed at once with its slum-clearance program.

Governor Winship, in testifying before the committee, pointed out the great need for slum clearance in Puerto Rico and how important it was that this legislation become law before adjournment of Congress.

I am sure that the membership of this House would not want to deprive the people of Puerto Rico of their share of the benefits under the Housing Act, to which they are justly entitled.

Mr. Speaker, I trust that this measure will be approved.

The SPEAKER pro tempore (Mr. RAYBURN). The question is, Shall the rules be suspended and the bill passed?

The question was taken; and on a division, there were—ayes 79, nays 13.

So, two-thirds having voted in favor thereof, the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

A similar House bill was laid on the table.

ACREAGE ALLOTMENTS FOR WHEAT FOR 1939

Mr. JONES. Mr. Speaker, I renew my request for the present consideration of Senate Joint Resolution 308, to prescribe the acreage allotments for wheat for 1939.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

Mr. LAMNECK. Mr. Speaker, reserving the right to object, I was the one who objected earlier in the afternoon to the consideration of this resolution. It is not my desire to interfere with the orderly procedure of the House.

I was opposed to the request for two reasons. First, the Senate bill had never been sent to the House committee and I thought it ought to go there. Second, I think it conclusively proves that our farm program has not worked out in practice. I know if we allot the acreage that we will probably have to allot if this bill is not passed, the farmers of this country are going to have a pretty hard time raising wheat. This bill liberalizes the matter, by increasing the acreage by 15,000,000 acres.

I have no desire to hurt the farmers or to interfere with the proceedings of the House, but I still think that the agricultural program is a cockeyed proposition.

Mr. Speaker, I withdraw my objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the Senate joint resolution as follows:

Resolved, etc., That section 333 of the Agricultural Adjustment Act of 1938, as amended, is amended by adding at the end thereof a sentence to read as follows:

"The national acreage allotment for wheat for 1939 shall be not less than 55,000,000 acres."

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill was laid on the table.

AMENDMENT OF MOTOR CARRIER ACT, 1935

Mr. SADOWSKI. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill H. R. 9739, to amend the Interstate Commerce Act, as amended, by amending certain provisions of part II of said act, otherwise known as the Motor Carrier Act, 1935.

The Clerk read the title of the bill.

Mr. REECE of Tennessee. Reserving the right to object, Mr. Speaker, as I understand, an amendment was agreed upon in the committee and it is the intention of the gentleman from Michigan to offer that amendment, removing the section to which there was no objection.

Mr. SADOWSKI. That section was taken out in the full committee and is not in this bill, I may say to the gentleman from Tennessee.

Mr. REECE of Tennessee. Therefore, the print which is now before the House does not contain that provision.

Mr. SADOWSKI. No; it does not contain any reference at all to that section.

Mr. REECE of Tennessee. If the gentleman will yield further, I served as a member of the subcommittee which considered these amendments to the Motor Carrier Act and it is my view that they are satisfactory and will improve the present law. They are chiefly clarifying amendments.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. SADOWSKI. Mr. Speaker, this bill contains only minor amendments to the Motor Carrier Act which we passed in 1935. The bill has the recommendation of the Interstate Commerce Commission and there is no objection to it in the Committee on Interstate and Foreign Commerce.

The provisions of the bill were recommended to the Senate and House of Representatives by the Interstate Commerce Commission in its special report of February 25, 1938. The proposed amendments are mainly for the purpose of perfecting procedure and of clarifying obscure provisions of the act, and have been suggested by the Interstate Commerce Commission to facilitate the performance of the difficult and onerous task placed upon that Commission by the Motor Carrier Act, 1935.

Section 1 of the bill is merely preliminary.

Section 2 proposes to amend section 203 (a) (13) of the Motor Carrier Act by inserting the words "or any combination thereof determined by the Commission." The purpose of this proposal is to permit the Commission when necessary to determine what combinations of various types of motor vehicles, such as tractors and semitrailers, should be used to constitute a single motor vehicle within the meaning of the insurance and safety regulations, and others which have been or will be prescribed by the Commission.

Section 3 proposes to amend section 204 (a) (6) of the Motor Carrier Act, 1935, by striking therefrom the word "other," leaving the section the same in other respects. This proposed amendment is for the purpose of clarity only.

Section 4 proposes to amend section 205 (a) of said act and section 5 proposes to amend section 205 (b) of said act. The purpose of these two amendments is to give to the Commission some discretion as to whether a recommended order and report should be required and thus to expedite action in cases where expedition is essential. The present statute requires such a recommended report and order on every case, and the lapse of 20 days after the issuance thereof for filing exceptions before the order can become effective. This would make the situation in respect of the matters mentioned similar to that applicable to rail carriers under part I of the Interstate Commerce Act, as amended. Section 4 concerns the reference of proceedings to examiners. In such cases, the discretion as to whether a recommended order and report shall be issued is given to the Commission. Section 5 concerns the reference of proceedings to joint boards, and, as to such bodies, it leaves to the discretion of the joint board whether a recommended order and report shall or shall not be issued. In the latter case if the joint board determines to dispense with a recommended order and report it would merely report its conclusions to the Commission, and the Commission would proceed immediately to a decision.

Section 6 proposes to amend section 205 (f) of said act. The effect of the proposed amendment would be, after notice of any proceeding before the Commission arising out of said act had been given, to permit intervention by any party in interest either for the purpose of making representations to the Commission or for participating in a hearing if a hearing is held. This amendment rationalizes this section with the two preceding amendments and those proposed in sections 9 and 11, and leaves some discretion with the Commission as to whether in given cases hearings should be held.

Section 7 and section 8 propose to amend section 206 (a) and section 209 (a), respectively, of the Motor Carrier Act by inserting in each the words "Except as otherwise provided in this section and in section 201 (a)." These proposed changes are made necessary by the amendment proposed in section 9 providing for temporary grants of authority to operate.

Section 9 proposes to amend section 210 of said act by inserting a new section therein which would grant to the Commission in cases of immediate and urgent need the right to issue temporary operating authority to a motor carrier for a period of time not to exceed 180 days, without hearing or other proceedings. Such temporary grants would be limited to situations in which there was an emergency and where the points or territory affected were without carrier service capable of meeting the need.

Section 10 proposes to amend section 212 (a) of said act in two respects: First, to permit the Commission to suspend—not revoke—the operating rights of a motor carrier or broker upon reasonable notice, but without hearing, if the carrier or broker fails to comply with the provisions of the act concerning the filing of insurance or surety bonds, the filing of tariffs, or the filing of schedules of minimum rates, which latter provisions of the act in terms now prohibit continued operations in the event of noncompliance therewith. The proposed amendment would eliminate any possible conflict between such provisions and those of section 212 (a). Such suspensions would continue only during the period of noncompliance by the carrier or broker involved. Second, to cut down the time from 90 days to 30 days as the period for noncompliance with a lawful order of the Commission before an operating right may be revoked. The purpose of this amendment is mainly to aid the Commission in enforcing the act.

Section 11 proposes to amend section 213 (a) (1) of said act to the extent of relieving the Commission from the duty of holding public hearings in every case of proposed consolidation, merger, purchase, lease, operating contract, or acquisition of control of motor carriers, and permitting the approval of unifications in cases in which the need for such a hearing is not apparent.

Section 12 proposed to amend section 213 (b) (1) of said act by including within the types of unification transactions which are prohibited by the act those occurring between one or more carriers on the one hand and one or more carriers other than motor carriers on the other. The purpose is to cure an apparent oversight in the original act.

Section 13 proposes to amend section 213 (b) (2) of the act by making it clear that the remedies open to the Commission for a violation of section 213 are not confined exclusively to the conduct of an investigation and the issuance of an order therein by the Commission. This amendment is mainly for the purpose of clarity and would remove any doubt as to the right of the Commission to proceed to prosecute for violation of the unification provisions of the act.

Sections 14 and 15 propose to amend sections 216 (g) and 218 (c), respectively, of said act to permit the Commission to suspend any initial schedule of a common carrier or schedule or contract of a contract carrier filed after the date that the provisions of the bill shall have become effective. The purpose of the proposed amendment is to prevent future filings of initial tariffs and schedules by motor carriers who were in bona fide operation on June 1 or July 1, 1935, without the exercise by the Commission of its suspension power.

Section 16 proposes to amend section 224 of said act to permit the Commission to require the display of identification plates upon all motor vehicles used in transportation subject to the Motor Carrier Act, rather than by limiting the use of plates to such vehicles only as are operated under certificates or permits issued by the Commission. This will permit the Commission to require identification plates to be used by those who are subject to the safety and hours of service provisions of the Motor Carrier Act but who are not required to operate under a certificate or permit. This proposed amendment would affect those classes of carriers only who are exempted from the general provisions of the act but not from the safety and maximum hours of service provisions by section 203 (b) thereof. It would not affect the present status of private carriers by motor vehicle.

The amendments to the bill recommended by the committee are for the following purposes:

The addition of a new section 3 in the bill proposes to amend section 203 (b) (6) of the Motor Carrier Act by striking therefrom the word "exclusively" and inserting at the end of the subsection the words "if such motor vehicles are not used in carrying any other property, or passengers, for hire." The effect of this amendment will be to exempt motor vehicles from the general regulatory provisions of the act if the transportation they perform for hire is confined to the commodities described in the subsection, which will eliminate many troublesome questions now caused by the use of the word "exclusively."

The amendment which proposes the addition of a new subsection to section 9 of the bill would permit the Commission to approve temporarily the operation of the properties of one motor carrier by another in a case where an application for approval of the acquisition is pending, and where the delay in passing on the application might result in injury to the motor-carrier operations or the cessation of service.

The insertion of the words "of not less than 15 days" in section 10 of the bill would require at least that much notice to the carrier prior to a suspension of its operating rights.

The striking of the figure "215" from the same section would remove, as a ground for suspension without hearing, the failure to have insurance policies, surety bonds, or other security for the protection of the public on file with the Commission.

The amendment which proposes the addition of a new section following section 13 is for the purpose of enabling a motor carrier to borrow not less than $100,000 on short-term notes, without Commission approval. The need for this is mainly in the matter of the purchase of equipment on time, and to enable carriers to finance the annual purchase of license tags from the States.

The date "July 31, 1938" proposed to be inserted in each section 15 and 16 are to fill blanks left in the bill when in-

troduced, and to create a time certain beyond which initial filings of tariffs and schedules may be suspended.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Interstate Commerce Act, as amended, is hereby further amended in part II thereof by amending, as hereinafter indicated, certain provisions of the act entitled "An act to amend the Interstate Commerce Act, as amended, by providing for the regulation of the transportation of passengers and property by motor carriers operating in interstate or foreign commerce, and for other purposes," approved August 9, 1935, and known as the Motor Carrier Act, 1935.

SEC. 2. Section 203 (a) (13) of said Motor Carrier Act, 1935, is hereby amended to read as follows:

"(13) The term 'motor vehicle' means any vehicle, machine, tractor, trailer, or semitrailer propelled or drawn by mechanical power and used upon the highways in the transportation of passengers or property, or any combination thereof determined by the Commission, but does not include any vehicle, locomotive, or car operated exclusively on a rail or rails."

SEC. 3. Section 204 (a) (6) of said act is hereby amended to read as follows:

"(6) To administer, execute, and enforce all provisions of this part, to make all necessary orders in connection therewith, and to prescribe rules, regulations, and procedure for such administration; and"

SEC. 4. The first two sentences of section 205 (a) of said act are hereby amended to read as follows:

"SEC. 205. (a) Excepting a matter which is referred to a joint board as hereinafter provided, any matter arising in the administration of this part as to which a hearing is required or in the judgment of the Commission is desirable shall be heard as the Commission may determine and be decided by the Commission, unless such matter shall, by order of the Commission, be referred to a member or examiner of the Commission for hearing and the recommendation of an appropriate order thereon. With respect to a matter so referred the member or examiner shall have all the rights, duties, powers, and jurisdiction conferred by this part upon the Commission, except that the order recommended by such member or examiner shall be subject to the following provisions of this paragraph."

SEC. 5. (a) So much of the first sentence of section 205 (b) of said act as reads "any of the following matters arising in the administration of this part with respect to such operations" is hereby amended to read as follows: "any of the following matters arising in the administration of this part with respect to such operations as to which a hearing is required or in the judgment of the Commission is desirable."

(b) The last two sentences of said section 205 (b) are hereby amended to read as follows:

"In acting upon matters so referred, joint boards shall be vested with the same rights, duties, powers, and jurisdiction as are hereinbefore vested in members or examiners of the Commission to whom a matter is referred for hearing and the recommendation of an appropriate order thereon: *Provided, however*, That a joint board may, in its discretion, report to the Commission its conclusions upon the evidence received, if any, without a recommended order. Orders recommended by joint boards shall be filed with the Commission, and shall become orders of the Commission and become effective in the same manner, and shall be subject to the same procedure, as provided in the case of orders recommended by members or examiners under this section. If a joint board to which any matter has been referred shall report its conclusions upon the evidence without a recommended order, such matter shall thereupon be decided by the Commission, giving such weight to such conclusions as in its judgment the evidence may justify."

SEC. 6. Section 205 (f) of said act is hereby amended to read as follows:

"(f) In accordance with rules prescribed by the Commission, reasonable notice shall be afforded, in connection with any proceeding under this part, to interested parties and to the board of any State or to the Governor if there be no board, in which the motor-carrier operations involved in the proceeding are or are proposed to be conducted, and opportunity for intervention in any such proceeding for the purpose of making representations to the Commission or for participating in a hearing, if a hearing is held, shall be afforded to all interested parties."

SEC. 7. Section 206 (a) of said act is hereby amended by striking out "No common carrier" at the beginning and inserting in lieu thereof the following: "Except as otherwise provided in this section and in section 210a, no common carrier."

SEC. 8. Section 209 (a) of said act is hereby amended by striking out "No person" at the beginning of such section and inserting in lieu thereof the following: "Except as otherwise provided in this section and in section 210a, no person."

SEC. 9. After section 210 of said act, the following new section shall be inserted:

"SEC. 210a. (a) To enable the provision of service for which there is an immediate and urgent need to a point or points or within a territory having no carrier service capable of meeting such need, the Commission may, in its discretion and without hearings or other proceedings, grant temporary authority for such service by a common carrier or a contract carrier by motor vehicle, as the case may be. Such temporary authority, unless suspended or revoked for good cause, shall be valid for such time as the Commission shall specify but for not more than aggregate of 180 days, and shall create no presumption that corresponding permanent authority will be granted thereafter.

"Transportation service rendered under such temporary authority shall be subject to all applicable provisions of this part and to the rules, regulations, and requirements of the Commission thereunder."

SEC. 10. Section 212 (a) of said act is hereby amended to read as follows:

"SEC. 212. (a) Certificates, permits, and licenses shall be effective from the date specified therein, and shall remain in effect until suspended or terminated as herein provided. Any such certificate, permit, or license may, upon application of the holder thereof, in the discretion of the Commission, be amended or revoked, in whole or in part, or may upon complaint, or on the Commission's own initiative, after notice and hearing, be suspended, changed, or revoked, in whole or in part, for willful failure to comply with any provision of this part, or with any lawful order, rule, or regulation of the Commission promulgated thereunder, or with any term, condition, or limitation of such certificate, permit, or license: *Provided, however*, That no such certificate, permit, or license shall be revoked (except upon application of the holder) unless the holder thereof willfully fails to comply, within a reasonable time, not less than 30 days, to be fixed by the Commission, with a lawful order of the Commission, made as provided in section 204 (d), commanding obedience to the provision of this part, or to the rule or regulation of the Commission thereunder, or to the term, condition, or limitation of such certificate, permit, or license, found by the Commission to have been violated by such holder: *And provided further*, That the right to engage in transportation in interstate or foreign commerce by virtue of any certificate, permit, license, or any application filed pursuant to the provisions of sections 206, 209, or 211, or by virtue of the second proviso of section 206 (a) or temporary authority under section 210a, may be suspended by the Commission, upon reasonable notice to the carrier or broker, but without hearing or other proceedings, for failure to comply, and until compliance, with the provisions of section 211 (c), 215, 217 (a), or 218 (a) or with any lawful order, rule, or regulation of the Commission promulgated thereunder."

SEC. 11. Section 213 (a) (1) of said act is hereby amended to read as follows:

"(1) Whenever a consolidation, merger, purchase, lease, operating contract, or acquisition of control is proposed under this section, the carrier or carriers or the person seeking authority therefor shall present an application to the Commission, and thereupon the Commission shall, after such notice as is required by section 205 (f), and if deemed by it necessary in order to determine whether the findings specified below may properly be made, set said application down for a public hearing. If the Commission finds that the transaction proposed will be consistent with the public interest and that the conditions of this section have been or will be fulfilled, it may enter an order approving and authorizing such consolidation, merger, purchase, lease, operating contract, or acquisition of control, upon such terms and conditions as it shall find to be just and reasonable and with such modifications as it may prescribe: *Provided, however*, That if a carrier other than a motor carrier is an applicant, or any person which is controlled by such a carrier other than a motor carrier or affiliated therewith within the meaning of section 5 (8) of part I, the Commission shall not enter such an order unless it finds that the transaction proposed will promote the public interest by enabling such carrier other than a motor carrier to use service by motor vehicle to public advantage in its operations and will not unduly restrain competition: *And provided further*, That if an order is entered hereunder without a public hearing, said order shall take effect within such reasonable period as the Commission may fix."

SEC. 12. Section 213 (b) (1) of said act is hereby amended to read as follows:

"(b) (1) It shall be unlawful for any person, except as provided in paragraph (a), to accomplish or effectuate, or to participate in accomplishing or effectuating, the control or management in a common interest of any two or more motor carriers which are not also carriers by railroad, or of one or more such motor carriers and one or more carriers other than motor carriers, however such result is attained, whether directly or indirectly, by use of common directors, officers, or stockholders, a holding or investment company or companies, a voting trust or trusts, or in any other manner whatsoever. It shall be unlawful to continue to maintain control or management accomplished or effectuated after the enactment of this part and in violation of this paragraph. As used in this paragraph, the words 'control or management' shall be construed to include the power to exercise control or management."

SEC. 13. Section 213 (b) (2) of said act is hereby amended to read as follows:

"(2) In addition to the enforcement procedure provided elsewhere in this part, the Commission is hereby authorized, upon complaint or upon its own initiative without complaint, but after notice and hearing, to investigate and determine whether any person is violating the provisions of paragraph (b) (1) of this section. If the Commission finds after such investigation that such person is violating the provisions of such paragraph, it shall by order require such person to take such action consistent with the provisions of this part as may be necessary, in the opinion of the Commission, to prevent further violation of such provisions."

SEC. 14. The proviso of section 216 (g) of said act is hereby amended to read as follows:

"*Provided*, That this paragraph shall not apply to any initial schedule or schedules filed on or before 1938 by any such carrier in bona fide operation when this section takes effect."

SEC. 15. The proviso of section 218 (c) of said act is hereby amended to read as follows:

"*Provided*, That this paragraph shall not apply to any initial schedule or schedules, or contract or contracts, filed on or before 1938 by any such carrier in bona fide operation when this section takes effect."

SEC. 16. Section 224 of said act is hereby amended to read as follows:

"SEC. 224. The Commission is hereby authorized, under such rules and regulations as it shall prescribe, to require the display of suitable identification plate or plates, upon any motor vehicle used in transportation subject to any of the provisions of this part, to provide for the issuance of such plates, and to receive the payment by such carriers of the reasonable cost thereof. All moneys so collected shall be paid into the Treasury of the United States. Any substitution, transfer, or use of any such identification plate or plates, except such as may be duly authorized by the Commission, is hereby prohibited and shall be unlawful."

With the following committee amendments:

Page 2, after line 10, insert the following:

"SEC. 3. Section 203 (b) (6) of said act is hereby amended to read as follows: '(6) motor vehicles used in carrying property consisting of livestock, fish (including shellfish), or agricultural commodities (not including manufactured products thereof), if such motor vehicles are not used in carrying any other property, or passengers, for compensation;'."

Line 18, strike out "3" and insert "4."

Line 24, strike out "4" and insert "5."

Page 3, line 15, strike out "5" and insert "6."

Page 4, line 17, strike out "6" and insert "7."

Page 5, line 4, strike out "7" and insert "8."

Line 9, strike out "8" and insert "9."

Line 14, strike out "9" and insert "10."

Line 16, after "210a", insert "(a)."

Page 6, after line 2, insert the following:

"(b) Pending the determination of an application filed with the Commission for approval of a consolidation or merger of the properties of two or more motor carriers, or of a purchase, lease, or contract to operate the properties of one or more motor carriers, as contemplated in section 213 (a) of this part, the Commission may, in its discretion, and without hearings or other proceedings, grant temporary approval, for a period not exceeding 180 days, of the operation of the motor carrier properties sought to be acquired by the person proposing in such pending application to acquire such properties, if it shall appear that failure to grant such temporary approval may result in destruction of or injury to such motor carrier properties sought to be acquired, or to interfere substantially with their future usefulness in the performance of adequate and continuous service to the public."

Line 18, at the beginning of the line, insert "(c)."

Line 22, strike out "10" and insert "11."

Page 8, line 2, after the word "notice" insert "of not less than 15 days."

Line 5, strike out "215."

Line 8, strike out "11" and insert "12."

Page 9, line 14, strike out "12" and insert "13."

Page 10, line 7, strike out "13" and insert "14."

After line 19 insert the following:

"SEC. 15. Section 214 of said act is hereby amended to read as follows:

" 'SEC. 214. Common or contract carriers by motor vehicle, corporations organized for the purpose of engaging in transportation as such carriers, and corporations authorized by order entered under section 213 (a) (1) to acquire control of any such carrier, or of two or more such carriers, shall be subject to the provisions of paragraphs 2 to 11, inclusive, of section 20a of part 1 of this act (including penalties applicable in cases of violations thereof): *Provided, however*, That said provisions shall not apply to such carriers or corporations where the par value of the securities to be issued, together with the par value of the securities then outstanding, does not exceed $500,000, nor to the issuance of notes of a maturity of 2 years or less and aggregating not more than $100,000, which notes aggregating such amount including all outstanding obligations maturing in 2 years or less may be issued without reference to the percentage which said amounts bear to the total amount of outstanding securities. In the case of securities having no par value, the par value for the purpose of this section shall be the fair market value as of the date of their issue: *Provided further*, That the exemption in section 3 (a) (6) of the "Securities Act, 1933", is hereby amended to read as follows: "(6) Any security issued by a common or contract carrier, the issuance of which is subject to the provisions of section 20a of the Interstate Commerce Act, as amended." ' "

Page 11, line 22, strike out "14" and insert "16."

Line 25 after the word "before" insert "July 31."

Page 12, line 3, strike out "15" and insert "17."

Line 7, after the word "before" insert "July 31."

Line 9, strike out "16" and insert "18."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

OSAGE INDIANS OF OKLAHOMA

Mr. DISNEY. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 4036) relating to the tribal and individual affairs of the Osage Indians of Oklahoma.

Mr. SNELL. Reserving the right to object, Mr. Speaker, as I understand, this bill does not take any money out of the Treasury, but relates simply to a difference in the distribution.

Mr. DISNEY. The Osage Indians never take a dime out of the Treasury.

Mr. SNELL. I would not quite agree to that.

Mr. DISNEY. No; they do not.

Mr. SNELL. This bill relates simply to a difference in the distribution?

Mr. DISNEY. Yes; and to some administrative features of the tribal affairs.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That hereafter the Secretary of the Interior shall cause to be paid to each adult member of the Osage Tribe of Indians not having a certificate of competency his or her pro rata share, either as a member of the tribe or heir or devisee of a deceased member, of the interest on trust funds, the bonus received from the sale of oil or gas leases, and the royalties therefrom received during each fiscal quarter, not to exceed $1,000 per quarter; and if such adult member has a legal guardian, his current income not to exceed $1,000 per quarter may be paid to such legal guardian in the discretion of the Secretary of the Interior: *Provided*, That when an adult restricted Indian has surplus funds in excess of $10,000 there shall be paid such Indian sufficient funds from his accumulated surplus in addition to his current income to aggregate $1,000 quarterly; but in the event any adult restricted Indian has surplus funds of less than $10,000, such Indian shall receive quarterly only his current income not to exceed $1,000 per quarter: *Provided further*, That when the accumulated funds to the credit of any restricted Osage Indian are less than $10,000 the Secretary of the Interior may, in his discretion, pay out of any moneys heretofore accrued or hereafter accruing to the credit of any person of Osage Indian blood who does not have a certificate of competency or is otherwise restricted by operation of law, all or any part of such person's taxes of every kind and character for which such person is now or hereafter may be liable, before paying to or for such person any funds as otherwise required or permitted by law: *And provided further*, That upon application and consent of any restricted Osage Indian the Secretary of the Interior may cause payment to be made of additional funds from the accumulated surplus to the credit of any Osage Indian under such rules and regulations as he may prescribe. Rentals due such adult members from their lands and their minor children's lands and all income from such adults' investments, including interest on deposits to their credit, shall be paid to them in addition to the current allowances above provided.

Whenever minor members of the Osage Tribe of Indians have funds or property subject to the control or supervision of the Secretary of the Interior, the said Secretary may, in his discretion, pay or cause to be paid to the parents, legal guardian, or any person, school, or institution having actual custody of such minors such amounts out of the income or funds of the said minors as he deems necessary, and when such a minor is 18 years of age or over, the Secretary of the Interior may, in his discretion, cause disbursement of funds for support and maintenance or other specific purposes to be made direct to such minor.

SEC. 2. That that part of section 1 of an act of Congress of February 27, 1925 (43 Stat. L. 1008), providing that—

"The Secretary of the Interior shall invest the remainder, after paying the taxes of such members, in United States bonds, Oklahoma State bonds, real estate, first-mortgage real-estate loans not to exceed 50 percent of the appraised value of such real estate, and where the member is a resident of Oklahoma such investment shall be in loans on Oklahoma real estate, stock in Oklahoma building and loan associations, livestock, or deposit the same in banks in Oklahoma, or expend the same for the benefit of such member, such expenditures, investments, and deposits to be made under such restrictions, rules, and regulations as he may prescribe: *Provided*, That the Secretary of the Interior shall not make any investment for an adult member without first securing the approval of such member of such investment," be, and hereby is, amended to read as follows:

"Hereafter the Secretary of the Interior in his official capacity may invest the accumulated funds to the credit of restricted members of the Osage Tribe, after paying taxes of such members, in any

public-debt obligation of the United States and in any bonds, notes, or other obligations which are unconditionally guaranteed as to both interest and principal by the United States. With the consent of adult Indians the Secretary of the Interior may purchase real estate and livestock, such expenditures and investments to be made under such rules and regulations as the Secretary may prescribe."

SEC. 3. That any Osage Indian of the age of 21 years or over, restricted in his property rights by the terms of this or any other act, may file with the superintendent or other official in charge of the Osage Indian Agency a declaration of trust, designating therein the Secretary of the Interior as trustee of the restricted properties described in such declaration of trust, and may therein designate such members of his family or others as beneficiaries of the trust, and prescribe the manner of distribution of the income therefrom and of the corpus thereof upon termination of the trust. Such trusts may be made in such amounts, for such periods of time, and for such purposes as the Secretary of the Interior may approve as being for the best interests of the Indians concerned therein: *Provided, however*, That no such trust shall be made for a term extending for more than 21 years after the death of the last surviving beneficiary named therein, and any such trust approved by the Secretary of the Interior shall be irrevocable except with the approval of the Secretary of the Interior: *Provided further*, That funds held by the Secretary of the Interior in trust, as provided in this section, shall be invested in any public-debt obligation of the United States and in any bonds, notes, or other obligations which are unconditionally guaranteed as to both interest and principal by the United States.

SEC. 4. There is authorized to be expended from funds on deposit to the credit of the Osage Tribe of Indians not to exceed $10,000 annually to pay per diems to and traveling expenses of the members of the Osage Tribal Council in making necessary trips to the city of Washington and other places in connection with Osage tribal affairs. Expenditures from appropriations made pursuant to this authorization shall be in accordance with rules and regulations to be prescribed by the Secretary of the Interior.

With the following committee amendment:

Page 1, line 3, strike out all after the enacting clause and insert the following:

"That hereafter the Secretary of the Interior shall cause to be paid to each adult member of the Osage Tribe of Indians not having a certificate of competency his or her pro rata share, either as a member of the tribe or heir or devisee of a deceased member, of the interest on trust funds, the bonus received from the sale of oil or gas leases, and the royalties therefrom received during each fiscal quarter, not to exceed $1,000 per quarter; and if such adult member has a legal guardian, his current income not to exceed $1,000 per quarter may be paid to such legal guardian in the discretion of the Secretary of the Interior: *Provided*, That when an adult restricted Indian has surplus funds in excess of $10,000 there shall be paid such Indian sufficient funds from his accumulated surplus in addition to his current income to aggregate $1,000 quarterly; but in the event of any adult restricted Indian has surplus funds of less than $10,000, such Indian shall receive quarterly only his current income not to exceed $1,000 per quarter: *Provided further*, That the Secretary of the Interior is hereby authorized to and may in his discretion pay out of any money heretofore accrued or hereafter accruing to the credit of any person of Osage Indian blood who does not have a certificate of competency or who is one-half or more Osage Indian blood, all of said person's taxes of every kind and character, for which said person is now or hereafter may be liable, before paying to or for such person any funds as required by law: *And provided further*, That upon application and consent of any restricted Osage Indian the Secretary of the Interior may cause payment to be made of additional funds from the accumulated surplus to the credit of any Osage Indian under such rules and regulations as he may prescribe. Rentals due such adult members from their lands and their minor children's lands and all income from such adults' investments, including interest on deposits to their credit, shall be paid to them in addition to the current allowances above provided.

Whenever minor members of the Osage Tribe of Indians have funds or property subject to the control or supervision of the Secretary of the Interior, the said Secretary may in his discretion pay or cause to be paid to the parents, legal guardian, or any person, school, or institution having actual custody of such minors, such amounts out of the income or funds of the said minors as he deems necessary, and when such a minor is 18 years of age or over, the Secretary of the Interior may in his discretion cause disbursement of funds for support and maintenance or other specific purposes to be made direct to such minor.

SEC. 2. There is authorized to be appropriated from funds on deposit to the credit of the Osage Tribe of Indians not to exceed $10,000 annually to pay per diems to, and traveling expenses of, the members of the Osage Tribal Council in making necessary trips to the city of Washington and other places in connection with Osage tribal affairs. Expenditures from appropriations made pursuant to this authorization shall be in accordance with rules and regulations to be prescribed by the Secretary of the Interior.

SEC. 3. That section 1 of the act of Congress of March 2, 1929 (45 Stat. L. 1478), relating to the Osage Indians of Oklahoma, be, and the same is hereby, amended to read as follows:

"That all that part of the act of June 28, 1906 (34 Stat. L. 539), entitled 'An act for the division of the lands and funds of the Osage Indians in Oklahoma, and for other purposes', which reserves to the Osage Tribe the oil, gas, coal, or other minerals, covered by the lands for the selection and division of which provision is made in that act is hereby amended so that the oil, gas, coal, or other minerals, covered by said lands are reserved to the Osage Tribe, until the 8th day of April 1983, unless otherwise provided by act of Congress, and all royalties and bonuses arising therefrom shall belong to the Osage Tribe of Indians, and shall be disbursed to members of the Osage Tribe or their heirs or assigns as now provided by law, after reserving such amounts as are now or may hereafter be authorized by Congress for specific purposes.

"The lands, moneys, and other properties now or hereafter held in trust or under the supervision of the United States for the Osage Tribe of Indians, the members thereof, or their heirs and assigns, shall continue subject to such trusts and supervision until January 1, 1984, unless otherwise provided by act of Congress.

"The Secretary of the Interior and the Osage tribal council are hereby authorized and directed to offer for lease for oil, gas, and other mining purposes any unleased portion of said land in such quantities and at such times as may be deemed for the best interest of the Osage Tribe of Indians: *Provided*, That not less than 25,000 acres shall be offered for lease for oil- and gas-mining purposes during any one year: *Provided further*, That as to all lands hereafter leased, the regulations governing same and the leases issued thereon shall contain appropriate provisions for the conservation of the natural gas for its economic use, to the end that the highest percentage of ultimate recovery of both oil and gas may be secured: *Provided, however*, That nothing herein contained shall be construed as affecting any valid existing lease for oil or gas or other minerals, but all such leases shall continue as long as gas, oil, or other minerals are found in paying quantities.

"Homestead allotments of Osage Indians not having a certificate of competency shall remain exempt from taxation while the title remains in the original allottee of one-half or more of Osage Indian blood and in his unallotted heirs or devisees of one-half or more of Osage Indian blood until January 1, 1984: *Provided*, That the tax-exempt land of any such Indian allottee, heir, or devisee shall not at any time exceed 160 acres."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MODOC, SHASTA, AND LASSEN NATIONAL FORESTS, CALIF.

Mr. DEROUEN. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 7688) to authorize the addition of certain lands to the Modoc, Shasta, and Lassen National Forests, Calif., with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

Mr. SNELL. Reserving the right to object, Mr. Speaker, as I understand, the gentleman from Louisiana has four small bills here and he is asking the House to concur in the Senate amendments. They are not very important amendments, just minor ones.

Mr. DEROUEN. The gentleman's statement is correct.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The Clerk read the Senate amendment, as follows:

Page 2, line 6, after "withdrawals", insert ": *Provided*, That any lands received in exchange or purchased under the provisions of this act shall be open to mineral locations, mineral development, and patent, in accordance with the mining laws of the United States."

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

SHASTA AND KLAMATH NATIONAL FORESTS, CALIF.

Mr. DEROUEN. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 7689) to authorize the addition of certain lands to the Shasta and Klamath National Forests, Calif., with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The Clerk read the Senate amendment, as follows:

Page 2, line 6, after "withdrawals", insert "*Provided*, That any lands received in exchange or purchased under the provisions of this act shall be open to mineral locations, mineral development, and patent, in accordance with the mining laws of the United States."

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

PLUMAS, TAHOE, AND LASSEN NATIONAL FORESTS, CALIF.

Mr. DEROUEN. Mr. Speaker, I move to take from the Speaker's desk the bill (H. R. 7690) to authorize the addition of certain lands to the Plumas, Tahoe, and Lassen National Forests, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The Clerk read the Senate amendment, as follows:

Page 2, line 6, after "withdrawals", insert "*Provided*, That any lands received in exchange or purchased under the provisions of this act shall be open to mineral locations, mineral development, and patent, in accordance with the mining laws of the United States."

The Senate amendment was concurred in, and a motion to reconsider was laid on the table.

ISLE ROYALE NATIONAL PARK

Mr. DEROUEN. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 7826) to make available for national-park purposes certain lands within the boundaries of the proposed Isle Royale National Park, and for other purposes, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The Clerk read the Senate amendment, as follows:

Lines 4 and 5, strike out "or which hereafter may be allocated and made available."

The Senate amendment was concurred in, and a motion to reconsider was laid on the table.

HAWAII NATIONAL PARK

Mr. DEROUEN. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1995) to add certain lands on the island of Hawaii to the Hawaii National Park, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments and ask for a conference.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana? [After a pause.] The Chair hears none, and, without objection, appoints the following conferees, Messrs. DEROUEN, ROBERTSON, and ENGLEBRIGHT.

There was no objection.

FISH HATCHERY BILL

Mr. BLAND. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 10650) to provide for a modified 5-year building program for the United States Bureau of Fisheries, with Senate amendments, and concur in the Senate amendments.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The Clerk read the Senate amendments, as follows:

Page 2, line 2, after "$75,000", insert "Georgia, $75,000."
Page 2, line 13, after "$25,000", insert "Lyman, Miss., $35,000."

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

BRIDGE ACROSS THE MISSISSIPPI RIVER NEAR WINONA, MINN.

Mr. ANDRESEN of Minnesota. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 10866) authorizing the States of Minnesota and Wisconsin, jointly or separately, to construct, maintain, and operate a free highway bridge across the Mississippi River at or near Winona, Minn.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The Clerk read the bill as follows:

Be it enacted, etc., That in order to facilitate interstate commerce, improve the postal service, and provide for military and other purposes the States of Minnesota and Wisconsin, jointly or separately, be, and are hereby, authorized to construct, maintain, and operate a free highway bridge and approaches thereto across the Mississippi River at a point suitable to the interests of navigation, at or near Winona, Minn., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. There is hereby conferred upon the States of Minnesota and Wisconsin, jointly or separately, all such rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use real estate and other property needed for the location, construction, operation, and maintenance of such bridge and its approaches as are possessed by railroad corporations for railroad purposes or by bridge corporations for bridge purposes in the State in which real estate or other property is situated, upon making just compensation therefor, to be ascertained and paid according to the laws of such State, and the proceedings therefor shall be the same as in the condemnation or expropriation of property for public purposes in such State.

SEC. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. PACE. Mr. Speaker, I ask unanimous consent that in the extension of my remarks made earlier in the day I may be permitted to include some tables showing the distribution of agricultural relief funds.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. PETERSON of Florida. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a speech delivered on Armistice Day, November 11, 1937, by Hon. Herbert S. Phillips, United States Attorney for the Southern District of Florida, at Bradenton, Fla.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. PETERSON of Florida. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an address delivered by W. G. Hankins, Past Department Commander, United Spanish War Veterans, on McKinley's birthday.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. SEGER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including therein an address by the Past Commander of the Spanish-American War Veterans on Memorial Day in Passaic, N. J.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. DIMOND. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a statement which I made before the House Committee on Merchant Marine and Fisheries.

The SPEAKER. Is there objection to the request of the Delegate from Alaska?

There was no objection.

Mr. SCOTT. Mr. Speaker, I ask unanimous consent that in the extension of my remarks made this morning I may include a resolution adopted yesterday by one of the churches in the District of Columbia and a short statement on that resolution.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. STACK (at the request of Mr. GRAY of Pennsylvania), indefinitely, on account of illness.

To Mr. MITCHELL of Tennessee (at the request of Mr. TURNER), for 10 days, on account of important business.

SENATE JOINT RESOLUTION REFERRED

A joint resolution of the Senate of the following title was taken from the Speaker's table and under the rule referred as follows:

S. J. Res. 300. Joint resolution to create a temporary national economic committee; to the Committee on the Judiciary.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills and joint resolutions of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 738. An act for the relief of Asa C. Ketcham;

H. R. 1543. An act to amend section 24 of the Immigration Act of 1917, relating to the compensation of certain Immigration and Naturalization Service employees, and for other purposes;

H. R. 2904. An act for the relief of officers and soldiers of the volunteer service of the United States mustered into service of the War with Spain and who were held in service in the Philippine Islands after the ratification of the treaty of peace, April 11, 1899;

H. R. 4258. An act for the relief of Barbara Jean Matthews, a minor;

H. R. 7764. An act to authorize the sale of surplus power developed under the Uncompahgre Valley reclamation project, Colorado;

H. R. 9258. An act to authorize the Secretary of the Navy to accept on behalf of the United States certain land in the city of Los Angeles, Calif., with improvements thereon;

H. R. 10298. An act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes;

H. R. 10536. An act authorizing the United States Maritime Commission to sell or lease the Hoboken Pier Terminals, or any part thereof, to the city of Hoboken, N. J.;

H. J. Res. 683. Joint resolution to provide for a floor-stock tax on distilled spirits, except brandy; and

H. J. Res. 688. Joint resolution creating the Niagara Falls Bridge Commission and authorizing said commission and its successors to construct, maintain, and operate a bridge across the Niagara River at or near the city of Niagara Falls, N. Y.

ADJOURNMENT

Mr. LEA. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 33 minutes p. m.) the House adjourned until tomorrow, Tuesday, June 14, 1938, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1426. A letter from the Joint Committee on Internal Revenue Taxation, transmitting a report of the Joint Committee on Internal Revenue Taxation, pursuant to section 710 of the Revenue Act of 1928 and report of the staff of the joint committee to the committee (H. Doc. No. 706); to the Committee on Ways and Means and ordered to be printed, with illustrations.

1427. A letter from the Administrator, Veterans' Administration, transmitting a draft of a proposed bill to provide for the vesting of title and disposition of personal property left or found upon premises used as Veterans' Administration facilities; and for other purposes; to the Committee on World War Veterans' Legislation.

1428. A letter from the Chairman of the Securities and Exchange Commission, transmitting a preliminary report of its study of investment trusts and investment companies made pursuant to section 30 of the Public Utility Holding Company Act of 1935 (H. Doc. No. 707); to the Committee on Interstate and Foreign Commerce and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. O'CONNOR of New York: Committee on Rules. House Resolution 530. Resolution providing for the consideration of H. R. 10250, a bill to amend an act entitled "An act relating to the liability of common carriers by railroad to their employees in certain cases," approved April 22, 1908 (U. S. C., title 45, sec. 51); without amendment (Rept. No. 2741). Referred to the House Calendar.

Mr. SMITH of Washington: Committee on Pensions. H. R. 8434. A bill to provide pensions for dependents of deceased veterans who died as a result of the sinking of the U. S. S. *Maine;* with amendment (Rept. No. 2744). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 10895. A bill to amend an act of Congress approved August 16, 1937, relating to death damage claims in the cases of Marshall Campbell and Raymond O'Neal; with amendment (Rept. No. 2739). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 10527. A bill for the relief of the American National Bank, of Kalamazoo, Mich.; without amendment (Rept. No. 2740). Referred to the Committee of the Whole House.

Mr. BEITER: Committee on War Claims. H. R. 10906. A bill for the relief of sundry claimants, and for other purposes; without amendment (Rept. No. 2742). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CANNON of Missouri: A bill (H. R. 10900) to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near St. Charles, Mo.; to the Committee on Interstate and Foreign Commerce.

By Mr. COLLINS: A bill (H. R. 10901) granting a pension to widows and dependent children of World War veterans; to the Committee on Pensions.

By Mr. NELSON: A bill (H. R. 10902) to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Arrow Rock, Mo.; to the Committee on Interstate and Foreign Commerce.

By Mr. COLLINS: A bill (H. R. 10903) granting pensions and other benefits to veterans and former service men, and for other purposes; to the Committee on Pensions.

By Mr. CARTER: A bill (H. R. 10904) to amend the Emergency Farm Mortgage Act with respect to loans to drainage, levee, and irrigation districts; to the Committee on Agriculture.

By Mr. MAY (by request): A bill (H. R. 10905) to amend and clarify the provisions of the act of June 15, 1936 (49 Stat. 1507), and for other purposes; to the Committee on Military Affairs.

By Mr. RANKIN: A bill (H. R. 10907) to provide for the vesting of title and the disposition of personal property left or found upon premises used as Veterans' Administration facilities; and for other purposes; to the Committee on World War Veterans' Legislation.

By Mr. CHANDLER: A bill (H. R. 10908) to change the name of "Pickwick Landing Dam" to "McKellar Dam"; to the Committee on Military Affairs.

By Mr. LESINSKI: A bill (H. R. 10909) granting pensions and increase of pensions to widows, former widows, and children of certain soldiers, sailors, and marines of the Civil War, and for other purposes; to the Committee on Invalid Pensions.

By Mr. GEARHART: A bill (H. R. 10910) to authorize construction of the Pine Flat Reservoir on the King's River in California as a Federal reclamation project, and for other purposes; to the Committee on Irrigation and Reclamation.

By Mr. SCOTT: A bill (H. R. 10911) to further amend section 3 of the act entitled "An act to establish the composition of the United States Navy with respect to the categories of vessels limited by the treaties signed at Washington, February 6, 1922, and at London, April 22, 1930, at the limit prescribed by those treaties; to authorize the construction of certain naval vessels; and for other purposes," approved March 27, 1934 (48 Stat. 505), as amended by the act of June 25, 1936 (49 Stat. 1926; 34 U. S. C., sec. 496); to the Committee on Naval Affairs.

By Mr. KOPPLEMANN: A bill (H. R. 10912) to take the profit out of war by steeply graduated income and other taxes in order to provide for the national defense, promote peace, to inform taxpayers of war costs, and for other purposes; to the Committee on Ways and Means.

By Mr. BLAND: Resolution (H. Res. 531) providing for the expenses of the investigation and study by the Committee on Merchant Marine and Fisheries under the authority of House Resolution 498; to the Committee on Accounts.

By Mr. TOWEY: Joint resolution (H. J. Res. 717) to create a joint congressional committee to investigate the enforcement of the food and drug laws; to the Committee on Rules.

By Mr. SCOTT: Joint resolution (H. J. Res. 718) creating a special joint congressional committee to make an investigation of the proposal to establish an airport at Camp Springs, Md.; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. ECKERT introduced a bill (H. R. 10913) for the relief of Tarquin Marziano, which was referred to the Committee on War Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

5351. By Mr. WIGGLESWORTH: Petition of the Yankee Division Veterans' Association, urging the erection of a veterans' hospital in Rhode Island; to the Committee on Public Buildings and Grounds.

5352. By the SPEAKER: Petition of the Board of Supervisors of Tulare County, State of California, petitioning consideration of their resolution with reference to the General Welfare Act (H. R. 4199); to the Committee on Ways and Means.

5353. Also, petition of A. A. of I. S. and T. W. of N. A., Local No. 1105, petitioning consideration of the petition with reference to the National Labor Relations Act; to the Committee on Labor.

SENATE

TUESDAY, JUNE 14, 1938

(Legislative day of Tuesday, June 7, 1938)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Monday, June 13, 1938, was dispensed with, and the Journal was approved.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, informed the Senate that, pursuant to the provisions of House Concurrent Resolution 53, Seventy-fifth Congress, the Speaker had appointed Mr. CROWE, Mr. CROSSER, Mr. FRIES, and Mr. WADSWORTH members of the joint committee to attend the celebration of the one hundredth anniversary of the birth of John Hay.

The message announced that the House had passed without amendment the following bills and joint resolution of the Senate:

S. 2819. An act to create a Committee on Purchases of Blind-made Products, and for other purposes;

S. 3754. An act to amend sections 729 and 743 of the Code of Laws for the District of Columbia;

S. 3846. An act relating to the levying and collecting of taxes and assessments, and for other purposes;

S. 3929. An act to authorize the Legislature of Puerto Rico to create public corporate authorities to undertake slum clearance and projects, to provide dwelling accommodations for families of low income, and to issue bonds therefor; to authorize the legislature to provide for financial assistance to such authorities by the government of Puerto Rico and its municipalities, and for other purposes;

S. 4024. An act authorizing advancements from the Federal Emergency Administration of Public Works for the construction of certain municipal buildings in the District of Columbia, and for other purposes; and

S. J. Res. 308. Joint resolution to prescribe the acreage allotments for wheat for 1939.

The message also announced that the House had passed the bill (S. 4036) relating to the tribal and individual affairs of the Osage Indians of Oklahoma, with an amendment, in which it requested the concurrence of the Senate.

The message further announced that the House had passed the bill (S. 3694) to provide for the issuance of a license to practice the healing art in the District of Columbia to Dr. Sigfried Speyer, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 5) to prevent the adulteration, misbranding, and false advertisement of food, drugs, devices, and cosmetics in interstate, foreign, and other commerce subject to the jurisdiction of the United States, for the purposes of safeguarding the public health, preventing deceit upon the purchasing public, and for other purposes.

The message further announced that the House had severally agreed to the reports of the committees of conference on the disagreeing votes of the two Houses on the amendment of the Senate to each of the following bills of the House:

H. R. 2711. An act to create a Division of Water Pollution Control in the United States Public Health Service, and for other purposes;

H. R. 6246. An act to provide for placing educational orders to familiarize private manufacturing establishments with the production of munitions of war of special or technical design, noncommercial in character; and

H. R. 7158. An act to except yachts, tugs, towboats, and unrigged vessels from certain provisions of the act of June 25, 1936, as amended.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 10594) to provide for the creation, organization, administration, and maintenance of a Naval Reserve and a Marine Corps Reserve; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. VINSON of Georgia, Mr. DREWRY of Virginia, and Mr. MAAS were appointed managers on the part of the House at the conference.

The message further announced that the House had agreed to the amendments of the Senate numbered 2 and 3 to the bill (H. R. 6586) to regulate the transportation and sale of natural gas in interstate commerce, and for other purposes, each with an amendment, in which it requested the concurrence of the Senate, and that the House had disagreed to the amendment of the Senate numbered 1.

The message also announced that the House had severally agreed to the amendment of the Senate to each of the following bills of the House:

H. R. 4285. An act to increase the salaries of letter carriers in the village delivery service;

H. R. 7688. An act to authorize the addition of certain lands to the Modoc, Shasta, and Lassen National Forests, Calif.;

H. R. 7689. An act to authorize the addition of certain lands to the Shasta and Klamath National Forests, Calif.;

H. R. 7690. An act to authorize the addition of certain lands to the Plumas, Tahoe, and Lassen National Forests, Calif.;

H. R. 7826. An act to make available for national-park purposes certain lands within the boundaries of the proposed Isle Royale National Park, and for other purposes; and

H. R. 10642. An act to amend an act entitled "District of Columbia Alley Dwelling Act," approved June 12, 1934, and for other purposes.

The message further announced that the House had severally agreed to the amendments of the Senate to each of the following bills of the House:

H. R. 8046. An act to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto; and to repeal section 76 thereof and all acts and parts of acts inconsistent therewith;

H. R. 9844. An act providing for the zoning of the District of Columbia and the regulation of the location, height, bulk, and uses of buildings and other structures and of the uses of land in the District of Columbia, and for other purposes; and

H. R. 10650. An act to provide for a 5-year building program for the United States Bureau of Fisheries.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 1995) to add certain lands on the island of Hawaii to the Hawaii National Park, and for other purposes, asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. DEROUEN, Mr. ROBERTSON, and Mr. ENGLEBRIGHT were appointed managers on the part of the House at the conference.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 9739. An act to amend the Interstate Commerce Act, as amended, by amending certain provisions of part II of said act, otherwise known as the Motor Carrier Act, 1935;

H. R. 9813. An act to amend an act regulating the height of buildings in the District of Columbia, approved June 1, 1910;

H. R. 10380. An act to amend the act entitled "An act to incorporate the Society of American Florists and Ornamental Horticulturists within the District of Columbia"; and

H. R. 10866. An act authorizing the States of Minnesota and Wisconsin, jointly or separately, to construct, maintain, and operate a free highway bridge across the Mississippi River at or near Winona, Minn.

The message also announced that the House had agreed to a concurrent resolution (H. Con. Res. 64) authorizing the enrollment of the bill (H. R. 4285) to increase the salaries of letter carriers in the Village Delivery Service, with corrective change.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the Vice President:

S. 44. An act for the relief of Edward N. Jerry;

S. 652. An act for the relief of John B. Jones;

S. 667. An act for the relief of William E. Jones, Walter M. Marston, William Ellery, Richard P. Hallowell, 2d, and Malcolm Donald as executors under the will of Frank W. Hallowell; and Malcolm Donald as executor under the will of Gordon Donald;

S. 945. An act for the relief of the Community Investment Co., Inc.;

S. 1168. An act for the relief of Joseph W. Bollenbeck;

S. 1239. An act for the relief of John W. Beck;

S. 1272. An act relative to the military record of James Meagher, deceased;

S. 2408. An act for the relief of John H. Balmat, Jr.;

S. 2594. An act authorizing the President of the United States to summon Sam Alexander before an Army retiring board, and for other purposes;

S. 2624. An act for the relief of Emmett Lee Payne;

S. 2883. An act for the relief of George H. Lowe, Jr.;

S. 3005. An act to confer jurisdiction on the Court of Claims to hear and determine the claim of the A. C. Messler Co.;

S. 3034. An act for the relief of Faye B. Millie;

S. 3142. An act for the relief of Lt. Comdr. Robert R. Blaisdell and Lt. Edward W. Hawkes (retired), Supply Corps, United States Navy;

S. 3263. An act for the relief of the State of Georgia;

S. 3415. An act to purchase certain private lands within the Shoshone (Wind River) Indian Reservation;

S. 3426. An act to authorize an appropriation for repayment to Middle Rio Grande Conservancy District, a subdivision of the State of New Mexico, of the share of the said district's construction and operation and maintenance costs applicable to certain properties owned by the United States, situated in Bernalillo County, N. Mex., within the exterior boundaries of the district; to authorize the Secretary of the Interior to contract with said district for future operation and maintenance charges against said lands; to authorize appropriation for extra construction work performed by said district for the special benefit of certain Pueblo Indian lands and to authorize appropriation for construction expenditures benefiting certain acquired lands of Pueblo Indians of the State of New Mexico;

S. 3446. An act for the relief of Richard K. Gould;

S. 3490. An act for the relief of Benjamin H. Faith;

S. 3534. An act for the relief of Christ Rieber;

S. 3561. An act for the relief of certain individuals in connection with the construction, operation, and maintenance of the Fort Hall Indian irrigation project, Idaho;

S. 3587. An act for the relief of Mr. and Mrs. P. F. Nixon, parents of Herschel Lee Nixon, deceased minor son;

S. 3597. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Natchez, Miss., and for other purposes;

S. 3611. An act to further extend the times for commencing and completing the construction of a bridge across the Missouri River between the towns of Decatur, Nebr., and Onawa, Iowa;

S. 3739. An act for the relief of Alpha T. Johnson;

S. 3758. An act for the relief of Emily Gertrude Toby;

S. 3867. An act authorizing the North Dakota State Highway Department and the Department of Highways of the State of Minnesota to construct, maintain, and operate a free highway bridge across the Red River;

S. 3892. An act creating the City of Dubuque Bridge Commission and authorizing said commission and its successors to purchase and/or construct, maintain, and operate a bridge or bridges across the Mississippi River at or near Dubuque, Iowa, and East Dubuque, Ill.;

S. 3898. An act to extend the times for commencing and completing the construction of a bridge across the Piscataqua River at or near Portsmouth, N. H.;

S. 3907. An act to further extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Garrison, N. Dak.;

S. 3940. An act authorizing the Comptroller General of the United States to adjust and settle the claim of Oscar L. Mather;

S. 3990. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Miami, Mo.;

S. 4027. An act providing that excess-land provisions of Federal reclamation laws shall not apply to certain lands

that will receive a supplemental water supply from the Colorado-Big Thompson project;

S. 4050. An act to repeal section 2 of the act of June 16, 1936, authorizing the appointment of an additional district judge for the eastern district of Pennsylvania;

S. 4090. An act to provide for the care and treatment of juvenile delinquents;

S. 4126. An act to amend the act authorizing the construction of a bridge at South Sioux City, Nebr.;

S. 4144. An act to amend section 1 of an act entitled "An act granting the consent of Congress to the county of Pierce, a legal subdivision of the State of Washington, to construct, maintain, and operate a toll bridge across Puget Sound, State of Washington, at or near a point commonly known as The Narrows, and to extend the times for commencing and completing the construction of such bridge;

H. R. 2711. An act to create a Division of Water Pollution Control in the United States Public Health Service, and for other purposes;

H. R. 10238. An act making appropriations for the Department of Agriculture and for the Farm Credit Administration for the fiscal year ending June 30, 1939, and for other purposes;

H. R. 10315. An act to amend the Merchant Marine Act, 1936, to further promote the merchant marine policy therein declared, and for other purposes;

H. R. 10650. An act to provide for a 5-year building program for the United States Bureau of Fisheries; and

S. J. Res. 264. Joint resolution providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution of the class other than Members of Congress.

CALL OF THE ROLL

Mr. LEWIS. In view of the pending legislation, I note the absence of a quorum, and ask that the roll be called.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Clark	Hitchcock	Overton
Andrews	Connally	Holt	Pepper
Ashurst	Copeland	Hughes	Pittman
Austin	Davis	Johnson, Calif.	Pope
Bailey	Dieterich	Johnson, Colo.	Radcliffe
Bankhead	Donahey	King	Reames
Barkley	Duffy	La Follette	Reynolds
Berry	Ellender	Lee	Russell
Bilbo	Frazier	Lewis	Schwartz
Bone	George	Lodge	Schwellenbach
Borah	Gerry	Logan	Sheppard
Brown, Mich.	Gibson	Lundeen	Shipstead
Brown, N. H.	Gillette	McGill	Smathers
Bulkley	Glass	McKellar	Thomas, Utah
Bulow	Green	McNary	Townsend
Burke	Hale	Maloney	Truman
Byrd	Harrison	Miller	Vandenberg
Byrnes	Hatch	Minton	Wagner
Capper	Hayden	Murray	Walsh
Caraway	Herring	Norris	Wheeler
Chavez	Hill	O'Mahoney	

Mr. LEWIS. I announce that the Senator from Pennsylvania [Mr. GUFFEY], the Senator from Connecticut [Mr. LONERGAN], the Senator from California [Mr. MCADOO], the Senator from Nevada [Mr. MCCARRAN], the Senator from West Virginia [Mr. NEELY], the Senator from South Carolina [Mr. SMITH], the Senator from Oklahoma [Mr. THOMAS], the Senator from Maryland [Mr. TYDINGS], and the Senator from Indiana [Mr. VAN NUYS] are detained in their respective States on important public business.

The Senator from New Jersey [Mr. MILTON] is unavoidably detained.

I ask that this announcement go in the RECORD for the day.

Mr. AUSTIN. I announce that the Senator from New Hampshire [Mr. BRIDGES] is absent because of the death of his wife.

The VICE PRESIDENT. Eighty-three Senators have answered to their names. A quorum is present.

COMMITTEE TO PARTICIPATE IN THE ONE HUNDREDTH ANNIVERSARY OF THE BIRTH OF JOHN HAY

The VICE PRESIDENT, under the terms of the Concurrent Resolution (H. Con. Res. 53) providing for the appointment of a committee of Senators and Representatives to participate in the one hundredth aniversary of the birth of the late John Hay, and for other purposes, appointed Mr. VAN NUYS and Mr. MINTON members of the committee on the part of the Senate to represent the Congress at the celebration of the above-mentioned aniversary.

ESTIMATE FOR PAYMENT OF DAMAGE CLAIM, WORKS PROGRESS ADMINISTRATION (S. DOC. NO. 217)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting an estimate of appropriation submitted by the Works Progress Administration to pay a claim for damages to privately owned property in the sum of $333.55, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

SUPPLEMENTAL ESTIMATE, FEDERAL POWER COMMISSION (S. DOC. NO. 219)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Federal Power Commission, fiscal year 1939, amounting to $150,000, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

CONSTRUCTION OF WATER CONSERVATION AND UTILIZATION PROJECTS (S. DOC. 220)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting a supplemental estimate of appropriation, fiscal year 1939, for the construction of water conservation and utilization projects in the Great Plains and arid and semiarid areas of the United States, in the amount of $5,000,000, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

FRONT ROYAL QUARTERMASTER DEPOT MILITARY RESERVATION, VA.

The VICE PRESIDENT laid before the Senate a letter from the Acting Secretary of the Interior, transmitting a draft of proposed legislation to add certain lands of the Front Royal Quartermaster Depot Military Reservation, Va., to the Shenandoah National Park, and for other purposes, which, with the accompanying paper, was referred to the Committee on Public Lands and Surveys.

PETITION

The VICE PRESIDENT laid before the Senate a resolution adopted by the council of the city of Brighton, Colo., favoring the making of an appropriation of $80,000 for the construction of a post office and Government building in Brighton, Adams County, Colo., which was referred to the Committee on Public Buildings and Grounds.

REPORTS OF COMMITTEES

Mr. KING, from the Committee on Immigration, to which were referred the following bills, reported them severally without amendment and submitted reports thereon as indicated:

H. R. 7369. An act to validate certain certificates of naturalization granted by the United States District Court for the District of Hawaii (Rept. No. 2197);

H. R. 7780. An act to amend an act entitled "An act relating to the naturalization of certain women born in Hawaii," approved July 2, 1932 (Rept. No. 2198); and

H. R. 8678. An act for the relief of Albert Saint Clair.

Mr. KING also, from the Committee on the District of Columbia, to which was referred the bill (H. R. 10380) to amend the act entitled "An act to incorporate the Society of American Florists and Ornamental Horticulturists within the District of Columbia", reported it without amendment and submitted a report (No. 2196) thereon.

Mr. COPELAND, from the Committee on Commerce, to which was referred the joint resolution (S. J. Res. 309) requesting the President of the United States to proclaim the week of May 31, 1939, National Flood Prevention Week, reported it without amendment.

Mr. SHEPPARD, from the Committee on Military Affairs, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H. R. 656. A bill for the relief of Elmer W. Haas (Rept. No. 2184);

H. R. 667. A bill to correct the records of the War Department to show that Guy Carlton Baker and Calton C. Baker, or Carlton C. Baker, is one and the same person (Rept. No. 2185);

H. R. 1299. A bill for the relief of William E. Rich (Rept. No. 2186);

H. R. 6805. A bill for the relief of William Moseley (Rept. No. 2187);

H. R. 8799. A bill for the relief of William B. Blaufuss (Rept. No. 2188); and

H. R. 9448. A bill for the relief of Charles G. Bostwick (Rept. No. 2189).

Mr. SHEPPARD also, from the Committee on Military Affairs, to which was referred the bill (H. R. 9868) for the relief of Harry J. Somerville, reported it with an amendment and submitted a report (No. 2190) thereon.

Mr. CAPPER, from the Committee on Claims, to which was referred the bill (H. R. 9282) for the relief of the estate of D. B. Carter, reported it without amendment and submitted a report (No. 2192) thereon.

Mr. LOGAN, from the Committee on Claims, to which was referred the bill (S. 675) for the relief of the Sachs Mercantile Co., Inc., reported it with amendments and submitted a report (No. 2193) thereon.

Mr. BAILEY, from the Committee on Claims, to which was referred the bill (H. R. 9569) for the relief of Charles P. McCarthy, reported it with amendments and submitted a report (No. 2195) thereon.

Mr. SCHWELLENBACH, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H. R. 4115. A bill for the relief of Roy M. Young (Rept. No. 2194);

H. R. 7144. A bill for the relief of the Curtiss Aeroplane & Motor Co., Inc. (Rept. No. 2191); and

H. R. 8753. An act for the relief of the Choctaw Cotton Oil Co. of Ada, Okla. (Rept. No. 2199).

Mr. BYRNES, from the Committee to Audit and Control the Contingent Expenses of the Senate, to which were referred the following resolutions, reported them severally without amendment:

S. Res. 278. Resolution extending time of report by special committee of Senate to investigate production, transportation, and marketing of wool, and authorizing increased expenditures by committee;

S. Res. 287. Resolution to pay a gratuity to Ella Gertrude Kay; and

S. Res. 288. Resolution increasing the limit of expenditures for the investigation of agricultural commodity prices authorized by Senate Resolution 158.

Mr. BYRNES also, from the Committee to Audit and Control the Contingent Expenses of the Senate, to which were referred the following resolutions, reported them each with an amendment:

S. Res. 279. Resolution increasing the limit of expenditures of the Special Commitee for the Investigation of Lobbying Activities; and

S. Res. 295. Resolution providing for the preservation and impounding of all documents acquired by the Special Committee to Investigate Air Mail and Ocean Mail Contracts.

Mr. BYRNES also, from the Committee to Audit and Control the Contingent Expenses of the Senate, to which was referred the resolution (S. Res. 281) increasing the limit of expenditures for investigation of the desirability of establishing a National Economic Council, reported it with amendments.

He also, from the same committee, to which was referred the resolution (S. Res. 290) providing for an investigation of the alleged use of relief and work-relief funds for political purposes, reported it with an amendment.

He also, from the same committee, to which was referred the concurrent resolution (S. Con. Res. 33) authorizing congressional representation at the exercises incident to the dedication of the Thousand Islands Bridge across the St. Lawrence River, reported it without additional amendment.

ENROLLED BILLS PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that that committee presented to the President of the United States the following enrolled bills:

On June 10, 1938:

S. 3215. An act for the relief of Griffith L. Owens;

S. 3373. An act to provide for holding terms of the district court of the United States at Hutchinson, Kans.;

S. 3379. An act for the relief of Arthur T. Miller; and

S. 3836. An act relating to the manner of securing written consent for the reconcentration of cotton under section 383 (b) of the Agricultural Adjustment Act of 1938.

On June 11, 1938:

S. 546. An act for the relief of Annie Mary Wilmuth;

S. 865. An act for the relief of Alceo Govoni;

S. 1788. An act for the relief of William J. Schwarze;

S. 2413. An act for the relief of the Boston City Hospital, and others;

S. 2474. An act to provide a uniform method for examinations for promotion of warrant officers; and

S. 2770. An act for the relief of Elizabeth F. Quinn and Sarah Ferguson.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. TRUMAN:

A bill (S. 4173) to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Arrow Rock, Mo.; and

A bill (S. 4174) to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near St. Charles, Mo.; to the Committee on Commerce.

By Mr. MALONEY (by request):

A bill (S. 4175) to provide for a continuous census of unemployment, to stabilize employment, to provide for the establishment of fair labor standards in employments in and affecting interstate commerce, and for other purposes; to the Committee on Education and Labor.

By Mr. SHEPPARD:

A bill (S. 4176) to establish a Federal Credit and Savings Association system, to establish a further market for securities of the United States and to make credit and deposit facilities more available to people of small means through a national system of cooperative credit, thereby helping to stabilize the credit structure of the United States; to the Committee on Banking and Currency.

By Mr. BULOW:

A joint resolution (S. J. Res. 310) providing compensation for certain employees; to the Committee on Civil Service.

ADDITIONAL REPORTS OF A COMMITTEE

Mr. SHEPPARD, from the Committee on Commerce, to which were referred the following bills, reported them each without amendment:

S. 4173. A bill to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Arrow Rock, Mo.; and

S. 4174. A bill to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near St. Charles, Mo.

HOUSE BILLS

The following bills were severally read twice by their titles and referred, or ordered to be placed on the calendar, as indicated below:

H. R. 9739. An act to amend the Interstate Commerce Act, as amended, by amending certain provisions of part II of said act, otherwise known as the Motor Carrier Act, 1935; to the calendar.

H. R. 9813. An act to amend an act regulating the height of buildings in the District of Columbia, approved June 1, 1910; and

H. R. 10380. An act to amend the act entitled "An act to incorporate the Society of American Florists and Ornamental Horticulturists within the District of Columbia"; to the Committee on the District of Columbia.

AMENDMENT TO SECOND DEFICIENCY APPROPRIATION BILL

Mr. POPE submitted an amendment intended to be proposed by him to House bill 10851, the second deficiency appropriation bill, which was ordered to lie on the table and to be printed, as follows:

On page 92, line 2, to strike out the period and insert a semicolon and the following: "and not to exceed $4,000 for the operation and maintenance of a fish hatchery in Shoshone County, Idaho, to be donated to the United States by the Shoshone County Sportsmen's Association, of Wallace, County of Shoshone, Idaho."

INVESTIGATION OF PROPOSAL TO ESTABLISH AN AIRPORT AT CAMP SPRINGS, MD.

Mr. SHIPSTEAD submitted the following concurrent resolution (S. Con. Res. 41), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved by the Senate (the House of Representatives concurring), That for the purpose of obtaining information as a basis for legislation there is hereby created a special joint congressional committee to be composed of five Senators to be appointed by the President of the Senate and five Members of the House of Representatives to be appointed by the Speaker of the House of Representatives. A vacancy on the joint committee shall be filled in the same manner as original appointments and shall not affect the power of the remaining members to execute the functions incumbent on the joint committee.

SEC. 2. It shall be the duty of the joint committee, hereinafter referred to as the committee, to make a full and complete investigation of the proposal to establish a public airport at or near Camp Springs, in Prince Georges County, Md., with the aid or at the expense of the Federal Government, with particular respect to the following, but not excluding any other matters which the committee may consider germane to such investigation:

(a) Lobbying by private interests or public officials in behalf of such an airport.

(b) The extent to which property owners, real-estate agents, or others would profit from establishment of an airport at Camp Springs.

(c) Assessed values of lands in the vicinity of Camp Springs, including property owned by the Navy Department and property proposed for inclusion in the projected Camp Springs airport, together with prices at which land has been sold in the vicinity of Camp Springs during a 2-year period preceding passage of this resolution.

(d) The ownership or control of such lands and the identity of persons representing the owners.

(e) The extent to which air operations at the proposed airport would interfere with naval radio operations.

(f) The instructions given any Federal agency or agencies in connection with the procuring of options on property proposed to be included in the Camp Springs airport, and the activities of such agencies in pursuance of such instructions.

(g) The views of the commercial air lines and of the commercial pilots flying such lines with respect to the safety and convenience of a large commercial airport at Camp Springs, as compared with other possible locations in or near the District of Columbia.

(h) The attitude of the several Federal Departments chiefly concerned with the District of Columbia airport problem, including the Departments of War, Navy, and Commerce.

SEC. 3. In conducting its investigation, the committee shall take into consideration the testimony given before the House Committee on Public Buildings and Grounds or other committees of the Congress with respect to the airport sites in and near the District of Columbia, and the chairman of any legislative committee of the Congress having jurisdiction over air commerce may sit as an ex-officio member of the joint committee.

SEC. 4. The committee is authorized, in its discretion, to extend its inquiry along similar lines to include other proposed airports and airport sites in and near the District of Columbia.

SEC. 5. The committee shall submit to the House of Representatives and the Senate not later than January 1, 1939, the results of its investigation, together with its recommendations, if any, for necessary legislation. If Congress shall not be in session at the time such report shall be made, the report shall be filed with the Secretary of the Senate and the Clerk of the House of Representatives. The committee or any duly authorized subcommittee thereof is hereby authorized to inspect all proposed public airport sites in the vicinity of the District of Columbia, and to sit at such times and in such places in the District of Columbia as it may deem necessary and proper in the performance of its duties and during recesses and adjournments of Congress, or of either House. It is specifically authorized to require the production of books, papers, and documents; the attendance of witnesses by subpena or otherwise; and to employ clerical assistance and to employ stenographers at a cost not to exceed 25 cents per 100 words.

The chairman of said committee or any member of a subcommittee may administer oaths to witnesses and sign subpenas for witnesses which shall be served by any person designated by such chairman or member of a subcommittee.

The joint committee is authorized to have such printing and binding done as may be necessary and to make such expenditures as it deems advisable within the appropriation hereby authorized. Every person duly summoned by such joint committee or subcommittee thereof who refuses or fails to obey the summons, or who fails to answer the questions pertinent to the investigation, shall be punished by law. The provisions of sections 102 to 104, inclusive, of the Revised Statutes (relating to examination and testimony of witnesses) shall apply with respect to any person who is summoned as a witness under authority of this joint resolution.

The expenses of such investigation, not exceeding in the aggregate of $5,000, shall be paid one-half from the contingent fund of the Senate and one-half from the contingent fund of the House of Representatives, upon vouchers approved by the chairman of the joint committee.

The chairman of the joint committee shall be selected by the joint committee. All hearings, orders, or decisions held before or made by the joint committee shall be public. The joint committee is authorized to utilize the services, information, facilities, and personnel of any Department or agency in the executive branch of the Government in the performance of its duties.

BOMBING OF CIVILIAN POPULATIONS

Mr. PITTMAN submitted a resolution (S. Res. 298), which was ordered to lie on the table, as follows:

Resolved, That the Senate record its unqualified condemnation of the inhuman bombing of civilian populations, and directs the Committee on Foreign Relations to study the matter and report at the next session of Congress its recommendations as to what action may be taken by Congress tending toward the cessation of the practice of bombing civilian populations.

INVESTIGATION OF PRACTICES ON SECURITY EXCHANGE MARKETS RELATIVE TO BASIC AGRICULTURAL COMMODITIES

Mr. BORAH submitted the following resolution (S. Res. 299), which was referred to the Committee on Agriculture and Forestry:

Whereas in the futures and spot markets of the world ruinously low prices are now being quoted for basic agricultural commodities, prices which on the old gold basis of $20.67 an ounce represent practically the lows of recorded history; and

Whereas the history of market trends over the years indicate, particularly in the case of grains, that prices are usually depressed annually at the time when the farmer is delivering his product to market and, conversely, that prices usually rise when and after the peak of delivery has been reached; and

Whereas such periodic price depressions annually cost the farmers millions upon millions of dollars of income, as they occur at the very time he is forced under economic pressure to market his grain crops; and

Whereas year after year publicity, which is seemingly inspired, is issued with respect to potential bumper crops of grains, particularly wheat, which publicity has the effect of depressing markets at the season when the farmer is commencing to send his wheat to market, while other publicity, seemingly inspired, is at other seasons issued to the effect that rust or drought or insufficient moisture, or early frosts, and like scares indicate crop insufficiency or crop deterioration—such publicity occurring at times other than those at which the American farmer is marketing his crop: Now, therefore, be it

Resolved, That the Senate Committee on Agriculture and Forestry, or any subcommittee thereof, be empowered and directed as follows:

SECTION 1. The committee or subcommittee shall forthwith investigate the reasonableness of requiring the speculators or investors on the security exchanges to margin their accounts to the extent of 55 percent of the investment, whereas the speculator or hedger in the future markets of the grains is permitted to margin his accounts only to the extent of 10 percent of his investment.

SEC. 2. The committee or subcommittee is empowered and directed to investigate forthwith the reasonableness of refusing to admit on the security exchange markets continuous short selling unless an equity advances between short sales of a point, whereas in the dealings on the board of trade grains may be continuously sold short on a declining market.

SEC. 3. The committee or subcommittee is empowered and directed to investigate forthwith the short interest in wheat and other grains as it existed between March 1937 and November 1,

1938, for the purpose of determining the extent of this short interest and its effect in depressing the market, particularly during periods immediately preceding the peak of marketing the grain harvested during 1937 and 1938.

SEC. 4. The committee or subcommittee is hereby empowered and directed to investigate forthwith the reasonableness of prohibiting propaganda, misinformation, or estimates of dividends with respect to equities in the security markets, while at the same time there is an absence of any prohibition of the seemingly inspired propaganda in the futures markets of the grains, particularly wheat.

SEC. 5. The committee or subcommittee is empowered and directed to study the propaganda with respect to the grains, particularly wheat, and to discover, if possible, whether such propaganda is inspired by those with a market interest favorably affected by false, misleading, and unwarranted publicity releases which protect the special interests of those speculating in grains, particularly wheat.

SEC. 6. The committee or subcommittee is empowered and directed to investigate forthwith the extent to which foreign grain exchanges are patronized by the speculator or hedger who is an American citizen or an American corporation operating in the grain exchanges outside the territorial limits of the United States.

SEC. 7. The committee or subcommittee shall present to Congress not later than January 3, 1939, a report of its findings, together with its recommendations, if any, for remedial legislation. If Congress be not in session at the time such a report shall be made, the report shall be filed with the Secretary of the Senate.

The committee, or any duly authorized subcommittee thereof, is hereby authorized to sit at such times and at such places in the District of Columbia or elsewhere as it may deem necessary or proper in the performance of its duties, and during recesses or adjournments of the Senate. It is specifically authorized to require the attendance of witnesses, by subpena or otherwise; to require the production of books, papers, and documents; to employ counsel, both legal and technical, advisers and experts, clerical and other assistants, and to employ stenographers at a cost not to exceed 25 cents per hundred words.

The chairman of said committee or subcommittee, or any member thereof, may administer oaths to witnesses and sign subpenas of witnesses, which shall be served by any person designated by such chairman or member of said committee or subcommittee.

The committee or subcommittee is authorized to have printing and binding done, as may be necessary, to make such expenditures as it deems advisable within the appropriation hereby authorized.

The provisions of sections 102 to 104, inclusive, of the Revised Statutes (relating to the examination and testimony of witnesses) shall apply with respect to any person who is summoned as a witness under authority of this Senate resolution.

The expenses of such investigation, not exceeding in the aggregate the sum of $50,000, shall be paid from the contingent fund of the Senate upon voucher approved by the chairman of the committee or subcommittee.

The committee or subcommittee is authorized to utilize the services, information, facilities, and personnel of any Department or agency in the executive branch of the Government in the performance of its duties.

Mr. BORAH. Mr. President, in connection with the resolution I present a memorandum prepared by those who prepared the resolution, and ask that it be printed in the RECORD in connection with my remarks.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

MEMORANDUM

At the recent National Agricultural Conference held in Washington at the Raleigh Hotel on June 2, 1938, the independent agricultural leaders of the country—represented by the Southern Agricultural Commissioners through their executive committee; by Senators from five agricultural States, namely, South Carolina, Kansas, Oklahoma, North and South Dakota; and further, by State presidents of the Farmers Union, and by other leaders in the dairy field—unanimously agreed that the cash income to the farmers of the country was the determining factor in national prosperity.

It was agreed that as farm income rises and farm prosperity is increased, in periods from 3 to 6 months thereafter factory pay rolls rise, the total wages paid labor rise, and all elements in our national economy have their income increased. This was the central theme of the meeting, and I understand that all Members of this body have received copies of the resolutions and that the addresses of the speakers have been presented for the RECORD, including the addresses of William Green, president of the American Federation of Labor, and Louis J. Taber, national master of the Grange.

PRESENT SITUATION

Farm commodity prices are lower today, for basic commodities—cotton and wheat, for example—than at any time in recorded history. Wheat at the close of the market on June 8, 1938, was quoted, for example, at 72½ cents a bushel. This is the equivalent of 42¾ cents on the old gold standard. And until now the all-time historic low was 41½ cents.

Corn on June 8 closed at 56¾ cents. This equivalent on the old gold standard is 33½ cents a bushel. Its all-time low was reached back in 1896, at 19½ cents a bushel.

Oats closed on June 8 at 26½ cents. This is an equivalent on the old gold standard of 16⅔ cents. Its historic low was reached back in 1896 at 14¾ cents.

Rye closed on June 8 at 51¾ cents. Its equivalent on the old gold standard was 30⅓ cents. This is only 2⅓ cents higher than the historic low of 28 cents back in 1896.

If the National Agricultural Conference is right in its principle that national prosperity follows agricultural prosperity, then these ruinous low prices affect every branch of our national economy.

On June 8 Governor Murphy, of Michigan, was in Washington. The Governor of that great industrial State said the factories would be closed—the automotive factories—for some time to come. We, of course, have recently passed the tremendous relief bill, and in that bill an amendment passed with $212,000,000 for additional benefits to the farmers raising our basic agricultural products.

I have had compiled for me a table showing the wild fluctuations of wheat on the Chicago Board of Trade for a 16-year period, between 1922 and 1937, inclusive. As everyone knows, the prices on the futures markets control the cash price the farmer receives. Now he puts the same amount of effort in raising a 41½-cent bushel of wheat in 1932 as a $2.05 bushel of wheat in 1925.

At this point I want to insert this table showing the fluctuations of Chicago wheat-futures prices in the record, and I call attention to a fluctuation of 86½ cents a bushel in a single option, the May option of 1925. At one time during the life of that option wheat was quoted at $1.19 and at another time $2.05. And the cash received by the farmers corresponded to the fluctuations of the futures market during the life of that option.

Table showing fluctuations of the Chicago wheat-futures prices

[This table is extremely important because it shows the wide fluctuations of a price which determines the cash price received by the farmer, for the same annual effort—the raising of a bushel of wheat]

Year[1]	May		July		September		December	
	High	Low	High	Low	High	Low	High	Low
1937	1.16¾	1.04¼	1.02½	0.96⅞				
1936	1.07	.88⅞	1.10⅜	.83¼	1.18¾	0.82⅜	1.17⅜	0.85
1935	1.17	.82⅜	1.02	.78	1.02½	.78½	1.09½	.81
1934	1.28½	.71½	1.00¾	.86⅜	1.11	.87½	1.13¾	.88⅞
1933	.74½	.43¾	1.17⅛	.43⅛	1.20⅛	.45½	1.24	.67½
1932	.73	.48⅜	.73¾	.44¾	.69⅝	.46⅝	.66¼	.41½
1931	1.14	.73	.92	.48	.76	.44⅜	.69	.44⅝
1930	1.64	1.00	1.43⅝	.83⅜	1.31¾	.72⅞	1.25¾	.69⅜
1929	1.33⅜	.93¼	1.46¾	.96	1.51¼	1.00¾	1.58	1.05
1928	1.71½	1.26¾	1.70½	1.17⅜	1.67⅛	1.06¾	1.56⅝	1.10½
1927	1.56¾	1.30¾	1.51½	1.26¼	1.49⅛	1.24¾	1.50⅜	1.21⅛
1926	1.85½	1.34⅝	1.58½	1.20½	1.47½	1.22⅝	1.50¾	1.32
1925	2.05⅛	1.19⅛	1.74½	1.21	1.67½	1.23	1.90½	1.33¼
1924	1.14⅝	1.00¼	1.38⅛	1.02	1.40⅝	1.02⅜	1.79½	1.06⅜
1923	1.27¾	1.04½	1.25⅞	.99	1.23¼	.96⅜	1.17⅜	.99
1922	1.49⅜	1.03¾	1.30¼	.97¾	1.22⅛	.97⅜	1.28½	.99⅝

[1] The years each future expired, while its high or low may have been reached in the same calendar year or the preceding calendar year.

NOTE.—In the table shown above, wheat varied from a low of 41½ cents a bushel for the December future of 1932, to a high of $2.05⅛ for the May future of 1925.

BOARD OF TRADE UNCONTROLLED

Now, what really happens? Here is wheat today at approximately 73 cents a bushel. The harvest has commenced in the South and it will continue for the next period of months. Year after year the same situation presents itself. The low price of wheat is reached when the farmer is marketing his grain, and it is during that period that all the inspired propaganda we read in the daily papers is let loose. It is the story of bumper crops, and the price of wheat is broken down, step by step and point by point, until the American wheat farmer has reached the peak of delivering his wheat to the market.

Now, he has to deliver his wheat to the market because he is in debt, and it goes from the field to the market, direct from the binder to the market today.

Then, after that peak is reached, an opposite force of propaganda is let loose on the country. The estimates of the experts were all wrong; rust appears! and instead of a billion-bushel crop estimated today, mark my word, the propaganda will soon reduce that estimate to three-quarters of a billion bushels—and up will go the market.

CONTRAST BETWEEN SECURITY MARKETS AND THE BOARD OF TRADE

Congress has wisely regulated the security exchanges. We have compelled margins of 55 percent. We have put a limit on short selling and required that you can't sell continuously short on a declining security market. We have left untouched the Chicago Board of Trade and the great grain market of America. You can go in and gamble on that exchange with 10-percent margin, and you can sell wheat down from its last year's price, as high as $1.46 a bushel, straight down to 72 cents a bushel, and that may not be the end. When this Congress adjourns, wheat may go to 50 cents a bushel, which is a little over 30 cents a bushel on the old gold-standard equivalent.

THE RESOLUTION

I have charts here to show that this depression over the years comes at a time when the farmer is delivering his product to market, and that the increase in future prices comes at a time when the farmer is virtually out of wheat. The resolution states further

the fact that these fluctuations cost the farmers millions of dollars of income, and that the fluctuations are accompanied by publicity, which is seemingly inspired by those who have an interest, long or short, in the grain market.

In other words, I could chart for you a popular calendar of fixed propaganda, occurring year after year. The great bumper crop is periodically announced, and all is well while the wheat is green in the fields and before the farmer can realize a cent. And then when it comes to marketing time, everything happens to that crop—dust storms, rust, drought, insufficient moisture, moisture which is sufficient but improperly timed, and a dozen others, stock-in-trade publicity stories to increase the price of wheat after it has left the farmer's hands. It is a stock-in-hand of "scarces" indicating crop insufficiency and crop deterioration.

My resolution asks that the Committee on Agriculture and Forestry, or a subcommittee thereof, be empowered and directed to investigate the reasonableness of our laws respecting the security exchanges on the one hand, and the lack of regulation of the Chicago Board of Trade on the other.

To investigate short selling by comparing our regulations on the security exchanges and our lack of regulations on the board of trade.

To investigate the actual short interests in the wheat, to find out who is betting right now that wheat will go down below 72 cents a bushel—which, I repeat, on the old gold standard was the lowest price it ever reached.

To investigate the propaganda and who inspires it, in respect to the grains.

And to investigate the American speculative interests placed with foreign exchanges—Winnipeg, Montreal, or Liverpool, as examples.

The resolution asks that proper aid be available to the committee so that we may have those familiar with marketing operations, and economic advisers, to gather the data and intelligently pursue the investigation with proper advice.

The resolution asks for $50,000 out of the contingent fund of the Senate.

Now, I want to make one last point. In 1937, last year, wheat was as high as $1.46 a bushel. It is less than half that price today. In fact, it is almost precisely half that price today. Seventy-three cents a bushel on a billion-bushel crop is $730,000,000 income lost to the wheat farmers in the fall of the price in the last 15 months. That is wheat alone.

We have appropriated $440,000,000 out of the taxpayers' money under the Agricultural Adjustment Act. We have put $212,000,000 as an amendment in the Senate bill.

Now, wheat has dropped in value $730,000,000, and the $50,000 requested is less than one one-hundredth of 1 percent of the loss to the wheat producers in 15 months. It is slightly over one one-hundredth of 1 percent of the amount set aside to aid all the farmers of the country.

I am very desirous that the chairman of the Committee on Agriculture and Forestry give his support to this resolution, to get the facts regarding the Chicago Board of Trade, and the speculative interests of the Nation who together fix and regulate the price that can be returned to the farmer for a bushel of wheat.

Finally, in speaking thus for the wheat farmers I am speaking for all branches of our economy, for you can't ruin the farmers and have a prosperous Nation. You can't have a speculative interest robbing the farmers of hundreds of millions of dollars in a period of months without finding the fact.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries.

JOSEPH T. ROBINSON

Mr. LUNDEEN. Mr. President, Senator ROBINSON was an able leader and a brilliant Senator. His leadership inspired confidence, and whenever he announced that he was striving for victory in legislative matters, it seemed that victory was assured.

He was kind and considerate, but determined. He was well versed in parliamentary law and knew the customs and traditions of the Senate. A powerful figure was he—one to whom the country looked up with confidence.

I had the honor to be one of the group of Senators who accompanied his body to its last resting place in Little Rock, Ark.; and there we saw evidences on every hand that he was beloved by the people of his State, who thronged his residence and the surrounding grounds. The cemetery was thronged with friends and admirers who had followed his leadership under the banners of democracy these many years.

A terrific rainstorm came up and the rain fell in torrents, but even this storm seemed to be unable to disperse the crowd of hundreds who stood through this drenching rain. The hour was late before this great company began to disperse.

Little Rock and Arkansas will miss JOSEPH T. ROBINSON. We miss him in the Senate. We miss his counsel and advice. His spirit still pervades the Chamber where he served so many years.

Now we are glad to recognize outside of the main entrance to the Senate a most excellent portrait of our great leader that serves to ever remind us of the greatness and glory of his service.

The guidance and example of this man lives on, for "death is but a rusty scabbard from which emerges a shining sword."

As the years pass on the importance of his leadership will grow.

A prince once gazed on a warrior dead;
"Taller he seems in death," he said.

TRIBUTE TO THE LATE REPRESENTATIVE EDWARD A. KENNEY OF NEW JERSEY

Mr. SMATHERS. Mr. President, I wish to take the opportunity of saying a word in memory of my friend and colleague, EDWARD A. KENNEY, Representative of the Ninth District of New Jersey until his untimely death earlier in this session.

While ED. KENNEY's home and my own in New Jersey were many miles apart, we were near neighbors in our association in the State and in the Congress. He was an able, just, and conscientious public servant with the welfare of the State of New Jersey and the Nation at heart.

I feel that I, more than any other of his associates, realize the high esteem in which he was held. Not a day passes that my mail does not contain letters from those of his constituents who knew him well, appealing to me to carry on phases of his good work that his death left unfinished.

To his widow, to whom he was devoted, I offer my sincere sympathy in her loss, and hope that she may derive some comfort in knowing the esteem in which her husband was held in the Senate as well as in the House of Representatives.

THE NEW PARTY MOVEMENT—ADDRESS BY SENATOR LA FOLLETTE

[Mr. LA FOLLETTE asked and obtained leave to have printed in the RECORD a radio address on the subject The New Party Movement, delivered by him on Monday, May 9, 1938, which appears in the Appendix.]

FLAG DAY—ADDRESS BY SENATOR LONERGAN

[Mr. MALONEY asked and obtained leave to have printed in the RECORD an address delivered by Senator LONERGAN at the Flag Day celebration at Willimantic, Conn., on June 14, 1938, which appears in the Appendix.]

ADDRESS BY JOSEPH P. TUMULTY AT GRADUATION EXERCISES, GEORGETOWN UNIVERSITY

[Mr. BAILEY asked and obtained leave to have printed in the RECORD an address delivered by Hon. Joseph P. Tumulty before the graduating class of Georgetown University on June 13, 1938, which appears in the Appendix.]

CONFLICT BETWEEN BUSINESS AND GOVERNMENT—ARTICLE FROM FORTUNE

[Mr. MURRAY asked and obtained leave to have printed in the RECORD an article entitled "Business and Government" from Fortune of the issue of February 1938.]

NATIONAL CAPITAL AIRPORT

[Mr. REYNOLDS asked and obtained leave to have printed in the Record an article appearing in the Washington Herald of today by Capt. Eddie Rickenbacker.]

POLITICS IN WORK RELIEF

[Mr. WHEELER asked and obtained leave to have printed in the RECORD an article from the Pittsburgh (Pa.) Press, issue of June 13, 1938, entitled "Judge Lashes Politics in Work Relief," which appears in the Appendix.]

RELIEF IN POLITICS—ADDRESS BY SENATOR WHEELER

[Mr. SHIPSTEAD asked and obtained leave to have printed in the RECORD a radio address made by the Senator from

Montana [Mr. WHEELER] on June 14, 1938, on the subject of Relief in Politics.]

AGRICULTURAL CONDITIONS FROM 1932 TO 1937

[Mr. MCGILL asked and obtained leave to have printed in the RECORD a statement with reference to the agricultural situation from 1932 to 1937, with a statement relative to costs.]

PLATFORM OF AFFILIATED YOUNG DEMOCRATS, INC.

[Mr. WAGNER asked and obtained leave to have printed in the RECORD the platform of the Affiliated Young Democrats, Inc., adopted at the State convention at New York City on May 21, 1938.]

WAGES OF LABOR

[Mr. WAGNER asked and obtained leave to have printed in the RECORD a statement and certain data concerning the welfare of wage earners in the United States.]

ORDER OF BUSINESS

Mr. O'MAHONEY. Mr. President——

The VICE PRESIDENT. When the Senate took a recess last evening the Senator from Wyoming [Mr. O'MAHONEY] had the floor, his motion to proceed with the consideration of the conference report on House bill 1531 having been agreed to. The Chair will recognize the Senator from Wyoming.

Mr. HAYDEN. Mr. President, will the Senator from Wyoming yield to me in order that I may ask the Chair to lay before the Senate the House amendments to three private bills?

The VICE PRESIDENT. Let the Chair make a further statement, so that Senators may understand the parliamentary situation. In yielding to Senators for the purpose of taking up bills, the Chair assumes that it will be the understanding that the parliamentary situation with reference to the Senator from Washington [Mr. SCHWELLENBACH] and his motion will remain intact. With that understanding, the Chair will recognize Senators.

MIRIAM THORNBER

Mr. HAYDEN. I ask the Chair to lay before the Senate the amendments of the House to certain Senate bills.

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 2797) for the relief of Miriam Thornber, which were, on page 1, line 5, after "Thornber", to insert "of Tucson, Ariz."; on page 1, line 7, to strike out "damages arising out of"; on page 1, line 8, to strike out "she" and insert "the automobile in which she was a passenger"; and on page 1, line 9, after "truck", to insert "on State Highway No. 84."

Mr. HAYDEN. I move that the Senate concur in the House amendments.

The motion was agreed to.

JOHN FANNING

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 3057) for the relief of John Fanning, which are, on page 1, line 5, after "Fanning", to insert "of Tucson, Ariz."; on page 1, line 6, strike out "$2,500" and insert "$2,000"; on page 1, line 8, "to strike out "he" and insert "the automobile he was driving"; and on page 1, line 9, strike out "a Navajo Indian" and insert "an employee of the Indian Service, Interior Department, on United States Highway No. 66."

Mr. HAYDEN. I move that the Senate concur in the House amendments.

The motion was agreed to.

G. E. MAXWELL

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 3584) for the relief of G. E. Maxwell, which were, on page 1, line 7, to strike out "Government" and to insert "United States"; on page 1, line 8, after "of", to insert "emergency"; on page 1, line 9, to strike out "agent and employee of the Government, in the service" and to insert "an employee"; and, on page 1, lines 10 and 11, strike out "at Springerville, Ariz., on" and to insert "on authority of officials of the Works Progress Administration."

Mr. HAYDEN. I move that the Senate concur in the Progress Administration."

The motion was agreed to.

AMENDMENT OF SECTION 128 OF JUDICIAL CODE

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 3469) to amend section 128 of the Judicial Code, as amended, which was, on page 1, line 3, to strike out "paragraph 'Third' of."

Mr. BURKE. I move that the Senate concur in the House amendment.

The motion was agreed to.

GEORGE J. LEATHERWOOD

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 1987) for the relief of George J. Leatherwood, which were, on pages 1, lines 5 and 6, after "Leatherwood", to insert "of Murphy, N. C."; on page 1, line 8, to strike out "or about"; on page 1, line 9, to strike out "in an attempt to assist in apprehending" and insert "while assisting in the apprehension of"; and, on page 1, line 12, after "summoned", insert "and deputized."

Mr. REYNOLDS. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

LEONA DRAEGER

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 2895) for the relief of Leona Draeger, which were, on page 1, line 5, after "Draeger", to insert "of Box Elder, Mont."; on page 1, line 11, to strike out all after "Leona" down to and including "been", in line 12, and insert "Draeger, who was"; on page 2, line 2, to strike out "William McMurphy"; and on page 2, line 3, to strike out all after "Administration" down to and including "employee" in line 4.

Mr. MURRAY. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

AMENDMENT OF CALIFORNIA DEBRIS COMMISSION ACT

Mr. JOHNSON of California. Mr. President, I should like to submit a report and make a request for unanimous consent.

The VICE PRESIDENT. Does the Senator from Wyoming yield to the Senator from California?

Mr. O'MAHONEY. I yield, with the same understanding that I do not thereby lose the floor.

Mr. JOHNSON of California. From the Committee on Mines and Mining, on behalf of the Senator from Kentucky [Mr. LOGAN], I report favorably, without amendment the bill (H. R. 9881) to amend section 23 of the act to create the California Debris Commission, as amended.

The bill is of no consequence except to a small part of California, and I ask that it be immediately considered and passed.

The VICE PRESIDENT. Is there objection?

There being no objection, the bill (H. R. 9881) to amend section 23 of the act to create the California Debris Commission, as amended, was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 23 of the act approved March 1, 1893, entitled "An act to create the California Debris Commission and regulate hydraulic mining in the State of California," as amended by the act approved June 19, 1934, is hereby further amended by adding at the end thereof the following: "The Secretary of War is authorized to enter into contracts to supply storage for water and use of outlet facilities from debris storage reservoirs, for domestic and irrigation purposes and power development upon such conditions of delivery, use, and payment as he may approve: *Provided*, That the moneys received from such contracts shall be deposited to the credit of the reservoir project from which the water is supplied, and the total capital cost of

said reservoir, which is to be repaid by tax on mining operations as herein provided, shall be reduced in the amount so received."

EXTENSION OF CLASSIFIED CIVIL SERVICE TO POSTMASTERS—CONFERENCE REPORT

The Senate resumed the consideration of the report of the Committee of Conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 1531) extending the classified civil service to include postmasters of the first, second, and third classes, and for other purposes.

Mr. O'MAHONEY. Mr. President, the matter which is now before the Senate is the conference report upon the so-called civil service for postmasters bill. The measure was passed by the House on January 28, 1937; it came to the Senate, and was here amended and passed on April 11, 1938.

The House bill provided for the appointment of postmasters by the Postmaster General under the civil-service law without confirmation by the Senate. The Senate bill provided for appointment by the President, with confirmation by the Senate, and for terms of 8 years. The conference report eliminates the House provision with respect to the authority of the Postmaster General, and provides for appointment by the President. It preserves confirmation by the Senate but eliminates the 8-year term provided for in the Senate bill, so that hereafter, if the bill recommended by the conferees becomes the law, postmasters will be appointed without term by the President, but subject to confirmation by the Senate.

The House bill provided that incumbent postmasters might be reappointed after passing a noncompetitive examination. The Senate bill included an amendment offered by the distinguished senior Senator from Michigan [Mr. VANDENBERG] that incumbent postmasters should be appointed only after passing a competitive examination. The conferees abandoned the Senate provision and adopted the House provision, so that incumbents, at the expiration of their current terms, may be reappointed after passing a noncompetitive civil-service examination.

The only other feature of the bill is that acting postmasters may be appointed by the Postmaster General, but may serve not longer than 6 months except by the consent of the Civil Service Commission.

With these changes, I feel that the bill represents a very substantial step forward.

This measure has three positive virtues: First, it substitutes the merit system for the spoils system in the selection of postmasters. In other words, it does away with favoritism and establishes the principles of open competition; second, it authorizes the selection of postmasters by promotion within the service. In other words, it extends to all the vast army of postal employees, clerks and carriers, village carriers and rural mail carriers, the opportunity to rise to the highest positions in the Postal Service; and, third, it prevents the evasion of the spirit of the merit system and the rule of Senate confirmation by requiring that acting postmasters shall not serve for more than 6 months without the permission of the Civil Service Commission.

Mr. WALSH. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield to the Senator from Massachusetts.

Mr. WALSH. Does the conference report contain a provision giving the Executive the right to make a selection of any one candidate for postmaster among the three eligibles certified by the Civil Service Commission?

Mr. O'MAHONEY. The bill itself does not contain that provision, because it is unnecessary. As the Senator well knows, under the civil-service law whenever an eligible register is established the Civil Service Commission, under the regulations in force, certifies to the appointing officer the names of the three highest persons. That practice will, I understand, be followed under this bill if it becomes a law.

Mr. WALSH. So the conference report, if it becomes a law, will operate to nullify the Executive order now requiring the first eligible to be named?

Mr. O'MAHONEY. It will have that general effect. In a press conference last week the President indicated his acceptance of that theory. Of course, civil-service regulations may be altered, but it was the understanding here and in the House that the selection would be made by the President from among the three highest eligibles, as in the case of all other civil-service appointments.

Mr. President, I hope the conference report may be adopted.

Mr. VANDENBERG. Mr. President, I very much regret that the Senate conferees found it necessary to abandon the Senate amendment requiring incumbent postmasters at least to face a fair civil-service competition in order to be inducted into their jobs for life. It seems to me that the abandonment of this amendment takes the principle of civil service further away from postmasters, rather than to bring the post office nearer to the merit system.

I say this with some reluctance, because I have such profound respect of the civil-service loyalties of the able and distinguished senior Senator from Wyoming [Mr. O'MAHONEY]. I know of no man who has entered the Chamber in my time for whom we all have a deeper or more profound respect. His sincerities particularly have been appealing to me; and when he announces his belief that this is an essential step forward in civil service, I am bound to give his opinion great respect.

Furthermore, Mr. President, the Senator from Wyoming is as forthright a friend of civil service as there is on the floor of this Chamber; and I should be happy if I could hope, in the long view, to register as effective a loyalty to civil service as does he.

Having thus indicated my reluctance to say anything against the conference report because of his sponsorship, I am bound, however, to reassert my own belief that when we take 15,000 postmasters who have been appointed under political auspices and virtually give them life jobs—because that is precisely the net effect of the conference report—it is not a particularly wholesome encouragement to civil service.

Mr. LOGAN. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Michigan yield to the Senator from Kentucky?

Mr. VANDENBERG. I yield.

Mr. LOGAN. I merely want to say to the Senator that the conferees on the part of the Senate, at least the majority of them, were very much in accord with his views; and we strove diligently to retain the provision, which I believe went into the bill through an amendment offered by the Senator from Michigan, that there should be a competitive examination. That was my view; but we had to be realistic and look at the matter in the best way we could, and we discovered that if we were to get anything we should have to accept the conference report as it came to the Senate.

Mr. VANDENBERG. I thank the Senator for his statement, and I know how sincere he is in it, because I recall the very eloquent and effective support which he gave to the amendment when it was pending on the floor of the Senate. The fact remains that when the body at the other end of the Capitol resists this amendment and insists that incumbent postmasters shall have their jobs virtually for life without any intervening competitive examination its Members remove themselves from any right to charge, as was so frequently done in the House debates, that the Senate attitude toward postmasters is essentially a political one.

I think it is utterly unfortunate that we should launch an alleged civil-service program on the basis of political postmasters being permitted to obtain virtually life tenure without any intervening competitive civil-service examination. That is not my idea of civil service. On the contrary, it is my idea of political monopoly. I do not believe it is the country's idea of a merit system.

Under the circumstances it seems to me this section of the conference report deserves the condemnation which I give it. Perhaps the remainder of the report justifies an affirmative vote in spite of this particular section. I confess that I am

inclined to yield my judgment to that of my able friend from Wyoming in that aspect, but I hope that before this subject is done a real career service may be created in the post office. I know the Senator from Wyoming will sanction this wish, and that all semblance of the spoils system may be removed. Unfortunately, a substantial portion still remains under the conference report. Political postmasters are no less political postmasters just because an expedient statute gives them a permanent status under cover of the civil service without any necessity for competitive tests.

Mr. McKELLAR. Mr. President, I am opposed to the conference report putting first-, second-, and third-class postmasters into office for life. Because of that opposition, I did not sign the conference report. I have opposed this proposed legislation from the beginning, on the ground that I do not believe civil officers of importance should be appointed for life.

I wish to say that in taking the view that postmasters of the first, second, and third classes should not be appointed for life I am opposing my own personal and political interests. I happen to have a brother who is postmaster at Memphis, and who, if this bill goes on the statute books, will be appointed for life. I am devoted to my brother, and yet I think the principle is wrong. I do not think it is a good governmental policy, and I have told my brother in all frankness that I cannot support the bill. As all Senators know, I have always opposed it. I do not believe it provides for a merit system at all. All it is necessary to do is to look at the bill and see. More than that, in the majority of cases the postmasters in Tennessee who will remain in office for life are my friends. It might be said that I have everything to gain politically, and nothing to lose, by the passage of the bill; but again I say in all frankness it is my best judgment that the bill is wrong in principle and wrong in policy and should not be passed; and I shall vote against it now, as I have uniformly done.

Mr. BARKLEY. Mr. President, I shall detain the Senate for a moment only. I shall support the conference report and I am glad to have an opportunity to vote finally for the passage of legislation putting first-, second-, and third-class postmasters under the civil service. Both political parties have for a long time promised this legislation; this is the first time that either party has really made an earnest and genuine effort to make good on that pledge to the American people. It is really a pleasure at this time to be able to support a proposal to take the appointment of postmasters out of what we call politics, or out of patronage, and place them upon the standard of civil-service employees appointed for merit.

I am glad the conference committee agrees that the postmasters should be appointed as all other civil-service employees are appointed, by selection from the three highest on the list. I have always felt that the appointing power should have the right to some discretion, because there is no civil-service examination which can in all cases bring to the top of the list always the most competent applicant among those under consideration. It has seemed to me that there was no reason for discriminating in the matter of appointing postmasters as compared with all other civil-service appointees, in whose selection the appointing authority has the right to make a selection from the first, second, and third, as his discretion may dictate.

I hope the law will be administered and enforced in the spirit in which it is enacted, in the interest of better service and more securty, and in the interest of removing this great branch of the Federal Government from the uncertainty of political transformations and vicissitudes, and placing it upon the basis of merit, by giving to the appointees a tenure depending upon the satisfactory performance of their duties.

The Senator from Tennessee has objected that it gives life appointments to postmasters. That is true, in a sense; yet it is not altogether true, because the President may remove an inefficient postmaster, or an incompetent postmaster, or one who violates the law, or brings discredit upon the service, with or without an explanation, under the decision of the Supreme Court, so that any undesirable appointee who in any way brings discredit upon the service to which he has been appointed may be removed by the President in the exercise of his power.

I congratulate the committee, and I congratulate the Congress, upon the consummation of this enactment, which has been promised for so many years by both political parties.

Mr. NORRIS. Mr. President, this is the first time for more than 30 years that I have ever known of an opportunity where by one stroke we can, to a great extent, take the appointment of postmasters out of politics. I remember a great many years ago in the House of Representatives, during a Republican administration, I believe it was, although it does not make any difference which party was in power, when the administration was half over I introduced a bill in the House, and had a hearing before the appropriate committee on the bill. Briefly, the bill provided what this conference report provides, although it went a little further, and put under the civil service, without the necessity of any future examination at the expiration of their terms, all postmasters in the United States.

I knew that many postmasters were appointed because of political affiliations. The conditions were much worse then than they are now. But I thought that when the administration was half over there would be an opportunity to unite political parties in bringing about a reform which practically every Member of Congress in the House and in the Senate who have served any length of time recognized as very desirable.

I was very much surprised to find that, instead of uniting the parties for the bill, it united both parties against the bill. Republicans were opposed to it because about half of the postmasters were still Democrats, and the Republicans expected to have opportunity to fill their places during the next 2 years. The Democrats were opposed to the bill because, they said, "at the next election we expect to elect a Democrat as President, and we are going to get all of the appointments ourselves." So I got no votes; I heard no friendly voice from the committee.

Mr. President, I have seen this contest go on. I have seen the civil-service organizations of all kinds protesting to the country that officials of the Federal departments who had no policy determining functions to perform should be put under the civil service, and should be taken off the political pie counter.

I have seen political parties, both of them, all of them, always priding themselves on the promises contained in their platforms, asserting that they were going to wipe out the spoils system, that they were going to put all the appointments upon a fair basis of civil service; but after election they failed to keep their promises. We have gone on from year to year and election after election with the same promises in every campaign and the same violation of promises after the election.

Mr. President, the bill embodied in this conference report is not what I should like to have, it does not accomplish the entire objective but it is the greatest step Congress has taken in this regard for 50 years. It is not what any one would like to have, perhaps, if he had his own way. The Post Office Department from its very nature is one which ought to be entirely out of politics.

Mr. President, I am sorry the Senator from Michigan has left the Chamber. The Senator from Michigan and all those who believe in wiping the spoils system off the platter should vote to make the Post Office Department nonpartisan, from the Postmaster General down to the janitor in every post office in the United States. From the very nature of things the greatest kind of a political machine can be built up from postmasters who owe their appointments to the party or the faction of a party in power.

We cannot expect, and I know we cannot get, a system which is perfect. The one proposed has many imperfections. I myself tried, by the introduction of a bill in the Senate, to make the Post Office Department nonpartisan, by providing,

in the first place, that the Postmaster General should be selected without regard to partisanship, making it his duty specifically to govern the Post Office Department from the standpoint of efficiency and economy only, obliterating politics entirely from it.

The bill provided that the term of the Postmaster General should not expire with the terms of the so-called members of the Cabinet, in order to remove as much as possible politics and partisanship from the office of Postmaster General. The bill provided that all the way down never should any consideration be given to a man's politics when he was selected for the office of postmaster, and a penalty was provided.

Mr. President, I think that measure would have accomplished what we desired. I soon learned I could not get the bill passed, although Members of Congress agreed that practically one of the greatest evils, even from the standpoint of a Member of Congress alone, was the right to appoint postmasters, a duty which is shoved onto their doorsteps. Yet in the debate which has taken place on the bill which is now before us, when it passed the House and when it passed the Senate, and when the conference report came into the Senate, there were still strong indications that Members of Congress were hanging on to the idea that they should select postmasters in their districts and in their States, with the object of building up a machine friendly to themselves.

Mr. President, the theory is a beautiful one. However, in practice it is found to be an absolute failure. I think it could truthfully be graven upon the tombstones of many deceased Members of the Senate and the House, in cemeteries where, politically speaking, their decaying bones lie, that more of them died as the result of too much patronage than from any other causes or combination of causes.

In the first place, the selection of postmasters upon a partisan basis detracts from the efficiency of the Post Office Department. That is not a businesslike way of conducting that great institution. There is no reason why the postmaster at Podunk should be removed from office because a political party to which he does not belong has gotten control of the country. As a matter of fact, there is nothing in the law which gives a Member of Congress anything to say as to who shall be appointed postmaster anywhere. There is not a Member of Congress who would be in favor of putting such a provision into the law. Yet the bill under consideration receives opposition, because Members of Congress wish to name postmasters, thereby demanding that they be allowed to do something which the law does not permit.

Mr. President, such a practice interferes with the proficiency of the Post Office Department, which ought to be a business institution. It is also a detriment to a Member of the Senate or a Member of the House to have placed in his power the right to name postmasters in his city or district.

Mr. WALSH. Mr. President, will the Senator yield?

Mr. NORRIS. I yield.

Mr. WALSH. The Senator from Nebraska knows, I assume, the practice under the old system whereby the President is called upon to make selection from one of three candidates found by the Civil Service Commission to be eligible; that it was the custom of the Commission to select those three eligibles, and the Members of the House in Democratic districts made their recommendations therefrom, and in Republican districts the matter was submitted to the Democratic Senator for recommendation.

Mr. NORRIS. And if there were no Democratic Senator from the State, the question was submitted to a Democratic committee chairman somewhere.

Mr. WALSH. I assume so. It so happens that I have been called upon to make recommendations or suggestions with reference to the appointment of postmasters probably more than any other Member in this body, because of the fact that there are nine congressional districts in my State which have Republican Representatives. I do not think there is any other State in the Union in which any other Senator finds himself in the situation of having so large a number of Republican congressional districts in his State.

I wish to say to the Senator from Nebraska that I have never been so relieved of personal and partisan pressure with respect to appointments of postmasters as I have under the Executive orders of the President requiring that the number 1 person on the eligible list shall be appointed postmaster. I regret exceedingly that we are returning to the old system of selecting one out of three eligibles. I assume it means a return of the personal political pressure which has been most troublesome, which interferes with the performance of senatorial duties, and which is most objectionable.

I do not say this in any way in criticism of the conference report, because I know that the position of some of the conferees in respect to this matter is the same as mine. I know several of them from the Senate are in complete sympathy with the views I have expressed. I assume, however, that they had to make some concessions in order to secure an agreement. I make the statement because of the experience I have had, and I regret exceedingly having to be obliged to return to the old system after a short vacation from such pressure.

Mr. NORRIS. I agree with what the Senator from Massachusetts has said. I should rather have the top man on the list appointed than to have a provision that the choice shall be made from three eligibles. While that provision has been agreed to, and is contained in the conference report, of necessity a conference report must be a compromise. However, when the conference report becomes a law, there will so seldom be an opportunity to make a selection from the three eligibles that Senators will almost forget all about it.

Mr. WALSH. Why will that be so?

Mr. NORRIS. Because the postmasters, after they are appointed, will continue to serve during good behavior. The question of the appointment of a postmaster at a certain place will not be coming up every few years. Therefore, we shall have an infinitely less number of appointments to consider. That is one of the saving provisions of the measure—that there will not be so many nominations of postmasters submitted. We will soon forget about it, in my judgment, if the conference report shall be agreed to.

Mr. WALSH. The limited 4-year term of the commission granted the postmaster is removed by this measure.

Mr. NORRIS. Of course.

Mr. WALSH. And it is fair to assume that once a Democrat is appointed postmaster he will remain in office so long as there shall be a Democratic administration.

Mr. NORRIS. No; when once a man is appointed he is appointed without term, like all civil-service employees, and he will not be coming up for reappointment and confirmation every 4 years.

Mr. WALSH. We can look forward, however, to a nullification of that provision at such time as the Republicans get control.

Mr. NORRIS. Of course, we cannot pass any law which a Congress cannot repeal. What the Senator says is true. I do not believe, however, that if the Republicans should come into power they would do that. I do not believe the country would stand for it if they should try to do it. In other words, I know of no way whereby we can pass a law which cannot be repealed by a future Congress. That is true with respect to all legislation.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. NORRIS. I yield.

Mr. CONNALLY. Of course, under the Constitution the President can appoint whom he pleases.

Mr. NORRIS. Yes.

Mr. CONNALLY. If the conference report should be agreed to, the law would not be binding. If the President so desired he could remove every appointee and could appoint new men, could he not?

Mr. NORRIS. I believe he could.

Mr. CONNALLY. The Senator from Massachusetts evidently had in mind that if a Republican Congress should be elected, it would no doubt say, "Well, now, these Democrats came into office and filled up all the post offices with

their appointees, and then tried to cover them into civil service, and we will not stand for it." And they would pass a law nullifying what had been done.

Mr. NORRIS. That is possible.

Mr. CONNALLY. It is not only possible, but if the Republicans ever get in that will occur.

Mr. NORRIS. No.

Mr. CONNALLY. And I would not blame them much if they did.

Mr. NORRIS. I would blame them, Mr. President, and the country would. Unless we amend the Constitution, how are we going to get a law which cannot be repealed by a future Congress? That is impossible without amending the Constitution.

Mr. CONNALLY. I do not want to do that. I do not want the laws to be so unchangeable that they never can be repealed, because we would never make any progress or development if that were the case.

Let me ask the Senator a question. Under the old system the President of the United States is charged with the responsibility of appointing postmasters. The President cannot know everyone. But suppose another Senator were going to appoint some man to an important post in McCook, Nebr. Who is there in the Senate better qualified to advise that Senator whom he should name than the Senator from Nebraska?

Mr. NORRIS. I will answer the Senator by telling him an absolutely true story. If the Senator were to confine the question to McCook——

Mr. CONNALLY. I am talking about McCook now.

Mr. NORRIS. There are many men who probably would know better than I how to handle the matter. But assuming that I did know who should be appointed. That is only one place in the country.

Let me tell the Senator what actually happened a few years ago when I still lived in McCook. This happened during a Republican administration. I had been elected Senator, and was holding office as a Republican. A man who lived 250 miles away from McCook, in a beautiful city of about 4,000 people, wrote me that he was a candidate for postmaster. If I had ever seen him I had forgotten him. I did not know him by name. But in order to bolster up his case he said: "I have the endorsement of the chairman of the National Republican Committee from the State of Nebraska. I have the endorsement of the Representative of my district." That Representative did not live in this man's town. He said further, "I have the endorsement of the State senator from my district. With that showing I want your endorsement for the position of postmaster in my town."

Mr. President, from a political standpoint he made a good showing. I think he also had the endorsement of the Governor. He did not have the endorsement, however, of a single man who lived in the town where he lived and where the post office was located.

I stated in my reply:

> It seems to me the people of your town ought to have something to say about it. You may be amply qualified. I do not know anything about it. I do not see why, living 250 miles away, I should be called upon to settle the postmastership in your town when I do not know anything about the conditions. I do not know the men who are candidates. Why do you come to me, and why should I have that power?

No law gave it to me. It is a partisan political custom which puts upon the shoulders of Senators and Members of the House the settlement of a question about which they know nothing. If they perform their duty as Members of the Senate and of the House they cannot know anything about the question. It is too varied. It is a world of its own. It would require all the time of a Senator or Representative to know anything about the question, and he would then be unable to do what he is elected to do as a Member of Congress. He would find at the next election that his inability to perform the duties of his office was pretty well known, and he would find leagued against him all those who were unsuccessful candidates for postmasterships in all the post offices, and probably he would be retired. Many a man has been retired from Congress on that ground. I have personal knowledge of many able men who have gone out of public office not because they were derelict in their public duty, not because they had failed to perform their duty properly, but because they had found it impossible to satisfy the varying elements which arose in the vicinity of every post office in the district or the State. That is not the way to defeat a Congressman. That is not the way to elect a Senator. Senators should not be in this forum because they are successful in giving out the political "plums" which the law does not give us any right to deal with at all. That is not the way to run a government. That is not the way to have efficiency in this Chamber and in the House. Men should not hold their positions in Congress by reason of the political pie that they can succeed in obtaining. Sooner or later every one of such men will go down to defeat on account of it. The system may work for a while. But a man cannot run the post offices of his district or State and at the same time perform his duty as a Member of the Senate or the House. It is an impossibility.

We have before us the conference report. A compromise is necessary. We cannot expect to have all we want. We cannot expect at one swoop to convert the Post Office Department of the United States into an efficient business institution. It is impossible. We must be willing to compromise. We must be willing to take part of the good in the hope that in the future we will obtain more of it.

If the bill as reported by the conference committee is enacted into law, I predict, Mr. President, that post offices will to a great extent be forgotten. They will not enter into political campaigns. They never should. They are conducting a business operation; and a Senator or a Member of the House will have no more to say about postmasterships than about the cashier in the bank in his town. Does the bank consult a Senator when it elects a cashier? When a county clerk or a county judge is elected, is the advice of the Senator obtained? Does he determine the matter? Why should he determine in the same town the appointment of the postmaster, who is a cog in the wheel of the greatest business institution in the world? Why should a postmaster be selected because of his partisan belief rather than because of his efficiency?

If Congress enacts into law the bill as reported by the conference committee, the law will be imperfect. However, if we go that far and remove from the minds of Members of the Senate and the House the idea of naming postmasters over the United States; if we can forget about it and relieve ourselves of that burden, which never ought to be put upon our shoulders, we will soon see the time when the Post Office Department will be what it ought to be, a business institution; and other reforms will follow.

Mr. President, several years ago when the Labor Party won in Great Britain and took over the whole government, a friend of mine was over there studying their government. When he came back he said that, although the government was completely turned over to a new party, just as we turn our Government over to a new party, it did not mean the change of a single postmaster in all the domain of that great Empire. Nobody thought about it. It had not been considered in the campaign. An efficient post-office department had nothing to do with the campaign. When men working for one party or another became bitter, they never thought of the postmasters any more than they thought of the cashier of the bank or the principal of the high school in the town.

Postmasterships should never be considered in a political campaign. It is wrong to allow that question to control our Government to the extent that it has done so in the past.

Why did we adopt a civil service? What do we have it for? Very few persons would abolish it, although some conscientious men would like to. They do not know that they would be jumping out of the frying pan into the fire if the civil service were abolished. Hardly anybody wants to abolish it. Most persons want it extended. Your party,

my party, and every party has pledged itself to extend the civil service.

I cannot understand why any Senator should oppose the whole bill because there is some little thing in it that does not suit him. I was dumbfounded at my friend from Michigan, who has many times on the floor of the Senate so eloquently expounded the virtues of the civil service, and who has condemned the pie-counter administration of offices, stating that he would vote against the report because he does not like one feature of it. If we followed such a course, we should never adopt a conference report.

The Senator from Massachusetts [Mr. WALSH] very properly called attention to the fact that while under a recent Executive order of President Roosevelt, a postmaster is selected from the highest on the list after examination by the Civil Service Commission—and I think that was a great step in the right direction—the bill goes back to the theory of the Civil Service Commission selecting three men. However, that will not be done every 4 years. There will not be wholesale vacancies.

We have on our Executive Calendar a long list, page after page, of postmasters appointed. If the bill becomes a law, that situation will not occur in the future. Instead of a vacancy existing every 4 years, with a new postmaster to be appointed, in some cases there will probably not be a vacancy in 20 years. The average tenure will be far more than 4 years. Hence, if the bill becames a law, the number of nominations of postmasters which will come to the Senate in the future for confirmation will be infinitely small in comparison with what we have now.

Mr. President, I say without any hesitancy that although I am not entirely satisfied with the bill, and should like to have the bill go further than it does, it is one of the greatest steps in the advance toward better and more efficient government that we have taken in reference to the Post Office Department since my service in Congress began.

I sincerely hope that the conference report will be agreed to, and that the bill as reported by the conference committee will be enacted into law.

Mr. LEWIS. Mr. President——

Mr. NORRIS. I yield to the Senator from Illinois.

Mr. LEWIS. May I ask the able Senator from Nebraska if he has confidence that should our opposing party come into power, they would not promptly repeal the law in order to avail themselves of the very privileges and practices of the past which the Senator has detailed?

Mr. NORRIS. Mr. President, that is a very relevant question, and one which the Senator from Massachusetts [Mr. WALSH] also asked. To be frank about it, I will say that, in my opinion, it would be an impossibility to remedy the situation without amending the Constitution. To answer the question categorically, I say "No," most emphatically. If we now take the step proposed in the bill, and place the new law on the statute books, I do not believe any political party would dare repeal it. If the Senator is referring to the Republican Party, they might go further should they come into control of the Government. They might say, "You did not go far enough. We will go further and make it better." They will not dare to repeal it.

What happened in the last great conventions? Read the Democratic platform. If it would not take too much time, I should read it. One of the most emphatic declarations ever made in favor of civil service is contained in the last national Democratic platform. What happened after the Republican National Convention? The platform was not quite emphatic enough, and the candidate nominated by the Republican Party announced to the country what he would do in that respect. He went further than the platform. That announcement brought another announcement from the opposing candidate. Both candidates were appealing to the country for votes, and to secure the votes they appealed to the people who were opposed to pie-counter statesmanship, and to the pie counter being held before the representatives of the people. Even though they did not want to do so, they were compelled to participate in a very disagreeable arrangement about post offices.

I think there is no doubt whatever that no political party will have the audacity to repeal this law and thereby take a step backward. But, as I have said, I cannot give any positive assurance of that. It is, in my opinion, no objection to any law that we may pass to say that some future Congress may repeal it. That is true; they may. The next Congress, even if Democratic, might repeal it, or if it is Republican it might repeal it. But when we once take this step, and the Members of the House and Senate see how they are relieved from a very disagreeable responsibility, there will be nobody, Democratic or Republican, who will want to go back to the old spoils system.

Mr. LA FOLLETTE. Mr. President, since I have been a Member of this body on every possible occasion I have voted to protect and to extend the merit system in the service of the Government of the United States. I am firmly convinced that the Government cannot deal with the complex economic problems presented by modern industrialism unless it has an efficient civil service, and I am further convinced that it is only by the advance of the merit system that such a service can be made efficient.

This measure, as has been stated I think by nearly every Senator who has spoken upon it, is a compromise. It certainly does not represent what I, as an individual Senator, should like to see done. I am opposed to the provision that a postmaster shall be chosen from among the three highest on the list. If I could have my way about it, I would provide that only the person who stood highest should receive the appointment.

As an individual Senator, I am opposed to the provision of the bill with respect to noncompetitive examinations for present incumbents. But, as was so well stated by the able Senator from Nebraska [Mr. NORRIS], all legislation is a result of compromise.

Because I believe this is a step in the right direction, because I share the hope expressed by the Senator from Nebraska that it will advance the cause of extending the merit system to the postmasters of the United States, I signed the conference report, and I shall vote for it in the Senate.

Mr. GLASS. Mr. President, no Member of the Senate is more earnestly in favor of an honest civil service than am I. When this bill was before the Senate recently we spent hours discussing its provisions. My chief objection to it was that it established, as it does now, life tenure of office in the Postal Service. The Senator from Nebraska at that time thought my objection was valid. I appealed to the Senator from Wyoming to accept an amendment that I presented providing for the appointment of postmasters for 8 years instead of for 4 years, and the Senator from Wyoming, having charge of the bill, accepted the amendment, and apparently, from the addresses made, the entire Senate was in favor of that plan because it carried a postmaster from the term of one President beyond the term of a succeeding President.

I think that there is but one postmaster in the entire State of Virginia that the senior Senator from Virginia recommended for appointment, and that was in his own home. I do not give a continental damn for patronage; I think it is a vice. But I think an indeterminate term of office, practically a lifetime tenure, for the postmasters of this country is infinitely worse than so-called appointments by United States Senators.

Moreover, as I read the conference report, there is distinct contradiction in its terms. In the first paragraph it provides:

> That postmasters of the first, second, and third classes shall hereafter be appointed in the classified service without term by the President by and with the advice and consent of the Senate.

In the very next paragraph it says:

> Appointments to positions of postmaster at first-, second-, and third-class post offices shall be made by the reappointment and classification, noncompetitively, of the incumbent postmaster.

In other words, that perpetuates the postmasters who have already been appointed or who will be appointed before the adjournment of the present session of the Congress.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. GLASS. I will.

Mr. O'MAHONEY. If the Senator will now read the remainder of the sentence, I think he will agree with me that there are three alternatives—a reappointment by noncompetitive examination of the incumbent——

Mr. GLASS. Which is compulsory?

Mr. O'MAHONEY. Promotions from within the Postal Service, or by competitive examination. All three methods are provided for, and not one alone.

Mr. GLASS. The bill now provides that—

Appointments to positions of postmaster * * * shall be made by the reappointment and classification, noncompetitively, of the incumbent postmaster.

Mr. O'MAHONEY. If I were to say to the Senator from Virginia that he shall go to Richmond or to Lynchburg, he could go to either place.

Mr. GLASS. Yes; but very definitely you would want me to go to Richmond [laughter] and that is what will be done under this bill.

I agree with the Senator from Wisconsin that no noncompetitive examinations should be held in connection with such appointments. I think the examinations ought to be competitive, and I also think the person making the highest grade mentally, if there be no objection to him otherwise, should receive the appointment, whether he be a Republican or a Democrat or an alleged Democrat or a Progressive.

My chief objection to the conference report is that it has stricken out the requirement for an 8-year term and made the term indeterminate. In other words, we are setting up a lot of life officials in the Post Office Department. Talk about alternatives here, what would the alternatives be? Who is going to ask for an examination when it is known that the incumbent has an indeterminate term? It is nothing in the world but a reversal of the practically unanimous agreement of the Senate that the terms of postmasters should be for 8 years, covering the period of two Presidential elections, and the substitution instead of what the Senate obviously did not want done—the creation of life terms for postmasters.

Mr. FRAZIER. Mr. President, I am strongly in favor of the civil service and have favored bills placing postmasters under the civil service. Like the Senator from Virginia [Mr. GLASS], I do not approve the compromise which is embodied in the conference report. I took occasion to look up some of the records in my own State of North Dakota. In the first 3 years of the present administration practically all the postmasters were changed. In 64 cases postmasters either resigned or were removed from office. They were first asked to resign, and if they did not resign, they were removed. There were 64 such cases up to August 1937.

In some seven or eight cases a special examination and in one or two cases a third examination was made by inspectors in order, apparently, to get the political "pet" on the eligible list for appointment. I myself do not call that civil service; it is, in my opinion, anything but civil service.

It has been said that this is a step in the right direction. I think it is such a step, but it is a very short step.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. FRAZIER. I yield.

Mr. O'MAHONEY. May I not point out to the Senator that, beginning with the first Executive order which was issued by President Woodrow Wilson, an effort has been made to make these appointments under the safeguards of the civil service? In the first place, President Wilson required that before the Postmaster General should send any name to him for appointment it should be submitted to the Civil Service Commission. President Roosevelt at the beginning of his term issued an order to the Postmaster General, to the Post Office Department, that no postmaster should be removed before the end of his term. If the Senator will examine the list of appointments that have been made and the list of Executive orders that have been issued he will find that step by step the effort has been made which is now being brought, I think, to substantial accomplishment in this bill, to make the merit system the rule in the selection of postmasters. It is not complete; it is not perfect; but it is a great advance.

Mr. FRAZIER. I should much prefer the Senate bill to the substitute and require a competitive examination before an appointment which may run indeterminately. This, however, is another substitute, and I am frank to say that I do not like it.

The Senator from Nebraska said that in the Democratic platform the party were strong for civil service. That may be true, but in my opinion they have not gone very far in carrying it out, especially in the appointment of postmasters, because they have played politics, in plain English, in North Dakota, and I have had information to the same effect from other States.

I recall reading in a newspaper some 2 or 3 years ago that during the first 2 or 3 years of the present administration more new postmasters were appointed than during the same length of time at any other period in the history of the United States. While this substitute bill is perhaps a step in the right direction, and ultimately after a period of years may work into a real civil-service bill, under the present situation there is not much civil service about it, in my opinion.

Mr. KING. Mr. President, will the Senator yield for a question?

Mr. FRAZIER. I yield.

Mr. KING. I have been denied the opportunity of hearing the debate, as I was in the Judiciary Committee. I inquire whether this is a bill to give all postmasters of the first, second, and third classes who are now in office continuation in office for life? Have we placed upon them a crown of immortality?

Mr. FRAZIER. I do not know whether or not that is being done; but at least they may be reappointed, if their records have been good, and hold office indefinitely. It means almost what the Senator from Utah has stated, but not quite. While it is a step toward civil service, it is, in my opinion, a mighty short step.

The PRESIDENT pro tempore. The question is on agreeing to the conference report.

Mr. NORRIS. I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. LEE (when the name of Mr. THOMAS of Oklahoma was called). My colleague [Mr. THOMAS] is unavoidably detained on important public business. If present, he would vote "yea."

Mr. VANDENBERG (when his name was called). On this question I am paired with the senior Senator from Indiana [Mr. VAN NUYS]. Not knowing how that Senator would vote if present, I withhold my vote.

The roll call was concluded.

Mr. MALONEY. My colleague the senior Senator from Connecticut [Mr. LONERGAN] is necessarily detained from the Senate. If he were present and voting, he would vote "yea."

Mr. MINTON. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Texas [Mr. CONNALLY], the Senator from Illinois [Mr. DIETERICH], the Senator from Ohio [Mr. DONAHEY], the Senator from Georgia [Mr. RUSSELL], and the Senator from New Jersey [Mr. SMATHERS] are detained in important committee meetings.

The Senator from California [Mr. MCADOO], the Senator from Nevada [Mr. MCCARRAN], the Senator from South Carolina [Mr. SMITH], and the Senator from Maryland [Mr. TYDINGS] are detained from the Senate on important public business.

The Senator from New Jersey [Mr. MILTON] is unavoidably detained.

Mr. BARKLEY. The Senator from Pennsylvania [Mr. GUFFEY], the Senator from West Virginia [Mr. NEELY], the Senator from Indiana [Mr. VAN NUYS], and the Senator

from New Mexico [Mr. CHAVEZ] are detained on public business. I am advised that if present and voting these Senators would vote "yea."

Mr. AUSTIN. I have been requested to announce the following general pairs:

The Senator from New Hampshire [Mr. BRIDGES] with the Senator from California [Mr. MCADOO];

The Senator from North Dakota [Mr. NYE] with the Senator from South Carolina [Mr. SMITH]; and

The Senator from Maine [Mr. WHITE] with the Senator from Maryland [Mr. TYDINGS].

The result was announced—yeas 58, nays 17, as follows:

YEAS—58

Adams	Caraway	Hughes	Pittman
Andrews	Clark	Johnson, Colo.	Pope
Ashurst	Copeland	La Follette	Radcliffe
Bankhead	Duffy	Lee	Reames
Barkley	Ellender	Lewis	Reynolds
Berry	George	Logan	Schwartz
Bilbo	Gerry	Lundeen	Schwellenbach
Bone	Gillette	Maloney	Shipstead
Borah	Green	Miller	Thomas, Utah
Brown, Mich.	Hatch	Minton	Truman
Brown, N. H.	Hayden	Murray	Wagner
Bulkley	Herring	Norris	Walsh
Burke	Hill	O'Mahoney	Wheeler
Byrnes	Hitchcock	Overton	
Capper	Holt	Pepper	

NAYS—17

Austin	Gibson	King	Sheppard
Bailey	Glass	Lodge	Townsend
Bulow	Hale	McGill	
Davis	Harrison	McKellar	
Frazier	Johnson, Calif.	McNary	

NOT VOTING—21

Bridges	Guffey	Nye	Vandenberg
Byrd	Lonergan	Russell	Van Nuys
Chavez	McAdoo	Smathers	White
Connally	McCarran	Smith	
Dieterich	Milton	Thomas, Okla.	
Donahey	Neely	Tydings	

So the conference report was agreed to.

AUTHORIZATION OF FLOOD-CONTROL PROJECTS—CONFERENCE REPORT

Mr. OVERTON submitted a report, which was ordered to lie on the table, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10618) entitled "An act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

Amendments numbered 30, 49, 51, 52, and 53: That the Senate recede from its amendments numbered 30, 49, 51, 52, and 53.

Amendments numbered 54 and 55: That the Senate recede from its amendments numbered 54 and 55 and agree to the same, with an amendment as follows: In lieu of the matter proposed to be inserted by the said Senate amendments, strike out all of section 9 of the engrossed bill and insert in lieu thereof the following:

"SEC. 9. That the sum of $375,000,000 is hereby authorized to be appropriated for carrying out the improvements herein over the five-year period ending June 30, 1944, and the sum of $10,000,000 additional is authorized to be appropriated and expended in equal amounts by the Departments of War and Agriculture for carrying out any examinations and surveys provided for in this Act and any other Acts of Congress, to be prosecuted by said Departments. The sum of $1,500,000 additional is authorized to be appropriated and expended by the Federal Power Commission for carrying out any examinations and surveys provided for in this Act or any other Acts of Congress, to be prosecuted by the said Federal Power Commission."

And the House agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same.

Amendments numbered 17, 18, 19, and 20: That the House recede from its disagreement to the amendments of the Senate numbered 17, 18, 19, and 20, and agree to the same.

Amendments numbered 21, 22, and 23: That the House recede from its disagreement to the amendments of the Senate numbered 21, 22, and 23, and agree to the same.

Amendments numbered 25, 26, 27, 28, and 29: That the House recede from its disagreement to the amendments of the Senate numbered 25, 26, 27, 28, and 29, and agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same.

Amendments numbered 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, and 48: That the House recede from its disagreement to the amendments of the Senate numbered 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, and 48, and agree to the same.

Amendments numbered 2, 3, 4, 5, and 6: That the House recede from its disagreement to the amendments of the Senate numbered 2, 3, 4, 5, and 6, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the said amendments, strike out all of section 2 of the engrossed bill and insert in lieu thereof, the following:

"SEC. 2. That section 3 of the Act of June 22, 1936 (Public, Numbered 738, Seventy-fourth Congress), as heretofore amended and as herein further modified shall apply to all flood control projects except as otherwise specifically provided by law.

"That in case of any dam and reservoir project, or channel improvement or channel rectification project for flood control, herein authorized or heretofore authorized by the Act of June 22, 1936 (Public, Numbered 738, Seventy-fourth Congress), as amended, and by the Act of May 15, 1928 (Public, Numbered 391, 70th Congress), as amended by the Act of June 15, 1936 (Public, Numbered 678, Seventy-fourth Congress), as amended, title to all lands, easements, and rights-of-way for such project shall be acquired by the United States or by States, political subdivisions thereof or other responsible local agencies and conveyed to the United States, and provisions (a), (b), and (c) of section 3 of said Act of June 22, 1936, shall not apply thereto. Notwithstanding any restrictions, limitations, or requirement of prior consent provided by any other Act, the Secretary of War is hereby authorized and directed to acquire in the name of the United States title to all lands, easements, and rights-of-way necessary for any dam and reservoir project or channel improvement or channel rectification project for flood control, with funds heretofore or hereafter appropriated or made available for such projects, and States, political subdivisions thereof, or other responsible local agencies, shall be granted and reimbursed, from such funds, sums equivalent to actual expenditures deemed reasonable by the Secretary of War and the Chief of Engineers and made by them in acquiring lands, easements, and rights-of-way for any dam and reservoir project, or any channel improvement or channel rectification project for flood control heretofore or herein authorized: *Provided*, That no reimbursement shall be made for any indirect or speculative damages: *Provided further*, That lands, easements, and rights-of-way shall include lands on which dams, reservoirs, channel improvements, and channel rectifications are located; lands or flowage rights in reservoirs and highway, railway, and utility relocation."

And the Senate agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7 and agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8 and agree to the same with an amendment as follows: In lieu of the matter proposed to be stricken and inserted by the Senate amendment, insert the following:

"When approved by the Secretary of War upon the recommendation of the Chief of Engineers and of the Federal Power Commission."

And the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11 and agree to the same, with an amendment as follows: In lieu of the matter proposed to be inserted by the said Senate amendment, inserts the following:

"*Provided further*, That the Secretary of War is hereby authorized and directed to reimburse the Muskingum Conservancy District in Ohio a sum not to exceed the actual expenditures made by it in acquiring lands, easements, and rights-of-way for reservoirs in the Muskingum River Valley, but such reimbursement shall not exceed $4,500,000, nor include any expenditures for lands, easements, and rights-of-way heretofore or hereafter purchased from the said District by the United States."

And the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

"For the purposes of preventing or controlling floods, and of facilitating navigation on the Ouachita River in Arkansas and Louisiana, authority is hereby conferred on the Secretary of War and the Chief of Engineers to participate on behalf of the United States in the cost of construction of a multiple-use reservoir at the Blakely Mountain site on the Ouachita River in Arkansas, according to plans and estimates duly approved by the Secretary of War and the Chief of Engineers, pursuant to a resolution of the Committee on Flood Control of the House of Representatives, adopted May 11, 1938: *Provided*, That the sum of money expended

in said participation shall not exceed a just and reasonable proportion of the total cost of the multiple-use reservoir as allocated according to the proportionate storage capacity reserved or utilized for flood-control purposes, nor exceed the estimated value of the flood control to be achieved, nor in any event to exceed the sum of $2,000,000: *Provided further*, That the Secretary of War is authorized to pay for said participation in said multiple-use reservoir out of any funds authorized for flood control in the Arkansas River Basin when the flood-control portion of the project is completed: *Provided further*, That the Federal Power Commission is hereby authorized and directed to retain and exercise the authority heretofore conferred on it by law with respect to that portion of the project constructed and operated for power purposes: *Provided further*, That the improvements shall be operated and maintained at the expense of the private parties constructing said project in accordance with regulations approved by the Secretary of War and the Chief of Engineers with respect to navigation and flood control and by the Federal Power Commission with respect to the operations for power which regulations shall provide for payments to the United States for the use for power purposes of any flood waters temporarily stored for flood control in the flood control portion of the reservoir, at such rates as the Federal Power Commission shall determine to be fair and reasonable."

And the Senate agree to the same.

Amendments numbered 13 and 14: That the House recede from its disagreement to the amendments of the Senate numbered 13 and 14, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the said Senate amendments, strike out the first and second provisos and strike out the first three words, to wit: "and provided further" of the third proviso, on page 8 of the engrossed bill, and insert in lieu thereof the word "*Provided*"; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the said Senate amendment, insert the following:

"The Lugert-Altus Flood Control and Reclamation Reservoir located on the North Fork of the Red River in Oklahoma, is hereby authorized for construction at an estimated cost of $2,497,000, on the following basis as to a division of the cost of construction:

"(a) The Chief of Engineers shall report to the President on or before November 1, 1938, the value of said Lugert Reservoir as a flood control works, and the value so reported shall be the maximum amount herein authorized to be appropriated as a charge against any funds appropriated and available for the construction for flood control projects.

"(b) The remainder of the estimated cost of such Lugert Reservoir, namely, the estimated total cost of the reservoir, less the amount reported by the Chief of Engineers as the value of said reservoir as a flood control project, is also hereby authorized to be appropriated out of the special fund in the Treasury of the United States created by the Act of June 17, 1902 (43 U. S. C. 391, 411), and therein designated 'the reclamation fund' for the construction of said Lugert Reservoir for reclamation and irrigation as reported in Senate Document Numbered 153, Seventy-fifth Congress, third session, and as further authorized by the last paragraph on page 37 of Public Act Numbered 497, Seventy-fifth Congress, third session, providing that the construction of said Lugert Reservoir and Altus reclamation project shall not be undertaken until the Chief of Engineers and the Secretary of the Interior join in an agreement as to the division of cost of the construction of the said reservoir as provided herein."

And the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the said Senate amendment, insert the following:

"The construction of a reservoir and other control works, in accordance with plans in the Office of the Chief of Engineers, in lieu of the construction of a floodway for the diversion of Bayou Bodcau and Cypress Bayou, Louisiana, to improve flood protection, as authorized in section 5 of the Flood Control Act approved June 22, 1936, provided that the total estimated cost shall not be increased, is approved."

And the Senate agree to the same.

Amendment numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the said Senate amendment, insert on page 9, after line 2 of the engrossed bill, the following:

"The Government of the United States acknowledges the right of the States of Oklahoma and Texas to continue to exercise all existing proprietary or other rights of supervision of and jurisdiction over the waters of all tributaries of Red River within their borders above Denison Dam site and above said dam, if and when constructed, in the same manner and to the same extent as is now or may hereafter be provided by the laws of said States, respectively, and all of said laws as they now exist or as same may be hereafter amended or enacted and all rights thereunder, including the rights to impound or authorize the retardation or impounding thereof for flood control above the said Denison Dam and to divert the same for municipal purposes, domestic uses, and for irrigation, power generation, and other beneficial uses, shall be and remain unaffected by or as a result hereof. All such rights are hereby saved and reserved for and to the said States and the people and the municipalities thereof, and the impounding of any such waters for any and all beneficial uses by said States or under their authority may be as freely done after the passage hereof as the same may now be done."

And the Senate agree to the same.

Amendment numbered 32: That the House recede from its disagreement to the amendment of the Senate numbered 32, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the said Senate amendment, strike out the period at the end of line 6, page 23 of the engrossed bill and insert the following: ": *Provided*, That such works and measures which are herein authorized to be prosecuted by the Department of Agriculture may be carried out on the watersheds of the Rio Grande and Pecos Rivers subject to the proviso in section 2 of the said Act of June 22, 1936"; and the Senate agree to the same.

Amendment numbered 50: That the House recede from its disagreement to the amendment of the Senate numbered 50, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by said Senate amendment, insert on page 4 following line 24 of the engrossed bill the following:

"SAVANNAH RIVER

"In view of the flood control and other general benefits to accrue from the project known as the Clark Hill Project on the Savannah River, Georgia-South Carolina, described in the "Report To The President," Through the Secretary of War, The Secretary of the Interior, and The Federal Power Commission, by The Savannah River Special Board, and dated at Washington, D. C., February 29, 1936, The Secretary of War is hereby authorized to reimburse out of flood control appropriations not to exceed $1,700,000 to the State of South Carolina, or to a local political subdivision thereof for the actual costs to it of the lands, easements and rights of way needed and acquired for this project."

And the Senate agree to the same.

MORRIS SHEPPARD,
CHAS. L. MCNARY,
JOHN H. OVERTON,
HATTIE W. CARAWAY,
Managers on the part of the Senate.

WILL M. WHITTINGTON,
MON. C. WALLGREN,
ROBERT T. SECREST,
Managers on the part of the House.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 9997) to regulate the distribution, promotion, and retirement of officers of the line of the Navy, and for other purposes, asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. VINSON of Georgia, Mr. DREWRY of Virginia, and Mr. MAAS were appointed managers on the part of the House at the conference.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

H. R. 6246. An act to provide for placing educational orders to familiarize private manufacturing establishments with the production of munitions of war of special or technical design, noncommercial in character;

H. R. 7158. An act to except yachts, tugs, towboats, and unrigged vessels from certain provisions of the act of June 25, 1936, as amended;

H. R. 7688. An act to authorize the addition of certain lands to the Modoc, Shasta, and Lassen National Forests, Calif.;

H. R. 7689. An act to authorize the addition of certain lands to the Shasta and Klamath National Forests, Calif.;

H. R. 7690. An act to authorize the addition of certain lands to the Plumas, Tahoe, and Lassen National Forests, Calif.;

H. R. 7826. An act to make available for national-park purposes certain lands within the boundaries of the proposed Isle Royale National Park, and for other purposes; and

H. R. 9844. An act providing for the zoning of the District of Columbia and the regulation of the location, height, bulk, and uses of buildings and other structures, and of the uses of land in the District of Columbia, and for other purposes.

TRANSPORTATION AND SALE OF NATURAL GAS

The PRESIDENT pro tempore laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 6586, which was read as follows:

IN THE HOUSE OF REPRESENTATIVES, UNITED STATES,
June 13, 1938.

Resolved, That the House agree to the amendment of the Senate numbered 2 to the bill (H. R. 6586) to regulate the transportation and sale of natural gas in interstate commerce, and for other purposes, with an amendment, as follows:

In lieu of the matter inserted by said amendment insert: "*Provided, however*, That the Commission shall have no power to order any increase in any rate contained in the currently effective schedule of such natural-gas company on file with the Commission, unless such increase is in accordance with a new schedule filed by such natural-gas company; but the Commission may order a decrease where existing rates are unjust, unduly discriminatory, preferential, otherwise unlawful, or are not the lowest reasonable rates."

That the House agree to the amendment of the Senate numbered 3 to said bill with an amendment, as follows: In lieu of the matter inserted by said amendment, insert:

"In passing on applications for certificates of convenience and necessity, the Commission shall give due consideration to the applicant's ability to render and maintain adequate service at rates lower than those prevailing in the territory to be served, it being the intention of Congress that natural gas shall be sold in interstate commerce for resale for ultimate public consumption for domestic, commercial, industrial, or any other use at the lowest possible reasonable rate consistent with the maintenance of adequate service in th public interest."; and

That the House disagree to the amendment of the Senate numbered 1 to said bill.

Mr. WHEELER. I move that the Senate recede from its amendment numbered 1 to the bill, and agree to the amendments of the House to the Senate amendments numbered 2 and 3.

The motion was agreed to.

SALARIES OF LETTER CARRIERS IN VILLAGE DELIVERY SERVICE

The PRESIDENT pro tempore laid before the Senate House Concurrent Resolution 64, which was read, as follows:

Resolved by the House of Representatives (the Senate concurring), That in the enrollment of the bill (H. R. 4285) to increase the salaries of letter carriers in the Village Delivery Service, the Clerk of the House is authorized and directed, in section 2, relating to the effective date, to strike out "1937" and insert "1938."

Mr. McKELLAR. Mr. President, this is merely the correction of a date, and I move that the Senate concur in the concurrent resolution.

The motion was agreed to.

ESMERALD GOODMAN AND OTHERS

The PRESIDENT pro tempore laid before the Senate the amendments of the House to the bill (S. 3540) for the relief of Esmerald Goodman, boatswain's mate, first class (lifesaving); Raymond H. Wilson, boatswain's mate, first class (lifesaving); Louis J. Burns, motor machinist's mate, first class (lifesaving); Silvie S. Langton, surfman; Eudorus J. Brown, surfman; Kenneth G. Sherwood, surfman; Alvin Combs, surfman; William E. Knight, surfman; Olaaf E. Starr, surfman; and Ejner E. Jensen, surfman, which were, on page 1, line 5, after "to", to insert "the following-named"; on page 2, line 11, after "$40.95", to insert ": *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000"; and to amend the title so as to read: "An act for the relief of certain personnel of the Coquille River Coast Guard Station, Bandon, Oreg."

Mr. COPELAND. I move that the Senate concur in the House amendments.

The motion was agreed to.

RELIEF OF CERTAIN OFFICERS AND ENLISTED MEN OF THE COAST GUARD

The PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the bill (S. 3734) for the relief of certain officers and enlisted men of the United States Coast Guard, which were, on page 1, line 5, after "to", to insert "the following-named", and on page 2, line 10, after "$58", to insert "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

Mr. COPELAND. I move that the Senate concur in the House amendments.

The motion was agreed to.

DR. SIGFRIED SPEYER

The PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the bill (S. 3694) to provide for the issuance of a license to practice the healing art in the District of Columbia to Dr. Sigfried Speyer, which were, in line 10, after "Speyer", to insert "and Dr. Luther Fete"; and to amend the title so as to read: "An act to provide for the issuance of a license to practice the healing art in the District of Columbia to Dr. Sigfried Speyer and Dr. Luther Fete."

Mr. COPELAND. I move that the Senate concur in the House amendments.

The motion was agreed to.

STILLWELL BROS., INC.

The PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the bill (S. 1346) for the relief of Stillwell Bros., Inc., which were, on page 1, line 6, after "Incorporated", to insert "of Seattle, Washington,"; on page 1, line 7, to strike out all after "the" down to and including "in", in line 9, and to insert "United States on account of wage increases paid as subcontractors under contract numbered 2381, dated July 17, 1917, with the Navy Department, for"; and on page 1, line 10, to strike out "in 1917" and insert "during 1917 and 1918."

Mr. SCHWELLENBACH. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

JOINT COMMITTEE ON FORESTRY

The PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the concurrent resolution (S. Con. Res. 31) to establish a Joint Committee on Forestry, which were, on page 1, line 4, to strike out "three" and insert "five"; and on page 1, line 5, to strike out "three" and insert "five."

Mr. BANKHEAD. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

INSURANCE FOR TAXICABS IN THE DISTRICT

The PRESIDENT pro tempore laid before the Senate a message from the House of Representatives announcing its action in disagreeing to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7084) to provide that all cabs for hire in the District of Columbia be compelled to carry insurance for the protection of passengers, and for other purposes.

Mr. KING. I move that the Senate further insist upon its amendments, request a further conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the President pro tempore appointed Mr. HITCHCOCK, Mr. OVERTON, and Mr. CAPPER conferees on the part of the Senate at the further conference.

PROMOTION, RETIREMENT, ETC., OF OFFICERS OF THE LINE OF THE NAVY

The PRESIDENT pro tempore laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 9997) to regulate the distribution, promotion, and retirement of officers of the line of the Navy, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. WALSH. I move that the Senate insist upon its amendments, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the President pro tempore appointed Mr. WALSH, Mr. GERRY, and Mr. HALE conferees on the part of the Senate.

MRS. JOHN OLSON

The PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the bill (S. 375) for the relief of Mrs. John Olson, which were, on page 1, line 6, to strike out "$1,500" and insert "$750"; page 1, line 7, to strike out "for damages"; on page 1, line 8, to strike out "said Mrs. John Olson" and insert "she"; and on page 1, line 9, after "the" where it appears the first time, to insert "hazardous."

Mr. McNARY. I move that the Senate concur in the House amendment.

The motion was agreed to.

OSCAR JONES

The PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the bill (S. 2437) for the relief of Oscar Jones, which were, on page 1, line 8, to strike out "and supplemented"; on the same page, line 9, after the word "Jones", to insert "of Moundsville, W. Va."; on page 2, line 1, to strike out "1 year" and insert "6 months"; on page 2, line 4, to strike out "amended and supplemented" and insert "extended and limited"; and on page 2, line 5, after "disability", to insert "to his left eye."

Mr. BARKLEY. I move that the Senate concur in the House amendment.

The motion was agreed to.

CLARENCE DANIEL

The PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the bill (S. 2890) for the relief of the parents of Clarence Daniel, which were, on page 1, line 5, to strike out "parents" and insert "legal guardian"; on the same page, line 8, to strike out "for damages"; on the same page, line 9, to strike out "and run down"; on the same page, line 11, to strike out "which was carrying men to a work project" and insert "on United States Highway No. 70, near Idabel, McCurtain County, Okla."; and to amend the title so as to read: "An act for the relief of Clarence Daniel, a minor."

Mr. LEE. I move that the Senate concur in the House amendment.

The motion was agreed to.

HENRY E. REENTS

The PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the bill (S. 2052) for the relief of Henry E. Reents, which were, on page 1, line 4, after "Reents", to insert "of Strong City, Kans.", on page 1, line 7, to strike out "Government" and insert "United States"; on page 1, line 8, after "the" where it appears the second time, insert "Atchison, Topeka and"; and on page 1, line 11, after "train", to insert "by a railway mail clerk."

Mr. CAPPER. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

OPERATION OF RADIO BROADCAST STATIONS

Mr. BULKLEY. Mr. President, yesterday I entered a motion to reconsider the vote by which the Senate agreed to Senate Resolution 294. After consideration some doubt has developed as to the meaning of the language where the resolution declares that the Communications Commission should not adopt any rules which would permit any station to operate "on a regular or other basis with power in excess of 50 kilowatts."

While the Senator from Montana gave us general assurance that it was not intended to interfere with any existing rights, I should like to have his further explanation about the words "or other basis," because there is a station operating on an experimental basis with power in excess of 50 kilowatts.

Mr. WHEELER. Mr. President, this resolution is not intended to affect any existing facilities. The idea was, however, that the Commission should not grant experimental permits to high-powered stations all over the country, as they did at one time, and then let them go on indefinitely. I understand those in whom the Senator is interested are satisfied with that explanation.

Mr. BULKLEY. It is not intended as a direction to the Commission in respect to permits heretofore granted?

Mr. WHEELER. Certainly not.

Mr. BULKLEY. It is not intended to affect any proceedings which are now pending before the Commission?

Mr. WHEELER. Of course not.

Mr. BULKLEY. I thank the Senator, and I ask leave to withdraw the motion to reconsider.

The PRESIDENT pro tempore. The motion is withdrawn.

SECOND DEFICIENCY APPROPRIATIONS

Mr. ADAMS. Mr. President, I ask unanimous consent that the Senate temporarily lay aside the unfinished business and proceed to consider House bill 10851, the deficiency appropriation bill.

Mr. SCHWELLENBACH. A parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. SCHWELLENBACH. I ask whether or not the acceptance of this agreement would displace the motion which I made upon yesterday.

The PRESIDENT pro tempore. It would not. Is there objection to the request of the Senator from Colorado?

There being no objection, the Senate proceeded to consider the bill (H. R. 10851) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1938, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1938, and June 30, 1939, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

Mr. ADAMS. I ask unanimous consent that the formal reading of the bill be dispensed with, that the bill be read for amendment, and that committee amendments be first considered.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the clerk will state the first amendment of the committee.

The first amendment of the Committee on Appropriations was, under the heading "Title I—General appropriations—Legislative," on page 2, after line 2, to insert:

SENATE

For the procurement of a portrait of Hon. John Nance Garner, Vice President of the United States, $2,500, to be disbursed by the Secretary of the Senate.

The amendment was agreed to.

The next amendment was, on page 2, after line 6, to insert:

Payment to Robert C. Brooks, clerk in office of Official Reporters of Debates, for extra services rendered in connection with journal

work for CONGRESSIONAL RECORD during third session of Seventy-fifth Congress, fiscal year 1938, $500.

The amendment was agreed to.

The next amendment was, on page 2, after line 10, to insert:

For attendant assigned to the office of the attending physician at the Capitol, fiscal year 1939, $1,500.

The amendment was agreed to.

The next amendment was, on page 2, after line 12, to insert:

For expenses of inquiries and investigations ordered by the Senate, including compensation to stenographers of committees, at such rate as may be fixed by the Committee to Audit and Control the Contingent Expenses of the Senate, but not exceeding 25 cents per hundred words, fiscal year 1938, $70,000, of which $35,000 shall be expended by the Clerk of the House of Representatives: *Provided*, That no part of this appropriation shall be expended for per diem and subsistence expenses except in accordance with the provisions of the Subsistence Expense Act of 1926, approved June 3, 1926, as amended.

Mr. BYRNES. Mr. President, I present an amendment to the amendment.

The PRESIDENT pro tempore. The clerk will state the amendment.

The CHIEF CLERK. In the amendment of the committee, on page 2, line 18, it is proposed to strike out "$70,000" and insert "$140,000"; and in the same line to strike out "$35,000" and insert "$70,000."

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The next amendment was, on page 2, after line 23, to insert:

The unobligated balance of the appropriation for expenses of inquiries and investigations ordered by the Senate, contingent fund of the Senate, for the fiscal year 1938, is reappropriated and made available for the fiscal year 1939.

The amendment was agreed to.

The next amendment was, on page 3, after line 2, to insert:

For miscellaneous items, exclusive of labor, fiscal year 1938, $40,000.

The amendment was agreed to.

The next amendment was, on page 3, after line 4, to insert:

The unobligated balance of the appropriation for miscellaneous items, exclusive of labor, contingent fund of the Senate, for the fiscal year 1938, is reappropriated and made available for the fiscal year 1939.

The amendment was agreed to.

The next amendment was, on page 3, after line 8, to insert:

For folding speeches and pamphlets, at a rate not exceeding $1 per thousand, fiscal year 1938, $3,000.

The amendment was agreed to.

The next amendment was, under the subhead "House of Representatives", on page 3, after line 23, to strike out:

Select Committee on Government Organization: The unexpended balance on June 30, 1938, of the amount allocated to the House section of the Joint Committee on Government Organization under the appropriation for such joint committee contained in the First Deficiency Appropriation Act, fiscal year 1937, approved February 9, 1937 (50 Stat. 9), is hereby continued available during the fiscal year 1939.

The amendment was agreed to.

The next amendment was, on page 4, after line 11, to insert:

For payment to the following contestant and contestee for expenses incurred in the contested-election case of *Roy* v. *Jenks*, as audited and recommended by the Committee on Elections No. 3:

To Alphonse Roy, $2,000;

To Arthur B. Jenks, $2,000;

In all, $4,000, to be disbursed by the Clerk of the House.

The amendment was agreed to.

The next amendment was, on page 4, after line 18, to insert:

JOINT COMMITTEE ON GOVERNMENT ORGANIZATION

The unexpended balance on June 30, 1938, of the appropriation for the Joint Committee on Government Organization contained in the First Deficiency Appropriation Act, fiscal year 1937, approved February 9, 1937 (50 Stat. 9), is hereby continued available during the fiscal year 1939.

The amendment was agreed to.

The next amendment was, on page 5, after line 19, to insert:

CENSUS OF PARTIAL EMPLOYMENT, UNEMPLOYMENT, AND OCCUPATIONS

Salaries and expenses: Not to exceed $50,000 of the unobligated balance on June 30, 1938, of the allocation of $2,500,000 for the census of partial employment, unemployment, and occupations authorized by the act of August 30, 1937, made by the President out of funds appropriated by the Emergency Relief Appropriation Act of 1937, is hereby continued available until October 31, 1938, for the same purposes and objects of expenditure specified in Executive Order No. 7711.

The amendment was agreed to.

The next amendment was, on page 6, after line 15, to insert:

COMMISSION FOR THE COMMEMORATION OF THE BATTLES OF CHICKAMAUGA, LOOKOUT MOUNTAIN, CHATTANOOGA, AND MISSIONARY RIDGE

For carrying out the provisions of the joint resolution entitled "Joint resolution to authorize an appropriation to aid in defraying the expenses of the observance of the seventy-fifth anniversary of the Battles of Chickamauga, Ga., Lookout Mountain, Tenn., and Missionary Ridge, Tenn.; and commemorate the one hundredth anniversary of the removal from Tennessee of the Cherokee Indians, at Chattanooga, Tenn., and at Chickamauga, Ga., from September 18 to 24, 1938, inclusive; and for other purposes," approved June 10, 1938, fiscal years 1938 and 1939, $35,000.

The amendment was agreed to.

The next amendment was, on page 9, after line 21, to insert:

TEMPORARY NATIONAL ECONOMIC COMMITTEE

For each and every purpose requisite and incident to carrying out the provisions of the joint resolution of the Seventy-fifth Congress entitled "Joint resolution to create a temporary National Economic Committee," fiscal year 1938, to remain available until the expiration of the Seventy-sixth Congress, including rent and personal services in the District of Columbia and elsewhere; contract stenographic reporting services; books of reference; traveling expenses, and all other necessary expenses; $500,000, of which amount not to exceed $100,000 shall be available for expenditure by the Temporary National Economic Committee, and not to exceed $400,000 shall be available for allocation by the President to the Departments and agencies represented on the committee to enable them to carry out their functions under the joint resolution: *Provided*, That section 3709 of the Revised Statutes (41 U. S. C. 5) shall not be construed to apply to any purchase or service rendered hereunder when the aggregate amount involved does not exceed the sum of $100: *Provided further*, That this appropriation shall not become available unless and until the aforesaid resolution is enacted into law.

The amendment was agreed to.

Mr. KING. Mr. President, I inquire of the Senator from Colorado whether, while we are dealing with District matters, it would be permissible, under the order which prevails now, to offer another amendment.

Mr. ADAMS. I am sorry to have to say to the Senator that it would not be.

Mr. KING. The Senator would prefer to wait until we are through with the committee amendments?

Mr. ADAMS. Unless the Senator desires to offer amendments to committee amendments.

The PRESIDENT pro tempore. The clerk will state the next amendment of the committee.

The next amendment was, under the heading "District of Columbia—Executive Office", on page 11, after line 20, to insert:

Commission on Mental Health, District of Columbia: For compensation of members of the Commission on Mental Health of the District of Columbia, and other personal services, including payment of witness fees and mileage, $14,820, and, in addition, there is hereby transferred to this appropriation $2,300 from the appropriation "Metropolitan Police, salaries, District of Columbia (personal services), 1939" and $1,000 from the appropriation "Writs of lunacy, District of Columbia, 1939," fiscal year 1939, to be immediately available.

The amendment was agreed to.

The next amendment was, under the subhead "Contingent and miscellaneous expenses", on page 13, line 16, after

the numerals "1939", to strike out "$2,575" and insert "3,575", so as to read:

Contingent expenses: For an additional amount for checks, books, lawbooks, books of reference, periodicals, newspapers, stationery; surveying instruments and implements; drawing materials; binding, rebinding, repairing, and preservation of records; ice; including the same objects and under the same limitations and conditions applicable to the appropriation for this purpose in the District of Columbia Appropriation Act, fiscal year 1939, $3,575.

The amendment was agreed to.

The next amendment was, on page 14, line 15, after the numerals "1939", to strike out "$3,100" and insert "$6,100 of which $2,500 shall be available only for the printing of the report of a survey of the Health Department of the District of Columbia made in 1937–38 by the United States Public Health Service and collaborators", so as to read:

For 1939, $6,100 of which $2,500 shall be available only for the printing of the report of a survey of the Health Department of the District of Columbia made in 1937–38 by the United States Public Health Service and collaborators.

The amendment was agreed to.

The next amendment was, on page 14, after line 19, to insert:

Purchase of streetcar and bus fares: The limitation of $9,900, under the heading "Contingent and miscellaneous expenses" in the District of Columbia Appropriation Act, fiscal year 1939, upon the amount which the Commissioners are authorized to expend for the purchase of streetcar and bus fares, is hereby increased to $10,800.

The amendment was agreed to.

The next amendment was, under the subhead "Health department," on page 16, after line 10, to insert:

Salaries: For an additional amount for personal services, under the same limitations and conditions applicable to the appropriation for this purpose in the District of Columbia Appropriation Act, fiscal year 1939, $2,300.

The amendment was agreed to.

The next amendment was, on page 16, after line 14, to insert:

Contingent expenses, foods, and drugs: For an additional amount for contingent expenses, to provide an allowance for the fiscal year 1939 of $312 for the furnishing for official use of a privately owned motor vehicle by one inspector of milk-processing and distribution plants, fiscal year 1939, $312.

The amendment was agreed to.

The next amendment was, at the top of page 17, to insert:

JUVENILE COURT

Salaries: For an additional amount for personal services, fiscal year 1939, $43,500.

For an additional amount for expenses, including the same objects specified under this head in the District of Columbia Appropriation Act, fiscal year 1939, $2,400.

Mr. KING. I ask that this go over for the moment.

The PRESIDENT pro tempore. The amendment will be passed over, and the next amendment will be stated.

The next amendment was, on page 17, after line 6, to insert:

POLICE COURT

Contingent expenses: The limitation of $750 for telephone and telegraph service for the police court contained in the District of Columbia Appropriation Act for the fiscal year 1938 is hereby increased to $900.

The amendment was agreed to.

The next amendment was, under the subhead "Municipal court," on page 17, after line 12, to insert:

Salaries: For an additional amount for personal services, including the same objects and under the same limitations and conditions applicable to the appropriation for this purpose in the District of Columbia Appropriation Act, fiscal year 1939, $8,300.

The amendment was agreed to.

The next amendment was, under the subhead "Public welfare", on page 21, after line 22, to insert:

Deportation of nonresident insane: The appropriation for deportation of nonresident insane persons contained in the District of Columbia Appropriation Act, fiscal year 1939, is hereby amended by striking therefrom the words "to change the proceedings for admission to the Government Hospital for the Insane in certain cases, and for other purposes," approved January 31, 1899, and inserting in lieu thereof the words "to provide for insanity proceedings in the District of Columbia," approved June 8, 1938.

The amendment was agreed to.

Mr. VANDENBERG. Mr. President, I ask the Senator to return to page 4 and tell me what the Committee on Government Organization is.

Mr. BYRNES. Mr. President, I can advise the Senator as to what it is. There was a Joint Committee on Reorganization. The House committee is, under the act, paid out of the House contingent fund. I think $10,000 was appropriated for the expenditures of each committee. The bill as it passed the House made available the unexpended balance in the hands of the House committee. The Senate has changed it so as to provide that the unexpended balance in the hands of the Senate committee shall be available during the next year.

I may say to the Senator, as chairman of the Reorganization Committee, that, so far as the Senate was concerned, when the reorganization bill passed the Senate the employees were separated from the service, and it now has no employees. The Senate committee simply provided that if the joint committee were to be continued by the House, the Senate should have the right hereafter, if it so desired, to employ a clerk.

Mr. VANDENBERG. The committee is a congressional committee. It is not an administrative committee.

Mr. BYRNES. It is the Joint Committee on Reorganization. So far as the Senate side is concerned, it has no employees at this time.

Mr. KING. Mr. President, I should like to make an inquiry with respect to the committee.

Mr. BYRNES. The committee is the Joint Committee on Reorganization which was established by the Congress. The late Senator Robinson was chairman of the committee. Upon his death I became chairman.

Mr. KING. Is that committee to continue indefinitely?

Mr. BYRNES. It is a joint committee of the House and Senate. There is no limit to its life.

Mr. KING. Mr. President, my understanding is that that committee submitted a report which was the basis for a very protracted controversy in the Senate in regard to reorganization, and it seems to me that the functions of that committee have ceased.

Mr. BYRNES. Mr. President, with the adjournment of the Congress they will cease. But the Senator certainly was informed that it was the intention at the next session of Congress to introduce a bill on the subject, and if the Senator was not so informed, I now so inform him.

Mr. KING. I have no doubt on earth that there will be another bill offered for reorganization, but that is not a reason why, in anticipation of a bill to be introduced at the next session of the Congress, we should make appropriation for the committee. Let us wait until the bill is introduced and referred to a committee, and then see whether it is desired that the joint committee shall function.

Mr. BYRNES. Mr. President, we do not ask the Senate's permission to function. The committee exists. The only point is that the Senate committee, unlike other committees, has no employees, because the Senator from South Carolina dismissed the employees. But if in the next Congress that bill should again be considered, and there should be some need for the employment of someone, the committee should have the same right to employ clerical help that the House committee has.

Mr. KING. I do not dissent from that view. The only point I had in mind was that the functions of that committee, as I understood, terminated when it reported the reorganization bill. When the reorganization bill died, it occurred to me that the committee would cease longer to exist. And if a new bill is to be introduced, as I conceive it, then doubtless Congress will provide for the appointment of a new committee.

Mr. BYRNES. The item in question provides for the contingency. That is its only purpose.

Mr. VANDENBERG. Mr. President, I wish to ask the Senator from Colorado another question. Is there any item in the bill which renews the so-called shelterbelt scheme—the tree-planting dream out West?

Mr. ADAMS. I think not.

Mr. VANDENBERG. Is that as far as the Senator can go with respect to the question?

Mr. ADAMS. I have not read every page of the bill, but all I can state accurately is that no amendment of that kind was put in it by the Senate committee.

Mr. BYRNES. If the Senator will permit me, I will say that the Senator knows that no such appropriation was carried in the deficiency bill. It was carried as a Works Progress project.

Mr. VANDENBERG. I found no such appropriation, but I have received two or three inquiries which indicated a belief that there was such an appropriation in the bill.

Mr. BYRNES. There is nothing in the deficiency bill on the subject.

The PRESIDENT pro tempore. The clerk will state the next amendment of the Committee on Appropriations.

The next amendment was, on page 23, line 6, after the word "in", to insert "Senate Document No. 198 and"; in line 7, after the name "Congress", to strike out "$5,166.19" and insert "$10,893.17"; and in line 9, after the word "such", to strike out "judgment" and insert "judgments", so as to read:

JUDGMENTS

For the payment of final judgments, including costs, rendered against the District of Columbia, as set forth in Senate Document No. 198 and House Document No. 611, Seventy-fifth Congress, $10,893.17, together with the further sum to pay the interest at not exceeding 4 percent per annum on such judgments, as provided by law, from the date the same became due until the date of payment.

The amendment was agreed to.

The next amendment was, under the heading "Department of Agriculture—Office of the Secretary", on page 27, after line 2, to strike out:

Mediterranean Fruitfly Board: For carrying into effect the act entitled "An act to provide for an investigation and report of losses resulting from the campaign for the eradication of the Mediterranean fruitfly by the Department of Agriculture," approved May 23, 1938, fiscal year 1939, $10,000.

Mr. ANDREWS. Mr. President, this is an amendment which I certainly hope will not prevail. I believe that if the committee knew the facts they would never have recommended that the language be stricken.

To begin with, an authorization bill for this $10,000 appropropriation was passed by the Senate about a year ago. It finally passed the House recently and came back to the Senate, and became a law. That bill contained a provision for $10,000 to pay the expenses of a committee of five, to be appointed to investigate the damages and the cause of the damages incident to the fruitfly campaign in the State of Florida. The authorization bill does not obligate the United States to pay any damages at all. It does give the people of Florida, who were damaged to the amount of something over $50,000,000 a chance to be heard. The measure authorized the expenditure of $10,000 for that committee. That amount was therefore included in this appropriation bill. The former bill providing for the appointment of the committee contains this language:

That the board is authorized and directed to conduct a complete investigation and survey of all losses sustained by growers and farmers in the State of Florida resulting from the campaign to eradicate the Mediterranean fly in such State, and transmit to the Secretary of Agriculture not later than March 15, 1939, a full report of the results of such investigation and survey: *Provided*, That such report shall serve as information only, and shall not be construed as imposing any legal or moral obligation on the Government of the United States. The Secretary of Agriculture shall as soon thereafter as practicable transmit such report of survey to Congress, together with such recommendations as he may, in his judgment, deem advisable.

I dislike to undertake at this time to discuss the merits of the question of damages resulting from the fruitfly extermination campaign in Florida. A bill similar to the one I have referred to passed the Senate on three different occasions. On the recent third occasion it also passed the House. This is the first time that the original bill authorizing the appointment of the committee has been adopted by both Houses.

We have at last come to the point where we are asking for a little sum of $10,000 to pay the expenses of a committee of five to determine the facts. I might say that it is very necessary that we determine these facts, because I do not think that I have ever seen in all my experience such misleading information about any one subject as has been given out with respect to this one, and I have tried something over 10,000 cases in court. I should like to have every Member of the Senate know the circumstances under which the fruitfly campaign was carried on in the State of Florida. It is absolutely admitted that there were millions of dollars' worth of fruits and vegetables destroyed in the course of that campaign—mostly fruits and vegetables, consisting of 200 or more, many of which the Government afterward struck from its list because it was found that those fruits and vegetables were not hosts harboring the fruitfly. Over $50,000,000 of damage was done to the banking industry. In my city there were five prosperous banks when the fruitfly campaign began. Every single one of them finally failed. Not one of them is operating today.

There exists some kind of belief that the Florida people brought this trouble on themselves. There never was a greater fallacy than that. The fruitfly had to come into America at some point in order to be here, and it was the duty of the Government to see in the first place that the fruitfly did not enter this country. It is the Government's duty to make investigation at each port to see that these damaging insects shall not enter the country.

After the fruitfly came into the country it was a Government man who discovered its presence. It was a Government man who telegraphed to Washington that there had been found what was thought to be the Mediterranean fruitfly. Experts were sent to Florida by the Department of Agriculture immediately, and, after a few days' investigation, determined that the fly in question was the Mediterranean fruitfly. This occurred within 3 miles of the grove which I own.

I was, naturally, interested. In fact, at that time I was counsel and vice president of the Florida Citrus Growers' Clearing House Association, a cooperative marketing organization, which at that time marketed 85 percent of the $50,000,000 crop of citrus fruit in that State. I watched closely the fruitfly campaign. We would go to the headquarters and beg that they not destroy certain kinds of vegetables. Take pepper, for instance. I do not know how many thousand dollars' worth of pepper the Government agents destroyed. The Government later found that pepper was not a host fruit for the Mediterranean fruitfly. The same was also ascertained as to peas and beans. I can furnish a list of vegetables which were destroyed but which were later found not to be host of the fly. The committee hearings contain affidavits with respect to the destruction which was carried on in Florida. It was carried to the point where the people became desperate. Finally we succeeded in drawing the matter to a close by reason of everyone submitting to the destruction of property in all cases where it would in any way alleviate the suffering of the whole district.

I do not wish to take the time of the Senate; but if the Government were to throw a cordon of police around one's State and one had $30,000,000 or $40,000,000 worth of fruit and $26,000,000 worth of vegetables ready for market and were told he could not ship any of them unless the products within a certain number of square miles were destroyed, he would find he would be in the most deplorable situation imaginable.

In this little appropriation we ask for enough money to pay the expenses of a committee, some of whom will not even be on salary, to investigate and report back to the Congress.

I should like to answer any questions any Senator has to ask, because I was right in the middle of the fruitfly campaign. I know why the Government was asked for money. We were tied down by a Federal quarantine, and we could not do anything else but ask for money, and we were told that probably $10,000,000 would be required to exterminate this fly.

Mr. HAYDEN. Mr. President——

Mr. ANDREWS. I yield to the Senator from Arizona.

Mr. HAYDEN. It has frequently been asserted that not a single fruitfly was ever discovered. What is the truth about that statement?

Mr. ANDREWS. I dislike to testify without being under oath; but I was present, and if there had not been fruitflies, I should not be making this speech.

Mr. HAYDEN. There were fruitflies present?

Mr. ANDREWS. There were 1,100 of them caught under one tree. The information is before us in affidavit form. The trouble is that the people in other States have not been interested enough to try to know what a serious problem we faced.

Mr. HAYDEN. Were the fruitflies found in a single locality in the State?

Mr. ANDREWS. They were found at several places. Whenever an infestation was discovered, immediately everything within a mile was booked to be destroyed, no matter to whom it belonged. Then a spraying campaign was carried on. High-powered machines were used to spray the trees with lead arsenate. In many places in my own grove the limbs and the fruit on the trees, on one side of the tree on which the spraying was repeatedly done, were destroyed or injured. Later it was admitted that the trees could have been sprayed on the other side, which may have saved the trees. Subsequently lead arsenate was put on the fence posts, and I understand it served the same purpose as spraying the trees. The question is, Who has been unnecessarily damaged, and why? If there is no justice in the proposed appropriation, we might as well adjourn.

Mr. ADAMS. Mr. President, the Senator said he would be glad to answer questions. I should like to inquire about one or two things.

The Federal Government expended several million dollars in its effort to protect the Florida orchards.

Mr. ANDREWS. No; to protect other parts of the country. We wanted to ship our fruit and vegetables out, but we were not permitted to do so. Much of our territory was not infested. Not 10 percent was infested.

Mr. ADAMS. The immediate damage would be done to the Florida orchards.

Mr. ANDREWS. The immediate damage. However, the steps which were taken were for the protection of Alabama, Georgia, and the other States. We had $50,000,000 worth of fruits and vegetables that we ourselves, of course, could not use. We were told at first that we would not be permitted to pick oranges for 2 years. In 2 years, without cultivation and fertilizer orange trees would be gone. We have $500,000,000 invested in citrus groves alone.

Mr. ADAMS. Just one other question. In the appointment of the commission and the making of the appropriation, is there involved the concession on the part of the Federal Government that it is liable for damages done in its efforts to protect the orchards from the Mediterranean fruitfly? In my mind the question comes down to this: Every time the Federal Government goes into a State to protect against an insect invasion, does the Federal Government, by reason of its effort to help, subject itself to this type of liability? If so, it might lead to the Federal Government saying that if it did nothing it would not be liable.

Mr. ANDREWS. The Florida situation is in the similar category as a section or State infested with the foot-and-mouth disease, or the disease known as glanders, which is deadly among horses. As I understand, if glanders breaks out in a corral and gets well started, the horses in the corral are destroyed. If the foot-and-mouth disease breaks out, all the cattle within a certain ranch are destroyed. However, if cattle several miles away from the point of infestation, which are admittedly not infected, have not been exposed to the disease, are destroyed by governmental order, the Government ought to pay for it.

Mr. McNARY. Mr. President, will the Senator yield?

Mr. ANDREWS. I yield.

The PRESIDENT pro tempore. The Senator from Colorado has the floor.

Mr. McNARY. Will the Senator yield to me?

Mr. ANDREWS. I thought I had the floor. The Senator asked me a question.

The PRESIDENT pro tempore. The Chair was under the impression that the Senator had taken his seat. The Senator from Colorado was recognized, and in his own time asked a question of the Senator from Florida.

Mr. McNARY. Mr. President, will the Senator yield to me for a question?

Mr. ADAMS. I yield.

Mr. McNARY. I rise to support the contention of the able Senator from Florida. When the infestation occurred in Florida some years ago I was chairman of the Senate Committee on Agriculture and Forestry, and I personally know that great losses were suffered by the producers of citrus fruits. An investigation concerning the losses should be made; and I appeal to the Senator from Colorado to consent to have the Senate amendment rejected. I am familiar with the losses which were suffered. I know the extent of the infestation. I think it is only fair that the small amount of money proposed be appropriated to carry out the program of investigation. I think the people of Florida richly deserve it.

Mr. ADAMS. I will say to the Senator from Oregon that I am not concerned about the small amount of money involved. I am concerned over the consequences which may flow from such action. That was the reason for my inquiry of the Senator from Florida, as to whether or not by appointing the committee we would involve the United States in a concession of liability for all the trees destroyed in the effort made by the Federal Government to protect Florida and other States from the infestation.

Mr. McNARY. The mere investigation of the losses sustained by the growers in Florida would in nowise place a liability upon the Government in the future.

Mr. ADAMS. Is the Senator familiar with the authorization bill?

Mr. McNARY. I cannot tell much about it from the statement made by the Senator from Colorado, but I know that the mere report of losses by a commission would not place any liability on the Government. The Government, in its effort to prevent the spread of the infestation, performed a national act, and did a good deed.

I think the $10,000 appropriation is fully justified.

Mr. ADAMS. Frequently the health department requires the destruction of our bedding and other things when we have a contagious sickness in our homes. It never occurs to the city or county authorities that the city or the county should reimburse us for that loss. The loss is sustained in the interest of the community. I merely wish to obtain the facts.

Mr. PEPPER. Mr. President, the item under discussion is small in amount, but it involves a large principle, and I think one with which the Federal Government is disposed to deal fairly.

In the period around 1926 or 1927 Florida found itself suddenly confronted with a situation which was at that time deemed a menace to the Nation. We certainly did not create or establish the Mediterranean fruitfly as something which we wanted to put out as a product of Florida. On the contrary, all over the country a great deal of excitement immediately prevailed among those who engaged in horticulture lest there might be an infestation of their groves from this new pest which had been discovered in Florida. It was discovered not only by the department of agriculture in Florida but by the Department of Agriculture of the United States Government.

Elaborate safeguards were set up to prevent the spread of the pest to other horticultural sections, and a most intensive campaign was entered into to eradicate those plants which were found to be infested with the Mediterranean fruitfly. Not only was the plant infested immediately destroyed but, as my colleague [Mr. ANDREWS] has stated, all live plants within a mile were destroyed; and so grower after grower had most or all of his groves destroyed. Literally thousands of acres of growing citrus trees, which were the hope of the growers for a livelihood, were uprooted and burned by the authority of the United States Government in order that the remainder of the United States might be protected from the spread of the pest, as well as to protect the people in Florida against its spread.

The matter continued in that way for some time, and there was a great deal of disturbance over it. There was even a congressional investigation. Approximately 8,000 claims are now pending and on file with the Department of Agriculture for reimbursement of the growers of Florida who claim that they sustained a personal loss in the public interest.

Whenever a similar situation has occurred anywhere else in the country the Federal Government has always tried to keep the individual from bearing the brunt of the national interest.

Mr. ADAMS. Mr. President, will the Senator yield?

Mr. PEPPER. I will yield in a moment.

Whenever a fire occurs in a town, and it threatens to spread, and one man's building is destroyed to protect another man's property, the man whose building is destroyed to prevent the spread of the fire should not have to bear the whole loss. That is what occurred in this case, in principle.

Mr. ADAMS. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. ADAMS. I merely wish to correct the statement of the Senator to the effect that it is the rule to reimburse those whose property is thus destroyed. The authorities have come into my yard, in the interest of the wheat farmers, and destroyed barberry and other plants. There was no suggestion of compensation. The authorities have gone through my community and either ordered the people to root out certain plants or have done it themselves. In other words, what the Senator speaks of is the exception to the general rule and not the rule.

Mr. PEPPER. Mr. President, Mr. Justice Holmes once said that everything from the Twelve Tables down to date is a matter of degree. Everybody will distinguish between a case in which a few bushes are to be taken up out of one's private yard and a case in which whole areas are devastated by the order of the Government in the effort to prevent the spread of an infectious pest.

Three different times the Committee on Agriculture and Forestry of the Senate has considered the application for an investigation, and twice, while Senators Fletcher and Trammell represented Florida, the Senate, at their instigation, passed a bill, with the approval of the Senate Committee on Agriculture and Forestry, for an investigation of the losses sustained.

Later, when my colleague [Mr. ANDREWS] and I came to the Senate, persistent demand was still asserted for compensation for the losses sustained, and we introduced a bill for an investigation. I believe our bill is the fairest which has ever been introduced on this subject. The committee which will make the investigation will not be composed wholly or even in majority of Florida people. Only two out of the five to be appointed by the Secretary of Agriculture will be from Florida. The provision authorizing the investigation so provides. What could be fairer than that the Secretary of Agriculture should appoint a committee of five, no more than two of whom should come from the State of Florida, to make an investigation of a situation to determine what the truth is?

In answer to the question of the Senator from Colorado, I will say that I know that it is certainly the spirit, if not the exact language, of the authorization bill that the Government is not committed in any amount of money in the final result. Until we know what the facts are, of course, we do not know what the situation may require. I wish to observe frankly that I do not absolve the Federal Government from any liability that the committee might report, that the Secretary of Agriculture might find justified, and that the Senate and the House in the usual appropriate way might find to attach to the Federal Government.

Mr. ADAMS. May I call the attention of the Senator to the fact that I think his statement is borne out very accurately by the bill relative to the matter because this provision is in it:

Provided, That such report shall serve as information only and shall not be construed as imposing any legal or moral obligation upon the Government of the United States.

Mr. PEPPER. That is correct. I thank the Senator very much for giving particular attention to that language. We very earnestly hope that this item will not be stricken from the House bill, as the Appropriations Committee recommends.

Mr. BANKHEAD. Mr. President, I think this appropriation of $10,000 should be retained in the bill. I am a member, as Senators know, of the Committee on Agriculture and Forestry. This subject has been before the committee at least twice, and, I think, three or four times during my service in the Senate. It was before the committee, as the Senator said, when the late Senators Fletcher and Trammell were Members of the Senate, and has been there ever since. The committee has never declined the program for an investigation of losses occasioned by the activities of the Government. On the other hand, every time the matter has been before the committee, after investigation and hearing, the committee has taken favorable action. We took favorable action upon the authorization bill which the Senator from Colorado has mentioned.

Whether or not the Government is liable is not involved immediately, but it has seemed to me that the question of responsibility on the part of the Government in the case of the Bang's disease appropriation which we recently increased by $4,000,000 involves the same principle that comes into play in this instance.

Mr. COPELAND. And in the case of the eradication of the Dutch elm disease.

Mr. BANKHEAD. And it is suggested the same principle is involved in the eradication of the Dutch elm disease. The Government has gone along with other programs of this kind, as in the case of the eradication of the Dutch elm disease and Bang's disease, as just stated.

Mr. McNARY. Mr. President, may I emphasize that it was also involved in connection with the chestnut-bark blight?

Mr. BANKHEAD. That is true. This is the only serious effort of which I have known since I have been here to prevent at least an investigation when it is proven that the Government has destroyed property, at least, to develop the facts. It is a small item; it is not as much as was budgeted, I understand; and I think we ought to go along and permit this investigation for the presentation of the facts. I hope sincerely that the chairman of the committee will agree to this suggestion. I do not know whether or not he feels authorized to do so.

Mr. ADAMS. I have not any authority in the matter.

Mr. BANKHEAD. I do not ask the Senator to do anything he has not authority to do, but I certainly think it is a fair, just, and reasonable program. I know it has the approval of the members of the Committee on Agriculture and Forestry who have attended the meetings when this subject was brought before them.

Mr. COPELAND. Mr. President, as a part-time resident of Florida, I wish to support the Senators from that State who are urging the retention of this item. I am not, perhaps, personally interested, for the 30 or 40 citrus trees that I have now are of no consequence.

The old timers on the Appropriations Committee will remember the appeals of the late Senator Fletcher in regard to this matter. He presented to the Appropriations Committee the needs of the situation. I remember very well how we were moved at the time.

It seems to me, in view of the fact that we have an authorization bill approved so recently as May 23 for this sum of money, that we ought not to hesitate. I sincerely hope the Senate will not concur in the amendment of the committee.

Mr. LEE. Mr. President, I wish also to support the attitude of the Florida Senators on this item. Florida simply happens to be the battleground on which the Federal Government is fighting a battle for the benefit of the whole Nation. The place of application is local, but the question involved is national, the threat is national, for if the fruitfly is allowed to gain a footing or a hold in Florida, it will sweep on across the fruit sections of the United States, and sections not now affected will be affected by the fruitfly. So this is not only a local matter but it is national in scope. Polygamy existed in only one State, but it was made a national question, and was so treated as to be controlled or limited. The boll weevil at one time, in my opinion, could have been stopped in the southern part of Texas by the application of the principle that it was not a local but a national menace. This is not a new principle at all.

When we try to stamp out bovine tuberculosis and a cow is determined to have tuberculosis she is branded by a "T" on the jaw and is condemned, killed, and paid for. In some cases the State contributes to that cost, but in other cases the entire payment is made by the Federal Government. I hope that this amendment will be restored to the bill.

The PRESIDING OFFICER (Mr. HILL in the chair). The question is on agreeing to the amendment of the committee on page 27, line 3.

The amendment was rejected.

The PRESIDING OFFICER. The clerk will state the next amendment reported by the committee.

The next amendment of the Committee on Appropriations was, under the subhead "Forest Service", on page 27, after line 15, to insert:

Forest products: For experiments, investigations, and tests of forest products related to the use of wood in building and construction, fiscal years 1938 and 1939, $200,000.

The amendment was agreed to.

The next amendment was, on page 27, after line 18, to insert:

Acquisition of lands for national forests, Tahoe National Forest: To enable the Secretary of Agriculture to carry into effect the provisions of sections 1 to 4, inclusive, of the act entitled "An act to provide for the acquisition of certain lands for and the addition thereof to the Tahoe National Forest, in the State of Nevada, and the acquisition of certain other lands for the completion of the acquisition of the remaining lands within the limits of the Great Smoky Mountains National Park in east Tennessee," approved February 12, 1938, $325,000.

The amendment was agreed to.

The next amendment was, on page 28, after line 15, to insert:

BUREAU OF BIOLOGICAL SURVEY

Maintenance of mammal and bird reservations: For an additional amount for maintenance of mammal and bird reservations, including the same objects specified under this heading in the Agricultural Appropriation Act for the fiscal year 1939, $60,000.

The amendment was agreed to.

The next amendment was, under the heading "Department of Commerce—Bureau of Fisheries", on page 31, after line 14, to insert:

Fish cultural station, Alabama: For the establishment of a fish cultural station in Alabama, fiscal year 1939, $6,500.

The amendment was agreed to.

The next amendment was, under the heading "Department of the Interior", on page 31, after line 18, to insert:

GEORGE ROGERS CLARK SESQUICENTENNIAL COMMISSION

The George Rogers Clark Sesquicentennial Commission created by the joint resolution approved May 23, 1928, as amended, shall cease and terminate June 30, 1939, and the unexpended balances of the appropriations heretofore made for carrying out the purposes of such joint resolution, as amended, shall be available until June 30, 1939.

The amendment was agreed to.

The next amendment was, at the top of page 32, to insert:

NATIONAL BITUMINOUS COAL COMMISSION

Salaries and expenses: For an additional amount for all necessary expenditures of the National Bituminous Coal Commission in performing the duties imposed upon said Commission by the Bituminous Coal Act of 1937, approved April 26, 1937 (50 Stat. 72), including the same objects specified under this head in the Interior Department Appropriation Act, for the fiscal year 1939 and including the purchase of a passenger-carrying automobile for use in the District of Columbia, fiscal year 1939, $500,000.

Mr. HOLT. Mr. President, I should like to ask the chairman of the subcommittee if this $500,000 appropriation is not in addition to what has already been appropriated for the Bituminous Coal Commission?

Mr. ADAMS. That is correct.

Mr. HOLT. I realize that anything I may say about this additional appropriation will not stop the $500,000 being provided and expended. I know that some certain candidates for the United States Senate need everybody on the pay roll they can have put on it, and I know that this $500,000 is going to be used for that particular purpose.

In April last, when the regular appropriation bill was before the Senate, I protested against increasing the appropriation for the National Bituminous Coal Commission by $300,000. The argument was, "Well, we need $300,000 more because the Coal Commission had added duties." Now it is proposed to add $500,000 more to the appropriation for the Bituminous Coal Commission, and, to be perfectly frank, that $500,000 out of the Public Treasury is for political gravy.

I know the Senate will not reject the item, but I desire the people to know the facts about this increase. The half million dollar additional appropriation is for no other purpose than to add people to the pay roll. One of those who was added to the pay roll recently, or since the last bill was passed, was asked what his duty was. He was on the pay roll at $2,600 a year. He said, "Well, my duties are to go down twice a day and get coca colas and sandwiches for the office force." Yet he was paid out of the Public Treasury $2,600 a year.

Of course, it is said a half million dollars more is needed by this particular organization. The appropriation will enable the Bituminous Coal Commission to increase its personnel and staff to the greatest number it has ever had in its entire history. Yet the coal mines are operating on a production scale of from 33 to 75 percent less than before this Commission was created.

The witness testifying before the Appropriations Committee relative to the deficiency bill made the following statement on page 60 of the hearings:

Just to point out one item alone, our rental is approximately a quarter of a million dollars per annum.

A quarter of a million dollars a year rent for a Coal Commission which is regulating nothing. The Coal Commission has been in existence now for approximately a year, and there is not a single, solitary price on coal in any district in the United States of America. I admit that it is a beautiful political playground; I admit that it is a good place to put one's friends on the pay roll and not pay them out of one's own pocket, but make the United States Treasury pay them. I realize that.

To cite one particular instance of an individual on the pay roll, a poor, unfortunate man who is drawing $6,000 a year from the pay roll of the Coal Commission, is manager of the statistical office at Ashland, Ky., and his name is Ben Williamson, Jr. Poor man; he draws only $500 per month out of the Public Treasury as an employee of the Coal Commission, but Judge Ford, the Federal district judge, on the 16th day of June 1937, entered an order allowing Ben Williamson, Jr., as trustee of the Inland Gas & Kentucky Fuel Corporation, a fee of $666 per month in the Inland case and $333 per month in the Kentucky fuel case, or a total of $999 per month, or $11,988 a year, besides $6,000 a year from the Coal Commission. Poor fellow. Mr. President, do you not feel sorry for him? He needs a little more money. We have to appropriate more money for that purpose. He is the brother-in-law of the secretary of the

Commission, whose salary was reduced from $9,000 to $7,500, and who told the Chairman of the Commission who resigned that if the Chairman did not restore his—the secretary's—salary to $9,000, he would "spill the beans" on the Coal Commission. They did not want the beans of the Coal Commission spilled out in public view, so they increased his salary $1,500 a year and retained him on the pay roll. What difference does it make? The taxpayer does not worry about these thousands of dollars. Just spend it anyway.

Do you realize, Mr. President, that the cost of the statistical offices of the Commission in the State of Kentucky amounts to 5 cents a ton on 6,045,000 tons of coal, which is more than the profit made by the coal operators in the State of Kentucky?

I know that in the State of West Virginia the coal mines are not operating to any great extent, and yet more persons are regulating the mines than there are officials of the coal companies that are working. Sometime ago I put in the CONGRESSIONAL RECORD figures showing that the Coal Commission spend $40,000 a year for messenger service. They have a head messenger, an acting head messenger, an assistant messenger, and a bunch of little messengers. It does not make any difference. It costs $40,000 a year, over $100 a day, to deliver messages in the Coal Commission. The message they want delivered there is a message on election day, and they know the messengers will do it. Of course, the messages vary, depending upon the need of the occasion.

There are all kinds of employees on the pay roll of the Coal Commission. I ask that a list of them be inserted in the RECORD. I have not it here with me at the moment, but I will supply it for the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The list is as follows:

TITLES OF POSITIONS IN THE NATIONAL BITUMINOUS COAL COMMISSION

Acting chief, Marketing Division.
Acting head messenger.
Assistant general counsel.
Acting general counsel.
Attorney.
Attorney-examiner.
Associate price examiner.
Assistant to the secretary.
Analyst.
Associate engineer economist.
Assistant auditor.
Assistant file clerk.
Assistant fiscal accounting clerk.
Assistant clerk.
Assistant clerk-stenographer.
Assistant clerk-typist.
Assistant record clerk.
Addressograph operator.
Assistant messenger.
Acting director of statistics.
Assistant statistical analyst.
Assistant junior statistical analyst.
Accountant, chief clerk.
Administrative assistant.
Administrative clerk.
Accounting clerk.
Acting manager of statistical bureau.
Acting manager, statistical office.
Acting manager.
Assistant hearing clerk.
Budget and finance officer.
Bookkeeper machine operator.
Commerce attorney.
Chief of special agents.
Confidential secretary to Commissioner.
Confidential assistant to Commissioner.
Chief of mails and files.
Chief, printing and supply section.
Clerk.
Clerk-stenographer.
Clerk-secretary.
Comptometer operator.
Compiling clerk.
Correspondence clerk.
Calculating machine operator.
Card-punch operator.
Computing clerk.
Chief clerk.
Compiling clerk and junior machine operator.
Clerk-typist.
Confidential clerk.
Chief of machine tabulation units.
Clerk-messenger.
Chief clerk.
Comptometer clerk and machine operator.
Card-punch file clerk.
Clerk receptionist.
Combination general statistical clerk and typist.
Confidential record clerk.
Combination statistical clerk.
Confidential clerk.
Comptometer clerk.
Draftsman.
Director of statistics.
Examiner.
Engineer economist.
Finance examiner.
File clerk.
Field supervisor.
File clerk and telephone operator.
Field statistical superintendent.
Graphic analyst.
Graduate nurse.
General clerk.
General statistical clerk.
General statistical or compilation clerk.
General clerk-typist.
Investigator.
Inspector.
Information clerk and telephone operator.
Junior attorney.
Junior price examiner.
Junior statistical examiner.
Junior administrative officer.
Junior administrative assistant.
Junior statistical clerk.
Junior stenographer.
Junior clerk-stenographer.
Junior clerk-typist.
Junior voucher clerk.
Junior calculating-machine operator.
Junior field auditor.
Junior statistical analyst.
Junior machine operator and comptometer clerk.
Junior investigator.
Junior assistant statistical analyst.
Junior machine operator.
Legal stenographer.
Laborer.
Mimeograph operator.
Messenger.
Manager.
Machine operator and typist.
Machine operator.
Manager statistical bureau.
Mechanic.
Principal price examiner.
Public relations adviser.
Price examiner.
Personnel assistant.
Principal accounting clerk.
Principal clerk-secretary.
Property and order clerk.
Receptionist.
Record clerk.
Reception and general clerk.
Reception clerk and general operator.
Reception and telephone operator.
Secretary.
Special agent.
Senior price examiner.
Special assistant to general counsel.
Senior attorney.
Senior tariff rate examiner.
Senior attorney examiner.
Senior economist-analyst.
Senior clerk.
Senior statistical clerk.
Senior typist.
Statistical analyst.
Stenographer.
Senior stenographer.
Stock clerk.
Secretary to manager.
Sorting machine operator.
Stenographer-clerk.
Secretary to director of statistics.
Senior stenographer-clerk.
Traffic rate supervisor.
Technical adviser.
Transportation examiner.
Telephone operator.
Typist.
Typist and file clerk.
Tabulating clerk.
Unskilled laborer.
Under clerk.

Under file clerk.
Under clerk-typist.
Under statistical clerk.
Watchman.

Mr. HOLT. I shall show that the National Bituminous Coal Commission has 151 different kinds of jobs. It is possible to get any kind of a job desired with the Coal Commission. They have more varieties than Heinz has. We used to think a good deal of Heinz's 57 varieties, but now there are 151 different kinds of jobs. If you are a Senator who is not going to be purged—of course, some of the Senators are going to be purged this year, and they will not get any of those jobs—but if you are a holy Senator you may go down and pick out one of those 151 jobs and say, "I want this man put on the pay roll," and, of course, they can put him on, because they are going to spend $500,000 more to regulate coal—when hardly any coal is being produced.

I could go ahead and show the number of persons on the pay roll, but Senators may refer to the list published on the 6th day of April, when seven pages of the CONGRESSIONAL RECORD were required just to print the salaries; and if $500,000 more is added, it will take a couple of additional pages to list the favored few who are supposed to regulate the coal industry in the State of West Virginia, in the State of Kentucky, and in the State of Indiana, or wherever it may be.

It may interest the Senate to know that sometime ago there was a direct move here toward investigating the Coal Commission, and they got busy. It is very interesting to check the persons who were added to the pay roll of the Coal Commission during the week that the resolution for an investigation was pending in the United States Senate. It is very interesting to note that certain individuals from certain States were put on the pay roll when an investigation of the Coal Commission was proposed. This is $500,000 of political "gravy," of political graft, and of political corruption—that is all it is—and the taxpayer pays the bill.

It may be said that $3,000,000 or $3,500,000 is not much to pay for regulating the coal industry; but on top of that there are the district boards, all of whose members are paid. I have been told that the district boards cost the taxpayers from $6,000,000 to $7,000,000 in addition to the three and a half million dollars for the Coal Commission. Furthermore, we have the regulation of the United Mine Workers of America. The whole truth about the matter is that John Lewis, as Senators know, took a trimming up in Pennsylvania, and they want to make him feel good. He is in charge of the Coal Commission. He went over the heads of the boys who are in charge; so, in order to please Mr. Lewis, who dictated and rescinded the orders that established coal prices last fall, they are going to spend $500,000 a year more.

As I have said, I know what I am saying will not make a dent on those who want to add to the pay roll. I know it will not stop the Senate from doing it; but I also know that the people of the United States have a right to learn that we are proposing to spend half a million dollars more in order that the favored few in the Congress of the United States who have the blessing of Harry Hopkins and some of his group, and of Tommy Corcoran and some of the rest of them, may have half a million dollars to help them in their campaigns. That is the purpose of this appropriation. That is why it has been added. In other words, we are adding $800,000 to what the Budget Bureau allowed. The Coal Commission went before the Budget Committee, and could not get this amount; they went before the House committee and could not get it; and now they come before the Senate and get it.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. HOLT. I am glad to yield to the Senator from Arizona.

Mr. HAYDEN. This is the Budget estimate.

Mr. HOLT. The Budget reduced it $300,000.

Mr. HAYDEN. No; let us get the record straight.

Mr. HOLT. All right; I want to get the record straight.

Mr. HAYDEN. The appropriation for the National Bituminous Coal Commission for the current fiscal year is $3,600,000.

Mr. HOLT. That is correct.

Mr. HAYDEN. The Budget Bureau submitted an estimate for $3,000,000 in the regular appropriation bill.

Mr. HOLT. That is true.

Mr. HAYDEN. That estimate was reduced by $300,000 by the House.

Mr. HOLT. That is true.

Mr. HAYDEN. The Senate committee restored the Budget estimate.

Mr. HOLT. That is correct.

Mr. HAYDEN. That was $3,000,000. Then, upon a supplemental showing to the Budget Bureau, a supplemental estimate was submitted, and on the basis of that estimate the committee has allowed $500,000. So the net effect is that for the next fiscal year $100,000 less will be appropriated for the Coal Commission than for this fiscal year.

Mr. HOLT. It was proven that they asked the Budget Bureau for $500,000 more, and did not get it.

Mr. HAYDEN. That was under the regular bill.

Mr. HOLT. No; under this bill, according to the testimony.

Mr. HAYDEN. No; I have the Budget here, and I can show it to the Senator. An estimate was submitted by the President to the Congress asking for $500,000.

Mr. HOLT. Let me read the testimony on page 62 of the hearings:

Senator HAYDEN. But you were unable to convince the Bureau of the Budget of that fact in the first instance?

Mr. LEIZEAR. We were absolutely——

Senator HAYDEN. I mean, in the first instance, before this last conference.

Mr. LEIZEAR. That is right.

Senator HAYDEN. You asked the Bureau of the Budget for $3,600,000 and the Bureau of the Budget cut it down $600,000 below what you were allowed under the current law?

Mr. LEIZEAR. That is right.

Senator HAYDEN. And in the meantime you had a rehearing before the Bureau of the Budget and submitted to them the estimate for an additional $500,000?

Mr. LEIZEAR. Yes.

Senator HAYDEN. And you were able to make out your case before the Bureau of the Budget but were unable to make out your case before the House Committee on Appropriations?

Mr. LEIZEAR. Well, as you know, the hearings there were very, very limited as to time and there was little possibility of bringing out all of the facts before the House committee.

Mr. HAYDEN. The facts are that there is a Budget estimate for this full amount.

Mr. HOLT. The facts are that this $500,000 is to put a group of persons on the pay roll to help carry the election in November.

Mr. HAYDEN. How could that be true when they are already on the pay roll, and would go off if Congress should not make the appropriation? How can any more be put on?

Mr. HOLT. The representatives of the Commission testified, when the first hearing was held, that they had 1,100 persons on the pay roll. In the hearings from which I am reading they say that on the present pay roll they have 1,201 employees; and I desire to read what the Senator from Arizona said on the 6th of April would happen if the reduction were made. The Senator from Arizona at that time said:

The effect of that reduction in the Budget estimates is to reduce the number of persons employed by the Coal Commission from 1,120 to 868.

He admitted that there were 1,120, and now Mr. Leizear testifies before the committee that there are 1,201. My arithmetic has always proven to me that 1,201 is greater than 1,120.

Mr. HAYDEN. I understand that; but the point is that they are on the pay roll. No new men are going to be put on with this money.

Mr. HOLT. My opinion is that a number more will be put on the pay roll; and I think the Senator from Arizona realizes that, and that is why he is interested in the matter.

Mr. KING. Mr. President, will the Senator yield?

Mr. HOLT. I shall be glad to yield to the Senator from Utah.

Mr. KING. I am trying to find out why there is such a large number of employees, in view of the fact that the production of coal has greatly diminished during the past few years. I know that in my own State and other States the coal production has materially decreased. The number of employees in the coal industry in many sections is far less than it formerly was. For the life of me, I do not understand why it costs so much to administer the Bituminous Coal Commission organization.

Mr. HOLT. I admit that the coal production has declined, but the political production of the Coal Commission has increased. [Laughter.] There is a difference. The production of coal has something to do with making money and the regulation of the coal industry has something to do with taking money. That is the difference. In other words, as coal production declines, they lose a lot of miners. They told us, "If you just pass the Guffey bill everything will be rosy in the coal mines." They said the coal mines would work full time and these "wonderful, lovable coal miners" whom they love so much would get increases in their salaries and live happily ever after. They told us that story when the Guffey coal bill was before us. Now, on the contrary, the prices are going down, and the miners are getting a little grieved. They cannot understand why they were sold this "gold brick." So, in order to make up the difference to the miners, they put that many on the pay roll at election time. The difference is that they are transferring from the production of coal to the production of votes at election time.

I feel, and I think the people in the coal industry feel, that the Coal Commission has been nothing more than a squirrel cage. It is a squirrel cage running around, and the people are paying the bill. There is no Member of this body who can show a solitary thing the Coal Commission has done except to pay salaries. I defy any Senator to make such a showing now, in my time. [After a pause.] Silence must mean acceptance.

The purpose is to provide half a million dollars more for the Democratic senatorial campaign in certain States.

Mr. ADAMS. Mr. President, I wish to say a word in explanation of the committee's position in this matter.

The matter has been before the Committee on Appropriations twice. When the estimates for the fiscal year 1938 were before us, we had the matter up, and we had it before us again at a later time. The facts as presented are substantially as follows. The Coal Commission originally asked for four and a half million dollars.

Mr. KING. That cannot be defended.

Mr. ADAMS. The Coal Commission originally asked for four and a half million dollars. The Budget allowed them $3,000,000. The House cut the amount to $2,700,000. The Senate committee, after hearing the Coal Commission, raised it to the amount of the Budget, or $3,000,000, which was $600,000 less than they expended during the preceding fiscal year.

At this time the Coal Commission have gone to the Budget, they have presented their case, and the Budget has sent an estimate to the Congress that in its judgment they are entitled to the additional $500,000. The Committee on Appropriations made inquiry of the members of the Commission, and we were told by them that there are now some 20,000,000 tons annually of coal that do not pay the taxes required to be paid under the law, and that unless the additional amount of money is appropriated this tonnage will escape enforcement, that the additional amount is needed for adequate enforcement of the Guffey coal law, and that if the additional amount is given and enforcement of the law is had, there will be produced for the Treasury an amount of money at least 10 times the amount of this appropriation.

Mr. HOLT. Mr. President, will the Senator yield?

Mr. ADAMS. Gladly.

Mr. HOLT. Would the Senator be willing, if they are going to make money for the Treasury, to insert a provision in the amendment that the $500,000 shall be taken from the money they collect from the coal industry for their extra work? If they are going to make so much money, why not insert a provision that this increase of $500,000 shall be taken from the amount they collect?

Mr. ADAMS. My understanding is that the money received in fact goes into the Treasury.

Mr. HOLT. It does go into the Treasury.

Mr. ADAMS. Then what is the difference?

Mr. HOLT. If they have a limitation that they can spend only $500,000 from the amount they collect, they must collect in order to pay their way.

Mr. ADAMS. The difficulty is that the appropriation is essential in order that the collections may be made. They cannot pay their way from the collections unless they are given the machinery to make the collections.

Mr. HOLT. Does the Senator mean political collections or Federal collections?

Mr. ADAMS. I think the Senator knows I have not any interest or expectation in the matter.

Mr. HOLT. I absolve the Senator. He is not one of the "pure" ones. [Laughter.]

Mr. BARKLEY. I understand that the appropriation made in the regular appropriation bill for the Bituminous Coal Commission was considerably less than the amount for the present year.

Mr. ADAMS. Six hundred thousand dollars less.

Mr. BARKLEY. I understand that representatives of the Coal Commission appeared before the committee and asked that the amount which they had for this year be given them again, and that the committee declined to do that.

With respect to the appointment of people under the Coal Commission, I have no detailed knowledge at all on that subject, but it is my information that after the United States Court of Appeals in this district declared the price structure which was set up by the Commission invalid because they had not held enough hearings, and required them to retrace their steps in order that they might set up the price structure, all those who were employed in the Enforcement Division of the Bituminous Coal Commission were furloughed, and they are still on furlough, so far as I know, awaiting the retracing of the steps of the Commission by holding hearings, and doing whatever else is necessary under the decision of the court to make any price structure they set up in the future legal. Am I correct about that?

Mr. ADAMS. That is my understanding.

Mr. BARKLEY. So that this amount does not contemplate any additional employees over those they have had, except for the fact that there are a large number of temporary furloughs in the enforcement division, brought about by this decision, which made it unnecessary to employ them. It seems to me that while it is unfortunate that anyone who is employed by any Government department has to be furloughed for an indefinite time, the Commission is to be commended for having furloughed so many of their employees because their services were not needed and would not be needed until the Commission had retraced their steps and held the hearings and gone through the proceedings necessary to establish a legal price structure under the Bituminous Coal Act.

Mr. HOLT. Mr. President, will the Senator from Colorado yield?

Mr. ADAMS. I yield.

Mr. HOLT. The Senator from Kentucky speaks about the number of employees under the Coal Commission. The Coal Commission has more employees now than when it started in to regulate the coal industry, and there is no regulation except of the men on the pay roll.

Mr. BARKLEY. I do not know how many employees they have now, and I do not know how many they have had at any time, because I have not made any effort to find out;

but I do know that hundreds of them were furloughed at the time the decision to which I have referred was rendered, and I know that a large number of them are still on furlough, because they have not been recalled, as the result of the setting up of a new price structure to take the place of the one which was nullified by the decision of the Court. As to whether additional employees have been taken on in other branches, I have no information.

Mr. HOLT. Will the Senator from Colorado permit me to ask the Senator from Kentucky a question?

Mr. ADAMS. I yield.

Mr. HOLT. Does the Senator from Kentucky mean to say that after the Coal Commission prices were thrown out they released hundreds of Coal Commission employees?

Mr. BARKLEY. That is my information. I know that a large number were released. How many were released I do not know, but I do know that a large number were furloughed, and a large number are still on furlough of those who were furloughed at that time, several months ago, awaiting the time when a new price structure would be set up and there would be need for them and their services in the enforcement of the price structure. I do know that happened.

Mr. HOLT. Then what is the necessity of adding these people until the price structure is set up?

Mr. BARKLEY. I do not know. I am not familiar with the hearings. I have not read the record of the hearings, and I do not know what the need for the employees is. I assume there is some need. I do not know whether or not these people are to be put on in the enforcement division. I suppose not. But I think the Senator from Arizona is correct when he states that this sum of money is not to add new employees but merely to preserve the number now employed by the Commission. I suppose, although I am only assuming it, because I have not consulted the Coal Commission and I have not detailed information about it, that it does contemplate the reemployment of those who have been furloughed, and are still furloughed, because of the decision of the Court knocking out the price structure.

Mr. HOLT. It might interest the Senator from Kentucky to compare the salaries of the statistical offices per million tons of coal produced in his State and in my State. In Kentucky 47,000,000 tons of coal were produced in 1937, and the salaries of the statistical offices in Kentucky were $302,280, or $6,431.49 per million tons, whereas in West Virginia the production was 119,000,000 tons, and the salaries in the statistical offices in West Virginia amounted to $334,660, the salary per million tons in West Virginia being $2,812.27, compared with $6,431.49 in Kentucky. For every million tons of coal produced in Kentucky the Federal Government paid in statistical-office salaries $3,619.22 more than in the State of West Virginia, or 229 percent more than in the State of West Virginia. Of course, I would not say publicly that the senatorial election had anything to do with it; I do not know. [Laughter.]

Mr. BARKLEY. I am glad the Senator has declined to discuss one subject about which he has no information. [Laughter.]

So far as the Coal Commission is concerned, I do not know anything about a comparison between the employees in Kentucky and those in West Virginia and I am not interested in it, I will say to the Senator. I do not know how it comes about that there may be more in Kentucky. I understand a regional office was established at Ashland, Ky., which may account for the fact that there may be more employees located there than in West Virginia. That is another assumption of mine, because I have not made any effort either to control or to obtain any accurate information with respect to employees there, but I should assume that the establishment of a regional office in any State would give that State more employees than there were in a State where there is no regional office. I think that happens in respect to all branches of the Government, the Federal Housing Authority, the Home Owners' Loan Corporation, and similar agencies.

I know that in the Senator's State of West Virginia, and in my own State, and in all the bituminous coal region of the United States today coal is selling at an average of 30 cents a ton less than it costs to produce it, and that is in part due to the break-down of the price structure set up by the Commission, due to the decision of the Court of Appeals of the District of Columbia. I know that not only a large number of the employees of the Bituminous Coal Commission but a large number of miners have been deprived of employment because of that decision, and I know that the entire coal industry is anxious to bring about a resumption of some sort of orderly price structure in the coal industry, so that they may obtain at least a reasonable profit upon the cost of producing coal, in order that they may employ more men and pay them a more adequate wage.

So far as the detail of statistics as to employment and percentages are concerned I have no information, and frankly I have not tried to find out anything about it, because it is a detail with which I do not concern myself.

Mr. HOLT. Mr. President, I am glad that the Senator from Kentucky has stated that the operators are not any better off and that the miners are not any better off. Yet Congress has passed the Guffey coal bill, and as I have said many times, the only persons who are better off by reason of the passage of the Guffey coal bill are the politicians. They are the ones who received the benefits resulting from the Guffey coal bill. Twelve hundred persons were placed on the pay roll of the Bituminous Coal Commission.

The Senator from Kentucky also gave further strength to my argument. All coal mines have reduced their operations. Some of them are not working at all. Many of them are working only a couple of days a week. Yet we are appropriating $500,000 more to regulate coal which is not being produced. The purpose of the appropriation is, as we all know, in order that employees may be added to the pay roll who are not now on the pay roll, who may have been furloughed, and who have gotten a little huffy because they were furloughed. The purpose is to get them back and in good humor by the fall of the year. If they are returned to the pay roll and taken off furlough, they make good election workers every time.

As I said when I spoke a moment ago, the $500,000 is to contribute to the buying of as many political workers out of the public Treasury as can be done in the bituminous coal States and those States which produce coal.

Mr. President, I ask unanimous consent to place in the RECORD a statement dealing with the relief situation in West Virginia, which I will furnish later.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LUNDEEN. Mr. President, the Senator from Kentucky states that we will remain in session until this bill passes.

That is most fortunate. It might be a good thing to stay here until we have solved some of our unemployment problems and other problems now pressing for solution.

Mr. O'MAHONEY. And the railroad problem.

GOVERNMENT OWNERSHIP OF RAILWAYS

Mr. LUNDEEN. The able Senator hits the nail on the head. We cannot afford to adjourn now and leave the railways of the country in a bankrupt condition. Are they not on the verge of wage cutting in July 1938? We have had a public warning that $250,000,000 are to be cut from the wages of the railway brotherhoods and railway men in general. We must not permit that. The railways need legislation, and I call attention to my bill—S. 3808, page 5028, CONGRESSIONAL RECORD, April 8, 1938, Seventy-fifth Congress—and my remarks on the bill—pages 6732 to 6746. There you will also find in full the text of my bill—S. 3808—providing for Government ownership of railways. There must be Government ownership of railways or consolidation into a few privately

owned and monopolized systems. In this contest I stand for Government ownership. Wage cuts and high salaries of officers and other abuses will continue under private ownership and management. Government ownership is our only solution.

WE MUST NOT ADJOURN NOW

We must not adjourn now. There are 15,000,000 wholly unemployed and another 5,000,000 part-time employed. Something must be done about that.

Agriculture, in spite of our farm bill, is prostrate. Mere gestures will not do any longer. There must be basic legislation from now on.

OUR MONETARY SYSTEM MUST BE TAKEN OVER BY CONGRESS (SEE ART. I, SEC. 8, CONSTITUTION)

Our monetary system must be taken over by Congress according to our Constitution, article I, section 8. We hear Senators talking a great deal about the Constitution. Perhaps we should turn our attention to this section of the Constitution more frequently and do something about it. The injunction is for Congress to coin and regulate our money, and why not uphold the Constitution in that respect?

WE ARE RAPIDLY DRIFTING TOWARD WAR

We are rapidly drifting toward war. Congress should remain on the watchtowers of the Nation and give the alarm against all internationalists who plot and plan to involve the United States in boundary disputes, quarrels, and the imperialism and ambitions of foreign nations.

Our State Department is too ready to listen to the wiles and siren songs of British imperialism; talks of quarantining nations; parallel action; enforcing international law and order. Wandering navies and gunboats up Chinese waters and fleets in European and Asiatic waters lead on to war.

FARMER-LABOR PLATFORM AND INAUGURAL ADDRESSES

The Farmer-Labor platform in the CONGESSIONAL RECORD, volume 81, page 2521, may give Senators something to think about soon unless things mend. A number of Farmer-Labor platforms were published in the Seventy-third and Seventy-fourth Congress, together with the inaugural addresses of our Governors for the information of the Congress.

SIXTEEN PRINCIPLES OF SOCIAL JUSTICE

Worthy of thought and consideration are the 16 principles of social justice. These principles are:

Liberty of conscience and education.

Just, living annual wage.

Nationalization of important public resources.

Private ownership of all other property.

Control of private property for public good.

Abolition of Federal Reserve banking system and establishment of a Government-owned central bank.

Restoration to Congress of its sole right to coin and regulate the value of money.

Cost of living maintained on an even keel.

Cost of production plus a fair profit for the farmer.

Labor's right to organize.

Recall of nonproductive bonds.

Abolition of tax-exempt bonds.

Broaden base of taxation on basis of ownership and capacity to pay.

Simplification of Government and lower taxes.

Conscription of wealth as well as men in event of war.

Sanctity of human rights preferred to sanctity of property, with Government's chief concern for the poor.

RESTORE TO CONGRESS ITS RIGHT TO COIN AND REGULATE THE VALUE OF MONEY

Why do we shy at article I, section 8, of the Constitution mentioned in the 16 points of social justice? Why not restore to Congress its sole right to coin and regulate the value of money? On a number of occasions I have called the attention of Congress to these 16 points. I am glad to do so again today.

THE GENERAL WELFARE ACT, H. R. 4199

General Welfare Act, H. R. 4199, known as the Townsend bill, must be considered in connection with the Social Security. The Social Security Act is plainly nothing but an insecurity act. Those who scoff at the General Welfare Act, H. R. 4199, now belittle the noble gentleman who has done more than any other man in America to make our Nation old-age pension conscious. I am sure I am taking no chances when I say that this bill will work every bit as well as some of the half-baked, hasty legislation we have passed here since the war. This bill should be debated on the floor. It should be voted up or voted down. It should not be throttled or killed in committee. The answer is not in throwing a fine, unselfish man like Dr. Townsend in jail. That is persecution, and nothing but persecution.

WORSHIPING THE GOLDEN CALF

Surely now is the time to turn from the false gods we have followed all too long. Progressive, liberal, radical, social justice, general welfare principles, and literature may well claim our thoughts and attention for a while. Perhaps this will do us some good in our deliberations. Certainly we can learn some lessons from all of them.

GUARD WELL THE BRIDGES OF LIBERTY

To now spend 6 months away from Washington in this crisis is indefensible—election or no election. A majority of Congress, that is a full quorum, should remain here at our posts of duty. Guard well the bridges of liberty.

REMEMBER THIS

Farm prices and general farm conditions are now producing an agricultural crisis.

Fifteen million unemployed plus part-time unemployed present a labor problem of tremendous importance and one that must be solved. Seventy percent of the world's unemployed are in the United States. (See International Labor Office statistics, Geneva, Switzerland.)

Railroad collapse, impending wage cuts, consolidations, and Government ownership problems are now pressing for solution.

Congress must carry out constitutional provisions to coin and regulate the value of our money. (See art. I, sec. 8, United States Constitution.)

Millions of Americans point to the 16 points of social justice. We can no longer ignore them.

General Welfare Act, H. R. 4199, must be debated and voted up or down instead of being killed in committee. This problem cannot be solved by persecuting Dr. Townsend.

Impending war and the foreign policy, such as the quarantine of offending nations, parallel action, foreign propaganda, war debts, and collective action to enforce order constitutes a dangerous drift into collective war and world policing.

Let this serve as a warning. We must act now before it is too late. Time to mend our legislative ways will not always be indefinitely extended. Do not adjourn. Act now.

GREAT PROBLEMS PRESSING FOR SOLUTION AS WE MARCH UP THE HILLS OF TIME

These great problems are pressing for solution today, and it might be well for the Congress to remain in session a little longer and have these great questions considered by the Senate of the United States.

STANDARDS OF WAGES AND HOURS OF LABOR—CONFERENCE REPORT

During the delivery of Mr. LUNDEEN's speech:

Mr. THOMAS of Utah. Mr. President, will the Senator yield?

Mr. LUNDEEN. I yield.

Mr. THOMAS of Utah submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2475) to provide for the establishment of fair labor standards in employments in and affecting interstate commerce, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment, insert the following:

"That this Act may be cited as the 'Fair Labor Standards Act of 1938.'

"FINDING AND DECLARATION OF POLICY

"SEC. 2. (a) The Congress hereby finds that the existence, in industries engaged in commerce or in the production of goods for commerce, of labor conditions detrimental to the maintenance of the minimum standard of living necessary for health, efficiency, and general well-being of workers (1) causes commerce and the channels and instrumentalities of commerce to be used to spread and perpetuate such labor conditions among the workers of the several States; (2) burdens commerce and the free flow of goods in commerce; (3) constitutes an unfair method of competition in commerce; (4) leads to labor disputes burdening and obstructing commerce and the free flow of goods in commerce; and (5) interferes with the orderly and fair marketing of goods in commerce.

"(b) It is hereby declared to be the policy of this Act, through the exercise by Congress of its power to regulate commerce among the several States, to correct and as rapidly as practicable to eliminate the conditions above referred to in such industries without substantially curtailing employment or earning power.

"DEFINITIONS

"SEC. 3. As used in this Act—

"(a) 'Person' means an individual, partnership, association, corporation, business trust, legal representative, or any organized group of persons.

"(b) 'Commerce' means trade, commerce, transportation, transmission, or communication among the several States or from any State to any place outside thereof.

"(c) 'State' means any State of the United States or the District of Columbia or any Territory or possession of the United States.

"(d) 'Employer' includes any person acting directly or indirectly in the interest of an employer in relation to an employee but shall not include the United States or any State or political subdivision of a State, or any labor organization (other than when acting as an employer), or anyone acting in the capacity of officer or agent of such labor organization.

"(e) 'Employee' includes any individual employed by an employer.

"(f) 'Agriculture' includes farming in all its branches and among other things includes the cultivation and tillage of the soil, dairying, the production, cultivation, growing, and harvesting of any agricultural or horticultural commodities (including commodities defined as agricultural commodities in section 15 (g) of the Agricultural Marketing Act, as amended), the raising of livestock, bees, fur-bearing animals, or poultry, and any practices (including any forestry or lumbering operations) performed by a farmer or on a farm as an incident to or in conjunction with such farming operations, including preparation for market, delivery to storage or to market or to carriers for transportation to market.

"(g) 'Employ' includes to suffer or permit to work.

"(h) 'Industry' means a trade, business, industry, or branch thereof, or group of industries, in which individuals are gainfully employed.

"(i) 'Goods' means goods (including ships and marine equipment), wares, products, commodities, merchandise, or articles or subjects of commerce of any character, or any part or ingredient thereof, but does not include goods after their delivery into the actual physical possession of the ultimate consumer thereof other than a producer, manufacturer, or processor thereof.

"(j) 'Produced' means produced, manufactured, mined, handled, or in any other manner worked on in any State; and for the purposes of this Act an employee shall be deemed to have been engaged in the production of goods if such employee was employed in producing, manufacturing, mining, handling, transporting, or in any other manner working on such goods, or in any process or occupation necessary to the production thereof, in any State.

"(k) 'Sale' or 'sell' includes any sale, exchange, contract to sell, consignment for sale, shipment for sale, or other disposition.

"(l) 'Oppressive child labor' means a condition of employment under which (1) any employee under the age of sixteen years is employed by an employer (other than a parent or a person standing in place of a parent employing his own child or a child in his custody under the age of sixteen years in an occupation other than manufacturing or mining) in any occupation, or (2) any employee between the ages of sixteen and eighteen years is employed by an employer in any occupation which the Chief of the Children's Bureau in the Department of Labor shall find and by order declare to be particularly hazardous for the employment of children between such ages or detrimental to their health or well-being; but oppressive child labor shall not be deemed to exist by virtue of the employment in any occupation of any person with respect to whom the employer shall have on file an unexpired certificate issued and held pursuant to regulations of the Chief of the Children's Bureau certifying that such person is above the oppressive child-labor age. The Chief of the Children's Bureau shall provide by regulation or by order that the employment of employees between the ages of fourteen and sixteen years in occupations other than manufacturing and mining shall not be deemed to constitute oppressive child labor if and to the extent that the Chief of the Children's Bureau determines that such employment is confined to periods which will not interfere with their schooling and to conditions which will not interfere with their health and well-being.

"(m) 'Wage' paid to any employee includes the reasonable cost, as determined by the Administrator, to the employer of furnishing such employee with board, lodging, or other facilities, if such board, lodging, or other facilities are customarily furnished by such employer to his employees.

"ADMINISTRATOR

"SEC. 4. (a) There is hereby created in the Department of Labor a Wage and Hour Division which shall be under the direction of an Administrator, to be known as the Administrator of the Wage and Hour Division (in this Act referred to as the 'Administrator'). The Administrator shall be appointed by the President, by and with the advice and consent of the Senate, and shall receive compensation at the rate of $10,000 a year.

"(b) The Administrator may, subject to the civil-service laws, appoint such employees as he deems necessary to carry out his functions and duties under this Act and shall fix their compensation in accordance with the Classification Act of 1923, as amended. The Administrator may establish and utilize such regional, local, or other agencies, and utilize such voluntary and uncompensated services, as may from time to time be needed. Attorneys appointed under this section may appear for and represent the Administrator in any litigation, but all such litigation shall be subject to the direction and control of the Attorney General. In the appointment, selection, classification, and promotion of officers and employees of the Administrator, no political test or qualification shall be permitted or given consideration, but all such appointments and promotions shall be given and made on the basis of merit and efficiency.

"(c) The principal office of the Administrator shall be in the District of Columbia, but he or his duly authorized representatives may exercise any or all of his powers in any place.

"(d) The Administrator shall submit annually in January a report to the Congress covering his activities for the preceding year and including such information, data, and recommendations for further legislation in connection with the matters covered by this Act as he may find advisable.

"INDUSTRY COMMITTEES

"SEC. 5. (a) The Administrator shall as soon as practicable appoint an industry committee for each industry engaged in commerce or in the production of goods for commerce.

"(b) An industry committee shall be appointed by the Administrator without regard to any other provisions of law regarding the appointment and compensation of employees of the United States. It shall include a number of disinterested persons representing the public, one of whom the Administrator shall designate as chairman, a like number of persons representing employees in the industry, and a like number representing employers in the industry. In the appointment of the persons representing each group, the Administrator shall give due regard to the geographical regions in which the industry is carried on.

"(c) Two-thirds of the members of an industry committee shall constitute a quorum, and the decision of the committee shall require a vote of not less than a majority of all its members. Members of an industry committee shall receive as compensation for their services a reasonable per diem, which the Administrator shall by rules and regulations prescribe, for each day actually spent in the work of the committee, and shall in addition be reimbursed for their necessary traveling and other expenses. The Administrator shall furnish the committee with adequate legal, stenographic, clerical, and other assistance, and shall by rules and regulations prescribe the procedure to be followed by the committee.

"(d) The Administrator shall submit to an industry committee from time to time such data as he may have available on the matters referred to it, and shall cause to be brought before it in connection with such matters any witnesses whom he deems material. An industry committee may summon other witnesses or call upon the Administrator to furnish additional information to aid it in its deliberations.

"MINIMUM WAGES

"SEC. 6. (a) Every employer shall pay to each of his employees who is engaged in commerce or in the production of goods for commerce wages at the following rates—

"(1) during the first year from the effective date of this section, not less than 25 cents an hour,

"(2) during the next six years from such date, not less than 30 cents an hour,

"(3) after the expiration of seven years from such date, not less than 40 cents an hour, or the rate (not less than 30 cents an hour) prescribed in the applicable order of the Administrator issued under section 8, whichever is lower, and

"(4) at any time after the effective date of this section, not less than the rate (not in excess of 40 cents an hour) prescribed in the applicable order of the Administrator issued under section 8.

"(b) This section shall take effect upon the expiration of one hundred and twenty days from the date of enactment of this Act.

"MAXIMUM HOURS

"SEC. 7. (a) No employer shall, except as otherwise provided in this section, employ any of his employees who is engaged in commerce or in the production of goods for commerce—

"(1) for a workweek longer than forty-four hours during the first year from the effective date of this section,

"(2) for a workweek longer than forty-two hours during the second year from such date, or

"(3) for a workweek longer than forty hours after the expiration of the second year from such date,

"unless such employee receives compensation for his employment in excess of the hours above specified at a rate not less than one and one-half times the regular rate at which he is employed.

"(b) No employer shall be deemed to have violated subsection (a) by employing any employee for a workweek in excess of that specified in such subsection without paying the compensation for overtime employment prescribed therein if such employee is so employed—

"(1) in pursuance of an agreement, made as a result of collective bargaining by representatives of employees certified as bona fide by the National Labor Relations Board, which provides that no employee shall be employed more than one thousand hours during any period of twenty-six consecutive weeks,

"(2) on an annual basis in pursuance of an agreement with his employer, made as a result of collective bargaining by representatives of employees certified as bona fide by the National Labor Relations Board, which provides that the employee shall not be employed more than two thousand hours during any period of fifty-two consecutive weeks, or

"(3) for a period or periods of not more than fourteen workweeks in the aggregate in any calendar year in an industry found by the Administrator to be of a seasonal nature,

"and if such employee receives compensation for employment in excess of 12 hours in any workday, or for employment in excess of 56 hours in any workweek, as the case may be, at a rate not less than one and one-half times the regular rate at which he is employed.

"(c) In the case of an employer engaged in the first processing of milk, whey, skimmed milk, or cream into dairy products, or in the ginning and compressing of cotton, or in the processing of cottonseed, or in the processing of sugar beets, sugar beet molasses, sugarcane, or maple sap, into sugar (but not refined sugar) or into syrup, the provisions of subsection (a) shall not apply to his employees in any place of employment where he is so engaged; and in the case of an employer engaged in the first processing of, or in canning or packing perishable or seasonal fresh fruits or vegetables, or in the first processing, within the area of production (as defined by the Administrator), of any agricultural or horticultural commodity during seasonal operations, or in handling, slaughtering, or dressing poultry or livestock, the provisions of subsection (a), during a period or periods of not more than fourteen workweeks in the aggregate in any calendar year, shall not apply to his employees in any place of employment where he is so engaged.

"(d) This section shall take effect upon the expiration of one hundred and twenty days from the date of enactment of this Act.

"WAGE ORDERS

"SEC. 8. (a) With a view to carrying out the policy of this Act by reaching, as rapidly as is economically feasible without substantially curtailing employment, the objective of a universal minimum wage of 40 cents an hour in each industry engaged in commerce or in the production of goods for commerce, the Administrator shall from time to time convene the industry committee for each such industry, and the industry committee shall from time to time recommend the minimum rate or rates of wages to be paid under section 6 by employers engaged in commerce or in the production of goods for commerce in such industry or classifications therein.

"(b) Upon the convening of an industry committee, the Administrator shall refer to it the question of the minimum wage rate or rates to be fixed for such industry. The industry committee shall investigate conditions in the industry and the committee, or any authorized subcommittee thereof, may hear such witnesses and receive such evidence as may be necessary or appropriate to enable the committee to perform its duties and functions under this Act. The committee shall recommend to the Administrator the highest minimum wage rates for the industry which it determines, having due regard to economic and competitive conditions, will not substantially curtail employment in the industry.

"(c) The industry committee for any industry shall recommend such reasonable classifications within any industry as it determines to be necessary for the purpose of fixing for each classification within such industry the highest minimum wage rate (not in excess of 40 cents an hour) which (1) will not substantially curtail employment in such classification and (2) will not give a competitive advantage to any group in the industry, and shall recommend for each classification in the industry the highest minimum wage rate which the committee determines will not substantially curtail employment in such classification. In determining whether such classifications should be made in any industry, in making such classifications, and in determining the minimum wage rates for such classifications, no classification shall be made, and no minimum wage rate shall be fixed, solely on a regional basis, but the industry committee and the Administrator shall consider among other relevant factors the following:

"(1) competitive conditions as affected by transportation, living and production costs;

"(2) the wages established for work of like or comparable character by collective labor agreements negotiated between employers and employees by representatives of their own choosing; and

"(3) the wages paid for work of like or comparable character by employers who voluntarily maintain minimum-wage standards in the industry.

"No classification shall be made under this section on the basis of age or sex.

"(d) The industry committee shall file with the Administrator a report containing its recommendations with respect to the matters referred to it. Upon the filing of such report, the Administrator, after due notice to interested persons, and giving them an opportunity to be heard, shall by order approve and carry into effect the recommendations contained in such report, if he finds that the recommendations are made in accordance with law, are supported by the evidence adduced at the hearing, and, taking into consideration the same factors as are required to be considered by the industry committee, will carry out the purposes of this section; otherwise he shall disapprove such recommendations. If the Administrator disapproves such recommendations, he shall again refer the matter to such committee, or to another industry committee for such industry (which he may appoint for such purpose), for further consideration and recommendations.

"(e) No order issued under this section with respect to any industry prior to the expiration of seven years from the effective date of section 6 shall remain in effect after such expiration, and no order shall be issued under this section with respect to any industry on or after such expiration, unless the industry committee by a preponderance of the evidence before it recommends, and the Administrator by a preponderance of the evidence adduced at the hearing finds, that the continued effectiveness or the issuance of the order, as the case may be, is necessary in order to prevent substantial curtailment of employment in the industry.

"(f) Orders issued under this section shall define the industries and classifications therein to which they are to apply, and shall contain such terms and conditions as the Administrator finds necessary to carry out the purposes of such orders, to prevent the circumvention or evasion thereof, and to safeguard the minimum wage rates established therein. No such order shall take effect until after due notice is given of the issuance thereof by publication in the Federal Register and by such other means as the Administrator deems reasonably calculated to give to interested persons general notice of such issuance.

"(g) Due notice of any hearing provided for in this section shall be given by publication in the Federal Register and by such other means as the Administrator deems reasonably calculated to give general notice to interested persons.

"ATTENDANCE OF WITNESSES

"SEC. 9. For the purpose of any hearing or investigation provided for in this Act, the provisions of sections 9 and 10 (relating to the attendance of witnesses and the production of books, papers, and documents) of the Federal Trade Commission Act of September 16, 1914, as amended (U. S. C., 1934 edition, title 15, secs. 49, and 50), are hereby made applicable to the jurisdiction, powers, and duties of the Administrator, the Chief of the Children's Bureau, and the industry committees.

"COURT REVIEW

"SEC. 10. (a) Any person aggrieved by an order of the Administrator issued under section 8 may obtain a review of such order in the circuit court of appeals of the United States for any circuit wherein such person resides or has his principal place of business, or in the United States Court of Appeals for the District of Columbia, by filing in such court, within sixty days after the entry of such order, a written petition praying that the order of the Administrator be modified or set aside in whole or in part. A copy of such petition shall forthwith be served upon the Administrator, and thereupon the Administrator shall certify and file in the court a transcript of the record upon which the order complained of was entered. Upon the filing of such transcript such court shall have exclusive jurisdiction to affirm, modify, or set aside such order in whole or in part, so far as it is applicable to the petitioner. The review by the court shall be limited to questions of law, and findings of fact by the Administrator when supported by substantial evidence shall be conclusive. No objection to the order of the Administrator shall be considered by the court unless such objection shall have been urged before the Administrator or unless there were reasonable grounds for failure so to do. If application is made to the court for leave to adduce additional evidence, and it is shown to the satisfaction of the court that such additional evidence may materially affect the result of the proceeding and that there were reasonable grounds for failure to adduce such evidence in the proceeding before the Administrator, the court may order such additional evidence to be taken before the Administrator and to be adduced upon the hearing in such manner and upon such terms and conditions as to the court may seem proper. The Administrator may modify his findings by reason of the additional evidence so taken, and shall file with the court such modified or new findings which if supported by substantial evidence shall be conclusive, and shall also file his recommendation, if any, for the modification or setting aside of the original order. The judgment and decree of the court shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in sections 239 and 240 of the Judicial Code, as amended (U. S. C., title 28, secs. 346 and 347).

"(b) The commencement of proceedings under subsection (a) shall not, unless specifically ordered by the court, operate as a stay of the Administrator's order. The court shall not grant any stay of the order unless the person complaining of such order shall file in court an undertaking with a surety or sureties satisfactory to the court for the payment to the employees affected by the order, in the event such order is affirmed, of the amount by which the compen-

sation such employees are entitled to receive under the order exceeds the compensation they actually receive while such stay is in effect.

"INVESTIGATIONS, INSPECTIONS, AND RECORDS

"SEC. 11. (a) The Administrator or his designated representatives may investigate and gather data regarding the wages, hours, and other conditions and practices of employment in any industry subject to this Act, and may enter and inspect such places and such records (and make such transcriptions thereof), question such employees, and investigate such facts, conditions, practices, or matters as he may deem necessary or appropriate to determine whether any person has violated any provisions of this Act, or which may aid in the enforcement of the provisions of this Act. Except as provided in section 12 and in subsection (b) of this section, the Administrator shall utilize the bureaus and divisions of the Department of Labor for all the investigations and inspections necessary under this section. Except as provided in section 12, the Administrator shall bring all actions under section 17 to restrain violations of this Act.

"(b) With the consent and cooperation of State agencies charged with the administration of State labor laws, the Administrator and the Chief of the Children's Bureau may, for the purpose of carrying out their respective functions and duties under this Act, utilize the services of State and local agencies and their employees and, notwithstanding any other provision of law, may reimburse such State and local agencies and their employees for services rendered for such purposes.

"(c) Every employer subject to any provision of this Act or of any order issued under this Act shall make, keep, and preserve such records of the persons employed by him and of the wages, hours, and other conditions and practices of employment maintained by him, and shall preserve such records for such periods of time, and shall make such reports therefrom to the Administrator as he shall prescribe by regulation or order as necessary or appropriate for the enforcement of the provisions of this Act or the regulations or orders thereunder.

"CHILD LABOR PROVISIONS

"SEC. 12. (a) After the expiration of one hundred and twenty days from the date of enactment of this Act, no producer, manufacturer, or dealer shall ship or deliver for shipment in commerce any goods produced in an establishment situated in the United States in or about which within thirty days prior to the removal of such goods therefrom any oppressive child labor has been employed: *Provided*, That a prosecution and conviction of a defendant for the shipment or delivery for shipment of any goods under the conditions herein prohibited shall be a bar to any further prosecution against the same defendant for shipments or deliveries for shipment of any such goods before the beginning of said prosecution.

"(b) The Chief of the Children's Bureau in the Department of Labor, or any of his authorized representatives, shall make all investigations and inspections under section 11 (a) with respect to the employment of minors, and, subject to the direction and control of the Attorney General, shall bring all actions under section 17 to enjoin any act or practice which is unlawful by reason of the existence of oppressive child labor, and shall administer all other provisions of this Act relating to oppressive child labor.

"EXEMPTIONS

"SEC. 13. (a) The provisions of sections 6 and 7 shall not apply with respect to (1) any employee employed in a bona fide executive, administrative, professional, or local retailing capacity, or in the capacity of outside salesman (as such terms are defined and delimited by regulations of the Administrator); or (2) any employee engaged in any retail or service establishment the greater part of whose selling or servicing is in intrastate commerce; or (3) any employee employed as a seaman; or (4) any employee of a carrier by air subject to the provisions of title II of the Railway Labor Act; or (5) any employee employed in the catching, taking, harvesting, cultivating, or farming of any kind of fish, shellfish, crustacea, sponges, seaweeds, or other aquatic forms of animal and vegetable life, including the going to and returning from work and including employment in the loading, unloading, or packing of such products for shipment or in propagating, processing, marketing, freezing, canning, curing, storing, or distributing the above products or byproducts thereof; or (6) any employee employed in agriculture; or (7) any employee to the extent that such employee is exempted by regulations or orders of the Administrator issued under section 14; or (8) any employee employed in connection with the publication of any weekly or semiweekly newspaper with a circulation of less than three thousand the major part of which circulation is within the county where printed and published; or (9) any employee of a street, suburban, or interurban electric railway, or local trolley or motor bus carrier, not included in other exemptions contained in this section; or (10) to any individual employed within the area of production (as defined by the Administrator), engaged in handling, packing, storing, ginning, compressing, pasteurizing, drying, preparing in their raw or natural state, or canning of agricultural or horticultural commodities for market, or in making cheese or butter or other dairy products.

"(b) The provisions of section 7 shall not apply with respect to (1) any employee with respect to whom the Interstate Commerce Commission has power to establish qualifications and maximum hours of service pursuant to the provisions of section 204 of the Motor Carrier Act, 1935; or (2) any employee of an employer subject to the provisions of Part I of the Interstate Commerce Act.

"(c) The provisions of section 12 relating to child labor shall not apply with respect to any employee employed in agriculture while not legally required to attend school, or to any child employed as an actor in motion pictures or theatrical productions.

"LEARNERS, APPRENTICES, AND HANDICAPPED WORKERS

"SEC. 14. The Administrator, to the extent necessary in order to prevent curtailment of opportunities for employment, shall by regulations or by orders provide for (1) the employment of learners, of apprentices, and of messengers employed exclusively in delivering letters and messages, under special certificates issued pursuant to regulations of the Administrator, at such wages lower than the minimum wage applicable under section 6 and subject to such limitations as to time, number, proportion, and length of service as the Administrator shall prescribe, and (2) the employment of individuals whose earning capacity is impaired by age or physical or mental deficiency or injury, under special certificates issued by the Administrator, at such wages lower than the minimum wage applicable under section 6 and for such period as shall be fixed in such certificates.

"PROHIBITED ACTS

"SEC. 15. (a) After the expiration of one hundred and twenty days from the date of enactment of this Act, it shall be unlawful for any person—

"(1) to transport, offer for transportation, ship, deliver, or sell in commerce, or to ship, deliver or sell with knowledge that shipment or delivery or sale thereof in commerce is intended, any goods in the production of which any employee was employed in violation of section 6 or section 7, or in violation of any regulation or order of the Administrator issued under section 14; except that no provision of this Act shall impose any liability upon any common carrier for the transportation in commerce in the regular course of its business of any goods not produced by such common carrier, and no provision of this Act shall excuse any common carrier from its obligation to accept any goods for transportation;

"(2) to violate any of the provisions of section 6 or section 7, or any of the provisions of any regulation or order of the Administrator issued under section 14;

"(3) to discharge or in any other manner discriminate against any employee because such employee has filed any complaint or instituted or caused to be instituted any proceeding under or related to this Act, or has testified or is about to testify in any such proceeding, or has served or is about to serve on an industry committee;

"(4) to violate any of the provisions of section 12;

"(5) to violate any of the provisions of section 11 (c), or to make any statement, report, or record filed or kept pursuant to the provisions of such section or of any regulation or order thereunder, knowing such statement, report, or record to be false in a material respect.

"(b) For the purposes of subsection (a) (1) proof that any employee was employed in any place of employment where goods shipped or sold in commerce were produced, within ninety days prior to the removal of the goods from such place of employment, shall be prima facie evidence that such employee was engaged in the production of such goods.

"PENALTIES

"SEC. 16. (a) Any person who willfully violates any of the provisions of section 15 shall upon conviction thereof be subject to a fine of not more than $10,000, or to imprisonment for not more than six months, or both. No person shall be imprisoned under this subsection except for an offense committed after the conviction of such person for a prior offense under this subsection.

"(b) Any employer who violates the provisions of section 6 or section 7 of this Act shall be liable to the employee or employees affected in the amount of their unpaid minimum wages, or their unpaid overtime compensation, as the case may be, and in an additional equal amount as liquidated damages. Action to recover such liability may be maintained in any court of competent jurisdiction by any one or more employees for and in behalf of himself or themselves and other employees similarly situated, or such employee or employees may designate an agent or representative to maintain such action for and in behalf of all employees similarly situated. The court in such action shall, in addition to any judgment awarded to the plaintiff or plaintiffs, allow a reasonable attorney's fee to be paid by the defendant, and costs of the action.

"INJUNCTION PROCEEDINGS

"SEC. 17. The district courts of the United States and the United States courts of the Territories and possessions shall have jurisdiction, for cause shown, and subject to the provisions of section 20 (relating to notice to opposite party) of the Act entitled '"An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes"', approved October 15, 1914, as amended (U. S. C., 1934 edition, title 28, sec. 381), to restrain violations of section 15.

"RELATION TO OTHER LAWS

"SEC. 18. No provision of this Act or of any order thereunder shall excuse noncompliance with any Federal or State law or municipal ordinance establishing a minimum wage higher than

the minimum wage established under this Act or a maximum workweek lower than the maximum workweek established under this Act, and no provision of this Act relating to the employment of child labor shall justify noncompliance with any Federal or State law or municipal ordinance establishing a higher standard than the standard established under this Act. No provision of this Act shall justify any employer in reducing a wage paid by him which is in excess of the applicable minimum wage under this Act, or justify any employer in increasing hours of employment maintained by him which are shorter than the maximum hours applicable under this Act.

"SEPARABILITY OF PROVISIONS

"SEC. 19. If any provision of this Act or the application of such provision to any person or circumstance is held invalid, the remainder of the Act and the application of such provision to other persons or circumstances shall not be affected thereby."

And the House agree to the same.

ELBERT D. THOMAS,
DAVID I. WALSH,
WILLIAM E. BORAH,
CLAUDE PEPPER,
ALLEN J. ELLENDER,
JAMES E. MURRAY,
ROBERT M. LA FOLLETTE, JR.,
Managers on the part of the Senate.

MARY T. NORTON,
ROBERT RAMSPECK,
M. A. DUNN,
KENT KELLER,
JENNINGS RANDOLPH,
RICHARD J. WELCH,
FRED A. HARTLEY, JR.,
Managers on the part of the House.

Mr. O'MAHONEY. Mr. President, I should like to ask the Senator from Utah what the effect of the conference report is upon seasonal agricultural industries, such as the refining of beet sugar in the West, for example.

Mr. THOMAS of Utah. Mr. President, any beet-sugar refinery in the West is a seasonal refinery, and operates generally on a basis of from 80 to 90 days in a year. Therefore, such a refinery, being a temporary refinery, is covered under the provision for seasonal work, found on page 5 of the report, subparagraph (3) of subsection (b) of section 7:

(3) For a period or periods of not more than 14 weeks in the aggregate in any calendar year in an industry found by the Administrator to be of a seasonal nature.

I think that provision answers the Senator's question.

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. THOMAS of Utah. I shall be glad to yield.

Mr. OVERTON. In Louisiana we have a situation with reference to processing sugarcane into sugar. Under the first clause of the exemption in hours the language is—

Or in the processing of * * * sugarcane * * * into sugar (but not refined sugar).

In the second clause there is the provision that the processing must be a first processing.

In some of the mills in Louisiana the sugarcane is converted into raw sugar and then the raw sugar is converted into refined sugar in the same plant. Do such plants come under either one of the exemptions referred to? I assume they would come under the first exemption, with the exception of refined sugar, which needs some separate and independent operation.

If a mill is processing sugarcane into raw sugar, and then immediately converting the raw sugar into refined sugar in the area of production, as a more or less continuous process, would the hours' exemption apply to such a mill?

Mr. THOMAS of Utah. I should think the exemption which I have already mentioned in regard to beet sugar would apply also to the transaction referred to by the Senator, because, as I understand, the harvesting of sugarcane and the refining of sugar in that instance would not be a year-round industry. It would be seasonal in nature, and therefore, so far as the Senator's question is concerned, I think it is completely covered under subparagraph (3) of subsection (b) of section 7.

Mr. OVERTON. That is, the first processing would cover the conversion into refined sugar?

Mr. THOMAS of Utah. That section has no bearing at all upon the first processing. It has bearing merely upon the fact that the whole transaction is seasonal. I am pretty sure that no small mill or refinery in the State of Louisiana would be making sugar for a period longer than 14 weeks in a year.

Mr. OVERTON. May I direct the Senator's attention to the provision in subsection (c):

In the case of an employer engaged in the first processing—

And so forth. As I understand the Senator's interpretation, it is not the intention to exempt from the hours provision those engaged in the processing of sugar as a continuous operation.

Mr. THOMAS of Utah. I think the Senator is asking two questions. First, I think that, so far as the Louisiana refineries are concerned, those refineries are small refineries. They are not year-round refineries. Their operations are seasonal. Therefore they are completely covered by subparagraph (3) of subsection (b).

Mr. OVERTON. That is a very satisfactory explanation.

Mr. THOMAS of Utah. There is no doubt about the matter.

The other question has reference to the general exemption for ordinary agricultural occupations and agricultural activities under subsection (c). In that subsection there is the expression in parentheses "(but not refined sugar)." That expression was inserted primarily to cover the year-round, big refineries, which are factories in every sense of the word, which buy molasses, sirup, or unrefined sugar and change them into refined sugar. Such a factory is not entitled to an exemption. Such a factory is comparable to the employer of any kind of labor anywhere else in the United States, and should not come under the exemption referred to.

For example, as I understand, the Hawaiian sugar industry does not produce any refined sugar. The raw sugar is all sent to the continent for refining. Such a factory probably runs 12 months out of the year and employs its labor in the ordinary way. Therefore it is not entitled to an exemption and should not have an exemption. The hope in framing the provision is that it will not have an exemption.

SEVERAL SENATORS. Vote!

Mr. JOHNSON of California. Mr. President, will the Senator yield?

Mr. THOMAS of Utah. I shall be glad to yield.

Mr. JOHNSON of California. What part of the conference report contains the agricultural exemption?

Mr. THOMAS of Utah. Section 7, on page 4, contains the maximum hours; and the agricultural exemption with regard to maximum hours is included in subparagraph (c) of that section, on page 5.

Mr. JOHNSON of California. Will the Senator state generally what agricultural products are exempted?

Mr. THOMAS of Utah. It seems to me that if the Senator will read subsection (c) he will find included practically everything which is agricultural, so far as hours are concerned.

So far as wages are concerned, there is a definition of "agriculture" found on page 2. That definition reads as follows:

(f) "Agriculture" includes farming in all its branches and among other things includes the cultivation and tillage of the soil, dairying, the production, cultivation, growing, and harvesting of any agricultural or horticultural commodities (including commodities defined as agricultural commodities in section 15 (g) of the Agricultural Marketing Act, as amended), the raising of livestock, bees, fur-bearing animals, or poultry, and any practices (including any forestry or lumbering operations) performed by a farmer or on a farm as an incident to or in conjunction with such farming operations, including preparation for market, delivery to storage or to market or to carriers for transportation to market.

Mr. JOHNSON of California. I take it from what the Senator has said that the agricultural exemptions are practically plenary, and take in almost all agricultural products.

Mr. THOMAS of Utah. I could not hear part of the Senator's sentence.

Mr. JOHNSON of California. I said that, in general language, agriculture is exempted from the operation of the bill.

Mr. THOMAS of Utah. It is.

Mr. JOHNSON of California. Does the Senator know of any particular kind of agriculture that is included in the bill?

Mr. THOMAS of Utah. I do not know of any. The definition seems to be all-inclusive, and we tried to make it so.

Mr. O'MAHONEY. Mr. President, do I correctly understand the Senator, then, to say that it was the intention of the committee to grant an exemption to the refiners of beet sugar in the West? I desire merely to understand the meaning of the report.

Mr. THOMAS of Utah. The refiners of beet sugar in the West are definitely exempted under the seasonal provision. We ought to go one step further and say that any seasonal factory is exempted under the same general language.

Mr. O'MAHONEY. The reason I asked the question was because I notice on page 5 in subparagraph (c) a parenthetical provision to the effect that "refined sugar" is not included. That parenthetical statement does not exclude the beet-sugar refineries of the West from the exemption which the Senator has just been discussing?

Mr. THOMAS of Utah. If the beet refineries of the West are so operated as to be comparable to any other factories and employ labor in exactly the same way as any other factories, they are not exempted and should not be exempted.

Mr. O'MAHONEY. I understand that, but if they are seasonal——

Mr. THOMAS of Utah. If they are seasonal, and part of the agricultural movement, they are exempted.

Mr. O'MAHONEY. So that that exemption was intended to apply only to those refineries which are not operated all the year around.

Mr. THOMAS of Utah. That is as I understand it.

Mr. BAILEY. Mr. President, will the Senator inform me if this bill exempts the farmer who operates, say, a sawmill business on his own farm, and who has his own timber on his own premises?

Mr. THOMAS of Utah. If the lumbering activity—and that would be called a lumbering activity, I take it—is in connection with his farming activity, he would be exempted.

Mr. BAILEY. Would the operation of a sawmill be in connection with his farming activity? How would the Senator connect raising cotton with lumbering, for example?

Mr. THOMAS of Utah. Starting with the raising of livestock in paragraph (f) of section 2, the bill reads, and I think it is as plain as it can be in that regard:

> The raising of livestock, bees, fur-bearing animals, or poultry, and any practices (including any forestry or lumbering operations) performed by a farmer or on a farm as an incident to or in conjunction with such farming operations.

Mr. BAILEY. That has to do with a case of a farmer who is merely running a sawmill on his farm and sawing his own timber. Could he get timber from an adjoining farm and then be exempted?

Mr. THOMAS of Utah. If the man is not in the sawmill industry, if he is primarily a farmer, I would take it that he would be exempt. If his sawmill business, his gathering of logs, his lumbering, his forestry, and such things are all in connection with his farming activity they would be considered a part of it.

Mr. BAILEY. He is a farmer, farming is his main business; he cuts timber on his own land and sets up a sawmill. He is exempted. That is clear, is it?

Mr. THOMAS of Utah. That is clear.

Mr. BAILEY. If he should buy some timber from his neighbor and saw it, would he be exempted?

Mr. THOMAS of Utah. There would be a question there, I take it, because that would not be a part of his ordinary farming activity, but I am pretty sure if a large sawmill were established on somebody's farm for the sake of getting an exemption that it would not get an exemption and should not get an exemption.

Mr. BAILEY. I understand that, and I agree to that. But there is some doubt whether a farmer might buy timber around the neighborhood and use what we call a set mill, a little movable mill. Does the Senator think he would be exempted?

Mr. THOMAS of Utah. I think he would be exempted. This provision was put in, by the way, and was explained, by the way, by one member of the conference committee who comes from a section of the country where the farmers engage a part of the time in the lumbering and forestry business.

Mr. COPELAND. Mr. President, will the Senator yield?

Mr. THOMAS of Utah. I am glad to yield to the Senator from New York.

Mr. COPELAND. In this same connection, it happens that I am a farmer. I have a mill, by the operation of which in the winter time I can keep my men engaged and give them employment. The timber comes from my own place generally, but suppose I did not have sufficient timber, and I wanted to keep my men employed, could I buy some logs from my neighbor, not with a view of doing a commercial business, for the work that I do on the farm is at a loss anyway; it has no commercial value? My aim is to keep my men employed. Would I not be exempt under the terms of this bill?

Mr. THOMAS of Utah. What difference would that make? I am sure the Senator from New York would not pay an amount less than 25 cents an hour.

Mr. COPELAND. No.

Mr. THOMAS of Utah. I am pretty sure that he would not work his employees more than 44 hours a week or more than 56 hours a week, which would probably be another maximum allowed. So I think the Senator need never have any question in his mind.

The conference agreement on the Fair Labor Standards Act of 1938 marks a notable event in America's economic development.

Despite differences of every character except a unified desire to raise the standard of living, the conference committee reached an agreement which has the unanimous support of its members.

The conference agreement was reached not by logrolling or by petty bartering. The agreement, of course, represents a compromise, but a constructive compromise obtained by the recognition that divergent viewpoints and interests had to be reconciled rather than ignored, and that our most vital interests were the common interests of all of us.

Neither House nor Senate yielded its convictions, but both Houses obtained their common objective, which was to abolish traffic in interstate commerce in the products of child labor and in the products of underpaid and overworked labor. I think that many of the conference committee feel that our common objective has probably been more effectively and wisely obtained in the conference agreement than it would have been obtained in either the Senate or House bill.

Perhaps the most perplexing problem that the conference committee had to agree upon was the establishment of minimum wages. The common objective of both bills was a minimum wage of 40 cents an hour. A minimum wage of 40 cents an hour, even to a worker who finds full-time employment and is able to earn $800 a year, certainly does not provide in any part of the country an excessively high standard of living for an American family in the twentieth century.

The House bill, starting with a minimum wage of 25 cents an hour during the first year and advancing 5 cents an hour each year, required a minimum wage of 40 cents to be attained at the expiration of the third year. The Senate bill, stating the same objective in general terms, had empowered a board, acting on advice of industry committees, to implement that objective as rapidly as possible without substantially curtailing employment. There was complaint that the House bill was too rigid and imposed a strait jacket upon widely diversified industries. There was complaint the Senate bill gave too much discretion to an administrative board, and that no administrative board, without a more exacting mandate, would be able to overcome the resistance and the inertia that kept wages at excessively low levels in some industries and localities.

An interchange of views revealed that our differences were more apparent than real. We were all eager to establish some general floor below which wages should not fall. We all recognized the hazard of placing this floor too high at the start without giving industry time to adjust itself. We finally determined that a minimum of 25 cents an hour for the first year and 30 cents an hour for the second year involved no more hazard than we would have to risk if we were serious in our effort to establish any general wage floor.

We recognized that some industries even at the present time could readily adjust themselves to a much higher minimum, but we also recognized that there was some hazard in trying to fix the exact rate of increase above 30 cents an hour which industry generally might be able to absorb year by year.

Having fixed a rudimentary floor for wages for all industry producing for interstate commerce, we decided to authorize separate and, when substantial curtailment of employment would not result, higher minimum rates (not exceeding 40 cents an hour) to be fixed industry by industry. But again to guard against the forces of inertia we provided that all industries covered by the act must be brought up to a minimum of 40 cents not later than 7 years after the effective date of the act, unless it should be definitely established by a preponderance of the evidence that such a rate would substantially curtail employment in the industry.

In authorizing the establishment of separate and higher minimums, industry by industry, we agreed that reasonable classification should be allowed so as to permit the establishment of the highest minimum wage for each classification, consistent with the provisions of the act, which would not substantially curtail employment in any classification and which would not give a competitive advantage to any group within the industry. It was agreed, however, that no classification should be made or minimum wage fixed, solely on a regional basis, and that no classification should be made on the basis of age and sex. But in making classifications and fixing minimum wages, the Administrator is to consider, among other relevant factors, competitive conditions as affected by transportation, living, and production costs, wages established by collective bargaining agreements, and wages paid by employers who voluntarily maintain fair minimum wage standards.

Once the necessity of some flexibility was recognized, there arose the problem of devising the administrative machinery necessary to provide this flexibility. Inasmuch as there had been some criticism of the powers conferred upon a single board by the Senate bill, it was agreed that the powers of the administrative agency should be more definitely defined. We decided therefore to authorize the administrative agency to act only upon the recommendations of an industry committee, one-third of whose members should be selected to represent the employers, another third to represent the employees, and the other third to represent the general public, with due regard being given to geographical considerations in their selection.

With the powers of the administrative agency so limited, we decided to set up, in place of the administrative board provided in the Senate bill, an independent Administrator in the Labor Department. We authorized the Administrator to set up, as soon as practicable after the act becomes effective, an industry committee for each industry affected by the act to make recommendations to him concerning the establishment of minimum wages for such industry, which may be higher but not lower than the rigid minima prescribed in the act for industry generally. The Administrator may accept or reject the recommendations of an industry committee, but he may not put into effect minimum wages other than those recommended to him by an industry committee. The Administrator may accept the recommendations of an industry committee only if he is satisfied, after a hearing, that they are made in accordance with law, are supported by the evidence, and, taking into consideration the same factors as are required to be considered by the industry committee, will carry out the purposes of the act. If the Administrator disapproves the recommendations, he must convene the same or a new committee for further action.

This procedure is modeled upon the New York minimum wage act. In the *Tipaldo case* (298 U. S. 587, 619), Chief Justice Hughes referred to "its provisions for careful and deliberate procedure." It should be noted that this careful and deliberate procedure has a twofold advantage. On the one hand, it insures that no minimum rate shall be established by administrative action that has not been carefully worked out by a committee principally drawn from the industry itself. On the other hand, it insures that no minimum wage rate shall be put into effect by administrative action which has not been found to be in accordance with law by an independent, responsible administrative officer of the Government, exercising an independent judgment on the evidence after a legal hearing. There is certainly no illegal delegation here.

The act is now so drawn that even if any of the rigid minimum rates prescribed by the act itself were to be adjudged invalid, these carefully devised provisions for the establishment of minimum wages, industry by industry, would still remain.

The next major problem which the conference committee had to resolve was the problem of maximum hours. The House bill had provided a maximum workweek of 44 hours for the first year, 42 hours for the second year, and 40 hours for the third, with overtime work permissible upon the payment of one and one-half times the regular rate. The Senate bill had directed an administrative board to fix maximum hours of employment, industry by industry, with a view to attaining a maximum workweek of 40 hours as rapidly as possible without substantially curtailing earning power. The House bill had been criticized for its rigidity and the Senate bill for its flexibility. Again a compromise was effected, and the compromise, I believe, has certain outstanding merits which neither the Senate nor the House bill possessed.

The general hour requirements of the House bill are retained, but general exceptions are provided which are so drawn as to encourage under proper safeguards continuity or regularity of employment. Thus an exemption is accorded for employees under bona fide collective-bargaining agreements which provide that no employee shall be employed more than 1,000 hours during any period of 26 consecutive weeks. A further exemption is accorded for employees employed on an annual basis under bona fide collective-bargaining agreements which provide that no employee shall be employed more than 2,000 hours during any period of 52 consecutive weeks. And a further exemption is provided for periods of not more than 14 weeks in the aggregate in any calendar year for industries found by the Administrator to be of a seasonal nature. These exemptions are further restricted by the requirement that employees coming under these exemptions must receive compensation at one and one-half times the regular rate for employment in excess of 12 hours in any workday or in excess of 56 hours in any workweek.

The conference committee agreed to accept the child-labor provisions of the House bill, which were substantially the same as the provisions in the bill reported by the Senate Committee on Education and Labor. The conference committee felt that in view of the trend of decisions in the Supreme Court this was safe procedure.

The conference agreement on the Fair Labor Standards Act of 1938 may be viewed as no mean achievement of the Seventy-fifth Congress. It is a sincere and deliberate effort to use the words of President Roosevelt, "to extend the frontiers of social progress." It seeks to meet difficult social and economic problems cautiously but nonetheless courageously.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. MALONEY. Mr. President, I inquire of the Senator if he has concluded?

Mr. THOMAS of Utah. I should like to have the question put before I conclude.

Mr. MALONEY. I should like to make a very brief statement on the conference report (S. 2475).

Mr. THOMAS of Utah. I yield for that purpose.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. MALONEY. Mr. President, I do not want to long delay the Senate at this hour in the discussion of the conference report. When the Senate was considering the wage and hour bill I protested against the method of procedure prescribed by the measure. It did not seem to me wise that we should delegate to a board the wide powers which were contained in the bill as then proposed and as are contained in the measure that is now before the Senate.

I voted for the wage and hour bill then because I firmly believe in the regulation of working hours, but because I do not believe in making protest unless I can offer some sort of a substitute, I did at that time offer a substitute for the wage and hour bill. I am sorry to say that, although by a very narrow margin, the Senate rejected my proposal.

I wish to point out that while my substitute proposal provided for a board, the board would operate under definite rules and regulations and specifications laid down by the Congress. My measure offered a scientific approach to the matter of regulating working hours. It provided, first, for a census of unemployment, in order that Congress and those who attempted to do something about the matter of unemployment should have a yardstick by which to measure conditions and determine the situation.

Mr. President, I have not changed my mind at all. Shortly after the consideration of the wage and hour bill in the Senate, I think largely because of the pressure from over the country, there was introduced a census bill. I believed and I think the other Members of the Senate believed, that the census bill was designed to help us in the matter of writing a bill to regulate the hours of labor. It was a feeble gesture; and I was so bold as to say on the floor of the Senate at that time, after the introduction of the bill by the then senior Senator from Alabama, Mr. Black, that the census proposal was futile and that it was nearly worthless. Time has proved that prophecy to be true. The census of last fall has not helped us a particle in the matter of regulating working hours, and we are now proposing to go about this regulation almost as blindly as is humanly possible.

Next year, when we come back here, I shall reintroduce the proposal which I offered at that time, because the measure we are about to pass today is not going to put men back to work in sufficient numbers to clear up the unemployment situation. I do not know that regulating the hours of labor is the way to bring about a correction of the distress of the times, although I think it is one of the important things that we might do. I had been hopeful that during this session of Congress we might consider some of the monetary proposals that have been submitted by able and distinguished Senators; but we were denied the chance to consider those bills and that method of procedure.

I shall introduce my own bill to regulate the hours of labor at the next session of Congress, because I think the proposal we are about to enact today will prove insufficient, because I think there is danger of confusion under this bill, because I think it is wrong to delegate these tremendous powers to an administrator or an agency, because I have some fear that it may be beyond our power to delegate this authority, and, in addition, I am going to introduce another bill proposing another method of regulating the hours of labor. It is not my bill. I introduce it by request. It is a novel procedure, but it seems to be a scientific approach to the matter of regulating working hours. I am not going to take the time of the Senate to explain it this afternoon. I shall ask unanimous consent that I may introduce the bill out of order, that it may be referred to the Committee on Education and Labor, in order that the members of that committee who are ambitious, who desire to give consideration to this all-important and paramount problem during the recess, may have another suggestion, another idea, another proposal and plan, before them. This proposal is a little bit more radical than anything proposed up to this time.

The PRESIDING OFFICER. Without objection, the bill will be received and referred to the Committee on Education and Labor.

Mr. MALONEY. This proposal would curtail the hours of labor more definitely than the proposal heretofore offered by me; but I respectfully suggest to the members of the Committee on Education and Labor of the Senate that their work is not done; that they are going to come back and wrestle again with this problem in January; and I respectfully suggest that they give consideration to the proposal which, by unanimous consent, I am permitted to offer at this time.

(The bill introduced by Mr. MALONEY appears under its appropriate heading in another part of today's RECORD.)

The PRESIDENT pro tempore. The report will lie on the table.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2475) to provide for the establishment of fair labor standards in employments in and affecting interstate commerce, and for other purposes.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 82. An act for the relief of F. A. Rumery & Sons, of Portland, Maine;

S. 213. An act for the relief of Ida A. Gunderson;

S. 606. An act for the relief of Mabel F. Hollingsworth;

S. 824. An act for the relief of Sam Kimzey;

S. 866. An act for the relief of the estate of James D. McEachern;

S. 2072. An act for the relief of Stuart C. Peterson;

S. 2541. An act for the relief of the estate of George Ehret, Jr.;

S. 2629. An act to authorize an exchange of lands between the city of San Diego, Calif., and the United States;

S. 2739. An act for the relief of certain employees of the Federal Emergency Administration of Public Works and the National Resources Committee;

S. 2948. An act for the relief of A. J. Moses and Gladys Moses, a minor;

S. 2994. An act for the relief of Mrs. Morgan R. Butler;

S. 3031. An act for the relief of the Lima Locomotive Works, Inc.;

S. 3470. An act for the relief of Lewis M. Foster;

S. 3573. An act for the relief of William J. Pitochelli;

S. 3719. An act for the relief of Manuel L. Clay;

S. 3845. An act to create a Civil Aeronautics Authority, and to promote the development and safety and to provide for the regulation of civil aeronautics;

S. 3917. An act authorizing the President to present gold medals to Mrs. Richard Aldrich and posthumously to Anna Bouligny; and

S. 4076. An act to amend the Federal Crop Insurance Act.

STANDARDS OF WAGES AND HOURS OF LABOR—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2475) to provide for the establishment of fair labor standards in employments in and affecting interstate commerce, and for other purposes.

Mr. BAILEY. I do not intend to delay the Senate more than a few moments. I am highly favorable to the program of adjournment at the earliest possible moment, and I am not disposed to take kindly to the suggestion of the

Senator from Minnesota [Mr. LUNDEEN] that we may have a special session. I hope we may adjourn, and go home, and stay home, and not come back until we are required by law to do so.

I can think of only one argument for bringing us back in a special session, and that is the ancient argument that "the hair of the dog is good for the bite." We have been here 7 months, and something more, I believe, and things have gotten worse every day we have been here. It is possible that we might cure things by staying longer, but the evidence up to now is quite to the contrary.

I wish to say a word about the wage and hour bill. I am inclined to regret that there is no disposition to discuss so great a matter socially and industrially, and so great a departure from the policy of the Republic, which for nearly 150 years has been accepted by the people and followed successfully by them.

I consider the bill manifestly unconstitutional. I do not think anything has happened in the Supreme Court of the United States to justify an alteration of view as to this particular piece of legislation. Throughout its history the Court has held, without variation, that the commerce clause giving the Congress plenary power to regulate commerce between the States and foreign nations, gives it no power of regulating industry or manufacture or agriculture or the other activities of the people. Yet here we, in the name of the commerce clause, are undertaking to invade the relation of employer and employee, and to determine the wages, at least by way of a floor under wages and a ceiling over hours.

What justification is there for the view that the Supreme Court now will uphold legislation of this type, when there is case after case practically in every decade for the last 7 decades, saying that the commerce clause does not extend to manufacture, does not extend to mining, does not extend to agriculture? Yet we proceed.

There exists a theory that the decisions of the Court, a good many in number now, under the Wagner Labor Relations Act, justify something of a hope, I might say something of a suspicion, that the Court under the duress of circumstances—I say that with regret—might possibly extend the doctrine in the Wagner Labor Relations Act to the measure now before us. I do not think there is foundation for that.

The Wagner Labor Relations Act was sustained on the ground that friction as between the employer and employee was in the nature of and might actually become an obstacle to commerce, and that the Congress in the exercise of its power of regulating commerce might go to the extent of adopting provisions with the view of eliminating that obstacle.

There is a great deal of ground for that view. That takes us back to the veto by President Pierce—I think it was in 1845 or 1846—in connection with which he wrote to the Congress that he would veto an appropriation to remove a ship, an old bottom, from a river in North Carolina, but he said, "When I consider that that is in a navigable stream, and that it was a gunboat of the United States, and that the United States was responsible for it being there, I believe I will sustain the appropriation as relieving an obstacle to commerce placed there by the Federal Government." We have traveled far since then, but the obstacle basis holds yet.

That question has been developed, and the Congress does have the power and the duty to clear the channels of commerce of obstacles, to provide for the free flow of commerce throughout the United States and as between the United States and foreign countries. But there is nothing in the pending measure which does away with anything in the nature of an obstacle. No one can say that one set of men working 6 hours and another working 8 hours throughout the country, or men working 10 hours in California and others working 8 hours in Georgia, or vice versa, can remotely be considered as an obstacle to commerce. No man can say that the payment of a wage of $1 an hour in New York and the payment of a wage of 10 cents an hour in North Carolina—of course, we do not pay so low a wage, but let the statement go by way of illustration—is in the nature of an obstacle to commerce.

Unless an obstacle or burden can be found, unless something can be found in connection with commerce which is necessary to be regulated with the view to its flow, unless some evil in the commerce itself can be found, the constitutional power to regulate commerce with the view to accomplishing a social end or objective, however, desirable it may be, cannot be invoked. If that were desirable, then instead of undertaking to strain the meaning of the Constitution, instead of putting men like ourselves, who are under oath to uphold and maintain and defend the Constitution against its enemies, domestic and foreign, in the position of repeatedly attacking the Constitution with the view to stretching it, and persistently attacking the courts, I fear with the view to intimidation—instead of getting into that position, the frank, the courageous, the statesmanlike, and the patriotic thing would be to offer an amendment to the States and to the people, in order that they might pass upon the power, and in order that we might get it from them according to the historic process by which we live, from which the country derives its life, and not by way of the methods of Metternich or Machiavelli.

So much for that view, Mr. President. I do not wish legislation to be enacted by Congress and presented to the Supreme Court of the United States without one expression from the floor of the Senate to show that at least one Senator believes that the proposed legislation is unconstitutional and therefore beyond his power to support, however desirable it may be in other respects.

Mr. BORAH. Mr. President——

Mr. BAILEY. I yield to the Senator from Idaho.

Mr. BORAH. Do I understand correctly, that the Senator confines his question of the constitutionality or unconstitutionality of the interstate commerce clause?

Mr. BAILEY. And the effort to expand it by other means than by the consent of the people duly given to the Congress.

Mr. BORAH. The Senator would concede, would he not, that it would be within the power of the Congress to fix minimum wages on the basis of health and the condition of the wage earner actually engaged in interstate commerce?

Mr. BAILEY. I think so; on the basis of health.

Mr. BORAH. That is the basis upon which much of the debate has taken place, so far as some of us are concerned.

Mr. BAILEY. I have thought about that matter; and some time ago I suggested that the Congress did have power with respect to the public health, in matters within interstate commerce itself. However, I do not think the Congress could rise from the regulation of commerce into an effort to regulate health or to regulate hours.

Mr. BORAH. However, the Congress may take into consideration the question of health, or the question of the condition of the workers who are actually engaged in interstate commerce, may it not?

Mr. BAILEY. I think so.

Mr. KING. I would not concede that.

Mr. BAILEY. The Senator suggests that he would not concede the statement made by the Senator from Idaho. I am rather inclined to concede it. However, conceding it, I do not think anyone could justify drawing from that concession the power to fix a ceiling on hours, or a floor under wages. It would have to be found as a fact, upon an investigation, that the workers were actually engaged in interstate commerce and that the matter of their health or their condition was involved. The Supreme Court has repeatedly said that in such matters the Congress has no power of self-judgment. There must be evidence of the fact. I do not think it can be said that the difference between 25 cents an hour and 20 cents an hour, or the difference between 20 cents an hour and 50 cents an hour is a matter of health or is related to health or that health is

related to it. I do not think that the difference between working 6 hours a day and working 8 hours a day is a matter of health.

Mr. GLASS. Mr. President——

Mr. BAILEY. I yield to the Senator from Virginia.

Mr. GLASS. I can give the Senator an objective illustration of the fact. I am more than 80 years old, and I used to work 18 hours a day.

Mr. BAILEY. I hope the senior Senator from Virginia will be present and working with us from 10 to 18 hours a day until he is 100 years of age.

Mr. BORAH. Mr. President——

Mr. BAILEY. I yield to the Senator from Idaho.

Mr. BORAH. Suppose the wage being paid is not sufficient to maintain the health of the worker and maintain the family. Suppose the wage is not sufficient to maintain a place to live and provide proper food and clothing, and the health of the family is thereby impaired. May not the Congress of the United States deal with that situation in the same way as the State may deal with it in intrastate commerce?

Mr. BAILEY. I question that doctrine. The Senator will agree with me that we are rather breaking into new ground.

Mr. BORAH. No; I do not agree that we are breaking into new ground. I understand that the Congress of the United States has as complete and plenary power over interstate commerce as the States have over intrastate commerce.

Mr. BAILEY. I agree to that.

Mr. BORAH. The States have decided that under certain conditions they may deal with the question of wages and the question of hours as affecting the health and welfare of the citizen. If the same workmen are working in interstate commerce—and it is admitted that the National Congress has the same power over interstate commerce that the States have over intrastate commerce—I cannot see why we may not deal with the question.

Mr. BAILEY. I am a little afraid that the Senator from Idaho is now arguing that since industry may be affected, or men in industry may be affected by the industry, and the industry ships goods in commerce, therefore the men working in an institution which ships goods in commerce are subject to the Federal power of regulation with regard to their wages and all their activities. I think that would be a decidedly new doctrine in America.

If that is good law, if that is the Constitution, if that is within our power, then why, during all these years, could not the Congress, in the name of public health, related to commerce, have stepped across the line which we had never stepped across until recently, and regulated wages and hours on the ground that the workers were in an industry which was ultimately shipping goods in commerce? The Supreme Court has held just the opposite, that commerce is one thing, and industry, manufacturing, mining, and agriculture, are quite separate. Commerce is intercourse. It is not industry. I think the Senator will agree with me about that. I have heard him argue to that effect in this Chamber many times.

Mr. BORAH. I do not disagree with the Senator, that if an activity is within intrastate commerce, we may not deal with it. However, if the activity is interstate commerce, and the wage earner is engaged in work which results in shipment in interstate commerce, that is a wholly different question.

Mr. BAILEY. The Senator is coming down to commerce. Let us keep the question between us clear. Suppose I am working in a cotton mill in North Carolina. The cotton mill sells goods across the State line. Does that fact put me in commerce? If it does, that is a new doctrine in the Senate, and a new doctrine in America. The railroad worker is in commerce, because the railroad is an instrumentality of commerce. However, I think the Senator from Idaho, whose learning in the matter of the Constitution and the law is extraordinary and admirable and is profoundly respected by me, under all circumstances, as he knows, will agree that it has always been held that the man in the mill is not in commerce just because the mill sells its goods in commerce. Am I not correct in that statement?

Mr. BORAH. Certainly, if the Senator limits the question as he does. However, if the man in the mill is engaged in producing a commodity which is shipped, and the entire operation of production and shipment is one transaction, as was held in the Jones and Laughlin case, then I maintain that it is in interstate commerce.

Mr. BAILEY. Does the Senator contend that the man is working in interstate commerce?

Mr. BORAH. If he is working in the production of goods which are being prepared for interstate commerce, and it is part of the system to ship the goods in interstate commerce, the whole transaction is interstate commerce, as was held by the court in the Jones and Laughlin case.

Mr. BAILEY. It follows, then, that the man in the cotton field, who is planting cotton or picking cotton which is sold in interstate or foreign commerce, is engaged in interstate or foreign commerce, and therefore the Congress can find that it is to the benefit of his health that we pass a law respecting his reward. If that be true, then the agricultural act, which I think the Senator argued was unconstitutional, is constitutional.

Mr. CHAVEZ. Mr. President——

Mr. BAILEY. I shall be glad to yield to the Senator in a moment. I am addressing an argument to the Senator from Idaho.

Mr. BORAH. I concede the point for which the Senator contends. If a workman is engaged in production as a separate intrastate activity of course he is not engaged in interstate commerce. But if he is engaged in an enterprise whose business it is to carry on trade in interstate commerce, the mere fact that he is not himself actually in the channels of interstate commerce does not exclude the Congress from dealing with him.

Mr. BAILEY. Then the Senator takes the position that the man engaged in production in an industry which ships or sells in commerce is engaged in commerce between the States; but the man who engages in agriculture, which ships cotton, wheat, chickens, cattle, corn, or hogs in commerce, is not in commerce between the States. I think the one situation would go along with the other. Should the doctrine contended for by the Senator prevail, Congress would have every power of regulation that has ever been contended for.

Mr. PEPPER. Mr. President——

Mr. BAILEY. I promised to yield to the Senator from New Mexico. Then I shall be glad to yield to the Senator from Florida.

Mr. CHAVEZ. Mr. President, in discussing the matter of the constitutionality of this particular measure, in my opinion we should have in mind what the framers of the Constitution had in mind. When we discuss the question of whether or not a particular workman is engaged in interstate commerce, should we not go to the Constitution itself? Why not discuss this: What did they have in mind when they drew the Constitution? The general welfare. Of what? "To secure the blessings of liberty to ourselves and our posterity." And interstate commerce was one of the features they had in mind at that particular time.

Now I ask the Senator from North Carolina why persons in North Carolina or persons in my State should not come within the provisions of the preamble of the Constitution as affected by the legislation we are now trying to pass?

Mr. BAILEY. I think, Mr. President, that is settled by the simple doctrine that no legislative authority whatever is drawn from the preamble of the Constitution.

Mr. CHAVEZ. We can always say, though, that that is what they had in mind.

Mr. BAILEY. The fact of the matter is that no legislative authority, no executive power, is drawn from the preamble of the Constitution; just as in the preambles to measures

passed by Congress no authority arises by reason of what is declared in those preambles.

Mr. CHAVEZ. Does the Senator from North Carolina agree that in connection with the various articles of the Constitution what the framers had in mind at the particular time may be interpreted by the preamble of the Constitution?

Mr. BAILEY. I think, Mr. President, that the doctrine on that point is that where there is later ambiguity or where there may be difficulty in finding the plain meaning of the words of authority, one may go to the preamble for interpretation.

Mr. MINTON addressed the Chair.

Mr. BAILEY. If the Senator from New Mexico has finished, then I promised to yield to the Senator from Florida.

Mr. PEPPER. I think it is vital that we should keep clearly in mind the distinction between what the Senator from North Carolina has suggested and what is in this bill as to the objectives of the bill and its application legally. If the Senator will regard section 6 of the conference report he will find it reads as follows:

> Every employer shall pay to each of his employees who is engaged in commerce or in the production of goods for commerce wages at the following rates.

And section 7, which deals with maximum hours, reads thus:

> No employer shall, except as otherwise provided in this section, employ any of his employees who is engaged in commerce or in the production of goods for commerce—

More than the hours specified in the section.

So that the conference committee had before it the question of whether this proposed law should be applied to all employees of an industry which itself is engaged in interstate commerce although the individual employees may not necessarily themselves be engaged in interstate commerce or whether its application should be applied or made to the employees themselves who were engaged either in interstate commerce or in the production of goods for interstate commerce.

The power to affect those employed in interstate commerce is, I assume, definitely admitted by the Senator from North Carolina. Jurisdiction over employees engaged in the production of goods for interstate commerce is as vital to the exercise of the power to regulate commerce as the source of a river is to the river itself or the origin of a spring to the stream which flows away from it.

I want it distinctly stated that this proposed law is not applicable to all employees of an industry which itself is engaged in interstate commerce. It is applicable only to those employees who themselves are engaged either in interstate commerce or the production of goods for interstate commerce, and the contrary theory was definitely rejected by the committee.

Mr. BAILEY. The Senator reminds me of Abraham Lincoln's favorite conundrum. He used to ask his friends if they counted the tail of a sheep as a leg how many legs the sheep would have? They would say, "Five." He would say, "No; the sheep still has four. You cannot make a tail a leg by describing it as such." The fact that the bill describes these employees as being in commerce does not put them in commerce. The condition is not created by law; it is a question of fact; and the declaration of Congress on that point does not even raise a presumption.

Mr. PEPPER. The conferees made no declaration. They merely have agreed on a measure which is applicable to the situation when the facts are presented. We have not defined the scope of it; we have merely said this is the law, and the facts then will determine its application.

Mr. BAILEY. Even if the court should hold that an employee of a mill was not in commerce, notwithstanding the act refers to him in that way, then the act would go out as invalid and a null and void thing. I do not think the Senator would like to come to that conclusion. But the bill does describe and seem to include as in interstate commerce those who produce goods for sale in that commerce, employers and employees.

Mr. PEPPER. If the Senator will allow me once more, I will not interrupt him further. On the contrary, the conference report provides that resort may be had to the circuit court of appeals by any petitioner who alleges that he is unlawfully affected by this bill, and if he may be able to show that he is not engaged in commerce or is not engaged in the production of goods for interstate commerce it will be the duty of the court to exempt him from the application of the law.

Mr. BAILEY. I understand that, but the reference here is to employees working for institutions that sell across State lines as being thereby ipso facto in interstate commerce, and therefore subject to the law.

Mr. BORAH rose.

Mr. MINTON. Mr. President——

Mr. BORAH. If the Senator from Indiana desires to interrupt the Senator, I will not do so now.

Mr. BAILEY. I yield to the Senator from Indiana.

Mr. MINTON. Mr. President, I should like to invite the attention of the able Senator from North Carolina to a very recent case decided by the Supreme Court entitled The National Labor Relations Board against the Mackay Radio & Telegraph Co., which was decided on May 16, 1938. I think the language used there by the Court will sustain and support the legislation now before the Senate, not on the basis pointed out by the Senator from Idaho in its relation to the health of the employees, but rather upon industrial relations and the possibility of industrial strife. This is what Mr. Justice Roberts said in that opinion:

> We have held that, in the exercise of the commerce power, Congress may impose upon contractual relationships reasonable regulations calculated to protect commerce against threatened industrial strife.

It cannot be said that the question of hours and wages has no relation to industrial strife, and, if it does have, as we must admit that it does have, then the Congress may deal with the relationship which relates to industrial strife in commerce. On that basis and on this authority so recently handed down by the Supreme Court, it seems to me that this legislation is clearly within the Constitution.

Mr. BAILEY. The Senator has missed the argument on the basis of what I was saying at the outset. The mere fact that there could be a dispute between me as a worker and someone else as an employer as to how many hours I should work in a day or how much I should be paid would in itself not raise up the exercise of the plenary power of the Congress to regulate all the industry. That is not involved in the Wagner labor relations cases at all, as I understand them. The act itself did not base itself upon anything of that sort. The basis of the doctrine in the Wagner relations cases, as I understand it—and I do not profess to have read all the cases—is that the labor strife, or the strife between capital and labor, may become, and often is, an obstacle to or a burden upon commerce, which breaks down commerce, which stops the mills, which stops the wheels, which arrests the whole flow of things in trade; and, therefore, collective bargaining, free and fair and open, may be regulated in such a way as to tend to relieve the friction and get rid of the obstacle. I do not think one may argue from that that the mere fact that there might some day be a quarrel between the man who is employed and the man who is employing him, which might create a little trouble and might bring on the necessity for an arbitration, would constitute such an obstacle to commerce as to justify the interposition of the power of the Congress.

Mr. BORAH. Mr. President——

Mr. BAILEY. I yield to the Senator from Idaho.

Mr. BORAH. I understood the Senator a few moments ago to concede if the worker actually engages in work connected with interstate commerce that the Congress could regulate his wages from the minimum standpoint?

Mr. BAILEY. I am making that concession, yes, on the distinct idea that, first, the worker is engaged in commerce.

Mr. BORAH. But the Senator would not contend that a person working, for instance, in a machine shop of a rail-

road company, who himself individually was never in the channels of trade, who lived and did his work solely within the State as a workman in a machine shop, could not be included as a part of the railroad system in regulating the wages and conditions of labor?

Mr. BAILEY. I may surprise the Senator, but I think I would contend that the entire railroad organization is an instrumentality of commerce between the States and relates to every man wherever he may be and whatever he is doing, providing he is doing something with regard to that system. The instrumentality idea as applied to railroads takes in the whole system, not merely the man who runs the engine or the conductor who manages the car or the brakeman, but the machinist in the shop who never leaves the borders of the State. I think that is the established doctrine.

Mr. BORAH. But then if we should establish, with reference to any other industry, the fact that the labor was a part of the industrial system, and the industrial system occupied the channels of interstate trade, the doctrine with reference to the man working in the machine shop would apply in that instance; would it not?

Mr. BAILEY. He is in the whole railroad system that is in itself, as a whole, the instrument of commerce between the States; but the man in the cotton mill is not in any such system.

Mr. BORAH. That may be true. I am not undertaking to deal with any particular situation. We are laying down the general principle that Congress may regulate the minimum wage of those engaged in commerce. If we should fail to establish that fact under the law, of course the case would fail; but all we are seeking to do in this bill, so far as that question is concerned, is to protect the minimum wage of those who are engaged in interstate commerce. It may be said that a particular individual is not in interstate commerce. If he is not, then he is not covered by the bill; but, if he is, he is covered by the bill.

Mr. BAILEY. Let me ask the Senator whether I am mistaken in my understanding of the bill that it is written on the assumption that all those who work in industrial and other establishments which sell their goods in interstate commerce are in interstate commerce?

Mr. BORAH. No; not necessarily. Take, for instance, the Jones & Laughlin case. There the question which arose did not involve at all the question of the workman actually traveling in the channels of interstate trade; but he was at work on a part of the system. If he had been considered separate and apart from the system he would not have been considered in interstate commerce. Take the case of any industry; I do not care what the industry is: If, as a system, it is engaged in interstate commerce and the workman is a necessary part of carrying on the system, my contention is that the Congress of the United States may regulate his minimum wage, just as the State may regulate the minimum wage of the intrastate worker.

Mr. BAILEY. And, to make the matter specific, the bill presupposes, and the Senator understands, that upon its passage the worker in the knitting mill, the worker in the grist mill which ships in interstate commerce, the worker in the textile industry, the worker in the packing plant, all of them shipping or selling in interstate commerce, have at last become involved, for the first time in the history of this country, in a system which makes them subject in all their relationships to the plenary regulatory power of the Congress.

Now let us go a little further. If that is good doctrine, then every farmer who buys supplies in interstate commerce or sells cotton or pork or wheat or other goods in interstate commerce, may be held by the Congress to be in a system of interstate commerce and therefore subject to the plenary regulatory power of the Congress.

Mr. BORAH. No; I make no such contention.

Mr. BAILEY. If that is good law, I will take back all I have said as to my position during the 7 years that I have been in the Senate resisting these regulatory and centralizing forces in the Congress and the country.

Mr. BORAH. The Senator presents a condition of facts which I do not consider to come within the terms of this bill.

Mr. BAILEY. I should like to have the Senator state them.

Mr. BORAH. I said a few moments ago that in order that the worker shall be subject to regulation in his minimum wage under this bill, it must be shown that he is so far engaged in interstate commerce as to be a producer of a part of the working machinery of that system.

Mr. BAILEY. I will go along with the Senator about that. We may not know how much; we may have a question for the jury, then, as to whether or not the mill is engaged in interstate commerce, may we not?

Mr. BORAH. What is the Senator's question?

Mr. BAILEY. That would have to be determined by some standard, if we are going to raise the question on the threshold of this legislation as to whether a mill which sells 25 percent of its goods in interstate commerce is within the scope of the bill.

Mr. BORAH. But it will have to be determined, in every case which is tested, whether or not the minimum wage applies to a man who is engaged in interstate commerce.

Mr. BAILEY. Let me ask the Senator from Idaho a question. Suppose I run a mill in North Carolina and make the rule of never selling any goods outside of my State. Presumptively I am beyond the power of this measure. But suppose I buy my coal and my lubricating oil in interstate commerce; would I be within this act under those circumstances?

Mr. BORAH. It would depend entirely upon all the circumstances.

Mr. BAILEY. Who would find the circumstances?

Mr. BORAH. If the Senator in the first instance were running a mill exclusively within his State, certainly it would not come under the law.

Mr. BAILEY. But if I were buying my coal in interstate commerce, what would the Senator say?

Mr. BORAH. But if the Senator were doing a business which might be considered an interstate-commerce business, and his workmen were a part of the machinery by which such a system were carried on, I maintain that he would be covered by this bill.

Mr. BAILEY. Then the only way to test that question would be by an action in court in the event of resistance?

Mr. BORAH. Oh, undoubtedly all these cases will have to be tested out, and in each particular case, in all probability, the person involved will present his own view as to whether or not he is engaged in interstate commerce; but if the court finds that he is engaged in interstate commence, then I maintain that the power of Congress is ample to fix the minimum wage of those who are engaged by that person engaged in interstate commerce.

Mr. BAILEY. Let me ask a question of the Senator on that point. Suppose we should write a similar bill for agriculture, and the court should find that I, as a farmer, sold all of my cotton in interstate commerce, and bought all of my fertilizer in interstate commerce. Would the Senator say then that the Congress would be justified in the conclusion that I as a farmer under those circumstances was so involved in a system of interstate commerce that the Congress could stretch forth is plenary power of regulation?

Mr. BORAH. Let me say that the facts which the Senator has stated, and those alone, in my opinion, would not bring him into interstate commerce; but if a man were engaged in producing cotton and shipping cotton, and it were a part of his entire plan and scheme for the production and shipment of cotton, then I maintain that his workmen would be under the control of this bill.

Mr. BAILEY. But in each case the cotton produced by the farmer is sold in interstate commerce. The cotton sold by the broker is sold in such commerce. I doubt if the distinction could be drawn.

Mr. BORAH. Let me ask the Senator one more question, and then I will not interrupt him further.

Mr. BAILEY. Very well.

Mr. BORAH. It will be conceded, I assume, that some department of the Government may fix a minimum wage for

both interstate commerce and intrastate commerce. There must be some power which can deal with both of the matters. It is conceded that the National Government cannot deal with intrastate business, and it must be conceded that the States cannot deal with interstate business. To accept the Senator's view in its logical consequences would mean that all those working in interstate commerce would not be subject to the control of any government.

Mr. BAILEY. Up until now, I do not think they have been. All would depend on the power of Congress to declare a worker who produces articles sold in interstate commerce as a part of it and engaged in it.

Mr. BORAH. They may not have been up to now.

Mr. BAILEY. I think that has been the accepted doctrine for 150 years. We are breaking new ground.

Mr. LEWIS and Mr. GEORGE addressed the Chair.

The PRESIDING OFFICER (Mr. CLARK in the chair). Does the Senator from North Carolina yield; and if so, to whom?

Mr. BAILEY. The Senator from Illinois rose first, if the Senator from Georgia will permit me to yield first to him.

Mr. GEORGE. Certainly.

Mr. LEWIS. Mr. President, I should like to invite the attention of the Senator from Idaho and the Senator from North Carolina to the fact that each of them, in the pressure of matters, has omitted to consider the last declaration of the Supreme Court of the United States upon a state of facts very similar to that presented by both Senators.

In the city of Richmond, Va., was a manufacturer of clothes. The position was taken that the manufacture of these clothes gave rise to no authority for the Federal Government to administer. The Supreme Court of the United States holds, and in the case to which I refer decides, that since the cloth came from wherever it came from, and moved to the makers of the clothes with the well-known understanding that the makers of the clothes were to ship them into neighboring States around, that gave jurisdiction to the Federal Government, and such was interstate commerce, though the workman lived in Richmond, though the work was done in Richmond, and he neither knew how far the cloth would be made into clothes nor how far the clothes afterward would be shipped out of the city of Richmond. That is what was held in an opinion delivered in the past 2 weeks by the Supreme Court of the United States.

Mr. BORAH. Exactly; I understand that, and that is what I was contending—that if the business is such as to occupy the channels of interstate commerce, any of the employees who are a necessary part of carrying on that business are within the terms of this bill, and, in my opinion, are under the Constitution of the United States.

Mr. LEWIS. I ask the Senator from North Carolina whether he does not regard that opinion as more or less affecting business, and running in the reverse direction to the viewpoint expressed by the able Senator from North Carolina.

Mr. BAILEY. Unfortunately, I cannot answer the question, because I am not familiar with the opinion; but I have no difficulty at all in reconciling what the Senator said with the views I have stated, and I have no difficulty in arguing against any analogy of that sort with a simple illustration.

If it is true that the relation of a business to commerce between the States involves its workers in interstate commerce to such an extent as to give the Congress its plenary regulatory power over commerce, then, agriculture being a business, once it engages in interstate commerce, the plenary power of Congress will attach to the farmer and those whom he employs, and we may regulate them. I do not think anyone is going to contend that now; yet I see no difference in the analogy.

Go back through the whole history of this country. We hear argument today that the doctrine propounded by the bill and by the very able Senator is something old; but every Senator knows that it is brand new, and every Senator knows that it was repudiated by the Court in the unanimous decision in the famous N. R. A. case. The Court said that Congress had no power whatever to stretch its hands out into an industry and regulate it merely because the industry was in interstate commerce.

Mr. BORAH. Mr. President, the Supreme Court expressly said in the N. R. A. case that the transaction which it held was void, and in which the party could not be attacked under the act, had come to a close, that it was at an end, that it had ceased to be a part of interstate commerce, that it was not even an agent of interstate commerce. They held that men who had purchased poultry, and had no connection whatever with anyone who had shipped the poultry, had no connection with interstate commerce. The Court said this transaction has come to a close, this matter is at an end, and these people whom you have indicted have no connection whatever with interstate commerce.

Mr. BAILEY. I agree with the Senator that they said that the sick chickens had come to rest in New York, but the sick chickens came into New York in commerce between the States. There is the doctrine of coming to rest and getting out of interstate commerce. But Senators who have read the whole decision will agree with me that that is not all the Court said in the decision. They did say that manufacturing and industry were not commerce.

Mr. BORAH. But they said in the Jones and Laughlin case that while manufacturing and production were not determinative of the question, they could be considered in connection with the question of whether they were dealing with interstate commerce or not.

Mr. BAILEY. And the case went off on the delegation of power as much as on the point of the chicken having come to rest within the jurisdiction of a State.

Let us consider the coal case. It was specifically declared in the majority decision in the Guffey coal case that mining is not commerce notwithstanding the produce of the mines flows directly into all the States. I must say I do not think the Senator will differ with me a moment in this one statement, that at no time has the Court said anything which would justify the assumption that the fact that an institution ships its goods in interstate commerce puts its workers in interstate commerce.

Mr. BORAH. Stated in that negative way, of course I do not contend that; but I do contend that the Court has clearly stated that where there is a business entering the channels of interstate trade and like shipments or any other transaction, and the workers are a necessary part of carrying on that business, although a worker may not be in the channels of interstate trade at all, he may simply be manufacturing the stuff or preparing it for shipment, the Court has held that he may be controlled by the Federal Congress.

Mr. BAILEY. That is where the instrumentality of interstate commerce, like the railroads, is a whole system, and everybody working in it is necessarily a part of the instrumentality and a part of its operation.

Mr. WHEELER. Mr. President, will the Senator yield?

Mr. BAILEY. I yield.

Mr. WHEELER. First, I wish to say that I shall vote for the wage and hour bill. Permit me, however, to call attention to the fact that under the Railroad Employers' Liability Act, in order to recover a worker had to be actually engaged in interstate commerce. If he was working in a machine shop he could not recover under the act because the court held that he was not engaged in interstate commerce.

Mr. BAILEY. That may be true, but it would depend on the limitations of the act. I am merely saying that a worker in a machine shop on a railroad who never left the State in his life but who was repairing engines engaged in interstate commerce, or cars so related to interstate commerce, even if they never left the State themselves, would be a part of the system, and I would have no difficulty in saying that the regulatory power of the Congress would attach.

Mr. LEWIS. Mr. President, the case to which I referred, lately decided by the Supreme Court of the United States, which has gradually gravitated further and further toward

the opinions held in Congress, was the case of Friedman against the National Labor Relations Board.

Mr. BAILEY. I thank the Senator.

Mr. MINTON. Mr. President, will the Senator yield?

Mr. BAILEY. I yield.

Mr. MINTON. The Senator from Montana referred to the first and second employers' liability cases. As the Senator has pointed out, in the first case the Court held that the back-shop employees were not within the act and they limited it only to those actually engaged in the stream of commerce.

Mr. WHEELER. They not only so held in the first case but they held that in more recent cases, as the Senator will find if he will follow them up. I know, because I happen to have had a good many cases. In order to recover under the Federal Employers' Liability Act one had to show that the man was actually engaged in the actual transportation of goods. The Court held that a man who was turning a turntable, for instance, with an engine which was engaged in interstate commerce was engaged in interstate commerce but the machinist who was working in the shop has never been held to come under the Employers' Liability Act.

Mr. MINTON. That is correct. There has never been any determination under the employer's liability act since these recent cases to decide whether or not the recent cases have not overruled the first employer's liability-act case. That question was mooted and argued in the recent case. There has been reference to the Friedman case and the Jones-Laughlin case and the Virginian Railway case. The Solicitor General undertook to distinguish between the industrial relations and the employer's liability act, which applied to the statute, which made a line which was entirely too fine for me to follow. He attempted to make a distinction between the liability cases and the industrial relations cases, but a great many lawyers believe today that the recent decisions under the National Labor Relations Act have definitely overruled the first employer's liability case.

Mr. WHEELER. If I may interrupt the Senator, in my judgment a corporation which is engaged in carrying on an interstate commerce business should come under the jurisdiction of the Congress of the United States; but I do question whether the Court will hold that it does. However, Congress should adopt a resolution providing for an amendment to the Constitution defining exactly what we mean, so that there cannot be any question. We ought to adopt such an amendment even though the pending bill shall be passed. It seems to me we ought to adopt some amendment to the Constitution so that there could not be any quibbling on the part of employers or anyone else with reference to the matter.

Mr. MINTON. Mr. President——

Mr. WHEELER. If I may just finish my statement; I do not know why anyone should worry about this particular bill, because under the works progress economic survey it was pointed out that the maintenance level in the United States for a family of four is $1,261, that the emergency living level is $903. Under the minimum wage fixed by this particular bill, if a worker is fully employed for a whole year he gets only $572, and later his top minimum will be $910 which would be only $7 above what the emergency living scale level is according to the economic survey made by the Works Progress Administration.

Some highly paid executives of large corporations have contended that this bill is a dangerous bill. They ignore the real danger to America in this field: the sickening truth that there are in America human beings who are working for wages even below an emergency level and to whom merely a decent maintenance level would seem a luxury. This bill does no more than to seek minimums, which are themselves so low that it would be unjust and unsound and dangerous to permit workers to work for wages below those minimums.

Mr. BORAH. Mr. President, it is true that the wage fixed is very low, but it is also true, astonishingly true, that there are a great many people in this country working for wages below that level. That is the reason why I say we ought to be plain, that it cannot possibly be that we want people to work in this country for less than 25 cents an hour, and it cannot be possible that they can maintain their health and welfare and well-being and maintain the citizenship of this country unless they are paid a living wage. It cannot be possible that the Congress of the United States has not the power, as to those working in interstate commerce, to fix a minimum wage.

Mr. BAILEY. I am always sure of the fairness of the Senator from Idaho. I know he would not suggest that those of us who take the position I am taking are taking it in behalf of low wages. I am disregarding all of that. If the wage were a dollar an hour and the hours were reduced to two or three a day, the principles involved here would not be affected. I will go with anyone in favor of good wages for everybody. I think every Senator here would. We all desire that. The question of the power of Congress is quite a different matter, and that is the only question I was arguing.

Mr. BORAH. If the Senator agrees that we ought to protect these people as to a minimum wage——

Mr. BAILEY. I do not agree that Congress ought. Congress should not do anything it does not have power to do. I might agree as a moral question and as a moral obligation from one man to another that every man who employed people ought to pay for a day's work and pay enough for a decent day's living.

I think every man on earth, if Senators will let me state my position, who works, who is in earnest, who tries, ought to have every possible reward in life; he ought to have a family, a home, he ought to have a chance to educate his children; his wife ought to have the conveniences which other women have. The whole conception of life, the whole moral obligations between me and my fellows is that I should wish for every man to have as good a chance as I have had. I am arguing now wholly on the constitutional ground as to the power of the Congress, not the humanity of a wage. If it were up to me to fix the wages for the people of the United States, and I could get the wealth out of the country to pay them, I would see that every man had enough money to take care of his wife and children, own his own home, educate his children, and have good clothes, and all the conveniences and things in life which make for happiness. But that is not based on acts of Congress. That is based on the creation of annual wealth by people who labor. That is the problem of our time.

This very bill, so far from aiding anyone—and now I am dealing with the economic basis—may be the means of throwing thousands of people out of work, just as we know that the old N. R. A. is said to have thrown over 500 000 Negro workers out of work in the South. This bill may have the same consequences. That is on the economic side. I am not discussing that at this time. I am discussing the question of constitutionality.

Mr. WAGNER and Mr. MINTON rose.

The PRESIDING OFFICER. Does the Senator from North Carolina yield; and if so, to whom?

Mr. BAILEY. I promised I would yield to the Senator from Indiana. I shall now make that promise good.

Mr. BARKLEY. Mr. President, before the Senator from North Carolina yields to the Senator from Indiana, will he yield to me for the purpose of making an announcement?

Mr. BAILEY. I yield.

Mr. BARKLEY. For the information of the Senate I think I ought to announce that we shall have to have an evening session and run on into the evening without recess.

Mr. BAILEY. Mr. President, I rose to speak for about 15 minutes, and announced that I intended to speak for only that length of time, but I believe I have enabled a good many very able Senators, each one to speak 15 minutes, and I wish our leader to know that I did not intend to delay the Senate.

Mr. BARKLEY. I want to say that my announcement has no relationship to the Senator's speech. I wanted to make my announcement while the Senate is filled, as it always is when the Senator addresses it. [Laughter.]

Mr. MINTON. Mr. President, will the Senator yield?

Mr. BAILEY. I now yield to the Senator from Indiana.

Mr. MINTON. I do not want to provoke any more announcements of that kind, but I wish to announce that the Senator's interesting and able argument, and the colloquy which has taken place in connection with it, has I think shown the development of the law of interstate commerce. For instance, under the first employers' liability cases, as has been pointed out, the back-shop employee, that fellow who worked on the bench and made nuts and bolts to be used out on the track or on the engine, was held not to be in commerce, and therefore was not within the provisions of the act, because it related only to commerce.

The back-shop employee under the National Labor Relations Board against Virginian Railroad is held to be in commerce and is within the provisions of the act. So, therefore, it seems to me that the Supreme Court has progressed a long way from the first employer's liability case to the Virginian Railway against the National Labor Relations Board, because they have gone from excluding the back-shop employee from commerce to including him in the later cases.

Mr. GLASS and Mr. WHEELER rose.

The PRESIDING OFFICER. Does the Senator from North Carolina yield; and if so, to whom?

Mr. BAILEY. I propose to yield to the Senator from Virginia.

Mr. GLASS. Mr. President, I want to ask a very simple question of the constitutional lawyers who differ so widely in their interpretation of the Constitution. I should like one of them to define for me what constitutes interstate commerce. Specifically, in order to keep out of jail, I should like to ask them if I am engaged in interstate commerce in publishing two newspapers because of the fact that I buy my newsprint from Maine, or some other State, or because of the fact that I purchased my newspaper press from New Jersey, or because of the fact that I am compelled to buy my type, when I buy type, from some other State? Am I engaged in interstate commerce?

Mr. BORAH. Does the newspaper circulate in several States?

Mr. GLASS. Well, there is another question that I should like to ask.

Mr. WHEELER. Mr. President——

Mr. GLASS. Let me ask the other question now, which these constitutional lawyers may be able to answer: What constitutes actual interstate commerce? Suppose I have a newspaper with 20,000 subscribers, and say all of the papers circulate in Virginia except to 10 subscribers. Am I engaged in interstate commerce?

Mr. THOMAS of Utah. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Carolina yield; and if so, to whom?

Mr. GLASS. Mr. President, I am waiting for the answer.

Mr. BAILEY. Mr. President, I do not know a better man in the Senate, or on the whole earth, to answer that question than the Senator from Idaho. I shall turn the matter of answering the question over to him.

Mr. BORAH. Mr. President, if the Senator is purchasing his goods for the purpose of making up his newspaper in different States, and he takes them to a particular place where he uses them, and he transmits his newspapers into other States, I do not think the number—the number, 10 or 20 or 30—is controlling. I think the Senator is engaged in interstate commerce.

Mr. GLASS. Well, I do not. [Laughter.]

Mr. WHEELER. If I may interrupt the Senator from Idaho, I will say to the Senator from Virginia that 20 years ago he would not have been engaged in interstate commerce, but if he is not considered to be engaged in interstate commerce now, he will be considered to be engaged in interstate commerce 10 years from now, because the law will be so changed, and the courts will finally come to the conclusion that he is engaged in interstate commerce.

Mr. GLASS. Oh, yes; I think that the Court has been terrorized to render any sort of decision that was wanted.

Mr. BORAH. There has not been a more full, complete, and accurate definition of interstate commerce than was written by John Marshall in the Gibbons case, and we have not undertaken in this bill, at least we thought we were not undertaking to go outside the definition announced nearly 150 years ago. What we intended to do was to deal alone on the question of minimum wages with the men who are engaged in interstate commerce. If we have been unfortunate in our language, that is one thing, but our intention and our sole purpose was to deal with those engaged in interstate commerce. In my opinion the language carries out that idea. I may be mistaken as to that, but I am not mistaken as to what our intention was, because we discussed it off and on for 9 long days.

Mr. BAILEY. But the Senator is contending, as I understand, that a man working at a machine in a cotton mill, which sells its goods in interstate commerce, is in interstate commerce under the bill. That is the contention now?

Mr. BORAH. I did not completely hear the Senator's question.

Mr. BAILEY. It was John Marshall who defined commerce as intercourse, not manufacture. A worker working in a cotton mill in North Carolina—he may be an oiler, he may be working at a machine, he may look after the bobbins and the shuttles, in working there in the mill, and if the mill ships its goods in interstate commerce between the States, then that man, within the meaning of this bill, is in interstate commerce, subject to the regulatory powers contained in the bill, notwithstanding he is engaged in manufacture, and not in intercourse.

Mr. BORAH. He is subject to those powers, if the business is one of interstate commerce—that is, of shipping between the States, passing the goods between the States—why, certainly those who are engaged in manufacturing the goods are a part of that system, and they are engaged in interstate commerce. The Senator would have to admit, I think, that the State could not control that man. The State could not control his wages. He would immediately claim that he was not subject to that control, because he was engaged in interstate commerce.

Mr. BAILEY. Let me say to the Senator on that point that practically all the States of the Union have passed laws regulating the wages precisely on that question.

Mr. BORAH. They will pass laws regulating the wages of those engaged in intrastate commerce. I shall ask the able Senator a question. The States have passed a law with reference to minimum wages for those engaged in intrastate commerce. Is there no power to fix the minimum wage for those engaged in interstate commerce?

Mr. BAILEY. Let us get out of the theories and into the facts. The State of North Carolina does have a law regulating the hours of labor of the very people who are supposed to come in under this bill. They are workers in the cotton mills, which ship their goods in interstate commerce.

I just asked the Senator in charge of the bill [Mr. THOMAS] if it is related to sawmills. The sawmill in North Carolina is a little thing. There are 700 of them down there. Here is a man with a set mill. He is sawing logs. The logs are shipped in interstate commerce. We sell the southern pine. That puts the man within the Senator's conception, unless I greatly misunderstood him, within the regulatory power of the Congress of the United States. Here is a man working in a little sawmill. Just because the boards which are cut are put on a train and sold in Virginia, that puts him within the regulatory powers of Congress.

If that is so, every cotton farmer, every tobacco farmer—we sell 60 percent of our tobacco in foreign commerce—every tobacco farmer, every wheat farmer, all of them fall right within that doctrine. Then you have got your central government, then you have expanded your commerce clause

to the utmost possible extent, and if that is good law there is no need for a constitutional amendment, and there is no need either for protest against the centralization of your Government. It is here.

Mr. WAGNER. Mr. President——

Mr. BAILEY. I yield to the Senator from New York.

Mr. WAGNER. In the first place, if the Senator will permit me, I should like to make a correction in the statement he made, that the N. R. A. resulted in the unemployment of an additional three or four million people. As a matter of fact, under the N. R. A., with the shortening of hours and the abolition of child labor, we actually increased employment in this country between three and a half million and four million. The rate of reemployment fell off when the United States Supreme Court declared the law unconstitutional. Then long hours returned, and children went back into industry, with the result that hundreds of thousands of workers who would otherwise have been reabsorbed failed to get jobs in private industry.

The present discussion is interesting because it recalls to mind the discussion we had when the Labor Relations Act was under consideration. Some very distinguished constitutional lawyers—and they had a basis for their prediction in some of the prior cases—opined that the law, if it were constitutional, would be so restricted in its application that it would affect only interstate bus lines and one or two other industries which are clearly in interstate commerce, and thus be a futile effort.

I think the decisions of the Supreme Court of the United States under the Labor Act were a liberalization of the definition of interstate commerce, as that definition is given in prior rulings upon similar questions. Of course, the facts were somewhat different. However, the rulings of the Court were more liberal than most lawyers had predicted. According to some rulings of the United States Supreme Court, if a company exports or manufactures for interstate commerce only 30 percent of its entire production, that company is engaged in interstate commerce for the purpose of giving jurisdiction to the Labor Relations Board.

The Labor Relations Act is a regulatory act. It deals with labor disputes. The Court does not attempt to separate those employed in the industry who are directly engaged in the production of a particular product destined for interstate commerce from those engaged in interstate commerce as such. The whole record of the industry is taken into consideration. The Supreme Court has held in one case, as I have said, that if as little as 30 percent of all the manufactured products went into interstate commerce, the industry was engaged in interstate commerce for the purpose of the National Labor Relations Act and its regulatory features.

In that case, which involved a California cannery, all the raw materials which went into the manufacture of the particular product came from within the State. Yet the Court held that the industry was engaged in interstate commerce under the regulatory features of the National Labor Relations Act, so as to give jurisdiction to the National Labor Relations Board and make effective the provisions of the act.

After all, we are now discussing something which the United States Supreme Court will be called upon to decide. We have merely said that the minimum wages shall apply to those workers, roughly speaking, who are engaged in interstate commerce or in producing goods to be shipped in the channels of interstate commerce, or otherwise directly affecting interstate commerce.

When the Labor Relations Act was under consideration many predictions were made. Some of us now have a more liberal view of the definition of interstate commerce than others.

So, depending upon our view, either a large number of workers or a very few will be affected by the law. However, that does not affect the objective. We all ought to be for the objective, however narrow the application of the law may be.

My prediction is that the same workers whom the courts have held to be in or directly affecting interstate commerce under the National Labor Relations Act will be regarded as subject to the Federal commerce power under the provisions of the bill which we are now considering. Apart from all other theories of jurisdiction, this bill also exercises the constitutional power of Congress to bar unfair goods from the channels of interstate commerce, even where Congress may not regulate directly the employment relations involved.

I do not think the Senator from North Carolina is arguing against the constitutionality of the bill, but rather, under his interpretation of interstate commerce, that its application is very narrow and will include very few workers. However, inasmuch as the humane objective is one in which we are all concerned and upon which we are all in agreement, is it not wiser for us to enact the legislation and then let the Court determine the extent of its application?

Mr. BAILEY. Mr. President, I wish to finish my argument, but I must respond to the Senator from New York [Mr. WAGNER]. He must have misunderstood me. I did not say that the N. R. A. caused the loss of jobs to three or four million people. I said that its consequence was to cause about 500,000 Negroes in the South to lose their places. I was not saying that of my own knowledge. That fact was alleged and reported. As a matter of fact, I do know—and my memory is not likely to betray me on a point of this sort, because I think Senators will bear me out—that from the moment the National Industrial Recovery Act went into effect the curve of industrial production went down. Anybody can obtain a copy of the New York Times for last Sunday and look at the charts. They will be found in nearly all newspapers. It will be found that during that period the curve of production was going down. There was a great deal of trouble, and we did not begin to emerge from our difficulties until the Supreme Court of the United States threw the N. R. A. out the window. Everybody in America, so far as I know, was happy over that result.

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. BAILEY. Of course I will yield to the Senator.

Mr. WAGNER. I do not desire to annoy the Senator. The Senator is correct in the statement that shortly after the enactment of the National Industrial Recovery Act there was a decrease in the production of the country. If the Senator will study the question a little further, he will find the reason for that decrease was that for a period of about 3 or 4 months, in anticipation of enactment of the National Industrial Recovery Act, the shortening of the hours, the increase of wages, and the prevention of the exploitation of children, many industries, in order to take advantage of the lower wages, produced far above the capacity of the market to absorb, and so tremendously increased their inventories. When the law went into effect, of course we had to wait for a short period of time until the inventories were exhausted. Then, the Senator will find, production increased, and it was increasing at the time the National Industrial Recovery Act was declared unconstitutional.

Mr. BAILEY. Mr. President, there is no reason for any dispute about the facts. I am in the presence of witnesses. Every man and woman in America who knows anything at all about the last 3 or 4 years knows that the great rise in America occurred in 1936 and 1937, after the N. R. A. was thrown out the window. We all know that. It is a matter of fact. We cannot go back of the fact. 1935 was not a good year. 1934 was not a good year. 1933 was not a good year. The first good year was 1936, and the next was 1937. Then things broke about the first of September 1937, and we have gone down since, in the sharpest decline in all the history of human depressions on this side of the water. Those are the facts.

The Senator is under a misapprehension. I was arguing that the bill is unconstitutional with respect to the people whom it is expected to affect. Let me make that point specific. I am talking about the workers in the textile industry. I am talking about the workers in industries which ship in interstate commerce. I am making a distinction. Commerce is one thing and manufacturing is another.

That is the old, historic distinction. I am making that distinction. The fact that I work in a cotton mill which bought all it ever bought and sold all it ever sold in interstate commerce does not put me within the power and the jurisdiction of the Congress. That is my position, and I will stand on it.

The Court may change. We have the doctrine of a living Court and a living Constitution. Also there is the power to put men on the Court. I do not know what will happen when more power is sought to place men on the Court.

Nobody knows about the Constitution now, because we do not know the standards of the appointing power. I am sorry. I do not want to say anything more about it. That is one trouble with the country.

I will not say that the bill, if enacted into law, will be held to be unconstitutional. However, I will say that there has not been a court since 1789, until the present hour, that would not have held it to be unconstitutional. The opinions of the Court show it. However, I do not know what will happen in the future. When the foundations begin to slip, at least the Senate ought to stand up.

Mr. President, I started on a very simple matter. I knew that there was not going to be a record vote. I have had enough intimations to that effect. I do not intend to ask for one. However, I wish to make a record of my opposition to the bill. We have engaged in a little debate and controversy, and I have greatly enjoyed it. I appreciate all the expressions from Senators. I have very great respect for everything they have said.

I desire to allude now, very briefly, to one point which has concerned me a great deal.

I do not think we are going to get out of the depression by thrusting the labor question into the vortex of Federal politics. I do not think men are going to invest money when they see that men who know nothing about their industry are going to undertake to control it. Sometimes I grow weary of hearing politicians tell us how to run railroads. Very frequently they would not be able to ride on one if the Congress did not give them an allowance of 20 cents a mile. [Laughter.] Sometimes I overspeak myself, Mr. President. Sometimes I see men who are masters in politics, shrewd and capable in getting votes and offices, assuming to run great industrial activities all over the country.

Other people who have saved their money, but who have no faculty of that sort, refuse to invest in business and enterprise when that sort of thing is going on; and then we are told that we have a sit-down strike! That is not a sit-down strike. That is being frightened to death. There is a great difference. It is not a matter of will. The American people would be happy to invest their money. It is not a matter of rich men. It is a matter of the people who save money all over the country. They will not do it so long as they know that we have a Congress every year which assumes to tell them what shall be done with their capital and what shall be done with their savings.

I am in favor of humane things, decent things, and right things, but I have not that much confidence in the Congress. I have no great estate; but if I had to lie down tomorrow and die, and desired to leave provision for my little children, God knows I would not put out my money in industries to be controlled by politicians. Nobody else will. That is why bonds do not sell in America. That is why stocks are going down. That is why the streets are filled with the unemployed. I confess I do not know how to run a railroad, and I do not know how to run a cotton mill, and I am not going to try.

Mr. President, I am a southern man, and I am proud of it; but I am not a sectional man. I have not liked the sectional view taken about this legislation. I have nothing to say in behalf of or by way of apology for the South about this legislation. The South is all right. We got along in the 75 years following the Civil War and during the long night of reconstruction without Federal aid, and we can get along without Federal interference.

We are getting through the depression down there, and are costing the Federal Government less than any other portion of the country.

Talk about high wages in the North! Pennsylvania is a great and rich manufacturing State. Their wages are high enough; yes; but they have so many unemployed and so many distressed that the Federal Government in this administration has spent more money in that one State than in all the 11 Southern States which are looked down upon here, and said to be paying poverty wages, and charged with feudalism. There are no feudalists in the South. There is no feudalism in the South. You may tell the world that. I know what feudalism is, and you do.

Think about that part of the country which came out of the struggle of the Civil War and fought its way to a place in the sun without the aid of anyone upon its own courage and its own character—think of it sitting here in the family of the States, in the Senate of the United States, happier than the others, calling on the Treasury for less than anybody else, gathering wealth by dint of labor and of courage and of self-discipline and of savings, and then being told in the house of its friends that their achievements are the achievements of feudalism! It is unkind. It is unjust.

I will not say any more on that subject. I am not opposed to this legislation on any sectional ground. I have no jealousy as between New England and the South. I want you to have your mills and your industries. I do not want one of them. We can have ours. We can build, and you can build. I would not have a competition between North Carolina and Massachusetts for a cotton mill—no! I would not ask any odds, either, between Massachusetts and North Carolina. I do ask to be let alone. I do not want us to have any better chance than we had during the 75 years since the Civil War.

God knows, if we could do what we have done in that period, all we ask of you is to let us go on alone and not call us contemptible names. All we ask is a chance to live in peace and do our work in our own way.

The South pays to labor a larger proportion of the value added by manufacture in textile goods than the North does. That astonishes you, does it not? We would not pay to labor any part of the cost of the raw material. That goes to the man who produces the raw material. The South pays to the worker 40½ percent of the value added by manufacture in textiles, and the North pays 37½ percent; yet it is said that we oppress people, and we create poverty, and that we ask for favors. The southern cotton mills pay to the workers 17 percent more per pound of cotton manufactured than the mills in the rest of the country; and then we are told that we are feudalists, and we are cruel, and we oppress people, and we create poverty.

Mr. President, there is an explanation of those matters. The North produces, not a better quality, but a different type of goods. The man who produces steel can always pay higher wages than the man who produces cotton, and that accounts for a great deal of it. The man who produces fine shoes can pay a better wage than the man who produces a cheaper shoe, and that accounts for a great deal of it. The man who has a lower freight rate can pay a little bit better wage in money, not in terms of the value added by manufacture, than the other fellow.

I repel the suggestion, I denounce it, that anyone in the South wants freedom to oppress his fellow men. I would not say the South is any better than any other part of the country, but I deny the right of any man to reflect upon the character of our people.

I am not motivated in this matter by any feeling of jealousy, any competitive idea of the situation with regard to the other parts of the country. I am saying that we are richer today than the people of any other part of America in that we ask less from the Federal Government to take care of our unemployed. We are better off, and we are willing to help; but we ask to be let alone.

I am saying that without the aid of the Federal Government these 75 years we came from the pit of ruin, with a foreign government imposed upon us, and with no power to borrow money. Our fathers struggled up and laid that great foundation on which we built, and I am saying that the appeal to southern men, or to the American Congress, to enact this law in order to undo a feudalism there, is intolerable. My sentiments are indescribable. We are willing to do right, but we want to be treated justly. We are calling no names. Why call us names of hate and contempt?

Mr. BORAH. Mr. President, the Senator from North Carolina said he did not expect a record vote. I think we should have a record vote. We should, by all means, have a record vote, and I know of no reason why we should not have it. Let us record the courage of our convictions for or against the report.

It must be borne in mind that the Senate passed by an overwhelming vote a minimum-wage bill. The House passed by an overwhelming vote a minimum-wage bill. Those two bills were sent to conference. It was up to the conferees, if possible, to bring in a report. It was an almost impossible task. It was not within the power of any man or set of men to frame a report without its being vulnerable to objections and serious objections. We labored for 9 days. We will be back here in January, and doubtless there will be changes proposed and, perhaps, wisely proposed.

It was our duty to reconcile the two measures insofar as we could, although they were contradictory in philosophy and often in express terms, and to bring back a report to the Senate; and that we have done.

There should be a record vote. If the Senate does not want to adopt the report the Senate can so vote. We have discharged our duty.

Let me say one thing to the Senator from North Caroline in great sincerity. This bill has never been regarded by me in any sense as an attack upon the South.

Mr. BAILEY. Mr. President, I wish to assure the Senator that he is just as incapable of that as is any man on earth.

Mr. BORAH. Perhaps I am not free to discuss what was said in the conference, but my position was and has been that this question of the necessity of a minimum wage applies to the whole country, that it is not in any sense confined to one region of the country. It was not an attack upon the South, and the southern question was never raised in that sense by the conferees and never was considered by me for a single moment.

I realize that there have been things said abroad outside of the conference and outside of the Senate and outside of the House, but I never heard it suggested in the conference that the bill was an attack upon the South or a reflection upon the South. If I thought there was a drop of sectional blood in my veins I would call a physician and have it drawn. No! No! For myself I feel for the entire conference we were seeking to deal without bias or prejudice for the Nation.

Mr. President, a brief word as to what we undertook to do. The Senator has argued that certain people working in certain conditions under certain circumstances in certain places would not be engaged in interstate commerce. That may be true. In many instances referred to that would be true. But if the Court so holds, then such a worker would not be covered by the bill. All we have undertaken to say is that those engaged in interstate commerce shall pay a minimum wage of 25 and 30 cents an hour for the first and second years. We have gone no further than to announce the general principle as to those engaged in interstate commerce and if the court finds, as it must find, pro or con upon the question, the particular case must fall or rise according to whether the Court finds the parties are engaged in interstate commerce. But we have not extended the rule by the terms of the measure itself. We have said that those employed in interstate commerce are to be covered. The Court must determine whether or not they are employed in interstate commerce. If they are employed in interstate commerce then they are protected by the bill and covered by the bill. We could not do other than lay down a general principle and announce the general principle of protecting those engaged in interstate commerce. There is one phrase which seemed to me objectionable, but under the Jones-Laughlin decision it was thought by the conferees it was justified.

This was the situation. In different parts of the country people will be found working for less than 20 cents an hour, less by far than 30 cents an hour. That condition is not confined to any region of the country; it is a condition existing in many business institutions where the institutions can afford to pay the wages provided, where there will be no injury to them if they pay the wage provided, where it will merely result in transferring a part of their profits to the pockets of their workers.

What does 25 cents an hour mean? It means $11 a week. What does $11 a week mean in the way of maintaining a family? Think of the shacks in which they must live, of the meager clothes, of the poor food, the possibility of sickness overtaking them. What have they to live on? Eleven dollars a week, to pay all these bills. This wage strikes at the very life, certainly the health and morals of the citizen. This Government has the power and owes the supreme duty to see that those engaged in interstate commerce are protected against conditions which destroy health and well-being, against sweatshop and extortion, against the greed of those who have the power to lash them day after day to their task. What is a free government for if not to protect the weak against the wrongs and injustices of the strong?

In this country we are interested in maintaining business, protecting business, and in bidding speed to business recovery; but we are not interested in maintaining business at the cost of the lives and the health of the young Americans who are growing up to become the men and women of the future in this country. Business in this country can pay that wage which will protect the workers sufficiently to maintain them in their health and in their well-being, and if they refuse to pay such a wage, I say that the Congress of the United States has ample power under the commerce clause of the Constitution to fix a minimum wage, just as the State has the power to fix a minimum wage for intrastate business.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. BORAH. I yield.

Mr. CHAVEZ. In line with what the Senator from Idaho has been stating, let me tell him of an instance of lumber being manufactured in my State and sold in Manassas, Va. The men in my State were paid as much as 12 cents an hour. I still believe that we can, within the Constitution, regulate that situation.

Mr. BORAH. The Senator means as little as 12 cents an hour.

Mr. CHAVEZ. As little as 12 cents an hour, yes; $1.20 for 10 hours, in New Mexico, selling the lumber in Manassas, Va. I still think Congress can regulate that situation.

Mr. BORAH. I do not think anyone doubts that Congress can regulate it, if the people are engaged in interstate commerce. The able Senator from North Carolina does not contend against that proposition. If the language is inappropriate to the expression of the principle, it is unfortunate.

We think we have appropriate language, and that we confine the bill to the operation of those engaged in interstate commerce.

Certainly there must be some power under this Government to protect the man who is called upon to work for 12 or 15 or 16 cents an hour. Certainly there is a power somewhere, and it will be conceded that the State cannot go into interstate commerce and fix the wage. If there is no power, then the Constitution has failed to supply the means by which to protect the lives and the health and the well-being of the citizens of this country.

Mr. President, we have in this session obligated ourselves to appropriate something like two and a half to three billion dollars for the protection of this Government—for the protection of the American people. I venture to say

that there is no element of protection for this country or for the people of this country so vital and essential as that of building up the citizenship in health and in morals, as we are undertaking in part to do in this bill. Without the good and loyal citizenship of those who must defend our country, without their health or manhood and their womanhood, where may we hope for the final success against those who may attack us? This is a part of the national defense.

I noticed the other day that Mr. Sloan, of New York, said that the adoption of the measure would lead to unemployment, to the disturbance of business. What unemployment? Mr. Sloan says that paying workingmen 25 cents an hour will lead to unemployment to the disturbance of business, and that putting a ceiling of 44 hours will lead to unemployment. These men are very able in particular lines. They are great financial and industrial leaders, and as such we respect them. But there is one thing sadly wanting in their philosophy—the humanitarian side of the question, the welfare of the children who are growing up to meet the duties imposed upon them by their country, the welfare of the men and women who are struggling to keep their homes and maintain their families. Mr. Sloan, who enjoys a salary of several hundred thousand dollars a year, who enjoys a large income above his salary, thinks 25 cents an hour may disturb business. My opinion is that these vast salaries are far more calculated to disturb the whole economic situation. I am firmly of the belief that these men who enjoy these great salaries and huge incomes would do well for their own sake and for the sake of their country not to complain of $11 a week for maintenance of a family. There is danger in that direction.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. BORAH. I yield.

Mr. CHAVEZ. We have been for years and years talking about the American system of government, and we have been talking about the American standard of living. I cannot see the difference between the girl in Boston sweating away in a laundry at low wages and the girl in my home city, or the girl in Birmingham or elsewhere sweating away at similar work, at low wages. Why should there be two standards of wages under the American standard of living?

Mr. BORAH. We are not dealing here with anything except minimum wages, and those in my opinion are fixed upon one general principle and that is the amount of wages necessary to maintain a family and build up and maintain the citizenship of the country. That is all we are dealing with. As I said to the Senator from Montana [Mr. WHEELER] a moment ago, the amount of minimum wages is very small. We started with 25 cents per hour and we increased it to 30 cents an hour. That is the sum total of our accomplished efforts. Beyond that you have your investigation. An industrial committee is made up of so many from industry, so many from the community, so many from labor, and they investigate and determine the conditions under which, if possible, these wages may be raised. The sum total of the accomplishments of the bill was the creation of a wage of 25 cents an hour to be increased to 30 cents an hour, and the rest is left to investigation, to consideration, to study and determination if possible whether or not the wages can be raised beyond that. That is all.

Mr. President, I do not say that there is not a serious constitutional question involved in this bill. I know there is. But it does not have relation to the power of fixing the minimum wage. Upon that question we have the full constitutional power to do what we have done. I would not undertake to say that some of the other questions do not raise a constitutional question. But I do say that so far as the power of the National Government to fix a minimum wage for those engaged in interstate commerce, it is just as full and complete and plenary as the power of the State to fix it in intrastate commerce.

Mr. President, doubtless there are questions presented here about which able and sincere men may differ. But I regard this bill in fixing a minimum wage as something in the nature of an emancipation proclamation for a part of our people. If the courts hold we have erred in our language or in the accuracy of defining our power we will rewrite the bill, but the objective we will not surrender.

Mr. WALSH. Mr. President, I do not intend to make any speech upon the conference report, but I should like to make a statement for the RECORD. Much has been said in the press about the conflict between the cotton-textile industry in the North and South. Yet the record shows that the only industry in the United States of America, North or South, which presented a united front and presented recommendations for uniform minimum wages and uniform maximum hours of employment, was the cotton-textile industry. The one industry that had practically no differences of opinion, that asked for no differential, North and South, was the cotton-textile industry. They would have preferred to have the maximum wage fixed below 40 cents per hour, but otherwise they favored most of the other provisions.

Mr. President, the feature of this bill which has troubled me is not its application to the large industries of this country, most of whom are already organized, most of whom have 40 or 42 or 44 hours employment a week, and most of whom pay as high or higher wages than the minimum wage fixed in this bill. There was little difficulty in conference in the matter of fixing a minimum wage and maximum hours with respect to those industries. But what has troubled the conferees and is still troubling them is the effect that these minimum wages and the 44-hour to 40-hour week will have upon the smaller, struggling, not well-financed industries engaged in interstate commerce. If any hardship results it will bear down upon this group of industries. But as the Senator from Idaho has well said, this bill was not brought into the Senate by any members of the conference.

It was not of our making and choosing. The bill was before us to fix in interstate commerce a minimum wage, and a minimum wage commencing with 25 cents an hour is hardly defensible in a great country like ours, when we realize the cost of decent living to our workers. If it were not for the small industries, the minimum wage would not begin with a floor as low as 25 cents.

From time to time during the last few days a series of questions have been submitted to me with reference to particular features of the bill, and I have tried to prepare answers to them, and I now ask unanimous consent that the record of this debate may contain the questions and answers in reference to particular features of the bill which have been submitted to me and to which I have made replies over the radio. It fully expresses my views on this subject.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

STATEMENT BY SENATOR WALSH

Q. What groups or classes of industries are affected by its provisions?—A. All businesses engaged in interstate commerce and local retailing establishments, the greater part of whose selling are goods that move in interstate commerce. The bill does not in any way affect purely local retail or service businesses.

Q. Name some of the employees to which the bill is not applicable.—A. Employees in interstate commerce in several instances are exempted from the provisions of this bill. Some are exempted from the hour provisions; others from the wage provisions, and still others from both wage and hour provisions. Comparatively few, however, are exempted from the hour provisions as it is hoped through the limited-hour provisions, viz, the short workweek, to spread employment. Practically the only employees exempted from the hour provisions are those employed in the first processing of dairy products; compressing of cotton and first processing of perishable fruit products whose season is limited to 14 workweeks per year. Employers and employees, through collective bargaining, may arrange for a longer workday than 8 hours and a longer workweek than 40 hours, but they are forbidden to make the aggregate number of hours during a 6-month period exceed an average of 40 hours per week, less 1 week for vacations, or if the collective-bargaining agreement between the employer and employee is on an annual-wage basis, the total hours for the year can be arranged so as not to exceed in the

total, less 2 weeks' vacations, on the average of not more than 40 hours per week. However, in no event does the bill permit employment in excess of 12 hours in any workday, or employment in excess of 56 hours in any workweek. If these figures must be increased in emergencies, time and one-half must be paid.

Q. Who are exempt from the wage provisions?—A. Learners and apprentices; persons impaired by age or physical deficiencies and messengers employed exclusively in delivering letters and messages are exempted from the 40-cent wage provisions of this bill.

Q. What exemptions are there to both wage and hour provisions?—A. There is a long list in this category. Employees employed in a bona fide executive, administrative, professional, or local retailing capacity; salesmen; seamen; employees in the fish industry, including canning, packing, marketing, and distributing of fish; employees employed in agriculture and horticulture; employees engaged in handling storing, pasteurizing, or preparing in their raw or natural state, agricultural commodities for marketing, or making cheese and butter; employees employed in connection with the operation of trains and airplanes who are subject to the regulations of the Interstate Commerce Commission; employees in the maintenance-of-way on railroads are not exempt.

Q. When do the provisions of this bill become operative?—A. The wage and hour provisions become operative 4 months after enactment of the bill. The bill, however, sets up the administrative agency provisions immediately.

Q. What wages are fixed in this bill?—A. Within 4 months a rigid minimum wage of 25 cents per hour is made applicable to every business engaged in interstate commerce aside from those which are specifically exempted and to which I have made reference. One year thereafter 30 cents becomes the universal minimum wage, and 5 years thereafter, or 7 years after the enactment of this bill, the rate of 40 cents per hour becomes the universal minimum wage. In other words, for the 6 years after the fixing of the rate at 30 cents, the rate may be 40 cents or any rate between 30 cents and 40 cents but not less than 30 cents. In this 6-year period the bill provides for the creation of industrial boards in each industry for the fixing of a minimum wage between 30 and 40 cents, and the Administrator may accept or reject the findings of these industrial boards. These industrial boards may make classifications of wages and take into consideration certain economic factors, not, however, on a regional basis. For instance, these boards could recommend a minimum wage somewhat lower in industries where only a few persons were employed from that in a larger industry, or in those industries where production was lower than in other industries, but this classification would apply to all industries wherever located. It would not be on a regional basis.

Q. What is meant by a minimum wage?—A. The wage paid to the lowest paid group of workers in any industry, below which no wage may be paid.

Q. Must all interstate-commerce industries or businesses pay a rigid uniform 40 cents per hour wage at the end of 7 years, commencing in 1945?—A. Yes; except there is one contingency which permits an exception. If the industrial board which is set up for each industry recommends to the Administrator that 40 cents per hour will substantially curtail employment in a particular industry, the Administrator may delay application of the rigid 40 cents per hour rate and apply a minimum rate between 30 cents and 40 cents. But this cannot be done on a regional basis; it must be applicable to all businesses, wherever located.

Q. What are the provisions of the bill with reference to hours?—A. Four months after date of enactment of the bill 44 hours will be the maximum number of hours for employment in any one week in interstate-commerce businesses. One year thereafter this maximum is reduced to 42 hours, and 1 year later it is further reduced to 40 hours. In other words, by October 1940 the workweek will be 40 hours.

Q. Does this mean that under no circumstances can any industry work its employees more than 40 hours per week?—A. No. Industries may work their employees more than 40 hours or 42 hours or 44 hours, as the case may be, but it must pay the employees for overtime at the rate of 1½ times the regular pay of its employees.

Q. Are there any exceptions where overtime pay is not required?—A. Yes. Employment may extend over the 40 hours without overtime pay, if agreed to by collective bargaining, for not more than 6 months of 1,000 hours (which represents an average of 40 hours per week) or for 1 year of 2,000 hours (which likewise represents an average of 40 hours per week) when through collective bargaining an annual wage is fixed; or for 14 weeks in seasonal work, but even in all these cases the workday is limited to not more than 12 hours and the workweek to not more than 56 hours.

Q. Are there any differentials provided in this bill?—A. Differentials are of two kinds. Regional and classified. As to regional, no; as to classified, yes.

Q. What is meant by this?—A. I mean there are no regional differentials of any kind in this bill. Every industry wherever located in competition in interstate commerce, will have applied to it the same minimum-wage and maximum-hour provisions.

Q. What is meant by classified differentials?—A. The bill provides that the industrial boards set up may make certain classifications in the minimum-wage rates between 30 and 40 cents. For instance, it could fix a somewhat different minimum wage for industries with a few employees than is fixed for larger like industries, or somewhat different minimum wages to employees in industries whose production is very small in comparison with the industries whose production is large. But this cannot be done on a regional basis. Whatever classifications are made as to size or production must be made applicable to all like industries wherever located.

Q. Are there any provisions in the bill covering child labor?—A. Yes; child labor is forbidden by preventing goods to be shipped in interstate commerce when produced by child labor. However, the forbidding of child labor does not apply to persons under 16 years of age employed in agriculture when not legally required to attend school, or to any child employed as an actor in motion pictures or theatrical productions. The purpose of this exception is to permit school children to be employed during vacations and after school hours in such agricultural activities as picking berries, fruits, and similar agricultural commodities. It should also be added that the law does not forbid parents from permitting their own children to work in an occupation for their parents, other than manufacturing or mining.

Q. Does this bill wipe out all differentials in all wages above the minimum wage in various parts of the country?—A. Oh, no. Only differentials in minimum wages and maximum hours of employment. Congress has no authority to deal with other wages. All wage earners have a constitutional right to bargain for whatever wage they choose. The Federal Government only has authority to deal with minimum wages because minimum wages and hours of employment relate to the health and general welfare of the citizens and it legislates in this field solely because it can be justified on humanitarian grounds. Both Federal and State constitutions forbid the fixing of any wage by law other than the minimum. Of course, the fixing of minimum wages has an effect upon all wages above the minimum and to that extent all other wages are or may be affected indirectly. There are differentials in wages in the same industry as paid in different parts of the country at the present time. These are not interfered with except in the only field where the Federal Government may interfere, namely, minimum wages. Differentials in other wages are not and cannot be regulated by the Federal Government.

Q. Why hasn't the Federal Government acted before this on minimum wages and maximum hours of employent?—A. Because only recently the Supreme Court has given sanction by its decisions to the contention that the Federal Government may enter the field of regulation of minimum wages and maximum hours of employment in all businesses engaged in interstate commerce.

Q. Does this bill interfere with labor unions?—A. No. It specifically provides that all collective bargaining for wages above the minimum fixed in this bill are not to be interfered with. Indeed higher minimum wages made by collective bargaining in like industries must be considered by the industrial boards in fixing the wage up to 40 cents. It also provides that all collective bargaining contracts now in force between employers and recognized labor unions providing for a work week in excess of 40 hours are not to be changed during the life of the present contract.

Q. On what theory can this bill be defended other than the right of the Federal Government to regulate hours and minimum wages in interstate employment?—A. The importance of eliminating sweatshops, oppressive child labor, differentials, and a wage that is inadequate for a worker and his family to obtain a living wage and a decent American standard of living in all parts of the country.

Q. Why is not all this humane and social well-being—which we concede is the right of the man or woman who works—left to organized labor unions who can obtain these objectives through collective bargaining?—A. This would be the ideal way of handling the situation. But the Government cannot compel workers everywhere to organize and many are unable to organize. For those employees in small industries in remote places, under hostile employers, this bill makes the Government their agency for collective bargaining by providing a reasonable living minimum wage and by protecting them against exploitation through long working hours. Furthermore, the fixing of maximum hours and minimum wages is a protection to high-standard industries against sweatshop competitors.

Q. What effect will the application of this sudden and rigid regulation of hours of employment and wages have upon industry?—A. In my opinion the bill will be more harmful to small rather than large industries. The latter can adjust themselves without much difficulty as many of them are on a 40-hour workweek now. Industries with little capital and who employ small numbers of people, will probably experience considerable difficulty in adjusting themselves in 4 months to a 44-hour week and to a 25-cent-minimum wage. Unfortunately, there are a large number of industries in this country that have worked their employees much longer than 44 hours per week and paid minimum wages of less than 25 cents per hour. These industries operated upon the theory that in order to survive they had to work their employees longer hours and for less wages and in this way would be able to compete with the larger, well organized and efficiently managed industries, by slightly underselling in the markets. In my opinion, unless this law is cautiously and prudently administered, it will tend to increase monopolies and eliminate small industries. To be successful, this law with its commendable humanitarian objectives must be administered with the caution, care, and sympathy of a physician and not with the autocracy and force of a police officer.

It is inevitable that there should be some economic changes in undertaking the almost impossible task of placing the innumerable, and varied interstate commerce industries, in all parts of the Nation on a uniform employment hour and minimum-wage basis. It is hoped and expected these difficulties will be offset by improving the lot of millions of wage earners who have been obliged to live under insanitary conditions—ill-nourished, poorly clad, and at times often underfed—because of the absence of a minimum-wage law.

The PRESIDENT pro tempore. The question is on agreeing to the conference report.

Mr. BORAH. I ask for the yeas and nays.

The yeas and nays were not ordered.

The PRESIDENT pro tempore. The question is on agreeing to the conference report.

The report was agreed to.

TAXICAB INSURANCE IN THE DISTRICT OF COLUMBIA

Mr. TYDINGS. Mr. President, it is only fair to the people of Washington that before the adjournment of Congress there should be a short statement made as to the fate of the so-called taxicab-insurance bill.

This matter has been in disagreement between the House and Senate for a considerable time. The Senate has had only one position. Whether the protection be in the form of insurance, a cash bond, or a surety bond, the position of the Senate has been that the rate shall apply equally to all taxicabs, so that the big companies may not obtain a lower rate in gross than may the individual cab owner on a unit basis.

The provision in the House bill fixes the limit of a cash bond or surety bond at $75,000. One company has 1,500 cabs. That means about $600 or $500 per cab. Under the provisions of the bill it is perfectly possible that a man owning one cab, or five cabs, would have to put up $5,000 per cab. That would be manifestly unfair.

The other day there was a meeting the purpose of which was to induce the cab drivers of Washington to endorse a plan similar to the one I have just condemned. The owner of a cab company stood at the door and paid the drivers a dollar apiece so they could pay their dues and be qualified to vote. I have witnesses to that effect from many sources, one of whom is Mr. Albert W. Jacobson, of the Rust Building, who says that the owner of the largest cab company in Washington paid the men a dollar apiece as they went in, and really controlled their votes.

I want the people of Washington to know that the Senate is not contending for insurance, is not contending for a cash bond, and is not contending for a surety bond. The kind of protection given the public is not the point. The Senate is contending that whatever form of protection is given the public, whether in the form of insurance, cash, or a surety bond, it should apply equally, so that the man who owns only 1 cab, 10 cabs, or 100 cabs, will pay no more on a unit basis than the man who owns 1,000 or 1,500 cabs.

In other words, if one man owns 1 cab, and another man owns 1,000 cabs, it stands to reason that the public risk is 1,000 times greater with the 1,000-cab owner than it is with the single-cab owner. Therefore he ought to pay 1,000 times as much in a cash bond or surety bond, or take out 1,000 times as much insurance as the man who owns only 1 cab.

Whenever the House sends to us a plan which will deal equally, and on the same plane, with the man who owns only 1 cab, 10 cabs, or 50 cabs, and the man who owns 500, 1,000, or 1,500 cabs, the Senate will be glad, so far as the conferees are concerned, to agree to any workable insurance for the protection of the public.

I think the people of Washington should know that the reason we cannot agree is because the Senate will not yield to discriminate against the small company or the individual cab owner in favor of the larger companies, which might enjoy a lower per capita cost of insurance than that of the individual or small companies. I merely wished to make this statement because there has been so much misrepresentation about the matter that I think the people of Washington are entitled to know the truth, and the small cab owners and individual cab owners who have appealed to me are entitled to know that we are not holding up the bill because of the plan, per se, but because of the insidious method of giving a few large companies an advantage in which the smaller companies would not share.

Mr. KING. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield to the Senator from Utah.

Mr. KING. I am advised that a short time ago the House asked for another conference, hoping that possibly there might be an agreement. I made inquiry, and was informed that the Senator from Maryland [Mr. TYDINGS] would be unable to be present during the afternoon, and thereupon the Senator from Louisiana [Mr. OVERTON] was named as a member of the committee. The Senator from Louisiana does not care to act, and I assume the Senator from Maryland will be glad to continue to act as chairman of the committee.

Mr. TYDINGS. I shall be glad to do so.

Mr. SCHWELLENBACH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Maryland yield to the Senator from Washington?

Mr. TYDINGS. Before concluding I wish to make one further statement.

So far as I know, the Senate conferees are willing to accept the provisions of the House bill, except that they want the limitation stricken out which gives the larger companies an undue advantage, and a clause inserted to the effect that insurance, bonds, or indemnity shall be on a cab-unit basis, so that everyone will be treated alike.

When we can have such a bill to consider, we shall be very glad to cooperate.

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield to the Senator from Louisiana.

Mr. OVERTON. I have been trying to interrupt the Senator since he began in order that I might resign from the conference committee. I was appointed as a member of the conference committee upon the assumption that the Senator from Maryland would not be present and would not be able to attend to the duties incident to his membership upon the committee.

The PRESIDING OFFICER. The Chair understands that the Senator from Louisiana resigns as a conferee.

Mr. OVERTON. Yes. I should be very glad to remain on the committee, but I have not made a study of the proposed legislation.

The PRESIDING OFFICER. The Chair appoints the Senator from Maryland [Mr. TYDINGS] in place of the Senator from Louisiana [Mr. OVERTON].

Mr. SCHWELLENBACH. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield to the Senator from Washington.

Mr. SCHWELLENBACH. I should like to submit a question to the Senator from Maryland. Is it not correct that in every State of the Union there is a mandatory requirement for insurance of some kind for public conveyances, such as taxicabs?

Mr. TYDINGS. I think that is true.

Mr. SCHWELLENBACH. I should like to ask the Senator a question in regard to the relationship between the proposal of the House and the ordinary blanket insurance policy which is purchased from insurance companies throughout the country. It is not unusual, is it, for companies which have a large number of vehicles to receive a lower rate than the owners of individual cabs, or a small number of cabs? Is it possible for the Senator to tell us the difference between the rate in the House provision and the ordinary rate which blanket policies afford?

Mr. TYDINGS. In the House provision it is proposed that no bond, surety bond, or cash in the place of a surety bond, shall be more than $75,000. That means that if a concern operates a thousand cabs it would put up a cash bond of $750 per cab. It is generally expected that the individual cab owner would have to put up either insurance or a cash bond of $5,000 or $10,000. So that, in effect, the

limitation in the bill would fix the rate by law in the event cash bonds were resorted to rather than surety bonds.

All we have asked is that this limitation be stricken out, and that the District Commissioners, with the insurance commissioner, fix rates as they are fixed in other places. The "snake" in the bill is the $75,000 limitation, which permits the larger companies to enjoy a rate below that paid by the smaller companies or the individual cab owners.

SUSAN LAWRENCE DAVIS—CONFERENCE REPORT

Mr. ELLENDER submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 7759) for the relief of Susan Lawrence Davis, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the sum inserted by the Senate insert "$1,800"; and the Senate agree to the same.

M. M. LOGAN,
ALLEN J. ELLENDER,
Managers on the part of the Senate.

AMBROSE J. KENNEDY,
ROBERT RAMSPECK,
FRANK CARLSON,
Managers on the part of the House.

Mr. ELLENDER. I move the adoption of the report.

The report was agreed to.

ORDER OF BUSINESS

Mr. BARKLEY. Mr. President, may I have the attention of the Senator from Colorado [Mr. ADAMS]? Conference reports and other matters are undoubtedly important; but it is necessary to have the deficiency bill passed in order to send it to conference. I hope the Senator from Colorado will insist on proceeding with his bill.

The PRESIDING OFFICER. The Senator from Kentucky understands that the presentation of conference reports is privileged.

Mr. BARKLEY. I understand that their presentation is privileged, but they may be considered a little later.

WAGES AND HOURS—FREIGHT RATES

Mr. PEPPER. Mr. President, the Senate has just approved a conference report which for the first time commits the United States to the policy of a uniform minimum wage for the whole country, and for all phases of each industry, as soon as that minimum standard may be feasibly reached and accomplished.

The conference report and the national policy now, therefore, commit us to reaching that universal minimum as soon as it may be reached without doing injustice to any part of an industry or to any section of the country.

We can never reach equality in ability to meet one another in competition, for the market of a given product, so long as there are in this country inequalities in freight rates such as those which now exist, which penalize nearly four-fifths of the whole country.

I wonder if Senators are aware of the fact that Mr. Joseph B. Eastman, speaking in a report in 1934 (S. Doc. 110), said this about that subject:

An objectionable phase of the railroad situation for many years has been the maintenance of regional differences and distinctions which are very imperfectly related to differences in cost and to territorial boundary lines, Chinese walls where rate systems and practices change.

Mr. Arthur E. Morgan, chairman of the Board of the Tennessee Valley Authority, in a letter to the President of the United States, dated May 28, 1937, had this to say:

The present territorial freight-rate boundaries which are the outgrowth of tradition constitute barriers against the free flow of commerce which are hampering and restricting the normal development of the Nation, as a whole, by preventing a full utilization of the varied natural resources that exist in the different regions of the country.

Mr. President, this wage-and-hour bill has committed us to the policy of paying, wherever possible, the same minimum wage in Atlanta, Ga., in Dallas, Tex., or in New York City, for the same work; and we cannot be expected to meet that requirement if the producers of the South and the West and the Far West, in order to get to the great markets of this country, have to overcome a Chinese wall in the form of a discriminatory freight-rate structure.

I wonder if Senators are aware of the fact that there are five freight-rate territories now existent in the United States? The first one is called the eastern, or the official zone. That is composed of the States north of the States of Kentucky and North Carolina and east of the Mississippi River, and constitute the States of Maine, Vermont, New Hampshire, Massachusetts, Connecticut, Rhode Island, New York, New Jersey, Pennsylvania, Delaware, Maryland, Virginia, West Virginia, Ohio, Michigan, Indiana, and Illinois.

Another segment of States in what is called the southern territory embraces the States of North Carolina, South Carolina, Georgia, Florida, Alabama, Mississippi, Tennessee, and Kentucky.

Another segment of States, in what is called the western trunk-line territory, embraces the States of North Dakota, Minnesota, Wisconsin, Iowa, South Dakota, Nebraska, Missouri, Kansas, and a part of the States of Wyoming and Colorado.

There is another territory called the southwestern territory, which embraces the States of Oklahoma, Arkansas, Louisiana, Texas, and a part of New Mexico.

Another territory, called the mountain-Pacific territory, embraces all the States of Montana, Washington, Oregon, California, Idaho, Nevada, Utah, Arizona, and a part of the States of New Mexico, Colorado, and Wyoming.

Mr. President, I have in my hand a House document, No. 264, called the Interterritorial Freight Rate Problem of the United States. That document contains the result of a survey conducted by the Board of Directors of the Tennessee Valley Authority and a letter from the chairman of the Board of Directors of the Tennessee Valley Authority. This information was transmitted to the Congress by the President in his message of June 7, 1937. On page 13 of that document it appears that to ship 100 pounds of first-class freight in what is called official territory, which, roughly, is east of the Mississippi River and north of the Potomac and Ohio Rivers, for 1,500 miles, cost $2.15. In the South, to ship the same hundred pounds of freight the same distance, it cost $2.86. In the Southwest, in zone 3, which is a part of the southwestern territory, it cost $3.58, and another part of the same territory, $4.11. To ship the same 100 pounds of freight the same distance in the western trunk-line territory in one zone cost $2.86; in another zone, $3.26; and in another zone, $3.58. In the mountain Pacific territory the same shipment for the same distance would cost $3.88.

Mr. President, in a Nation committed to the policy of paying the same wage up to a reasonable minimum in all sections of the country, is it fair to penalize the section of the country which has that kind of a Chinese wall as a freight-rate barrier? And is the Congress going to expect industry to compete with industry for the same market when one of them is penalized with that kind of a discriminatory freight-rate as a necessary transportation cost to get its commodities into that market?

Mr. McKELLAR. Mr. President, will the Senator yield to me?

The PRESIDING OFFICER (Mr. DUFFY in the chair). Does the Senator from Florida yield to the Senator from Tennessee?

Mr. PEPPER. I yield.

Mr. McKELLAR. Just this morning I received a letter from Cleveland, Tenn., from a coffin-manufacturing concern, saying that bids had been advertised by the Veterans' Administration for a certain number of coffins—I do not remember the number—to be shipped to Legion, Tex. The terms were that the coffins were to be delivered free on board cars at the place of shipment. It turned out that the Cleveland concern made the lowest bid by $91; but the Veterans' Administration let the contract to a concern in Erie, Pa., because there was a difference of more than $91 in railroad rates as between

Erie, Pa., and Legion, Tex., and between Cleveland, Tenn., and Legion, Tex., the last two points being much nearer together.

That is what we suffer in the matter of freight rates, and that is why it is so important to have the freight rates covered in the bill.

Mr. PEPPER. I thank the able Senator from Tennessee for giving us that very forceful illustration.

If I may give the compilation in general terms from the volume to which I just referred, it will mean that in what is called official territory the rate would be 100, and in southern territory, 139; in western trunk-line territory, 147; in southwestern territory, 175; and in mountain-Pacific territory, 171. Approximately 50.9 percent of the population of this country live in what is called official territory. That is the big market of America. That is the market to which every manufacturer naturally turns his hopes for the sale of his goods. All of us outside that territory are competing for access to that market against inequalities and discriminations on account of transportation costs under the existing situation.

Mr. President, I will give another illustration, or perhaps two. Let us take, for example, the shipment of butter, eggs, and dressed poultry. It is 905 miles from Dallas, Tex., to Chicago, Ill. To ship 100 pounds of butter, eggs, or dressed poultry from Dallas, Tex., to Chicago, Ill., 905 miles, would cost under existing freight rates $1.48. But to ship the same quantity of butter, eggs, or dressed poultry 909 miles from New York City to Chicago, Ill., costs 49 cents less, or only 99 cents.

Suppose there are two poultry dealers competing for the great market of Chicago, we will say. One of them lives in Dallas, Tex., the other lives in the city of New York. One of them would be able to sell his eggs for 49 cents less per 100 pounds, or his poultry for 49 cents less per 100 pounds, and still come out as well as the man who ships from Dallas to the same point of destination, namely, Chicago.

Mr. President, I wonder if Senators are aware of the fact that the first-class freight rate for 900 miles in southern territory is $2.35½, but the rate is $2.36½ in the eastern official territory for a distance of 1,500 miles, or 600 miles farther.

The rate of $1.12 buys 200 miles of transportation in southern territory, but the rate of $1.09 buys 400 miles of transportation in northern territory. A dollar will buy on an average twice as much in northern territory, in the matter of transportation, as in southern territory.

From Atlanta, Ga., to Chicago is 731 miles. The shipper must pay the first-class rate of $2.10. From New York to Chicago, 890 miles, the shipper pays $1.67. The Atlanta shipper suffers a disadvantage of 43 cents per hundred pounds, in spite of his advantage in distance of 159 miles.

From Atlanta, Ga., to Louisville, Ky., 449 miles, the shipper pays $1.66, but from New York to Louisville, Ky., 852 miles, or nearly twice the distance, the shipper pays $1.64, or 2 cents less than the Atlanta shipper.

Mr. President, what I propose is contained in Senate Resolution 296, which is now lying on the table; that is, that the Interstate Commerce Commission, which has already been dealing with this general subject for a long time, be requested by the Senate to make a study of this problem of interterritorial freight-rate differences and inequalities, and report back to the Senate at the beginning of the next session with respect to any plan it may be able to conceive of which will eliminate these inequalities and these inequities, so that all the producers of the same commodity will compete for the same market upon the same transportation equality.

I hope the resolution will receive the favorable consideration of the Senate.

Mr. BARKLEY. Mr. President, I will say to the Senator that while I am not opposed to his resolution, I shall object to the consideration of any other motion, bill, resolution, or request until the pending bill is out of the way. I think that if we are to make any progress, we will have to get the bill out of the way, because there are many items in it which must go to conference. I do not object to the Senator's resolution, but I do not think it should be considered now.

ADDITION TO HAWAII NATIONAL PARK

The PRESIDING OFFICER laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 1995) to add certain lands on the island of Hawaii to the Hawaii National Park, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. ADAMS. I move that the Senate insist upon its amendments, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. ADAMS, Mr. HATCH, Mr. O'MAHONEY, and Mr. BORAH conferees on the part of the Senate.

SECOND DEFICIENCY APPROPRIATIONS

The Senate resumed consideration of the bill (H. R. 10851) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1938, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1938, and June 30, 1939, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee on page 32, line 1, which has been previously stated.

The amendment was agreed to.

The next amendment was, under the subhead "United States Housing Authority", on page 33, line 1, after the word "exceed", to strike out "$2,250,000" and insert "$4,500,000", so as to read:

Salaries and expenses: Such unexpended funds as remain, after completion of the housing or slum-clearance projects transferred from the Federal Emergency Administration of Public Works, from the funds authorized to be expended for such projects by the Federal Emergency Administration of Public Works under title II of the National Industrial Recovery Act and the Emergency Relief Appropriation Act of 1935 and transferred to the United States Housing Authority under Executive Order No. 7732 of October 27, 1937, as modified by Executive Order No. 7839 of March 12, 1938, are hereby reappropriated and made available for the purposes of the United States Housing Act of 1937, and of these funds and other funds of the Authority there is hereby made available during the fiscal year 1939 not to exceed $4,500,000 for administrative expenses of the Authority, in carrying out the United States Housing Act of 1937, including personal services and rent in the District of Columbia and elsewhere; traveling expenses; printing and binding; procurement of supplies, equipment, and services; reproducing, photographing, and labor-saving devices and office appliances, including their repair and exchange; payment, when specifically authorized by the Administrator, of actual transportation expenses and not to exceed $10 per diem in lieu of subsistence and other expenses to persons serving, while away from their homes, without other compensation from the United States, in an advisory capacity to the Authority; payment of the necessary traveling and other expenses of officers and employees of any agency of the Federal, State, or local governments whose services are utilized in the work of the Authority; not to exceed $5,000 for the purchase and exchange of law books and other books of reference, periodicals, newspapers, and press clippings; not to exceed $2,500 for exchange, maintenance, repair, and operation of motor-propelled passenger-carrying vehicles, to be used only for official purposes; not to exceed $1,000 for expenses of attendance, when specifically authorized by the Administrator, at meetings or conventions concerned with the work of the Authority; not to exceed $10,000 for the preparation, mounting, shipping, and installation of exhibits; not to exceed $5,000 for employing persons or organizations, by contract or otherwise, for special reporting, engineering, technical, and other services determined necessary by the Administrator, without regard to section 3709 of the Revised Statutes (41 U. S. C. 5), and without regard to the civil-service laws and the Classification Act of 1923, as amended: *Provided*, That all necessary expenses in connection with the completion of construction, development, management, and operation of projects transferred to the Authority by said Executive orders may be considered as nonadministrative expenses for the purposes hereof and be paid from the funds allotted for or the rents from each project.

Mr. KING. Mr. President, I should like to have an explanation of this amendment. We have recently made very large appropriations for the United States Housing Authority.

Mr. ADAMS. Mr. President, in answer to the inquiry of the Senator from Utah as to this item, I may say that it is not an appropriation item. It does not add to the appropriation; it is merely an authorization for administrative expenses of funds already provided for.

The Housing Administration heretofore has had no limitation upon the proportion of its funds it could use. The House of Representatives inserted a limitation of $240,000,000. Then we added $300,000,000 to the loaning capacity of the Authority, and they say they cannot conduct their business unless we give them a larger authorization for administrative expenses. We heard them very carefully, and I think there is no question as to the propriety of this authorization.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment of the committee.

The next amendment was, under the subhead "Bureau of Indian Affairs," on page 41, after line 6, to insert:

Expenses of special attorneys, Osage Nation, Oklahoma (tribal funds): For necessary and proper expenses of attorneys employed under contracts in accordance with existing law, to prosecute tax matters on behalf of the Osage Indians, fiscal year 1939, to remain available until expended, $4,000, payable, upon proper vouchers approved by the Secretary of the Interior, from funds on deposit to the credit of the Osage Tribe.

The amendment was agreed to.

The next amendment was, on page 41, after line 14, to insert:

Klamath Reservation, Oreg.: For an additional amount for support of Indians and administration of Indian property, Klamath Reservation, Oreg., fiscal year 1939, $4,500, payable from funds on deposit to the credit of the Klamath Indians, which amount shall be available only for fees and expenses of an attorney or firm of attorneys selected by the tribe and employed under a contract approved by the Secretary of the Interior in accordance with existing law.

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of Reclamation", on page 45, after line 4, to insert:

Tucumcari project, New Mexico: For construction of a project for the irrigation of the lands of the Arch Hurley Conservancy District in New Mexico as authorized by the act of August 2, 1937 (50 Stat. 557), as amended by the act of April 9, 1938 (Public, No. 477, 75th Cong., 3d sess.), $500,000.

The amendment was agreed to.

The next amendment was, on page 45, line 15, after the word "fund", to strike out "$725,000" and insert "$1,225,000", so as to read:

In all, reclamation fund, special fund, $1,225,000.

The amendment was agreed to.

The next amendment was, on page 45, line 17, after the word "projects" and the colon, to strike out "Not to exceed $3,000 of the" and insert "The", so as to read:

Commission to investigate reclamation projects: The unexpended balance of the appropriation of $30,000 for the Commission to investigate reclamation projects contained in the Third Deficiency Appropriation Act, fiscal year 1937, approved August 25, 1937 (50 Stat. 764), is hereby continued available for the same purposes during the fiscal year 1939.

Mr. KING. Mr. President, I desire to inquire as to a number of these appropriations for the Indian Bureau for projects, one of $500,000 in New Mexico, and so on.

We recently passed an Indian appropriation bill, and various other measures, in which very large appropriations were made for the Indian reservations. The Senator will recall that only a few years ago the entire appropriation for the Indians was about $25,000,000. We recently added several million, and my recollection is that the bill we passed a few days ago carried about $37,000,000. I am wondering why we are now asked to appropriate for Indian reservations several million dollars more.

Mr. ADAMS. The items are not Indian items; that is, if the Senator is referring to the items on page 45.

Mr. KING. I am referring to the amendment on page 41. The Klamath Reservation is one included.

Mr. ADAMS. Those were items authorizing the payment from tribal funds of their own expenses.

Mr. KING. It seems to me that in the Indian appropriation bill complete provision was made for the development of those various reservations and the utilization of tribal funds.

Mr. McKELLAR. Mr. President, the contract had already been made; and after it was made, it was found that Government approval was required.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The next amendment was, on page 45, after line 23, to insert:

General investigations: The unexpended balance of the appropriation of $200,000 to enable the Secretary of the Interior, through the Bureau of Reclamation, to carry on engineering and economic investigations of proposed Federal reclamation projects, surveys for reconstruction, rehabilitation, or extension of existing projects and studies of water conservation and development plans contained in the Interior Department Appropriation Act, fiscal year 1938, is hereby continued available for the same purposes for the fiscal year 1939.

The amendment was agreed to.

The next amendment of the committee was, on page 46, under "Bureau of Mines," to insert the following after line 17:

Building and equipment, University of Utah: For the erection and equipment of a building or buildings on a site, to be donated to the United States, adjacent to the campus of the University of Utah at Salt Lake City, Utah, suitable for use by the Bureau of Mines for the mining experiment station at Salt Lake City, as authorized by the act of February 25, 1938 (Public, No. 436, 75th Cong.), including expenses in the District of Columbia and elsewhere for the preparation of plans and specifications, advertising, traveling expenses, and supervision of construction, fiscal year 1939, $300,000.

So as to read:

BUREAU OF MINES

Acquisition of helium properties: For acquirement, in accordance with the provisions of the act of September 1, 1937 (50 Stat. 885), from the Girdler Corporation of helium-producing properties at Thatcher, Colo., and at Dexter, Kans., including real estate, buildings, ground equipment, machinery and equipment, materials and supplies, pipe lines, gas wells, engineering and geological data, lease rights, and patent licenses, fiscal year 1939, $537,975.23.

Building and equipment, University of Utah: For the erection and equipment of a building or buildings on a site, to be donated to the United States, adjacent to the campus of the University of Utah, at Salt Lake City, Utah, suitable for use by the Bureau of Mines for the mining experiment station at Salt Lake City, as authorized by the act of February 25, 1938 (Public, No. 436, 75th Cong.), including expenses in the District of Columbia and elsewhere for the preparation of plans and specifications, advertising, traveling expenses, and supervision of construction, fiscal year 1939, $300,000.

Laboratory, Boulder City, Nev.: For the purchase of a building at Boulder City, Nev., formerly used as a carpenter shop during construction of Boulder Dam, for removal of the building from its present location to a site adjacent to the electrometallurgical laboratory of the Bureau of Mines, and for such alterations as may be needed to prepare the building for laboratory use, including personal services, materials, and supplies, fiscal year 1939, $6,000.

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of Mines", on page 46, after line 17, to insert:

Building and equipment, University of Utah: For the erection and equipment of a building or buildings on a site, to be donated to the United States, adjacent to the campus of the University of Utah at Salt Lake City, Utah, suitable for use by the Bureau of Mines for the mining experiment station at Salt Lake City, as authorized by the act of February 25, 1938 (Public, No. 436, 75th Cong.), including expenses in the District of Columbia and elsewhere for the preparation of plans and specifications, advertising, traveling expenses, and supervision of construction, fiscal year 1939, $300,000.

The amendment was agreed to.

The next amendment was, under the heading "Department of Justice—Federal Bureau of Investigation", on page 54, after line 9, to insert:

Not to exceed $1,500 of the appropriation "Salaries and Expenses, Federal Bureau of Investigation, 1939," shall be available

to maintain, on behalf of the United States, membership in the International Criminal Police Commission, as authorized by the act approved June 10, 1938.

The amendment was agreed to.

The next amendment was, under the heading "Navy Department", on page 62, line 13, after the word "in", to insert "Senate Document No. 194, and", and in line 15, after the name "Congress", to strike out "$1,667.19" and insert "$2,000.85", so as to read:

OFFICE OF THE SECRETARY

Claim for damages by collision with naval vessels: To pay claims for damages adjusted and determined by the Secretary of the Navy under the provisions of the act entitled "An act to amend the act authorizing the Secretary of the Navy to settle claims for damages to private property arising from collisions with naval vessels," approved December 28, 1922, as fully set forth in Senate Document No. 194, and House Document No. 678, Seventy-fifth Congress, $2,000.85.

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of Aeronautics", on page 67, line 23, after the word "forth", to insert "and for the commencement of the construction of a rigid airship to cost not to exceed $3,000,000, in accordance with the provisions of section 6 of the National Expansion Act, approved May 17, 1938 (Public, No. 528, 75th Cong.)", and on page 68, in line 5, after the numerals "1939", to strike out "$3,375,000" and insert "$3,875,000", so as to read:

Aviation, Navy: For an additional amount for navigational, photographic, aerological, radio, and miscellaneous equipment, etc., and for the commencement of the construction of a rigid airship to cost not to exceed $3,000,000, in accordance with the provisions of section 6 of the Naval Expansion Act, approved May 17, 1938 (Public, No. 528, 75th Cong.), fiscal year 1939, including the same objects specified under this head in the Naval Appropriation Act for the fiscal year 1939, $3,875,000.

Mr. KING. Mr. President, I regret very much that this item for appropriation has been made. We have had rather tragic experiences with our dirigibles. Three or four of them have been destroyed and utterly failed to be of any useful purpose, and a large number of individuals have been killed. The same experience we had followed the dirigible experiments in Great Britain, also in Italy, and in various other European countries, as the result of which my information is that no country today, not even Great Britain, France, Italy, or Russia, or Germany, is making expenditures for dirigibles. It seems to me it is a waste of money.

I know a very earnest lobby has been here for several years in an endeavor to induce us to make an appropriation, notwithstanding the *Macon* disaster, which we investigated only a short time ago. I happened to be chairman of the committee which made the investigation. The lobby is working for a large appropriation for the construction of another dirigible. I know that when the hearing occurred, a number of very eminent aerologists and some members of the Navy appeared in opposition to further appropriations for dirigibles.

We all recall that when General Balbo came to the United States a few years ago with a large number of airplanes from Italy, he announced the failure of the dirigibles and declared that his country no longer considered it feasible or proper to construct dirigibles.

I regret that we are going to waste $3,000,000 upon an experiment when we have only recently concluded an investigation of the *Akron* and of the other three or four dirigibles, all of which, except one, met with disaster which caused the death of considerably more than 100 of our fine young men who were serving in the Navy.

I sincerely hope that we will not make this appropriation.

Mr. BYRNES. Mr. President, the Congress has recently adopted a bill known as the Naval expansion bill. The committees of the Senate and the House went into this matter most carefully, and they authorized the expenditure which is carried in this particular appropriation. It is the purpose of the Navy Department to construct a dirigible only for experimental purposes and in accordance with the act of Congress indicated, which is called the naval expansion bill.

Mr. DUFFY. Mr. President, I think it should be stated, in view of the statement of the Senator from Utah, that, although he was chairman of the committee and he came to the conclusion which he now expresses, the committee itself came to an opposite conclusion, or thought that at least some work should be done along the line of dirigibles, and in order to keep intact the personnel which has been built up over the years. If something is not done now, that personnel will disintegrate. I think, in view of the fact that we have a monopoly on helium gas, construction of a dirigible should be gone forward with for experimental purposes.

Mr. KING. I think the Senator will agree with me that there was very powerful testimony against it, and I am inclined to think that the committee was rather favorable to Captain Rosendahl's testimony, although, in my opinion, the testimony demonstrated that, with one exception, all our dirigibles had met with disaster, carrying more than a hundred of our fine young men to their graves.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 67, line 23.

The amendment was agreed to.

The next amendment was, under the subhead "Marine Corps," on page 69, after line 2, to insert:

Expenses Marine Band at the observance of the United Confederate Veterans' Reunion at Columbia, S. C., and at the National Encampment of the Grand Army of the Republic at Des Moines, Iowa: For expenses of the United States Marine Band in attending the observance of the United States Confederate Veterans' Reunion to be held at Columbia, S. C., August 30 to September 2, 1938, and in attending the observance of the National Encampment of the Grand Army of the Republic to be held at Des Moines, Iowa, September 4 to 8, 1938, authorized by the acts approved June , 1938 and June , 1938, respectively: *Provided*, That only so much of this appropriation shall be available as may be authorized for expenditure by the enactment of either or both of the aforesaid bills, fiscal year 1939, $11,750.

The amendment was agreed to.

The next amendment was, under the heading "Department of State," on page 74, line 21, after the numerals "1939," to strike out "$50,000" and insert "$66,000"; so as to read:

OFFICE OF SECRETARY OF STATE

Salaries: For an additional amount for salaries, Department of State, subject to the limitations specified under this head in the Department of State Appropriation Act, 1939, fiscal year 1939, $66,000.

The amendment was agreed to.

The next amendment was, on page 75, line 2, after the numerals "1939", to strike out "$25,000" and insert "$31,750", and in line 5, after the word "exchange", to insert a comma and "and not to exceed $7,500 for expenses of attendance at meetings concerned with the work of the Department of State when authorized by the Secretary of State", so as to read:

CONTINGENT EXPENSES, DEPARTMENT OF STATE

For an additional amount for contingent expenses, Department of State, including the same objects specified under this head in the Department of State Appropriation Act, 1938, fiscal year 1938, to remain available until June 30, 1939, $31,750, of which amount there may be expended not to exceed $1,500 for the purchase of typewriters, adding machines, and other labor-saving devices, including their exchange, and not to exceed $7,500 for expenses of attendance at meetings concerned with the work of the Department of State when authorized by the Secretary of State.

The amendment was agreed to.

The next amendment was, under the subhead "Foreign Intercourse", on page 77, after line 6, to insert:

Pan-American Highway: To meet such expenses as the President in his discretion may deem necessary to enable the United States to collaborate with the several governments, members of the Pan American Union, in regard to the proposed Pan-American Highway, as authorized by the convention ratified by the United States, July 15, 1937, $50,000, fiscal year 1939, to be immediately available; the expenditure of such sum shall be subject to the receipt of assurances satisfactory to the President from such governments of their cooperation as provided in said convention, but no part of

such sum shall be expended except for engineering advice and assistance.

The amendment was agreed to.

The next amendment was, on page 79, line 6, after the word "fiscal", to strike out "year" and insert "years 1938 and", so as to read:

Commission of Experts on the Codification of International Law, Lima, Peru: For the expenses of participation by the United States in the meeting of the Commission of Experts on the Codification of International Law, to be held at Lima, Peru, in 1938, including personal services in the District of Columbia or elsewhere, without regard to the civil-service laws and the Classification Act of 1923, as amended; stenographic reporting, translating, and other services, by contract if deemed necessary without regard to section 3709 of the Revised Statutes (41 U. S. C. 5); rent, traveling expenses; hire, maintenance, and operation of motor-propelled passenger-carrying vehicles; equipment; purchase of necessary books, documents, newspapers, periodicals, and maps; stationery; official cards; entertainment; printing and binding; and such other expenses as may be authorized by the Secretary of State, including the reimbursement of other appropriations from which payments may have been made for any of the purposes herein specified, to be expended under the direction of the Secretary of State, fiscal years 1938 and 1939, $3,600.

The amendment was agreed to.

The next amendment was, on page 81, line 13, after the numerals "1938", to strike out "$10,000" and insert "$15,500", so as to read:

Fourth International Conference on Private Air Law: For the expenses of participation by the United States in the Fourth International Conference on Private Air Law, to be held in Belgium, or elsewhere in Europe during the fiscal year 1939 as authorized by and in accordance with the public resolution of May 13, 1938, $15,500 to remain available until June 30, 1939.

The amendment was agreed to.

The next amendment was, under the heading "Treasury Department—Office of the Secretary," on page 84, line 13, after the word "in", to insert "Senate Document No. 192 and"; and in line 14, after the name "Congress", to strike out "$401.10" and insert "$971.67", so as to read:

Claims for damages, operation of vessels, Coast Guard and Public Health Service: To pay claims for damages adjusted and determined by the Secretary of the Treasury under the provisions of the act entitled "An act to provide for the adjustment and settlement of certain claims for damages resulting from the operation of vessels of the Coast Guard and the Public Health Service, in sums not exceeding $3,000 in any one case," approved June 15, 1936, as fully set forth in Senate Document No. 192, and House Document No. 681, Seventy-fifth Congress, $971.67.

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of Internal Revenue," on page 87, line 14, before the word "unexpended", to strike out "Not to exceed $3,700,000 of the" and insert "the", so as to read:

Salaries and expenses, refunding of processing taxes: The unexpended balance of the funds transferred to the Treasury Department from the appropriation "Exportation and domestic consumption of agricultural commodities, Department of Agriculture, 1936," and made available for the fiscal year 1938 for the purpose of providing for the salaries and administrative expenses of the Treasury Department in making refunds and payments of processing and related taxes, as authorized by titles IV and VII of the Revenue Act of 1936, is hereby continued available during the fiscal year 1939 for the same purpose, including the same objects specified under this head in the Second Deficiency Appropriation Act, fiscal year 1937.

The amendment was agreed to.

The next amendment was, at the top of page 89, to insert:

For refund, in accordance with rules and regulations to be prescribed by the Commissioner of Internal Revenue with the approval of the Secretary of the Treasury, of all amounts collected by any collector of internal revenue as tax (including penalties and interest) under the Bankhead Cotton Act of 1934 (48 Stat. 598), as amended, the Kerr Tobacco Act (48 Stat. 1275), as amended, and the Potato Act of 1935 (49 Stat. 750), fiscal year 1939, $6,052,253.94: *Provided*, That no refund shall be allowed in any case in which a claim for refund shall not have been filed prior to July 1, 1939, nor shall a refund be allowed of any tax which shall have been previously refunded: *Provided further*, That no refund shall be denied upon the ground that a proceeding to recover had become barred by the limitation provisions of such acts: *Provided further*, That in the absence of fraud all findings of fact and conclusions of law of the Commissioner of Internal Revenue upon the merits of any such claim for refund, and the mathematical calculations made in connection therewith, shall not be subject to review by any court or by any other officer, employee, or agent of the United States: *Provided further*, That no refund of any tax shall be made under this paragraph unless liability for the payment of such tax was satisfied by the payment of money: *Provided further*, That in the case of amounts paid as tax under the Bankhead Cotton Act of 1934 with respect to the ginning of cotton (a) refund shall be allowed to the ginner of the cotton only to the extent that the ginner has not shifted the burden of the tax by including it in any charge or fee for ginning, or by collecting it from the owner or owners of the cotton ginned, or in any manner whatsoever, and (b) refund shall be allowed to the owner or owners of the cotton at the time of ginning, to the extent that the amount of tax was shifted to such owner or owners by the cotton ginner and was not shifted by such owner or owners to other persons, and in such cases, but only for the purposes of this paragraph, the tax shall be considered to have been paid by the ginner to the United States for the account of such owner or owners: *And Provided further*, That no part of the amount herein appropriated in excess of 15 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with such refunds, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this paragraph shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. BARKLEY. Mr. President, on page 89, line 9, I offer an amendment to the committee amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER (Mr. HATCH in the chair). The amendment will be stated.

The CHIEF CLERK. On page 89, line 9, it is proposed to strike out the first proviso of the committee amendment and to insert the following:

Provided, That no refund shall be made or allowed of any amount paid by or collected from any person as tax under such acts, unless, after the date of the enactment of this act, and prior to July 1, 1939, a claim for refund has been filed by such person.

Mr. BARKLEY. I will state that this amendment is suggested by the Treasury because the claims that are now on file for these refunds are not properly made out. There are some 34,000 of them. Under the language of the amendment, it would not be necessary to file new claims. The claims already filed might be considered.

The Treasury Department advises me the claims which are already filed are in such condition, and there is such a deficiency of information with respect to them, that they could not be passed on intelligently on the showing made, and that in order that every claim may be considered on its merits, with all the facts, that it is advisable that new claims be filed. It is with that purpose that this amendment to the committee amendment is offered. That is the only change that is made in the language.

Mr. KING. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. KING. I wish to inquire whether the Treasury Department made any representations to the joint committee which has to do with refunds, and which is really the agent of the Ways and Means Committee of the House and the Finance Committee of the Senate. The Senator from Wisconsin [Mr. LA FOLLETTE] is a member of that committee. My information is that the matter never was brought to the attention either of the Finance Committee of the Senate or the Ways and Means Committee of the House, or the committee to which I have just referred.

Mr. BARKLEY. I will say to the Senator that I do not know what representations the Treasury made to the Commissioner of Internal Revenue. He is a part of the Treasury, and it is his duty under this law to make these refunds. I presume that the Treasury Department itself has conferred with the Commissioner of Internal Revenue with respect to making these refunds. But I will say to the Senator that the Senate more than a year ago passed a bill—it came out of the Claims Committee, and did not come out of the Finance Committee—authorizing the refund of these taxes paid by farmers and others who paid the taxes. The only difference my amendment makes in the language of the amendment of the committee is that it requires the claims

to be filed following the enactment of the law, and prior to July 1, 1937.

Mr. HARRISON. Mr. President, I shall raise no question about the amendment. However, it seems to me that in every case I have ever known dealing with a change of law respecting refunds, the Treasury Department has taken it up with the Committee on Finance if the matter was to go to the Senate. So far as I know, no one in the Treasury Department has approached the committee in any way, or any member of it except the Senator from Kentucky [Mr. BARKLEY]. I shall raise no question about it. However, if the Treasury Department attempts such a thing again, there will be a question raised.

Mr. BARKLEY. I will say to the Senator that the amendment offered by the committee is not a Treasury Department amendment. It is a committee amendment sponsored by the Senator from Georgia [Mr. RUSSELL] and myself jointly, in the nature of an amendment to the committee amendment.

The reference which I made a while ago to the bill which the Senate passed a year ago was to a bill which was introduced by my colleague [Mr. LOGAN], which was referred to the Committee on Claims, and not to the Committee on Finance. I do not know why that was done, except that the bill involved a claim against the Government. It was not a question of raising revenue. It was a question of refunding money which had been collected under an act declared unconstitutional. I realize that the Finance Committee is interested in this legislation, and personally I think the bill then should have been referred to the Committee on Finance.

Mr. HARRISON. Any matter involving a change in the law should be submitted to the proper committee.

Mr. BARKLEY. In this case the Treasury is not responsible, because the Senator from Georgia and I offered the amendment to the bill. The committee adopted it and it is now before the Senate as a committee amendment.

Mr. HARRISON. I raise no objection.

Mr. RUSSELL. As stated by the Senator from Kentucky, the bill providing for refunds passed the Senate last summer, at the last regular session of Congress.

I introduced the bill, but had nothing whatever to do with its reference. It was referred to the Committee on Claims, and the Committee on Claims reported the bill, which was placed on the calendar. I hope the question of the committee to which the bill was referred will not cause any delay in the repayment of the taxes. I recall that the legislation providing for the refund of the processing taxes did come out of the Committee on Finance. However, I had nothing whatever to do with the reference to the Committee on Claims. The Committee on Claims reported the bill, and the issue of the reference was not raised by any member of the Finance Committee when the bill passed the Senate. I hope the question will not now be raised.

Mr. BARKLEY. What the Senator says is correct. No question was raised at that time about the reference of the bill, and when the bill came from the committee it was placed on the calendar and passed by the Senate. No question was raised about it by anybody.

Mr. RUSSELL. The question is not now raised until we are ready to make the appropriation. We have already refunded millions of dollars to the processors, and I hope no question will be raised on the refunding of the very small amount involved to the farmers who paid the tax which was later determined to be illegal.

Mr. GEORGE. Mr. President——

Mr. BARKLEY. I yield to the Senator from Georgia.

Mr. GEORGE. I merely wish to say that at the last regular session of the Congress my colleague, the junior Senator from Georgia [Mr. RUSSELL], introduced a bill for the refunding of the particular taxes involved—that is, the so-called gin tax under the Bankhead Act, the tobacco tax, and the potato tax—collected under the separate control acts, all of which have been repealed, as the Senator from Kentucky will recall. The bill was reached on the calendar, and the junior Senator from Kentucky [Mr. LOGAN] and the senior Senator from Georgia, myself, presented the matter to the Senate, in the absence, on official business, of the author of the bill, my colleague [Mr. RUSSELL]. The matter was presented on two different dates, and in response to certain objections, raised, I believe, by the Senator from Vermont, the bill was amended and finally passed. So I take it that the amendment in the present bill providing for the refund is in the nature of an appropriation, after all, to take care of the refunds under the three acts of Congress which have been repealed.

Mr. BARKLEY. That is true.

The PRESIDING OFFICER. The question is on agreeing to the amendment to the committee amendment offered by the Senator from Kentucky [Mr. BARKLEY].

The amendment to the amendment was agreed to

Mr. BARKLEY. Mr. President, I offer another amendment to the committee amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Kentucky will be stated.

The CHIEF CLERK. On page 89, line 15, in the committee amendment, after the word "acts", it is proposed to insert the following:

Or by the provisions of section 3226, as amended, of the Revised Statutes.

Mr. BARKLEY. Mr. President, the amendment which I offer is in the same language as that of the committee, except that there is added to it "or by the provisions of section 3226, as amended, of the Revised Statutes." That broadens the scope of the refund. As the committee has written the amendment, it does not include refunds up to 100 percent. The amendment which I have offered merely provides that no refund shall be denied, not only by reason of the limitation provisions of the acts referred to but also by reason of section 3226, as amended, of the Revised Statutes. It broadens the refund, and practically makes it possible to make a 100-percent refund of the taxes.

The PRESIDING OFFICER. The question is on agreeing to the amendment to the committee amendment, offered by the Senator from Kentucky.

The amendment to the amendment was agreed to.

Mr. BARKLEY. Mr. President, I offer another amendment to a committee amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment to the committee amendment offered by the Senator from Kentucky will be stated.

The CHIEF CLERK. On page 90, line 13, in the committee amendment, beginning with the colon, strike out all down through line 21, and insert in lieu thereof a period and the following:

No part of the amount of any refund made under this paragraph in excess of 15 percent of the amount of such refund shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with such refund, and the same shall be unlawful, any contract to the contrary notwithstanding; and any person violating the provisions of this sentence shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. BARKLEY. The amendment which I offer is practically the same as the language of the committee, with a slight modification.

Mr. RUSSELL. The amendment offered by the Senator from Kentucky merely perfects the amendment of the committee. The original amendment inadvertently referred to 15 percent of the entire amount appropriated, whereas it should have referred to 15 percent of the amount of any individual refund. That is the only change which is made.

The PRESIDING OFFICER. The question is on the amendment to the committee amendment, offered by the Senator from Kentucky.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The next amendment was, on page 92, after line 15, to insert:

PUBLIC HEALTH SERVICE

Division of Venereal Diseases. For an additional amount for the maintenance and expenses of the Division of Venereal Diseases, for the purpose of carrying out the provisions of the act of May 24, 1938 (Public, No. 540, 75th Cong.), including rent and personnel and other services in the District of Columbia and elsewhere; items otherwise properly chargeable to the appropriations for printing and binding, stationery, and miscellaneous and contingent expenses for the Treasury Department; purchase of reports, documents, and other material for publication and of reprints from State, city, and private publications; purchase (not to exceed $1,500), maintenance, repair, and operation of passenger-carrying automobiles for official use in field work; transportation; traveling expenses, including attendance at public meetings when directed by the Surgeon General; and the packing, crating, drayage, and transportation of personal effects of commissioned officers, scientific personnel, pharmacists, administrative assistants, aides, dietitians, and nurses of the Public Health Service upon permanent change of station, fiscal year 1939, $1,500,000: *Provided*, That this appropriation shall be available for the pay and allowances of not to exceed twenty commissioned officers.

Mr. LA FOLLETTE. Mr. President, on page 93, line 12, I move to strike out $1,500,000 and insert $3,000,000.

At the present session of Congress a bill was passed to inaugurate a campaign of cooperation between the Federal Government and the several States for the eradication and control of venereal diseases.

The act authorized $3,000,000 to inaugurate the first year's program. This sum was not drawn out of a hat, Mr. President. It was very carefully considered, and it was reduced below the amount which many of those who have been working in the field endeavoring to control these menaces to human health and well-being thought could be economically and well spent.

The Bureau of the Budget estimated the full amount which was authorized to inaugurate this program, $3,000,000, but the committee has seen fit to cut it in half.

The situation which confronts us is that the act was not passed soon enough for this matter to be considered by the House in connection with the pending bill. Therefore, the item had to be considered, and is in the bill in such form that it goes to conference.

I desire briefly, because I am so much interested in this campaign, and I think it holds out so much of hope for the future welfare of the people of the country, to point out to Senators that one of the venereal diseases, syphilis, is one of mankind's greatest enemies. It is twice as prevalent in the United States as is tuberculosis, and it is four times as prevalent as diphtheria. It is six times as prevalent as typhoid fever.

Fortunately, however, today the medical profession has the weapons with which to cope with and to eradicate syphilis. We demonstrated that at the time of the World War. For the first time in the history of civilized man, an army was mobilized and men were taken into it instead of being rejected if they had syphilis, and they were cured by the Army. As a result of the patriotic fervor which grew up at that time, whole communities inaugurated campaigns for the eradication of syphilis and for the control of gonorrhea; and, as a result, there was not a single person discharged from the Army of the United States into civil life who was not absolutely free of venereal disease.

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. WAGNER. Dr. Parran is recognized as probably the greatest authority upon this subject in this country; is he not?

Mr. LA FOLLETTE. I so regard him. I think he has done a great service to every man, woman, and child in the United States by having had the courage to bring out in the open, where it may be discussed publicly, one of the greatest menaces to health and to the future of the citizens of the republic—venereal disease.

Mr. WAGNER. He is to undertake this work; is he not?

Mr. LA FOLLETTE. It will be under his direction. I may say to the Senator from New York that I am certain he is familiar with the excellent work which has been done in cooperation with the States, under the Social Security Act, under the general direction of Dr. Parran. This statute is drawn in the same way, and we may be certain that every dollar of money expended under his direction will be economically expended, and will be expended in launching the campaign which I hope one day to see successful; namely, to eradicate syphilis from the United States and to bring gonorrhea under control.

Mr. WAGNER. I had a talk about this matter with Dr. Parran, whom I regard as the great authority upon this subject; and he said that unless he gets at least a $3,000,000 fund, the undertaking is bound to be a failure.

Mr. LA FOLLETTE. The Senator is absolutely correct about that.

Mr. WAGNER. We shall paralyze this whole project if we do not at least make a reasonable appropriation.

Mr. LA FOLLETTE. Mr. President, unfortunately the campaign which was launched during the war suffered in the economy wave of the post-war depression, and it has been abandoned in a great many of the States.

Syphilis has sometimes been called the deadly deceiver. It runs a long course; 10, 15, or 20 years after the initial infection, it produces insanity and heart disease. It is responsible for 15 percent of the blindness in the United States. It is responsible for 10 percent of the insanity in the United States. Sixty thousand babies are born dead every year because of syphilis. It has been conservatively estimated that the States and localities are paying out $31,000,000 a year to hospitalize the syphilitic insane.

Mr. President, I appeal to the Senate to give me a record vote on this proposal in order that the conferees on the part of the Senate may be fortified in knowing that a large majority of this body is in favor at last of taking advantage of the experience of other countries which have inaugurated similar programs. Denmark and Sweden, which have undertaken programs of a similar nature, have practically eradicated syphilis, until today their medical schools are practically forced to study the problem from books because the clinical material is very rarely available.

Mr. President, it is obvious that if we are to make any progress in a country as large as ours, in a country whose people are so mobile because of the use of the automobile, this campaign must be fought on 48 fronts. My own State, the State of Wisconsin, inaugurated a program of this kind in 1920. At the time it was inaugurated, the admissions to our insane hospitals of the syphilitic insane were 13.5 percent of all admissions. Because of the campaign which has been carried on in that State, they have been reduced to 5.6 percent. But we have gone as far as we can go alone. Other States must cooperate if the areas of Wisconsin and other States which have carried on these programs are not to be reinfected.

So I appeal to the Senate, in the name of the youth of the land, for more than one-half of venereal-disease infections are contracted by persons under 25 years of age. I appeal to all Senators to join in support of my amendment which provides a conservative appropriation to inaugurate the program to rid our country of these deadly menaces to men, women, and children all over our land.

Mr. COPELAND. Mr. President, during my long service in the Senate I have presided over a great many hearings. During that time, the hearings, which were most largely attended—indeed, crowded—were the hearings relating to the bill of the Senator from Washington [Mr. BONE] about cancer, the bill relating to food and drugs which after 5 years of effort was finally passed yesterday, and the bill of the Senator from Wisconsin [Mr. LA FOLLETTE] which is now under discussion. There were 2 days of hearings on it. We had before us representatives from the health department of every State in the Union. We had before us various groups of women and other organizations.

Mr. President, is it not strange that a bill which passed so recently as the 24th of May 1938 should be disregarded at this moment? We gave serious consideration to the subject in the committee—not alone in the hearings, but in the executive meetings of the Commerce Committee afterward—and the amount of $3,000,000 was determined upon as the minimum amount which should be expended the first year in order to start the work throughout the country in the various States. This is a cooperative undertaking; and we cannot hope to have the individual States do their part and enter enthusiastically into a program which will accomplish the results which have been well pictured here this afternoon by the Senator from Wisconsin.

We should not cut this amendment to a million and a half. We ought to do exactly what the committee and what the authors of the bill and what the Public Health Service and what the health commissioners of the various States recommended, namely, appropriate $3,000,000. I hope we may have the amendment suggested by the Senator from Wisconsin carried into effect, and the bill made effective, as it cannot be with a lesser amount.

Mr. ADAMS. Mr. President, I do not believe the Senator from New York is quite justified in his statement that the committee disregarded the law that was passed. The Committee on Appropriations is endeavoring to perform its functions and determine the amount of money properly to be expended for the various purposes. There is no member of the Senate Committee on Appropriations who does not concur entirely in the argument made by the Senator from Wisconsin and the Senator from New York as to the evil, and the need for its eradication. The Committee on Appropriations, or a decided majority of the committee, felt that the amount which they fixed would be adequate to meet immediate requirements. They felt that a million and a half was a good deal of money. We do not regard it as a trifle.

This problem is not primarily a Federal problem. The bill contemplates Federal cooperation and Federal assistance, and this appropriation was for distribution among the States in order to encourage them and to aid them. We felt that in many instances States might not be ready to enter into a program of cooperation, and that the Senate would be justified in making this appropriation. We doubted whether we would be justified in making a larger appropriation. It is purely a matter, not of the essence of the evil, but of the amount of money which ought to be appropriated by the Congress under all the conditions and circumstances existing.

Mr. LA FOLLETTE. Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. HARRISON. Mr. President, I am in receipt of several communications from those in authority in my State in regard to this matter. The last session of the legislature of the State appropriated $50,000 for this work, in the belief—I do not know who gave them the assurance—that there would be a reasonable amount appropriated by the Congress to be added to the amount appropriated by the legislature, so as to make possible an effective fight on this dread disease. I have been very much impressed, and I hope the amendment of the Senator from Wisconsin will be agreed to.

Mr. REYNOLDS. Mr. President, I have listened with a great deal of interest to the address of the Senator from Wisconsin pertaining to this very interesting subject. I wish to say in this connection that today I was approached by some of the most eminent physicians of North Carolina, who solicited my support of the amendment, advising me that the Senator from Wisconsin would address himself to this subject, and I am glad indeed I was present this afternoon to hear him.

I wish to say in the beginning of my remarks that I hope sincerely that the Senate will afford a record vote on this amendment in order that the people of the country may ascertain who is interested and who is not interested in this subject, which I shall approach from the standpoint of national defense.

The PRESIDING OFFICER. The yeas and nays have already been ordered.

Mr. REYNOLDS. Mr. President, we do not hesitate a moment to vote at each session more than a billion dollars for the purpose of building up the Army and the Navy, the Air Corps, and the Marine Corps. We do not hesitate a moment to vote $50,000,000 for the construction of an ordinary battleship, and I say it is a crying shame that we should hesitate this afternoon to vote the pittance of $1,500,000 for the purpose of seeing to it that the health of the men who will man the battleships and pilot the airplanes and shoulder the arms and wear the uniforms shall be well protected and guarded against this disease. Insofar as I am concerned, I am with the Senator from Wisconsin, and I shall vote for his amendment.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Wisconsin [Mr. LA FOLLETTE]. The yeas and nays have been ordered, and the clerk will call the roll.

Mr. BANKHEAD. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BANKHEAD. What is the amendment on which we are about to vote?

The PRESIDING OFFICER. The question is on the amendment of the Senator from Wisconsin [Mr. LA FOLLETTE], on page 93, line 12, to increase the appropriation from $1,500,000 to $3,000,000.

The yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. MALONEY. My colleague the senior Senator from Connecticut [Mr. LONERGAN] is necessarily detained from the Senate. I am advised that if he were present he would vote "yea."

Mr. AUSTIN. I am requested to announce the following general pairs:

The Senator from New Hampshire [Mr. BRIDGES] with the Senator from California [Mr. MCADOO];

The Senator from North Dakota [Mr. NYE] with the Senator from South Carolina [Mr. SMITH];

The Senator from Maine [Mr. WHITE] with the Senator from Maryland [Mr. TYDINGS];

The Senator from Michigan [Mr. VANDENBERG] with the Senator from Indiana [Mr. VAN NUYS]; and

The Senator from Vermont [Mr. GIBSON] with the Senator from Pennsylvania [Mr. GUFFEY].

I am not advised how any of these Senators would vote on this question.

Mr. LEE. I announce that my colleague [Mr. THOMAS] is detained in the State of Oklahoma on important public business. I am advised that if present and voting he would vote "yea."

Mr. MINTON. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senators from Illinois [Mr. DIETERICH and Mr. LEWIS], the Senator from Iowa [Mr. GILLETTE], the Senator from Maryland [Mr. TYDINGS], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from California [Mr. MCADOO], the Senator from Nevada [Mr. MCCARRAN], the Senator from Arkansas [Mr. MILLER], the Senator from South Carolina [Mr. SMITH], the Senator from West Virginia [Mr. NEELY], the Senator from Oregon [Mr. REAMES], and the Senator from New Jersey [Mr. SMATHERS] are necessarily detained from the Senate. I am advised that if present and voting these Senators would vote "yea."

The Senator from Ohio [Mr. DONAHEY], the Senator from West Virginia [Mr. HOLT], the Senator from New Jersey [Mr. MILTON], and the Senator from Indiana [Mr. VAN NUYS] are unavoidably detained.

The result was announced—yeas 58, nays 14, as follows:

YEAS—58

Andrews	Clark	Johnson, Colo.	Pope
Ashurst	Connally	La Follette	Radcliffe
Austin	Copeland	Lee	Reynolds
Barkley	Davis	Lodge	Schwartz
Berry	Duffy	Logan	Schwellenbach
Bilbo	Ellender	Lundeen	Sheppard
Bone	Frazier	McGill	Shipstead
Borah	George	McNary	Thomas, Utah
Brown, Mich.	Green	Maloney	Townsend
Brown, N. H.	Harrison	Minton	Truman
Bulkley	Hatch	Murray	Wagner
Bulow	Herring	Norris	Walsh
Byrd	Hill	Overton	Wheeler
Capper	Hitchcock	Pepper	
Caraway	Hughes	Pittman	

NAYS—14

Adams	Byrnes	Hayden	O'Mahoney
Bailey	Gerry	Johnson, Calif.	Russell
Bankhead	Glass	King	
Burke	Hale	McKellar	

NOT VOTING—24

Bridges	Guffey	Miller	Smith
Chavez	Holt	Milton	Thomas, Okla.
Dieterich	Lewis	Neely	Tydings
Donahey	Lonergan	Nye	Vandenberg
Gibson	McAdoo	Reames	Van Nuys
Gillette	McCarran	Smathers	White

So Mr. LA FOLLETTE's amendment to the committee amendment was agreed to.

The amendment, as amended, was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment of the Committee on Appropriations.

The next amendment was, on page 93, after line 15, to insert:

The Administrator of the Works Progress Administration is authorized to allocate during the fiscal year 1939 to the Public Health Service, Treasury Department, with the approval of the Director of the Bureau of the Budget, from the funds appropriated by title I, section 1, of the Emergency Relief Appropriation Act of 1938, not to exceed $400,000 for expenses of the Public Health Service (including personal and other services in the District of Columbia and elsewhere) in furnishing through its facilities medical, surgical, and hospital services to injured emergency relief workers, and not to exceed $500,000 for expenses of the Public Health Service (including personal and other services in the District of Columbia and elsewhere) in furnishing technical supervision for community sanitation, malaria control drainage, and mine-sealing projects of the Works Progress Administration within the several States.

The amendment was agreed to.

The next amendment was, under the subhead "Procurement Division, Public Buildings Branch", on page 94, after line 8, to strike out:

War Department Building: For the acquisition of land as a site for buildings for the War Department, and for the construction of the first building unit, under the provisions of the Public Buildings Act approved May 25, 1926 (44 Stat. 630), as amended, including the extension of steam and water mains, removal or diversion of such sewers and utilities as may be necessary, and for administrative expenses in connection therewith, $3,000,000, within a total limit of cost of $10,815,000.

Social Security Board and Railroad Retirement Board Buildings: For the acquisition of the necessary land and the construction of buildings for the Social Security Board and the Railroad Retirement Board, under the provisions of the Public Buildings Act approved May 25, 1926 (44 Stat. 630), as amended, including connecting tunnels, the extension of steam and water mains, removal or diversion of such sewers and utilities as may be necessary, and for administrative expenses in connection therewith, $3,000,000, within a total limit of cost of $14,250,000.

The amendment was agreed to.

The next amendment was, under the heading "War Department—Military activities", on page 96, after line 2, to strike out:

FINANCE DEPARTMENT

Pay of Army (reenlistment allowances): For an additional amount for pay of the Army, etc., including payment of reenlistment allowances as prescribed by the act approved June 10, 1922, and including the same objects specified under this head in the Military Appropriation Act for the fiscal year 1939, $3,075,000.

Mr. SHEPPARD. Mr. President, I am not going to move to disagree to this amendment, but I desire to make a statement and to express a hope.

The immediate project for the War Department Building is for an expenditure of $3,000,000, which will cover the acquisition of land, construction of first building unit, extension of steam and water mains, diversion of sewers, streets, and so forth. The building of the larger units will proceed as and when Congress sees fit. The Munitions Building will continue to be used until public opinion or changing circumstances demand its removal from the Mall. Authority exists for this project. The item was included in supplementary estimates, was forwarded to the Congress by the Treasury Department and the Bureau of the Budget at the direction of the President.

Although the War Department is one of the largest of all executive Departments and independent agencies it is one of the last of the regular Departments which has yet to receive consideration under the building program. The personal offices of the Secretary of War, The Assistant Secretary of War, the Chief of Staff, and a very small part of The Adjutant General's office are now in the State Building; a large part of the War Department is housed in the Munitions Building; and units of the Department are scattered in 17 other buildings within the District of Columbia, Maryland, and Virginia, many of which are war-time shacks. Some will have to be razed to cover the Mall development which will necessitate further shifting of War Department activities. Recently the War Department has been required to give up additional space in the State Building to the White House and in the Munitions Building to other Departments. The efficient conduct of business is greatly impaired and there is necessarily much loss of time, lost motion, lack of supervision, lack of personal contact and understanding, the use of excessive transportation and messenger service, and the employment of additional personnel.

It is obvious that the War Department, above all others, in time of national emergency should be housed in a manner conducive to the utmost speed and coordination in the transaction of business. When the safety of the Nation is at stake and huge sums of money are being rapidly expended, the national effort should not be jeopardized by a physical situation which imposes at the very head of the national defense a degree of inefficiency. In war, situations change hourly. Time is vital. Speed is an essential element. Personal conferences to insure a complete understanding of the various directing agencies is paramount. The provision to initiate a War Department building is just as important a measure toward the insurance of our national defense as are provisions for men, money, and matériel.

The necessity for the prompt realization of the War Department project has been recognized, after careful study, not only by the War Department, the Treasury Department, and the Bureau of the Budget, but also by the President's special committee on a building program for the District of Columbia and the President himself.

Mr. President, I desire to express the earnest hope that when the representatives of the Senate meet the representatives of the House in conference they will give serious attention to the advisability of agreeing to the action of the House making a substantial beginning for the building project for the War Department.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee on page 96, line 2.

The amendment was agreed to.

The next amendment was, under the subhead "Corps of Engineers", on page 97, after line 22, to insert:

Flood control, Mississippi River and tributaries: The Secretary of War, upon approval by the President, is authorized to transfer not to exceed a total of $12,000,000 from the funds made available for "Rivers and harbors" and for "Flood control", by H. R. 10291, Seventy-fifth Congress, entitled "An act making appropriations for the fiscal year ending June 30, 1939, for civil functions administered by the War Department, and for other purposes", to the appropriation contained in said act for "Flood control, Mississippi River and tributaries": *Provided*, That such authorization for transfer of funds shall not become effective unless and until there is enacted into law the provisions under the heading

"Lower Mississippi River" contained in H. R. 10618, Seventy-fifth Congress, entitled "An act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes."

The amendment was agreed to.

The next amendment was, under the heading "Title II—Judgments and authorized claims—Property damage claims", on page 98, line 25, after the numerals "682", to insert a comma and "except item numbered 12, page 10 of such document, being the claim of Walter N. Day"; on page 99, at the end of line 4, after the name "Administration", to strike out "$7,517.64" and insert "$7,337.84", and in line 14, after the words "In all", to strike out "$27,966.35" and insert "$27,786.55", so as to read:

SEC. 201. (a) For the payment of claims for damages to or losses of privately owned property, adjusted and determined by the following respective Departments and independent offices, under the provisions of the act entitled "An act to provide a method for the settlement of claims arising against the Government of the United States in the sums not exceeding $1,000 in any one case", approved December 28, 1922 (31 U. S. C. 215–217), as fully set forth in House Document No. 682, except item No. 12, page 10 of such document, being the claim of Walter N. Day, Seventy-fifth Congress, as follows:

Veterans' Administration, $18.75;
Works Progress Administration, $7,337.84;
Department of Agriculture, $3,763.11;
Department of the Interior, $5,243.16;
Department of Justice, $18.07;
Department of Labor, $499.35;
Navy Department, $1,883.83;
Post Office Department (payable from postal revenues), $1,698.55;
Treasury Department, $404.88;
War Department, $6,919.01;
In all, $27,786.55.

The amendment was agreed to.

The next amendment was, on page 99, after line 14, to insert:

(b) For the payment of claims for damages to or losses of privately owned property adjusted and determined by the following respective Departments and independent offices, under the provisions of the act entitled "An act to provide a method for the settlement of claims arising against the Government of the United States in the sums not exceeding $1,000 in any one case", approved December 28, 1922 (U. S. C., title 31, secs. 215–217), as fully set forth in Senate Document No. 193 of the Seventy-fifth Congress, as follows:

Works Progress Administration, $389.80; Department of Agriculture, $1,071.38; Department of Commerce, $88; Department of the Interior, $2,754.95; Treasury Department, $119.76; War Department, $1,961.65; Post Office Department (payable from postal revenues), $124.97; in all, $6,510.51.

Mr. ADAMS. Mr. President, I send up certain correcting amendments to the committee amendment. They are simply textual amendments.

The PRESIDING OFFICER. The amendments will be stated.

The CHIEF CLERK. On page 99, line 22, it is proposed to strike out the word "Document" and to insert in lieu thereof "Documents".

The amendment to the amendment was agreed to.

The CHIEF CLERK. On the same page, line 23, after the numerals "193", it is proposed to insert a hyphen and "217."

The amendment to the amendment was agreed to.

The CHIEF CLERK. On the same page, line 24, it is proposed to strike out "$389.80" and to insert in lieu thereof "$723.35."

The amendment to the amendment was agreed to.

The CHIEF CLERK. On page 100, in line 7, it is proposed to strike out "$6,510.51" and to insert in lieu thereof "$6,844.06."

The amendment to the amendment was agreed to.

The amendment, as amended, was agreed to.

Mr. ADAMS. We have now reached "Title II—Judgments and authorized claims." I move that the amendments in title II be considered and agreed to en bloc.

The PRESIDING OFFICER. Without objection, the amendments in title II of the bill will be agreed to en bloc.

The amendments in title II, so agreed to, are as follows:

Under the subhead "Judgments, Court of Claims", on page 102, line 12, after the word "in", to insert "Senate Document No. 191, and"; in line 18, after the word "Department", to strike out "$40,584.43" and insert "$42,422.43"; in line 20, after the word "Department", to strike out "$44,012.60" and insert "$104,682.11"; in line 21, after the words "In all", to strike out "$9,978,482.14" and insert "$10,040,989.65"; and, in line 23, after the word "judgments", to insert a comma and "or as required under mandate of Supreme Court of the United States", so as to read:

SEC. 203. (a) For payment of the judgments rendered by the Court of Claims and reported to the Seventy-fifth Congress in Senate Document No. 191, and House Documents Nos. 661 and 686, under the following Departments and establishments, namely:

Arlington Memorial Bridge Commission, $39,733.72;
Veterans' Administration, $12,289.70;
Department of the Interior, $9,822,411.69;
Navy Department, $42,422.43;
Department of State, $19,450;
War Department, $104,682.11;
In all, $10,040,989.65, together with such additional sum as may be necessary to pay interest as and where specified in such judgments, or as required under mandate of Supreme Court of the United States.

Under the subhead "Audited claims", on page 113, after line 19, to insert:

(b) For the payment of the following claims, certified to be due by the General Accounting Office under appropriations the balances of which have been carried to the surplus fund under the provisions of section 5 of the act of June 20, 1874 (U. S. C., title 31, sec. 713), and under appropriations heretofore treated as permanent, being for the service of the fiscal year 1935 and prior years, unless otherwise stated, and which have been certified to Congress under section 2 of the act of July 7, 1884 (U. S. C., title 5, sec. 266), as fully set forth in Senate Document No. 190, Seventy-fifth Congress, there is appropriated as follows:

Independent Offices: For Federal Civil Works Administration, $887.50.

For National Industrial Recovery, Civil Works Administration, $301.50.

For farmers' crop production and harvesting loans, Farm Credit Administration, $52.73.

For medical and hospital services, Veterans' Bureau, $28.04.

For salaries and expenses, Veterans' Bureau, $122.66.

For salaries and expenses, Veterans' Administration, $239.46.

Department of Agriculture: For salaries and expenses, Bureau of Animal Industry, $12.35.

For salaries and expenses, Bureau of Entomology and Plant Quarantine, $1.15.

For migratory bird conservation refuges, $556.91.

For grasshopper control, $101.65.

For Emergency Conservation Fund (transfer from War to Agriculture, act March 31, 1933), $69.53.

For Emergency Conservation Fund (transfer from War to Agriculture, act of June 19, 1934), $27.42.

For loans and relief in stricken agricultural areas (transfer to Agriculture), $102.

For national industry recovery, Agricultural Adjustment Administration, $27.

For national industrial recovery, Resettlement Administration, subsistence homesteads (transfer to Agriculture), $46.17.

Department of Commerce: For air-navigation facilities, $49.96.

For aircraft in commerce, $8.91.

For expenses of the Fifteenth Census, $53.43.

For protecting seal and salmon fisheries of Alaska, $8.

For payment to officers and employees of the United States in foreign countries due to appreciation of foreign currencies (Commerce), $161.59.

District of Columbia: For miscellaneous expenses, Supreme Court, District of Columbia, $189.56.

Department of the Interior: For salaries and expenses, public buildings and grounds in the District of Columbia, National Park Service, $19.36.

For Geological Survey, $4.49.

For general expenses, Office of Education, $2.

For Petroleum Administration (transfer to Interior), $49.41.

For purchase and transportation of Indian supplies, $36.75.

For agriculture and stock raising among Indians, $13.09.

For conservation of health among Indians, $434.19.

For Emergency Conservation fund (transfer from War to Interior, Indians, act June 19, 1934), $10.61.

For loans and relief in stricken agricultural areas (transfer from Agriculture to Interior, Indians), $18.96.

For support of Indians and administration of Indian property, $54.74.

For Indian school buildings, $266.69.

For Indian school support, $2.40.

Department of Justice

For miscellaneous expenses, Supreme Court, $2.65.

For salaries, fees, and expenses of marshals, United States courts, $23.82.

For fees of jurors and witnesses, United States courts, $18.10.

For fees of commissioners, United States courts, $594.40.
For Federal jails, maintenance, $2.16.
For salaries and expenses, Bureau of Prisons, $1.50.
For United States Penitentiary, Atlanta, Ga., maintenance, $6.
For salaries and expenses, Division of Investigation, Department of Justice, $1.
For pay of special assistant attorneys, United States courts, $44.42.
Department of Labor: For investigation of cost of living in the United States, $30.
For salaries and expenses, Immigration and Naturalization Service, $4.40.
For salaries and expenses, Bureau of Labor Statistics, $2.75.
Navy Department: For pay, subsistence, and transportation, Navy, $501.31.
For aviation, Navy, $550.10.
For payment to officers and employees of the United States in foreign countries due to appreciation of foreign currencies (Navy), $140.11.
For prize money to captors, Spanish War, $30.56.
For judgments, bounty for destruction of enemy's vessels, $55.73.
For transportation, Bureau of Navigation, $12.
For pay, Marine Corps, $74.07.
Department of State: For contingent expenses, Foreign Service, $23.29.
For payment to officers and employees of the United States in foreign countries due to appreciation of foreign currencies (State), $7.96.
Treasury Department: For expenses, Emergency Banking, Gold Reserve, and Silver Purchase Act, $1.50.
For collecting the internal revenue, $10.15.
For fuel and water, Coast Guard, $67.60.
For pay and allowances, Coast Guard, $94.18.
For expenses, Division of Mental Hygiene, Public Health Service, $110.84.
For quarantine service, $130.87.
War Department: For pay, etc., of the Army, $1,845.27.
For general appropriations, Quartermaster Corps, $425.95.
For pay of the Army, $3,739.49.
For Army transportation, $107.71.
For National Guard, $761.99.
For arming, equipping, and training the National Guard, $147.50.
For clothing and equipage, $33.76.
For payment to officers and employees of the United States in foreign countries due to appreciation of foreign currencies (War), $5.12.
For claims of officers and men of the Army for destruction of private property, act March 3, 1885, $115.75.
For Emergency Conservation fund (transfer to War, act March 31, 1933), $2,175.70.
For Emergency Conservation funds (transfer to War, act June 19, 1934), $19,852.31.
For loans and relief in stricken agricultural areas (transfer from Emergency Conservation work to War, act June 19, 1934), $561.16.
For cemeterial expenses, War Department, $5.42.
Post Office Department—Postal Service (out of the postal revenues): For indemnities, domestic mail, $5.
Total, audited claims, section 204 (b), $36,285.80, together with such additional sum due to increases in rates of exchange as may be necessary to pay claims in the foreign currency as specified in certain of the settlements of the General Accounting Office.

On page 120, line 9, after the word "citizen", to insert "which is valid and has not expired", so as to read:

SEC. 206. No part of any appropriation contained in this act or authorized hereby to be expended shall be obligated during the fiscal year ending June 30, 1939, to pay the compensation of any officer or employee of the Government of the United States, or of any agency the majority of the stock of which is owned by the Government of the United States, whose post of duty is in continental United States unless such person is a citizen of the United States, or a person in the service of the United States on the date of the enactment of this act who being eligible for citizenship has filed a declaration of intention to become a citizen which is valid and has not expired or who owes allegiance to the United States.

On page 120, after line 10, to insert:

SEC. 207. The term "declaration of intention" as it appears in section 3 of the State, Justice, Commerce, and Labor Appropriation Act, 1939, section 5 of the Independent Offices Appropriation Act, 1939, and section 5 of the Treasury and Post Office Appropriation Act, 1939, shall be construed to be a declaration of intention which is valid and has not expired.

On page 120, line 18, to change the section number from 207 to 208.

Mr. BYRNES. On behalf of the committee I offer an amendment which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 120, after line 17, it is proposed to insert as a new section the following:

SEC. 208. No part of any appropriation contained in this or any other act for the fiscal year ending June 30, 1939, shall be available for the payment of enlistment allowance to enlisted men for reenlistment within a period of 3 months from date of discharge as to reenlistments made during the fiscal year ending June 30, 1939, notwithstanding the applicable provisions of sections 9 and 10 of the act entitled "An act to readjust the pay and allowances of the commissioned and enlisted personnel of the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, and Public Health Service", approved June 10, 1922 (37 U. S. C. 13, 16).

Mr. McNARY. Mr. President, have we concluded with the committee amendments?

Mr. SHEPPARD. I make the point of order that the amendment of the Senator from South Carolina is legislation on an appropriation bill.

Mr. BYRNES. Mr. President, the amendment offered is solely a limitation as to funds, and is not legislation. It is a limitation upon the funds appropriated in this bill, and does not change the existing law.

Mr. SHEPPARD. It seems to me it is legislation. I ask for a ruling by the Chair.

Mr. KING. Let the amendment be read so that we may understand it.

The PRESIDING OFFICER (Mr. HILL in the chair). Does the Senator from Utah desire to be heard on the point of order?

Mr. SHEPPARD. I ask for the Chair's decision.

The PRESIDING OFFICER. Does the Senator from Utah desire to be heard on the point of order?

Mr. KING. I desire to have the amendment read.

The PRESIDING OFFICER. The Chair is ready to rule.

Mr. SHEPPARD. The amendment certainly changes the existing law.

The PRESIDING OFFICER. In the opinion of the Chair, the amendment would change existing law. It states:

Notwithstanding the applicable provisions of sections 9 and 10 of the act set out herein.

The Chair therefore sustains the point of order.

Mr. KING. Mr. President, if I may be pardoned, I asked to have the amendment read so that we might be advised as to its terms. However, from the brief reference which the Chair has made, it would seem to me—and I hope I may be pardoned for making suggestions at this late date—that it is a limitation. There may be an appropriation to deal with an existing law, but there may be a limitation in the appropriation. As I understand, the amendment is a limitation or restriction upon an appropriation which is provided for. If that be true, then obviously it would not be subject to the challenge that it is legislation on an appropriation bill. I say that with all due deference, because I have had no opportunity to examine the question.

Mr. LA FOLLETTE. I ask for the regular order.

The PRESIDING OFFICER. The Chair has ruled.

Mr. WALSH. Mr. President, may I ask a question of the Senator from South Carolina [Mr. BYRNES]?

Is there now any provision in the bill for the payment of reenlistment bounties to men in the Army?

Mr. BYRNES. Under the present status of the bill, there is no such provision; and the failure to adopt a provision of this kind simply means that as to the Army there is a question as to whether a man who reenlists hereafter should file a claim for a reenlistment bounty of $60. The present situation will involve innumerable claims in the Court of Claims. The same situation would not apply to the Navy, the Coast Guard, or the Public Health Service; and inevitable dissatisfaction will be caused on the part of the other services. I will say to the Senator from Massachusetts, in the light of the ruling of the Chair, that before the Congress adjourns I shall certainly make an effort to do something to bring about a change, so that there will not be dissatisfaction among the various services. If the

bounties were all restored, millions of dollars would be involved.

Mr. WALSH. Is not the situation that under existing law there is now an authorization of funds to be paid to those who reenlist in the Army, Navy, Marine Corps, and Public Health Service? Is not that the situation?

Mr. BYRNES. There is authority to pay the bounty. It has not been paid for 6 years.

Mr. WALSH. No funds are available.

Mr. BYRNES. No funds are available.

Mr. WALSH. The House bill did seek to provide funds for reenlistment bounties in the Army. Of course, it would be highly discriminatory to have reenlistment bounties paid to those who reenlist in the Army, and none paid to those who reenlist in the other branches of the military service.

Mr. BYRNES. It would certainly be discriminatory, and cause great dissatisfaction among the services.

Mr. WALSH. Is the bill now in such shape that no funds are provided for reenlistment bounties for any branch of the military service?

Mr. BYRNES. That is correct.

Mr. WALSH. What the Senator sought to do was to have Congress declare as its policy that it did not intend in the future to pay such reenlistment bounties, so as to prevent possible claims; is not that true?

Mr. BYRNES. Mr. President, the sole position of the committee is that no funds being provided, we should not leave open the opportunity for numbers of persons to file claims in the Court of Claims in behalf of men who reenlist, with the result that a year from now, or 2 years from now, some men would receive the reenlistment bounty or some part of it, after the attorneys receive their fees.

Mr. WALSH. I think I understand.

Mr. ADAMS. Mr. President, on behalf of the committee, I offer an amendment to a committee amendment correcting a portion of the text.

The PRESIDING OFFICER. The amendment to the committee amendment, offered by the Senator from Colorado on behalf of the committee, will be stated.

The CHIEF CLERK. On page 54, line 11, after the numerals "1939", it is proposed to insert "in the Department of Justice Appropriation Act, 1939."

The PRESIDING OFFICER. Does the Senator from Colorado care to discuss the amendment?

Mr. ADAMS. No.

The PRESIDING OFFICER. Without objection, the vote whereby the committee amendment was agreed to is reconsidered, and without objection the amendment to the amendment is agreed to, and the amendment, as amended, is agreed to.

Mr. ADAMS. Mr. President, pursuant to the adoption of the conference report on the wage and hour bill, it becomes necessary that an appropriation be made to carry out the provisions of that bill. A Budget estimate has been submitted, and the amendment I now send to the desk is to provide money for the administration of the wage and hour bill.

The PRESIDING OFFICER. The amendment offered by the Senator from Colorado on behalf of the committee will be stated.

The CHIEF CLERK. On page 60, after line 2, it is proposed to insert:

ADMINISTRATION OF THE FAIR LABOR STANDARDS ACT

To carry into effect the provisions of the Fair Labor Standards Act of 1938, including personal services and rent in the District of Columbia and elsewhere, contract stenographic reporting services, travel expenses, printing and binding, law books, books of reference and periodicals, and all other necessary expenses, fiscal year 1939, to be immediately available, $500,000: *Provided*, That this appropriation shall not become available unless and until the aforesaid legislation is enacted into law.

The amendment was agreed to.

The PRESIDING OFFICER. The Chair is informed that there is another committee amendment to be acted upon, which was previously passed over. The committee amendment on page 17, lines 1 to 6, was passed over at the request of the senior Senator from Utah [Mr. KING].

The amendment will be stated.

The CHIEF CLERK. At the top of page 17, it is proposed to insert:

JUVENILE COURT

Salaries: For an additional amount for personal services, fiscal year 1939, $43,500.

For an additional amount for expenses, including the same objects specified under this head in the District of Columbia Appropriation Act, fiscal year 1939, $2,400.

Mr. KING. Mr. President, I have talked with some of the officials, and I suggest a reduction of $10,000 in the amount, so as to provide $33,500.

The PRESIDING OFFICER. The amendment offered by the Senator from Utah [Mr. KING] will be stated.

The CHIEF CLERK. On page 17, line 3, of the committee amendment, after the numerals "1939", it is proposed to strike out "$43,500" and insert "$33,500."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Utah to the committee amendment.

The amendment to the amendment was agreed to.

The amendment, as amended, was agreed to.

Mr. KING. Mr. President, I send to the desk another amendment, which I ask to have stated.

Mr. BYRNES. Mr. President, is this a committee amendment?

Mr. KING. The amendment I have just sent to the desk is to take care of a suggestion made by Mr. Bell, and in harmony with the zoning law which was passed.

Mr. BYRNES. May we first dispose of the amendments coming from the committee?

Mr. KING. I thought we were through with the committee amendments.

Mr. ADAMS. Mr. President——

The PRESIDING OFFICER. The Senator from Colorado is recognized for the purpose of submitting committee amendments.

Mr. ADAMS. In the committee an item was presented for the appropriation of an additional sum to send the veterans to the Gettysburg Battlefield. The matter has been informally reconsidered, and I now offer an amendment which is not strictly a committee amendment, but which comes from the chairman of the committee with the cooperation of others, to provide part of the amount, so that we think adequate provision will be made for the veterans in addition to what has already been made.

The PRESIDING OFFICER. The amendment offered by the Senator from Colorado on behalf of the committee will be stated.

The CHIEF CLERK. On page 97, after line 2, it is proposed to insert:

Seventy-fifth Anniversary of the Battle of Gettysburg: For an additional amount to carry out the provisions of the act entitled "An act to authorize an appropriation to aid in defraying the expenses of the observance of the Seventy-fifth Anniversary of the Battle of Gettysburg to be held at Gettysburg, Pa., from June 29 to July 6, 1938, and for other purposes," approved May 16, 1938, fiscal year 1938, to remain available until June 30, 1939, $286,943, which amount shall be available only for traveling and per diem expenses of veterans and their attendants.

The amendment was agreed to.

Mr. SHEPPARD. Mr. President, in reference to the last amendment, I wish to say that I had intended to introduce an amendment for the full additional amount requested by the commission in charge of the Gettysburg celebration. That additional amount was $580,300. After talking the matter over with the Senator from Colorado [Mr. ADAMS] I found that the Senate committee was willing to allow $286,943.

Mr. ADAMS. Two hundred and eighty-six thousand nine hundred and forty-three dollars.

Mr. SHEPPARD. That is agreeable to the committee?

Mr. ADAMS. It is the full amount necessary for railroad fare for the veterans and their attendants.

Mr. SHEPPARD. I have no objection to such an amount being taken to conference. An added amount is made necessary by the fact that acceptances being received from veterans to the invitation authorized by the United States Government to attend the celebration indicate that probably 4,000 veterans will accept rather than the 2,500 contemplated by the original joint resolution, which provided $900,000 to defray expenses of veterans accepting the invitation to attend.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries.

PAYMENT OF ATTORNEYS' FEES FROM OSAGE TRIBAL FUNDS—CONFERENCE REPORT

Mr. WHEELER submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1831) to provide for the payment of attorneys' fees from Osage tribal funds, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its amendment.

B. K. WHEELER,
LYNN J. FRAZIER,
Managers on the part of the Senate.

WILL ROGERS,
KNUTE HILL,
F. L. CRAWFORD,
Managers on the part of the House.

The report was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, returned to the Senate, in compliance with its request, the bill (S. 1478) conferring jurisdiction on the Court of Claims to hear and determine the claims of the Choctaw Indians of the State of Mississippi.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H. J. Res. 679) making appropriations for work relief, relief, and otherwise to increase employment by providing loans and grants for public works projects, and that the House had receded from its disagreement to the amendments of the Senate Nos. 72, 74, 75, and 76 to the joint resolution and concurred therein, severally with an amendment, in which it requested the concurrence of the Senate.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills and joint resolutions:

S. 375. An act for the relief of Mrs. John Olson;

S. 1346. An act for the relief of Stillwell Bros., Inc.;

S. 1987. An act for the relief of George J. Leatherwood;

S. 2052. An act for the relief of Henry E. Reents;

S. 2437. An act for the relief of Oscar Jones;

S. 2475. An act to provide for the establishment of fair labor standards in the employments in and affecting interstate commerce, and for other purposes;

S. 2797. An act for the relief of Miriam Thornber;

S. 2819. An act to create a Committee on Purchases of Blind-made Products, and for other purposes;

S. 2890. An act for the relief of Clarence Daniel, a minor;

S. 2895. An act for the relief Leona Draeger;

S. 3057. An act for the relief of John Fanning;

S. 3469. An act to amend section 128 of the Judicial Code, as amended;

S. 3540. An act for the relief of certain personnel of the Coquille River Coast Guard Station, Bandon, Oreg.;

S. 3584. An act for the relief of G. E. Maxwell;

S. 3694. An act to provide for the issuance of a license to practice the healing art in the District of Columbia to Dr. Sigfried Speyer and Dr. Luther Fete;

S. 3734. An act for the relief of certain officers and enlisted men of the United States Coast Guard;

S. 3754. An act to amend sections 729 and 743 of the Code of Laws of the District of Columbia;

S. 3846. An act relating to the levying and collecting of taxes and assessments, and for other purposes;

S. 3929. An act to authorize the Legislature of Puerto Rico to create public corporate authorities to undertake slum clearance and projects, to provide dwelling accommodations for families of low income, and to issue bonds therefor; to authorize the legislature to provide for financial assistance to such authorities by the government of Puerto Rico and its municipalities, and for other purposes;

S. 4024. An act authorizing advancements from the Federal Emergency Administration of Public Works for the construction of certain municipal buildings in the District of Columbia, and for other purposes;

H. R. 152. An act to add certain lands to the Rio Grande National Forest, Colo.;

H. R. 447. An act for the relief of Alpha Vint;

H. R. 599. An act for the relief of W. J. Steckel;

H. R. 1141. An act for the relief of J. W. Beams;

H. R. 1250. An act for the relief of Emilie Dew, Jack Welsh, Mary Jane Bowden, and Henry U. Gaines, Jr.;

H. R. 1363. An act for the relief of the estate of Milton L. Baxter;

H. R. 1861. An act for the relief of the firm of Schmidt, Garden & Martin, Chicago, Ill.;

H. R. 2149. An act for the relief of Capt. Guy L. Hartman;

H. R. 2171. An act for the relief of Frank Burgess Bruce;

H. R. 2231. An act for the relief of Charles E. Black;

H. R. 2358. An act for the relief of Dwain D. Miles;

H. R. 2368. An act for the relief of the estate of Catherine Harkins, deceased;

H. R. 2429. An act for the relief of Eugene Nicholas;

H. R. 2487. An act for the relief of Thomas J. Allen, Jr.;

H. R. 2560. An act for the relief of the State of New York Insurance Department as liquidator;

H. R. 2650. An act for the relief of Veracunda O'Brien Allen;

H. R. 2767. An act for the relief of George L. Stone;

H. R. 2779. An act for the relief of Lilly Bundgard and Gloria Bundgard;

H. R. 3225. An act for the relief of Roland Stafford;

H. R. 3232. An act conferring jurisdiction upon the Court of Claims of the United States to hear, consider, and render judgment on the claims of Joliet National Bank, of Joliet, Ill., and Commercial Trust & Savings Bank, of Joliet, Ill., arising out of loans to the Joliet Forge Co., of Joliet, Ill., for the providing of additional plant facilities and material for the construction of steel forgings during the World War;

H. R. 3655. An act for the relief of Clarence D. Schiffman;

H. R. 3747. An act for the relief of George O. Wills;

H. R. 4032. An act for the relief of the New Amsterdam Casualty Co.;

H. R. 4169. An act to carry out the findings of the Court of Claims in the case of the Atlantic Works, of Boston, Mass.;

H. R. 4227. An act for the relief of Mrs. R. A. Smith;

H. R. 4285. An act to increase the salaries of letter carriers in the Village Delivery Service;

H. R. 4367. An act for the relief of Perry Walker;

H. R. 4443. An act for the relief of Meta De Rene McLoskey;

H. R. 4717. An act for the relief of Bernard Knopp;

H. R. 4830. An act for the relief of Mrs. D. O. Benson;

H. R. 4864. An act for the relief of Helen Rauch and Max Rauch;

H. R. 4941. An act for the relief of Rogowski Bros.;

H. R. 5006. An act for the relief of DeWitt F. McLaurine;

H. R. 5153. An act for the relief of George F. Anderson and Vera D. Anderson;

H. R. 5260. An act for the relief of Col. William H. Noble;

H. R. 5308. An act for the relief of Anna Caporaso;

H. R. 5471. An act to amend the laws relating to the distribution of public documents to depository libraries;

H. R. 5597. An act for the relief of Luigi Mazza;

H. R. 5763. An act to provide for the extension of the boundaries of the Hot Springs National Park in the State of Arkansas, and for other purposes;

H. R. 5805. An act to amend an act entitled "An act to provide for the exercise of sole and exclusive jurisdiction by the United States over the Hawaii National Park in the Territory of Hawaii, and for other purposes," approved April 19, 1930;

H. R. 6016. An act for the relief of Lavina Karns;

H. R. 6186. An act for the relief of Moses Red Bird;

H. R. 6296. An act for the relief of Dr. A. C. Antony and others;

H. R. 6327. An act for the relief of Edward J. Thompson;

H. R. 6374. An act for the relief of Lena R. Burnett;

H. R. 6461. An act for the relief of William F. Bourland;

H. R. 6669. An act for the relief of Augusta L. Collins;

H. R. 6713. An act for the relief of Genesee Brewing Co., Inc.;

H. R. 6727. An act for the relief of Edward E. Brown, Charles Walker, Frank Parr, John Moyer, and Lynford P. Fowles;

H. R. 6753. An act for the relief of the Derby Oil Co.;

H. R. 6842. An act for the relief of Frank M. Schmitt, Antonio Salas, Victoria Griego, and Victor Coco;

H. R. 6846. An act for the relief of Harvey and Carrie Robinson;

H. R. 6951. An act for the relief of Harold Price;

H. R. 6952. An act for the relief of Hattie Doudna;

H. R. 7012. An act for the relief of J. Anse Little;

H. R. 7060. An act for the relief of James Mohin and Joseph Lercara;

H. R. 7143. An act for the relief of the Curtiss Aeroplane & Motor Co., Inc.;

H. R. 7166. An act for the relief of the estate of Raymond Finklea;

H. R. 7198. An act for the relief of Fred Johnson;

H. R. 7297. An act for the relief of Gordon L. Cheasley;

H. R. 7424. An act for the relief of certain persons whose cotton was destroyed by fire in the Ouachita Warehouse, Camden, Ark.;

H. R. 7429. An act for the relief of Muriel C. Young;

H. R. 7460. An act for the relief of Mr. and Mrs. Roy Blessing;

H. R. 7520. An act for the relief of members of the Navy or Marine Corps who were discharged from the Navy or Marine Corps during the Spanish-American War, the Philippine Insurrection, and the Boxer uprising because of minority or misrepresentation of age;

H. R. 7537. An act for the relief of certain stevedores employed on the United States Army transport docks in San Francisco, Calif.;

H. R. 7606. An act for the relief of Albert Richard Jeske;

H. R. 7607. An act for the relief of Frank B. Decker;

H. R. 7693. An act to authorize the Secretary of War to transfer to the Government of Puerto Rico certain real estate of the War Department;

H. R. 7793. An act for the relief of Nicholas de Lipski;

H. R. 7868. An act to provide for conveying to the State of North Dakota certain lands within Burleigh County, within that State, for public use;

H. R. 7874. An act to provide for the leasing of State, county, and privately owned lands for the purpose of furthering the orderly use, improvement, and development of grazing districts;

H. R. 7890. An act for the relief of Brooks-Callaway Co.;

H. R. 7960. An act for the relief of Wilma Artopoeus;

H. R. 7982. An act to regulate the manufacturing, dispensing, selling, and possession of narcotic drugs in the District of Columbia;

H. R. 8051. An act for the relief of Roswell H. Haynie;

H. R. 8055. An act for the relief of Helry P. McCaig;

H. R. 8098. An act conferring jurisdiction upon the Court of Claims to hear and determine the claims of Edward Forbes and others;

H. R. 8099. An act to amend certain administrative provisions of the Tariff Act of 1930, and for other purposes;

H. R. 8123. An act for the relief of Sonia M. Bell;

H. R. 8165. An act to add certain lands to the Trinity National Forest, Calif.;

H. R. 8176. An act providing for continuing retirement pay, under certain conditions, of officers and former officers of the Army, Navy, and Marine Corps of the United States, other than officers of the Regular Army, Navy, or Marine Corps, who incurred physical disability while in the service of the United States during the World War, and for other purposes;

H. R. 8241. An act for the relief of Fred J. Christoff;

H. R. 8271. An act to confer jurisdiction upon the Court of Claims of the United States to hear, determine, and render judgment upon the claims of the attorneys for the Russian Volunteer Fleet;

H. R. 8275. An act for the relief of Stanley Kolitzoff and Marie Kolitzoff;

H. R. 8365. An act for the relief of the North Mississippi Oil Mills of Holly Springs, Miss.;

H. R. 8375. An act for the relief of Roscoe B. Huston;

H. R. 8380. An act for the relief of Glenn R. Martin;

H. R. 8391. An act for the relief of Frances M. Heinzelmann;

H. R. 8417. An act for the relief of John B. Dollison;

H. R. 8423. An act for the relief of Frank W. Lohn;

H. R. 8424. An act for the relief of John F. Dailey and Ethel M. Dailey;

H. R. 8479. An act for the relief of Jane Murrah;

H. R. 8480. An act for the relief of Commander James T. Mathews;

H. R. 8492. An act for the relief of Robert Doty, a minor;

H. R. 8515. An act to amend the act entitled "An act for the relief of Harry Bryan and Alda Duffield Mullins, and others", approved August 28, 1937;

H. R. 8544. An act for the relief of Alba C. Mitchell;

H. R. 8567. An act for the relief of Margaret B. Nonnenberg;

H. R. 8571. An act granting 6 months' pay to Mrs. Vallie M. Current;

H. R. 8643. An act for the relief of Kate Durham Thomas;

H. R. 8672. An act for the relief of Fergus County, Mont.;

H. R. 8683. An act for the relief of Gus Vakas;

H. R. 8696. An act for the relief of Ruby Z. Winslow;

H. R. 8723. An act for the relief of Spencer D. Albright, Jr.;

H. R. 8743. An act for the relief of Louis Michael Bregantic;

H. R. 8744. An act for the relief of J. G. Bucklin;

H. R. 8858. An act for the relief of Joseph Brum and Gussie Brum;

H. R. 8922. An act for the relief of E. E. Johnson;

H. R. 9084. An act for the relief of John Lawson and Roy Webb;

H. R. 9130. An act for the relief of Marshall Carver;

H. R. 9142. An act for the relief of J. J. B. Hilliard & Son;

H. R. 9196. An act for the relief of J. T. Burt and Alice Burt;

H. R. 9215. An act for the relief of the Read Machinery Co., Inc.;

H. R. 9277. An act for the relief of James M. Wright;

H. R. 9297. An act for the relief of Dr. Samuel A. Riddick;

H. R. 9400. An act for the relief of Adolph Arendt;

H. R. 9535. An act for the relief of Amy M. Ghent;

H. R. 9640. An act for the relief of Shoshone Garage;

H. R. 9674. An act for the relief of John Borowski, Benjamin H. Hammack, and Eber A. Wean;

H. R. 9825. An act for the relief of Raymond Pledger and Thomas P. Giacomini, Jr.;

H. R. 9881. An act to amend section 23 of the act to create the California Debris Commission, as amended;

H. R. 9916. An act to provide for the establishment of a Coast Guard station at or near Shelter Cove, Calif.;

H. R. 9981. An act for the relief of the State of Connecticut;

H. R. 10171. An act to amend the act entitled "An act giving jurisdiction to the Court of Claims to hear and determine the claim of the Butler Lumber Co., Inc.";

H. R. 10346. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Niobrara, Nebr.;

H. R. 10642. An act to amend an act entitled "District of Columbia Alley Dwelling Act," approved June 12, 1934, and for other purposes;

H. R. 10672. An act to amend section 4197 of the Revised Statutes, as amended (U. S. C., 1934 ed., title 46, sec. 91), and section 4200 of the Revised Statutes (U. S. C., 1934 ed., title 46, sec. 92), and for other purposes;

H. R. 10772. An act to amend certain sections of the act entitled "An act providing for the public printing and binding and the distribution of public documents," approved January 12, 1895, as amended;

H. J. Res. 620. Joint resolution for the observance of the celebration of the one hundred and twenty-fifth anniversary of the Battle of Lake Erie; and

H. J. Res. 703. Joint resolution to authorize the acceptance of title to the dwelling house and property, the former residence of the late Justice Oliver Wendell Holmes, located at 1720 I Street NW., in the District of Columbia, and for other purposes.

JOINT COMMITTEE ON FORESTRY

The VICE PRESIDENT. The Chair appoints the Senator from California [Mr. McADOO], the Senator from South Carolina [Mr. SMITH], the Senator from Alabama [Mr. BANKHEAD], the Senator from Idaho [Mr. POPE], and the Senator from Oregon [Mr. McNARY] members on the part of the Senate of the Joint Committee on Forestry, established under Senate Concurrent Resolution 31, agreed to June 14, 1938.

SPECIAL COMMITTEE ON INVESTIGATION OF SENATORIAL CAMPAIGN EXPENDITURES

The VICE PRESIDENT. The Chair appoints the Senator from Massachusetts [Mr. WALSH] a member of the Special Committee on Investigation of Senatorial Campaign Expenditures, created by Senate Resolution 283, in place of the Senator from Minnesota [Mr. SHIPSTEAD], resigned.

SECOND DEFICIENCY APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 10851) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1938, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1938, and June 30, 1939, and for other purposes.

Mr. BYRNES. Mr. President, on behalf of the committee I offer an amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER (Mr. HILL in the chair). The amendment offered by the Senator from South Carolina on behalf of the committee will be stated.

The CHIEF CLERK. On page 3, after line 4, it is proposed to insert:

Effective July 1, 1938, there shall be abolished (1) the office of the assistant clerk of the Committee on Foreign Relations whose compensation is at the rate of $2,880 per annum, and (2) the office of one of the messengers (under the jurisdiction of the Sergeant at Arms and Doorkeeper) whose compensation is at the rate of $1,740 per annum.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

Mr. HAYDEN. Mr. President, on behalf of the committee, I offer an amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Arizona, on behalf of the committee, will be stated.

The CHIEF CLERK. On page 29, after line 7, it is proposed to insert:

Conservation and use of agricultural land resources, Department of Agriculture: In carrying into effect the provisions of the Soil Conservation and Domestic Allotment Act, as amended, and the Agricultural Adjustment Act of 1938, as amended, the Secretary of Agriculture is authorized to expend out of the appropriations available to carry into effect the provisions of said acts during the fiscal years 1938 and 1939, such sums as he deems necessary for the preparation and display of exhibits, including such displays at State, interstate, and international fairs within the United States.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

Mr. HAYDEN. Mr. President, I can explain the amendment if any Senator desires to have it done.

While we had the bill under consideration there was a proposal for printing the complete transactions of the World Power Conference. The Budget estimate was for $49,410. It covered not only the printing but also reimbursement for other funds. We have reduced the number and done away with any reimbursement, and the cost now to complete the printing will be $36,000.

I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 31, after line 18, it is proposed to insert:

OFFICE OF THE SECRETARY

Printing and binding: For printing the complete transactions of the Third World Power Conference (which includes the Second Congress on Large Dams), sponsored by the United States pursuant to Public Resolution No. 58, approved August 26, 1935, fiscal year 1939, $36,000.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

Are there any further committee amendments?

Mr. HAYDEN. Mr. President, I have a Budget estimate which I desire to offer.

The PRESIDING OFFICER. Is it a committee amendment?

Mr. HAYDEN. The committee has not passed on any of them. We have concluded the consideration of the committee amendments.

Mr. OVERTON. No, Mr. President. We have not yet concluded the committee amendments. There is one which I was authorized to submit.

The PRESIDING OFFICER. The Senator from Louisiana offers, on behalf of the committee, an amendment, which will be stated.

The CHIEF CLERK. On page 6, after line 15, it is proposed to insert:

CIVILIAN CONSERVATION CORPS

Salary of the Director: The limitation of $10,000 per annum contained in section 2 of Public, 163 (approved June 28, 1937) for the salary of the Director is hereby increased to $12,000.

Mr. CLARK. Mr. President, I make the point of order that that is legislation on an appropriation bill.

The PRESIDING OFFICER. The Senator from Missouri makes the point of order that the amendment is legislation on an appropriation bill. The Chair will be glad to hear from the Senator from Louisiana on the point of order.

Mr. OVERTON. Mr. President, I concede the point of order, and I move to suspend the rule for the purpose of making the amendment in order. Yesterday I gave notice of an intention to move to suspend the rule for that purpose.

The PRESIDING OFFICER. The Chair sustains the point of order.

Mr. CLARK. I suggest the absence of a quorum.

The PRESIDING OFFICER. The Senator from Louisiana moves to suspend the rules in order to make his amendment

in order. The Senator from Missouri makes the point of no quorum. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Clark	Hitchcock	Overton
Andrews	Connally	Holt	Pepper
Ashurst	Copeland	Hughes	Pittman
Austin	Davis	Johnson, Calif.	Pope
Bailey	Dieterich	Johnson, Colo.	Radcliffe
Bankhead	Donahey	King	Reames
Barkley	Duffy	La Follette	Reynolds
Berry	Ellender	Lee	Russell
Bilbo	Frazier	Lewis	Schwartz
Bone	George	Lodge	Schwellenbach
Borah	Gerry	Logan	Sheppard
Brown, Mich.	Gibson	Lundeen	Shipstead
Brown, N. H.	Gillette	McGill	Smathers
Bulkley	Glass	McKellar	Thomas, Utah
Bulow	Green	McNary	Townsend
Burke	Hale	Maloney	Truman
Byrd	Harrison	Miller	Tydings
Byrnes	Hatch	Minton	Vandenberg
Capper	Hayden	Murray	Wagner
Caraway	Herring	Norris	Walsh
Chavez	Hill	O'Mahoney	Wheeler

The PRESIDING OFFICER. Eighty-four Senators having answered to their names, a quorum is present.

The question is on the motion of the Senator from Louisiana [Mr. OVERTON] to suspend the rule for the purpose of enabling him to offer an amendment of which he gave notice on yesterday.

Mr. OVERTON. Mr. President, the purpose of the amendment for which I have made a motion to suspend the rule is to increase the salary of the Director of the Civilian Conservation Corps from $10,000 to $12,000.

From April 1933 up to June 30 of last year the salary of Mr. Fechner was $12,000. It was then reduced to $10,000.

It was reduced after he had rendered 4 years of invaluable service in connection with the task which had been assigned to him. It was a new venture. It was an untried field. The responsibility was great. The undertaking was heavy. It required executive ability of no mean character to organize the different camps, to take the young men who were unemployed, who were left stranded during one of the dire periods of our country's history, assemble them in camps, cause them to do efficient work, and make out of them better and more useful citizens.

In the performance of that work, Mr. Fechner has received the commendation of the people of the United States. In executing the task to which he is assigned it is necessary for him to be in constant contact with the Departments of War, Interior, Agriculture, and Labor, and to coordinate his activities with those of all these different Departments. He has done so successfully and with the commendation of the people of the United States.

When this work was first undertaken there were serious misgivings on the part of Members of the House and the Senate that it would be successful. There was much opposition to it. But Mr. Fechner has overcome all opposition, and as a result, a short time ago, the Civilian Conservation camps were continued for an additional period of 3 years.

Mr. President, I think it is only a matter of justice to Mr. Fechner that his original salary be restored. I do not think it ought to have been cut after he had done the splendid work that he has done. It ought to be in line with the salaries which are paid to the heads of other new agencies which we have created in recent years. The Works Progress Administrator receives a salary of $12,000. The Administrator of Veterans' Affairs receives a salary of $12,000. The five members of the Maritime Commission each receive a salary of $12,000.

Mr. REYNOLDS. Mr. President——

Mr. OVERTON. I yield to the Senator from North Carolina.

Mr. REYNOLDS. What salary is the Director of the Civilian Conservation Corps receiving at the present time?

Mr. OVERTON. Ten thousand dollars. Formerly it was $12,000. It was $12,000 when he undertook the work, and continued to be $12,000 up to June 1937.

Mr. CLARK. Mr. President, I rise in opposition to the motion of the Senator from Louisiana to suspend the rule for the purpose of increasing the salary of the Director of the C. C. C. camps.

I do this without any prejudice whatever against Mr. Fechner, personally or in his official capacity as Director of the C. C. C. camps. I think Mr. Fechner has done good work, although it is only fair to say that a great deal of the work for which the Senator from Louisiana has just given Mr. Fechner credit has actually been done by officials of the War Department, either of the regular service or of the Officers' Reserve Corps or of the National Guard who have been detailed to do the actual administrative work in the C. C. C. camps.

Mr. President, I think the C. C. C. has been one of the most valuable developments of the past 5 years and one of the activities which it is most desirable to make permanent. That has been the policy adopted by the Congress of the United States. It is true that when Mr. Fechner started in as a temporary official, not knowing how long he would be able to hold his job in a more or less temporary capacity, he was given a salary of $12,000; but when the Congress of the United States a year ago considered that the C. C. C. was worthy of being put in the way of being made a permanent activity, at least to the extent of being continued for 3 years as a preliminary step to being made a permanent activity, after mature consideration, and deliberately in both Houses of Congress, by a record vote in each House, the Congress decided that a permanent salary of $10,000 would be a suitable salary for the head of that activity.

Mr. President, in the debate last year in this body I put into the RECORD a list of prominent Government officials performing invaluable services, in offices where they were indispensable, receiving less than $10,000, among them the Chief of Staff of the Army, the Chief of the Bureau of Operations of the Navy, and a vast multitude of other officers, judicial and legislative, receiving salaries of $10,000 a year or less.

Without any reflection whatever on Mr. Fechner, I challenge the Senator from Louisiana or anyone else to stand in his place and explain what Mr. Fechner has done or what Mr. Fechner will do in his job which will entitle him to receive a larger salary than that received by the distinguished senior Senator from Idaho [Mr. BORAH], for instance, who, with his ability and eloquence, has been an ornament to this body for more than a quarter of a century, or the distinguished Senator from Nevada, the President pro tempore of the Senate.

Mr. PITTMAN. Mr. President, the Senator says he does not desire to reflect on the head of this corps.

Mr. CLARK. I do not.

Mr. PITTMAN. Does not the Senator think it reflects on him when he puts him in the class of assistant secretaries and Senators? [Laughter.]

Mr. CLARK. I fear that it does, but I should like to have some Senator explain to me what services Mr. Fechner, or any other chief of the C. C. C., has rendered or will render, comparable to the services rendered by the Senator from Idaho [Mr. BORAH], or the Senator from California [Mr. JOHNSON], or the distinguished minority leader of this body, the Senator from Oregon [Mr. MCNARY], or the distinguished majority leader, the Senator from Kentucky [Mr. BARKLEY], or the Senator from Louisiana himself.

Mr. BYRNES. Mr. President, will the Senator yield?

Mr. CLARK. I yield.

Mr. BYRNES. The Senator from Missouri would be willing, I hope, to reduce the salaries of those drawing more than $10,000.

Mr. CLARK. I was about to say that it seems to me the Senator from Louisiana is approaching the problem from exactly the wrong angle. I do not believe any of these administrative officials should have higher salaries than the salaries paid Senators and Members of the House of Representatives. I think it is a bad practice to begin with, and I think it is a bad practice to be perpetuated.

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. CLARK. I yield.

Mr. OVERTON. I wish to say that it is not my purpose to institute a comparison between the services of the C. C. C. Director and those rendered to our Nation by the different Senators who occupy seats in this body or by the Representatives who represent their districts in the House of Representatives. I have no doubt that the latter render very efficient service. I have no doubt that not a single one of the Members of the House or the Senate is not entitled to the full $10,000 he receives.

I am not trying to institute a comparison between the Director of the Civilian Conservation Corps and anyone else. I merely say that the laborer is worthy of his hire. He undertook a difficult task at a difficult time and has performed it successfully and with the commendation of the people throughout the country.

Mr. CLARK. Mr. President, no one is taking issue with that statement.

Mr. OVERTON. The Senator, as I understood him, undertakes to institute a comparison between the salaries paid to Mr. Fechner and the salaries paid, for instance, to the Senator from Nevada.

Mr. CLARK. I certainly do. And that seems to me to be a fair comparison.

Mr. OVERTON. That question is not before the Senate. There may be a great many salaries which ought to be reduced. It may be that the salaries of Senators ought to be increased or reduced or that the salaries of Representatives ought to be increased or reduced, but that is not the amendment which is now proposed to the Senate, which is an amendment designed to do justice to a man to whom an injustice has been done when, after serving for 4 years in a difficult undertaking and making a success of it, had his salary reduced by $2,000 a year.

Mr. CLARK. Mr. President, I have about concluded what I had wished to say about this matter. This seems to me to be a motion absolutely without excuse, a motion to suspend the rules presented at this late stage in the consideration of the bill, at this late stage of the session, to open up again a question which was settled after elaborate discussion in each House of the Congress a year ago.

The PRESIDING OFFICER. The question is on the motion of the Senator from Louisiana [Mr. OVERTON] to suspend the rule so as to make his amendment in order.

The motion was not agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 2716) to provide for the local delivery rate on certain first-class mail matter, asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. HAINES, Mr. TAYLOR of South Carolina, Mr. LUCKEY of Nebraska, Mr. MASON, and Mr. SHAFER of Michigan, were appointed managers on the part of the House at the conference.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10618) authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes.

SALARIES OF RURAL LETTER CARRIERS—CONFERENCE REPORT

Mr. McKELLAR submitted the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 3610) to adjust the salaries of rural letter carriers.

The conference report is as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 3610) to adjust the salaries of rural letter carriers, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment as follows: On page 1 of the Senate amendment, in line 5, strike out the figures "1939" and insert in lieu thereof the figures "1940"; and the Senate agree to the same.

KENNETH MCKELLAR,
CARL HAYDEN,
L. J. FRAZIER,
Managers on the part of the Senate.

T. G. BURCH,
JAS. M. MEAD,
HARRY L. HAINES,
FRANK CARLSON,
E. HAROLD CLUETT,
Managers on the part of the House.

Mr. McKELLAR. I move the adoption of the report.

The report was agreed to.

LOCAL DELIVERY RATE ON CERTAIN FIRST-CLASS MAIL MATTER

The PRESIDING OFFICER (Mr. HILL in the chair) laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 2716) to provide for the local delivery rate on certain first-class mail matter, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. McKELLAR. I move that the Senate insist upon its amendments, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. MCKELLAR, Mr. HAYDEN, and Mr. FRAZIER conferees on the part of the Senate.

ADDITIONAL REPORTS OF COMMITTEES

Mr. KING, from the Committee on the District of Columbia, to which was referred the bill (H. R. 10380) to amend the act entitled "An act to incorporate the Society of American Florists and Ornamental Horticulturists within the District of Columbia, reported it without amendment and submitted a report (No. 2196) thereon.

He also, from the Committee on Immigration, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

H. R. 7369. A bill to validate certain certificates of naturalization granted by the United States District Court for the District of Hawaii (Rept. No. 2197); and

H. R. 7780. A bill to amend an act entitled "An act relating to the naturalization of certain women born in Hawaii," approved July 2, 1932 (Rept. No. 2198).

Mr. SCHWELLENBACH, from the Committee on Claims, to which was referred the bill (H. R. 8753) for the relief of the Choctaw Cotton Oil Co., of Ada, Okla., reported it without amendment and submitted a report (No. 2199) thereon.

SECOND DEFICIENCY APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 10851) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1938, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1938, and June 30, 1939, and for other purposes.

Mr. REYNOLDS. I send to the desk an amendment which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 3, after line 10, it is proposed to insert the following:

The legislative branch appropriation act, 1939, approved May 17, 1938, is hereby amended as follows:

Under the heading "Senate" and the caption "Office of Sergeant-at-Arms and Doorkeeper," in the items relating to messengers, strike out "thirty-one" and insert "thirty"; and after the words "one at card door", $2,640 and $240 additional so long as the office is held by the present incumbent"; insert the following: "Assistant at card door, $2,400;".

In the last line of the paragraph strike out "$264,844" and insert "$265,504."

Mr. BYRNES. Mr. President, I should like to know what the amendment is. I could not hear it.

Mr. REYNOLDS. Mr. President, one of our very faithful messengers, who has been with us for almost 20 years, is today serving at a salary of about $1,700 a year, and he is doing the work of many others in this capacity who are drawing salaries of $2,800 a year. For this service to the Government I am merely asking the pittance of an increase of a few hundred dollars a year, and I trust sincerely that there are none here who will be so uncharitable as to oppose my amendment.

Mr. BYRNES. Mr. President, the committee had presented to it requests for increased compensation for innumerable persons who in the opinions of their friends were receiving unfair compensation and wanted a pittance of an increase.

Mr. REYNOLDS. Will the Senator pardon my interruption?

Mr. BYRNES. I yield.

Mr. REYNOLDS. This is an unusual case. There is no other case that can parallel it. There is no case that can stand beside it in the Capitol.

Mr. BYRNES. Mr. President, the argument in each case was to the same effect, though not presented with the same eloquence with which this particular case is presented. It was an unusual case. The committee, trying to protect the Senate, has not reported in this bill any increase in salaries. The committee believes that when we have before us a legislative appropriation bill and the committee, after hearings, fixes the compensation of employees of the Congress, it should remain fixed for the year, and if there is to be a change that committee should take charge of it. Such an item is not a deficiency, and should not be included in this bill.

I hope the Senator will not press the amendment, but will present the matter to the legislative committee when it meets for the next session, and in that bill the salaries of employees will be considered.

Mr. REYNOLDS. The difficulty about it is that it will be 6 months until the next session convenes, and the most commendable thing about this is that the party interested is a North Carolinian. [Laughter.]

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from North Carolina [Mr. REYNOLDS].

The amendment was rejected.

Mr. BARKLEY. I offer an amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. At the proper place in the bill it is proposed to insert the following:

For carrying out the provisions of the Water Pollution Act, $1,000,000.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Kentucky.

The amendment was agreed to.

Mr. BARKLEY. I have one or two other amendments, which I should like to have disposed of while I am on my feet. I send another amendment to the desk and ask to have it stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. At the proper place in the bill it is proposed to insert the following:

That the Library of Congress is hereby authorized and empowered to acquire by purchase, or otherwise, the whole, or any part, of the papers of Charles Cotesworth Pinckney and Thomas Pinckney, including therewith a group of documents relating to the Constitutional Convention of 1787, now in the possession of Harry Stone, of 24 East Fifty-eighth Street, New York, N. Y., and there is hereby appropriated to the Library of Congress for that purpose not to exceed the sum of $37,500.

Mr. BARKLEY. Mr. President——

Mr. BYRNES. Mr. President, I want to have something to say about that matter when the Senator has completed his statement.

Mr. BARKLEY. Mr. President, this represents the amount authorized in a bill which passed the Senate some 2 or 3 weeks ago. The Committee on the Library in the House reported unanimously the bill, and it is on the calendar of the House. When the calendar was called a few days ago one Member objected, which, of course, blocked action upon the bill.

The Committee on the Library held a hearing on this proposal. Dr. Putnam, the Librarian, appeared before the committee and testified that these are invaluable papers, connected with the Constitutional Convention of 1778. There are some 2,000 papers represented in this collection.

Some of them constitute correspondence between Charles Cotesworth Pinckney and others of the Revolutionary period. Others constitute notes taken by him at the Constitutional Convention, and shed new light upon the deliberations of the Convention of 1787, which wrote the Constitution of the United States.

The Librarian of Congress is anxious that this collection shall be secured for the benefit of the Library of Congress. The figure originally set as their value was $75,000, but the owner has agreed to take one-half of that amount, and that is the amount represented in the bill which was passed by the Senate and reported by the House Committee on the Library.

The papers involved are invaluable papers, as testified by Dr. Putnam, the price is reasonable, and I hope that the amendment will be agreed to.

Mr. BYRNES. Mr. President, I realize that when any amendment is offered to the last deficiency bill, if it provides for the expenditure of money it is almost impossible to defeat the amendment. This amendment ordinarily would appeal to me because it proposes to buy the letters and papers of Charles Cotesworth Pinckney, from my State. But Mr. President, if we do not take the time to give consideration to the amendments offered to this bill, and if we do not do something to restrain the appropriations carried by the bill, we will not be doing our duty by the Congress and the people.

Mr. LOGAN. Mr. President, will the Senator yield?

Mr. BYRNES. I yield.

Mr. LOGAN. I wish to address myself to the point made by the Senator that no consideration has been given to this matter. I wish to call attention to the fact that the bill was regularly introduced by me. It went to the Committee on the Library. The committee held hearings. The bill was reported to the Senate, and the Senate passed the bill. The wording of the amendment which is proposed by my colleague is the same as that of the bill which was enacted by the Senate and which has been unanimously reported by the Committee on the Library of the House and by the House.

Mr. BYRNES. Mr. President, in a few moments I was going to say something about that. That is the situation in the Senate. Had either the senior or junior Senator from Kentucky come before the Committee on Appropriations with the request for any appropriation during the last 3 days he would have been met with the statement, "Have you a Budget estimate? If you do not have a Budget estimate the item cannot be considered." More than a dozen Senators who wanted appropriations for items in which they were interested appeared before the committee and were met with that statement.

Mr. McKELLAR. Some of them were members of the committee itself. They appeared before the committee.

Mr. BYRNES. Members of the committee attended the committee meetings and asked the committee to consider matters in which they were deeply interested, the Senator from Louisiana [Mr. OVERTON] being among them. We took the position—the correct position—that the Appropriations

Committee should ask that the President of the United States, through the Budget Bureau, submit an estimate for an appropriation of this kind. As I understand, the bill has not been enacted into law. It passed the Senate and has been reported to the House. There are many valuable proposals contained in it. It may be worth while to pay $35,000 to buy these papers. I do not know. The proposal was made to me. The person who was interested in it came to my office. I would not introduce the bill, but it was represented that the senior Senator from Kentucky was interested in it.

As to that I am perfectly satisfied. I thought that it ought to be introduced by someone who was more familiar with the subject than I was. There is no Budget estimate for this item. The committee has turned down requests of other Senators interested in matters of this kind. I do not think that it is proper, especially in a deficiency bill. It is not a matter of deficiency. A deficiency bill ought to be what its name implies—a bill to make up deficiencies in appropriations for the current fiscal year. This is not a deficiency. I know that if we adopt this amendment we will have to accept other amendments, and I do not know how large the appropriation bill will be when we get through.

Mr. BARKLEY. Dr. Putnam, the Librarian of Congress, testified before the Committee on the Library, and the committee was unanimous in its decision that these papers ought to be purchased. He stated that he has a modest fund in the annual appropriation for the purchase of documents and books and things that he thinks the Library should have. He testified before the committee that these were very valuable papers; that he had himself inspected them; that they ought to be in the Library of Congress; that he did not have sufficient funds from his regular appropriation with which to purchase these papers, and that unless they are bought at this time, if they are obtained at all later it might be necessary to pay a considerably higher price for them. The amount is not large, when we remember that we have paid many times more than that for others papers that are now in the Library of Congress. I appreciate the Senator's position with respect to deficiency appropriation bills. At the same time this is an opportunity to purchase what the Library is extremely anxious to obtain for itself and for the American people.

Mr. BYRNES. I submit to the two Senators from Kentucky that if this bill has been reported to the House, why not let the House act upon it? There is no urgency about it, and if the House adopts it, then next January it can automatically be submitted in the regular way and considered, and we can determine how much money should be spent and how much should be appropriated, and the relative importance of the matter. But on a deficiency bill in the closing days of the session presented on the floor, I submit to the Senators that we ought not to accept it.

Mr. LOGAN. I submit to the Senator from South Carolina that these papers are of very great value, and the Senator knows that there are papers such as these which are desired to be obtained by persons outside the Government and when they buy them the question of money does not mean anything. Here is a most valuable collection of papers dealing with the Constitution, in which we are all interested. These papers are of more interest than any papers in existence anywhere in the country. They are, next to the Madison papers, perhaps the most valuable papers in this country. There are 2,000 letters, memoranda and documents. If we submit to the objection of the Senator from South Carolina, it is most probable that we will never be able to secure these papers.

Regardless of what others may think about it, I do not believe we can have anything more valuable in the Library than those papers relating to the making of our fundamental law, and among them the writing of Charles Cotesworth Pinckney, and of his brother Thomas—I believe he was his brother—are just as important as any other papers I know of. This is the first time it has been possible to procure those documents, and it may be the only opportunity we will have.

I, in turn, appeal to the Senator from South Carolina, of whose State these men were natives, that instead of our withdrawing, which would be proper under ordinary circumstances, he withdraw his objection, because we are likely to lose the whole collection.

Mr. BYRNES. Mr. President, I can understand the position of the Senator from Kentucky, but, from what little I know of it after discussing the matter with those who first proposed it to me, I have no fear that we are going to lose the papers.

Mr. LOGAN. I may say to the Senator that I could not say anything other than from the information I have received from those who are interested. I am appealing to the Senator. I have no interest in the world in the matter; it does not involve my own State but it does involve South Carolina. I do not have to go back for more than a generation to get into South Carolina myself, and I do want anything that relates to South Carolina preserved in the Library of Congress, and particularly anything which deals with so important a question as the making of the Constitution of the United States.

Mr. BYRNES. That is a natural wish; and when the lady from Kentucky came to see me about it I told her that, much as I love South Carolina, I did not feel that I could introduce the bill; but I understood that the Senator from Kentucky would do it.

Mr. LOGAN. I do not think the lady was from Kentucky. She may have been born there, but I do not know where she lives now.

Mr. BYRNES. She is a very charming person; and when I learned she was from Kentucky, I could readily understand why she was. So far as the Senator from South Carolina is concerned, he does not believe that at this time, with the great demands upon the Treasury, there is urgent necessity in the closing hours of the session to make this appropriation. I believe that the House ought to act upon the bill which, I understand, is pending there.

Mr. JOHNSON of California. Mr. President, will the Senator from South Carolina yield?

Mr. BYRNES. I yield.

Mr. JOHNSON of California. I was laboring under the delusion that the pending business was a deficiency bill. I think the Senator from South Carolina perhaps is straining at a gnat, because just before this amendment was offered I thought I heard an amendment offered making an appropriation of $1,000,000, to be inserted at the proper place, having to do with stream pollution. Am I right?

Mr. BARKLEY. The Senator is right.

Mr. BYRNES. I did not hear that; but I am not surprised. I may say that in an experience of more than 20 years I never knew a deficiency bill in the closing days of the session to fail to be filibustered to death if we attempted to save millions of dollars of the money of the taxpayers of the United States. The last bill which goes through the Congress prior to an adjournment is a deficiency bill, which becomes an appellate tribunal, and every Department which has been turned down on anything comes to the Congress and offers its plea for some item to be inserted in the deficiency bill in the closing hours of a session, when we cannot consider it properly.

Mr. JOHNSON of California. I should like to aid the Senator from South Carolina in his desire, but if he permits to be adopted without objection, with a whoop and a yell before anybody has time to object, if anyone had wanted to object, an amendment appropriating a million dollars, which had no place in this bill, how can he object to a $37,000 item for the purchase of these historical documents, which are beyond price?

Mr. BYRNES. I will say to the Senator from California that the first information I had about the amendment to

which he refers is his statement, and it only shows that when Members of the Senate on the floor do not know that an amendment has been adopted appropriating a million dollars in the last few minutes we are not legislating in a way that is fair to the people of the Nation.

Mr. KING. I think it would be better if we adjourned.

Mr. BYRNES. I did not hear the chairman of the subcommittee discuss it, and if an amendment of that kind was adopted——

Mr. JOHNSON of California. He did not discuss it.

Mr. BYRNES. I am of the opinion that the chairman of the subcommittee did not know that such an amendment had been adopted.

Mr. BARKLEY. The Senator from Colorado did know about it.

Mr. BYRNES. Then I withdraw the statement.

Mr. BARKLEY. The amendment I offered which has been adopted was an amendment affecting a bill which is in the same situation as is the wage and hour bill.

Mr. BYRNES. Of course, that is different.

Mr. BARKLEY. The stream-pollution or water-pollution bill which has been adopted by both Houses and the conference report agreed to, although it has not been signed by the President, attempts to provide for purifying certain polluted streams of the United States in behalf of health and life. That bill carries a million dollars per annum, beginning the 1st day of July for its administration.

Mr. BYRNES. That explanation is certainly satisfactory to me and should be satisfactory to anyone. Whenever a deficiency bill goes through it must care for the appropriations to administer laws which have been passed in the closing days of the session. If such matters are to be taken care of, this is the only means of doing it, and that is entirely different from offering an amendment for appropriation for something which has not passed Congress.

Mr. BARKLEY. I agree with the Senator from South Carolina in part, and I have attempted and the Library Committee of the House has attempted to get consideration of the bill on the calendar in the House; but under the rules, as the Senator knows, having served with great distinction and ability in the House for a long term of years, any one Member may object on the call of the calendar to the consideration of any bill. Objection was made, although the Committee on the Library in the House unanimously reported the measure. The only way in which it can be considered between now and the time we will adjourn is by a motion to suspend the rules, which is a difficult thing, as the Senator knows, and requires a two-thirds vote. The question is whether these papers, valuable as they are, pertaining to a subject which has been discussed intensively by more people in the United States in the last 2 or 3 years than any other subject has been discussed within the last 50 years, shall be purchased by the Library of Congress for the benefit of the American people or whether we shall, because of the technical situation that the House has not acted, although the Senate has acted, run the risk of losing these papers permanently to the Library of Congress.

Mr. McKELLAR. Does not the Senator think that if they have not been lost in 150 years there is not very much doubt that they will be found here next January? [Laughter.]

Mr. BARKLEY. Mr. President, I am not uneasy about their being lost, because it has taken a long time to collect them and they are now together in the possession of one man. It has taken a century and a half to get these papers together.

Mr. JOHNSON of California. Has the appropriation for $1,000,000 to which reference has been made been passed by both Houses?

Mr. BARKLEY. Not the appropriation. The stream-pollution bill has been passed by both Houses, a conference has been held and the conference report has been agreed to by both Houses. All the bill lacks is the signature of the President.

Mr. JOHNSON of California. What I call to the attention of the Senator from South Carolina is that that does not mean that the appropriation has been considered by the Committee on Appropriations, nor does it mean that the subcommittee which passed upon the deficiency bill has passed upon that appropriation. That amendment was adopted in 13 seconds by the clock and there was no one here who made any objection at all.

It was adopted immediately prior to the hearing upon the pending amendment, and I suggest that, if there be a rule in respect to appropriations of this sort such as that which seems to be invoked now by the Senator from South Carolina, the first thing he ought to do is to move to reconsider the vote by which that amendment was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Kentucky [Mr. BARKLEY]. [Putting the question.] By the sound the ayes seem to have it.

Mr. KING. I ask for a division.

On a division, the amendment was rejected.

Mr. LOGAN. Mr. President, I ask for the yeas and nays.

Mr. CLARK. Mr. President, I make the point of order that the demand comes too late.

The PRESIDING OFFICER. The Senator from Missouri makes the point of order that the demand comes too late. The Chair sustains the point of order.

Mr. LOGAN. I make the point of order that the Chair recognized the Senator from Utah to ask for a division after the Chair announced the result. That also came too late.

The PRESIDING OFFICER. The point of order of the Senator from Kentucky comes too late.

Mr. BARKLEY. Mr. President, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment offered by the Senator from Kentucky will be stated.

The LEGISLATIVE CLERK. On page 56, at the end of line 19, it is proposed to insert:

Provided, That the provisions of section 1761 of the Revised Statutes shall not apply with respect to the payment of the salary of any person appointed to the office of judge of any court of the United States, if the appointment of such person is made prior to January 3, 1939.

Mr. KING. Mr. President, I raise the point of order against the amendment.

The PRESIDING OFFICER. The Senator from Utah raises the point of order. Does the Senator from Utah desire to discuss the point of order?

Mr. KING. No. It is obvious that the amendment is legislation upon an appropriation bill.

Mr. BARKLEY. Mr. President, on the point of order, the amendment is offered to a paragraph of the bill providing $60,000 for salaries of additional judges provided for in an act of Congress already approved. The amendment merely provides that section 1761 of the Revised Statutes shall not apply with respect to any appointments to the bench provided for by Congress, which may be made during the recess. It is not a change of the law. It simply provides that the law itself shall not apply to those appointments.

Mr. AUSTIN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Vermont desire to be heard on the point of order?

Mr. AUSTIN. Unless the Chair has already decided.

The PRESIDING OFFICER. The Chair is ready to rule. In the opinion of the Chair the amendment is clearly legislation on an appropriation bill and therefore not in order. The Chair sustains the point of order.

Mr. ADAMS. Mr. President, I offer two amendments which have to do with the appropriations provided for the Federal Power Commission in two acts which have passed both Houses. Each of the amendments provides that the appropriation shall not go into effect unless the bills are enacted into law. The amendments are in the nature of necessary legislation to meet legislation in the last stages of enactment. The first one is with regard to the flood-control appropriation.

The PRESIDING OFFICER. The first amendment offered by the Senator from Colorado will be stated.

The LEGISLATIVE CLERK. On page 7, line 20, after the numerals "$875,000", it is proposed to insert the following:

For an additional amount of salaries and expenses of the Federal Power Commission, fiscal year 1939, including the same objects specified under this head in the Independent Offices Appropriation Act, 1939, $150,000: *Provided*, That the limitation under this head in said act upon the amount that may be expended for personal services in the District of Columbia is hereby increased to $1,140,000: *Provided further*, That such sum shall not become available unless and until that section of H. R. 10618, Seventy-fifth Congress, a bill "Authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes," which authorizes the appropriation of funds to the Federal Power Commission, is enacted into law.

Mr. ADAMS. I desire to say in addition that there is a budget estimate supporting this amendment.

Mr. KING. Mr. President, I judge from the statement which has just been made that the amendment contemplates the possibility—I hope it is only a possibility—that a certain conference report will be agreed to. As I understand the amendment—and I only heard it casually—it is intended to provide for increased expenses in the event that a certain conference report, which is now before us, on the flood-control bill, is adopted. That is a bill to which some of us are very much opposed. It tries to superimpose the Federal Government on the States, to take over the control of the streams and rivers within the States.

Mr. ADAMS. The Senator understands that those of us who are looking after appropriations have nothing to do with the policy. When the Congress passes a bill, it is the duty of the Appropriations Committee and of the Congress to see that funds are provided for the administration of the law.

Mr. KING. I am not criticizing the action of the committee; but certainly it is premature and improvident to pass an appropriation now for an organization to carry out certain policies which are not now crystallized into law. When the bill shall have been passed, if it shall be—and I hope to the Lord it will not be—then we may consider this question.

Moreover, I object to the amendment because we have already given a very large appropriation to the Federal Power Commission. The more we give it the more it wants; the more employees we permit it to have, the greater the demand for an increased personnel. We have given the Commission a very large appropriation in the appropriation bill which was recently passed, sufficient to take care of the organization, it seems to me, if it wisely and economically discharges the duties resting upon it.

I certainly feel that we ought not to agree to the amendment at least until the bill to which it is largely intended to apply becomes a law.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Colorado [Mr. ADAMS].

The amendment was agreed to.

Mr. ADAMS. Mr. President, I offer another amendment.

The PRESIDING OFFICER. The amendment offered by the Senator from Colorado will be stated.

The CHIEF CLERK. On page 7, after line 20, it is proposed to insert:

For an additional amount for salaries and expenses of the Federal Power Commission, fiscal year 1939, including the same objects specified under this head in the Independent Offices Appropriation Act, 1939, $275,000: *Provided*, That the limitation under this head in said act upon the amount of money that may be expended for personal services in the District of Columbia is hereby increased to $1,020,000: *Provided further*, That such sum shall not become available unless and until H. R. 6586, Seventy-fifth Congress, a bill to regulate the transportation and sale of natural gas in interstate commerce, and for other purposes, is enacted into law.

Mr. ADAMS. Mr. President, that amendment is supported by a Budget estimate, and the going into effect of the appropriation is contingent upon the enactment of the law specified in the amendment.

Mr. KING. Mr. President, I am not a member of the Appropriations Committee——

Mr. ADAMS. I wish the Senator were. It would be very helpful.

Mr. KING. I think it would be helpful in this deluge of expenditures which are being made. I should like to know what justification there is for appropriating more than $1,000,000 for the organization referred to, when we approved a few moments ago an item for a very large sum, and in the appropriation bill for the next fiscal year, which was heretofore passed, we gave the Commission a very large sum.

Mr. ADAMS. This amendment has to do with the regulation of the transportation of natural gas in interstate commerce, which is a different subject.

Mr. KING. I understand; but why should it cost $1,000,000 in addition? The Commission aready has the machinery——

Mr. ADAMS. It does not cost that much in addition. The appropriation is $175,000.

Mr. KING. What is the $1,000,000? Some of us are not familiar with it, because we know nothing of the item until it is read.

Mr. BYRNES. Mr. President, the limitation is in the proviso on page 7, line 16. It is $855,000. As I understand the amendment of the Senator from Colorado, it merely increases the limitation from $855,000 to $1,020,000. The estimate is for $175,000.

Mr. KING. But the amendment provides $1,020,000 as the ceiling, does it not?

Mr. BYRNES. No, Mr. President; the bill as it now stands provides a limitation of $855,000 as the amount which may be expended for personal services in the District of Columbia. The amendment increases the limitation to $1,020,000, instead of the $855,000 fixed in the House provision.

Mr. KING. That is what I stated. The ceiling is $1,020,000.

Mr. BYRNES. Yes.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Colorado.

The amendment was agreed to.

Mr. ADAMS. Mr. President, I offer another amendment.

The PRESIDING OFFICER. The amendment offered by the Senator from Colorado will be stated.

The CHIEF CLERK. On page 81, after line 14, it is proposed to insert:

Third Pan-American Highway Conference: For the expenses of participation by the United States in the Third Pan-American Highway Conference, to be held in Chile during the fiscal year 1939, as authorized by and in accordance with the public resolution of May 20, 1938, fiscal year 1938, to remain available until June 30, 1939, $15,000.

The amendment was agreed to.

Mr. HAYDEN. Mr. President, I desire to offer an amendment, which I send to the desk, which is based upon a Budget estimate.

The PRESIDING OFFICER. The amendment offered by the Senator from Arizona will be stated.

The CHIEF CLERK. On page 11, after line 11, it is proposed to insert:

Water conservation and utilization projects: For construction, in addition to labor and materials to be supplied by the Works Progress Administration, of water conservation and utilization projects, including acquisition of water rights, rights-of-way, and other interests in land, in the Great Plains and arid and semi-arid areas of the United States, fiscal year 1939, $5,000,000, to be allocated by the President, in such amounts as he deems necessary, to such Federal Departments, establishments, and other agencies as he may designate, and to be reimbursed to the United States by the water users on such projects in not to exceed 40 annual installments: *Provided*, That expenditures from Works Progress Administration funds shall be subject to such provisions with respect to reimbursability as the President may determine.

Mr. BYRNES. Mr. President, I should like to have an explanation of the amendment.

Mr. HAYDEN. The Senator from South Carolina will remember that when we had the relief bill under consideration there were representations made by both Senators from Montana, the Senator from South Dakota, and others from the Great Plains area, known as the Dust Bowl, to the effect that it would be an economical expenditure of Federal funds to build a large number of small reclamation projects, and that relief labor could be used in connection therewith.

The President has given consideration to this matter, and this is his justification of the amendment:

There have been submitted for consideration various proposals for the construction of irrigation projects in the Dakotas, Montana, and other portions of the Great Plains area, which would be impracticable for construction under the existing reclamation laws requiring full reimbursability of construction costs, but which might be considered feasible if reimbursement were not required of a part or all of the cost of labor and materials that might be supplied by the Works Progress Administration. The purpose of this estimate is to provide, for allocation by the President, an appropriation of $5,000,000, which would be reimbursable to the United States, and be expended, in connection with Works Progress Administration funds, for the construction of such projects as the President may consider feasible. This program contemplates the construction of numerous projects for the purpose of providing opportunities for settlement by farmers who are now unable to make a living by dry-land farming.

The situation, as I have investigated it, is that if only a small fraction of the money which has been spent in direct relief in the Dust Bowl had been applied to the construction of projects of this kind, it would not have been necessary for 50,000 families to leave that region. There has been a terrible drought, and a most serious situation. Where small dams may be built, and such minor projects may be undertaken, they are of the highest economic importance to the entire region. The President has visited that region. He fully appreciates the necessity for an appropriation of this kind which will supplement the W. P. A. projects.

Mr. McKELLAR. Mr. President, may I ask the Senator what is the date of the letter?

Mr. HAYDEN. The date of the letter is June 14, 1938.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Arizona [Mr. HAYDEN].

Mr. BYRNES. Mr. President, I desire to ask the Senator from Arizona a question. The amendment proposes that in addition to labor and materials to be supplied by the Works Progress Administration, for construction of water conservation and utilization projects the President shall allocate $5,000,000. It means, though, an appropriation out of the Treasury of $5,000,000 in addition to the amount carried in the work-relief joint resolution.

Mr. HAYDEN. Exactly so.

Mr. BYRNES. Will not the Senator agree that $5,000,000 shall be allocated by the President from the funds available under House Joint Resolution 679, instead of making an additional appropriation to the work-relief appropriation of $5,000,000?

Mr. HAYDEN. Let me understand the Senator. Just what fund would it come out of?

Mr. BYRNES. Out of the fund made available by title 1 of House Joint Resolution 679, the work-relief measure.

Mr. McKELLAR. Mr. President, I hope the Senator will accept that suggestion.

Mr. HAYDEN. I have no objection to that.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Arizona [Mr. HAYDEN] as modified.

The amendment as modified was agreed to.

Mr. BILBO. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Mississippi will be stated.

The CHIEF CLERK. At the proper place in the bill, it is proposed to insert:

BUREAU OF FOREIGN AND DOMESTIC COMMERCE

Quarters allowance clerks in Foreign Commerce Service: For the furnishing, notwithstanding the provisions of section 1765 of the Revised Statutes (5 U. S. C. 70), of quarters allowance in accordance with the standard travel and allowance regulations and within the limits of this appropriation to clerks in the Foreign Commerce Service of the Bureau of Foreign and Domestic Commerce who are stationed at foreign posts, fiscal year 1939, $16,725.

Salaries Foreign Commerce officers: For an additional amount for the payment of salaries of officers in the Foreign Commerce Service of the Bureau of Foreign and Domestic Commerce, fiscal year 1939, $13,600: *Provided*, That such additional amount shall be used for no purpose whatsoever, other than for the payment of such salaries of foreign officers.

Mr. BILBO obtained the floor.

Mr. McKELLAR. Mr. President, will the Senator yield to me for a moment?

Mr. BILBO. Yes.

Mr. McKELLAR. It seems to me, from hearing the amendment read, that it is virtually the same as an amendment which I offered in the committee. I desire to ask the Senator in charge of the bill if he will not take the amendment to conference.

Mr. ADAMS. Mr. President, I will say that under the instructions I received from the chairman of the committee and other members of the committee I shall feel compelled, when the Senator from Mississippi makes way for me to do so, to raise the point of order against the amendment upon two grounds—that there is no estimate to sustain it, no legislation to sustain it, and, in addition to that, I think it involves a change of existing law.

The PRESIDING OFFICER. Does the Senator from Mississippi desire to be heard on the point of order? If not, the Chair is ready to rule, and the Chair sustains the point of order.

Mr. BILBO. Mr. President, no point of order has yet been made. I did not yield the floor.

The PRESIDING OFFICER. The Chair will advise the Senator that the point of order is in order.

Mr. BILBO. The point of order has not been made, and I did not yield the floor for that purpose.

The PRESIDING OFFICER. The Senator from Mississippi is recognized.

Mr. BILBO. Mr. President, I desire to introduce in the RECORD at this point, as a part of my remarks, a memorandum in substantiation of the amendment I have offered. I think the amendment meets all the requirements announced by the Senator from South Carolina, because there is a real deficiency. I will let the memorandum stand in explanation of my amendment.

The PRESIDING OFFICER. Without objection, the memorandum will be printed in the RECORD.

The memorandum is as follows:

In justification of the inclusion of the item of $16,725 in the appropriation for foreign activities of the Bureau of Foreign and Domestic Commerce it should be noted that this sum is intended for American citizens serving as clerks to American commercial attachés and trade commissioners in foreign countries. The sum covers the cost of furnishing quarters and allowance at 18 foreign posts. The number of employees affected is 27.

At present provision for quarters allowance is made only to Foreign Commerce officers under the Hoch Act. No provision is made for payment of quarters allowance to American clerks. The act of June 26, 1930 (46 Stat. 818) provides that civilian officers and employees of the Government having permanent station in a foreign country may be furnished, without cost to themselves, living quarters in Government-owned buildings, and if space in such buildings is not available, allowance therefor may be made. These allowances are made under standard regulations approved by the President effective July 1, 1931. The clerks in the Foreign Commerce Service have never been given the benefits of these payments. These allowances for clerks were not included in the Hoch Act when it was passed in 1927.

The Standard Travel and Allowances Regulations were not in effect at that time and apparently nobody took occasion to call the attention of the then Director of the Bureau to the discrimination practiced against appointive clerks.

The appropriations for the Bureau of Foreign and Domestic Commerce have never been sufficient to raise the salaries of these American clerks to the point where they would be approximately equivalent to the salary plus allowances given to American clerks in other branches of the Government service abroad. Also, the salary scale of these foreign clerks has never been comparable to that of local business houses. Because of the nature of their work and training these clerks become so efficient that they resign or are transferred to other branches of the Government which pay better or else go into the employ of private business.

The amounts sought to be included in this bill for the Foreign Commerce Service appointive clerks are based upon and are exactly in line with the scale now paid by the State Department to its foreign clerks.

With reference to the item of $13,600, the facts are these:

This sum represents the amount impounded in the 1938 appropriation bill under Executive order. When the appropriation bill was written this year it was contended in Congress that because the $13,600 was not used this year the Foreign Commerce Service could get along without it in 1939. However, it apparently was not contemplated that there would be a 10 percent reserve, or impounded funds under Executive order for 1939, but it seems there will be, which would make further drastic inroads upon the funds of the Foreign Commerce Service. This further reduction would prevent any deserved promotions for officers of the Service in foreign posts.

Furthermore, it should be pointed out that of the various items appropriated for the Department of Commerce, the amount impounded out of the item for the Foreign Commerce Service was the only instance where the items of the 1938 appropriation were not restored by Congress in writing the 1939 bill. It might be that this was merely an oversight as it surely was not the intent of Congress to discriminate against a deserving group of American officers stationed in foreign countries.

Mr. ADAMS. Mr. President, without repeating the point of order, I now make the point of order which I outlined a few moments ago.

The PRESIDING OFFICER. The Chair sustains the point of order.

Mr. O'MAHONEY. Mr. President, I offer the amendment which I send to the desk. Is is supported by a Budget estimate.

The PRESIDING OFFICER. The amendment offered by the Senator from Wyoming will be stated.

The CHIEF CLERK. On page 22, between lines 18 and 19, it is proposed to insert a new paragraph, as follows:

Foreign competition and demand: For an additional amount to enable the Secretary of Agriculture to carry into effect the provisions of the act entitled "An act to promote the agriculture of the United States by expanding in the foreign field the service now rendered by the United States Department of Agriculture in acquiring and diffusing useful information regarding agriculture, and for other purposes," approved June 5, 1930 (7 U. S. C. 541–545), including the same objects specified under this head in the Agricultural Appropriation Act for the fiscal year 1939, and including biologic and economic investigations of rubber, forestry, medicinal and insecticidal, and other agricultural plants and products of the Latin American countries, $250,000, of which not to exceed $15,000 may be expended for personal services in the District of Columbia, not to exceed $1,000 for printing, not to exceed $600 for newspapers as may be necessary in connection with the work, and not to exceed $14,300 for payment to officers and employees stationed in foreign countries of allowances for living quarters, including heat, fuel, and light, as authorized by the act approved June 26, 1930 (U. S. C., title 5, sec. 118a): *Provided*, That the Secretary of Agriculture may, in his discretion, allot or transfer funds from this appropriation to the various agencies of the Department of Agriculture which he may call upon to assist or cooperate in this work: *Provided further*, That hereafter the Secretary of Agriculture and the Secretary of State shall cooperate in formulating plans in respect to studies, investigations, and activities undertaken in foreign countries in reference to agricultural matters, including those provided for by this appropriation: *Provided further*, That the funds provided in this supplemental appropriation shall not be used for the establishment of additional permanent field offices of the foreign agricultural service: *Provided further*, That no part of the funds made available by this paragraph shall be used to encourage the production outside of the United States, its Territories, and possessions, of any agricultural commodity which competes with any agricultural commodity produced in the United States, its Territories, and possessions.

Mr. O'MAHONEY. Mr. President, let me say that this amendment, supported as it is by a Budget estimate, was requested of the committee by the Secretary of Agriculture, who appeared in person before the subcommittee and gave testimony in support of it. It is intended to carry out the provisions of the act of June 1930, the purpose of which was to enable this Government to develop, in foreign countries, markets for agricultural products of Territorial United States.

The purpose of the amendment is to facilitate that work in Latin America. It is a well-known fact that the policy of economic and political penetration of Latin America has been pursued at a great pace from European countries. The desire of the administration is to meet this penetration, and to develop markets for the agricultural products of the United States.

A suggestion was made in the committee that this proposal was intended to develop competitive commodities. In order to make certain that that was not the purpose, although the Secretary of Agriculture had plainly stated that it was not the purpose, an amendment to that effect has been added to the amendment as I have offered it.

I trust that the amendment will be adopted.

Mr. NORRIS. Mr. President, I desire to be heard on the amendment.

I take this occasion to talk about an amendment I am going to offer when I can obtain recognition to offer it. It is apparent that I cannot do so as long as any other Member of the Senate desires to offer an amendment [laughter], so I shall embrace this opportunity of telling the Senate of an amendment I intend to offer when I ever get to it. I hope Senators will not leave until they vote on this amendment. I think it is vital. I am in deep earnest about it, and I am satisfied that other Senators from the great Middle West are deeply concerned about the amendment. I shall want a roll call on it when I get to it; but as the clock goes on, and the hours pass, when the wee small hours of morning come, I am afraid Senators will be tired and sleepy, and they will not be in condition to pay attention, and will not care to listen to anybody to discuss a question of merit. So I want to take advantage of the present condition, when Senators are all in their right minds [laughter], and when they are not worn out and weary from listening to a number of arguments like mine which probably make them tired.

The amendment I am going to offer reads as follows:

On page 28 of the bill, after line 4, insert the following:

"MISCELLANEOUS

"Cooperative farm forestry: For carrying out the provisions of the Cooperative Farm Forestry Act (50 Stat. 188), approved May 18, 1937, $1,300,000, which amount shall be available for the employment of persons and means in the District of Columbia and elsewhere: *Provided*, That not more than 20 percent of this amount shall be expended on the Prairie States forestry project in the prairie plains region."

Mr. President, the act of May 18, 1937, was passed by Congress and approved on the date stated. It provided for an appropriation for the purposes named in the act of $2,500,000 each year. From the date of its passage there has never yet been an appropriation made for it, although regularly it has been estimated for, regularly the Budget Bureau has passed on it, and this year it has reported an estimate for the amount named in my amendment.

I should like now to call attention to the fact that the Appropriations Committee, as so aften asserted here tonight by its very eloquent chairman, has no duty except to allow appropriations when Congress passes a law and provides for appropriations. Unfortunately, true as that is, the Appropriations Committee has forgotten its duty in regard to this particular law.

Now, I am going to read the law to which I refer—it is short—because the only objection I know of that is made to this appropriation and has been made in the past is fully met, I think, by the law itself.

The law to which I refer is as follows:

Be it enacted, etc., That in order to aid agriculture, increase farm-forest income, conserve water resources, increase employment, and in other ways advance the general welfare, and improve living conditions on farms through reforestation and afforestation in the various States and Territories, the Secretary of Agriculture is authorized in cooperation with the land-grant colleges and universities and State forestry agencies, each within its respective field of activities, according to the statutes, if any, of the respective States, wherever such agencies can and will cooperate, or in default of such cooperation to act directly, to produce or procure and distribute forest trees and shrub planting stock; to make necessary investigations; to advise farmers regarding the establishment, protection, and management of farm forests and forest and shrub plantations and the harvesting, utilization, and marketing of the products thereof; and to enter into cooperative agreements for the establishment, protection, and care of farm- or other forest-land tree and shrub plantings within such States and Territories; and, whenever suitable Government-owned lands are not available, to lease, purchase, or accept donations of land and develop nursery sites for the production of such forest planting stock as is needed to effectuate the purposes of this act, but not

including ornamental or other stock for landscape plantings commonly grown by established commercial nurserymen, and no stock grown in Government and cooperating nurseries shall be allowed to enter regular trade channels. No cooperative reforestation or afforestation shall be undertaken pursuant to this act unless the cooperator makes available without charge the land to be planted. There is hereby authorized to be appropriated annually not to exceed $2,500,000 for carrying out the purposes of this act. This act shall be known as the Cooperative Farm Forestry Act.

Approved, May 18, 1937.

The amendment I have offered makes an appropriation under that act.

So it is first authorized by law, and it is approved by the Bureau of the Budget.

The main reason why appropriations have not been made has been, as I understand, although the fight has been under cover and not aboveboard, so far as I know, is the opposition of the nurseries. The act itself provides fully for the protection of the nurseries. There is no law now on the statute books which ought to be more greatly favored by the nurserymen than this measure. It will make them business. It will not take away a dollar of their income. But I understand that the nurserymen have opposed it.

I have here a copy of a form letter sent by a nursery organization in a Western State, which stands to gain as much as any other locality in the United States from this appropriation, calling attention to the fact that they have made a fight in Congress and defeated any appropriation under this act, asking the recipients to write and congratulate some of the Senators and Representatives they name in the letter, because it will encourage them to continue the good fight.

Mr. President, as I have said I do not know a law on the statute books which should be more favored by nurserymen than this law. It will bring them business. If Congress continues to refuse to make appropriations under this law, the nurserymen of the country will not gain one penny by such refusal. Let us carry out the law.

As the chairman of the subcommittee of the Committee on Appropriations said, it is the duty of the Committee on Appropriations to bring in appropriations for every law which provides for appropriations, but, as I have stated, that has not been done in this case. I presume Senators and Representatives are moved to a great extent by an imaginary injury which is being threatened to the nurserymen. Let us go on and provide this appropriation as the law intended. It will make millions of people forestry-minded who do not think of it now; it will cause the nurserymen of the country to sell much stock, because the people who desire to have trees cannot go to the Government and get any of this stock for ornamental purposes or any other purposes of that kind.

I wish to read just a little of what the Forestry Department has said in regard to this matter. I am going to hurry along, because I do not want to detain the Senate at this late hour.

One hundred and eighty-five million acres of farm woodlands, comprising 30 percent of the country's total forest area, are, as a whole, in a very low state of productivity. Farmers need assistance in marketing, in carrying out management plans which outline practices and procedures which, when carried out, will increase their yield of wood from the standpoint of quality and quantity.

This applies to all the States in the Union, but in order to meet some objections that were made by Representatives from States outside of the great West that all the money might be used in the West, it is provided that not more than 20 percent of the money may be used in the Prairie States.

There are 500,000 farms in the prairie plains. Practically all the croplands lack the protection which is given by tree planting. Periodically extreme hardship is brought on by dust storms and crop failures, with the attendant necessity for Federal relief, but the procedure of relief in the main does very little if anything to correct the basic conditions which cause the trouble. Properly planted tree belts will control wind erosion and furnish protection to crops and livestock, enhance rural values, and assist in farm stabilization in that area. Two thousand six hundred miles of field shelterbelts have been planted by the Forest Service prior to the planting operations of the current session, and it is estimated that 4,300 miles will be completed before July 1, 1938.

Successful tree planting in the prairie State region is largely contingent upon the sources of seed and type of stock, including its place of origin. Lack of care on these points inevitably means lack of success in the tree planting itself. Therefore, while the Forest Service has already committed itself on the proposition of purchasing the greater amount of its stock from commercial nurseries, providing it can be assured of an ample quantity, satisfactory quality, and at prices consistent with large-scale production, it must of necessity have an opportunity to check the prices, quality, and other characteristics of purchased stock with that grown under the direct supervision of the Government.

To those who may fear that there is some hidden injury to the nurserymen, I call attention to the fact that the measure itself provides that none of this stock raised by the Government and used to produce these trees shall be sold on the market; none of them shall be allowed to go into the trade; they shall not be sold to anyone for ornamental purposes. It is impossible to get them, and it is likewise impossible for nurserymen to always produce them.

The Department has entered into contracts, and they would be glad to do so with the nurserymen if the right contracts can be made; but the nurserymen would be unable to contract, because it is not known whether or not the next year Congress will appropriate money, and a contract of this kind must cover at least 2 years—usually more.

There is no idea of injuring any legitimate business. I repeat, it will help business. Let me read to the Senate what the Forest Service has said in this respect. It says:

It will not permit the planting of stock grown by the Federal Government or in cooperation with States to enter commercial channels. It will not permit the use of planting stock for landscaping or ornamental purposes or on private land.

They will not permit any of it to be planted on private land, even.

It will not permit the use of planting stock in the Prairie States, forestry projects for protective plantings about the home sites including structures, gardens, and orchards.

All those things will be left to the nurserymen. If we can cause the people of the community to become forestry-minded and cause a large part of the country to be planted, many persons, even in the cities and the towns, will become forestry-minded; they will want to plant trees, and will have to go to the nurserymen to get them. It means increased business for the nurserymen. In fact, if we should not do anything it would not mean that the nurserymen would make any more; they would be losing money all the time. But the selfish idea seems to prevail that the Government cannot raise a tree to plant as a shelterbelt unless it buys that tree from a nurseryman, and the nurseryman admits he has not the tree for sale and he will have to have a couple of years to grow it.

Moreover, the Forest Service says:

Where established commercial nursery facilities are available the Forest Service will not develop federally owned nurseries for the production of planting stock to be distributed to farmers or others, provided the commercial nurseries can and will cooperate to the extent of producing planting stock in sufficient quantities and at satisfactory prices as compared with the cost of production in public nurseries, also provided commercial nurseries will produce planting stock of suitable species, sizes, quality, and good feed sources. Certification as to conformance with the specifications will be required.

Mr. President, it seems to me I have completely answered the complaint made by nurserymen. There is nothing to it.

I wish to show to the Senate what has been done along this line in the past, through governmental agencies. The act, as I read it to the Senate, shows that it is a cooperative act, worked out in cooperation with the farmers. Its opera-

tions are effective in every State where there are woodlands. It will enable the farmer to be better qualified to care for his woodland, to replant it when it is destroyed, and to know how to produce the best results from his land. If I had sufficient time I could go into a discussion of the facts, and show that the woodlands of the country, throughout the East, comprise a very large part of our forestation, but that the work of preserving them and extending them is not properly administered.

The appropriation provided for in this measure would bring every farmer in every State in the Union in contact with the Forest Service. I think everyone concedes that it would be very desirable if all over the country each farmer had better knowledge of how to care for his wood lot, how to increase it, and the kind of trees to plant, how they should be cared for, and what land should be used.

Mr. President, there will be seen hanging on the rear wall of the Senate Chamber some actual photographs of woodlands. These pictures, of course, were taken on a smaller scale than they appear when hanging on the wall.

I have had them enlarged in order to be able to exhibit them clearly to the Senate. Some of them illustrate at a glance what has been done, what can be done, and what will be done. Some of them furnish conclusive evidence, it seems to me, of the wonderful work which has been done by the Forestry Bureau in producing crops where there would otherwise be complete failure.

I shall commence with the picture at the end of the Chamber and explain that picture. The first picture shows a shelterbelt in South Dakota. I have never been there. I have never seen it. The picture shows the growth that can be brought about in South Dakota. The trees were planted 2 years before the picture was taken. How large they were when planted I cannot say.

At least, as will be seen from other pictures, it is a very fine indication that in a prairie State such as South Dakota wonderful results can be obtained. I shall show the Senate in other pictures what those trees mean in the way of raising crops, stopping erosion, and preventing the dust from rising and being blown over the country, perhaps to fall thousands of miles away.

Mr. President, I am reminded that a few weeks ago I read in a newspaper published in the capital of one of the Western States, where they are having a great deal of rain this year, that one day while it was raining, at the same time, above the clouds, a dust storm was coming along. No man knows whence it came.

The dust was falling on top of the rain and, of course, it came down through the rain and onto the sidewalks and the houses and the lands in the vicinity in the form of mud.

No man has as yet been able fully to explain these dust storms. All we know is that for the last 4 or 5 years they have exceeded anything that has been known in the history of the past. Unless some means can be provided to prevent them we shall see a large number of people of our country compelled to move off some of the most fertile land the sun ever shone upon.

The second picture illustrates what can be done on an ordinary farm. This picture was taken in Pennsylvania. On the left-hand side of the picture can be seen the results of some very intelligent treatment. In time, great improvement will be brought about over what is to be seen on the right-hand side of the picture, where it appears that no thinning out has occurred. The ordinary farmer knows nothing of the advantages of such action. One of the things contained in the bill is the provision that attention shall be called to the fact that success rests to a great extent upon his ability to improve his woodlot and make it profitable for himself and for the whole community.

The third photograph shows the picture of a scene in Nebraska. On the left edge is shown a part of the shelterbelt. It shows trees planted along a line. Only the end of the line appears in the picture. A large portion of it runs out, of course, beyond the picture. The picture illustrates the difference between the protection afforded a crop by a shelterbelt, and a soil which is not so protected.

It will be noticed that next to the shelterbelt is a field of rye. A man can be seen standing in it. The rye is probably not what would be called a real first-class crop of rye. I do not claim that it is. However, it can be seen that it comes up to the man's waist. I call attention to that in comparison to what is shown farther off in the picture—a barren desert. There is absolutely nothing growing on it. It was so dry that nothing would grow on it. That dry land is of the same kind as the land on which the rye is growing. However, the crop that was planted on it withered and died in the hot weather which that country suffered from for several days. The part where the rye appears was protected by the shelterbelt, and that crop was therefore produced.

I now call attention to another photograph of a forest in Kentucky. It simply illustrates how one can go into a forest and clean it out intelligently, thin it out sometimes, destroy worthless growth occasionally, although in some places they would want all the bushes retained. That probably is not so in Kentucky.

I now show another picture of a shelterbelt. This picture [indicating] is one taken in Nebraska. I call the Senate's attention to a portion of the picture to the left, which shows nothing growing. That land was seeded the same as the other portion of the land. The shelterbelt can be seen in the picture. A man is seen at the edge of the shelterbelt. The distance between the points marked "A" and "B" on the map is 250 feet, showing the effect of this shelterbelt on the raising of a crop.

Of course, the effect of the shelterbelt depends on its thickness, and its length, and the height of the trees. When a shelterbelt is first begun, of course, it will not accomplish much good. The higher the trees grow and the more the belt stretches out the more valuable it becomes. A shelterbelt is a very long-time proposition. Probably most of those who are now in the Senate will have disappeared from the face of the earth before the real benefits from these shelterbelts can become apparent. We are looking after the children who are yet unborn. However, if the plan were carried on, many children now living would see the benefit that would come from the work we are providing for by the appropriation.

I call attention to another shelterbelt, the Lydick shelterbelt in Nebraska. I have personally inspected that one.

I wish to tell the story of that shelterbelt. The story is told by one of the newspapers in the State of Nebraska in a better way than I can tell it. An article was written about this particular shelterbelt and the man who planted it. A year or so ago I placed that article in the RECORD.

The story, briefly, is this: A young unmarried man lived in that western country. He was not healthy. The doctors said he could not live in that country. They advised him to go where there were pines. They told him that the pine tree region was where he ought to live. The doctors told him that if he followed their advice he would be able to live for a long period of time. The young man, however, did not want to leave that part of the country. He was satisfied with it.

Incidentally I think he was in love with a beautiful girl in his vicinity, and he did not want to go away. So he said, "If I must live in the pines, why can I not bring the pines to me instead of going to where the pines grow?" He got married. He owned 160 acres of land. He planted pine trees on his land. The picture I now call attention to shows the kinds of trees grown in that shelterbelt. Senators can see one row of blue spruce, another row of white fir, then there are four Australian pines, and eight cottonwood trees. Those trees are approximately 40 feet high. They looked a great deal higher to me when I was there a year ago.

This is what that shelterbelt does. By the way, this young man planted those trees without receiving a suggestion from anyone that he do so, at a time when it was not thought necessary to do such a thing. He himself did not know what he was going to accomplish by planting the trees

other than to save his own life. He planted this row of trees through the middle of the quarter section, and down two other sides. This particular shelterbelt runs east and west, right through a quarter section of land. His house and his farm buildings are located a little to the right of the picture.

In the wintertime the snow storms and blizzards come to that country. The wind is so strong that the snow is blown off the ground and blown into places where it does no good. The storm comes up from the other side of the section shown by the picture. The shelterbelt acts just like a snow fence along a railroad. A storm comes up there, and if it were not for the shelterbelt there would not be an inch of snow left on the ground, but it comes over the tops of the trees and drops over on the opposite side. The owner of the property told me he would have snow there 5 or 6 feet deep, whereas in the country generally the snow would be blown from the ground in many places.

Mr. President, I am sorry I did not see the Senator from Louisiana [Mr. ELLENDER]. I accidentally struck him with the pointer I was using as an indicator. Every teacher has to use the rod for the control of——

Mr. ELLENDER. Unruly children.

Mr. NORRIS. Yes; unruly children. [Laughter.]

Mr. President, what does all this mean? Every man in the West knows that in that section, which is usually short of moisture, if a snow occurs in the winter time when the ground is not frozen, if it falls gently on the ground, and there is no wind accompanying it, and if the snow is reasonably moist, and a foot deep, it means there will be a crop the next year. It is the best-known way to moisten the soil. So the snow covering one side will produce more moisture than is obtained in any other part of the community.

What happens in the summertime when the hot winds blow? Usually they come from the south or southwest. They strike the shelterbelt, and that is where they stop. On the other side of the shelterbelt there is calm. There is no hot wave, and the crop there does not dry out. It is the hot wind that dries up the crop. There is no heat on the other side, and consequently on the other side of the shelterbelt a crop is raised because the hot winds cannot destroy the crop. A crop is raised on the opposite side because on the land on that side there is three times as much moisture, which came from the snow. The farmer raised a crop on both sides of the shelterbelt, the pictures of which I now exhibit, in a year that was one of the driest the West ever knew, when hardly a single green thing was produced in the Senate of Nebraska, from end to end. The grass was dried up. Twenty percent of all the trees in Nebraska died. Not one of the trees in the shelterbelt died. When the trees were planted, it was not known what kind of trees would best withstand the drouth. The drouth was a great catastrophe. Nothing like it had ever occurred before. We had 2 or 3 years of it. In every one of those years the owner of the land to which reference has been made raised a crop on his farm.

Mr. President, it seems to me that is an exhibition, which no man can dispute, of the usefulness to the country of the best means which scientific men have learned to preserve the fertility of the soil.

The pictures illustrate what we must do if we are to protect the people in the region referred to. They are as good people as live anywhere in the United States.

We do not know, and I do not think the scientific men know, just what damage dust storms do. However, the scientists estimate, and believe—and for want of a better reason I believe—that the terrible dust storms which have carried millions of tons of soil from the West to the Atlantic Ocean come from the fact that when this country was at war the cry went out to the farmers of the West, "Food will win the war." That slogan was printed everywhere, and put up in electric lights. The Government paid for distributing that propaganda all over the country. "Food will win the war." What did the people do? They plowed up land to raise crops to feed the soldiers, land which ought never to have seen a plow, land which we now know it was a mistake to try to cultivate. Millions of acres of that kind of land were turned over, later to be carried across the country, and even across the Atlantic Ocean by the wind.

In the region of the dust bowl today, when the air is perfectly quiet and still, with no breeze blowing, miles up in the sky there will be black clouds, and dust will commence to fall on the houses, streets, and sidewalks. We do not know where it comes from. There is frequently no wind where such things occur, although that is not always true. Sometimes the phenomenon is accompanied by wind. However, a region which is not in the dust bowl is likely to suffer from what is taken out of the dust bowl and carried to other regions.

Mr. President, 3 or 4 years ago, when we had the first great dust storm, I happened to be in Harrisburg. I drove from Harrisburg one morning in an automobile. In the distance we saw what looked like rain. I said to the driver "We are going to get into a rain." He said "Yes." We kept on going, and when we approached closer we found it was not rain.

The driver was a Pennsylvanian. He did not know what it meant. I did not know what it meant, but I had a suspicion. I could see that it was dust. It was not thick and heavy, as it is in some of our dust storms. It was not difficult to drive through it; but it was dust. The dust probably came from North Dakota, South Dakota, Nebraska, Colorado, Wyoming, Oklahoma, New Mexico—God only knows where. The experts in our Weather Bureau tell us that the dust storms would carry the soil of the western dust bowl even into England and into Europe. I do not undertake to explain the fact. I simply state it.

What does such a thing mean to our part of the country? Men who were induced to a certain extent by the love they bore to their country wanted to be patriotic, and they plowed up soil which never should have been stirred. The mistake was made, but it was realized too late.

What are we to do about it? Are we to permit the people to be driven out? Shall we see that part of the country deserted by the people? Or shall we try some of the things which we think have already demonstrated their worth, and which will bring back the fertility of the soil and drive the dust storms out of the country?

Mr. President, I have one more picture to exhibit. It is a small picture taken from an Arkansas newspaper, which I had enlarged for the purpose of exhibition. Since the pictures cannot be inserted in the RECORD for the benefit of those who are not here and who read the RECORD, I wish to say that the picture to which I am now referring is a map of the United States. Briefly outlined on it is the Mississippi River, with some of its main tributaries.

There is also outlined on the map a great heart, "The heart of the Nation," or "The bread basket of the country." Let that region fail, Mr. President, and what will become of New England and the eastern part of the United States? Already a great portion of the eastern part of the United States does not produce the food necessary to sustain the life of its citizens. The food must come from the heart of the Nation, or be imported from foreign countries.

Gradually going down the tributaries of the Mississippi River, and coming from the East and the West, is the best soil this side of Egypt. It is the best soil God ever made. It is the topsoil which produces the bread and the other foodstuffs on which man and beast live in our country. That region is truly the bread basket of America.

That soil is going down into the Gulf of Mexico. Every year between 300,000,000 and 400,000,000 tons of topsoil of the Mississippi Valley are going into the Gulf of Mexico and through the Gulf of Mexico into the Atlantic Ocean.

Think what that means. Is it worth while to try to stop it? It it worth while to try to save that territory? From

300 to 400, 500, or 600 years are required to produce an inch of topsoil. Annually from 300,000,000 to 400,000,000 tons of the best soil in the world are going to waste out into the Atlantic Ocean. Does not that mean that we ought to do something?

Should we not stop the dust storms, if we can? If we are not sure how to do it, should we not do the thing which is indicated as the best thing to be done under the circumstances? Can we afford to let a few dollars stand in the way? Can the United States afford to see its destruction go on? Are we willing to make of the great heart of our Nation another China? Shall we see the soil of that region disappear forever into the Gulf of Mexico and the Atlantic Ocean?

We now know, Mr. President, that a nation can bleed to death. That is what we are now doing. That is what the amendment is intended to stop all over the United States.

We ought to instruct those who do not already know how best to preserve and perpetuate their forests. Such instruction will be profitable to them. They will make money out of it. We should teach them how to extend the forests, if possible, and how, on all the slopes of the tributaries of the great Mississippi River, instead of turning up the topsoil, which never ought to be cultivated, we should now try to remedy the damage we have done. We should try to plant trees and shrubbery, or something which will preserve the soil and prevent it from running off. We should try better means of farming.

The responsibility for all these things is, to a certain extent, laid upon our shoulders. We cannot get away from it. If we do, Mr. President, babes yet unborn will later raise their tiny hands and curse us for disregarding the admonition which God Almighty has given us as to what is going on in our great fertile region where we must produce the food we eat and the clothes we wear.

We ought to leave to our children, as an inheritance from our day, a duty well done. We should begin to try to save our country from destruction.

Our country will not be destroyed today. I do not claim that it will be destroyed tomorrow. If we are considering only ourselves, if we are purely selfish, and not considering the future, then the amendment would be of but little value, although it is true that if the project is carried out with the real intention with which it is offered, it will bring benefits to most of those now listening to me.

It will bring benefits to our children. But the great benefit which will come will be perhaps 50, 75, or 100 years from now, when the shelterbelt, which now reaches a height of 40 feet, shall have reached a height of 100 feet, or 140 feet. Then the great benefit will be apparent. The higher the shelterbelt is raised the farther its influence will extend in all directions and the greater will be the possibility of preserving moisture in the soil.

Mr. President, I have taken the time of the Senate at this juncture because I feared that if I waited until I could obtain recognition, after all other amendments had been disposed of, I should be talking to a worn-out Senate. I hope Senators will remain in the Chamber, and I hope we may have a roll call when the amendment is offered. I desire to have the RECORD show where the Senate stands. We have passed the law, and the Bureau of the Budget has made the estimate. The project is ready to proceed if we give the word and insist, when the matter goes to conference, that the action of the Senate shall not be thrown away. That is the reason I desire a roll call when the amendment is offered.

The PRESIDING OFFICER (Mr. LA FOLLETTE in the chair). The question is on agreeing to the amendment offered by the Senator from Wyoming [Mr. O'MAHONEY].

Mr. BYRNES. Mr. President, I should like to present to the Senate the reasons why the Committee on Appropriations did not include in the bill, as reported, the estimate of $250,000.

It is true that the Secretary of Agriculture appeared before the committee and presented this matter. His statement was that the Department would establish four offices in South American countries for the purpose of encouraging the production of certain products. Among them he named rubber and quinine. There was no agreement—and, of course, once the offices were established, there could be no agreement—as to what would be done by those in charge of the offices.

The committee went into the matter at great length.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from Wyoming?

Mr. BYRNES. I yield.

Mr. O'MAHONEY. In the hub-bub which existed here earlier in the evening I wonder if the Senator from South Carolina heard the amendment read, and realized that it has been altered to provide that no part of the funds shall be used to establish these four additional permanent offices in Latin America.

Mr. BYRNES. If that be so, then there is no excuse for an appropriation of $250,000, because the only reason urged by the Secretary of Agriculture before the subcommittee for an appropriation of $250,000 was that he would establish four offices in South American countries. If that proposal has been abandoned, then there is no excuse for the appropriation; but the purpose must be understood.

The Committee on Appropriations has made appropriations for at least three Departments to encourage the sale of our products and our commodities in the markets of the world—the State Department, the Commerce Department, and the Agricultural Department.

The Senator from Georgia [Mr. RUSSELL], who is chairman of the subcommittee having charge of agriculture appropriations, presented to the committee the various appropriations made to encourage the production of commodities in this country, and then the appropriations made to cooperate with the departments in other governments in the production of commodities.

We may as well understand the object of this appropriation. All of us want to establish good will with the South American republics. In this bill there is an appropriation providing engineering assistance to other governments in the construction of a highway. We have spent approximately $800,000 to help build a highway through the countries of South America. We have contributed materials to build bridges within the past 2 years; but this proposal is to have a survey of conditions in South American nations, and encourage the production of certain commodities. If we appropriate $250,000 this year and once embark upon this policy, those of us who have had experience know that next year the amount will be $500,000; next year, $1,000,000; next year, $5,000,000; next year, $10,000,000, and in a few years we shall have branch offices of the Department of Agriculture in other nations.

Within 6 weeks or a month the Congress passed a bill giving to the President power to detail officials and employees of any department of the Government to go to South American republics or to the Philippines in an advisory capacity. The President of the United States may tomorrow, under the law passed by this Congress within the past few weeks, detail scientists from the Bureau of Plant Industry, the Bureau of Agricultural Economics, or any other division of the Department of Agriculture to go in an advisory capacity to help our friends in the South American republics. That is all that we should do; but this policy of establishing what must be branch offices is an entirely new one. The Senator from Wyoming says he has changed that provision in the amendment offered, so that it does not now so provide; but the program as presented to the Appropriations Committee by the Secretary of Agriculture called for the establishment of four offices for the purpose of surveying the country and encouraging the production of certain products, and no other excuse was offered for this appropriation of $250,000.

I say now that if we ever embark upon that policy, we may as well realize that it is a new policy, and the annual expense of it will be $1,000,000, $5,000,000, $10,000,000, and some person in the Department of Agriculture will deter-

mine whether or not a given product is competitive with the products of this country; and if they encourage the growth in South America of some product which is competitive with the products of the United States of America, it will be the fault of this Congress, because of the policy on which we now are asked to embark.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Wyoming [Mr. O'MAHONEY].

The amendment was rejected.

Mr. COPELAND. Mr. President, I have three amendments to offer.

I have this advantage, I may say: The first two of the amendments are in accordance with the Budget estimates. The first is to provide money to carry out a bill recently passed and to put in operation a policy established by the Government.

The PRESIDING OFFICER. The amendment offered by the Senator from New York will be stated.

The CHIEF CLERK. On page 7, after line 20, it is proposed to insert:

MARITIME LABOR BOARD

Salaries and expenses: For three Board members and for all other authorized and necessary expenditures of the Maritime Labor Board in performing the duties imposed by law, including contract stenographic reporting services; supplies and equipment, rental of equipment; travel expenses, in accordance with the Standardized Government Travel Regulations and the act of June 3, 1926, as amended (5 U. S. C. 821–833); and not to exceed $200 for newspapers and periodicals; fiscal year 1939, $100,000, to be immediately available: *Provided*, That the Board may procure supplies and services without regard to section 3709 of the Revised Statutes (41 U. S. C. 5) when the aggregate amount involved does not exceed $100: *Provided further*, That such sum shall not become available unless and until the Merchant Marine Act, 1936, is amended to provide for the establishment of the aforesaid Maritime Labor Board.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New York [Mr. COPELAND].

The amendment was agreed to.

The PRESIDING OFFICER. The Senator from New York offers a further amendment, which will be stated.

The CHIEF CLERK. On page 11, after line 11, it is proposed to insert:

Federal ship mortgage insurance fund: To establish a revolving fund authorized by and for the purpose of carrying out the provisions of title XI of the Merchant Marine Act, 1936, as amended, fiscal year 1939, $1,000,000, to be immediately available: *Provided*, That such sum shall not become available unless and until the aforesaid title is enacted into law.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New York.

ADDITION OF LANDS TO HAWAII NATIONAL PARK

Mr. O'MAHONEY. Mr. President, will the Senator yield to me?

Mr. COPELAND. I yield.

Mr. O'MAHONEY submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 1995) to add certain lands on the island of Hawaii to the Hawaii National Park, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment numbered 2.

That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment as follows: Restore the matter proposed to be stricken out by the Senate amendment, omitting all after "year:" on page 10, line 11, of the House engrossed bill down to and including "vicinity:" in line 15; and the Senate agree to the same.

ALVA B. ADAMS,
CARL A. HATCH,
JOSEPH C. O'MAHONEY,
Managers on the part of the Senate.
RENÉ L. DEROUEN,
J. W. ROBERTSON,
HARRY L. ENGLEBRIGHT,
Managers on the part of the House.

The report was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, announced that the House had agreed to the amendments of the Senate to each of the following bills of the House:

H. R. 5615. An act for the relief of the administrator of the estate of Capt. B. B. Barbee; and

H. R. 6710. An act conferring jurisdiction upon the United States District Court for the Eastern District of Louisiana to hear, determine, and render judgment upon the claims of Anna Lee Hebert, Mrs. Nicholas Hebert, Mr. and Mrs. Dossie E. Worrell, Mr. and Mrs. C. B. McClure, and W. F. Cobb.

The message also announced that the House had agreed to a concurrent resolution (H. Con. Res. 62), in which it requested the concurrence of the Senate, as follows:

Resolved by the House of Representatives (the Senate concurring), That the limit of expenditures under the joint resolution entitled "Joint resolution creating a special joint congressional committee to make an investigation of the Tennessee Valley Authority," approved April 4, 1938, is hereby increased by the sum of $50,000, such additional sum to be paid one-half from the contingent fund of the Senate and one-half from the contingent fund of the House of Representatives upon vouchers approved by the chairman of the special joint congressional committee created by such joint resolution.

The message further announced that the House had agreed to a concurrent resolution (H. Con. Res. 65), in which it requested the concurrence of the Senate, as follows:

Resolved by the House of Representatives (the Senate concurring), That 2,500 copies of the prayers offered by the Reverend James Shera Montgomery, Chaplain of the House of Representatives, at the opening of the daily sessions of the House during the Seventy-fourth and Seventy-fifth Congresses be printed and bound for the use of the House of Representatives.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 371) for the relief of William R. Kellogg.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1043) for the relief of A. C. Williams.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10594) to provide for the creation, organization, administration, and maintenance of a Naval Reserve and a Marine Corps Reserve.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 1948) conferring jurisdiction upon the United States District Court for the District of Massachusetts to hear, determine, and render judgment upon the claims of certain property owners within the Old Harbor Village area of Boston, Mass.

The message also announced that the House had severally agreed to the reports of the committees of conference on the disagreeing votes of the two Houses on the amendment of the Senate to each of the following bills of the House:

H. R. 1872. An act for the relief of Martin Bridges;

H. R. 2191. An act for the relief of Roberta Carr;

H. R. 2362. An act for the relief of Henry M. Hyer;

H. R. 2665. An act for the relief of W. D. Presley;

H. R. 3610. An act to adjust the salaries of rural letter carriers;

H. R. 5743. An act for the relief of Haffenreffer & Co., Inc.;

H. R. 6618. An act for the relief of Miriam Grant; and

H. R. 7759. An act for the relief of Susan Lawrence Davis.

The message informed the Senate that, pursuant to the provisions of Senate Concurrent Resolution 31, Seventy-fifth Congress, the Speaker had appointed Mr. FULMER, Mr. DOXEY, Mr. PIERCE, Mr. REED of New York, and Mr. ENGLEBRIGHT members of the Joint Committee on Forestry.

HOUSE CONCURRENT RESOLUTION REFERRED

House Concurrent Resolution 62 was referred to the Committee to Audit and Control the Contingent Expenses of the Senate, as follows:

Resolved by the House of Representatives (the Senate concurring), That the limit of expenditures under the joint resolution entitled "Joint resolution creating a special joint congressional committee to make an investigation of the Tennessee Valley Authority," approved April 4, 1938, is hereby increased by the sum of $50,000, such additional sum to be paid one-half from the contingent fund of the Senate and one-half from the contingent fund of the House of Representatives upon vouchers approved by the chairman of the special joint congressional committee created by such joint resolution.

SECOND DEFICIENCY APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 10851) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1938, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1938, and June 30, 1939, and for other purposes.

Mr. OVERTON. Mr. President——

The PRESIDING OFFICER. The Senator from New York has the floor.

Mr. OVERTON. Will the Senator from New York yield to me for the purpose of presenting a conference report?

Mr. COPELAND. I hope the Senator will let me go forward.

Mr. OVERTON. I shall be glad to do so. I merely wish to have the report taken up tonight.

Mr. COPELAND. The amendment which is pending is to carry out a section of the maritime law which has just been enacted. It is to carry out the insurance feature.

We have no American marine-insurance companies of any consequence—I mean, no large companies like Lloyds—so it has been deemed advisable to have the Martime Commission carry on this matter of insurance. The subject was discussed in the Senate in the authorization bill as well as in the maritime bill. There is a Budget estimate for the amendment; and since it is to carry out the law, I am sure the Senate will agree to it.

Mr. KING. Mr. President, I should like to ask a question of the Senator.

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Utah?

Mr. COPELAND. I do.

Mr. KING. Does the amendment mean that the Federal Government is compelled to furnish the capital to constitute the basis of the insurance organization?

Mr. COPELAND. Yes; that is practically true.

Mr. KING. How much?

Mr. COPELAND. A million dollars; but it is a revolving fund, and undoubtedly will be preserved. I do not see how it could be otherwise, and it has this advantage: At present we have to go abroad. We have to go to Lloyd's, in London. If we have this arrangement, it is believed by Mr. Kennedy and others who have studied the matter that it will invite American capital to make investments in our ships.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New York. [Putting the question.] The Chair is in doubt.

Mr. COPELAND. Mr. President, I think the chairman of the subcommittee is willing to accept the amendment.

Mr. ADAMS. I have not any authority to accept it.

On a division, the amendment was agreed to.

Mr. NORRIS and Mr. COPELAND addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska is recognized.

Mr. COPELAND. I have one more amendment, Mr. President.

The PRESIDING OFFICER. The present occupant of the chair will hold that no Senator may hold the floor while an amendment is being acted upon, and that the Chair must recognize the Senator who first addresses the Chair.

Mr. COPELAND. Just one moment. I do not wish to interfere with the Senator from Nebraska, but when I addressed the Chair originally I said that I had three amendments. I have offered two of them, and I have a third one yet to offer. Will not the Senator from Nebraska wait just a moment?

Mr. NORRIS. Mr. President, because a Senator has a handful of amendments, is there any reason why he should be recognized all the time, to the exclusion of another Senator who has only one?

Mr. COPELAND. I yield to the Senator from Nebraska.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Nebraska for the information of the Senate.

The CHIEF CLERK. On page 23, after line 4, it is proposed to insert the following:

MISCELLANEOUS

Cooperative farm forestry: For carrying out the provisions of the Cooperative Farm Forestry Act (50 Stat. 188), approved May 18, 1937, $1,300,000, which amount shall be available for the appointment of persons and means in the District of Columbia and elsewhere: *Provided*, That not more than 20 percent of this amount shall be expended in the Prairie States forestry project in the prairie plain region.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Nebraska.

Mr. NORRIS. I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. DAVIS (when his name was called). I have a general pair with the junior Senator from Kentucky [Mr. LOGAN]. I understand that if present he would vote as I am about to vote. I vote "yea."

Mr. LEWIS. I announce that the Senator from Arizona [Mr. ASHURST], the Senator from North Carolina [Mr. BAILEY], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Illinois [Mr. DIETERICH], the Senator from Ohio [Mr. DONAHEY], the Senators from Iowa [Mr. GILLETTE and Mr. HERRING], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from West Virginia [Mr. HOLT], the Senator from Kentucky [Mr. LOGAN], the Senator from Connecticut [Mr. LONERGAN], the Senator from Minnesota [Mr. LUNDEEN], the Senator from California [Mr. MCADOO], the Senator from Nevada [Mr. MCCARRAN], the Senators from New Jersey [Mr. MILTON and Mr. SMATHERS], the Senator from Wyoming [Mr. O'MAHONEY], the Senators from Maryland [Mr. RADCLIFFE and Mr. TYDINGS], the Senator from Oregon [Mr. REAMES], the Senator from South Carolina [Mr. SMITH], the Senator from Oklahoma [Mr. THOMAS], the Senator from Indiana [Mr. VAN NUYS], and the Senator from Montana [Mr. WHEELER] are unavoidably detained from the Senate.

Mr. AUSTIN. I am requested to anounce the following general pairs:

The Senator from New Hampshire [Mr. BRIDGES] with the Senator from California [Mr. MCADOO];

The Senator from North Dakota [Mr. NYE] with the Senator from South Carolina [Mr. SMITH];

The Senator from Maine [Mr. WHITE] with the Senator from Maryland [Mr. TYDINGS]; and

The Senator from Michigan [Mr. VANDENBERG] with the Senator from Indiana [Mr. VAN NUYS].

The roll call was concluded.

The result was announced—yeas 51, nays 16, as follows:

YEAS—51

Andrews	Caraway	Hitchcock	Overton
Austin	Clark	Hughes	Pepper
Barkley	Connally	Johnson, Colo.	Pittman
Berry	Copeland	La Follette	Pope
Bilbo	Davis	Lee	Reynolds
Bone	Duffy	Lewis	Schwartz
Borah	Ellender	McGill	Schwellenbach
Brown, Mich.	Frazier	McNary	Sheppard
Brown, N. H.	George	Miller	Shipstead
Bulkley	Gibson	Minton	Thomas, Utah
Bulow	Hatch	Murray	Truman
Burke	Hayden	Neely	Wagner
Capper	Hill	Norris	

NAYS—16

Adams	Gerry	Harrison	Maloney
Bankhead	Glass	King	Russell
Byrd	Green	Lodge	Townsend
Byrnes	Hale	McKellar	Walsh

NOT VOTING—29

Ashurst	Herring	Milton	Tydings
Bailey	Holt	Nye	Vandenberg
Bridges	Johnson, Calif.	O'Mahoney	Van Nuys
Chavez	Logan	Radcliffe	Wheeler
Dieterich	Lonergan	Reames	White
Donahey	Lundeen	Smathers	
Gillette	McAdoo	Smith	
Guffey	McCarran	Thomas, Okla.	

So Mr. NORRIS' amendment was agreed to.

Mr. COPELAND. Mr. President, I send an amendment to the desk, which I ask to have stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. It is proposed to insert at the proper place the following:

GOVERNMENT PRINTING OFFICE

For payment to William Madden, Preston L. George, William S. Houston, and John G. Nalley, messengers on night duty during the third session of the Seventy-fifth Congress, $900 each, in all $3,600, to be paid from the appropriation for printing and binding for Congress for the fiscal year 1939.

Mr. COPELAND. Mr. President, I do not know why there was an omission in the bill this year of the sum necessary to pay the four messengers who carry the reporters' transcript to the various senatorial offices.

I find in one of the legislative establishment acts that these four men were paid at the rate of $900 each, a total of $3,600, as we have it in the pending amendment.

Senators know these men. They are our friends. We see them. They serve us. Each one has established a certain budget, and has his budget set to the expenditures. One of these men is buying a house, and has counted on this money. I appeal to Senators that these men are men whom we see every day. One of them is Mr. Madden, the old gentleman who carries the transcript to my office, and I assume to the offices of other Senators. The amount asked is a small sum, the total being $3,600. I do hope that out of consideration for these old-time employees of the Senate this sum may be voted.

Mr. ADAMS. Mr. President, this matter was before the Committee on Appropriations and received careful attention. It was brought to our notice that these four men, however worthy they may be, were not the only ones who were claiming this attention, and that if these men were given this extra compensation there were five or six others who would be discriminated against, and the committee felt that this discrimination was not justified in the consideration of the pending bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New York.

The amendment was rejected.

Mr. TOWNSEND. Mr. President, I offer an amendment, which I send to the desk.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. It is proposed to insert on page 82, after line 20, the following:

That the appropriation of $10,000 for the United States Delaware Valley Tercentenary Commission, contained in the Department of State Appropriation Act, 1938, and continued available for the fiscal year 1939 by the Department of State Appropriation Act, 1939, may be expended, notwithstanding the provisions of any other act, upon the certification of the president or vice president of the commission, which certification shall be final and conclusive upon the accounting officers in the auditing of all accounts of the United States Delaware Valley Tercentenary Commission.

Mr. TOWNSEND. Mr. President, this requires no appropriation at all. It is merely to clarify the bookkeeping.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. WAGNER. Mr. President, I present an amendment, which I send to the desk.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. At the proper place it is proposed to insert the following new paragraph:

UNITED STATES NEW YORK WORLD'S FAIR COMMISSION

For an additional amount for carrying out the purposes of the joint resolution entitled "Joint resolution authorizing Federal participation in the New York World's Fair 1939," approved July 9, 1937, $550,000, to remain available until expended.

Mr. BYRNES. Mr. President, I should like to know what the amendment is.

The PRESIDING OFFICER. The clerk has just finished reading the amendment.

Mr. BYRNES. There is so much noise in the Chamber that we cannot hear.

Mr. WAGNER. Mr. President, I had hoped that those in charge of the pending bill would agree to let this matter go to conference. There is not a Budget estimate. I offer the amendment at the request of the members of the United States World's Fair Commission.

At the time the original appropriation was made it was made upon the theory that about twenty-some nations would accept the invitation of the United States to participate in our world's fair. To our surprise and gratification, over 60 nations have accepted invitations.

The appropriation which we now have is not sufficient to afford proper facilities for these nations, and I think it would be breaking faith with them if, after asking them to participate in the fair, we were unable because of a lack of appropriation to give them the proper facilities.

The reason for the emergency is that we expect the fair to begin in 1939, and if we are to provide the facilities at all we have to receive the appropriation now. That is the reason why I am making a plea for a little special consideration. If the conferees decide that the appropriation shall not be made, very well and good; but I think the matter ought to be submitted because of the unusual circumstances.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. WAGNER. I yield.

Mr. CLARK. Is it not true that when this matter first came before the Congress an appropriation was passed by the Congress of $5,000,000?

Mr. WAGNER. Yes.

Mr. CLARK. Which the President vetoed?

Mr. WAGNER. Yes.

Mr. CLARK. And subsequently an authorization for $3,000,000 was passed?

Mr. WAGNER. Yes.

Mr. CLARK. All of which has been appropriated?

Mr. WAGNER. Yes.

Mr. CLARK. Has there been any additional authorization?

Mr. WAGNER. There has not been an additional authorization.

Mr. CLARK. Has there been any Budget estimate?

Mr. WAGNER. If the Senator had listened to me——

Mr. CLARK. I was attempting to listen.

Mr. WAGNER. I made the frank statement that there was no Budget estimate, and I gave the reason why.

Mr. CLARK. Then the amendment is practically subject to a point of order?

Mr. WAGNER. It may be.

Mr. BYRNES. It is subject to two points of order, and I intend to make both points of order.

The PRESIDING OFFICER. The Senator from New York has the floor. Does he yield for that purpose?

Mr. WAGNER. Mr. President, if a point of order is made, of course, the amendment cannot be agreed to. I thought I could persuade those in charge of the bill that there was sufficient merit in this proposal, because it is either now or never, so far as providing these facilities are concerned. I thought perhaps an exception would be made; but I am helpless in the face of a point of order.

Mr. BYRNES. Mr. President, in making the point of order I wish to say that I regret to do so because of the interest expressed by the Senator from New York, but the facts as developed by the Senator from Missouri are that the first authorization was for $5,000,000, and the President vetoed that. The authorization then was for $3,000,000, and that

amount has been appropriated. The amount now requested would make it $500,000 in excess of the authorization. Therefore it is subject to a point of order on that account.

The PRESIDING OFFICER. The Chair sustains the point of order.

Mr. BYRNES. Mr. President, while the Chair may do that, I had not concluded my statement, and even though the judge has decided with me, I wish to say one further word.

If this is to be done, an authorization must be secured, and Congress will have to increase the authorization. In view of the fact that the President has heretofore vetoed a sum in excess of $3,000,000, I do not think we could afford to pass this authorization without any Budget estimate, when so many other requests of the same kind have been turned down.

Mr. WAGNER. Mr. President, so far as the veto of the President is concerned, I am reliably informed that the administration itself feels that this appropriation would be a proper one, and it certainly would not receive the disapproval of the President. The whole matter was thoroughly discussed by the World's Fair Commission, the members of which are Members of Congress—the Senate and House of Representatives—and all have agreed that if we are to provide proper facilities for our foreign guests this appropriation is absolutely necessary. Having made my statement, if the point of order is insisted on, there is nothing more I can say.

Mr. NEELY. Mr. President, I offer an amendment, which I send to the desk.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. On page 5, after line 1, it is proposed to insert the following:

Senate Office Building: For painting, carpets, rugs, etc., fiscal year 1939, $25,000.

The amendment was agreed to.

Mr. SCHWELLENBACH. Mr. President, I send an amendment to the desk, which I ask to have stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. It is proposed to insert, at the proper place, the following:

$1,500 is appropriated to the Navy Department for the necessary expenses of sending the Navy Band to Chester, Pa., and Salem, N. J., on the 29th and 30th of June, 1938, to participate in festivities in connection with the observance of the three hundredth anniversary of the first Finnish settlements in America.

Mr. SCHWELLENBACH. I wish very briefly to explain the amendment. A commission consisting of five Members of the Senate and five Members of the House and five others, was established to celebrate the three hundredth anniversary of the settlement in Delaware and Pennsylvania by citizen settlers from Finland and Sweden. As a part of the celebration arranged by this Commission certain activities will take place during the latter part of this month. It happens that arrangements have been made for complete celebrations in those places which were settled by the settlers from Sweden, but that no arrangement has been made for celebrations in those places settled from Finland. On the 29th and 30th celebrations will take place at Chester, Pa., and at Salem, N. J., points which were originally settled by settlers from Finland. The purpose of this amendment is to provide funds whereby the Navy Band can proceed and participate in those celebrations.

I should like to call the attention of the Senate to the fact that tomorrow is the day on which payment will be made to the United States by the Government of Finland, which is the only one of the governments of the world which is in debt to the United States that is paying its debt to the United States Government. I do not think the Congress of the United States wants to discriminate against the one debtor government in the world which is paying its debt to this country. I am sure the many thousands of people of Swedish descent in this country would approve this action. Sweden, too, has always been most meticulous in keeping its word and meeting its obligations. I think it would be very appropriate at this particular time that the Senate make plain that there is some appreciation by our Congress of the fact that this one government is recognizing its financial responsibilities.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Washington.

The amendment was agreed to.

Mr. TRUMAN. I offer an amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. At the end of the bill it is proposed to insert the following new title:

TITLE—LEGISLATIVE ESTABLISHMENT

SEC. . (a) Beginning with the third session of the Seventy-fifth Congress, two persons employed in the office of each Senator and one person employed in the office of each Member of the House of Representatives, to be designated by the Senator or Member in whose office they are employed, shall be entitled to receive a mileage and per diem allowance for going to and returning from each session of the Congress. The allowance shall be equal to the first-class railroad and Pullman fare, at regular rates, by the route ordinarily traveled between Washington, D. C., and the place of residence of such Senator or Member in the State in which he is chosen, plus a per diem allowance of $5 for each day or major fraction thereof ordinarily required for making the journey over such route by railroad. Such allowance shall be paid only if the travel between such points is actually performed, but shall be paid without regard to the method or route by which the travel is performed. Such allowance shall be paid by the Secretary of the Senate or the Clerk of the House of Representatives, as the case may be, upon a sworn statement by the person entitled thereto that the travel has been performed; and the determination of such officers with respect to the making of such payments, and the amount thereof, shall be final and conclusive upon all other officers and employees of the Government. For carrying out the purposes of this section during the fiscal year ending June 30, 1938, there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $65,000, of which $25,000 shall be disbursed by the Secretary of the Senate and $40,000 shall be disbursed by the Clerk of the House of Representatives.

(b) For the purposes of this section persons employed by a committee of the Senate or House of Representatives shall be deemed to be employed in the office of the Senator or Member of the House of Representatives who is chairman of such committee.

Mr. TRUMAN. Mr. President, this amendment is merely an authorization to pay the secretary and one stenographer for each Senator and the secretary of each Member of the House of Representatives for railroad fare actually spent in going to and from the session each time Congress meets. Every department of the Government is authorized to pay the railroad fare of all its clerks who are obliged to travel on Government business. That is true of all departments. Congress has not made such a provision with respect to employees of its Members. There is no reason in the world why the secretary and one stenographer for each Senator and one stenographer or clerk for each Member of the House should not be paid the railroad fare and per diem just the same as is done in all the department of the Government. The only reason we have not provided for it before is because we have not had the nerve to go ahead and make the necessary authorization and provide the necessary appropriation to do it.

Mr. ADAMS. Mr. President, I think there exists a very commendable purpose behind the move, but it should be provided for in a legislative bill. It is obviously legislation on an appropriation bill, and I feel compelled, regardless of the merits of the amendment, to make a point of order against it.

The PRESIDING OFFICER. The point of order is sustained.

Mr. PITTMAN. I send to the desk an amendment, which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 50, after line 13, it is proposed to insert the following:

Mount Rushmore Memorial Commission: To carry out the purposes of the act entitled "Mount Rushmore Memorial Act of 1938," $100,000.

Mr. PITTMAN. Let me explain why that was not included in the deficiency bill. There was passed by the House and the Senate, and sent to the President on the 9th day of this month, a bill authorizing $300,000 to continue this work. That bill was not signed by the President at the time the pending bill was under consideration by the House, nor has it yet been signed by the President.

I am informed by the Director of the Budget that the estimates are being made and will be sent up by noon tomorrow. The act passed by the Congress dealing with the Mount Rushmore Memorial, and which was sent to the President, carried an appropriation of $300,000.

Mr. KING. Was the bill signed?

Mr. PITTMAN. Yes. I have ascertained, however, after conference with the Members of the House having this matter in charge, that $100,000 will be ample for the present time.

The Mount Rushmore Memorial was created by an act of Congress passed, it will be remembered, in 1929. Since that time the State of South Dakota has spent approximately a million dollars in connection with the memorial. Our Government has spent $300,000. While we are speaking of a memorial to Thomas Jefferson, there at Mount Rushmore is the greatest memorial to Thomas Jefferson that ever can be conceived of or ever will be built.

The head of Jefferson is as wide as this room. The nose of Washington is as big as the Sphinx of Egypt. The figure of Washington, half length, is practically completed. The figures of Jefferson and Lincoln are almost completed. Work is now being done on the figure of Theodore Roosevelt. I have been there three times. I think it is the most remarkable piece of work of that character that I have ever seen. Whether one stands within 1,000 feet of it or off 10 miles to look at it, it is remarkable. I do not think any such work has ever been undertaken before. Two hundred thousand people visited it last year. It should have been completed at an earlier date, but there has not been sufficient money furnished to complete the work. The work has been dragging on for years, and money has been doled out in small amounts. It should be completed now with this appropriation of $300,000.

As I have said, I think the work will be the greatest piece of monumental work in all the world. The bill has been sent to the Bureau of the Budget since it was passed. From the Budget Department it was sent to the Interior Department for estimate. It has been delayed in the Interior Department. I am informed, however, by the Bureau of the Budget that by noon tomorrow the estimates will be here.

Therefore I ask for the adoption of the amendment, with the understanding and expectation, of course, that if the estimate does not reach the conference committee before they shall have completed their work, that they will naturally eliminate the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Nevada.

Mr. OVERTON. Mr. President, I ask that the Senate proceed to the consideration of the conference report on House bill 10618, authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes.

Mr. PITTMAN. Mr. President, I ask the Senator if he will not allow action to be taken on my amendment.

Mr. OVERTON. Mr. President, I am afraid I would not gain recognition if I did so.

Mr. PITTMAN. Then I will have to discuss the Senator's measure. The Senator may use his own judgment.

Mr. OVERTON. Of course, I do not want my bill filibustered against.

Mr. PITTMAN. I think it would be discourteous to present the measure before action is taken on my amendment.

Mr. OVERTON. But, Mr. President, I have been trying to get the conference report before the Senate for some time.

Mr. PITTMAN. There is no objection to the amendment. Will the Senator wait until action is taken on it?

Mr. OVERTON. I certainly have no objection to the Senator's amendment, but I should like to ask for recognition as soon as the amendment is disposed of.

Mr. KING. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KING. My understanding was that we were to continue with the bill under consideration in order that it might go to conference at the earliest possible date. Is that the understanding?

The PRESIDING OFFICER. The Chair does not understand that unanimous-consent agreement was entered into.

Mr. KING. I understood the request made by the leader on this side was——

The PRESIDING OFFICER. There was no action taken.

Mr. OVERTON. I withdraw my request for the moment.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Nevada [Mr. PITTMAN].

The amendment was agreed to.

AUTHORIZATION OF FLOOD-CONTROL PROJECTS—CONFERENCE REPORT

Mr. OVERTON. Mr. President, I ask that the Senate proceed to the consideration of the conference report on House bill 10618.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Louisiana? The conference report has been heretofore submitted, and ordered to lie on the table.

There being no objection, the Senate proceeded to consider the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10618) entitled "An act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes."

Mr. OVERTON. Mr. President, I move the adoption of the conference report.

Mr. COPELAND. Mr. President, I ask unanimous consent that the clerk may read the very brief minority report, and have it lie on the table.

The PRESIDING OFFICER. Without objection, the clerk will read as requested.

The legislative clerk read, as follows:

FLOOD CONTROL BILL

MINORITY REPORT

The so-called Barkley amendment we look upon as a dangerous proposal. We believe it threatens every vestige of State control and State's rights. It changes a well-defined policy of cooperation; it has not been studied, and no hearings have been held. It aims at the destruction of the balance of power between the States and the National Government, a proposal which, in our opinion, is contrary to the Federal principle. As we see it, it is not a good thing for America. All local or regional problems should be handled by the States directly concerned, in cooperation with the Federal Government. The amendment, we regard, as meaning the surrender to the Government of title to our national resources. It eliminates State participation in flood control.

Feeling as we do, we cannot sign the conferees' report.

ERNEST W. GIBSON,
ROYAL S. COPELAND.

Mr. AUSTIN. Mr. President, I oppose the adoption of the conference report on principles and on the ground of policy. Let me at the outset call attention to one particular feature of the conference report in order to get right down to close fighting about this matter. I refer to page 2 of the conference report, by Mr. WHITTINGTON, from the committee of conference submitted to the House as follows:

SEC. 2. That section 3 of the act of June 22, 1936 (Public, No. 738, 74th Cong.), as heretofore amended and as herein further modified, shall apply to all flood-control projects, except as otherwise specifically provided by law.

That in case of any dam and reservoir project, or channel improvement or channel rectification project for flood control, herein authorized or heretofore authorized by the act of June 22, 1936 (Public, No. 738, 74th Cong.), as amended, and by the act of May 15, 1928 (Public, No. 391, 70th Cong.), as amended by the act of June 15, 1936 (Public, No. 678, 74th Cong.), as amended, title to all lands, easements, and rights-of-way for such project shall be acquired by the United States or by States, political subdivisions thereof or other responsible local agencies and conveyed to the United States, and provisions (a), (b), and (c) of section 3 of

said act of June 22, 1936, shall not apply thereto. Notwithstanding any restrictions, limitations, or requirement of prior consent provided by any other act, the Secretary of War is hereby authorized and directed to acquire in the name of the United States title to all lands, easements, and rights-of-way necessary for any dam and reservoir project or channel improvement or channel rectification project for flood control, with funds heretofore or hereafter appropriated or made available for such projects, and States, political subdivisions thereof, or other responsible local agencies, shall be granted and reimbursed, from such funds, sums equivalent to actual expenditures deemed reasonable by the Secretary of War and the Chief of Engineers and made by them in acquiring lands, easements, and rights-of-way for any dam and reservoir project, or any channel improvement or channel rectification project for flood control heretofore or herein authorized: *Provided*, That no reimbursement shall be made for any indirect or speculative damages: *Provided further*, That lands, easements, and rights-of-way shall include lands on which dams, reservoirs, channel improvements, and channel rectifications are located; lands or flowage rights in reservoirs and highway, railway, and utility relocation.

Mr. President, I think the conference report is the most shocking disregard of the rights of States that has yet occurred. I think it is a most significant change in our attitude toward a union of indissoluble States. In my opinion, it is a complete departure from our form of government. It is so serious that the chairman of the committee to whom the bill was referred, who was the chairman of the conference committee representing the Senate in the conference, and my distinguished colleague [Mr. GIBSON] refused to sign the report and made a minority report, which I read, as follows:

The so-called Barkley amendment we look upon as a dangerous proposal. We believe it threatens every vestige of State control and State's rights. It changes a well-defined policy of cooperation; it has not been studied, and no hearings have been held. It aims at the destruction of the balance of power between the States and the National Government, a proposal which, in our opinion, is contrary to the Federal principle. As we see it, it is not a good thing for America. All local or regional problems should be handled by the States directly concerned in cooperation with the Federal Government. The amendment we regard as meaning the surrender to the Government of title to our natural resources. It eliminates State participation in flood control.

Feeling as we do, we cannot sign the conferees' report.

ERNEST W. GIBSON.
ROYAL S. COPELAND.

Mr. President, I think that is a very moderate criticism of this particular part of the report. I view it not as a surrender. The States have not yet had an opportunity to surrender, save in the conference. The States have had no opportunity to surrender. On the contrary, the conferees so wrote the report that, notwithstanding any previous requirement of consent by the States, such consent should no longer be necessary, but hereafter, if the bill should become a law, the Federal Government may enter the boundaries of the State, and take title to the land, there being no limit on the quantity that may be taken. I consider this to be an attempt at seizure, an attempt at the exercise of an arbitrary, autocratic power which ought not to be permitted.

Mr. O'MAHONEY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Vermont yield to the Senator from Wyoming?

Mr. AUSTIN. I yield.

Mr. O'MAHONEY. Does the Senator from Vermont have the attention of the author of the amendment?

Mr. AUSTIN. I believe not. I do not see him present. I do not know whether he cares to listen to me.

Mr. BARKLEY entered the Chamber.

Mr. AUSTIN. Let me say that the report of the conferees is a little different from the Barkley amendment as it was adopted by the Senate.

The report of the conferees is a substitute for the Barkley amendment. It seems to me it undertakes to justify, by the use of three words, an outrageous trespass upon the sentiments, upon the traditions, and upon the rights of the States. Those three words are "for flood control." The original Barkley amendment did not contain even that qualification to the threatened aggression upon the territory of the States and the seizure of the land and title to the property within the States. The report shows a realization of how absurd, how strikingly defiant of constitutionalism, if not defiant of the letter of the Constitution, was the Barkley amendment as it was drawn, without any attempt to limit the exercise of the power of seizure to those things over which the Congress of the United States has authority.

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. AUSTIN. I yield.

Mr. OVERTON. The Senator from Vermont states that the provision in the flood-control bill represents a radical departure from the traditions of the United States, and is contrary to the policy which has been pursued by the United States.

Mr. AUSTIN. Mr. President, I do.

Mr. OVERTON. In that connection I wish to call the attention of the Senator to a provision in the Reclamation Act which was called to my attention this afternoon. It is section 6 of the act of June 17, 1902 (32 Stat., 389). I quote:

Provided, That the title to and the management and operation of the reservoirs and works necessary for their protection and operation shall remain in the Government until otherwise provided by Congress.

Under that act I am advised that 80 reservoirs have been built, and 35 additional reservoirs are today in the course of construction.

Mr. AUSTIN. Mr. President, I thank the Senator for reading a part of the act. If he will now read the remainder of the act, he will find in it, without doubt, some reservation of control by the local community over the question whether the Congress or the executive department of the United States may take the land titles involved.

Mr. KING. Mr. President, will the Senator yield?

Mr. AUSTIN. I shall be glad to yield in just a moment. Of course, I have not the memory to carry in mind an entire act such as the Reclamation Act, and therefore I cannot point out the other terms of the act.

I will say that on June 22, 1936, we adopted a Flood Control Act in which we provided for acquiring sites for dams and reservoirs, but we left to the local communities some of their rights by providing that no money should be spent unless and until the local communities should acquire the land and give it to the Government, provide in some manner for saving harmless the Government of the United States from all damages on account of the development, and provide for and guarantee the management of the works.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. AUSTIN. I will yield in just a moment. I am quite near the end of my statement.

By the provision referred to a small modicum of control over their own affairs was preserved to the States. The Federal Government was not given the power to step within a State and seize title to the lands of inhabitants of the State, transport the inhabitants out of their villages, or off their farms, tear up their public highways and railroads, and destroy their factories without their consent, notwithstanding the requirement of any previous law—which includes the Constitution of the United States—and notwithstanding anything giving to the Federal Government the power to trample down the barriers and come in and seize the land titles.

That procedure is the sort of thing which created the State of Vermont. Vermont resisted the attempt to trespass upon the land titles of the inhabitants of the Green Mountains who had taken their title direct from the King through the Royal Governor of New Hampshire.

When others came with titles through the Royal Governor of New York the people of the Green Mountains had to stand up and fight them off on the basis of their rights as Englishmen, founded upon the British Constitution. That conflict was maintained for 13 years before the people adopted a constitution of their own, and after that for 14 years more they had to fight their neighbors and the Continental Congress for recognition, until in 1791 Vermont was admitted into the Union. The preservation of their land titles was so important that some of the people sacrificed their lives to save their land titles.

The same issue is before us today. Mr. President, you will not see us threatening or offering violence. That is not my position. But I say we are in exactly the same situation in which Ethan Allen was at the court in Albany when he held up his great fist to the attorney general and said to him: "The gods of the hills are not the gods of the valley." When the attorney general turned and said, "I don't understand you, sir," he said, "Come over with your writs of possession to Bennington Hill and it will all be made plain unto you."

I am saying, Mr. President, that if we can afford it, we will resist this aggression in the courts. I consider the bill a violation of constitutional rights, and an attack upon the Union. If we adopt the conference report, we shall do the greatest violence that has yet been done upon our institutions of government.

We are now about to attack federalism, the Federal institution. We are now trying to do that which the Constitution said could not be done, and that is create a new State out of another State, divide up one of the States, change its boundary lines, or change the title to its lands.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. AUSTIN. Yes; I yield.

Mr. PEPPER. This is a case of history repeating itself, so that again the first threats of secession are coming from the North.

Mr. AUSTIN. Mr. President, that is not a kind suggestion, and is not in accord with anything I have said or implied. On the contrary, I said that we would assert our rights in the courts if we were able to do so. That is what I said, and I repeat it.

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. AUSTIN. Yes; I yield.

Mr. OVERTON. Is it not true that all the dams and reservoirs in the Tennessee Valley, under the Tennessee Valley Authority, are owned by the United States, and that title is vested in the United States, and that the Tennessee Valley Authority has the right of condemnation, and has exercised the right of condemnation?

Mr. AUSTIN. I do not know.

Mr. OVERTON. Is it not true that title to the Grand Coulee Reservoir is in the United States, and that the title to the Bonneville Dam is in the United States?

Mr. AUSTIN. I do not know, and on this question it makes no difference whatever to me whether or not that is so. We have had no opportunity to consider that question before, so far as I know. I have not been aware of it, in any event, if we have.

Mr. O'MAHONEY. Mr. President——

Mr. AUSTIN. I yield to the Senator from Wyoming.

Mr. O'MAHONEY. Will the Senator yield to me in order that I may ask the clerk to read section 3 of the act of June 22, 1936?

Mr. AUSTIN. Mr. President, I shall be glad to do so. I myself intended to read that act, but I shall be glad to have it read by the clerk.

Mr. O'MAHONEY. Mr. President, I ask that section 3 of the act of June 22, 1936, may be read by the clerk.

The PRESIDENT pro tempore. Does the Senator from Vermont yield for that purpose?

Mr. AUSTIN. Yes; I yield for that purpose.

The PRESIDENT pro tempore. Let it be read.

The legislative clerk read as follows:

That hereafter no money appropriated under authority of this act shall be expended on the construction of any project until States, political subdivisions thereof, or other responsible local agencies have given assurances satisfactory to the Secretary of War that they will (a) provide without cost to the United States all lands, easements, and rights-of-way necessary for the construction of the project, except as otherwise provided herein; (b) hold and save the United States free from damages due to the construction works; (c) maintain and operate all the works after completion in accordance with regulations prescribed by the Secretary of War: *Provided*, That the construction of any dam authorized herein may be undertaken without delay when the dam site has been acquired and the assurances prescribed herein have been furnished, without awaiting the acquisition of the easements and rights-of-way required for the reservoir area: *And provided further*, That whenever expenditures for lands, easements, and rights-of-way by States, political subdivisions thereof, or responsible local agencies for any individual project or useful part thereof shall have exceeded the present estimated construction cost therefor, the local agency concerned may be reimbursed one-half of its excess expenditures over said estimated construction cost: *And provided further*, That when benefits of any project or useful part thereof accrue to lands and property outside of the State in which said project or part thereof is located, the Secretary of War, with the consent of the State wherein the same are located, may acquire the necessary lands, easements, and rights-of-way for said project or part thereof after he has received from the States, political subdivisions thereof, or responsible local agencies benefited the present estimated cost of said lands, easements, and rights-of-way, less one-half the amount by which the estimated cost of these lands, easements, and rights-of-way exceeds the estimated construction cost corresponding thereto: *And provided further*, That the Secretary of War shall determine the proportion of the present estimated cost of said lands, easements, and rights-of-way that each State, political subdivision thereof, or responsible local agency should contribute in consideration for the benefits to be received by such agencies: *And provided further*, That whenever not less than 75 percent of the benefits as estimated by the Secretary of War of any project or useful part thereof accrue to lands and property outside of the State in which said project or part thereof is located, provision (c) of this section shall not apply thereto; nothing herein shall impair or abridge the powers now existing in the Department of War with respect to navigable streams: *And provided further*, That nothing herein shall be construed to interfere with the completion of any reservoir or flood-control work authorized by the Congress and now under way.

Mr. O'MAHONEY. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Vermont further yield to the Senator from Wyoming?

Mr. AUSTIN. I yield to the Senator from Wyoming.

Mr. O'MAHONEY. May I now ask the Senator from Vermont to yield while I request the clerk to read again the part of section 3 of the act of June 22, 1936, which was underlined?

The PRESIDENT pro tempore. Does the Senator from Vermont yield for that purpose?

Mr. AUSTIN. I yield.

The PRESIDENT pro tempore. Without objection the clerk will read as requested.

The legislative clerk read as follows:

And provided further, That when benefits of any project or useful part thereof accrue to lands and property outside of the State in which said project or part thereof is located, the Secretary of War with the consent of the State wherein the same are located may acquire the necessary lands, easements, and rights-of-way for said project or part thereof after he has received from the States, political subdivisions thereof, or responsible local agencies benefited, the present estimated cost of said lands, easements, and rights-of-way, less than one-half the amount by which the estimated cost of these lands, easements, and rights-of-way exceeds the estimated construction cost corresponding thereto.

Mr. AUSTIN. Mr. President, the United States has the right, merely by virtue of sovereignty, and without any statute at all, to exercise the power of eminent domain for the purpose of carrying out any power which Congress possesses. It is not necessary to set forth in a bill that power is given to the United States in respect of a matter of that kind. Whatever power belongs to the United States in that regard belongs to it only and solely by virtue of the grant of the people, which was the source of all power.

The States existed before the Central Government was ever created.

The treaty of peace with Great Britain was not made by a central government. It was made by several States which afterward formed this Union of ours. There never was any idea in the minds of those who founded this Government that the central authority created by them had any original power. All the original authority was vested in the States, and they came together by virtue of the Constitution, and they gave the Central Government only certain limited powers. One of those powers was to make the Central Government supreme over national affairs, and they expressly defined the authority of Congress in the government of the Nation; and wherever Congress has authority in that instrument, there the Central Government has given to it power to execute the will of Congress; and the Central Government may go into a

State by virtue of that power and seize private property for public use, provided that public use is within the authority of Congress.

Mr. President, there never was any idea in the minds of the founders that the Congress of the United States could change this Union; that it alone could change the rights of the States. Indeed, they undertook to hedge in this reservoir, this great source of authority and power, with safeguards and prohibitions and limitations. To evidence what I mean when I say that to enter a State and seize its land titles for a purpose not within the authority of Congress is an unconstitutional act or an act which is against the Constitution, I call attention to the evidence in the Constitution of the attitude of the people toward federalism. They said, in section 3 of article IV:

> New States may be admitted by the Congress into this Union, but no new State shall be formed or erected within the jurisdiction of any other State; nor any State be formed by the junction of two or more States or parts of States without the consent of the legislatures of the States concerned as well as of the Congress.

May Congress annex a large fraction of the State of Vermont without its consent?

> SEC. 4. The United States shall guarantee to every State in this Union a republican form of government, and shall protect each of them against invasion; and on application of the legislature, or of the executive (when the legislature cannot be convened) against domestic violence.

Those, Mr. President, are provisions for the protection of States as States.

And again, over in the Bill of Rights, the emphasis upon the sovereignty of the State, upon it as the great reservoir of power and authority, is shown in amendments IX and X:

> The enumeration in the Constitution of certain rights shall not be construed to deny or disparage others retained by the people.

And amendment X:

> The powers not delegated to the United States by the Constitution, nor prohibitd by it to the States, are reserved to the States, respectively, or to the people.

Mr. President, if men are today doubtful that the several States of the Union are the foundation of our Government, let them review those few provisions of the Constitution. Nothing is more sacred to us at home than the independence of the States.

Mr. President, what is happening now? In this conference report we find an attempt to excuse or justify an aggression upon the States, a seizure of the title to lands without the consent of the States, and notwithstanding any law which heretofore has been passed, constitutional or statutory, which would protect the States by requiring their consent. Hear this:

> Notwithstanding any restrictions, limitations, or requirement of prior consent provided by any other act, the Secretary of War is hereby authorized and directed to acquire in the name of the United States title to all lands, easements, and rights-of-way necessary for any dam and reservoir projects or channel improvement or channel-rectification project for flood control—

Mr. President, the hat is hung on those few words, "for flood control," as if having once acquired for flood control the title to our lands, the Federal Government did not take away our lands for every control that is imaginable. Once having acquired control of our lands, and driven our people from the valleys, what can we do about it again, ever? Nothing. If there are sufficient valleys affording dam sites and storages, practically a skeleton can be made of the Green Mountains, leaving nothing else there.

Mr. President, this matter is very close to us in Vermont. We are a small State. We sometimes speak of our State as a garden 200 miles long and 75 miles wide. We have a small population, 365,000 people, but they are attached to that land. On one highway, where my grandfather's farm was located, there are now five farms contiguous to each other, occupied by the direct lineal descendents of the first settlers of those farms.

Eighty-five percent of our population is native born. We fought to preserve our land titles. By virtue of that fight against superior odds we created this little State. We made our contribution to the common cause of liberty, supporting our own independent army, electing our own officers in that army, forbidding that army to articulate itself with the Continental Army, in order that we might go through the American Revolution without losing our independence, and in order that we might insist, when the war was over, after we had cooperated with all the other colonies, that we might come to Congress and demand recognition as an independent State, and become one of the Union of the United States. It was bred in us to fight for the integrity of the State.

Mr. President, let me bring you a humble message from one of the small towns in Vermont. My colleague [Mr. GIBSON] had inserted in the RECORD of June 9 a certified copy of a resolution adopted at a town meeting in the little town of Rochester, Vt., as follows:

> Whereas the people of Rochester are greatly alarmed over the possibility that the Federal Government may build a flood-control dam at Gaysville—

Which is a village in the town—

> Whereas if this dam is built 186 feet high, as proposed by engineers, it will flood some of our best agricultural land; and
>
> Whereas the Federal Government has already optioned about 10,000 acres of land in this town for the Federal forest, which, with the land proposed to be flooded, would leave the town only a skeleton of a grand list on which to raise its tax; and
>
> Whereas competent engineers agree that if the proposed dam at Gaysville is for flood control only, then the same results could be obtained by building smaller dams on the tributaries of the upper White River; and
>
> Whereas the building of a dam at Gaysville, as proposed, would ruin the scenic attractions of this valley, and would tend to influence summer visitors, who have already begun to buy homes in the valley, to seek other places of rest and recreation: Therefore be it
>
> *Resolved by the voters in town meeting assembled*, That we are opposed to the building of the flood-control dam at Gaysville, as proposed; be it further
>
> *Resolved*, That a duly certified copy of these resolutions be placed in the hands of our town representative, for use in the general assembly, if and when a bill is introduced into that assembly, giving Vermont's consent to the building of the dam in question, another copy to be placed on file in the town clerk's office; be it further
>
> *Resolved*, That if a bill is introduced into Congress to form a Connecticut river authority, that a certified copy of these resolutions be sent to the two Vermont Senators and our Representatives in Congress for their use before their respective bodies.
>
> [Presented by Wallace H. Wing and adopted at town meeting March 2, 1937.]
>
> I hereby certify that the above is a true copy of the resolution as presented and adopted March 2, 1937.
>
> Attest:
>
> M. J. POLLARD, *Town Clerk.*

Mr. President, I call attention to the engineers' report on that one project in order that Senators may understand what this resolution was about. I read from Document No. 455, House of Representatives, Seventy-fifth Congress, second session, page 78:

> (9) Gaysville, No. 29A: The Gaysville Reservoir site is on the White River, Vt., 31.6 miles above its junction with the Connecticut River. The dam will be a concrete arch, and will be provided with a spillway and four outlet conduits controlled by valves. The reservoir will cover an area of approximately 1,800 acres at spillway lip elevation and will submerge some areas of agricultural importance as well as some important highways. Operation of this reservoir will benefit several important flood-damage centers on the White River and have important flood-reducing effect on the Connecticut River. The total damage costs exceed the estimated construction cost, primarily on account of the extensive road relocation made necessary. The total cost is $3,450,600, of which the construction cost is $1,603,000, land and damages $1,847,600. One-half will be borne by the United States and one-half by local interests. The development of storage for conservation is justified at this site, as discussed in paragraph 67 herein, at an estimated additional cost of $1,329,400, or a total cost of $4,780,000, of which $1,725,300 would be borne by the United States and $3,054,700 by local interests.

Mr. President, that was a report submitted December 11, 1937. I refer to a prior report on the same project when the survey was made, because it contains other information. I read from page 93 of Document No. 412, House of Representatives, Seventy-fourth Congress, second session, the following:

> 190. Two flood-control plans are discussed:
>
> The comprehensive flood-control plan includes 33 storage and power projects which would protect all the tributaries specially

subject to flood damage and the main river valley, and presents comparable data for these projects.

The initial flood-control plan includes 10 storage projects—

This is the plan which is considered and comprehended in this report:

The initial flood-control plan includes 10 storage projects which would give a substantial degree of protection to the valleys of the Passumpsic, Ammonoosuc, White, and Ottauquechee Rivers and the main river below the mouth of the Passumpsic River. No power is developed at the dam sites, but the value of controlled flow from the reservoirs at existing hydroelectric stations is substantial.

It should be noted in passing that these improvements on the river would stabilize the Connecticut River for power purposes and establish a positive benefit to all hydroelectric plants now in existence on the river, but in and of themselves they are not power sites.

Now, in order to identify this report with these projects in Vermont, I call attention to public document No. 111, Seventy-fifth Congress, an act to amend an act entitled "An act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes, approved June 22, 1936." I call attention to the fact that this is the act of June 22, 1936, which is referred to in the report of the conferees:

Be it enacted, etc., That the act entitled "An act authorizing the construction of certain public works on rivers and harbors, for flood control, and for other purposes, approved June 22, 1936," is hereby amended by changing the paragraph under the heading "Connecticut River Basin" to read as follows:

"Reservoir system: For the control of floods in the Connecticut River Valley, construction of 10 reservoirs on tributaries of the Connecticut River; plans in House Document 412—

From which I have read—

Seventy-fourth Congress, second session, as the same may be revised upon further investigation of the 1936 flood——

Which was revised, as I have shown by document No. 455:

Estimated construction cost, $10,028,900; estimated cost of land and damage, $3,344,100. Approved May 25, 1937.

Mr. President, the people of Vermont want to have saved to them if possible the right to participate in the decision of what lands of the State of Vermont shall be submerged with water. The inhabitants of the Green Mountains want to have some right of participation in the decision of the question as to whether the inhabitants shall be forced off and driven out and sent away and landed where the Federal Government says they can live, rehabilitated somewhere, these old people who have lived there for generations, moved out, forsooth, without their consent, willy-nilly. No matter what provision of any previous act has been passed to save to them the right to consent, it will now go by the board, and the Secretary of War can come down into the State of Vermont and take their lands and push them out. Will we stand for that without a fight to the last drop?

Mr. President, I do not intend to occupy the time of the Senate any further than to say that I think it is bad policy. I think it is a rape of the States for Congress to pass an act which denies to them any right whatever to consider these questions which are vital to their lives, which are vital to the land, which are vital to their social system, which are vital to their government. And I say that I regard this as so far wrong that we ought not here, even in our rush and in our strain and effort to close the Congress, allow the conference report to be adopted.

The PRESIDENT pro tempore. The question is on agreeing to the conference report.

Mr. O'MAHONEY. Mr. President, a few moments ago, by the courtesy of the Senator from Vermont, I had the clerk of the Senate read section 3 of the act of June 22, 1936. I should like to ask someone who is defending the conference report to explain to the Senate why this protection of the States is specifically set aside. I understand the Senator from Louisiana [Mr. OVERTON] is willing to make that explanation.

Mr. OVERTON. Mr. President, section 3 of the act of June 22, 1936, to which the able Senator from Wyoming refers——

Mr. O'MAHONEY. Mr. President, before the Senator responds, let me read to him the provision to which I refer:

Provided further, That when benefits of any project or useful part thereof accrue to lands and property outside of the State in which said project or part thereof is located, the Secretary of War with the consent of the State wherein the same are located may acquire the necessary lands, easements, and rights-of-way for said projects. * * *

In other words, under the provision of the act of 1936, no works could be set up in one State for the benefit of another State, without the consent of the State within which they were set up.

Now, may I ask the Senator, why was that protection to the upper-basin States—the up-river States—eradicated by this conference report?

Mr. OVERTON. Mr. President, section 3 of the act of June 22, 1936, to which the Senator from Wyoming has directed the attention of the Senate, was enacted under the theory that there must be local contributions for all flood-control works, whether they be dams, or reservoirs, or levees, or dikes, or flood walls, or what not. When the act of June 22, 1936, embodying section 3, was enacted, it was undertaken to provide for a just and equitable allocation of the local contribution. So, when a dam was situated in a certain State and was beneficial exclusively to that State, then there was a much greater degree of local contribution than when a dam was located in one State, the effect of which would be to lower flood levels in other States. In the latter case the contribution is less.

The learned and able Senator from Wyoming did not read the whole proviso. That proviso simply is another method of allocating the local contribution when the benefits of a project accrue to a State lower down in the valley. It declares:

Provided further, That when benefits of any project or useful part thereof accrue to lands and property outside of the State in which said project or part thereof is located, the Secretary of War with the consent of the State wherein the same are located may acquire the necessary lands, easements, and rights-of-way for said project or part thereof after he has received from the States, political subdivisions thereof, or responsible local agencies benefited, the present estimated cost of said lands, easements, and rights-of-way, less one-half the amount by which the estimated cost of these lands, easements, and rights-of-way exceed the estimated construction cost corresponding thereto.

The whole purpose of that provision was to provide for a different and less local contribution on the part of States where dams of this character were constructed, than was provided in the preceding portion of section 3, wherein it is provided, as the Senator well knows, that in all of these cases under the act of 1936, the State and local subdivisions—

Will provide without cost to the United States all lands, easements, and rights-of-way necessary for the construction of the projects, except as otherwise herein provided—

And will—

Hold and save the United States free from damages due to construction works—

And will—

Maintain and operate all works after completion in accordance with the regulations prescribed by the Secretary of War.

That was a general rule of contribution, and an exception is in the proviso to which the Senator has called the attention of the Senate. I continue to read from section 3:

Provided, That the construction of any dam authorized herein may be undertaken without delay when the dam site has been acquired and the assurances prescribed herein have been furnished, without waiting the acquisition of the easements and rights-of-way required for the reservoir area: *And provided further*, That whenever expenditures for lands, easements, and rights-of-way by States, political subdivisions thereof, or responsible local agencies for any individual project or useful part thereof shall have been exceeded the present estimated construction cost therefor, the local agency concerned may be reimbursed one-half of its excess expenditures over said estimated construction cost.

So that all of section 3 simply provides different formulas of local contribution, depending on the facts and circumstances. And that was its sole purpose.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. OVERTON. I yield.

Mr. O'MAHONEY. The provision of the conference report to which attention has been directed, appearing on page 2, contains this sentence:

> Notwithstanding any restrictions, limitations, or requirement of prior consent provided by any other act, the Secretary of War is hereby authorized and directed to acquire in the name of the United States title to all lands, easements, and rights-of-way necessary for any dam and reservoir project or channel improvement or channel rectification project for flood control, with funds heretofore or hereafter appropriated or made available for such project—

And so forth. The conference report which the Senator is defending provides explicitly——

Mr. OVERTON. The Senator from Wyoming, if I may interrupt him, would not expect me to do anything but defend it.

Mr. O'MAHONEY. Of course, the Senator represents the State of Louisiana.

Mr. OVERTON. I am representing the conference committee, and I am submitting the report and explaining it.

Mr. O'MAHONEY. And representing Louisiana, which is at the very base of the Mississippi River. So that, of course, every other State up the Mississippi River must contribute to whatever may be done in the State of Louisiana.

Mr. OVERTON. No, Mr. President, I cannot let that statement go without challenge. So far as the State of Louisiana is concerned, and so far as the lower Mississippi Valley is concerned, we have a flood-control program sufficient in itself. We do not have to rely upon the adventitious aid afforded us by dams and reservoirs constructed in the Ohio Valley or up in Pennsylvania or New York or in New Orleans or in the State of Wyoming. We have a flood-control program which calls for levees and for floodways. And when Senators speak of the sacrifices being made by a State, here is the State of Louisiana, through which pours all floodwaters out of 41 percent of the territory of the United States, out of 31 of the States of the Union.

It comes down the Mississippi Valley, and we have to take care of all that excess water flowing down upon us, and how do we do it? We do it by the condemnation through the State of Louisiana of floodways, one of which is 10 miles wide and 100 miles long. Two others, of which have a combined width of 14 miles, and extending from the central portion of Louisiana, where the Atchafalaya has its source at the Mississippi, down both sides of the Atchafalaya into the Gulf of Mexico.

That is the sacrifice which the State of Louisiana has to make because it has to bear the burden of the excess water poured upon us from a great majority of the States of the Union, extending from Wyoming to New York. And I want to say that we have provided, because the lower Mississippi program represents the pioneer legislation in flood control, for the right of condemnation in the United States Government against the lands and easements in the State of Louisiana and elsewhere in the Mississippi Valley whenever the United States, through the Secretary of War, may conclude that such condemnation is necessary and proper.

Mr. O'MAHONEY. Mr. President, the Senator, I think, has answered my question. If I understand him correctly, he says that he now wants the State of Louisiana to invoke the power of the Federal Government to condemn property in every State above Louisiana along the Mississippi Basin in order to relieve the very serious necessities of his State.

Mr. OVERTON. No.

Mr. O'MAHONEY. The act of June 22, 1936, provided that such condemnation should not be possible without the consent of the States within which the condemnation was made effective. Now the Senator brings in a conference report which denies to the separate States the opportunity to give their consent. Let the Senator explain why that consent is withdrawn.

Mr. OVERTON. Mr. President, the Senator from Wyoming cannot make a Louisiana issue out of a flood-control bill which covers every part of the United States. So far as the State of Louisiana is concerned, I repeat to the Senator from Wyoming that Louisiana is safe if the program of flood control is carried out in Louisiana, that is with levees and floodways, whether or not there are any reservoirs to be built.

Mr. O'MAHONEY. Mr. President——

Mr. OVERTON. I refuse to yield right now, Mr. President. Let me finish. Louisiana has no interest in the reservoirs provided for in this bill except an indirect interest. It is true that the construction of reservoirs in the Mississippi Valley will be additional factors of safety.

But to answer the Senator's question, the Senate provided in an amendment offered by the Senator from Kentucky to this bill that the Federal Government should pay the entire cost of dams and reservoirs. The minority leader, the Senator from Oregon, offered another amendment which provided that the Federal Government should pay for the cost of reallocation of highways and of utilities, and of railroads, bridges, and so forth. The result of the two amendments adopted upon the floor of the Senate was that the Federal Government was called upon to pay for the entire cost of these reservoirs, dams, rights-of-way easements, lands, bridges, reallocation of railroads and other utilities and highways.

If the Federal Government is to assume and discharge that obligation; if the purpose of the bill is to provide for a system of flood control throughout the United States; if the Federal Government is to build dams and reservoirs which have their effect not only in one State but in many other States, according to the views of the conference committee, it is only just, proper, and right that the title to the lands should vest in the United States.

Mr. GLASS and Mr. O'MAHONEY addressed the Chair.

Mr. OVERTON. I yield to the Senator from Virginia.

Mr. GLASS. Mr. President, it seems to me the Senator is confusing two propositions which have no relation one to the other. The question of whether the Federal Government or certain State governments are to pay the expenses is not the real question involved. The question is whether the United States Government has one whit of right to condemn land in a State without the consent of the State. I have always understood from the decisions of the various courts that the Federal Government has not a particle of right to condemn a foot of land in a State without the consent of the State.

Mr. OVERTON. Mr. President, if the Congress of the United States has power to enact a flood-control measure and to provide for dams, reservoirs, and other flood-control works, the Congress of the United States has the implied authority to condemn, the authority flowing as an irresistible conclusion from the original grant of authority. If the Federal Government has the right to improve our rivers and harbors, it necessarily has the right to acquire the lands for that purpose. If it has the right to acquire the lands for that purpose, it has the right of condemnation. It has the right of condemnation for sites for post offices. It has the right of condemnation for sites for arsenals. Why does it have that right of condemnation? It is not because the Constitution expressly declares that the Congress shall have the power of eminent domain, but because the Constitution vests in the Congress the right to establish post offices and post roads, and the right to establish arsenals. It follows as an irresistable conclusion from that grant of authority that it has the right of acquisition and the right of condemnation.

I do not think that conclusion can be escaped.

Mr. GLASS. Mr. President, will the Senator yield?

Mr. OVERTON. I yield.

Mr. GLASS. If the Senator will inquire at the Treasury Department, he will find that the Federal Government has no right to acquire a site for a post office unless, by general or special law of the State, it is given the right to do so.

Mr. MILLER. Mr. President, will the Senator yield?

Mr. OVERTON. I yield.

Mr. MILLER. I merely desire to call the attention of the Senator to the Spoenbarger case, which went to the Supreme Court of the United States from the State of Arkansas, in which the question of the condemnation of the flowage rights in the Boeuf floodway basin was involved. The Supreme Court of the United States without a doubt held that the right of condemnation existed in the Government for the condemnation of a right-of-way for flowage; and certainly the right exists, without doing any violence to State rights, on the question of a reservoir right-of-way.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. OVERTON. I yield.

Mr. NORRIS. I should like to ask the Senator two or three questions.

First, the part of the conference report which is criticized by the Senator from Vermont and the Senator from Wyoming is practically the amount which was put into the bill at the time the bill was before the Senate, is it not? It is a Senate amendment.

Mr. OVERTON. The Senator is correct.

Mr. NORRIS. The Senators therefore are in the attitude, it seems to me, of asking the conference committee to reject an amendment which the Senate itself has put into the bill. Is not that statement practically correct?

Mr. OVERTON. That is correct.

Mr. NORRIS. Assuming that flood control is a national proposition—which I think is fair, and which we must assume—if the Congress may not pass a law to condemn land and to build dams at the mouths of reservoirs to control the floods unless the Nation first obtains the consent of the State to do so, how far will the Government get in trying to carry out any system of national flood control?

Mr. OVERTON. An objection on the part of any State would stop the whole thing. Under the theory advanced by the Senator from Wyoming, the objection of any individual property owner could stop the whole thing.

Mr. NORRIS. Exactly.

Let me ask the Senator another question. Is it not true that in the laws passed by Congress with reference to Boulder Dam, Grand Coulee, Bonneville, the Tennessee Valley Authority, and the reservoir known as Roosevelt Reservoir——

Mr. O'MAHONEY. Will the Senator mention also the Colorado River?

Mr. NORRIS. Is it not true that in every case the Government of the United States had the power, of necessity, to purchase land or to condemn land in order to carry out the various projects, and that that power has never been overridden by any court, and no constitutional question has ever been raised regarding it?

Mr. OVERTON. That is my understanding.

Mr. NORRIS. So, if the contention of the Senator from Wyoming is correct, we might just as well give up the idea of trying to control the floods of the United States, because we should have to obtain the consent of everybody who owned a piece of land where Nature had made a reservoir. If the Government desired to improve the land the Government would have no right to condemn it to build a dam and to overflow the land.

Again, whose money is it which is being used to purchase the properties? If someone is damaged, as often happens, he is entitled to full compensation in all such improvements. If the Government spends Federal money to bring about the improvement of flood control, should the Government then be compelled to turn over to the State the property which it purchased and paid for, or to permit the State to hold title to it? If the Government spends its money to make the improvement, should not the Government of the United States control the property which is improved?

Mr. OVERTON. Yes. Let me say to the Senator from Nebraska that if the Government is to take charge of the reservoirs for flood-control purposes, the title should be vested in the Government, in order that it may have full charge.

Mr. NORRIS. Of course. We could not have control or management of the improvement in any other way.

Mr. OVERTON. We cannot have dual authority and dual sovereignty in a great program of this character.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. OVERTON. I shall be glad to yield.

Mr. O'MAHONEY. I think both the Senator from Nebraska and the Senator from Louisiana misunderstand the point I am making. I am not raising any theory. I am asking the Senator from Louisiana a plain question.

Mr. OVERTON. I hope I shall be able to answer it.

Mr. O'MAHONEY. I have pointed out to the Senator that in the act of 1936, a flood-control act, not yet 2 years old, it was provided that there should be no condemnation of any property within a State without the consent of the State. I am now asking the Senator why it is that in the conference report on the bill which is now before us it is proposed to withdraw from the States the protection which was granted less than 2 years ago.

Before the Senator answers, let me say that it is no argument to say—as the senior Senator from Nebraska [Mr. NORRIS] says—that within the past few days the Senate adopted the amendment, because the Senator from Nebraska well knows that within the past few days amendment after amendment, bill after bill, and provision after provision have been adopted without consideration.

Mr. NORRIS. It does not follow that this amendment was adopted without consideration.

Mr. O'MAHONEY. Amendments, bills, and provisions were adopted so rapidly that neither the Senator from Nebraska nor any other Senator was able to follow them.

Mr. NORRIS. The Senator has a right to oppose the conference report for the reason that he is opposed to the amendment. However, I submit as a parliamentary proposition that the time for him to have made his fight was when the amendment was before the Senate for discussion, when it was fully debated on the floor of the Senate.

Mr. O'MAHONEY. Let me say to the Senator from Nebraska that only a Member of this body with the skill, ability, and great experience which he has had would have been able this evening to interpose himself into the hullabaloo which existed in this body in order to obtain the amendment which he did obtain with respect to the shelterbelt.

Mr. NORRIS. The Senator himself voted for it; did he not?

Mr. O'MAHONEY. The Senator himself knows that it was necessary for him to intrude upon the discussion of another amendment before he could obtain consideration of his own amendment, because measures were being pushed through this body with such speed and such lack of consideration that it was necessary to call upon all the great prestige of his own experience.

Mr. NORRIS. The Senator now is calling attention to something which has no more to do with the question before us than the flowers that bloom in the spring. If I did not intrude myself on another amendment, what of it?

Mr. O'MAHONEY. Nothing at all. I glory in the Senator's ability to do it. He was absolutely within his rights.

Mr. NORRIS. Of course. Then why criticize him?

Mr. O'MAHONEY. I do not criticize him.

Mr. NORRIS. Then why find fault with him?

Mr. O'MAHONEY. I do not.

Mr. NORRIS. Then why talk about it?

Mr. O'MAHONEY. Because the Senator talks about it.

Mr. NORRIS. No; the Senator did not. I did not mention it. The Senator himself was offering that as an excuse for my favoring the conference report. That is no excuse. That is no reason. The Senator is too high-minded a man to say that it is any reason.

Mr. O'MAHONEY. Of course it is not.

Mr. NORRIS. As the Senator says, some time ago, we passed an act which conflicts with the provision under

discussion. Suppose we did. The effect of the provision under discussion is to change an act which Congress passed over a year ago. That may be done. There is nothing wrong about that.

Mr. O'MAHONEY. Of course there is nothing wrong about that.

Mr. NORRIS. The next Congress may pass another bill, if there are enough votes to support it, to the effect that the Federal Government shall never build a flood-control dam anywhere unless it obtains the consent of the man who owns the land which it is desired to condemn. If that is done, flood-control will be killed. To a great extent, that is what we did a year ago when we passed the law which we are now in effect repealing.

Mr. O'MAHONEY. Is anything which the Senator from Nebraska has now so eloquently and ably stated an answer to the question I have propounded to the Senator from Louisiana: Why should this protection to the upper States be now withdrawn? Let somebody answer the question, and not talk about irrelevant matters. Will the Senator from Louisiana answer it?

Mr. OVERTON. I have answered it over and over again.

Mr. O'MAHONEY. I have not heard the Senator do so.

Mr. OVERTON. It is not at all a question of the upper States or a question of the lower States.

Mr. O'MAHONEY. Will the Senator tell me why this protection was granted to the Upper Basin States in the act of June 22, 1936?

Mr. OVERTON. I will say to the Senator from Wyoming that there is no part of the bill which treats one part of the United States any differently from any other part of the United States. They are all treated alike. All dams and reservoirs come under the same rule. There is no local contribution at all. The entire cost is to be paid by the Federal Government, and title is to be in the Federal Government.

I yield the floor, Mr. President.

SEVERAL SENATORS. Vote!

Mr. COPELAND. Mr. President, it is well known that in spite of the fact that I was chairman of the conferees, I could not vote for this report, and, with the Senator from Vermont [Mr. GIBSON], filed a minority report.

Mr. President, I am going to raise a point of order against this amendment.

If Senators will notice the bill as it passed both Houses, section 2, with no change whatever, says:

That section 3 of the act of June 22, 1936 (Public, No. 738, 74th Cong.), as heretofore amended and as herein further modified, shall apply to all flood-control projects, except as otherwise specifically provided by law.

This is the meat of the proposal.

Senators will note that the language which I am about to read is the language found in both bills. That is to say, this is the language which came to us from the House, and which we left in the Senate bill:

That States or political subdivisions shall be granted and reimbursed, from flood-control appropriations by the United States sums equivalent to 70 percent of the actual expenditures made by them in acquiring lands, easements, and rights-of-way.

That is the language of both bills. It appears in the House bill, and was approved by the Senate. In spite of that language, the conferees threw it out of the window and rewrote section 2, part of which I have recited; and in this rewriting is contained the offensive language:

That in case of any dam and reservoir project, or channel improvement or channel rectification project for flood control, herein authorized or heretofore authorized by the act of June 22, 1936 (Public, No. 738, 74th Cong.), as amended, and by the act of May 15, 1928 (Public, No. 391, 70th Cong.), as amended by the act of June 15, 1936 (Public, No. 678, 74th Cong.), as amended, title to all lands, easements, and rights-of-way for such projects shall be acquired by the United States or by States, political subdivisions thereof or other responsible local agencies and conveyed to the United States, and provisions (a), (b), and (c) of section 3 of said act of June 22, 1936, shall not apply thereto.

Mr. President, it is very clear that we have a conflict here; that the bill as it passed both Houses contained fundamental language, and that the language which has been added by the conferees is in conflict with the bill, and therefore subject to a point of order, which I now raise.

Mr. WALSH. Mr. President, may I make an inquiry of the Senator from New York?

Mr. COPELAND. I yield.

Mr. WALSH. Is it not a fact that in the flood-control legislation of 1934 and in the flood-control legislation of 1936 it rested with the States to provide, at their own expense, all necessary lands, easements, and rights-of-way? Such action by the States was made a prerequisite for every flood-control project, the construction cost of which was assumed by the Federal Government.

Mr. COPELAND. That is correct.

Mr. WALSH. Is it not a fact that until the New England States, in their flood-control compact providing for acquisition of lands, easements, and rights-of-way for projects on the Merrimack and Connecticut Rivers, and apportioning the cost among the States signatory to the compact was submitted to Congress for approval, the issue now presented, of Federal title and Federal control of the projects and the resulting water power, if any, had never arisen?

Mr. COPELAND. That is true so far as the compacts are concerned.

Mr. WALSH. Has any flood control been delayed, postponed, or neglected by reason of the failure of any of the States to act under the acts of 1934 and 1936?

Mr. COPELAND. I think there has been a delay.

Mr. WALSH. But the delay was on the part of Congress; not on the part of the States.

Mr. COPELAND. That is correct.

Mr. WALSH. Was not the issue raised in the New England compact that some of the dams—I believe 2 out of 22—might possibly be developed for power purposes; and when that issue was raised did not the Federal Power Commission take the position that if any power was to be developed complete title should be given over to the Federal Government, and the States should surrender the lands, easements, and the rights-of-way?

Mr. COPELAND. Yes; and I think the Federal authorities went further than that. They were not willing to begin those improvements until there had been an understanding that the power should be administered by them.

Mr. WALSH. The situation in the New England States, so far as Massachusetts and Connecticut are concerned, is that they are not affected by any issue of power or dams for the creation of power; but the States of Vermont and New Hampshire make the claim that their chief, and perhaps their only asset, is power. They are not agricultural States in the best sense of the word.

They are not manufacturing States. One of their chief assets is power; and they take the position that if power is to be developed on their rivers they ought to have something to say about its disposition. Is that true?

Mr. COPELAND. That is true, and that is the attitude of those States.

Mr. WALSH. I repeat that so far as Massachusetts and Connecticut are concerned, they have no interest in the complaint or claim of Vermont and New Hampshire; but these States joined with New Hampshire and Vermont; agreed with them that they had a right to have their power, and their compact reserved whatever water power might be incident to the dams. When the compact was presented to Congress, the question then was raised that the States must surrender to the Federal Government their rights to the land under the reservoir, to the land under the dam, and to the generation and distribution of power.

Mr. COPELAND. The Senator states the matter exactly as I understand it.

Mr. WALSH. Therefore, so far as Congress is concerned, we are now confronted with the important question whether

States which claim to have a right to develop power of their own—because these States together, independently of the Federal Government, could have long ago built dams and generated power—shall have that right surrendered to the Federal Government without their consent, without their having any power of protest, and that these dams, built and used for the purpose of flood control, shall be owned by the Federal Government and used for the development of power.

Mr. COPELAND. That is true.

Mr. WALSH. If there were no power issue here, we should never have heard of this proposed change in the law.

Mr. COPELAND. Not a word.

Mr. WALSH. Furthermore, is it not true that insofar as these dams in New England are concerned the Army engineers do not believe any power can profitably be developed in any one of the dams, except possibly in two instances? These storage reservoirs are only to hold back the water in the springtime; and it is common knowledge that useful power cannot be generated behind a dam which holds the spring floods. So we are confronted here for the first time with the question, Is the Federal Government to have the power to go into any State and seize by eminent domain any watershed, any waters, any dams, and develop power, without the State having any say whatever in the matter?

Although my State has no direct interest in this question of water-power rights as presented in the projects now in prospect, I confess that I have a great deal of sympathy with the position of the Senators from the States of Vermont and New Hampshire. Water power is one of their important natural resources. It is what God gave them. He did not give them rich, fertile soil. He gave them plenty of mountains and hills and trees and rivers and valleys. I think these States ought to have a right to say something about that power. If they are willing to build dams and surrender their lands and territory for flood control, and for flood control only, they ought to have that right; and they are willing to do it. They did not raise the question of power.

They said to their sister States, "We will help protect you. We will give you dams. We will pay you part of the cost of the easement, a small part"—I think 10 percent was their share—"and you may build these dams and these reservoirs. You may flood our valleys, and stop the waters from pouring down on the cities and the States below us."

Theirs was a commendable position and a fair position; and I regret exceedingly that these States—small as they are, represented here by only four Senators, but we do not know what State will next confront the issue—are now asked to surrender any right, power, control, or say about whether or not power shall be developed on their watersheds, and are forbidden to have anything to say about the use of the power, the cost of the power, the sale of the power, or the profit that may come from the power.

So it seems to me, my fellow Senators, that we are dealing with an issue which goes right to the vitals of State rights. In other proceedings, in other bills dealing with flood control, even if the Federal Government believed it absolutely essential and absolutely necessary to have lands taken and dams built for flood control, it never has proposed doing it without the consent of the States. Such a step has never been proposed until now.

That is the question before the Senate; and it has arisen because of the New England compact, and because of an imaginary idea that a little power could possibly be developed in the many reservoirs that are to be built for flood storage in the springtime of the year.

Mr. LEWIS. Mr. President——

Mr. COPELAND. I yield to the Senator from Illinois.

Mr. LEWIS. I should like the opinion of the able Senator from Massachusetts, carrying further the presentation he has just made. If it be true that the power of the States could not be taken from them by an arrangement of the Federal Government through an act of Congress, does the Senator think there is any power in the Federal Government to take the same power of the States by a treaty between this country and a foreign country, upon the theory of the preservation of power?

Mr. WALSH. I have my doubts about it. I know what the Senator has in mind—the Canadian border.

Mr. LEWIS. I have the St. Lawrence waterway in my mind, and I am expressing it.

Mr. WALSH. I agree with the Senator. I admit that the Federal Government might propose here legislation such as this, and proceed to adopt a policy of ownership and control of all dikes, levees, dams, and waterways independently of the States under some power it possesses; but it ought not to be done without the States being heard, without their Governors and attorney generals and representatives being here. It ought not to be done in the closing days of a Congress by an amendment revolutionizing the policy which has been pursued since the beginning of the Government in dealing with the problem of flood control.

That is the trouble with this proposal; no one has been heard. The amendment went through the Senate. I doubt whether the Senators from Vermont and New Hampshire knew it was to be offered One of them is home sick, and was not able to be present, but the amendment is here, and it proposes to do what was never done by the Federal Government before; it proposes to have the strong arm of the Federal Government reach out and seize property, seize water, and seize water-power rights, which were given to those States by the Creator of the universe, and which they have themselves developed, for there are now dams on the Connecticut River in New Hampshire and Vermont which they have by legislative act authorized to be built for power purposes.

Mr. LEWIS. Mr. President, will the Senator yield?

Mr. WALSH. I yield.

Mr. LEWIS. If it be wrong to do acts such as the Senator describes in the closing days of the session, is it not equally wrong, if wrong it is, to do them in the beginning, at the opening of the session, or at any other time?

Mr. WALSH. I agree that it is not right to do them at all, but least of all under these circumstances, in the closing hours of the session. We have done it already; we have announced that the Federal Government intends to go into the power business, and to develop power projects. We knew it. We discussed it, and we sanctioned it in specific instances. But that was not so in the present case. It is not specified in the bill where they are to be constructed. It is to be everywhere, in every State, on every stream, wherever there is water power which may be taken from these communities and these localities. I agree with the Senator from Illinois, it is questionable if not downwright wrong for the Federal Government to do it, at least without a hearing, without the States having an opportunity to be heard.

The first intimation that the people of New Hampshire or of Vermont will have is when they read the newspapers tomorrow morning that this has happened to them by the adoption of this conference report. They have had no hearing; they do not know what it means; they do not know this power is being given or that there is to be a surrender of valuable assets which belong to the States themselves.

I do not know what is to prevent the Federal Government from proceeding under this act and taking a stream that is within the confines of one State alone and building a dam and developing water power. I ask the Senator from New York whether it is not possible, under the name of flood control, to do that.

Mr. COPELAND. I have not any doubt about it. May I reply to the Senator from Illinois? He raised the question about the St. Lawrence River.

Mr. LEWIS. I did. I referred to the St. Lawrence Waterway Treaty, and stated that if it is wrong for these things to be done in the States by the Federal Government, it is all the more wrong for the Federal Government to attempt to do them by treaty with some foreign country.

Mr. WALSH. One of the regrettable features of the whole matter is that the attempt is made to do this by an

indirect bribe, by saying to the States, "We release you of the obligation under the present law to pay the cost of these easements and rights-of-way and lands." It seeks to do it by offering them the promise that the Federal Government will pay 100 percent if they give up their lands and their territory.

Mr. President, I have said all I care to say. I thank the Senator from New York for yielding to me.

Mr. NEELY. Mr. President, a point of order.

The PRESIDENT pro tempore. The Senator will state it.

Mr. NEELY. Rule XX gives the Presiding Officer power to decide all points of order without debate.

The PRESIDENT pro tempore. There is one exception to that, where the Chair submits a question to the Senate. The Chair has had no opportunity so far to rule on the point of order.

Mr. BARKLEY. I understood that under the rule the Chair might, if he desired, permit debate on a point of order. While he may decide it without debate, he may also in his discretion listen to argument. Am I correct?

The PRESIDENT pro tempore. The Chair has been listening.

Mr. BARKLEY. Mr. President, I wish very briefly to address myself to the point of order.

As the bill passed the House it provided for reimbursement up to 70 percent by the Federal Government of the cost of lands, easements, and rights-of-way. When the Senate had the bill under consideration it adopted an amendment practically in the language of the conference report.

On page 4 of the bill as it passed the Senate—the Chair has undoubtedly read the provision—almost in the language of the conference report, the Federal Government was authorized, notwithstanding the language on page 2, to reimburse States and other political subdivisions up to 100 percent of the cost of lands, easements, and rights-of-way. That provision nullified the provision on page 2, and this was just as much a part of the bill as it left the Senate and went to the conference committee as if it had been written into the language of the bill by the House itself.

So, when the conferees met to determine their jurisdiction they had the whole bill before them, and in an effort to harmonize the provisions of the bill they eliminated the language on page 2, which provided for the 70-percent reimbursement, because that language had been nullified by the language on page 4, which provided for a 100-percent reimbursement to the States or local subdivisions for the very things mentioned on page 2.

Obviously, it was the duty of the conferees not to bring in a contradictory bill, and the language on page 2 providing for 70-percent reimbursement was just as effectively nullified by the language on page 4 as if that language had been stricken out. So, when the conferees came to consider the matter they had to try to harmonize the provisions of the bill as passed by the House and Senate, and in that effort to harmonize the bill they have adopted the amendment which the Senate adopted, which literally nullified the provisions of the bill on page 2.

The conferees therefore have not exceeded their authority. They have brought in a bill justified by the amendment on the part of the Senate, which, for the first time in any flood-control legislation, provided 100-percent reimbursement to the States and other political subdivisions, in lieu of the 70-percent reimbursement provided for on page 2.

For these reasons I contend that the point of order is not well taken.

The PRESIDENT pro tempore. The language against which the point of order is made reads as follows in the original bill:

> That States or political subdivisions shall be granted and reimbursed from flood-control appropriations by the United States sums equivalent to 70 percent of the actual expenditures made by them in acquiring lands, easements, and rights-of-way for any dam and reservoir.

Then there was an amendment to add "dam, reservoir, or channel improvement."

All except the last line was in the bill as it came to the Senate, and is still in the bill, and was in the bill when it went to the House.

If there had been no amendment by the Senate which would have justified changing the effect of that language, the point of order would be well taken, without a doubt. However, amendment No. 6, adopted by the Senate, reads in part as follows:

> Notwithstanding any restrictions, limitations, or requirement of prior consent provided by any other act, the Secretary of War is hereby authorized and directed to acquire in the name of the United States title to all lands, easements, and rights-of-way necessary for any dam and reservoir project or channel improvement or channel rectification project for flood control, with funds heretofore or hereafter appropriated or made available for such projects, and States, political subdivisions thereof, or other responsible local agencies, shall be granted and reimbursed, from such funds, sums equivalent to actual expenditures deemed reasonable by the Secretary of War and the Chief of Engineers and made by them in acquiring lands, easements, and rights-of-way for any dam and reservoir project, or any channel improvement or channel rectification project for flood control heretofore or herein authorized: *Provided*, That no reimbursement shall be made for any indirect or speculative damages: *Provided further*, That lands, easements, and rights-of-way shall include lands on which dams, reservoirs, channel improvements, and channel rectifications are located; lands or flowage rights in reservoirs and highway, railway, and utility relocation.

That amendment was adopted by the Senate and went to conference. It is in conflict with the language in section 2, which reads:

> That States or political subdivisions shall be granted and reimbursed, from flood-control appropriations by the United States, sums equivalent to 70 percent of the actual expenditures made by them in acquiring lands.

It is in conflict with it in two particulars. It is in conflict with it because it gives or grants to the States or counties or other subdivisions 100 percent of what they shall have paid for the land. It is in conflict with it again because it takes over the title, under the Senate amendment, while apparently the title stays in the State under the language I have read that was in the body of the bill, and undistributed.

The conferees in their report stated that amendment No. 6 provided that States of the United States should pay the entire cost of dams and reservoirs. It was necessary, therefore, to rewrite section 2, and as rewritten and as agreed to in conference section 2 provides that as to dams, reservoirs, and channel improvements and channel rectification the United States shall pay the entire cost and that the title shall be in the United States.

The language as agreed to is substantially the language of amendment No. 6 proposed by the Senate and known as the Barkley amendment, which provides for channel improvements and channel rectification, as well as dam and reservoirs, to be constructed at Federal cost.

There is no doubt that it is the rule that the language which has been agreed upon by both bodies cannot be changed by conferees, and that if changed it is subject to a point of order, and that if the point of order is sustained the entire conference report falls.

There has been an exception to that in rulings where there has been a substitution of one entire bill after the enacting clause for another. That is not the case here. Here the House bill was before the Senate and was amended in specific particulars, and not by the substitution of the Senate bill. Therefore, that question is not involved.

The question is, was the language "that States or political subdivisions shall be granted and reimbursed, from flood-control appropriations by the United States, sums equivalent to 70 percent of the actual expenditures made by them in acquiring lands, easements, and rights-of-way" unchanged by the Senate? If it was unchanged by the Senate, then the amendment to which objection is made would be subject to a point of order.

It appears to the present occupant of the chair that the amendment adopted, known as amendment No. 6, on page 4, which the Chair has read, sets up an entirely different measure, and is in absolute conflict with the language in the bill as it came from the House and as it now appears.

It would have avoided the ambiguity if the language which the Chair has read had been stricken out, because it is in conflict with what the House and the Senate adopted.

However, there was in conference a provision adopted by the Senate, which was in conflict with the provision as it came from the House, in conflict even though the language with which it was in conflict was not stricken out, as good parliamentary practice would probably have suggested.

The Chair is of the opinion that that part of section 2 was in conflict with amendment No. 6 adopted by the Senate, and that, therefore, the conferees had a right to rewrite section 2, as it appeared in the House bill, and amendment No. 6 adopted in the Senate, within the scope of those two provisions, so as to accomplish the adjustment between the House and the Senate.

The point of order is overruled.

Mr. GIBSON. Mr. President, it is not my purpose to discuss at length the conference report. My colleague [Mr. AUSTIN] has so ably and so well covered the ground that it is not necessary for me to add to what he has said.

However, I wish to present telegrams from the Governors of three States, with reference to the bill, and also another telegram, and ask that they be read from the desk by the clerk.

The PRESIDENT pro tempore. Without objection, the telegrams will be read.

The legislative clerk read as follows:

MONTPELIER, VT., *June 10, 1938.*

Senator ERNEST W. GIBSON,
Washington, D. C.:

Adoption of Senate proposals of amendments to flood-control bills giving Federal Government complete jurisdiction over and ownership of all dams constructed without regard for the States concerned would be the necessary opening wedge toward Federal ownership of all resources, including land, in all States. Vermont people are not yet ready to concede that Federal Government is best able to utilize our resources. Unwarranted and unnecessary seizure of these resources under the guise of flood control would do little to restore any degree of confidence in Federal policies. I strongly urge the rejection of these proposed amendments.

GEORGE D. AIKEN, *Governor.*

OLYMPIA, WASH., *June 11, 1938.*

Hon. ROYAL S. COPELAND,
Senate Office Building:

We understand Senate amendments to flood-control bill would give Federal Government title to water resources of States without their consent. This State in common with most other Western States has water code providing supervision and control of waters supported by Constitution, and many years' court interpretation. Peculiarly adapted to our needs, upon which much wealth has been built, this would result in loss to the State of essential revenues and cause serious complications in administration of existing and future water rights. Other States, including New York, are seeking solution of their water problems through interstate compacts. We are disturbed by constant encroachment of Federal authority in control of land, water, and other resources, and strongly urge defeat of these amendments.

CLARENCE D. MARTIN,
Governor of Washington.

RALEIGH, N. C., *June 11, 1938.*

Senator R. S. COPELAND,
Washington, D. C.:

North Carolina is definitely opposed to the adoption of such Senate amendments to the flood-control bill as would tend to give Federal Government title to the water resources of the States without their consent. I do not believe that these amendments which have this effect should be adopted by the conference committee.

CLYDE R. HOEY,
Governor of North Carolina.

JOHNSTOWN, PA., *June 13, 1938.*

Deliver at conference at 10 a. m., Washington, D. C.

Senators COPELAND, CARAWAY, JOHNSON, GIBSON, and SHEPPARD, and Congressmen WHITTINGTON, SECREST, WALLGREN, ENGLEBRIGHT and CARLSON of Conference Committee on Flood Control:

Barkley amendment eliminating local participation in cost of reservoirs should be rejected. House action reducing percentage of local contribution provides relief necessary; local contribution is another means of purchasing flood insurance. Local communities having economically sound project will not hesitate making contribution. With local contributions eliminated, sound economic flood-control project will be jeopardized by pork-barrel technique.

LAWRENCE W. CAMPBELL,
Director, United States Flood-Control Federation.

Mr. O'MAHONEY. Mr. President, I doubt whether during this session a more important question has been presented to this body than is presented by this conference report. Let us examine exactly what is presented to us. Section 2 of the bill, as revised by the conferees, contains this sentence:

> Notwithstanding any restrictions, limitations, or requirement of prior consent provided by any other act, the Secretary of War is hereby authorized and directed to acquire in the name of the United States title to all lands, easements, and rights-of-way necessary for any dam and reservoir project or channel improvement or channel rectification project for flood control, with funds heretofore or hereafter appropriated or made available for such projects.

That language clearly withdraws from the consideration of the Congress and of the courts any protection that was previously granted to the States against the acquirement of lands within the boundaries of those States.

The act of June 22, 1936, as I said earlier in the evening, not yet 2 years old—and let me say that this act was an act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes—contained this provision as a part of section 3:

> *And provided further*, That when benefits of any project or useful part thereof accrue to lands and property outside of the State in which said project or part thereof is located—

Observe that language—whenever the benefits accrue to lands outside the State—

> in which said project or part thereof is located, the Secretary of War, with the consent of the State wherein the same are located, may acquire the necessary land.

The conferees now ask us to withdraw that requirement of consent by the States. Mr. President, this is the Senate of the United States.

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. OVERTON. The provision of which the Senator from Wyoming complains is an amendment adopted by the Senate.

Mr. O'MAHONEY. Very true.

Mr. OVERTON. It is not a new provision inserted in the bill by the conferees.

Mr. O'MAHONEY. Not at all. I am not arguing the point of order, but I am calling the attention of the Senate to the fact that measures have been rushed through here in the last concluding hours of this session without consideration.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. BARKLEY. If the Senator from Wyoming can devise some plan by which we can abolish the closing days of a session, he might receive some cooperation.

Mr. O'MAHONEY. I have no desire to abolish the closing days of the session, but I have a desire to preserve the States.

Mr. BARKLEY. The Senator has sponsored some very excellent legislation here that has passed during the last 2 or 3 days. The Senator will not contend that his own legislation was passed without consideration.

Mr. O'MAHONEY. I certainly will not so contend, because every bit of legislation that I have proposed was considered in committee. The pending legislation was not.

Mr. BARKLEY. It was considered by the Senate of the United States and argued at length when the bill was up last week.

Mr. O'MAHONEY. It was argued while Senators were rushing hither and yon, paying no attention to what was going on.

Mr. BARKLEY. I do not know how much they were rushing hither and thither. There is no law which requires them to rush hither and thither, and there is no law which would prevent them from rushing hither and thither.

Mr. O'MAHONEY. The Senator would divert me from the discussion of the merits of the proposition.

Mr. BARKLEY. The Senator is talking about the closing days of the congressional session. We have to do some work in the closing days of the session.

Mr. O'MAHONEY. Yes; but we are not going to pass the bill without some consideration.

Mr. BARKLEY. I am not attempting to have the bill passed without some consideration.

Mr. O'MAHONEY. Then do not interrupt.

Mr. BARKLEY. Well, the Senator yielded.

Mr. O'MAHONEY. Of course, I yielded because the Senator asked me to.

Mr. BARKLEY. Does the Senator mean that it destroys consideration for me to interrupt him?

Mr. O'MAHONEY. Not at all. But when the Senator interrupts with irrelevant comment, such as he has made, of course, it adds nothing to the illumination of the problem before the Senate.

Mr. BARKLEY. If the Senator will divest himself of irrelevant argument, I will not interrupt for irrelevant interrogatories.

Mr. O'MAHONEY. I shall divest myself of irrelevant argument, and when I make an irrelevant argument I hope the Senator will interrupt me.

Mr. BARKLEY. Well, that is what I did. [Laughter.]

Mr. O'MAHONEY. What was the irrelevant argument?

Mr. BARKLEY. That we were doing this in the closing days of the session.

Mr. O'MAHONEY. Well, are we not?

Mr. BARKLEY. Yes.

Mr. O'MAHONEY. Very well, then.

Mr. BARKLEY. So what? [Laughter.]

Mr. O'MAHONEY. I have answered the Senator, have I not?

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I will be glad to yield to my very distinguished and learned friend, the Senator from Louisiana.

Mr. OVERTON. I wish to say that there is no one whose commendation I more greatly appreciate than that of the very learned, brilliant, and distinguished Senator from the State of Wyoming. I simply wish to ask him a question. Was he here in the Senate Chamber attending his duties at the time the flood-control bill was being considered by the Senate?

Mr. O'MAHONEY. Mr. President, I was rushing hither and thither on the bankruptcy bill.

Mr. OVERTON. Did the Senator know of this amendment which was proposed?

Mr. O'MAHONEY. I did not.

Mr. OVERTON. It was debated on the floor of the Senate for some length of time, according to my recollection, and in fact during the entire consideration of the bill.

Mr. O'MAHONEY. The Senator just strengthens the argument I have just made, that this is one of the measures which is being presented in the hurly-burly of the closing days, when Senators do not have the opportunity to give consideration to them. This is an amendment which was brought in without the action of any committee of the Senate.

Mr. BANKHEAD. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield to the Senator from Alabama.

Mr. BANKHEAD. Mr. President, I have observed on previous occasions toward the close of the session a disposition on the part of some Senators who desire to instruct certain other Senators with respect to pending issues, and I have observed on other occasions in the Senate closing hours, when Senators who desired to give the Senate information on a subject, were charged with filibustering. In a very friendly spirit, I do not know whether this is a filibuster or not. It may be. I, myself, have no objection, under proper circumstances, to being engaged in filibustering. I may be with the Senator on his proposal.

Mr. O'MAHONEY. I think the Senator will be with me.

Mr. BANKHEAD. It is now nearly 12 o'clock. I should like to ask the Senator in a friendly spirit if it would be safe for me to go home and come back at 7 o'clock in the morning?

Mr. O'MAHONEY. I cannot answer the Senator's question, because I have no desire to filibuster on this issue. However, I have a desire to have the issue very clearly explained to this body.

Mr. BANKHEAD. The Senator thought other Senators were filibustering when they engaged in extensive arguments on a previous occasion.

Mr. O'MAHONEY. I made no such statement.

Mr. BANKHEAD. As I say, I may be with the Senator on this question, but I want to understand what "extensive debate" means. I do not know whether or not it necessarily means a filibuster.

Mr. O'MAHONEY. Let us get down to cases. The Senator just said that I said that other Senators were filibustering. What is the authority of the Senator for that statement?

Mr. BANKHEAD. I do not think I said that the Senator said so. I said the Senator thought so.

Mr. O'MAHONEY. If the Senator can read my mind before I express it, he is better than I am.

Mr. BANKHEAD. Whether the Senator thought so or not, other Senators charged that a southern Senator was filibustering on a famous occasion earlier in the session.

Mr. O'MAHONEY. Mr. President, I am not filibustering.

Mr. BANKHEAD. I have no objection, and I am not indulging in criticism of the Senator if he is in a filibuster.

Mr. O'MAHONEY. I am not in a filibuster.

Mr. BANKHEAD. I welcome the Senator to the group of filibusterers, under proper circumstances. Do not misunderstand. The only thing I want the Senator to tell me—just as a filibusterer [laughter] because I am his friend and he is mine—is how long I may sleep and when I must return in the morning to vote on the question before us.

Mr. O'MAHONEY. Mr. President, the Senator from Alabama is an expert upon filibustering.

Mr. BANKHEAD. I appreciate the compliment.

Mr. O'MAHONEY. I cannot lay claim to being an expert.

Mr. BANKHEAD. When sectional and racial questions are involved, I appreciate the compliment.

Mr. O'MAHONEY. If I understand the temper of the Senate, I rather imagine that the Senator may very well retire. If I understand the temper of the Senate the bill probably will not be voted upon tonight.

Mr. BANKHEAD. I desire to vote. I may vote with the Senator.

Mr. O'MAHONEY. I rather imagine the Senator will.

Mr. BANKHEAD. But I do not wish to stay in the Chamber all night. If the Senator will give me the grip and password of a fellow filibusterer, I should like to go home and go to bed, and return in the morning. I think a great many others here who understand what a filibuster means would like to follow that course, if the Senator will be generous, kind, and frank with his friends, and let us know when to return tomorrow morning.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. BARKLEY. What is the grip and password of a filibusterer? [Laughter.]

Mr. BANKHEAD. I would not give it to the Senator from Kentucky. He might try to use it to our disadvantage. [Laughter.]

Mr. BARKLEY. No; I would not. I understand the Senator is speaking as one filibusterer to another.

Mr. BANKHEAD. Yes.

Mr. BARKLEY. I desire to know the grip and password.

Mr. BANKHEAD. I think the Senator from Kentucky does not understand the term.

Mr. BURKE. Mr. President, will the Senator from Wyoming yield?

The PRESIDING OFFICER. Does the Senator from Wyoming yield to the Senator from Nebraska?

Mr. O'MAHONEY. If the Senator is not participating in the filibuster of the Senator from Alabama and the Senator from Kentucky, I shall be very glad to yield. [Laughter.]

Mr. BANKHEAD. I think I am trying to help the Senator. I sympathize with him.

Mr. BURKE. Mr. President, I am not familiar with the password or the grip. If the Senator will yield to me, I may give some encouragement to the Senator from Alabama as

to the night's sleep about which he is worrying. Before the bill is voted upon, it is my present intention to discuss for an hour or so the matter of States' rights, which is directly involved.

Mr. BANKHEAD. If the Senator intends to do so, I shall not sleep a wink. I shall stay here and hear him.

Mr. O'MAHONEY. Mr. President, it is evident that the junior Senator from Nebraska [Mr. BURKE] exercises a greater spell over the Senator from Alabama than I do. [Laughter.]

If I may resume——

Mr. ADAMS. Mr. President, will the Senator yield for an inquiry?

Mr. O'MAHONEY. I shall be very glad to yield to the Senator from Colorado.

Mr. ADAMS. As the Senator knows, we have two bills pending. It so happens that the same group of Senators are, or will be, conferees on both bills.

The conference report on the relief bill is in complete agreement except as to two items. I am wondering if it would be possible for us to agree upon the conference report tonight and to complete our conference in the morning as to the other two items. If my friend from Alabama is correct, that procedure would not in any way take the pending bill out of the road, but would enable the conferees to take care of one bill while the other is pending.

Mr. O'MAHONEY. Mr. President, let me say to my very good friend and associate from the Rocky Mountains that I am always glad to yield to him or to accommodate him in any possible way. However, the very best manner in which the object he seeks to accomplish may be accomplished would be for the conferees to take the report back to conference and to restore the provision requiring the consent of the States.

Mr. BARKLEY. Mr. President——

Mr. O'MAHONEY. I yield to the Senator from Kentucky.

Mr. BARKLEY. The conferees referred to by the Senator from Colorado are not the conferees on the bill now before the Senate.

Mr. O'MAHONEY. I know that. I am referring to the conferees on the bill now before the Senate.

Mr. BARKLEY. So there is no conflict between the conferees on the relief bill and the conferees on the flood-control bill.

Mr. BYRNES. Mr. President, will the Senator from Wyoming yield to me?

Mr. O'MAHONEY. I shall be glad to yield.

Mr. BYRNES. I should like to submit a request to the Senator from Wyoming. Will the Senator yield solely for the purpose of submitting a unanimous-consent request that the Senator from Colorado be permitted to move that the Senate insist upon its amendments to the work relief joint resolution, ask for a further conference with the House, and that the same conferees be continued, so that in the morning the conferees upon that measure may go to work upon the amendments which are in dispute? The Senator will not lose the floor.

Mr. President, with the consent of the Senator from Wyoming, I ask unanimous consent that the Senator from Colorado be permitted to ask for the continuation of the conference, with the understanding that the Senator from Wyoming will not lose the floor.

Mr. O'MAHONEY. Mr. President, let not the Senator take advantage of the fact that I yielded to him to state the proposal himself. I know he does not desire to do so.

Mr. BYRNES. No; I would not.

Mr. O'MAHONEY. I am very willing to yield to the Senator from Colorado in order that he may present a unanimous-consent request for the purpose of taking the work-relief joint resolution to conference, and for no other purpose.

Mr. BYRNES. That is all; and the Senator from Wyoming shall not lose the floor.

Mr. O'MAHONEY. That is correct.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

APPROPRIATIONS FOR RELIEF AND WORK RELIEF—CONFERENCE REPORT

Mr. ADAMS. Mr. President, I understand that the Senator from Wyoming has yielded for one purpose only. I therefore submit the conference report on House Joint Resolution 679, the work-relief measure, and ask that the conference report be agreed to; and, in view of the fact that there are four amendments not yet agreed upon, that the conferees be continued and authorized to continue the conference as to those four amendments.

Mr. McGILL. Mr. President, will the Senator yield?

Mr. ADAMS. Certainly.

Mr. McGILL. What was done with reference to the appropriation of $212,000,000?

Mr. ADAMS. That is one of the items in disagreement.

Mr. McGILL. That item is not affected?

Mr. ADAMS. That is the principal item which requires a further conference, and a very complicated conference.

Mr. McGILL. And that item will not be affected by the adoption of the conference report?

Mr. ADAMS. No; the conference report does not touch that item.

Mr. PEPPER. Mr. President, will the Senator from Colorado yield?

Mr. ADAMS. I yield.

Mr. PEPPER. Is it outside the scope of the conference committee, when it meets tomorrow, to consider the $50,000,000 appropriation to the Federal Surplus Commodities Corporation, or is that matter foreclosed by the report?

Mr. ADAMS. That matter is foreclosed by the conference report, if the report shall be agreed to, because the conferees agreed on the matter.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Colorado? If not, the report may be submitted.

Mr. ADAMS submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H. J. Res. 679) making appropriations for work relief, relief, and otherwise to increase employment by providing loans and grants for public works projects having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 16, 18, 38, 39, 42, 46, 64, 65, 69, and 70.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, 7, 9, 10, 11, 13, 14, 15, 17, 19, 20, 21, 22, 23, 27, 28, 29, 33, 34, 36, 41, 44, 47, 48, 49, 51, 52, 53, 56, 57, 58, 59, 60, 61, 62, 63, 66, 67, 68, and 73, and agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following: "lime and marl in Wisconsin"; and the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following: ": *Provided further*, That notwithstanding any other provision of this Title, or of the Anti-Deficiency Act, the Works Progress Administrator is authorized, from time to time, out of funds appropriated in this subsection, to use such amount or amounts not to exceed in the aggregate $25,000,000, as may be determined by the President to be necessary, for the purpose of providing direct relief for needy persons; such amounts may be used in the discretion and under the direction of the President and through such agency or agencies as he may designate"; and the Senate agree to the same.

Amendment numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment, as follows: In lieu of the sum named in the matter inserted by such amendment, insert "$3,000,000"; and the Senate agree to the same.

Amendment numbered 25: That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$1,712,905,000"; and the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment, as follows: Restore the

matter stricken out by said amendment, amended to read as follows:

"SEC. 2. The funds appropriated in this title to the Works Progress Administration shall be so apportioned and distributed over the period ending February 28, 1939, and shall be so administered during such period as to constitute the total amount that will be furnished to such Administration during such period for relief purposes, except that upon the happening of some extraordinary emergency or unusual circumstance, which could not be anticipated at the time of making such apportionment, the same may be waived or modified by the President who shall fully set forth the reasons therefor at the time of any such action and communicate the same to Congress in connection with an estimate for additional appropriations to carry out the purposes of this title, but any such waiver or modification shall not have the effect of reducing the total period of apportionment of such funds as provided herein by more than one month; and the funds appropriated in this title to the Secretary of Agriculture, to the Works Progress Administration for the National Youth Administration, and to the other agencies, shall be so apportioned and distributed over the twelve months of the fiscal year ending June 30, 1939, and shall be so administered during such fiscal year as to constitute the total amounts that will be furnished to the Secretary of Agriculture, to the Works Progress Administration for the National Youth Administration, and to the other agencies during such fiscal year for the purposes of this title."

And the Senate agree to the same.

Amendment numbered 30: That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment, as follows: In lieu of the matter inserted by such amendment insert: ": *Provided*, That if minimum rates of pay for persons employed by private employers in any occupation are established by or pursuant to the authority conferred by any Labor Standards Act enacted at the third session of the Seventy-fifth Congress, not less than the minimum rates of pay so established shall be paid to persons in similar occupations in the same locality employed on projects under the appropriation in subsection one of Section one of this title"; and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following: ": *Provided further*, That every relief worker employed on any Federal or non-Federal Works Progress Administration project shall be required, as a condition to his continued employment, to file quarterly a statement as to the amount of his earnings, if any, from outside employment while he was assigned to such a project, and the statements so filed shall be taken into consideration in assigning such workers to employment on such projects and in continuing them in such employment"; and the Senate agree to the same.

Amendment numbered 32: That the House recede from its disagreement to the amendment of the Senate numbered 32, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following: "need and who need employment to supplement their farm income"; and the Senate agree to the same.

Amendment numbered 35: That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following: "That effective July 1, 1938, the monthly compensation in any individual case heretofore or hereafter coming within the purview of such act of February 15, 1934, shall not exceed the rate of $50, and the aggregate payments shall not exceed $4,000, exclusive of medical costs: *Provided further,*"; and the Senate agree to the same.

Amendment numbered 37: That the House recede from its disagreement to the amendment of the Senate numbered 37, and agree to the same with an amendment, as follows: In line 6 of the matter inserted by said amendment strike out the words "operated by such Administration" and insert in lieu thereof the words "financed from such funds"; and in line 8 of the matter inserted by said amendment after the word "employed" insert the following: "after June 30, 1938, and"; and in line 10 strike out the sum "$50,000,000" and insert in lieu thereof the sum "$25,000,000"; and the Senate agree to the same.

Amendment numbered 40: That the House recede from its disagreement to the amendment of the Senate numbered 40, and agree to the same with an amendment, as follows: In lieu of the number proposed insert "24"; and the Senate agree to the same.

Amendment numbered 43: That the House recede from its disagreement to the amendment of the Senate numbered 43, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following: "June 30, 1940: *Provided*, That this limitation upon time shall not apply to any project enjoined in any Federal or State court"; and the Senate agree to the same.

Amendment numbered 45: That the House recede from its disagreement to the amendment of the Senate numbered 45, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following: "(including projects for making surveys and maps, not exceeding $2,500,000) in continental"; and the Senate agree to the same.

Amendment numbered 50: That the House recede from its disagreement to the amendment of the Senate numbered 50, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment amended to read as follows: ": *Provided*, That not to exceed $15,000,000 of such allotments shall be made for military or naval purposes except for the housing or hospitalization of personnel or for storage of material, supplies, and equipment at existing establishments"; and the Senate agree to the same.

Amendment numbered 54: That the House recede from its disagreement to the amendment of the Senate numbered 54, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$15,000,000"; and the Senate agree to the same.

Amendment numbered 55: That the House recede from its disagreement to the amendment of the Senate numbered 55, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment amended to read as follows: "June 30, 1940, for the completion (except liquidation) of the activities of such Administration"; and the Senate agree to the same.

Amendment numbered 71: That the House recede from its disagreement to the amendment of the Senate numbered 71, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following:

"In making loans pursuant to this title and pursuant to the Rural Electrification Act of 1936, the Administrator of the Rural Electrification Administration shall require that, to the extent practicable and the cost of which is not unreasonable, the borrower agree to use in connection with the expenditure of such funds only such unmanufactured articles, materials, and supplies, as have been mined or produced in the United States, and only such manufactured articles, materials, and supplies as have been manufactured in the United States substantially all from articles, materials, or supplies mined, produced, or manufactured, as the case may be, in the United States."

And the Senate agree to the same.

Amendment numbered 77: That the House recede from its disagreement to the amendment of the Senate numbered 77, and agree to the same with an amendment, as follows: In lieu of the matter inserted by such amendment, insert the following:

"TITLE VI—UNITED STATES HOUSING AUTHORITY

"SEC. 601. Section 10 of the United States Housing Act of 1937 (referred to in this title as the 'act') is amended by amending subsection '(e)' and adding a new subsection '(f)' as follows:

"'(e) The Authority is authorized, on and after the date of the enactment of this act, to enter into contracts which provide for annual contributions aggregating not more than $28,000,000 per annum. Without further authorizations from Congress, no new contracts for annual contributions beyond those herein authorized shall be entered into by the Authority. The faith of the United States is solemnly pledges to the payment of all annual contributions contracted for pursuant to this section, and there is hereby authorized to be appropriated in each fiscal year, out of any money in the Treasury not otherwise appropriated, the amounts necessary to provide for such payments.'

"'(f) Payments under annual contributions contracts shall be pledged as security for any loans obtained by a public-housing agency to assist the development of the housing project to which the annual contributions relate: *Provided*, That annual contributions shall be used first to apply toward the payment of interest or principal as same mature on any loan due to the Authority from the public-housing agency. The term "any loan due to the Authority" as used in this section shall mean any loan made by the Authority (including any bonds or other evidences of such loan which are resold by the Authority) to assist the development of the project to which the annual contributions relate.'

"SEC. 602. Section 20 (a) of the act is amended to read as follows:

"'SEC. 20. (a) The Authority is authorized to issue obligations in the form of notes, bonds, or otherwise, which it may sell to obtain funds for the purposes of this act. The Authority may issue such obligations in an amount not to exceed $800,000,000. Such obligations shall be in such forms and denominations, mature within such periods not exceeding sixty years from date of issue, bear such rates of interest not exceeding 4 per centum per annum, be subject to such terms and conditions, and be issued in such manner and sold at such prices as may be prescribed by the Authority with the approval of the Secretary of the Treasury.'

"SEC. 603. This title may be cited as the 'United States Housing Act Amendments of 1938'."

And the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 72, 74, 75, and 76.

ALVA B. ADAMS,
KENNETH MCKELLAR,
CARL HAYDEN,
JAMES F. BYRNES,
Managers on the part of the Senate.

C. A. WOODRUM,
JOHN J. BOYLAN,
CLARENCE CANNON,
LOUIS LUDLOW,
J. BUELL SNYDER,
Managers on the part of the House.

The report was agreed to.

The PRESIDENT pro tempore laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House Joint Resolution 679, which was read, as follows:

IN THE HOUSE OF REPRESENTATIVES,
June 14, 1938.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 72 to the joint resolution (H. J. Res. 679) making appropriations for work relief, relief, and otherwise to increase employment by providing loans and grants for public-works projects, and concur therein with an amendment as follows:

In line 5 of the matter inserted by said Senate engrossed amendment, after "1939", insert "including printing and binding"; and in line 7, strike out "$1,000,000" and insert "$500,000."

That the House recede from its disagreement to the amendment of the Senate numbered 74 to said joint resolution and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment insert:

"TITLE V—PRICE ADJUSTMENT ACT OF 1938

"SEC. 501. There is hereby appropriated out of any money in the Treasury not otherwise appropriated, to be available until expended, the sum of $212,000,000 to enable the Secretary of Agriculture to make parity payments to producers of wheat, cotton, corn (in the commercial corn-producing area), rice, and tobacco, pursuant to the provisions of section 303 of the Agricultural Adjustment Act of 1938: *Provided, however*, That, notwithstanding the provisions of said section, one-half of this sum shall be apportioned among such commodities in accordance with the provisions of said section 303 of the Agricultural Adjustment Act of 1938 and one-half shall be apportioned among such commodities in the same proportion that funds available for sections 7 to 17, inclusive, of the Soil Conservation and Domestic Allotment Act would be allocated to such commodities in connection with the 1939 agricultural conservation program on the basis of the standards set forth in section 104 of the Agricultural Adjustment Act of 1938: *Provided further*, That such payments with respect to any such commodity shall be made upon the normal yield of the farm acreage allotment established for the commodity under the 1939 agricultural conservation program, and shall be made with respect to a farm only in the event that the acreage planted to the commodity for harvest on the farm in 1939 is not in excess of the farm acreage allotment established for the commodity under said program: *And provided further*, That the rate of payment with respect to any commodity shall not exceed the amount by which the average farm price of the commodity is less than 75 percent of the parity price.

"In apportioning the funds among commodities, parity income for each commodity shall be considered a normal year's domestic consumption and exports (in the case of corn, that part of a normal year's domestic consumption and exports determined on the basis of the proportion that corn production in the commercial corn-producing area was of United States production during the 5 years 1928–32, inclusive) of such commodity times the parity price. In determining parity prices and farm prices for these commodities, that part of the marketing year ending January 31, 1939, shall be used. In case any person who is entitled to payment hereunder dies, becomes incompetent, or disappears before receiving such payment, or is succeeded by another who renders or completes the required performance, payment shall, without regard to any other provisions of law, be made as the Secretary of Agriculture may determine to be fair and reasonable in all the circumstances and provide by regulations. The administration of this title shall be in accordance with the provisions of the Agricultural Adjustment Act of 1938 and the provisions of other titles of this joint resolution shall not apply to this title."

That the House recede from its disagreement to the amendment of the Senate numbered 75 to said joint resolution and concur therein with an amendment as follows: In line 1 of the matter inserted by said Senate engrossed amendment strike out "Sec. 502"; and

That the House recede from its disagreement to the amendment of the Senate numbered 76 to said joint resolution and concur therein with an amendment as follows: In line 1 of the matter inserted by said Senate engrossed amendment strike out "503" and insert "502".

The PRESIDING OFFICER. What does the Senator from Colorado desire to do with respect to the House amendments?

Mr. ADAMS. I move that the Senate disagree to the House amendments to Senate amendments numbered 72, 74, 75, and 76, further insist upon its said amendments in disagreement, and request a further conference with the House.

The motion was agreed to; and the president pro tempore appointed Mr. ADAMS, Mr. MCKELLAR, Mr. HAYDEN, Mr. BYRNES, Mr. HALE, and Mr. TOWNSEND conferees on the part of the Senate at the further conference.

AUTHORIZATION OF FLOOD-CONTROL PROJECTS—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10618) entitled "An act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes."

Mr. O'MAHONEY. Mr. President——

Mr. COPELAND. Mr. President, will the Senator from Wyoming yield to me?

Mr. O'MAHONEY. I yield to the Senator from New York.

Mr. COPELAND. Would the Senator take it amiss if I suggested to him that we temporarily lay aside the flood-control bill and let the consideration of the deficiency bill be resumed? The consideration of the deficiency bill is almost concluded. Then we could proceed tomorrow morning with the flood-control bill.

Mr. O'MAHONEY. Mr. President, I regard this matter as of such tremendous importance that I wish the Senator would not submit his request, at least until I have completed the statment which I desire to make. I call the attention of the Senate to the fact that if there is any filibuster in progress, it is on account of the fact that Senators have been interrupting me.

Mr. COPELAND. Mr. President, will the Senator further yield?

Mr. O'MAHONEY. I yield.

Mr. COPELAND. The Senator realizes, of course, that no one in the Senate is more antagonistic to the pending bill than I am. That is shown by the fact that I would not sign the report, but signed a minority report with the Senator from Vermont [Mr. GIBSON].

Mr. O'MAHONEY. I recognize that fact.

Mr. COPELAND. I think the bill as reported by the conferees destroys the last vestige of States' rights. However, I do not see any reason why we should go on with it tonight if we can get the deficiency bill out of the way and in the hands of the conferees. Then tomorrow, if I am still alive, I shall join the Senator in his attack upon the pending conference report.

Mr. O'MAHONEY. I think the Senator will agree with me that, as the Senator from South Carolina stated a little earlier in the evening, in the history of this body there probably never was a deficiency bill which was killed in the closing days of the Senate which did not save the taxpayers of the country a tremendous amount of money. Furthermore——

Mr. BARKLEY. Mr. President, will the Senator yield for a question?

Mr. O'MAHONEY. I yield.

Mr. BARKLEY. Is the Senator willing to enter into a unanimous-consent agreement to vote at some hour tomorrow—say, 1 or 2 o'clock—on the conference report now pending?

Mr. O'MAHONEY. Let me say, in response to the Senator from Kentucky, that what I am seeking to accomplish is an agreement on the part of the conferees and of the majority leader that the bill be taken back to conference, and that there be written into the conference report the same protection to the States which was written into the law passed in 1936 and signed by the President of the United States.

Mr. BARKLEY. I will say frankly to the Senator that the only way that result can be accomplished is for this body to vote upon the conference report. Neither the Senator from Louisiana [Mr. OVERTON] nor I would agree to any unanimous-consent arrangement which would send the bill back to conference for the purpose mentioned by the Senator, or for any other purpose.

If the Senate wishes to defeat the conference report, it may do so. However, we cannot agree by unanimous consent that the bill shall go back to conference.

I will say to the Senator from Wyoming that I take at full face value, as I always do, the Senator's statement that he is not attempting to delay a vote on this bill.

Mr. O'MAHONEY. The Senator may rely upon it. I have been endeavoring to lay before the Senate the fundamental, deep-seated reason why I believe that the provision to which I have made objection should be eliminated from the bill. I have already called the attention of the Senate to it. The act of June 22, 1936, contained an explicit provision to the effect that lands could not be condemned within any State for the benefit of another State without the consent of the State within which the lands were condemned.

I have yet to hear upon the floor of the Senate an expression from any Senator, from any member of the conference committee, or from any member of the Senate committee, an explanation of why that protection to the individual States should not be restored to the bill. Why should we take away from the States that protection?

Mr. WALSH. Mr. President——

Mr. O'MAHONEY. I yield to the Senator from Massachusetts.

Mr. WALSH. I understand the Senator's position and the position of those who agree with him to be that they have no objection to an out-and-out Federal power proposition being brought before the Congress, acted upon, and passed, provided it is known to be a power proposition.

Mr. O'MAHONEY. Certainly not. I am in favor of it.

Mr. WALSH. So am I. The Senator's objection is that under the cloak and the name of flood control, without our knowing it, it is going to be possible now to develop power projects.

Mr. O'MAHONEY. I am absolutely opposed to methods of indirection. This bill constitutes an indirect method of accomplishing a purpose which may be a very valuable purpose.

Mr. BORAH. Mr. President——

Mr. O'MAHONEY. I yield to the Senator from Idaho.

Mr. BORAH. As I understand, the question involved here is the invasion of the rights of the States.

Mr. O'MAHONEY. Absolutely. There is no other question.

Mr. BORAH. The next item in this appropriation bill is a memorial to Thomas Jefferson.

Mr. O'MAHONEY. I am very glad the Senator called the attention of this body to that fact. Thomas Jefferson's bust is here above this Chamber, looking down upon us now, and the majority of this body pays lip service to his theories of government.

Mr. BORAH. I thought the discussion of that item, and a rebaptism of the Senate in States' rights might throw light upon this question.

Mr. KING. Mr. President, it would take a great deal of water to rebaptize the Senate in democratic principles.

Mr. BARKLEY. Mr. President, not all of the Members of the Senate believe in immersion. Some of us were sprinkled. [Laughter.]

Mr. O'MAHONEY. I am sorry the Senator from Kentucky indulges in a filibuster here this evening.

Mr. President, as I was saying, this bill takes away from the individual States of the Union the power to give their consent to the condemnation of property by the Federal Government. This is the Senate of the United States. There is not a Member of this body who does not occupy his seat by virtue of choice by the sovereign State which sent him here. What was the theory of the framers of this Government?

I think it may be well to read into the RECORD at this point the seventeenth clause of section 8 of article I of the Constitution of the United States. Among the powers granted to the Federal Congress was this power, set forth in the seventeenth clause:

> To exercise exclusive legislation in all cases whatsoever over such district (not exceeding 10 miles square) as may, by cession of particular States and the acceptance of Congress, become the seat of the Government of the United States, and to exercise like authority over all places purchased by the consent of the legislature of the State in which the same shall be for the erection of forts, magazines, arsenals, dockyards, and other needful buildings.

Mr. President, I have just read the seventeenth clause of section 8, article I, of the Constitution of the United States, which very clearly indicates that the purpose of the framers was to make of this Union an indestructible Union of indestructible States, or, if I were to recite the quotation correctly, "an indissoluble Union of indestructible States."

Mr. LEWIS. It is found in Seventh Wallace.

Mr. O'MAHONEY. My distinguished, very able, and very learned friend from Illinois, whose memory exceeds that of any other Member of this body, calls my attention to the fact that this quotation comes from Seventh Wallace.

Mr. LEWIS. State versus Texas.

Mr. O'MAHONEY. I am sure the Senator could recite the page if I were to ask him to do so.

But what does "an indissoluble Union of indestructible States" mean? That the States were indestructible. Does anybody doubt that we are now proceeding, by steady step, to destroy the States?

I am one who is willing to admit that with the improvement of the means of transportation and communication, with the advances of invention and science, it may indeed be necessary to abolish the States; but I call the attention of the Members of this body to the fact that they are the representatives of indestructible States. The question arises, Are they by their votes to destroy the sovereignties which we have always been taught to believe were indestructible?

My distinguished friend the Senator from Nebraska [Mr. NORRIS] this evening placed upon the wall of this Chamber, in the discussion of an amendment in which he was interested, a map which he had enlarged from a newspaper in Arkansas, the Arkansas Gazette. There upon that map are set forth, placed within the black line, the Mississippi River, the Missouri River, and the tributaries thereof. Those tributaries flow into that stream and down into the Gulf of Mexico from the indestructible States which were protected in their sovereignty by the act of June 22, 1936, which the conferees now ask us to repeal.

There is not a Member of this body representing any State north of Louisiana who is not, if he supports the pending conference report, voting to take away from his State the inalienable and sovereign right of the exercise of eminent domain over the lands of that State. The conference report which we are now asked to approve provides that the Federal Government, having selected a site, whether it be for the erection of a flood-control or a power dam, may go into any one of the States and condemn the land without the consent of the State.

Are we blind to the fact that there is now going on the steady march of centralization? Perhaps it is right; but are we going to make that centralization complete without the knowledge of the States and of the people of the States who are to be affected?

"An indissoluble Union of indestructible States." Is it of no importance for Members of the Senate to realize what these States are?

Let me call the roll:

Alabama: A vote in favor of the conference report is a vote to say that Alabama shall be deprived of the right of protecting its lands and territories when the Federal Government desires to move in.

Mr. KING. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield to the Senator from Utah.

Mr. KING. May I make a suggestion? Perhaps it is not quite apropos; but with the invasion of the terrain, of the territorial property of the States, their rivers and harbors and streams, a psychological spirit goes with it, and a movement which more and more induces the Federal Government to intrude into and take charge of not only what might be called the physical assets but the moral and the spiritual assets of the organization of the States.

Mr. O'MAHONEY. Mr. President, the Senator from Utah is exactly right. There are now pending before this body proposals which would deprive the people of the several States of the opportunity and the right to control the education of their children, and to control innumerable activities which heretofore have been solely within their jurisdiction.

My purpose is to make it clear that this body, the Senate of the United States, shall not willingly surrender its dignity, shall not willingly surrender the position it occupies under the Constitution of the United States, without knowing what it is doing.

I am told that the pending conference report was adopted in the House of Representatives without debate. That might be explainable in the House of Representatives, for that body represents all the people of all the United States; and the House of Representatives might very properly decide that the rights of the individual States to protect their own sovereignty, to protect their own lands, the rights of the several States to give consent before the Federal sovereignty shall move in and by the right of eminent domain take those lands for the benefit of another State——

Mr. BANKHEAD. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield to the Senator from Alabama in the middle of a sentence.

Mr. BANKHEAD. There seems to be quite a hot controversy here, and some of us do not know just exactly what it is about. It seems that States' rights are involved. I am strong for States' rights, especially when some of my friends on the other side want to invade the rights of the States on the subject of murder, as they did during the consideration of the antilynching bill.

Mr. O'MAHONEY. The Senator is not talking to me.

Mr. BANKHEAD. I said "some of my friends." I appreciate that; but some of those who I think are supporting this program are on the other side when States' rights are involved, when they want to turn over to the Government the punishment of murder in the States.

I hope, however, the Senator will explain to us just what question of States' rights is involved here. If a real, genuine subject of States' rights is involved, I am with the Senator; but I really should like to know, concretely, what the question is. I know there are other Senators here who also want to know. The Senator from Wyoming is assuming that States' rights are involved. I do not know whether they are involved or not. I have not critically examined the language of the conference report; so I should like the Senator to explain the matter to me.

Mr. O'MAHONEY. Did the Senator from Alabama support the Flood Control Act of June 22, 1936?

Mr. BANKHEAD. I was not here in 1936. I was absent that year.

Mr. O'MAHONEY. That act in section 3 carried this provision:

> That when benefits of any projects or useful part thereof accrue to lands and property outside the State in which said project or part thereof is located, the Secretary of War, with consent of the State wherein the same are located, may acquire the necessary lands, easements, and rights-of-way for said project or part thereof after he has received from the State—

Certain guaranties for repayment. The meaning of that is that if the Secretary of War should desire to build within the State of Alabama a flood-control project for the benefit of the State of Louisiana, he would have to secure first the consent of the State of Alabama before the land could be condemned. That protection to the State of Alabama is withdrawn by the conference report. Now, will the Senator from Alabama tell me whether he desires to go back to the people in Alabama and say to them, "By my vote upon the floor of the Senate I surrendered the requirement of the act of 1936 that your consent had first to be given"?

Mr. BANKHEAD. I am not concerned with the act of 1936. That might be repealed.

Mr. O'MAHONEY. But it has not been repealed as yet, unless we repeal it tonight.

Mr. BANKHEAD. The question the Senator presents is not one of State rights, but one of the observance of laws heretofore passed by Congress. But I genuinely want the Senator to enlighten me upon how the question of State rights is involved in this issue, not upon whether we are violating a previous act of Congress.

Mr. O'MAHONEY. The provision which I have just read was inserted in the act of June 22, 1936, because the representatives of the sovereign States—the indestructible States in an indissoluble Union—here upon the floor of the Senate were unwilling to surrender the power of condemnation to the Federal Government without the consent of the States. The question here, then, is, Shall we now surrender? That is the question for the Senator to answer.

Mr. BANKHEAD. That is what I want to find out—what is the question in the Senator's mind?

Mr. O'MAHONEY. I know the Senator was making his inquiry in all seriousness. I have been endeavoring to explain it to him in all seriousness.

Mr. BANKHEAD. I know that is correct.

Mr. SCHWARTZ. Mr. President, will my colleague yield?

Mr. O'MAHONEY. I am glad to yield to my colleague.

Mr. SCHWARTZ. Agriculture in Wyoming is dependent almost wholly on irrigation. If these flood-control dams are built and are under the control of the War Department, will Wyoming have any say as to when the water shall be released for irrigation?

Mr. O'MAHONEY. There will absolutely be taken from Wyoming all power to make any decision with regard to the distribution of the water. I am glad my colleague asked me that question, because it points with unerring finger to the point involved here.

When Wyoming was admitted into this indissoluble Union of indestructible States the Congress conveyed to it in the act of admission control over all the waters within the State, and now, without consent of the State, by an act brought in here in the last moments of this session—if I may say that with the consent of the Senator from Kentucky—now by this proposed act that right, granted to us in the act of admission, is being taken away.

Mr. CONNALLY. Madam President——

The PRESIDING OFFICER (Mrs. CARAWAY in the chair). Does the Senator from Wyoming yield to the Senator from Texas?

Mr. O'MAHONEY. I yield.

Mr. CONNALLY. The question propounded by the junior Senator from Wyoming raises a query in my mind, and I desire to be enlightened. I am not familiar with reclamation projects. With regard to the reclamation projects in the West which are Federal projects, what is the custom; do they require the State to consent to the acquirement of the lands?

Mr. O'MAHONEY. Under the law which created the reclamation projects provision was made without the slightest qualification, distinctly, that the power of distributing the water should be under the laws of the respective States.

Mr. CONNALLY. But what about the acquisition of the lands in the first place, and the erection of the dams to hold water later distributed?

Mr. O'MAHONEY. Most of those were built upon federally owned land, upon the public domain.

Mr. CONNALLY. I thought that was probably the case; but all of them were not, were they? Were all the dams built on federally owned land?

Mr. O'MAHONEY. Oh, no; not all of them.

Mr. CONNALLY. In those cases what was the practice? Did they require the consent of the States?

Mr. O'MAHONEY. In most of the cases the private owners were very happy to have the land irrigated.

Mr. KING. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. CONNALLY. I do not think the Senator has quite answered my question.

Mr. KING. I was about to say to the Senator from Texas that when I was a young chap in the House of Representatives, Senator Newlands did me the honor to invite me to aid him in drafting the Newlands Act, known as the Recla-

mation Act. We worked assiduously for weeks. We encountered many difficulties from Republicans and Democrats. A suggestion was made that the Federal Government had no right to expend its funds for the purpose of reclaiming lands.

But the bill as it was drawn and finally approved, in the first year or two of Theodore Roosevelt's administration, provided for, and I wrote a report indicating that in my judgment it contemplated the development of Federal lands in order that the lands might be increased in value and sold, and the Federal Government recouped whatever advancements it made for the development or reclamation of lands.

The result was that nearly all of those early reclamation projects were upon federally owned land, and contracts were made under the terms of which the settlers who went upon those lands and reclaimed them and made the desert blossom as the rose agreed to pay back to the Federal Government, with interest, certains sums, which were adequate to cover all the expenses of the Government.

Later there was a slight departure from the original purpose, and in some instances where there were Government-owned lands, and adjoining those lands there were privately owned lands, reclamation projects were established because there was perhaps not sufficient land owned by the Government to utilize all of the water. Therefore the water was sold to the owners of private lands in order that the entire amount of impounded water might be utilized for the development of the community.

Mr. CONNALLY. In the case of the projects about which the Senator has last spoken, where the Government took in private lands, was it required that it get the consent of the States?

Mr. O'MAHONEY. I am not so sure as to that.

Mr. CONNALLY. I was wondering why that question had never arisen in the case of reclamation projects, because the same proposition is involved. If the Federal Government has not any authority to acquire a site for a dam to hold back floodwaters, what right has it to acquire sites for dams to hold back ordinary waters for irrigation purposes? I do not see any difference.

Mr. KING. As I have indicated to the Senator, the basis of the reclamation plan was that the Government was irrigating its own lands, and making them suitable for cultivation and development for homes.

Mr. O'MAHONEY. Mr. President, let me further answer the Senator from Texas.

Mr. CONNALLY. The Senator is not answering me. I am trying to get information from the Senators from the West who are familiar with reclamation. I am not arguing with the Senator.

Mr. O'MAHONEY. I did not understand that the Senator was. I understood him to ask me a question.

Mr. CONNALLY. The Senator from Utah interrupted, and I was glad to be interrupted, but the Senator from Wyoming stated that in some of these projects private lands were taken in.

Mr. O'MAHONEY. Certainly.

Mr. CONNALLY. The Senator from Utah also made that statement, and the question now the Senator from Texas desires to ask is, in those cases, was it ever required that the Federal Government get the consent of the States, and if not, why not?

Mr. O'MAHONEY. Every bit of it was done by consent of the States. As a matter of fact, it was done by request of the States.

Mr. BARKLEY. Mr. President, I think the Senator is mistaken as to that; but I know that in the case of the Tennessee Valley consent has not been required or obtained in any case.

Mr. O'MAHONEY. I was not referring to the Tennessee Valley, I was referring to reclamation, concerning which the Senator from Texas is inquiring. Not only is that true, but in accordance with the suggestion of my colleague with respect to the rights of the several States, I call the attention of the Senate to section 27 of the Federal Water Power Act of June 10, 1920, as amended. It reads as follows:

> That nothing herein contained shall be construed as affecting, or intending to affect, or in any way to interfere with the laws of the respective States relating to the control, appropriation, use, or distribution of water used in irrigation or for municipal or other uses, or any vested right acquired therein.

Obviously if the Federal Government, through the War Department, may enter within the boundaries of Wyoming, or Utah, or Nevada, or Colorado, or Montana, or any other State of the Union, and there, without the consent of the State, erect a dam or a reservoir which may be used for the storage of water and the production of power, that moment the States lose all control over the distribution of that water or the use of that water. In every single act which has been passed up to this date there has been provision for the protection of the rights of the several States.

Are we here now, in June 1938, to say that those rights shall be surrendered? My very learned and able friend from Illinois, who interrupted me to ask a very pertinent question earlier in the evening, has now called to my attention the decision of the Supreme Court to which he alluded at that time. It was the case of Texas against White, reported in Seventh Wallace, at page 700, and on page 725 there is the following paragraph——

Mr. BORAH. Mr. President, before the Senator starts to read that, may I make an inquiry of the able Senator from Kentucky?

Mr. O'MAHONEY. Certainly.

Mr. BORAH. Has it been definitely determined that we are to adjourn at a certain time?

Mr. BARKLEY. It has not.

Mr. BORAH. Then why remain here tonight? We have the railroad bill, which will take time if we consider it properly; we have a number of other measures, and it ought to be dismissed from our minds that we are going to adjourn until we get these measures out of the way.

Mr. BARKLEY. I agree with the Senator, and I especially wish to say that there will be no resolution of sine die adjournment in either House until the particular matter now pending shall be disposed of.

Mr. BORAH. I understand that.

Mr. BARKLEY. I inquired a while ago whether the Senator from Wyoming would be willing to agree to vote at a certain hour tomorrow on the conference report, and he indicated his unwillingness to agree to that. Is the Senator still of that frame of mind, still unwilling to have an hour for voting fixed?

Mr. O'MAHONEY. I doubt very much the advisability of my granting consent to such a proposal. Let the Senator submit that request tomorrow morning, after the Senate has reassembled, and we see that the Senators are present.

Mr. WALSH. I suggest that we take a recess until 10 o'clock tomorrow.

Mr. BARKLEY. I was contemplating a recess until 10 o'clock tomorrow, and I was wondering whether the Senator would be willing to agree to a vote at 1 o'clock, which would give 3 hours, or at not later than 1.

Mr. O'MAHONEY. The Senator propounds the inquiry to me as though I were in charge of this matter. I just happen to know that there are other Senators who desire to be heard upon this question. I am not in a position to foreclose them from the opportunity of speaking as fully as they may desire to speak.

Mr. BARKLEY. I have no desire to foreclose anyone from speaking on the matter.

Mr. O'MAHONEY. I suggest to the Senator that he make his motion to take a recess until tomorrow morning at 10 o'clock and propose his request tomorrow.

Mr. BARKLEY. The only other Senator of whose desire to speak I have information—though there may be others—is the Senator from Nebraska [Mr. BURKE], who, I understand, wishes to speak for something like an hour. If there are other Senators who desire to speak, I do not know about it.

Mr. WALSH. I really believe that if we take a recess until 10 o'clock tomorrow, from what I have learned from the Senator from Wyoming and the Senator from Nebraska, there will be very little difficulty about getting an early vote—perhaps before 1 o'clock.

Mr. BARKLEY. I have no desire to keep Senators here and punish them.

Mr. WALSH. I think one or two Senators who wish to speak have a feeling that unless a time for voting is fixed there would be no one here to vote.

Mr. BARKLEY. I think that sometimes happens.

ADDITIONAL REPORTS OF COMMITTEES

Mr. RUSSELL, from the Committee on Immigration, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

H. R. 8589. A bill for the relief of Pasquale Lobrano (Rept. No. 2200); and

H. R. 10136. A bill for the relief of John Patrick Toth (Rept. No. 2201).

Mr. CAPPER, from the Committee on Claims, to which was referred the bill (H. R. 1768) for the relief of Olin J. Salley, reported it without amendment and submitted a report (No. 2202) thereon.

Mr. COPELAND, from the Committee on Immigration, to which was referred the bill (H. R. 7294) for the relief of Bartholemew Harrington, reported it without amendment and submitted a report (No. 2303) thereon.

ADDITIONAL JOINT RESOLUTION INTRODUCED

Mr. MURRAY introduced a joint resolution (S. J. Res. 311) relating to the employment or maintenance of unemployed veterans of the Spanish-American and World Wars, which was read twice by its title and referred to the Committee on Education and Labor.

JOINT CONGRESSIONAL COMMITTEE ON TAXATION OF GOVERNMENTAL SECURITIES AND SALARIES—AMENDMENT

Mr. BROWN of Michigan submitted an amendment intended to be proposed by him to the concurrent resolution (S. Con. Res. 36) to establish a joint congressional committee on the taxation of governmental securities and salaries, which was ordered to lie on the table and to be printed.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mrs. CARAWAY in the chair), as in executive session, laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

Mr. LOGAN, from the Committee on the Judiciary, reported favorably the nomination of Leon McCord, of Alabama, to be a United States circuit judge, fifth circuit, to fill an existing vacancy.

Mr. BURKE, from the Committee on the Judiciary, reported favorably the nomination of J. Saxton Daniel, of Georgia, to be United States attorney for the southern district of Georgia.

Mr. KING, from the Committee on the Judiciary, reported favorably the following nominations:

Harold E. Stafford, of Hawaii, to be third judge of the first circuit, circuit courts, Territory of Hawaii (Judge Stafford is now serving in this post under an appointment which expires June 18, 1938);

James Wesley Thompson, of Hawaii, to be judge of the third circuit, circuit courts, Territory of Hawaii (Judge Thompson is now serving in this post under an appointment which expires June 18, 1938);

Delbert E. Metzger, of Hawaii, to be judge of the fourth circuit, circuit courts, Territory of Hawaii (Judge Metzger is now serving in this post under an appointment which expires June 18, 1938);

Carrick H. Buck, of Hawaii, to be judge of the fifth circuit, circuit courts, Territory of Hawaii (Judge Buck is now serving in this post under an appointment which expires June 18, 1938); and

Samuel B. Kemp, of Hawaii, to be an associate justice of the Supreme Court, Territory of Hawaii, vice James J. Banks.

Mr. PITTMAN, from the Committee on Foreign Relations, reported favorably the nomination of Frederick A. Sterling, of Texas, appointed Envoy Extraordinary and Minister Plenipotentiary to Estonia and Latvia, to be Envoy Extraordinary and Minister Plenipotentiary to Sweden, vice Fred Morris Dearing.

Mr. WHEELER, from the Committee on Interstate Commerce, reported favorably the nomination of Basil Manly to be a member of the Federal Power Commission for the term expiring June 22, 1943.

The PRESIDING OFFICER. The reports will be placed on the Executive Calendar.

RECESS

Mr. BARKLEY. Mr. President, will the Senator from Wyoming yield to me now?

Mr. O'MAHONEY. Gladly.

Mr. BARKLEY. I move that the Senate take a recess until 10 o'clock a. m. today.

The motion was agreed to; and (at 12 o'clock and 32 minutes a. m.) the Senate took a recess until 10 o'clock a. m. Wednesday, June 15, 1938.

NOMINATIONS

Executive nominations received by the Senate June 14 (legislative day of June 7), 1938

JUDGE, CIRCUIT COURT OF APPEALS

Hon. Albert Branson Maris, of Pennsylvania, to be judge of the United States Circuit Court of Appeals for the Third Circuit, to fill an existing vacancy.

UNITED STATES ATTORNEY

J. Saxton Daniel, of Georgia, to be United States attorney for the southern district of Georgia. (Mr. Daniel is now serving in this office under an appointment which expired January 26, 1938.)

UNITED STATES PUBLIC HEALTH SERVICE

Asst. Surg. Marion B. Noyes to be passed assistant surgeon in the United States Public Health Service, to rank as such from July 1, 1938.

FEDERAL POWER COMMISSION

Basil Manly, of the District of Columbia, to be a member of the Federal Power Commission for the term expiring June 22, 1943. (Reappointment.)

POSTMASTERS

ALABAMA

Charles W. Sarver to be postmaster at Athens, Ala., in place of C. W. Sarver. Incumbent's commission expired June 6, 1938.

Elias B. Reid to be postmaster at Cherokee, Ala., in place of E. B. Reid. Incumbent's commission expired June 6, 1938.

Bessie S. Combs to be postmaster at Fairfax, Ala., in place of B. S. Combs. Incumbent's commission expires June 18, 1938.

Kate B. Patterson to be postmaster at Falkville, Ala., in place of K. B. Patterson. Incumbent's commission expired June 8, 1938.

J. Thomas Martin to be postmaster at Jacksonville, Ala., in place of J. T. Martin. Incumbent's commission expired June 8, 1938.

Lawrence F. Howell to be postmaster at Moulton, Ala., in place of L. F. Howell. Incumbent's commission expires June 18, 1938.

Olis O. Goode to be postmaster at Rogersville, Ala., in place of O. O. Goode. Incumbent's commission expired June 6, 1938.

James A. Anderson to be postmaster at University, Ala., in place of J. A. Anderson. Incumbent's commission expired April 25, 1938.

ARKANSAS

Simpson A. Kemp to be postmaster at Hot Springs National Park, Ark., in place of S. A. Kemp. Incumbent's commission expired June 6, 1938.

William G. Jones to be postmaster at Cotton Plant, Ark., in place of W. G. Jones. Incumbent's commission expired April 27, 1938.

CALIFORNIA

Frances L. Williams to be postmaster at Fall Brook, Calif., in place of F. L. Williams. Incumbent's commission expired May 30, 1938.

Minnie B. Pharr to be postmaster at Scotia, Calif., in place of J. E. Pharr, deceased.

Louis J. McNeill to be postmaster at Tuolumne, Calif., in place of M. E. Rozier, resigned.

CONNECTICUT

Thomas H. Hillery to be postmaster at Hazardville, Conn., in place of T. H. Hillery. Incumbent's commission expired May 1, 1938.

DELAWARE

Daniel G. Conant to be postmaster at Rehoboth Beach, Del., in place of D. G. Conant. Incumbent's commission expired February 20, 1938.

FLORIDA

Kirby D. Rooks to be postmaster at Bonifay, Fla., in place of K. D. Rooks. Incumbent's commission expires June 15, 1938.

Eva R. Vaughn to be postmaster at Century, Fla., in place of E. R. Vaughn. Incumbent's commission expired April 2, 1938.

Ira C. Williams to be postmaster at Dania, Fla., in place of I. C. Williams. Incumbent's commission expires June 18, 1938.

Emma A. Laird to be postmaster at Greenville, Fla., in place of E. A. Laird. Incumbent's commission expired April 28, 1938.

Sidney E. Livingston to be postmaster at Homestead, Fla., in place of S. E. Livingston. Incumbent's commission expired June 7, 1938.

William P. McKeown to be postmaster at Sneads, Fla., in place of O. C. McDaniel, deceased.

John W. Barrs to be postmaster at South Miami, Fla., in place of J. W. Barrs. Incumbent's commission expired June 1, 1938.

Cornelia Higgins to be postmaster at Warrington, Fla., in place of Cornelia Higgins. Incumbent's commission expired April 30, 1938.

LeRoy E. Diggans to be postmaster at Delray Beach, Fla., in place of L. E. Diggans. Incumbent's commission expires June 18, 1938.

Julia E. Seabloom to be postmaster at Ormond Beach, Fla., in place of J. E. Seabloom. Incumbent's commission expires June 18, 1938.

Leslie D. Reagin to be postmaster at Sarasota, Fla., in place of L. D. Reagin. Incumbent's commission expired April 30, 1938.

GEORGIA

Jennie I. Ingram to be postmaster at Townsend, Ga., in place of J. I. Ingram. Incumbent's commission expired April 28, 1938.

ILLINOIS

Amelia K. Fink to be postmaster at Frankfort, Ill., in place of A. K. Fink. Incumbent's commission expires June 18, 1938.

DeCourcy Lloyd to be postmaster at Glencoe, Ill., in place of DeCourcy Lloyd. Incumbent's commission expired June 12, 1938.

Porter J. Campbell to be postmaster at Hardin, Ill., in place of P. J. Campbell. Incumbent's commission expired May 28, 1938.

John V. Barr to be postmaster at Mazon, Ill., in place of J. V. Barr. Incumbent's commission expired June 6, 1938.

William H. Woodard to be postmaster at North Chicago, Ill., in place of W. H. Woodard. Incumbent's commission expired May 28, 1938.

Clarence M. Stevens to be postmaster at Pecatonica, Ill., in place of C. M. Stevens. Incumbent's commission expires June 18, 1938.

Leon J. Walsh to be postmaster at South Beloit, Ill., in place of L. J. Walsh. Incumbent's commission expired May 22, 1938.

Rose S. Zalman to be postmaster at Stewardson, Ill., in place of Rose Zalman. Incumbent's commission expired May 3, 1938.

Joseph Donald Cotter to be postmaster at Stockton, Ill., in place of J. D. Cotter. Incumbent's commission expired May 22, 1938.

Samuel T. Duncan to be postmaster at Tamaroa, Ill., in place of S. T. Duncan. Incumbent's commission expired May 28, 1938.

Hubert W. Darby to be postmaster at Tampico, Ill., in place of H. W. Darby. Incumbent's commission expired June 6, 1938.

Oliver M. Colwell to be postmaster at Toulon, Ill., in place of O. M. Colwell. Incumbent's commission expired April 27, 1938.

Jerry J. Zeman to be postmaster at Fox River Grove, Ill., in place of J. J. Zeman. Incumbent's commission expires June 18, 1938.

George W. Collins to be postmaster at Lombard, Ill., in place of G. W. Collins. Incumbent's commission expired June 14, 1938.

George L. Hausmann to be postmaster at Vandalia, Ill., in place of G. L. Hausmann. Incumbent's commission expired May 22, 1938.

INDIANA

Alva Davis to be postmaster at Arcadia, Ind., in place of Alva Davis. Incumbent's commission expired June 9, 1938.

Mary Williams to be postmaster at Attica, Ind., in place of Mary Williams. Incumbent's commission expired June 9, 1938.

Willis E. Payne to be postmaster at Borden, Ind., in place of W. E. Payne. Incumbent's commission expired May 17, 1938.

Lawrence M. Welsh to be postmaster at Brownstown, Ind., in place of L. M. Welsh. Incumbent's commission expired June 9, 1938.

Alpha T. McKnight to be postmaster at Cicero, Ind., in place of A. T. McKnight. Incumbent's commission expired June 9, 1938.

Frank Ellett to be postmaster at Coatesville, Ind., in place of Frank Ellett. Incumbent's commission expired June 9, 1938.

Ervin Sell to be postmaster at Columbia City, Ind., in place of Ervin Sell. Incumbent's commission expired May 17, 1938.

Daniel V. Clem to be postmaster at Covington, Ind., in place of D. V. Clem. Incumbent's commission expired June 9, 1938.

William G. Thomas to be postmaster at Frankfort, Ind., in place of W. G. Thomas. Incumbent's commission expired March 15, 1938.

Ellis B. Cates to be postmaster at Greentown, Ind., in place of E. B. Cates. Incumbent's commission expired May 17, 1938.

Maurice L. Cory to be postmaster at Kingman, Ind., in place of M. L. Cory. Incumbent's commission expired May 17, 1938.

Homer Stephens to be postmaster at La Fontaine, Ind., in place of Homer Stephens. Incumbent's commission expired May 3, 1938.

Edwin W. Hanley to be postmaster at Michigan City, Ind., in place of E. W. Hanley. Incumbent's commission expired May 30, 1938.

Clarence C. Robertson to be postmaster at Nashville, Ind., in place of C. C. Robertson. Incumbent's commission expired June 9, 1938.

Dean I. Lauver to be postmaster at New Carlisle, Ind., in place of D. I. Lauver. Incumbent's commission expires June 13, 1938.

Ora Stiver to be postmaster at New Paris, Ind., in place of Ora Stiver. Incumbent's commission expires June 18, 1938.

Lyman Thomas to be postmaster at Pennville, Ind., in place of Lyman Thomas. Incumbent's commission expired May 17, 1938.

William E. Etcheson to be postmaster at Roachdale, Ind., in place of W. E. Etcheson. Incumbent's commission expired June 9, 1938.

Harvey W. Doering to be postmaster at Wakarusa, Ind., in place of H. W. Doering. Incumbent's commission expired June 9, 1938.

Rose K. Hubers to be postmaster at St. Meinrad, Ind., in place of R. K. Hubers. Incumbent's commission expired February 28, 1938.

IOWA

Margaret Audra Pearson to be postmaster at Ainsworth, Iowa, in place of Audra Pearson. Incumbent's commission expired June 6, 1938.

Auzman H. Blackmore to be postmaster at Alden, Iowa, in place of A. H. Blackmore. Incumbent's commission expired May 17, 1938.

Harry A. Northup to be postmaster at Audubon, Iowa, in place of H. A. Northup. Incumbent's commission expired February 10, 1938.

Opal V. Ocheltree to be postmaster at Bayard, Iowa, in place of O. V. Ocheltree. Incumbent's commission expired February 28, 1938.

George P. Killinger to be postmaster at Carson, Iowa, in place of G. P. Killinger. Incumbent's commission expires June 18, 1938.

Price G. Thompson to be postmaster at Casey, Iowa, in place of P. G. Thompson. Incumbent's commission expired February 10, 1938.

Vern D. Freeman to be postmaster at Clarence, Iowa, in place of Vern Freeman. Incumbent's commission expired June 6, 1938.

Lawrence J. Roth to be postmaster at Fairfield, Iowa, in place of L. J. Roth. Incumbent's commission expires June 18, 1938.

Edna M. McCabe to be postmaster at Hillsboro, Iowa, in place of E. M. McCabe. Incumbent's commission expired June 12, 1938.

Herman L. Walker to be postmaster at Kalona, Iowa, in place of H. L. Walker. Incumbent's commission expires June 18, 1938.

Russell E. Whipple to be postmaster at Lehigh, Iowa, in place of R. E. Whipple. Incumbent's commission expired May 17, 1938.

Michael R. Griebel to be postmaster at Lone Tree, Iowa, in place of M. R. Griebel. Incumbent's commission expired June 12, 1938.

Elmer D. Bradley to be postmaster at Missouri Valley, Iowa, in place of E. D. Bradley. Incumbent's commission expired May 31, 1938.

Bert McKinley to be postmaster at Morning Sun, Iowa, in place of Bert McKinley. Incumbent's commission expires June 18, 1938.

Joe Goodman to be postmaster at Osceola, Iowa, in place of Joe Goodman. Incumbent's commission expired May 7, 1938.

James G. Floerchinger to be postmaster at Oxford, Iowa, in place of J. G. Floerchinger. Incumbent's commission expires June 18, 1938.

Oscar C. Watts to be postmaster at Pisgah, Iowa, in place of O. C. Watts. Incumbent's commission expired May 17, 1938.

Joseph P. Quinn to be postmaster at Riverside, Iowa, in place of J. P. Quinn. Incumbent's commission expired June 6, 1938.

Lucy E. Newville to be postmaster at Titonka, Iowa, in place of L. E. Newville. Incumbent's commission expired May 24, 1938.

John F. Taylor to be postmaster at Villisca, Iowa, in place of J. F. Taylor. Incumbent's commission expired May 31, 1938.

Paul Max Clark to be postmaster at Woodbine, Iowa, in place of P. M. Clark. Incumbent's commission expired March 14, 1938.

Anthony F. Schrup to be postmaster at Dubuque, Iowa, in place of A. F. Schrup. Incumbent's commission expires June 18, 1938.

Herman J. Schroeder to be postmaster at Fort Madison, Iowa, in place of H. J. Schroeder. Incumbent's commission expired June 6, 1938.

Alice A. Higgins to be postmaster at Orient, Iowa, in place of A. A. Higgins. Incumbent's commission expired May 17, 1938.

Amelia Sondag to be postmaster at Portsmouth, Iowa, in place of Amelia Sondag. Incumbent's commission expired February 10, 1938.

KANSAS

Rosa J. Munger to be postmaster at Hanover, Kans., in place of R. J. Munger. Incumbent's commission expired May 25, 1938.

Perry S. Kozel to be postmaster at Morrowville, Kans., in place of P. S. Kozel. Incumbent's commission expired May 25, 1938.

Harry F. Geistfeld to be postmaster at Washington, Kans., in place of H. F. Geistfeld. Incumbent's commission expired June 13, 1938.

Carey Olson to be postmaster at Bazine, Kans., in place of Carey Olson. Incumbent's commission expires June 18, 1938.

Albert F. Cassell to be postmaster at Beverly, Kans., in place of A. F. Cassell. Incumbent's commission expired March 20, 1938.

Vaclav Sajner to be postmaster at Bison, Kans., in place of Vaclav Sajner. Incumbent's commission expires June 18, 1938.

Gertrude R. Seitz to be postmaster at Bunkerhill, Kans., in place of G. R. Seitz. Incumbent's commission expired June 1, 1938.

William H. Danenbarger to be postmaster at Concordia, Kans., in place of W. H. Danenbarger. Incumbent's commission expired April 27, 1938.

Rosa B. Blaine to be postmaster at Copeland, Kans., in place of R. B. Blaine. Incumbent's commission expired May 29, 1938.

Cyrus H. Wadsworth to be postmaster at Cottonwood Falls, Kans., in place of C. H. Wadsworth. Incumbent's commission expired May 17, 1938.

Henry J. Kuckelman to be postmaster at Everest, Kans., in place of H. J. Kuckelman. Incumbent's commission expires June 18, 1938.

Ivan R. Mort to be postmaster at Hill City, Kans., in place of I. R. Mort. Incumbent's commission expires June 18, 1938.

Lafranier M. Herrington to be postmaster at Kanopolis, Kans., in place of L. M. Herrington. Incumbent's commission expired May 1, 1938.

Arthur G. Long to be postmaster at Kingman, Kans., in place of A. G. Long. Incumbent's commission expired May 25, 1938.

Nellie F. Walsh to be postmaster at Mayetta, Kans., in place of N. F. Walsh. Incumbent's commission expired May 25, 1938.

Otis S. Lambeth to be postmaster at Moran, Kans., in place of O. S. Lambeth. Incumbent's commission expires June 18, 1938.

James J. Owen to be postmaster at St. John, Kans., in place of J. J. Owen. Incumbent's commission expires June 18, 1938.

George F. Riley to be postmaster at Soldier, Kans., in place of G. F. Riley. Incumbent's commission expired June 1, 1938.

J. Raymond E. Simmons to be postmaster at Wellsville, Kans., in place of J. R. E. Simmons. Incumbent's commission expired May 25, 1938.

Ernest B. Hedge to be postmaster at Whiting, Kans., in place of E. B. Hedge. Incumbent's commission expired May 25, 1938.

KENTUCKY

Lou E. Holder to be postmaster at Calhoun, Ky., in place of L. E. Holder. Incumbent's commission expired May 1, 1938.

Willis Conley to be postmaster at Garrett, Ky., in place of Willis Conley. Incumbent's commission expired June 8, 1938.

John H. Mitchell to be postmaster at Salem, Ky., in place of J. H. Mitchell. Incumbent's commission expired May 2, 1938.

LOUISIANA

Charles E. Hearne to be postmaster at Chatham, La. Office became Presidential July 1, 1936.

Harry Preaus to be postmaster at Farmerville, La., in place of Harry Preaus. Incumbent's commission expired June 6, 1938.

Victor E. Green to be postmaster at De Ridder, La., in place of V. E. Green. Incumbent's commission expires June 18, 1938.

Clarence H. Bonin to be postmaster at Gueydan, La., in place of Bernard Isaacs. Incumbent's commission expired January 28, 1934.

MAINE

Anna M. McLaughlin to be postmaster at Dryden, Maine, in place of A. M. McLaughlin. Incumbent's commission expired May 29, 1938.

Carroll A. Matthieu to be postmaster at Farmington, Maine, in place of C. A. Matthieu. Incumbent's commission expired June 12, 1938.

Irenee Cyr to be postmaster at Fort Kent, Maine, in place of Irenee Cyr. Incumbent's commission expired May 23, 1938.

Sumner A. Fickett to be postmaster at Millbridge, Maine, in place of S. A. Fickett. Incumbent's commission expired April 25, 1938.

Howard H. Herrick to be postmaster at Rangeley, Maine, in place of H. H. Herrick. Incumbent's commission expired May 29, 1938.

Hildred M. Rider to be postmaster at Rockport, Maine, in place of H. M. Rider. Incumbent's commission expired May 17, 1938.

Mary C. Thorpe to be postmaster at Sabattus, Maine, in place of M. C. Thorpe. Incumbent's commission expired April 25, 1938.

Wesley E. Spear to be postmaster at Warren, Maine, in place of W. E. Spear. Incumbent's commission expired May 17, 1938.

MARYLAND

John M. Pearce to be postmaster at Monkton, Md., in place of J. M. Pearce. Incumbent's commission expired May 28, 1938.

MINNESOTA

James M. Brennan to be postmaster at Hinckley, Minn., in place of J. M. Brennan. Incumbent's commission expired June 13, 1938.

Arnold R. Krogh to be postmaster at Spring Grove, Minn., in place of A. R. Krogh. Incumbent's commission expired June 13, 1938.

MISSISSIPPI

David W. Colbert to be postmaster at Columbia, Miss., in place of D. W. Colbert. Incumbent's commission expired May 1, 1938.

Robert E. L. McLain to be postmaster at Shelby, Miss., in place of R. E. L. McLain. Incumbent's commission expired June 12, 1938.

MISSOURI

Frederick L. Stafford to be postmaster at Windsor, Mo., in place of W. P. Bradley, deceased.

MONTANA

Ethel E. James to be postmaster at Broadus, Mont., in place of E. E. James. Incumbent's commission expires June 18, 1938.

Eugene T. Kirchner to be postmaster at Circle, Mont., in place of E. T. Kirchner. Incumbent's commission expired May 22, 1938.

Roy W. Dorwin to be postmaster at Flaxville, Mont., in place of R. W. Dorwin. Incumbent's commission expired May 22, 1938.

Charles A. Westphal to be postmaster at Forsyth, Mont., in place of C. A. Westphal. Incumbent's commission expired June 6, 1938.

Cleola Ralston to be postmaster at Glacier Park, Mont., in place of Cleola Ralston. Incumbent's commission expires June 18, 1938.

Joseph P. Sternhagen to be postmaster at Glasgow, Mont., in place of J. P. Sternhagen. Incumbent's commission expired April 10, 1938.

Joseph M. Astle to be postmaster at Hardin, Mont., in place of J. M. Astle. Incumbent's commission expired May 22, 1938.

Henry C. Wilcox to be postmaster at Joliet, Mont., in place of H. C. Wilcox. Incumbent's commission expires June 18, 1938.

Ethel C. Hockman to be postmaster at Kevin, Mont., in place of E. C. Hockman. Incumbent's commission expired May 24, 1938.

Marie D. Laramy to be postmaster at Malta, Mont., in place of M. D. Laramy. Incumbent's commission expired June 6, 1938.

Leanore K. C. Roderick to be postmaster at Outlook, Mont., in place of L. K. C. Roderick. Incumbent's commission expired April 30, 1938.

Peter J. Herbst to be postmaster at Plevna, Mont., in place of P. J. Herbst. Incumbent's commission expires June 18, 1938.

Lawrence H. Tooley to be postmaster at Red Lodge, Mont., in place of L. H. Tooley. Incumbent's commission expired June 6, 1938.

Rudolph P. Peterson to be postmaster at Rudyard, Mont., in place of R. P. Peterson. Incumbent's commission expires June 18, 1938.

Albert W. Schammel to be postmaster at Scobey, Mont., in place of A. W. Schammel. Incumbent's commission expired May 16, 1938.

Lucy B. Cullen to be postmaster at Wibeau, Mont., in place of L. B. Cullen. Incumbent's commission expires June 18, 1938.

Sarah C. Brady to be postmaster at Wilsall, Mont., in place of S. C. Brady. Incumbent's commission expires June 18, 1938.

Ella V. Millsap to be postmaster at Winnett, Mont., in place of E. V. Millsap. Incumbent's commission expires June 18, 1938.

David R. Bowen to be postmaster at Worden, Mont., in place of D. R. Bowen. Incumbent's commission expires June 18, 1938.

NEBRASKA

Harry R. Boesen to be postmaster at Cairo, Nebr., in place of Harry Boesen. Incumbent's commission expired May 29, 1938.

Curtis B. Benger to be postmaster at Callaway, Nebr., in place of C. B. Benger. Incumbent's commission expired May 29, 1938.

James B. Gordon to be postmaster at Cedar Rapids, Nebr., in place of J. B. Gordon. Incumbent's commission expired May 22, 1938.

Arthur L. Willis to be postmaster at Central City, Nebr., in place of Edna Willis, deceased.

George H. Looschen, to be postmaster at Hooper, Nebr., in place of G. H. Looschen. Incumbent's commission expired June 6, 1938.

Marie Weekes to be postmaster at Norfolk, Nebr., in place of Marie Weekes. Incumbent's commission expired June 8, 1938.

Almira R. Boblits to be postmaster at Oconto, Nebr., in place of A. R. Boblits. Incumbent's commission expires June 14, 1938.

John B. Karn to be postmaster at Stapleton, Nebr., in place of J. B. Karn. Incumbent's commission expires June 14, 1938.

Frank D. Strope to be postmaster at Orchard, Nebr., in place of F. D. Strope. Incumbent's commission expired June 15, 1938.

Matthew T. Liewer to be postmaster at Osmond, Nebr., in place of M. T. Liewer. Incumbent's commission expired June 6, 1938.

NEVADA

Ralph H. Burdick to be postmaster at Tonopah, Nev., in place of R. H. Burdick. Incumbent's commission expired May 12, 1938.

NEW JERSEY

William T. Johnson to be postmaster at Point Pleasant, N. J., in place of W. T. Johnson. Incumbent's commission expired June 7, 1938.

William D. Hayes to be postmaster at Millburn, N. J., in place of W. D. Hayes. Incumbent's commission expired June 8, 1938.

John F. Sinnott, Jr., to be postmaster at Newark, N. J., in place of J. F. Sinnott, Jr. Incumbent's commission expired June 12, 1938.

Thomas Whittington to be postmaster at Sea Isle City, N. J., in place of Thomas Whittington. Incumbent's commission expired June 7, 1938.

Edward J. Lennon to be postmaster at Stone Harbor, N. J., in place of E. J. Lennon. Incumbent's commission expired May 30, 1938.

NEW MEXICO

Ray S. Soladay to be postmaster at Carlsbad, N. Mex., in place of R. S. Soladay. Incumbent's commission expired May 12, 1938.

Hezekiah Hall to be postmaster at Magdalena, N. Mex., in place of Hezekiah Hall. Incumbent's commission expired June 7, 1938.

NEW YORK

Mayme Meegan to be postmaster at Altmar, N. Y., in place of Mayme Meegan. Incumbent's commission expires June 18, 1938.

James D. Cheesman to be postmaster at Andover, N. Y., in place of J. D. Cheesman. Incumbent's commission expires June 18, 1938.

Anna G. Prendergast to be postmaster at Hall, N. Y., in place of A. G. Prendergast. Incumbent's commission expires June 15, 1938.

Agnes H. Mead to be postmaster at Hannibal, N. Y., in place of A. H. Mead. Incumbent's commission expires June 18, 1938.

Andrew E. Ryan to be postmaster at Manchester, N. Y., in place of A. E. Ryan. Incumbent's commission expires June 18, 1938.

John W. Clark to be postmaster at Mahopac, N. Y., in place of J. W. Clark. Incumbent's commission expired May 28, 1938.

Milton S. Smith to be postmaster at Mayville, N. Y., in place of M. S. Smith. Incumbent's commission expires June 15, 1938.

Richard P. Stanton to be postmaster at Millbrook, N. Y., in place of R. P. Stanton. Incumbent's commission expires June 18, 1938.

John C. Morgan to be postmaster at Naples, N. Y., in place of J. C. Morgan. Incumbent's commission expired Janury 31, 1938.

John H. Moore to be postmaster at North Cohocton, N. Y., in place of J. H. Moore. Incumbent's commission expires June 18, 1938.

Chester A. Miller to be postmaster at Oneonta, N. Y., in place of C. A. Miller. Incumbent's commission expired June 6, 1938.

Howard M. Curtis to be postmaster at Richfield Springs, N. Y., in place of H. M. Curtis. Incumbent's commission expired January 31, 1938.

Jacob C. Kopperger to be postmaster at Stottville, N. Y., in place of J. C. Kopperger. Incumbent's commission expired March 14, 1938.

Nellie A. King to be postmaster at Verplanck, N. Y. Office became Presidential July 1, 1936.

Frank B. Mead to be postmaster at Victor, N. Y., in place of F. B. Mead. Incumbent's commission expired February 28, 1938.

Jeremiah F. Healy to be postmaster at Williamstown, N. Y., in place of J. F. Healy. Incumbent's commission expires June 18, 1938.

Kenneth W. Hagadorn to be postmaster at Almond, N. Y., in place of K. W. Hagadorn. Incumbent's commission expires June 18, 1938.

Morgan A. Lynk to be postmaster at Sharon Springs, N. Y., in place of M. A. Lynk. Incumbent's commission expires June 18, 1938.

John T. Clark to be postmaster at Tuxedo Park, N. Y., in place of J. T. Clark. Incumbent's commission expires June 18, 1938.

John F. Maher to be postmaster at Woodridge, N. Y., in place of J. F. Maher. Incumbent's commission expired May 28, 1938.

Charles E. Meyers to be postmaster at Wurtsboro, N. Y., in place of C. E. Meyers. Incumbent's commission expires June 18, 1938.

NORTH CAROLINA

William M. Jefferson to be postmaster at Belmont, N. C., in place of W. M. Jefferson. Incumbent's commission expires June 18, 1938.

NORTH DAKOTA

J. Benus Kinneberg to be postmaster at Leeds, N. Dak., in place of J. B. Kinneberg. Incumbent's commission expired June 14, 1938.

Susanna A. Preszler to be postmaster at Medina, N. Dak., in place of S. A. Preszler. Incumbent's commission expired June 12, 1938.

Robert A. McLean to be postmaster at Niagara, N. Dak., in place of F. A. Rettke, removed.

OHIO

Emmert H. Crim to be postmaster at Cleves, Ohio, in place of E. H. Crim. Incumbent's commission expires June 15, 1938.

Jessie K. Dilworth to be postmaster at Cortland, Ohio, in place of J. K. Dilworth. Incumbent's commission expires June 18, 1938.

Perry L. Heintz to be postmaster at Jackson Center, Ohio, in place of P. L. Heintz. Incumbent's commission expired May 29, 1938.

Lois Black to be postmaster at McDonald, Ohio, in place of Lois Black. Incumbent's commission expires June 18, 1938.

Neile Stinebaugh to be postmaster at Republic, Ohio, in Place of Neile Stinebaugh. Incumbent's commission expires June 18, 1938.

Charles R. Gampher, Jr., to be postmaster at Rossford, Ohio, in place of C. R. Gampher, Jr. Incumbent's commission expires June 18, 1938.

Edward H. Richner to be postmaster at Twinsburg, Ohio, in place of E. H. Richner. Incumbent's commission expires June 18, 1938.

Charles M. Hogan to be postmaster at Wellston, Ohio, in place of C. M. Hogan. Incumbent's commission expires June 15, 1938.

OKLAHOMA

Priscilla P. Edgar to be postmaster at Langston, Okla., in place of F. R. Cassius, removed.

Sylvia M. Grace to be postmaster at Laverne, Okla., in place of S. M. Grace. Incumbent's commission expired June 13, 1938.

Dennis F. Almack to be postmaster at Moore, Okla., in place of D. F. Almack. Incumbent's commission expired May 29, 1938.

OREGON

William A. Parsons to be postmaster at Waldport, Oreg., in place of W. A. Parsons. Incumbent's commission expired May 2, 1938.

Madge Fortune Cook to be postmaster at Newport, Oreg., in place of M. F. Cook. Incumbent's commission expires June 18, 1938.

PENNSYLVANIA

Herman L. Levy to be postmaster at Daisytown, Pa., in place of H. L. Levy. Incumbent's commission expired June 6, 1938.

James O. Bergantz to be postmaster at Huntingdon, Pa., in place of J. O. Bergantz. Incumbent's commission expired June 6, 1938.

Cornelius McCullough to be postmaster at Lansdowne, Pa., in place of Cornelius McCullough. Incumbent's commission expired June 6, 1938.

Ralph B. Mushler to be postmaster at Norwood Station, Pa., in place of R. B. Mushler. Incumbent's commission expired June 6, 1938.

Jesse C. Yoders to be postmaster at Clarksville, Pa., in place of J. C. Yoders. Incumbent's commission expired June 6, 1938.

Daniel J. Frantz, Jr., to be postmaster at Coal Center, Pa., in place of D. J. Frantz, Jr. Incumbent's commission expired June 6, 1938.

James Nevant to be postmaster at Farrell, Pa., in place of James Nevant. Incumbent's commission expired June 6, 1938.

Charles T. Bonner to be postmaster at Glen Riddle, Pa., in place of C. T. Bonner. Incumbent's commission expired June 6, 1938.

Dora Cowen to be postmaster at Roscoe, Pa., in place of Dora Cowen. Incumbent's commission expires June 18, 1938.

James W. Casey to be postmaster at Rouseville, Pa., in place of J. W. Casey. Incumbent's commission expires June 18, 1938.

Arthur L. Laws to be postmaster at Sayre, Pa., in place of A. L. Laws. Incumbent's commission expired June 6, 1938.

William D. McIntire to be postmaster at Stoneboro, Pa., in place of W. D. McIntire. Incumbent's commission expired June 6, 1938.

G. Frank Zerbe to be postmaster at Valley View, Pa., in place of G. F. Zerbe. Incumbent's commission expired June 6, 1938.

Chester L. Boal to be postmaster at West Middlesex, Pa., in place of C. L. Boal. Incumbent's commission expired March 22, 1938.

Francis G. Ackley to be postmaster at Wyalusing, Pa., in place of F. G. Ackley. Incumbent's commission expired June 6, 1938.

RHODE ISLAND

William H. Follett to be postmaster at Howard, R. I., in place of W. H. Follett. Incumbent's commission expires June 14, 1938.

Elton L. Clark to be postmaster at North Scituate, R. I., in place of E. L. Clark. Incumbent's commission expires June 14, 1938.

SOUTH CAROLINA

Joseph H. Chitty to be postmaster at Denmark, S. C., in place of J. H. Chitty. Incumbent's commission expired May 1, 1938.

SOUTH DAKOTA

Gustave I. Honsey to be postmaster at Hecla, S. Dak., in place of G. I. Honsey. Incumbent's commission expired May 22, 1938.

William J. Nolan to be postmaster at Buffalo Gap, S. Dak., in place of W. J. Nolan. Incumbent's commission expired June 6, 1938.

Mattie E. Smith to be postmaster at Burke, S. Dak., in place of M. E. Smith. Incumbent's commission expired June 14, 1938.

Charles H. Page to be postmaster at McLaughlin, S. Dak., in place of C. H. Page. Incumbent's commission expired June 14, 1938.

Harry Dettman to be postmaster at Mission, S. Dak., in place of Harry Dettman. Incumbent's commission expired June 14, 1938.

William B. Boe to be postmaster at Presho, S. Dak., in place of W. B. Boe. Incumbent's commission expired June 12, 1938.

Anna F. Dillon to be postmaster at Whitewood, S. Dak., in place of A. F. Dillon. Incumbent's commission expired June 14, 1938.

George M. Bailey to be postmaster at Winner, S. Dak., in place of G. M. Bailey. Incumbent's commission expired May 16, 1938.

TENNESSEE

Binnie H. Kinser to be postmaster at Alcoa, Tenn., in place of B. H. Kinser. Incumbent's commission expired April 28, 1938.

Mary A. B. Dunn to be postmaster at Maryville, Tenn., in place of M. A. B. Dunn. Incumbent's commission expired June 12, 1938.

TEXAS

Hunter H. McWilliams to be postmaster at Atlanta, Tex., in place of H. H. McWilliams. Incumbent's commission expires June 18, 1938.

Rubye Alice Wilson to be postmaster at Elsa, Tex., in place of G. C. Edmonds. Incumbent's commission expired January 8, 1936.

Grace L. McKay to be postmaster at Madisonville, Tex., in place of Grace McKay. Incumbent's commission expired February 22, 1938.

Lon M. Peeples to be postmaster at Milano, Tex., in place of L. M. Peeples. Incumbent's commission expired June 6, 1938.

Marvin G. Prewitt to be postmaster at Ralls, Tex., in place of M. G. Prewitt. Incumbent's commission expires June 14, 1938.

Kirby L. Scudder to be postmaster at Slaton, Tex., in place of K. L. Scudder. Incumbent's commission expires June 18, 1938.

Herbert W. Meurer to be postmaster at Muenster, Tex., in place of Herbert Meurer. Incumbent's commission expired February 22, 1938.

VERMONT

Gertrude L. Cutler to be postmaster at Cambridge, Vt., in place of G. L. Cutler. Incumbent's commission expired April 25, 1938.

Walter H. Beckwith to be postmaster at Chelsea, Vt., in place of W. H. Beckwith. Incumbent's commission expired June 6, 1938.

Mabel M. Hemenway to be postmaster at Jeffersonville, Vt., in place of M. M. Hemenway. Incumbent's commission expired April 25, 1938.

Laura L. Veyette to be postmaster at Quechee, Vt., in place of L. L. Veyette. Incumbent's commission expired June 14, 1938.

Cecelia S. Joslyn to be postmaster at South Hero, Vt., in place of C. S. Joslyn. Incumbent's commission expired May 12, 1938.

VIRGINIA

Charley D. Lay to be postmaster at Coeburn, Va., in place of C. D. Lay. Incumbent's commission expires June 18, 1938.

Reginald B. Turner to be postmaster at East Falls Church, Va., in place of R. B. Turner. Incumbent's commission expired June 13, 1938.

Clarence M. Sale to be postmaster at Falls Church, Va., in place of C. M. Sale. Incumbent's commission expired March 22, 1938.

Mary F. Cunningham to be postmaster at Fort Myer, Va., in place of M. F. Cunningham. Incumbent's commission expired May 15, 1938.

Augustus W. Aston to be postmaster at Meadowview, Va., in place of A. W. Aston. Incumbent's commission expires June 18, 1938.

Arthur Gartrell to be postmaster at Middleburg, Va., in place of Arthur Gartrell. Incumbent's commission expired February 20, 1938.

David E. Bumpass, Jr., to be postmaster at Mineral, Va., in place of D. E. Bumpass, Jr. Incumbent's commission expired June 13, 1938.

Eugene P. Whitman to be postmaster at Pulaski, Va., in place of E. P. Whitman. Incumbent's commission expires June 18, 1938.

WASHINGTON

Warren H. Perrigo to be postmaster at Arlington, Wash., in place of W. H. Perrigo. Incumbent's commission expired June 6, 1938.

Vaughan Brown to be postmaster at Bellingham, Wash., in place of Vaughn Brown. Incumbent's commission expired May 12, 1938.

W. Kenneth Kingman to be postmaster at Chelan, Wash., in place of W. K. Kingman. Incumbent's commission expired June 13, 1938.

Alex Huse to be postmaster at Cheney, Wash., in place of Alex Huse. Incumbent's commission expired June 6, 1938.

Joshua J. Peak to be postmaster of Davenport, Wash., in place of J. J. Peak. Incumbent's commission expired June 6, 1938.

Floyd D. Tatman to be postmaster at Kalama, Wash., in place of F. D. Tatman. Incumbent's commission expired June 6, 1938.

Walter C. Ketterman to be postmaster at Opportunity, Wash., in place of W. C. Ketterman. Incumbent's commission expired June 13, 1938.

Walter Gihring to be postmaster at Rockford, Wash., in place of Walter Gihring. Incumbent's commission expires June 18, 1938.

Arthur H. Gerl to be postmaster at Wilbur, Wash., in place of A. H. Gerl. Incumbent's commission expired June 13, 1938.

Emma C. Cloke to be postmaster at Langley, Wash., in place of L. L. Grant. Removed.

WEST VIRGINIA

Mrs. Maurice Raymond Walker to be postmaster at Bramwell, W. Va., in place of Mrs. M. R. Walker. Incumbent's commission expired June 13, 1938.

Wilson P. Barlow to be postmaster at Buckhannon, W. Va., in place of W. P. Barlow. Incumbent's commission expired June 8, 1938.

Clark E. Heckert to be postmaster at Cairo, W. Va., in place of C. E. Heckert. Incumbent's commission expired May 24, 1938.

John C. Blanton to be postmaster at Freeman, W. Va., in place of J. C. Blanton. Incumbent's commission expired June 13, 1938.

Clarence L. Perkins to be postmaster at Gassaway, W. Va., in place of C. L. Perkins. Incumbent's commission expired June 8, 1938.

Carl Hinton to be postmaster at Hinton, W. Va., in place of Carl Hinton. Incumbent's commission expires June 18, 1938.

Williard I. Gulley to be postmaster at McComas, W. Va., in place of W. I. Gulley. Incumbent's commission expires June 18, 1938.

WISCONSIN

Vernon A. Martin to be postmaster at Amherst, Wis., in place of V. A. Martin. Incumbent's commission expires June 18, 1938.

Edwin Foley to be postmaster at Clinton, Wis., in place of Edwin Foley. Incumbent's commission expires June 15, 1938.

Marie Gunn Dunham to be postmaster at Cumberland, Wis., in place of M. G. Dunham. Incumbent's commission expired May 30, 1938.

Ethel E. Welch to be postmaster to Gleason, Wis., in place of E. E. Welch. Incumbent's commission expired June 8, 1938.

Wallace J. Milsap to be postmaster at Shawano, Wis., in place of W. J. Milsap. Incumbent's commission expires June 15, 1938.

Charles M. Dunn to be postmaster at Taylor, Wis., in place of C. M. Dunn. Incumbent's commission expires June 18, 1938.

Roy D. Fahland to be postmaster at Webster, Wis., in place of R. D. Fahland. Incumbent's commission expired June 12, 1938.

James E. O'Leary to be postmaster at Wilton, Wis., in place of J. E. O'Leary. Incumbent's commission expires June 15, 1938.

WYOMING

William H. Watson to be postmaster at Dubois, Wyo., in place of W. H. Watson. Incumbent's commission expired May 15, 1938.

HOUSE OF REPRESENTATIVES

TUESDAY, JUNE 14, 1938

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Blessed be the name of the Lord our God, whose goodness faileth never! With firm reliance on Thee, enable us to resist all forms of temptation which assail home, church, and state. Almighty God, we thank Thee for our Republic, for its splendid traditions and for its precious heritage. We praise Thee for our forefathers, whom no epitaph can flatter and no chiseled monument can exalt. We thank Thee for our national ensign, which is being celebrated and reverently enshrined today in song and story. It gathers up in its glorious folds the wealth and the fullness of a nation's life; it emblazons and embodies all in one beloved emblem. As we behold it in all its glory may we feel enraptured and become greater lovers of our fair land. We pray that it may ever challenge the admiration of all mankind as it continues to float over a contented and united people. We pray that the spirit of the Prince of Peace, whose advent was heralded by the angelic host, may bless us today as the voices of all citizens blend in one patriotic chorus. Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

QUESTION OF PERSONAL PRIVILEGE

Mr. BOYLAN of New York. Mr. Speaker, I rise to a question of personal privilege.

The SPEAKER. The gentleman will state the question of personal privilege.

Mr. BOYLAN of New York. Mr. Speaker, the day before yesterday a certain newspaper published in Washington printed a very scurrilous attack upon me, which to my mind impugned my rights as a Member of this House. It virtually charged violation of my oath of office, and I rise to make a statement in connection with it. I send to the chair a copy of the editorial to which I refer.

The SPEAKER. The Chair finds in one of the marked paragraphs of the editorial an implication which the Chair thinks involves the gentleman's dignity, standing, and reputation as a Member of the House. The Chair recognizes the gentleman from New York on a question of personal privilege.

Mr. BOYLAN of New York. Mr. Speaker, I rise to a question of personal privilege. In my remarks on the floor of the House last Wednesday, in opposition to the amendment

offered by the gentleman from California to strike from the pending deficiency bill the appropriation for beginning work on a permanent memorial to Thomas Jefferson, I said:

Of course, we expect differences of opinion in any great national undertaking. I find no fault with those who differ with me, but when they proceed upon erroneous information and make no effort to correct previous statements, after the facts have been made known, it is quite irritating.

I hold in my hand the lead-off editorial entitled "Misrepresenting the People," which appeared in yesterday's edition of the Washington Herald. This is but one of a series of such attacks. That editorial is not proper comment upon or criticism of the acts and conduct of public men, which are privileged, if fair and reasonable and made in good faith, but constitutes defamation of my record as a Member of Congress if, in fact, it is not a direct charge that I have violated my oath of office as a duly elected Member of this House for eight consecutive terms. Among other references to me personally, the editorial contains this statement:

Isn't it about time for the poor people of the Fifteenth Congressional District of New York to ask themselves just whom Mr. BOYLAN represents? He surely doesn't represent them.

If that misstatement of fact is not what the members of the bar would call "libelous per se," then I do not properly interpret the English language. This year rounds out 29 years of my service in the legislatures of my State and of the Nation—3 in the Assembly and 10 in the Senate of the State of New York, and 16 years in Congress, during all of which time I have represented the people of New York included in what is now the Fifteenth Congressional District. This is the first time I have been accused of not representing the people who have elected me. This editor not only has failed to cite a single instance of failure on the part of the people of my district to support my attitude regarding the Thomas Jefferson memorial, or any other legislative action of mine, but also goes out of the way to characterize in opprobrious terms the section of my State which has so long honored me. The editorial continues:

As a rule, the people of Mr. BOYLAN'S district are poor. To them Government is something afar off, about which they hear only when it's time to pay taxes or vote for the Tammany nominee.

There is no denying the fact that my folks at home are, generally speaking, not heavily endowed with this world's goods, but I give the lie to those who say that they are not as intelligent, law-abiding, public-spirited, and patriotic a constituency as any Member of this House enjoys.

There are many of us here who are old enough to have witnessed the parades of soldiers and sailors who returned to receive our acclaim from the battlefields of the Spanish-American and World Wars. The late lamented Father Duffy, chaplain of the "fighting" Sixty-ninth Regiment, was one of our pastors. We of the Fifteenth Congressional District of New York meet annually to revere and honor the memories of countless of our boys who rest in foreign soil. It comes with considerable bad grace for the editor of the Washington Herald to single out my constituency for this unfair, unwarranted, and libelous attack merely because, in the conscientious discharge of my duties as Chairman of the Thomas Jefferson Memorial Commission, I have zealously cooperated with my fellow members of that Commission in bringing about the already too long delayed recognition of Thomas Jefferson by a memorial which is fitting to his noble life and deeds.

In conclusion, may I say that I stand aside for no one in my defense of the so-called freedom of the press. I realize that the term "freedom of the press" consists of a right in the conduct of a newspaper to print what it chooses without any previous license, but subject always to responsibility for libelous statements to the same extent as anyone else. In voicing my indignation over this latest outburst of a newspaper that has been persistently unfair to me, I am comforted in the belief that my attitude will receive the commendation of you, my colleagues, with whom I have been associated so long in the public service. [Applause.]

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. St. Claire, one of its clerks, announced that the Senate had passed without amendment bills and joint resolutions of the House of the following titles:

H. R. 152. An act to add certain lands to the Rio Grande National Forest, Colo.;

H. R. 447. An act for the relief of Alpha Vint;

H. R. 599. An act for the relief of W. J. Steckel;

H. R. 1141. An act for the relief of J. W. Beams;

H. R. 1250. An act for the relief of Emilie Dew, Jack Welsh, Mary Jane Bowden, and Henry U. Gaines, Jr.;

H. R. 1363. An act for the relief of the estate of Milton L. Baxter;

H. R. 1861. An act for the relief of the firm of Schmidt, Garden & Martin, architects, of Chicago, Ill.;

H. R. 2149. An act for the relief of Capt. Guy L. Hartman;

H. R. 2171. An act for the relief of Frank Burgess Bruce;

H. R. 2231. An act for the relief of Charles E. Black;

H. R. 2358. An act for the relief of Dwain D. Miles;

H. R. 2368. An act for the relief of the estate of Catherine Harkins, deceased;

H. R. 2429. An act for the relief of Eugene Nicholas;

H. R. 2487. An act for the relief of Thomas J. Allen, Jr.;

H. R. 2560. An act for the relief of the State of New York Insurance Department as liquidator;

H. R. 2650. An act for the relief of Veracunda O'Brien Allen;

H. R. 2767. An act for the relief of George L. Stone;

H. R. 2779. An act for the relief of Lilly Bundgard and Gloria Bundgard;

H. R. 3225. An act for the relief of Roland Stafford;

H. R. 3232. An act conferring jurisdiction upon the Court of Claims of the United States to hear, consider, and render judgment on the claims of Joliet National Bank, of Joliet, Ill., and Commercial Trust & Savings Bank, of Joliet, Ill., arising out of loans to the Joliet Forge Co., of Joliet, Ill., for the providing of additional plant facilities and material for the construction of steel forgings during the World War;

H. R. 3655. An act for the relief of Clarence D. Schiffman;

H. R. 3747. An act for the relief of George O. Wills;

H. R. 4032. An act for the relief of the New Amsterdam Casualty Co.;

H. R. 4169. An act to carry out the findings of the Court of Claims in the case of the Atlantic Works, of Boston, Mass.;

H. R. 4227. An act for the relief of Mrs. R. A. Smith;

H. R. 4367. An act for the relief of Perry Walker;

H. R. 4443. An act for the relief of Meta De Rene McLoskey;

H. R. 4717. An act for the relief of Bernard Knopp;

H. R. 4830. An act for the relief of Mrs. D. O. Benson;

H. R. 4864. An act for the relief of Helen Rauch and Max Rauch;

H. R. 4941. An act for the relief of Rogowski Bros.;

H. R. 5006. An act for the relief of DeWitt F. McLaurine;

H. R. 5153. An act for the relief of George F. Anderson and Vera D. Anderson;

H. R. 5260. An act for the relief of Col. William H. Noble;

H. R. 5308. An act for the relief of Anna Caporaso;

H. R. 5471. An act to amend the laws relating to the distribution of public documents to depository libraries;

H. R. 5597. An act for the relief of Luigi Mazza;

H. R. 5763. An act to provide for the extension of the boundaries of the Hot Springs National Park in the State of Arkansas, and for other purposes;

H. R. 5805. An act to amend an act entitled "An act to provide for the exercise of sole and exclusive jurisdiction by the United States over the Hawaii National Park in the Territory of Hawaii, and for other purposes," approved April 19, 1930;

H. R. 6016. An act for the relief of Lavina Karns;

H. R. 6186. An act for the relief of Moses Red Bird;

H. R. 6296. An act for the relief of Dr. A. C. Antony and others;

H. R. 6327. An act for the relief of Edward J. Thompson;

H. R. 6374. An act for the relief of Lena R. Burnett;

H. R. 6461. An act for the relief of William F. Bourland;

H. R. 6669. An act for the relief of Augusta L. Collins;

H. R. 6713. An act for the relief of Genesee Brewing Co., Inc.;

H. R. 6727. An act for the relief of Edward E. Brown, Charles Walker, Frank Parr, John Moyer, and Lynford P. Fowles;

H. R. 6753. An act for the relief of the Derby Oil Co.;

H. R. 6842. An act for the relief of Frank M. Schmitt, Antonio Salas, Victoria Griego, and Victor Coco;

H. R. 6846. An act for the relief of Harvey and Carrie Robinson;

H. R. 6951. An act for the relief of Harold Price;

H. R. 6952. An act for the relief of Hattie Doudna;

H. R. 7012. An act for the relief of J. Anse Little;

H. R. 7060. An act for the relief of James Mohin and Joseph Lercara;

H. R. 7143. An act for the relief of the Curtiss Aeroplane & Motor Co., Inc.;

H. R. 7166. An act for the relief of the estate of Raymond Kinklea;

H. R. 7198. An act for the relief of Fred Johnson;

H. R. 7297. An act for the relief of Gordon L. Cheasley;

H. R. 7424. An act for the relief of certain persons whose cotton was destroyed by fire in the Ouachita Warehouse, Camden, Ark.;

H. R. 7429. An act for the relief of Muriel C. Young;

H. R. 7460. An act for the relief of Mr. and Mrs. Roy Blessing;

H. R. 7520. An act for the relief of members of the Navy or Marine Corps who were discharged from the Navy or Marine Corps during the Spanish-American War, the Philippine Insurrection, and the Boxer uprising because of minority or misrepresentation of age;

H. R. 7537. An act for the relief of certain stevedores employed on the United States Army transport docks in San Francisco, Calif.;

H. R. 7606. An act for the relief of Albert Richard Jeske;

H. R. 7607. An act for the relief of Frank B. Decker;

H. R. 7693. An act to authorize the Secretary of War to transfer to the government of Puerto Rico certain real estate of the War Department;

H. R. 7793. An act for the relief of Nicholas de Lipski;

H. R. 7868. An act to provide for conveying to the State of North Dakota certain lands within Burleigh County within that State for public use;

H. R. 7874. An act to provide for the leasing of State, county, and privately owned lands for the purpose of furthering the orderly use, improvement, and development of grazing districts;

H. R. 7890. An act for the relief of Brooks-Callaway Co.;

H. R. 7960. An act for the relief of Wilma Artopoeus;

H. R. 7982. An act to regulate the manufacturing, dispensing, selling, and possession of narcotic drugs in the District of Columbia;

H. R. 8051. An act for the relief of Roswell H. Haynie;

H. R. 8055. An act for the relief of Helry P. McCaig;

H. R. 8098. An act conferring jurisdiction upon the Court of Claims to hear and determine the claims of Edward Forbes and others;

H. R. 8123. An act for the relief of Sonia M. Bell;

H. R. 8165. An act to add certain lands to the Trinity National Forest, Calif.;

H. R. 8176. An act providing for continuing retirement pay, under certain conditions, of officers and former officers of the Army, Navy, and Marine Corps of the United States, other than officers of the Regular Army, Navy, or Marine Corps who incurred physical disability while in the service of the United States during the World War, and for other purposes;

H. R. 8241. An act for the relief of Fred J. Christoff;

H. R. 8271. An act to confer jurisdiction upon the Court of Claims of the United States to hear, determine, and render judgment upon the claims of the attorneys for the Russian Volunteer Fleet;

H. R. 8275. An act for the relief of Stanley Kolitzoff and Marie Kolitzoff;

H. R. 8365. An act for the relief of the North Mississippi Oil Mills, of Holly Springs, Miss.;

H. R. 8375. An act for the relief of Roscoe B. Huston;

H. R. 8380. An act for the relief of Glenn R. Martin;

H. R. 8391. An act for the relief of Frances M. Heinzelmann;

H. R. 8417. An act for the relief of John B. Dollison;

H. R. 8423. An act for the relief of Frank W. Lohn;

H. R. 8424. An act for the relief of John F. Dailey and Ethel M. Dailey;

H. R. 8479. An act for the relief of Jane Murrah;

H. R. 8480. An act for the relief of Commander James T. Mathews;

H. R. 8492. An act for the relief of Robert Doty, a minor;

H. R. 8515. An act to amend the act entitled "An act for the relief of Harry Bryan and Alda Duffield Mullins, and others," approved August 28, 1937;

H. R. 8544. An act for the relief of Alba C. Mitchell;

H. R. 8567. An act for the relief of Margaret B. Nonnenberg;

H. R. 8571. An act granting 6 months' pay to Mrs. Vallie M. Current;

H. R. 8643. An act for the relief of Kate Durham Thomas;

H. R. 8672. An act for the relief of Fergus County, Mont.;

H. R. 8683. An act for the relief of Gus Vakas;

H. R. 8696. An act for the relief of Ruby Z. Winslow;

H. R. 8723. An act for the relief of Spencer D. Albright, Jr.;

H. R. 8743. An act for the relief of Louis Michael Bregantic;

H. R. 8744. An act for the relief of J. G. Bucklin;

H. R. 8858. An act for the relief of Joseph Brum and Gussie Brum;

H. R. 8922. An act for the relief of E. E. Johnson;

H. R. 9084. An act for the relief of John Lawson and Roy Webb;

H. R. 9130. An act for the relief of Marshall Carver;

H. R. 9142. An act for the relief of J. J. B. Hilliard & Son;

H. R. 9196. An act for the relief of J. T. Burt and Alice Burt;

H. R. 9215. An act for the relief of the Read Machinery Co., Inc.;

H. R. 9277. An act for the relief of James M. Wright;

H. R. 9297. An act for the relief of Dr. Samuel A. Riddick;

H. R. 9400. An act for the relief of Adolph Arendt;

H. R. 9535. An act for the relief of Amy M. Ghent;

H. R. 9640. An act for the relief of Shoshone Garage;

H. R. 9674. An act for the relief of John Borowski, Benjamin H. Hammack, and Eber A. Wean;

H. R. 9825. An act for the relief of Raymond Pledger and Thomas P. Giacomini, Jr.;

H. R. 9916. An act to provide for the establishment of a Coast Guard station at or near Shelter Cove, Calif.;

H. R. 9981. An act for the relief of the State of Connecticut;

H. R. 10171. An act to amend the act entitled "An act giving jurisdiction to the Court of Claims to hear and determine the claim of the Butler Lumber Co., Inc.";

H. R. 10346. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Niobrara, Nebr.;

H. R. 10672. An act to amend section 4197 of the Revised Statutes, as amended (U. S. C., 1934 ed., title 46, sec. 91), and section 4200 of the Revised Statutes (U. S. C., 1934 ed., title 46, sec. 92), and for other purposes;

H. R. 10722. An act to authorize the attendance of the Marine Band at the national encampment of the Grand Army of the Republic to be held at Des Moines, Iowa, September 4 to 8, inclusive, 1938;

H. J. Res. 620. Joint resolution for the observance of the celebration of the one hundred and twenty-fifth anniversary of the Battle of Lake Erie; and

H. J. Res. 703. Joint resolution to authorize the acceptance of title to the dwelling house and property, the former residence of the late Justice Oliver Wendell Holmes, located at 1720 Eye Street NW., in the District of Columbia, and for other purposes.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills and a joint resolution of the House of the following titles:

H. R. 2716. An act to provide for the local delivery rate on certain first-class mail matter;

H. R. 3162. An act conferring jurisdiction upon the United States Court of Claims to hear, examine, adjudicate, and render judgment on any and all claims which the Uncompahgre (Tabegauche), Uintah (Uinta), and White River (Yampa and Grand River) Bands of the Ute Indians may have against the United States, and for other purposes;

H. R. 5379. An act for the relief of Mrs. B. E. Hennigan and her dependent minor children;

H. R. 5615. An act for the relief of the administrator of the estate of Capt. B. B. Barbee;

H. R. 6710. An act conferring jurisdiction upon the United States District Court for the Eastern District of Louisiana to hear, determine, and render judgment upon the claims of Anna Lee Hebert, Mrs. Nicholas Hebert, Mr. and Mrs. Dossie E. Morrell, Mr. and Mrs. C. B. McClure, and W. F. Cobb;

H. R. 7844. An act to amend the act of Congress entitled "An act to establish an Alaska Game Commission, to protect game animals, land fur-bearing animals, and birds in Alaska, and for other purposes", approved January 13, 1925, as amended;

H. R. 9801. An act to provide for the retirement, rank, and pay of Chiefs of Naval Operations, Chiefs of Bureau of the Navy Department, the Judge Advocates General of the Navy, and the Major General Commandant of the Marine Corps;

H. R. 9997. An act to regulate the distribution, promotion, and retirement of officers of the line of the Navy, and for other purposes;

H. R. 10024. An act to establish the Olympic National Park, in the State of Washington, and for other purposes;

H. R. 10432. An act to amend an act approved June 14, 1906 (34 Stat. 263), entitled "An act to prevent aliens from fishing in the waters of Alaska"; and

H. J. Res. 699. Joint resolution to amend sections 101, 102, 103, and 104 of the Revised Statutes of the United States relating to congressional investigations.

The message also announced that the Senate had passed bills and joint resolutions of the following titles, in which the concurrence of the House is requested:

S. 1839. An act to authorize the conveyance by the United States to the town of Bristol, Maine, of a portion of the Pemaquid Point Lighthouse Reservation, and for other purposes;

S. 2935. An act to authorize the use of certain facilities of national parks and national monuments for elementary school purposes;

S. 3238. An act to provide for recording of deeds of trust and mortgages secured on real estate in the District of Columbia, and for the releasing thereof, and for other purposes;

S. 3387. An act for the relief of Hubert J. Cuncannan;

S. 3403. An act for the relief of Leonard Graboski;

S. 3502. An act to protect producers, manufacturers, and consumers from the unrevealed presence of substitutes and mixtures in spun, woven, or knitted or felted fabrics and in garments or articles of apparel or other articles made therefrom, and for other purposes;

S. 3560. An act to revise the boundaries of the Colonial National Historical Park in the State of Virginia, and for other purposes;

S. 3628. An act to confer jurisdiction on the Court of Claims to hear, determine, and enter judgment upon the claims of Government contractors whose costs of performance were increased as a result of enactment of the National Industrial Recovery Act, June 16, 1933;

S. 3635. An act to encourage travel to and within the United States, and for other purposes;

S. 3774. An act to authorize cooperation between the United States and the State of New York in the protection of the public interest and welfare inherent in certain forest lands in said State through provision for the acquisition and management of said lands;

S. 3781. An act for the relief of the International Oil Co., of Minot, N. Dak.;

S. 3816. An act authorizing the naturalization of Olaf Nordman;

S. 3937. An act conferring jurisdiction upon the Court of Claims of the United States to hear, determine, and render judgment upon the claim of the Wisconsin Bridge & Iron Co.;

S. 3950. An act for the relief of the American National Bank, of Kalamazoo, Mich.;

S. 3957. An act for the relief of James Thow, Charles Thow, and David Thow;

S. 4009. An act to reimburse the Eastern and Western Cherokees for funds erroneously charged against them, and for other purposes;

S. 4077. An act to change the name of "Pickwick Landing Dam" to "McKellar Dam";

S. 4087. An act to provide for the payment of compensation to the widow of William R. Ramsey, Jr., who was killed in the performance of his duty as a special agent of the Federal Bureau of Investigation;

S. 4136. An act to facilitate the control of soil erosion and/or flood damage originating upon lands within the exterior boundaries of the Nevada and Toiyabe National Forests in Nevada and to promote efficiency and economy of administration of said national forests;

S. 4145. An act to authorize contingent expenditures, United States Coast Guard Academy;

S. 4153. An act to carry out the findings of the Court of Claims in the case of Lester P. Barlow against the United States;

S. 4162. An act making inapplicable certain reversionary provisions in the act of March 4, 1923 (42 Stat. 1450), and a certain deed executed by the Secretary of War, in the matter of a lease to be entered into by the United States for the use of a part of the former Fort Armistead Military Reservation for air navigation purposes;

S. J. Res. 295. Joint resolution to authorize sales and exchanges by the State of Wisconsin notwithstanding certain provisions in the act of August 22, 1912 (37 Stat. 324); and

S. J. Res. 298. Joint resolution to create a joint congressional committee to investigate the adequacy and use of the phosphate resources of the United States.

The message also announced that the Senate had adopted the following order:

Ordered, That the Secretary be directed to request the House of Representatives to return to the Senate the bill (S. 1478) conferring jurisdiction on the Court of Claims to hear and determine the claims of the Choctaw Indians of the State of Mississippi, with accompanying papers.

The message also announced that the Senate agrees to the amendment of the House to the amendment of the Senate No. 12 to the bill (H. R. 8099) to amend certain administrative provisions of the Tariff Act and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H. R. 7759) entitled "An act for the relief of Susan Lawrence Davis," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. LOGAN, Mr. ELLENDER, and Mr. CAPPER to be the conferees on the part of the Senate.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 662) entitled "An act for the relief of Bertram Rich," requests a conference with the House on the disagreeing votes of the two

Houses thereon, and appoints Mr. BAILEY, Mr. BROWN of Michigan, and Mr. TOWNSEND to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the reports of the committees of conference on the disagreeing votes of the two Houses on the amendments of the Senate to bills of the House of the following titles:

H. R. 1872. An act for the relief of Martin Bridges;

H. R. 1948. An act conferring jurisdiction upon the United States District Court for the District of Massachusetts to hear, determine, and render judgment upon the claims of certain property owners within the Old Harbor Village area of Boston, Mass.;

H. R. 2362. An act for the relief of Henry M. Hyer;

H. R. 2665. An act for the relief of W. D. Presley; and

H. R. 5743. An act for the relief of Haffenreffer & Co., Inc.

The message also announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 82. An act for the relief of F. A. Rumery & Sons, of Portland, Maine;

S. 213. An act for the relief of Ida A. Gunderson;

S. 606. An act for the relief of Mabel F. Hollingsworth;

S. 824. An act for the relief of Sam Kimzey;

S. 866. An act for the relief of the estate of James D. McEachern;

S. 2072. An act for the relief of Stuart C. Peterson;

S. 2541. An act for the relief of the estate of George Ehret, Jr.;

S. 2629. An act to authorize an exchange of lands between the city of San Diego, Calif., and the United States;

S. 2739. An act for the relief of certain employees of the Federal Emergency Administration of Public Works and the National Resources Committee;

S. 2948. An act for the relief of A. J. Moses and Gladys Moses, a minor;

S. 2994. An act for the relief of Mrs. Morgan R. Butler;

S. 3031. An act for the relief of the Lima Locomotive Works, Inc.;

S. 3470. An act for the relief of Lewis M. Foster;

S. 3573. An act for the relief of William J. Pitochelli;

S. 3719. An act for the relief of Manuel L. Clay;

S. 3917. An act authorizing the President to present gold medals to Mrs. Robert Aldrich and posthumously to Anne Bouligny; and

S. 4076. An act to amend the Federal Crop Insurance Act.

EXTENSION OF REMARKS

Mr. SCOTT. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including an article on Cooperative Medicine and Law prepared by the Lawyers Guild. It runs over the usual amount allowed, and I have asked for an estimate of cost from the Government Printing Office. It is listed at $180, and in view of what is bound to come up with respect to the whole question of this group health association in the District, I feel that the information will be worth that money in putting it into the RECORD, for the Members of the House.

The SPEAKER. Is there objection?

Mr. RICH. Mr. Speaker, I reserve the right to object. Is the $180 over and above the amount?

Mr. SCOTT. No; it is the total cost in addition to the regular amount.

The SPEAKER. Is there objection?

There was no objection.

FLOOD CONTROL

Mr. DRIVER, from the Committee on Rules, presented the following resolution for printing under the rule:

House Resolution 532

Resolved, That upon the adoption of this resolution the House shall proceed to the consideration of the conference report on the bill H. R. 10618, and all points of order against said conference report shall be waived.

EXTENSION OF REMARKS

Mr. FLANNAGAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a speech I delivered before the Appalachian Wildlife Association.

The SPEAKER. Is there objection?

There was no objection.

Mr. PACE. Mr. Speaker, I ask unanimous consent to extend my remarks and to include an editorial from the Atlanta Constitution.

The SPEAKER. Is there objection?

There was no objection.

Mr. CUMMINGS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing a letter on irrigation in Colorado.

The SPEAKER. Is there objection?

There was no objection.

Mr. SHANLEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the three hundredth anniversary of the founding of the city of New Haven, and to include an address delivered by Rev. Oscar Maurer and one by Governor Cross.

The SPEAKER. Is there objection?

There was no objection.

RETIREMENT OF OFFICERS OF THE NAVY

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 9997) to regulate the distribution, promotion, and retirement of officers of the line of the Navy, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection?

There was no objection.

The Chair appointed the following conferees: Mr. VINSON of Georgia, Mr. DREWRY of Virginia, and Mr. MAAS.

ABSENCE OF A MEMBER

Mr. COOPER. Mr. Speaker, I ask unanimous consent to proceed for half a minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. COOPER. Mr. Speaker, my colleague from Tennessee, Mr. ATKINSON, is unavoidably absent and has been for several days on account of serious illness.

THE DEPRESSION, THE CAUSE, AND THE REMEDY

FIFTH: THE REMEDY FOR THE DEPRESSION

Mr. GRAY of Indiana. Mr. Speaker and fellow Members of Congress, as time is the essence of certain contracts, so time is now the essence of the remedy for this depression, and which is as vital as the remedy itself. There must not only be a remedy provided but a remedy must be provided promptly, without further hesitation or delay and before the damage or loss shall have become irreparable.

THE REMEDY FOR THE WORLD DEPRESSION

The remedy for this world depression, still continuing on in this country, involves first, the only primary problem of restoring back into use and circulation the normal volume and supply of money sufficient to balance and equalize industry under the new and changed post-war conditions.

TWO CURRENCY SYSTEMS

We have two separate, independent currency systems under which to make such restoration of the currency. One is the Federal Reserve currency system, a private system of bank-note issue assuming the control of the public currency. The other is our governmental currency system, a part of the public agencies of the Government.

THE FEDERAL RESERVE SYSTEM

Under the Federal Reserve currency system, money can only go out into circulation by the people borrowing their own money and paying interest as long as it stays out, and going back into the banks and to be hoarded the very moment the people stop paying interest, and the country is left with a scarcity of money.

But during the continuance of panics or depressions men will not or will long defer to borrow money for business, and banks will decline or long hesitate to make loans, and their procrastination is the thief of time which holds back recovery left waiting, and panics are continued or prolonged.

The Federal Reserve currency system cannot function to make loans and restore currency until after prosperity has been restored, and then generally to function in alternating operations, first, to bring on speculating booms, then to slow down business and industry and to bring on another panic or depression.

THE EMERGENCY CALLS FOR POSITIVE FORCE

The emergencies of this panic or depression call for the exercise of positive power to force or compel money to go out into circulation, and while the reserve banks are without such power, we are especially favored and most fortunate in having another currency system available to us for the exercise of such compelling force or positive power.

Such are the means and facilities of our public or governmental currency system that money can be paid out and put in circulation by all disbursing officers of the Government for recovery and relief expenditures for everyday and current expenses of the Government, to pay interest and all maturing obligations, and by making all payments of money authorized and directed by law.

OUR PUBLIC OR GOVERNMENTAL CURRENCY SYSTEM

Our public or governmental currency system is provided to exert positive power, force, and compel money out into circulation. And to resort to this public currency system the money contracted and taken out of circulation can be promptly forced back into use and circulation, and the money equilibrium restored to industry.

MANY CURRENCY BILLS FOR RELIEF

Bills for currency reform and to remedy the depression have been filed by GOLDSBOROUGH, PATMAN, BINDERUP, BURDICK, RANKIN, and others, providing for new systems or for setting up new agencies, all emphasizing different phases of currency relief, each including certain merits over the other, and all of value in the currency-reform movement.

I have filed bill H. R. 9260, especially designed to facilitate prompt action, and which does not provide, call for, or require a single new currency law enacted, a single new office or public official, a single new currency board or bureau, to bring prompt and immediate relief from this depression.

Under the provisions of this bill, no new or different form of money is required. The money would remain unchanged, the same money as we now use, the same as now redeemable and convertible, only the money would be under public control instead of private secret control.

UNDER THE BILL I HAVE FILED

Under this concurrent resolution I have filed in the form of a bill, and which, if enacted into law and administered, directing existing public officials to resort to existing currency facilities under which the currency operates for recovery, these operations could be started upon the next day.

There would be no new means or facilities to be created, tried out, or experimented with. There would be no new officials to be trained or advised. There would be no new or different forms of money; it would be the same or only more of the same money. Nothing would be new to be entered upon. Only the existing means would be started in operation anew.

THE PROVISIONS OF THE CONSTITUTION

Under the provisions of the Constitution, Congress, in the exercise of such power, has provided for the issue of legal-tender money by laws enacted February 28, 1862, and by laws supplemental thereto enacted July 11, 1862, and March 3, 1863, all of which remain in full force and effect.

And we can proceed with absolute assurance. The United States Supreme Court, the highest judicial tribunal in the land, the Court of final and last resort, has considered, adjudged, and decreed that Congress is duly empowered and authorized to issue full legal-tender money, and to regulate and control its value.

ALL THAT REMAINS FOR CONGRESS TO DO

All that remains for Congress to do is to command officials already empowered to act, to direct the functions and operations of existing governmental means and agencies, to smite the rock of constitutional powers, and full legal-tender currency or money will come forth like gushing waters.

But more than our ready and waiting currency facilities to restore normal conditions and full-time employment, we do not have to kill a single pig, we do not have to disembowel a single mother swine, we do not have to slaughter a single dairy cow, we do not have to destroy or plow up a single acre of wheat or cotton to bring full, prompt relief and recovery.

ENGLAND AND 20 NATIONS

England and 20 nations of Europe and elsewhere, after trying out recovery by spending and failing of any substantial and permanent relief, have changed their recovery and relief policies from spending and reducing production and have entered upon a policy and program of the regulation and control of the currency.

Many of these nations have brought back normal employment conditions and times, and all have made greater progress in recovery on the road to normal, prosperous conditions than this Nation has made to 1936, and none of these 21 nations have suffered a relapse of the depression.

The same greater progress of recovery made in England has been made in the other 20 nations which have abandoned the policy of spending and resorted to the regulation and control of money, making money more plentiful at low interest, and leaving production to seek its own level with the buying and consuming power of the people.

BENJAMIN FRANKLIN

It was a great and true saying of Ben Franklin which in substance, meaning, or effect was that wise men profit by the errors of others, but fools fail to learn even from their own mistakes and go on blundering and making the same errors over and over again through life.

If we now fail to observe the greater progress which these 21 nations have made, after abandoning as futile and as a failure borrowing for works to provide employment, and after resorting to the remedy of controlling public currency as a measure for relief and recovery, then we will be left standing before the world as a people without sufficient intelligence to take heed or profit from the mistakes of others or to take lessons from the change of policy and from their examples of successful achievement; we will be convicted of stupidity and want of understanding equal to the peoples of the most backward nations.

MORE ABOUT BENJAMIN FRANKLIN

But we are not done with Franklin's measure of intelligence. We have tried out the policy of spending to the amount of $15,000,000,000 in debt, and following the remedy of reducing farm production to the killing of millions of pigs and disemboweling mother swine, slaughtering dairy cows, and plowing up and destroying crops, only to find ourselves at the end of the trail in another depression.

WE WILL BE FOOLED

If we fail to profit by this costly experiment, if we fail to take heed and lesson from our own errors and fatal mistakes, we will be left standing before the civilized world not only as being devoid of commonplace intelligence but as fools and unable even to learn, or to take profit from our own mistakes and errors.

J. F. DARLING OF ENGLAND

When England was misled in 1925 to go back on the international gold standard and pursue the policy of spending for recovery, with unemployment and relief demands increasing, J. F. Darling, of the Midland Bank, Ltd., describes our position, if we continue spending and following the same policy, when he said:

> We are fools to put up with it. Common justice, common humanity, and common sense urgently demand that the British Empire take the lead in restoring the equilibrium of gold and silver.

Meaning money values with property, commodities, and industry by restoring a full, normal money supply.

Now, after almost 18 years of alternating depressions, with the World War financiers of our own country still maintaining their stranglehold upon the control of our public currency system to keep their multiplied profits and gains, we are fools if we put up with it for a single day or hour longer.

THE 1928 PANIC COULD HAVE BEEN PREVENTED

The 1929 panic could have been prevented, and after it came could have been stopped and prosperity restored to the people; and this panic could have been prevented; and now that it has come it can be stopped and remedied and prosperity started back in 30 days.

It will be criminal indifference and disregard of public duty for this Congress to adjourn or recess until some positive and certain remedy is provided to arrest the further progress of this panic or economic depression and relief and recovery is started on the way.

INDUSTRY WOULD BE REVIVED LIKE MAGIC

If these existing currency facilities now standing ready and waiting were resorted to to replenish the money supply, to restore prices and commodity values, and thereby earnings, income, and employment, and the buying and consuming power of the people, the effect to revive industry would be like magic.

The doors of factories, mills, and workshops would swing open, stand ajar. The wheels of industry would start the whir of machinery in motion; the din of saw and hammer would sing the song of prosperity returning and beginning in less than 30 days.

THE PITY OF IT ALL

And the pity of it all and the tragedy of it all is, while the people are suffering in distress, and a majority of Members of Congress are declaring that currency relief must sooner or later come, all is held back by the withering touch of some unseen, restraining hand.

THE FIGHT FOR DEMOCRACY GOES ON—LET THE PEOPLE DECIDE IN THE FALL ELECTIONS WHETHER THEY WANT TO VOTE ON SENDING THEIR BOYS INTO FOREIGN WARS

Mr. LUDLOW. Mr. Speaker, we will get rid of war as we build up democracy.

No greater truism than that was ever uttered. We will get rid of war as we build up the democratic processes, the right of the people to rule themselves and to express themselves on war.

We will get rid of war when as a Nation we have the vision to adopt the democratic principle enunciated to the world by that fine body of young men and women, the Young Democratic Clubs of America, 5,000,000 strong, the flower of the Democratic Party, when at their last national convention, presided over by Mr. James Roosevelt, they unanimously adopted the following resolution:

Resolved, That we favor a Nation-wide referendum before declaration of war, except in case of invasion or internal rebellion.

We will begin to see the end of wars when we build up democracy along the lines advocated by the Democratic National Convention of 1924 when, after solemn deliberation, it adopted this resolution:

Our Government should secure a joint agreement with all nations for world disarmament and also for a referendum on war, except in case of actual or threatened attack. Those who furnish the blood and bear the burdens imposed by war should, whenever possible, be consulted before this supreme sacrifice is required of them.

BATTLE NO. 1

Battle No. 1 over the right of the people of America to say by their votes, except in the case of attack or invasion, whether or not this Nation shall send American boys abroad to participate in future foreign wars was fought out in this historic Chamber, in the face of terrific opposition pressure, on January 10 last, and it resulted in a temporary defeat by such a narrow margin that a change of only 11 votes would have transformed defeat into victory. Had it not been for the amazing and terrific pressure that was resorted to by the strange combination of elements arrayed in opposition, the resolution would have come up for debate and action in this House, and I firmly believe that, in a free and untrammeled atmosphere, the resolution would have been adopted and this democratic principle would now be on its way to ratification as a part of the American Constitution—the Constitution that guarantees the rights of freemen in the greatest government ever set up on this earth.

SLOW APPROACH TO MAGNA CARTA

That, as I say, was battle No. 1. No war was ever won by a single battle. The approach to Magna Carta was not rapid. The approach to the Declaration of Independence was not rapid. Humanity had to endure ages of cruelties and economic and political slavery before it worked itself upward through the black night of oppression to the goal of Magna Carta. More ages of tyranny and oppression intervened before Thomas Jefferson, the greatest humanitarian since Jesus of Nazareth, hammered out of the crucible of human suffering and travail the immortal doctrine that "all men are created equal," which illumines the Declaration of Independence with a divine glory.

Out of the first battle over the war referendum resolution in the House on January 10 came a vision to the American people of what the upbuilding of democracy—the rule of the people—may do to keep our sons and our sons' sons out of the hell of foreign wars. Repressive tactics can no more blot out that vision than repressive tactics could blot out Magna Carta or the Declaration of Independence or the Sermon on the Mount. Revolutionary as the idea may seem to some, the people of America, viewing it in the light of reason, have become convinced that it is just and reasonable. They still believe, and will continue to believe, in overwhelming numbers, that except in the case of attack or invasion, when it goes without saying that every person who loves his country will rush to its defense, those who have to do the suffering and the dying and to bear the unspeakable burdens and griefs of war shall have a right in these days of quick communication and perfect facilities for gathering the public verdict, to vote on the question of America's participation in foreign wars.

A SACRED CAUSE

I would consider myself a legitimate subject for criticism if, after having been instrumental in launching this fight for the upbuilding of American democracy as a means of keeping America out of war, I should now abandon that fight. I have no thought of doing so. I have put some of the best years of my life and hundreds of dollars that I could ill afford into this cause and I am enlisted, not for this one battle, but for the war. To me it is a sacred cause. On January 3 next, I expect to introduce at the opening of the Seventy-sixth Congress the following resolution, which is the revised Ludlow war referendum resolution that was read to the House by Representative FISH, of New York, a gallant veteran, during the debate on January 10:

Section 1: Except in case of attack by armed forces, actual or immediately threatened, upon the United States or its territorial posessions, or by any non-American nation against any country in the Western Hemisphere, the people shall have the sole power by a national referendum to declare war or to engage in warfare overseas. Congress, when it deems a national crisis to exist in conformance with this article, shall by concurrent resolution refer the question to the people.

Section 2: Congress shall by law provide for the enforcement of this section.

Section 3: This article shall become operative when ratified as an amendment to the Constitution by conventions in the several States, as provided in the Constitution.

A SUITABLE REPLY TO DICTATORS

Let America, by adopting this resolution, send its reply to blatant dictators in foreign lands who are proclaiming that democracy in America is a sham and a shell without substance. Let it hurl back the lie to the arch tyrant, Mussolini, whose lack of feeling for humanity was shown when he sent his son to Ethiopia to blow up defenseless natives, a sort of sport that was described by the young Mussolini in his book as "great fun." A dispatch from Milan, Italy, to the London Times on December 28 last, quoted Mussolini

as saying, "The uproar caused by Mr. Ludlow's proposal is the proof that democracy is false. Its principles are applicable only in the ordinary and not in the extraordinary contingencies of life."

Let us by adopting this war referendum resolution prove to Mussolini and all of his ilk that his accusation is utterly false and that in America democracy is a fact, a living, controlling force that holds sway in making the great and tragic decisions such as war, as well as in the minor and inconsequential things such as a local bond issue or the election of a constable or dog catcher.

REACTIONARIES IN MOTION

Let us review for a moment the proceedings that led up to battle No. 1. December 14, last, witnessed the consummation of the discharge petition which I filed on April 6, 1937, to force out of committee and before the House for debate and a vote my resolution to amend the Constitution so as to provide for a referendum vote on participation in foreign wars. On that memorable day the last of 218 Members, or a majority of this House signed the petition and while the House cheered it took its place on the calendar awaiting the time when a vote on the motion to discharge the committee could be taken under the rule.

When it sank into the consciousness of those who do not want the people to have anything to do with declaring war that the House had taken this epochal and forelooking action a deluge of misrepresentation, red herrings, smoke screens, misinterpretations, obfuscations, and plain and fancy falsehoods was let loose such as this country has seldom, if ever, witnessed. The special interests, international financiers, munitions racketeers, and others who wish to keep the people as remote as possible from control of the war power were furious.

The columnists were turned loose to brand my proposal as idiotic, and I do not blame the columnists at all, because I have been a newspaper man all of my life and I know that many columnists are honest and fair-minded and many of them are my close personal friends, but they are not all free agents. They are sometimes required to "write around a policy" whether they believe in it or not, and some, at least, who wrote against my proposal at heart were for it. Denunciations were poured on my poor head, such as only a tough Hoosier, reared in a superheated school of politics, could be expected to withstand.

IF YOU ARE FOR THE PEOPLE YOU ARE CRAZY

One aroused individual, who felt that my proposed injection of popular rule into the war-making power would pull down the very pillars of government and wreck all of our ancient and honored institutions, insulted me to my face by saying: "If you think the people ought to have a vote on war, you are crazy."

I failed to satisfy him when I said that if "all men are created equal," as we followers of Jefferson profess to believe, why, then, should not all men be equal when it comes to the greatest and most tragic of all decisions—the decision that involves the homes and the happiness and the lives of the people?

Many of the newspapers which joined in the grand swelling chorus of opposition to my war-referendum proposal were perfectly sincere and patriotic, and for them I have all admiration and respect, and I welcomed their constructive criticism, but for the most part the grand babble of denunciation came from controlled newspapers that ought not to have any standing in the court of conscience. Some of those newspapers which sought to make a Roman holiday of me and my resolution masquerade under the Democratic label and others bear the Republican label, but none of them has any use for democracy. This was brought vividly to light in the interesting and spectacular fight to smash the Ludlow war-referendum resolution. Nothing that was unfair or calculated to misrepresent was overlooked. Discredited ex-department officials and constitutional lawyers responded to the hectic call and gave out no end of interviews and statements, splitting a thousand hairs to prove that the Ludlow proposition was terrible.

A STRANGE COMBINATION OF FORCES

I want here and now to differentiate sharply between the quality of the two main elements that engineered the defeat of my resolution when it came up on January 10. First there was the loud, raucous, rampant opposition of the special interests which found vent in the editorial and news columns of large newspapers, especially in the East. That opposition, which frequently resorted to mean and untruthful attacks, was contemptible and selfish and would not assay one trace of patriotism in a thousand columns.

One eastern newspaper, when I declined to be interviewed and did not say a word, manufactured an interview out of the whole cloth, which was something new in my experience and quite at variance with my own belief, sustained and cherished in nearly 40 years of devoted newspaper work, that journalism is an exalted profession and ought always to adhere to honorable practices.

PRESIDENT WAS HONEST AND SINCERE

So much for that seamy side of the picture. On the other hand, there was the opposition of the President of the United States and the Secretary of State, for whom I have the most wholesome respect and not the slightest modicum of criticism. I do not agree with them in this matter, but I respect them because I know they are honest and sincere. I shall always believe that with the President's support my fight would have been won and my resolution would have been withdrawn from committee for discussion and that it would have passed the House after full debate, but I cherish no bitterness on that account. Though he disagreed with me, still do I love him.

I know that the same love for humanity I have in my heart he has in his heart too. I feel that it is an honor to labor with him for the advancement of his noble conception of better working and living conditions for the poor and underprivileged of the earth, and I only hope that somehow, sometime, he will see as I do on this tremendously important question of a referendum on foreign wars. I believe he has the power, if he sees his way clear to exercise it, to write that provision into the Constitution, and by doing so to make for himself a place in history by the side of Thomas Jefferson.

MIRABILE DICTU!

I have often wondered whether Mr. Roosevelt himself ever realized the contrast between the heterogeneous elements that defeated my war referendum resolution on January 10 last. We found the President and Secretary Hull, both idealists of the most noble purposes, both at heart friends of democracy, in very strange company with the enemies of democracy. The reactionary special interests that were responsible for the main deluge of newspaper opposition to the war-referendum resolution have no love in their hearts for the President. They would stick a dagger in him in a minute if they thought they could terminate his political existence. They were knifing him every day until the storm over the referendum broke, and after that, mirabile dictu! there was nothing too extravagant to say in his praise. They were for him and with him in this fight only because they are the enemies of democracy and are opposed to yielding to the people any more power to declare war than they now have, which is nil. Thus, we had presented to us the incongruous spectacle of tory elements and influences that are virulently against the President in all other matters, elements that are continually trying to sabotage his economic program and that would destroy him in a minute if they could, giving him support up to the hilt in this fight.

I HAVE NO APOLOGY

For my part in trying to assist in ushering in a new era of democracy, which would complete the Bill of Rights by allowing the people a vote on nondefensive wars I have no apology to offer. It has been a dream of mine for years, and I hope not an impossible nor an impracticable dream. I

have given untiringly of my energies and resources, day and night, year in and year out, to its promotion, and with the consciousness of having done this and of having sought unselfishly to serve my fellow beings the only sorrowful recollection I have about the whole affair is a statement made by a prominent official who said in the heat of the fight last January that he was of the opinion that "alien influences" were back of my referendum proposal. That statement of course was wholly untrue, and I hope that sometime the gentleman who made it, whom I esteem as an honorable man and one who would not knowingly make a false accusation, will see fit to withdraw it.

NO THORNY AND EXOTIC WEEDS

If he knew me better he would know that there are no thorny and exotic weeds growing in my heart. The only influences back of my war referendum proposal are influences that emanate from the grass roots of America. The people of my congressional district, who comprise as fine a constituency as there is anywhere on earth, understand me. They know the well springs of my being and with what earnestness I have tried to be of service to humanity.

They have accorded to me a unanimous renomination, without a shadow of opposition or criticism, for a sixth term in this great Chamber of the people, and next year I expect to be here to continue the fight for democracy as envisioned by Jefferson and Lincoln and made applicable to modern conditions when the quickening of the means of communication makes possible a popular vote on participation in foreign wars.

KNOCK-OUT FOR VOLTAIRE

Voltaire said: "I do not believe a thing you say, but I will defend to the death your right to say it."

On January 10 the philosophy of Voltaire was thrown to the winds when the Members of the House were not even allowed to say what they thought about my war-referendum proposal.

The scene in the American Congress on that day paralleled the scene in the Roman Senate when Brutus' dagger struck down Caesar, except that the dagger of Brutus went to the heart of a tyrant while the dagger thrust of intolerance in the American Congress went to the very heart of democracy.

LET THE ISSUE GO TO THE PEOPLE

We are now facing another day and another opportunity. An issue as big and great as is this resolution should now be decided in one forum only, and that is the forum of all of the American people, among whom sovereignty abides. The means, fortunately, are presented with the campaign at hand, for a public discussion and consideration of the issue in every congressional district and every forum in the United States. With the issue thus thrown open, I have no fear of the result. I do not believe that any candidate for Congress can say to his constituents:

> You have intelligence and information and sense enough to vote for me for Congress, but you do not have intelligence and information and sense enough to vote on sending your boy away to kill or to be killed in a foreign war.

I hope that the honest advocates and the honest opponents of the proposal will be willing that the issue may go into the campaign and to the polls for a referendum of popular opinion, which will be a guide to Congress on this subject when it reconvenes in January, and I hope the good Lord, who does all things well, will abide with us and direct the decision. [Applause.]

EXTENSION OF REMARKS

Mr. PETERSON of Florida. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a speech made by Hon. W. G. Hankins, past department commander of the State of Florida, United Spanish War Veterans, delivered at Miami, Fla., on April 21 last.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. GOLDSBOROUGH. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. The gentleman already has that permission.

Mr. GOLDSBOROUGH. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a short article which appeared in the magazine Labor.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PERSONAL EXPLANATION

Mr. RICHARDS. Mr. Speaker, on roll call No. 101, I am recorded as not having voted. This is correct. I would like to state that I was in my office at that time waiting for the bells to ring, but they did not ring. For that reason I did not vote. Had I been present I would have voted "yea."

JAPANESE EMBARGO URGED

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. RICH. Mr. Speaker, a year ago we passed the Neutrality Act. This last week 124 groups urged that we place an embargo on ammunition and arms to Japan. They sent their requests to the State Department.

I have received several letters from Americans who were in China and I want to read a paragraph from a letter received yesterday from an American who has seen the horrors of war in China at first hand and who is now in this country trying to raise money for the relief of the destitute and sorely stricken Chinese. I quote from the letter:

> Every American who is aware of the facts is at once horrified at the Japanese bombing of open cities and ashamed of America's part in selling Japan three-quarters of the oil, one-third of the steel, and over a million dollars per month recently of aviation material for carrying on this barbaric campaign.

This gentleman says that what is more important than relieving the suffering in China is preventing it. He says:

"That opportunity lies with you and our other leaders in the Federal Government." I request the President and the Department of State to prohibit the shipment of war material to Japan; if we do the war will stop within 6 months.

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. WIGGLESWORTH. Mr. Speaker, I ask unanimous consent to extend my own remarks and to include therein a letter addressed to Mr. Harcourt Morgan, of the T. V. A., and his reply.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. HALLECK. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein excerpts from an article published by W. E. Hayes in the Constructor on June 8, on the subject Taxes and Recovery.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. ANDRESEN of Minnesota. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein certain statistics and statements in regard to the economic situation of the day.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

KELLOGG-BRIAND PACT

Mr. GUYER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

Mr. GUYER. Mr. Speaker, the earth today trembles beneath the sword of Damocles. The shadow of Mars darkens all the horizons of the world and his insistent mailed arms elbow out the victories of peace.

Fathers and mothers over all the civilized world waken with dread and go to sleep in fear lest the next wind bears

the sound of clashing swords. Over two-thirds of the earth the spirit of war, like smoldering volcanic fires, is poised to turn loose the sleeping wrath of hell upon a world still staggering under the burdens and bruises of a score of years ago. It is the consensus of enlightened public opinion that civilization, as we have known it, cannot survive another world war; that such a cataclysm would be followed by another tragic era like the Dark Ages that once enveloped the earth in the blackness of night.

Here on the Western Hemisphere we are more secure in what was once known as our "splendid isolation," which once more may prove a fools' paradise. The thought of that boasted isolation brings back the memory of 20 years ago and of our seeming security from the ravages of that European maelstrom. We thanked the good God that it could never reach us.

We pitied brave and broken Belgium, Belgium which was justifying the judgment of Caesar 2,000 years ago as the bravest and strongest of western Europe; we admired heroic France, the France of Lafayette, of De Grasse, and of Rochambeau; and in an indifferent and almost hostile attitude sneered at old England while her turreted battleships, like floating Gibraltars, were holding the seven seas for humanity. We yawned and wondered as we read of the gray, iron-shod billows sweeping toward the gates of Paris. We cheered for France and Joffre, France and Joffre that stood like adamant at the Marne and hurled back the billows of steel, and in saving Paris saved democracy for the world. So here in the United States we read of it as we read of the ball games and the society news. We felt so far removed from it all and so secure that we dismissed the subject and discussed its effect upon our own prosperity and lay down to pleasant dreams while the war in its fury made us opulent with its harvest of gold. Anyway, we had the kindliest feeling for Germany, the Germany of art, music, and literature; the land of Goethe, Schiller, and Wagner. Had we not been on the best terms with Germany since the time of the great Frederick? Had not Germans fought in every battle for freedom from Brandywine to Gettysburg? Had not 187,000 Germans, Germans by birth or ancestry, followed our flag in the great Rebellion and helped to save it for liberty and humanity? So millions of us, remembering these things, inclined to the strictest neutrality.

Our President Wilson asked us, on the screen of every picture show, to even think neutral and to refrain from applause when war pictures were shown lest some belligerent might conclude that we favored their antagonist. Thus we sidestepped and pussyfooted into war. But it was not that our President and our Government did not sincerely endeavor to keep us out of war. It was beyond the power of either to prevent it. At last the insults and injuries of the Imperial German Government became intolerable, and war was inevitable, but we were dragged into it against our will. We on this side of the Atlantic were very slow to comprehend the meaning of that war and its gravity with respect to this country. For 2 long, tragic years, full of sorrow for Europe, war with its bloody knuckles and clanking sword knocked at our door, but we did not hear it. The hemispheres were clamoring the issues of that colossal conflict with brazen tongues, but somehow we did not get the perspective of the battle. Europe with its destiny and momentous problems was thundering for a hearing from the black and reeking mouths of a thousand, thousand cannon, and then finally we woke up one fine morning smelling powder and with the black billows of the mighty conflict surging over us and threatening the very life of this Republic.

It is well that we turn to the pages of the past, for in them we may read the fate of the future. Do we still believe we are immune in the midst of a flaming world? Do we still believe that in a world where time and space are all but annihilated we can escape the ravages of a general world war? The ripest and most experienced minds are convinced that the United States cannot avoid entanglement and participation in another world war if such a war should develop. What then should we do as a peace-loving Republic, the richest and most powerful nation in all the tide of time? It is self-evident. To escape such a world conflict we should bend our energies to prevent such a war.

The League of Nations, the dream of Woodrow Wilson, was a noble gesture, but it failed. Woodrow Wilson was thrilled with all the zealous enthusiasm of a medieval crusader, feeling that the challenge of Providence had flung into his lap the opportunity to hammer the swords and spears of war into the plowshares and pruning hooks of peace, and with an energy born of such an exalted dream he flung into the battle all the might of his splendid gifts, but to no avail.

Woodrow Wilson's was a dream of peace. "Too proud to fight" was not merely an epigram; it was a profound conviction. Wilson, the dreamer, dictated the armistice November 11, 1918. France and Foch longed to hurl their legions toward Berlin as did Napoleon after Jena in 1806. France would write a treaty in the palace at Potsdam as Bismarck had at Versailles in 1871. Wilson stood across the path to Berlin, and France and Foch yielded. If France lost her prey in November she would get her pound of flesh at the council table at Versailles in 1919.

President Wilson wanted to make a lasting peace based upon the principles of human brotherhood that would protect the white civilization of the earth from loss in future wars. Instead, the allied statesmen were bent upon sowing "dragons' teeth" instead of working to protect posterity from the ravages of future wars. One war planting the seeds of another; Napoleon trampling on Prussia in 1806; Prussia planning for 60 years to crush France at Sedan. Against the cunning of Lloyd George and the craft of Clemenceau Wilson pleaded in vain. The European allied statesmen were governed by hatreds and grudges and fears a thousand years old, by interests we knew little of and cared little for. There was no room for the idealist and dreamer Woodrow Wilson. Here rings the admonition of George Washington like a bugle call:

> Why quit your own to stand on foreign ground? Why entangle our peace and prosperity in the toils of European ambition, rivalship, interest, humor, or caprice?

Wilson saw the dawn of a new era. He saw another Pax Romana, a Roman peace, like that of the old Augustan age—the longest and noblest peace the world has ever known. Wilson saw the nations, great and small, free. The military might of the Allies would enforce peace. It was a "war to end war"; why stop fighting when peace was in sight? The seven seas should be free. Never again would stealthy, unseen assassination hide beneath the waves of any ocean. The sea should never be a German lake or anybody else's lake. It would be open to the commerce of the earth.

He saw Poland free. He was a historian and he knew the philosophy of history. Never again would Prussia, Russia, and Austria partition Poland by the craft of Frederick the Great—Poland that saved Christendom at the gates of Vienna 300 years before. He would right the disgrace of all Christendom at last. Armenia, under the wing of a mandate of the Allies, should be free, and after centuries of persecution the oldest Christian nation should be free from persecution under the muzzles of the shotted guns of Christendom. After centuries of political slavery the Czecho-Slovak and the Jugo-Slav would breathe the sweet air of liberty. But the world was not ready to understand the attitude of so great an idealist. That his dream of peace was doomed to defeat was the tragedy of his great life. It was to him what Zama was to Hannibal, what Waterloo was to Napoleon. It had no chance in the arena of European intrigue and destructive psychology. Again hear Washington's sage admonition:

> The great rule of conduct for us is to have with them as little political connection as possible.

Ten years ago the United States joined with France in the initiation of the so-called Briand-Kellogg Pact for the

renunciation of war. A year later, 1929, the pact took effect, and by 1932, 62 nations had adhered to its principles, which seemed to presage a warless world.

For centuries a small number of men dreamed of the day when nations no longer would make war, but the Briand-Kellogg Pact, known also as the Paris Pact, was the first very effective and formidable association of nations ever combined to that end.

During the centuries in which international law had developed and crystallized, it was assumed that war was an inevitable and necessary means of settlement of disputes between nations; that war was honorable and legal. The Briand-Kellogg Pact depended upon the sincerity and honesty of the signatory nations. It does not require a signatory power to intervene with force in case the pact is violated. It rests really upon the sanction of public opinion which can be made the most potent influence in the world.

Since the World War the evolution of world opinion in regard to war is one of the miracles of spiritual and intellectual advancement. Who can doubt the verdict if mankind were permitted to speak on this subject of war? In the dominion of the most arbitrary dictator I am sure there would be an overwhelming verdict against war. And public opinion is the most powerful engine in this universe of ours. Once it finds expression there can be little doubt as to the outcome.

The Briand-Kellogg Pact would liberate that public opinion when backed by the nations of the world and cause any ruler to hesitate before he plunged his country into war. The efficacy of the Paris Pact, of course, depends upon the will of the people of the world to make it effective. This opinion should have the freest expression to give it force.

I do not have the time to go further into this pact and the moral principles involved, but I expect to introduce into Congress a joint resolution providing that the President call a conference of the nations that have signed the pact of Paris for the late fall of 1938 or the early spring of 1939. That each signatory power be requested to send as delegates two men and two women, none of whom shall have any connection with the manufacture or sale of munitions of war, or with industries which profit from war or other armed undertakings. Such action coult not be deemed partisan, for both parties approved the Briand-Kellogg Pact in their 1936 platforms. It cannot possibly entangle us in any hostile attitude toward any nation.

At this critical period when the threat of another World War is knocking at the door of the world such a conference in the name of peace would focus the thought and mind of the whole world upon this meeting and its objective and could have no other but a beneficial result tending toward the pacific settlement of disputes between the nations of the world.

Thinking men believe that if another World War should come the United States would find it impossible to keep out of the maelstrom. Such a conference called by our country would powerfully tend to avoid such a catastrophe. "Peace hath her victories no less renowned than war." [Applause.]

TENNESSEE RIVER-TOMBIGBEE INLAND WATERWAY

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection it is so ordered.

There was no objection.

Mr. RANKIN. Mr. Speaker, we have at last reached the point in our internal development when we can look forward with confidence to a new inland waterway to the sea.

The proposed Tennessee River-Tombigbee inland waterway, which will extend from the mouth of Bear Creek on the Tennessee River, on the line between the States of Mississippi and Alabama, up Bear Creek a short distance, then across to the Tombigbee River and down that stream to Mobile Bay, bids fair to become a reality within the near future.

The survey now being made by the Army engineers, under a resolution which I introduced some time ago, will be completed within a few months, and a full report, together with recommendations, will be laid before Congress.

Information I get is that as these engineers proceed with this survey their enthusiasm for this project grows by leaps and bounds. They are finding it one of the most feasible projects of its kind ever proposed. It will not only give us an additional outlet to the sea for the great wealth of traffic that would otherwise be bottled up on the Tennessee River and compelled to go from the Mississippi State line all the way up to the Ohio River and down that stream and the Mississippi to reach the Gulf, but it will shorten the water distance from Muscle Shoals to the Gulf of Mexico by 648 miles.

Mr. KELLER. Shorten the distance how much?

Mr. RANKIN. It will shorten the distance from Muscle Shoals to the Gulf of Mexico by 648 miles. In fact, it will be nearer from Muscle Shoals to Mobile down this Tombigbee Waterway than it is from Vicksburg, Miss., to the mouth of the Mississippi River.

The Tombigbee River rises near the Tennessee River in northeastern Mississippi. It is formed by the confluence of Brown and Mackeys Creeks and flows southward into Mobile Bay. Bear Creek rises in northwestern Alabama, flows northward parallel with and only a few miles from Mackeys Creek, and empties into the Tennessee River on the Mississippi-Alabama line. The bed of the Tennessee River at the mouth of Bear Creek is 100 feet higher above sea level than the bed of the Tombigbee River at the confluence of Brown and Mackeys Creeks, about 35 miles away.

Since Pickwick Landing Dam has been constructed it has raised the water level at the mouth of Bear Creek 55 feet higher, making it 155 feet above that of the Tombigbee at the junction of Brown and Mackeys Creeks, only about 35 miles away.

Between Bear Creek and Mackeys Creek there is a narrow sand ridge about 85 feet high and about 5 or 10 miles wide that separates these two great watersheds. By cutting through this ridge a great inland waterway can be constructed connecting the Tennessee River with Mobile Bay down the Tombigbee, and as I said, shorten the distance for water transportation seeking an outlet to the Gulf of Mexico by 648 miles.

It has been pointed out that this water route would be much more desirable than that along the Mississippi, especially for ascending traffic; because it would be navigating slack water instead of having to battle against the terrific current of the Mississippi.

This development will also provide flood protection along the Tombigbee River, where many thousands of acres of the most valuable land in that section of the country has been overflowed and the crops destroyed in recent years.

It will provide cheap transportation for the people in the Tombigbee Valley and will greatly benefit shippers on the Tennessee and Ohio Rivers up as high as Pittsburgh, Pa., as well as on the upper Mississippi.

It can be constructed with less expense than any other development of its kind ever undertaken. We have an abundance of secondary power now going to waste at Wilson and Wheeler Dams, and will soon have an additional amount at Pickwick Dam. This power can be used to operate hydraulic dredges that would soon cut through the ridge separating these streams and could then be used to open up and widen the Tombigbee River all the way to the Gulf, building the levees back in such a way as to forever protect adjacent lands from disastrous overflows.

The completion of Pickwick Dam has made this project not only possible but entirely feasible, and, in my opinion, inevitable. I am confidently looking forward to the time when it will be developed into one of the greatest inland waterways in the world.

PUBLICATION OF PRAYERS OFFERED BY CHAPLAIN MONTGOMERY

Mr. LAMBETH. Mr. Speaker, by direction of the Joint Committee on Printing, I submit the following privileged resolution for immediate consideration.

The Clerk read as follows:

House Concurrent Resolution 65

Resolved by the House of Representatives (the Senate concurring), That 2,500 copies of the prayers offered by the Reverend James Shera Montgomery, Chaplain of the House of Representatives, at the opening of the daily sessions of the House during the Seventy-fourth and Seventy-fifth Congresses be printed and bound for the use of the House of Representatives.

The SPEAKER. Without objection, it is so ordered.

Mr. MICHENER. Mr. Speaker, reserving the right to object——

The SPEAKER. This is a privileged resolution.

PERMISSION TO ADDRESS THE HOUSE

Mr. SUMNERS of Texas. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. SUMNERS of Texas. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD by directing the attention of the country to the fact that insofar as this year is concerned there have been no violations of the lynching laws. There were no lynchings in America during the almost 6 months we have been in session.

As a southern man and one who has opposed since I have been in Congress enactment of a Federal antilynching law, I take great satisfaction in congratulating the States and the people of their communities upon the fact that thus far this year, almost half of which is past, there has not been a single lynching in the United States.

I may be pardoned, I hope, in venturing the observation that if the antilynching bill had been passed, the newspapers, and all sorts of organizations, would have been pointing to this result as proof positive that only the Federal Government could have accomplished this result. I invite the Nation to congratulate the States for this achievement, and appeal to the people, especially of my own South, to make this a lynchless year. This demonstration is far more effective than any amount of academic argument in behalf of so-called State rights. The following statistics give the record of State achievement in the suppression of lynchings. There is nothing comparable with this record with reference to any other major crime.

Statistics on lynching

Year	Population	Number of persons lynched	Population per person lynched	Number lynched per million population
1892	65,665,810	231	284,000	3.5
1893	66,979,496	151	443,000	2.2
1894	68,275,182	192	355,000	2.8
1895	69,579,858	179	388,000	2.5
1896	70,884,534	123	568,000	1.7
1897	72,189,240	158	456,000	2.1
1898	73,493,296	120	612,000	1.6
1899	74,798,612	106	705,000	1.4
1900	76,129,428	115	661,000	1.5
1901	77,747,402	130	598,000	1.6
1902	79,365,395	92	862,000	1.1
1903	80,983,390	99	818,000	1.2
1904	82,601,384	83	995,000	1.0
1905	84,219,378	62	1,358,000	.7
1906	85,837,372	65	1,320,000	.7
1907	87,455,366	60	1,290,000	.6
1908	89,073,360	97	918,000	1.1
1909	90,691,354	82	1,105,000	.9
1910	92,267,080	76	1,214,000	.8
1911	93,682,189	67	1,398,000	.7
1912	95,097,298	61	1,509,000	.6
1913	96,512,407	52	1,856,000	.5
1914	97,927,516	52	1,883,000	.5
1915	99,342,625	67	1,482,000	.6
1916	100,757,735	54	1,866,000	.5
1917	102,172,845	38	2,688,000	.3
1918	103,587,955	64	1,618,000	.6
1919	105,033,065	83	1,265,000	.7
1920	106,543,031	61	1,746,000	.5
1921	108,207,853	64	1,690,020	.5
1922	109,872,675	57	1,928,000	.5
1923	111,537,497	33	3,380,000	.3
1924	113,202,319	16	7,075,000	.1
1925	114,867,141	17	6,786,000	.1
1926	116,531,963	30	3,884,000	.3
1927	118,196,785	16	7,387,000	.1
1928	119,861,607	11	10,896,000	.09
1929	121,526,429	10	12,152,000	.08
1930	123,191,000	21	5,966,000	.2
1931	124,070,000	13	9,544,000	.1
1932	124,822,000	8	15,603,000	.07
1933	125,693,000	28	4,489,000	.2
1934	126,425,000	15	8,428,000	.1
1935	127,521,000	20	6,376,050	.1
1936	128,429,000	8	16,054,000	.07
1937	129,400,000	8	16,175,000	.06
1938 [1]				

[1] Thus far no lynchings.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. MICHENER. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MICHENER. Mr. Speaker, I was trying to get the Chair's attention when the resolution providing for the printing of the prayers was snapped through. I want to know whether or not these books are going to be distributed through the folding room or through the document room.

The SPEAKER. The gentleman from North Carolina [Mr. LAMBETH] will answer that question.

Mr. LAMBETH. Mr. Speaker, they will be distributed through the folding room.

Mr. MICHENER. There is a lot of difference. If these go to the document room, the first one there gets the books. If it goes to the folding room, each Member of Congress will get his share.

Mr. LAMBETH. They will go to the folding room, I may say to the gentleman.

Mr. MICHENER. The resolution usually so provides.

Mr. LAMBETH. Unless the resolution provides that they shall be placed in the document room, under the Printing Act of 1895, the documents automatically go to the folding room, and that will be true in this case.

Mr. RANKIN. We will be perfectly willing for the Members on the other side to have their quota of the prayers, because we on this side heard them.

Mr. MICHENER. Yes; and he will have to give a lot more.

JOINT COMMITTEE TO INVESTIGATE ADEQUACY AND USE OF PHOSPHATE RESOURCES OF THE UNITED STATES

Mr. O'CONNOR of New York, from the Committee on Rules, submitted the following privileged resolution (Rept. No. 2749), which was referred to the House Calendar and ordered to be printed:

House Resolution 534

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of Senate Joint Resolution 298, a joint resolution to create a joint congressional committee to investigate the adequacy and use of the phosphate resources of the United States, and all points of order against said joint resolution are hereby waived. That after general debate, which shall be confined to the joint resolution and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the joint resolution shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the joint resolution for amendment the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the joint resolution and amendments thereto to final passage without

intervening motion except one motion to recommit with or without instructions.

CREATION OF TEMPORARY NATIONAL ECONOMIC COMMITTEE

Mr. O'CONNOR of New York, from the Committee on Rules, submitted the following privileged resolution (Rept. No. 2748), which was referred to the House Calendar and ordered to be printed:

House Resolution 533

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of House Joint Resolution 697, joint resolution to create a temporary national economic committee, and all points of order against said joint resolution are hereby waived. That after general debate, which shall be confined to the joint resolution and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary, the joint resolution shall be read for amendment under the 5-minute rule. It shall be in order to consider, without the intervention of any point of order, the substitute amendment recommended by the Committee on the Judiciary, and such substitute, for the purpose of amendment, shall be considered under the 5-minute rule as an original bill. At the conclusion of such consideration the Committee shall rise and report the joint resolution to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the joint resolution and the amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions. After the passage of House Joint Resolution 697 it shall be in order for the chairman of the Committee on the Judiciary, without the intervention of any point of order, to call up Senate Joint Resolution 300 for consideration in the House, and all points of order against said joint resolution are hereby waived.

PERMISSION TO ADDRESS THE HOUSE

Mr. FISH. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FISH. Mr. Speaker, I have on the Clerk's desk a resolution providing that arms, ammunition, and implements of war shall not be sold or shipped in time of peace as well as in time of war, so we will not become the potential slaughterhouse of the world to kill people with whom we are at peace. Secretary Hull yesterday asked the airplane manufacturers not to sell airplanes to Japan. It seems to me the easiest way to dispose of that issue is to either enforce the Neutrality Act or pass the resolution which I have on the Clerk's desk. This resolution prohibits the sale of arms, ammunition, and implements of war in time of peace as well as in time of war, and would automatically stop the sale of airplanes for war purposes. It is hypocritical to denounce the use of airplanes to bomb Chinese or Spanish cities as long as we continue to sell them to warring nations.

[Here the gavel fell.]

FAIR LABOR STANDARDS ACT OF 1938

Mrs. NORTON. Mr. Speaker, I call up the conference report on the bill (S. 2475) to provide for the establishment of fair labor standards in employments in and affecting interstate commerce, and for other purposes, and ask unanimous consent that the statement may be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentlewoman from New Jersey?

Mr. SNELL. Mr. Speaker, reserving the right to object, may I ask how much time the gentlewoman expects to use in the consideration of this report?

Mrs. NORTON. We do not expect to use more than an hour.

Mr. SNELL. In the consideration of such an important matter as this, does not the gentlewoman think it would be all right to extend the time a little? There are some Members over here who want to discuss this report and I think they are entitled to that right. I wish the gentlewoman would give us a little more time. I do not want to delay consideration of the report at all.

Mrs. NORTON. I will give what time I can. We really have no requests for time on this side and I think an hour will cover it.

Mr. SNELL. Could you give the gentleman from New Jersey [Mr. HARTLEY] 10 minutes?

Mrs. NORTON. Yes; I think I can.

Mr. SNELL. And the gentleman from Kansas [Mr. LAMBERTSON] 10 minutes?

Mrs. NORTON. How about 5 minutes?

Mr. SNELL. The gentlewoman said she had plenty of time. There is no desire to delay this, but I think it is important that Members who really have something to say on the subject should have the opportunity. I am not asking for any time myself, but I think this is important enough so that they should have a reasonable time.

Mrs. NORTON. Suppose I yield 30 minutes to the gentleman from California [Mr. WELCH] to dispose of as he sees fit? I am perfectly willing to divide my time with him.

The SPEAKER. Is there objection to the request of the gentlewoman from New Jersey [Mrs. NORTON]?

Mr. TABER. Mr. Speaker, I object.

Mr. SNELL. I think that will probably work out all right, but I want an understanding. The gentleman from California [Mr. WELCH] does not seem to be here at the moment. I want it understood that the people who are opposed to this measure may have an opportunity to discuss it.

The SPEAKER. The gentleman from New York [Mr. TABER] objects to the request of the gentlewoman from New Jersey [Mrs. NORTON]. The Clerk will read the conference report.

The Clerk read the conference report.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2475) to provide for the establishment of fair labor standards in employments in and affecting interstate commerce, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment, insert the following:

"That this Act may be cited as the 'Fair Labor Standards Act of 1938.'

"FINDING AND DECLARATION OF POLICY

"SEC. 2. (a) The Congress hereby finds that the existence, in industries engaged in commerce or in the production of goods for commerce, of labor conditions detrimental to the maintenance of the minimum standard of living necessary for health, efficiency, and general well-being of workers (1) causes commerce and the channels and instrumentalities of commerce to be used to spread and perpetuate such labor conditions among the workers of the several States; (2) burdens commerce and the free flow of goods in commerce; (3) constitutes an unfair method of competition in commerce; (4) leads to labor disputes burdening and obstructing commerce and the free flow of goods in commerce; and (5) interferes with the orderly and fair marketing of goods in commerce.

"(b) It is hereby declared to be the policy of this Act, through the exercise by Congress of its power to regulate commerce among the several States, to correct and as rapidly as practicable to eliminate the conditions above referred to in such industries without substantially curtailing employment or earning power.

"DEFINITIONS

"SEC. 3. As used in this Act—

"(a) 'Person' means an individual, partnership, association, corporation, business trust, legal representative, or any organized group of persons.

"(b) 'Commerce' means trade, commerce, transportation, transmission, or communication among the several States or from any State to any place outside thereof.

"(c) 'State' means any State of the United States or the District of Columbia or any Territory or possession of the United States.

"(d) 'Employer' includes any person acting directly or indirectly in the interest of an employer in relation to an employee but shall not include the United States or any State or political subdivision of a State, or any labor organization (other than when acting as an employer), or anyone acting in the capacity of officer or agent of such labor organization.

"(e) 'Employee' includes any individual employed by an employer.

"(f) 'Agriculture' includes farming in all its branches and among other things includes the cultivation and tillage of the soil, dairying, the production, cultivation, growing, and harvesting of any agricultural or horticultural commodities (including commodities defined as agricultural commodities in section 15 (g) of the Agricultural Marketing Act, as amended), the raising of livestock, bees, fur-bearing animals, or poultry, and any practices (including any forestry or lumbering operations) performed by a farmer or on a farm as an incident to or in conjunction with such farming opera-

tions, including preparation for market, delivery to storage or to market or to carriers for transportation to market.

"(g) 'Employ' includes to suffer or permit to work.

"(h) 'Industry' means a trade, business, industry, or branch thereof, or group of industries, in which individuals are gainfully employed.

"(i) 'Goods' means goods (including ships and marine equipment), wares, products, commodities, merchandise, or articles or subjects of commerce of any character, or any part or ingredient thereof, but does not include goods after their delivery into the actual physical possession of the ultimate consumer thereof other than a producer, manufacturer, or processor thereof.

"(j) 'Produced' means produced, manufactured, mined, handled, or in any other manner worked on in any State; and for the purposes of this Act an employee shall be deemed to have been engaged in the production of goods if such employee was employed in producing, manufacturing, mining, handling, transporting, or in any other manner working on such goods, or in any process or occupation necessary to the production thereof, in any State.

"(k) 'Sale' or 'sell' includes any sale, exchange, contract to sell, consignment for sale, shipment for sale, or other disposition.

"(l) 'Oppressive child labor' means a condition of employment under which (1) any employee under the age of sixteen years is employed by an employer (other than a parent or a person standing in place of a parent employing his own child or a child in his custody under the age of sixteen years in an occupation other than manufacturing or mining) in any occupation, or (2) any employee between the ages of sixteen and eighteen years is employed by an employer in any occupation which the Chief of the Children's Bureau in the Department of Labor shall find and by order declare to be particularly hazardous for the employment of children between such ages or detrimental to their health or well-being; but oppressive child labor shall not be deemed to exist by virtue of the employment in any occupation of any person with respect to whom the employer shall have on file an unexpired certificate issued and held pursuant to regulations of the Chief of the Children's Bureau certifying that such person is above the oppressive child-labor age. The Chief of the Children's Bureau shall provide by regulation or by order that the employment of employees between the ages of fourteen and sixteen years in occupations other than manufacturing and mining shall not be deemed to constitute oppressive child labor if and to the extent that the Chief of the Children's Bureau determines that such employment is confined to periods which will not interfere with their schooling and to conditions which will not interfere with their health and well-being.

"(m) 'Wage' paid to any employee includes the reasonable cost, as determined by the Administrator, to the employer of furnishing such employee with board, lodging, or other facilities, if such board, lodging, or other facilities are customarily furnished by such employer to his employees.

"ADMINISTRATOR

"SEC. 4. (a) There is hereby created in the Department of Labor a Wage and Hour Division which shall be under the direction of an Administrator, to be known as the Administrator of the Wage and Hour Division (in this Act referred to as the 'Administrator'). The Administrator shall be appointed by the President, by and with the advice and consent of the Senate, and shall receive compensation at the rate of $10,000 a year.

"(b) The Administrator may, subject to the civil-service laws, appoint such employees as he deems necessary to carry out his functions and duties under this Act and shall fix their compensation in accordance with the Classification Act of 1923, as amended. The Administrator may establish and utilize such regional, local, or other agencies, and utilize such voluntary and uncompensated services, as may from time to time be needed. Attorneys appointed under this section may appear for and represent the Administrator in any litigation, but all such litigation shall be subject to the direction and control of the Attorney General. In the appointment, selection, classification, and promotion of officers and employees of the Administrator, no political test or qualification shall be permitted or given consideration, but all such appointments and promotions shall be given and made on the basis of merit and efficiency.

"(c) The principal office of the Administrator shall be in the District of Columbia, but he or his duly authorized representatives may exercise any or all of his powers in any place.

"(d) The Administrator shall submit annually in January a report to the Congress covering his activities for the preceding year and including such information, data, and recommendations for further legislation in connection with the matters covered by this Act as he may find advisable.

"INDUSTRY COMMITTEES

"SEC. 5. (a) The Administrator shall as soon as practicable appoint an industry committee for each industry engaged in commerce or in the production of goods for commerce.

"(b) An industry committee shall be appointed by the Administrator without regard to any other provisions of law regarding the appointment and compensation of employees of the United States. It shall include a number of disinterested persons representing the public, one of whom the Administrator shall designate as chairman, a like number of persons representing employees in the industry, and a like number representing employers in the industry. In the appointment of the persons representing each group, the Administrator shall give due regard to the geographical regions in which the industry is carried on.

"(c) Two-thirds of the members of an industry committee shall constitute a quorum, and the decision of the committee shall require a vote of not less than a majority of all its members. Members of an industry committee shall receive as compensation for their services a reasonable per diem, which the Administrator shall by rules and regulations prescribe, for each day actually spent in the work of the committee, and shall in addition be reimbursed for their necessary traveling and other expenses. The Administrator shall furnish the committee with adequate legal, stenographic, clerical, and other assistance, and shall by rules and regulations prescribe the procedure to be followed by the committee.

"(d) The Administrator shall submit to an industry committee from time to time such data as he may have available on the matters referred to it, and shall cause to be brought before it in connection with such matters any witnesses whom he deems material. An industry committee may summon other witnesses or call upon the Administrator to furnish additional information to aid it in its deliberations.

"MINIMUM WAGES

"SEC. 6. (a) Every employer shall pay to each of his employees who is engaged in commerce or in the production of goods for commerce wages at the following rates—

"(1) during the first year from the effective date of this section, not less than 25 cents an hour ,

"(2) during the next six years from such date, not less than 30 cents an hour,

"(3) after the expiration of seven years from such date, not less than 40 cents an hour, or the rate (not less than 30 cents an hour) prescribed in the applicable order of the Administrator issued under section 8, whichever is lower, and

"(4) at any time after the effective date of this section, not less than the rate (not in excess of 40 cents an hour) prescribed in the applicable order of the Administrator issued under section 8.

"(b) This section shall take effect upon the expiration of one hundred and twenty days from the date of enactment of this Act.

"MAXIMUM HOURS

"SEC. 7. (a) No employer shall, except as otherwise provided in this section, employ any of his employees who is engaged in commerce or in the production of goods for commerce—

"(1) for a workweek longer than forty-four hours during the first year from the effective date of this section,

"(2) for a workweek longer than forty-two hours during the second year from such date, or

"(3) for a workweek longer than forty hours after the expiration of the second year from such date,

"unless such employee receives compensation for his employment in excess of the hours above specified at a rate not less than one and one-half times the regular rate at which he is employed.

"(b) No employer shall be deemed to have violated subsection (a) by employing any employee for a workweek in excess of that specified in such subsection without paying the compensation for overtime employment prescribed therein if such employee is so employed—

"(1) in pursuance of an agreement, made as a result of collective bargaining by representatives of employees certified as bona fide by the National Labor Relations Board, which provides that no employee shall be employed more than one thousand hours during any period of twenty-six consecutive weeks,

"(2) on an annual basis in pursuance of an agreement with his employer, made as a result of collective bargaining by representatives of employees certified as bona fide by the National Labor Relations Board, which provides that the employee shall not be employed more than two thousand hours during any period of fifty-two consecutive weeks, or

"(3) for a period or periods of not more than fourteen workweeks in the aggregate in any calendar year in an industry found by the Administrator to be of a seasonal nature,

"and if such employee receives compensation for employment in excess of 12 hours in any workday; or for employment in excess of 56 hours in any workweek, as the case may be, at a rate not less than one and one-half times the regular rate at which he is employed.

"(c) In the case of an employer engaged in the first processing of milk, whey, skimmed milk, or cream into dairy products, or in the ginning and compressing of cotton, or in the processing of cottonseed, or in the processing of sugar beets, sugar beet molasses, sugarcane, or maple sap, into sugar (but not refined sugar) or into syrup, the provisions of subsection (a) shall not apply to his employees in any place of employment where he is so engaged; and in the case of an employer engaged in the first processing of, or in canning or packing, perishable or seasonal fresh fruits or vegetables, or in the first processing, within the area of production (as defined by the Administrator), of any agricultural or horticultural commodity during seasonal operations, or in handling, slaughtering, or dressing poultry or livestock, the provisions of subsection (a), during a period or periods of not more than fourteen workweeks in the aggregate in any calendar year, shall not apply to his employees in any place of employment where he is so engaged.

"(d) This section shall take effect upon the expiration of one hundred and twenty days from the date of enactment of this Act.

"WAGE ORDERS

"SEC. 8. (a) With a view to carrying out the policy of this act by reaching, as rapidly as is economically feasible without substantially curtailing employment, the objective of a universal

minimum wage of 40 cents an hour in each industry engaged in commerce or in the production of goods for commerce, the Administrator shall from time to time convene the industry committee for each such industry, and the industry committee shall from time to time recommend the minimum rate or rates of wages to be paid under section 6 by employers engaged in commerce or in the production of goods for commerce in such industry or classifications therein.

"(b) Upon the convening of an industry committee, the Administrator shall refer to it the question of the minimum wage rate or rates to be fixed for such industry. The industry committee shall investigate conditions in the industry and the committee, or any authorized subcommittee thereof, may hear such witnesses and receive such evidence as may be necessary or appropriate to enable the committee to perform its duties and functions under this Act. The committee shall recommend to the Administrator the highest minimum wage rates for the industry which it determines, having due regard to economic and competitive conditions, will not substantially curtail employment in the industry.

"(c) The industry committee for any industry shall recommend such reasonable classifications within any industry as it determines to be necessary for the purpose of fixing for each classification within such industry the highest minimum wage rate (not in excess of 40 cents an hour) which (1) will not substantially curtail employment in such classification and (2) will not give a competitive advantage to any group in the industry, and shall recommend for each classification in the industry the highest minimum wage rate which the committee determines will not substantially curtail employment in such classification. In determining whether such classifications should be made in any industry, in making such classifications, and in determining the minimum wage rates for such classifications, no classification shall be made, and no minimum wage rate shall be fixed, solely on a regional basis, but the industry committee and the Administrator shall consider among other relevant factors the following:

"(1) competitive conditions as affected by transportation, living, and production costs;

"(2) the wages established for work of like or comparable character by collective labor agreements negotiated between employers and employees by representatives of their own choosing; and

"(3) the wages paid for work of like or comparable character by employers who voluntarily maintain minimum-wage standards in the industry. No classification shall be made under this section on the basis of age or sex.

"(d) The industry committee shall file with the Administrator a report containing its recommendations with respect to the matters referred to it. Upon the filing of such report, the Administrator, after due notice to interested persons, and giving them an opportunity to be heard, shall by order approve and carry into effect the recommendations contained in such report, if he finds that the recommendations are made in accordance with law, are supported by the evidence adduced at the hearing, and, taking into consideration the same factors as are required to be considered by the industry committee, will carry out the purposes of this section; otherwise he shall disapprove such recommendations. If the Administrator disapproves such recommendations, he shall again refer the matter to such committee, or to another industry committee for such industry (which he may appoint for such purpose), for further consideration and recommendations.

"(e) No order issued under this section with respect to any industry prior to the expiration of seven years from the effective date of section 6 shall remain in effect after such expiration, and no order shall be issued under this section with respect to any industry on or after such expiration, unless the industry committee by a preponderance of the evidence before it recommends, and the Administrator by a preponderance of the evidence adduced at the hearing finds, that the continued effectiveness or the issuance of the order, as the case may be, is necessary in order to prevent substantial curtailment of employment in the industry.

"(f) Orders issued under this section shall define the industries and classifications therein to which they are to apply, and shall contain such terms and conditions as the Administrator finds necessary to carry out the purposes of such orders, to prevent the circumvention or evasion thereof, and to safeguard the minimum wage rates established therein. No such order shall take effect until after due notice is given of the issuance thereof by publication in the Federal Register and by such other means as the Administrator deems reasonably calculated to give to interested persons general notice of such issuance.

"(g) Due notice of any hearing provided for in this section shall be given by publication in the Federal Register and by such other means as the Administrator deems reasonably calculated to give general notice to interested persons.

"ATTENDANCE OF WITNESSES

"SEC. 9. For the purpose of any hearing or investigation provided for in this Act, the provisions of sections 9 and 10 (relating to the attendance of witnesses and the production of books, papers, and documents) of the Federal Trade Commission Act of September 16, 1914, as amended (U. S. C., 1934 edition, title 15, secs. 49 and 50), are hereby made applicable to the jurisdiction, powers, and duties of the Administrator, the Chief of the Children's Bureau, and the industry committees.

"COURT REVIEW

"SEC. 10. (a) Any person aggrieved by an order of the Administrator issued under section 8 may obtain a review of such order in the circuit court of appeals of the United States for any circuit wherein such person resides or has his principal place of business, or in the United States Court of Appeals for the District of Columbia, by filing in such court, within sixty days after the entry of such order, a written petition praying that the order of the Administrator be modified or set aside in whole or in part. A copy of such petition shall forthwith be served upon the Administrator, and thereupon the Administrator shall certify and file in the court a transcript of the record upon which the order complained of was entered. Upon the filing of such transcript such court shall have exclusive jurisdiction to affirm, modify, or set aside such order in whole or in part, so far as it is applicable to the petitioner. The review by the court shall be limited to questions of law, and findings of fact by the Administrator when supported by substantial evidence shall be conclusive. No objection to the order of the Administrator shall be considered by the court unless such objection shall have been urged before the Administrator or unless there were reasonable grounds for failure so to do. If application is made to the court for leave to adduce additional evidence, and it is shown to the satisfaction of the court that such additional evidence may materially affect the result of the proceeding and that there were reasonable grounds for failure to adduce such evidence in the proceeding before the Administrator, the court may order such additional evidence to be taken before the Administrator and to be adduced upon the hearing in such manner and upon such terms and conditions as to the court may seem proper. The Administrator may modify his findings by reason of the additional evidence so taken, and shall file with the court such modified or new findings which if supported by substantial evidence shall be conclusive, and shall also file his recommendation, if any, for the modification or setting aside of the original order. The judgment and decree of the court shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in sections 239 and 240 of the Judicial Code, as amended (U. S. C., title 28, secs. 346 and 347).

"(b) The commencement of proceedings under subsection (a) shall not, unless specifically ordered by the court, operate as a stay of the Administrator's order. The court shall not grant any stay of the order unless the person complaining of such order shall file in court an undertaking with a surety or sureties satisfactory to the court for the payment to the employees affected by the order, in the event such order is affirmed, of the amount by which the compensation such employees are entitled to receive under the order exceeds the compensation they actually receive while such stay is in effect.

"INVESTIGATIONS, INSPECTIONS, AND RECORDS

"SEC. 11. (a) The Administrator or his designated representatives may investigate and gather data regarding the wages, hours, and other conditions and practices of employment in any industry subject to this Act, and may enter and inspect such places and such records (and make such transcriptions thereof), question such employees, and investigate such facts, conditions, practices, or matters as he may deem necessary or appropriate to determine whether any person has violated any provision of this Act, or which may aid in the enforcement of the provisions of this Act. Except as provided in section 12 and in subsection (b) of this section, the Administrator shall utilize the bureaus and divisions of the Department of Labor for all the investigations and inspections necessary under this section. Except as provided in section 12, the Administrator shall bring all actions under section 17 to restrain violations of this Act.

"(b) With the consent and cooperation of State agencies charged with the administration of State labor laws, the Administrator and the Chief of the Children's Bureau may, for the purpose of carrying out their respective functions and duties under this Act, utilize the services of State and local agencies and their employees and, notwithstanding any other provision of law, may reimburse such State and local agencies and their employees for services rendered for such purposes.

"(c) Every employer subject to any provision of this Act or of any order issued under this Act shall make, keep, and preserve such records of the persons employed by him and of the wages, hours, and other conditions and practices of employment maintained by him, and shall preserve such records for such periods of time, and shall make such reports therefrom to the Administrator as he shall prescribe by regulation or order as necessary or appropriate for the enforcement of the provisions of this Act or the regulations or orders thereunder.

"CHILD LABOR PROVISIONS

"SEC. 12. (a) After the expiration of one hundred and twenty days from the date of enactment of this Act, no producer, manufacturer, or dealer shall ship or deliver for shipment in commerce any goods produced in an establishment situated in the United States in or about which within thirty days prior to the removal of such goods therefrom any oppressive child labor has been employed: *Provided*, That a prosecution and conviction of a defendant for the shipment or delivery for shipment of any goods under the conditions herein prohibited shall be a bar to any further prosecution against the same defendant for shipments or deliveries for shipment of any such goods before the beginning of said prosecution.

"(b) The Chief of the Children's Bureau in the Department of Labor, or any of his authorized representatives, shall make all investigations and inspections under section 11 (a) with respect to

the employment of minors, and, subject to the direction and control of the Attorney General, shall bring all actions under section 17 to enjoin any act or practice which is unlawful by reason of the existence of oppressive child labor, and shall administer all other provisions of this Act relating to oppressive child labor.

"EXEMPTIONS

"SEC. 13. (a) The provisions of sections 6 and 7 shall not apply with respect to (1) any employee employed in a bona fide executive, administrative, professional, or local retailing capacity, or in the capacity of outside salesman (as such terms are defined and delimited by regulations of the Administrator); or (2) any employee engaged in any retail or service establishment the greater part of whose selling or servicing is in intrastate commerce; or (3) any employee employed as a seaman; or (4) any employee of a carrier by air subject to the provisions of title II of the Railway Labor Act; or (5) any employee employed in the catching, taking, harvesting, cultivating, or farming of any kind of fish, shellfish, crustacea, sponges, seaweeds, or other aquatic forms of animal and vegetable life, including the going to and returning from work and including employment in the loading, unloading, or packing of such products for shipment or in propagating, processing, marketing, freezing, canning, curing, storing, or distributing the above products or byproducts thereof; or (6) any employee employed in agriculture; or (7) any employee to the extent that such employee is exempted by regulations or orders of the Administrator issued under section 14; or (8) any employee employed in connection with the publication of any weekly or semiweekly newspaper with a circulation of less than three thousand the major part of which circulation is within the county where printed and published; or (9) any employee of a street, suburban, or interurban electric railway, or local trolley or motor bus carrier, not included in other exemptions contained in this section; or (10) to any individual employed within the area of production (as defined by the Administrator), engaged in handling, packing, storing, ginning, compressing, pasteurizing, drying, preparing in their raw or natural state, or canning of agricultural or horticultural commodities for market, or in making cheese or butter or other dairy products.

"(b) The provisions of section 7 shall not apply with respect to (1) any employee with respect to whom the Interstate Commerce Commission has power to establish qualifications and maximum hours of service pursuant to the provisions of section 204 of the Motor Carrier Act, 1935; or (2) any employee of an employer subject to the provisions of Part I of the Interstate Commerce Act.

"(c) The provisions of section 12 relating to child labor shall not apply with respect to any employee employed in agriculture while not legally required to attend school, or to any child employed as an actor in motion pictures or theatrical productions.

"LEARNERS, APPRENTICES, AND HANDICAPPED WORKERS

"SEC. 14. The Administrator, to the extent necessary in order to prevent curtailment of opportunities for employment, shall by regulations or by orders provide for (1) the employment of learners, of apprentices, and of messengers employed exclusively in delivering letters and messages, under special certificates issued pursuant to regulations of the Administrator, at such wages lower than the minimum wage applicable under section 6 and subject to such limitations as to time, number, proportion, and length of service as the Administrator shall prescribe, and (2) the employment of individuals whose earning capacity is impaired by age or physical or mental deficiency or injury, under special certificates issued by the Administrator, at such wages lower than the minimum wage applicable under section 6 and for such period as shall be fixed in such certificates.

"PROHIBITED ACTS

"SEC. 15. (a) After the expiration of one hundred and twenty days from the date of enactment of this Act, it shall be unlawful for any person—

"(1) to transport, offer for transportation, ship, deliver, or sell in commerce, or to ship, deliver, or sell with knowledge that shipment or delivery or sale thereof in commerce is intended, any goods in the production of which any employee was employed in violation of section 6 or section 7, or in violation of any regulation or order of the Administrator issued under section 14; except that no provision of this Act shall impose any liability upon any common carrier for the transportation in commerce in the regular course of its business of any goods not produced by such common carrier, and no provision of this Act shall excuse any common carrier from its obligation to accept any goods for transportation;

"(2) to violate any of the provisions of section 6 or section 7, or any of the provisions of any regulation or order of the Administrator issued under section 14;

"(3) to discharge or in any other manner discriminate against any employee because such employee has filed any complaint or instituted or caused to be instituted any proceeding under or related to this Act, or has testified or is about to testify in any such proceeding, or has served or is about to serve on an industry committee;

"(4) to violate any of the provisions of section 12;

"(5) to violate any of the provisions of section 11 (c), or to make any statement, report, or record filed or kept pursuant to the provisions of such section or of any regulation or order thereunder, knowing such statement, report, or record to be false in a material respect.

"(b) For the purposes of subsection (a) (1) proof that any employee was employed in any place of employment where goods shipped or sold in commerce were produced within ninety days prior to the removal of the goods from such place of employment, shall be prima facie evidence that such employee was engaged in the production of such goods.

"PENALTIES

"SEC. 16. (a) Any person who willfully violates any of the provisions of section 15 shall upon conviction thereof be subject to a fine of not more than $10,000, or to imprisonment for not more than six months, or both. No person shall be imprisoned under this subsection except for an offense committed after the conviction of such person for a prior offense under this subsection.

"(b) Any employer who violates the provisions of section 6 or section 7 of this Act shall be liable to the employee or employees affected in the amount of their unpaid minimum wages, or their unpaid overtime compensation, as the case may be, and in an additional equal amount as liquidated damages. Action to recover such liability may be maintained in any court of competent jurisdiction by any one or more employees for and in behalf of himself or themselves and other employees similarly situated, or such employee or employees may designate an agent or representative to maintain such action for and in behalf of all employees similarly situated. The court in such action shall, in addition to any judgment awarded to the plaintiff or plaintiffs, allow a reasonable attorney's fee to be paid by the defendant, and costs of the action.

"INJUNCTION PROCEEDINGS

"SEC. 17. The district courts of the United States and the United States courts of the Territories and possessions shall have jurisdiction, for cause shown, and subject to the provisions of section 20 (relating to notice to opposite party) of the act entitled 'An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes', approved October 15, 1914, as amended (U. S. C., 1934 edition, title 28, sec. 381), to restrain violations of section 15.

"RELATION TO OTHER LAWS

"SEC. 18. No provision of this Act or of any order thereunder shall excuse noncompliance with any Federal or State law or municipal ordinance establishing a minimum wage higher than the minimum wage established under this Act or a maximum workweek lower than the maximum workweek established under this Act, and no provision of this Act relating to the employment of child labor shall justify noncompliance with any Federal or State law or municipal ordinance establishing a higher standard than the standard established under this Act. No provision of this Act shall justify any employer in reducing a wage paid by him which is in excess of the applicable minimum wage under this Act, or justify any employer in increasing hours of employment maintained by him which are shorter than the maximum hours applicable under this Act.

"SEPARABILITY OF PROVISIONS

"SEC. 19. If any provision of this Act or the application of such provision to any person or circumstance is held invalid, the remainder of the Act and the application of such provision to other persons or circumstances shall not be affected thereby.

And the House agree to the same.

MARY T. NORTON,
ROBERT RAMSPECK,
M. A. DUNN,
KENT KELLER,
JENNINGS RANDOLPH,
RICHARD J. WELCH,
FRED A. HARTLEY, JR.,
Managers on the part of the House.

ELBERT D. THOMAS,
DAVID I. WALSH,
WILLIAM E. BORAH,
CLAUDE PEPPER,
ALLEN J. ELLENDER,
JAMES E. MURRAY,
ROBERT M. LA FOLLETTE, JR.,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2475) to provide for the establishment of fair labor standards in employments in and affecting interstate commerce, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report:

The House amendment strikes out all of the Senate bill after the enacting clause. The Senate recedes from its disagreement to the amendment of the House, with an amendment which is a substitute for both the Senate bill and the House amendment.

SENATE BILL

Summary of provisions

Short title

Section 1 of the Senate bill provides that it may be cited as the Fair Labor Standards Act of 1937.

Legislative declaration

Section 1 of the Senate bill, the legislative declaration, recites the adverse effects upon interstate commerce of the employment of workers under substandard labor conditions in occupations in and affecting interstate commerce. It contains also a declaration that the correction of such conditions affecting interstate commerce requires congressional action prohibiting the shipment in interstate commerce of goods produced under such substandard conditions, and providing for the elimination of substantial labor conditions in occupations in and directly affecting interstate commerce. This section is very similar to the corresponding section of the House amendment.

Definitions

Section 2 (a) of the Senate bill contains a series of definitions used in the bill.

"Person" is defined to include an individual, partnership, association, corporation, business trust, receiver, trustee, trustee in bankruptcy, or liquidating or reorganizing agent.

"Interstate commerce" is defined to mean trade, commerce, transportation, transmission, or communication among the several States or from any State to any place outside thereof.

"State" is defined to mean any State of the United States or the District of Columbia or any Territory or possession of the United States.

"Board" is defined to mean the Labor Standards Board created by the bill.

"Occupation" is defined to mean an occupation, industry, trade, or business, or branch thereof, or class of work or craft therein in which persons are gainfully employed.

"Employer" is defined to include any person acting directly or indirectly in the interest of an employer in relation to an employee but does not include the United States or any State or any political subdivision thereof or any labor organization except when that organization acts as an employer.

"Employee" is defined to include any individual employed or suffered or permitted to work by an employer, but does not include any person employed in a bona fide executive, administrative, professional, or local retailing capacity. It excludes all persons employed as seamen, fishermen, any railroad employee subject to the Hours of Service Act, any employee of a common carrier by motor vehicle subject to the Motor Carrier Act. Air-transport employees subject to title II of the Railway Labor Act are also excluded from the definition of "employee" as are all persons employed in agriculture. "Agriculture" is defined to include, among other things, practices ordinarily performed by farmers or on a farm as an incident to farm operations.

"Oppressive wage" is defined to mean any wage lower than that set by order of the Board under the provisions of section 4 of the bill.

"Oppressive workweek" is defined to mean a workweek or workday longer than that set by order of the Board under the provisions of section 4 of the bill.

"Substandard labor condition" is defined to mean employment under which any employee is employed at an oppressive wage, or any employee is employed for an oppressive workweek.

"Fair labor standard" is defined to mean employment under which no person is employed at an oppressive wage, or no person is employed for an oppressive workweek.

"Unfair goods" is defined to mean any goods produced under "substandard labor conditions" as defined in the bill.

"Produced" means produced, manufactured, mined, handled, or in any other manner worked on, in any State. This definition further provides that any employee shall be deemed to have been engaged in the production of goods if he was employed in producing, manufacturing, mining, handling, transporting, or in any other manner working on such goods or in any process or occupation necessary to the production thereof, in any State.

The term "person employed in agriculture" as used in the bill, insofar as it refers to fresh fruits or vegetables, includes persons employed within the area of production engaged in preparing, packing, or storing such fresh fruits or vegetables in their raw or natural state.

"Labor standard order" is defined as an order of the Board under sections 4, 6, or 8 of the bill.

"Goods" is defined as goods (including ships and marine equipment), wares, merchandise, or articles or subjects of commerce of any character, or any part of ingredient thereof, but does not include goods after their delivery into the actual physical possession of the ultimate consumer other than a producer, manufacturer, or processor thereof.

"Fair goods" is defined as goods in the production of which no employee has been employed in any occupation under any substandard labor conditions.

"Sale" or "sell" is defined to include any sale, exchange, contract to sell, consignment for sale, shipment for sale, or other disposition.

"To a substantial extent" is defined as meaning not casually, sporadically, or accidentally, but as a settled or recurrent characteristic of the matter or occupation described, or of a portion thereof, which need not be a large or preponderant portion.

Evidence of employment under substandard labor conditions

Section 2 (b) of the Senate bill provides that proof that any employee was employed under any substandard labor condition, in any place of employment where goods are produced, within 90 days prior to the removal of goods therefrom, shall be prima facie evidence that such goods were produced by such employee employed under such substandard labor condition.

Labor Standards Board

Section 3 of the Senate bill provides for the creation of a Labor Standards Board composed of five members appointed for staggered terms of 5 years each, except that the members first appointed are appointed for terms of 1, 2, 3, 4, and 5 years respectively. The members of the Board must be appointed with the advice and consent of the Senate. The section contains the usual provisions regarding the filling of vacancies, the salary of the Board members, the maintenance of offices, and the filing of reports.

Establishment of fair labor standards

Part II of the Senate bill provides for the establishment of labor standards with respect to minimum wages and maximum hours, the application of such standards to particular employments and classes of employments, and appropriate exemptions from such standards. This part deals only with the fixing of the standards and the consequences of noncompliance. The powers of the Board to require compliance are defined in parts III and IV.

Section 4 (a) of the Senate bill declares, for reasons specified in such section, that it is the policy of the act to maintain, so far as and as rapidly as is economically feasible, minimum-wage and maximum-hour standards consistent with health, efficiency, and general well-being of workers and the maximum productivity and profitable operation of American business.

Establishment of minimum-wage standards

Section 4 (b) of the Senate bill directs the Board by order to declare from time to time, for such occupations as are brought within the operation of the bill, minimum wages which shall be as nearly adequate as is economically feasible without curtailing opportunity for employment to maintain a minimum standard of living necessary for health, efficiency, and general well-being. The Board's jurisdiction, however, does not include the power to declare minimum wages in excess of 40 cents per hour, but it is the objective of the bill to attain a minimum wage of 40 cents per hour as rapidly as practicable without curtailing opportunities for employment and without disturbance and dislocation of business and industry, and the attainment of higher minimum wages by collective bargaining and otherwise is to be encouraged. In declaring such minimum wages the Board is directed to consider among other relevant circumstances the cost of living, such considerations as would be relevant in a court in a suit for the value of services rendered, wages established for work of like or comparable character by collective labor agreements, and wages paid for like work by employers voluntarily maintaining minimum-wage standards.

Establishment of maximum-hours standards

Section 4 (c) of the Senate bill authorizes the Board by order from time to time to declare for such occupations as are brought within the provisions of the bill a maximum workweek (and the maximum workday therein), which shall be as nearly adequate as is economically feasible without curtailing earning power to maintain health, efficiency, and general well-being. There are exempted from the provisions of this subsection persons employed in connection with the ginning and baling of cotton; canning or other packaging of fish, sea foods, or sponges; or picking, canning, or processing of fruits or vegetables; or the processing of beets, cane, and maple into sugar and sirup, when the services of such persons are of a seasonal nature. There are also exempted from the provisions of this subsection employees employed in a plant located in dairy production areas in which milk, cream, or butterfat are received, processed, shipped, or manufactured, if operated by a cooperative association as defined in the Farm Credit Act of 1933.

The Board's jurisdiction, however, does not include the power to declare a maximum workweek of less than 40 hours; but it is the objective of the bill to attain a maximum workweek of not more than 40 hours as rapidly as practicable without curtailing earning power or reducing production, and the attainment of a shorter workweek by collective bargaining or otherwise is to be encouraged. In declaring maximum hours the Board is directed to consider among other relevant circumstances (1) the relation of the work to the physical and economic health, efficiency, and well-being of the employees; (2) the number of persons available for employment in the occupation; (3) the hours of employment established for work of like or comparable character by collective bargaining agreements; (4) the hours of employment for work of like or comparable character maintained by employers who voluntarily maintain a maximum workweek; (5) the provisions of this subsection shall not apply to employees engaged in processing or packing perishable agricultural products during the harvesting season; and (6) the average minimum wage ordered by the Board to be paid by private employers in any State shall be the minimum wage paid by the Works Progress Administration to its employees in that State.

Collective bargaining agreements protected

Section 5 of the Senate bill provides that nothing in the act or in any regulation or order of the Board shall be construed to interfere with the right of employees to bargain collectively or otherwise engage in concerted activities to obtain a wage in excess of the applicable minimum under the bill or to obtain a shorter workweek than the maximum workweek under the bill or other benefits or advantages. Minimum wages and maximum workweeks so sought or obtained are not to be construed or deemed to be illegal

because they are in excess of the applicable minimum wage or maximum workweek, as the case may be, under the bill.

Exemptions from wage-and-hour standards

Section 6 of the Senate bill provides certain exemptions from the wage-and-hour standards established under the bill. Subsection (a) introduces flexibility in the regulation of hours by authorizing employment for more hours per week than the applicable maximum upon condition that payment for such overtime is made at one and one-half times the regular rate. The Board is authorized to remove or qualify this exemption if it finds that the maintenance of the appropriate workweek is necessary or appropriate in order to prevent the circumvention of the act. Subsection (b) authorizes the Board to make appropriate exceptions from the wage-and-hour standards for special cases such as learners and apprentices, and disabled persons, to whom special licenses are to be issued, deductions for board and lodging necessitated by the nature of the work, overtime employment in seasonal or emergency work, and other similar situations.

Prohibitions relating to interstate commerce; tariff provisions

Part III of the Senate bill contains the provisions (1) barring from interstate commerce goods which were produced under substandard labor conditions set forth in the bill, (2) prohibiting the employment under substandard labor conditions of any employee engaged in interstate commerce or in the production of goods intended for transportation in violation of the provisions of the bill, and (3) protecting interstate commerce from the effect of substandard labor conditions. This part also contains provisions relating to imports.

Prohibited Shipments and Employment Conditions in Interstate Commerce and Production for Interstate Commerce

Section 7 of the Senate bill makes it unlawful among other things to sell or ship in interstate commerce any unfair goods, i. e., goods on which any employee has been employed under any substandard labor condition. It also makes it unlawful to employ, under any substandard labor condition, a person engaged in interstate commerce or in the production of unfair goods intended to be sold or shipped in interstate commerce.

Protection of Interstate Commerce from Effects of Substandard Labor Conditions

Section 8 (a) of the Senate bill authorizes the Board to make orders requiring elimination of substandard labor conditions existing in the production of goods which are not sold in interstate commerce but which compete to a substantial extent with fair goods brought in from another State.

Section 8 (b) of the Senate bill makes it unlawful to violate an order issued under section 8 (a).

Tariff Provisions

Section 8 (c) of the Senate bill provides that the Tariff Commission, upon request of the President, or upon resolution of either or both Houses of Congress, or upon request of the Board, or upon its own motion, or when in the judgment of the Commission there is good and sufficient reason therefor, upon application of any interested party, shall investigate the differences resulting from the operation of the bill in the costs of production of any domestic article and any like or similar foreign article, with a view to determining whether or not any increase should be made in the duty upon such foreign article for the purpose of equalizing such difference. All provisions of law applicable with respect to investigations under section 336 of the Tariff Act of 1930 are to be applicable with respect to investigations under this subsection.

General administrative provisions

Part IV, the last part of the Senate bill, contains the general administrative, procedural, and enforcement provisions.

Labor standard order

Section 9 of the Senate bill contains provisions applicable to orders of the Board made under sections 4, 6, and 8. It provides among other things that such orders may be made only after a hearing, shall define the occupations to which they relate, may classify employers, employees, and employment according to localities, population, and other circumstances and make appropriate provisions for different classes. The section provides that it shall be the policy of the Board to avoid any classification which effects an unreasonable discrimination against any person or locality. The Board is directed to avoid unnecessary and excessive classifications. Provision is made for the inclusion in orders relating to wages of such terms and conditions as the Board may consider appropriate to prevent the minimum wage from becoming the maximum wage. And the policy is declared that orders relating to wages shall affect only those employees who need legislative protection and shall not interfere with the voluntary establishment of appropriate differentials and higher standards for other employees in the occupation.

Hearings

Section 10 of the Senate bill contains provisions regarding the hearings which are to be held by the Board before orders are made, modified, extended, or rescinded. This section states the conditions under which the Board shall order a hearing.

Advisory committee on wage-and-hour standard

Section 11 of the Senate bill requires the Board to appoint advisory committees composed of representatives of employers, employees, and the public before making an order under section 4 establishing a minimum wage or a maximum workweek, and contains provisions regarding the composition and procedure of such committees.

Investigations and testimony

Section 12 of the Senate bill authorizes the Board to conduct investigations subpena witnesses and compel testimony.

Injunctions to enforce compliance with act

Section 13 of the Senate bill provides for the enforcement of the act and the orders thereunder by authorizing the Board to institute suit in the United States district courts to enjoin violations.

Records and labels

Section 14 of the Senate bill requires employers to keep such records as the Board may prescribe as necessary or appropriate for the enforcement of the bill. It further provides for the posting of orders in each place where employees in any occupation subject thereto are employed.

Prosecutions of persons other than producers

Section 14 (c) of the Senate bill provides that no person other than the producer shall be prosecuted for the transportation, shipment, delivery or sale of unfair goods who has secured a representation in writing from the person by whom the goods transported, shipped, or delivered were produced, resident in the United States, to the effect that such goods were not produced in violation of any provisions of this act.

Powers of the Secretary of Labor

Section 15 of the Senate bill provides that the Board shall, so far as practicable, make its investigations and inspections through the Secretary of Labor and his representatives, and authorizes the Secretary of Labor to make such investigations and inspections. This section further provides that the Secretary of Labor may utilize the services of State and local agencies, officers, and employees, and reimburse them for such services.

Regulations and orders

Section 16 of the Senate bill confers upon the Board to power to make, issue, amend, and rescind such regulations and orders as it deems necessary or appropriate to carry out the provisions of the act.

Validity of contracts

Section 17 (a) of the Senate bill declares void any contract made in violation of any provision of the act.

Section 17 (b) makes void any contract binding on any person to waive compliance with any provision of the act.

Reparation

Section 18 of the Senate bill provides for the payment of reparation to employees who have been paid a lower wage or employed for longer hours than the applicable standards allow. In the case of wages this reparation amounts to the difference between the wages received and that which should have been paid. In the case of hours, additional compensation is required for the overtime (where the act requires overtime) at the rate of one and one-half times the regular wage. The right to this reparation is granted when the condition of employment in question is required to be maintained under the act as well as when goods are shipped in violation of the act, but in the latter case the employer is entitled to prove that he had no reasonable ground to believe that the goods would be transported in violation of the act. And the Board may exempt goods from the prohibition against interstate shipment if it is established to the satisfaction of the Board that every person having a substantial proprietary interest in the goods had no reason to believe that any substandard condition existed in the production of the goods, or that the exemption is necessary to prevent undue hardship or waste and is not detrimental to the public interest; but in order to secure such exemption, provision must be made for the payment of reparation by every employer having a proprietary interest in the goods who failed to maintain the required wage or hour standard.

Relation to other laws

Section 19 of the Senate bill provides that the bill shall not justify noncompliance with any other Federal, State, or municipal regulation imposing higher standards.

Common carriers not liable

Section 20 of the Senate bill provides that common carriers shall not be liable under the bill for the shipment of goods in the regular course of their business, and shall not be excused by the bill from their obligations to accept goods for transportation.

Court review of orders

Section 21 of the Senate bill provides for review in the circuit court of appeals of orders of the Board.

Jurisdiction of offenses and suits

Section 22 of the Senate bill confers appropriate jurisdiction on the district courts over civil and criminal proceedings under the act.

Penalties

Section 23 of the Senate bill provides appropriate penalties for violation of provisions of the bill.

Separability of provisions

Section 25 of the Senate bill provides that all of its provisions shall be separable.

Effective date of act

Section 26 of the Senate bill provides that the bill shall take effect immediately, but that no provision requiring the maintenance of any fair labor standard or giving effect to any substandard labor condition shall take effect until the one hundred and twentieth day after the enactment of the act, and that no labor standard order shall be effective prior to that day.

HOUSE AMENDMENT

Short title

The first section of the House amendment provides that the act may be cited as the "Fair Labor Standards Act of 1938."

Finding and declaration of policy

Section 2 of the House amendment states that the employment of workers under substandard labor conditions (1) causes commerce to be used to spread among workers of the several States conditions detrimental to their well-being, (2) burdens commerce and a free flow of goods in commerce, (3) constitutes an unfair method of competition in commerce, (4) leads to labor disputes which burden and obstruct commerce, and (5) interferes with orderly and fair marketing of goods.

The House amendment states that the above-described situation requires that Congress exercise its power under the Constitution to regulate commerce among the several States in order to prevent the instrumentalities of interstate commerce to be used to spread and perpetuate such substandard labor conditions by prohibiting the shipment in interstate commerce of goods produced under substandard labor conditions and providing for the elimination of substandard labor conditions among employers engaged in industries affecting interstate commerce.

Definitions

Section 3 of the House amendment contains definitions of terms used.

"Person" is defined as an individual, partnership, association, corporation, business trust, legal representative, or any organized group of persons.

"Commerce" is defined to mean trade, commerce, transportation, transmission, or communication among the several States or from any State to any place outside thereof.

"State" is defined as any State of the United States, or the District of Columbia, or any Territory.

"Employer" is defined to include any person acting directly or indirectly in the interest of an employer in relation to an employee, but does not include the United States or any State or political subdivision of a State, or any labor organization (other than when acting as an employer), or anyone acting in the capacity of officer or agent of such a labor organization.

"Employee" is defined to include any individual employed or suffered or permitted to work by an employer.

"Agriculture" is defined to include farming in all its branches, and among other things to include the cultivation and tillage of the soil, dairying, the cultivation, growing, and harvesting of any agricultural or horticultural commodities, the raising of livestock, bees, foxes, or poultry, and any practices performed by a farmer or on a farm as an incident to such farming operations, including preparation for market, delivery to storage or to market or to carriers for transportation to market.

"Employees engaged in agriculture" is defined to include individuals employed within the area of production, engaged in the handling, packing, storing, ginning, compressing, pasteurizing, drying, or canning of farm products and in making cheese and butter.

"Employ" is defined as including to suffer or permit to work.

"Industry" is defined to mean a trade, business, industry, or branch thereof, or group of industries in which individuals are gainfully employed.

"Industry affecting commerce" is defined to mean an industry with respect to which an order issued under section 6 is in effect.

"Employer engaged in commerce" is defined to mean an employer in commerce, or an employer engaged, in the ordinary course of business, in purchasing or selling goods in commerce.

"Secretary" is defined to mean the Secretary of Labor.

"Oppressive child labor" is defined as a condition of employment under which (1) any employee under the age of 16 years is employed by an employer (other than a parent or a person standing in place of a parent employing his own child or a child in his custody under the age of 16 years in an occupation other than manufacturing or mining) in any occupation, or (2) any such employee between the ages of 16 and 18 years is employed by an employer in any occupation which the Chief of the Children's Bureau shall from time to time find and by order declare to be particularly hazardous for the employment of such children or detrimental to their health or well-being.

Oppressive child labor is not deemed to exist by virtue of the employment in any occupation of a person with respect to whom the employer shall have on file a certificate issued and held pursuant to the regulations of the Chief of the Children's Bureau certifying that such person is above the oppressive child-labor age. The Chief of the Children's Bureau is to provide by regulation or by order that the employment of employees of or above the age of 14 but under the age of 16 in occupations other than manufacturing and mining shall not be deemed to constitute oppressive child labor if and to the extent that the Chief of the Children's Bureau determines that such employment is confined to periods which will not interfere with schooling and to conditions which will not interfere with health and well-being.

Minimum wages

Section 4 of the House amendment provides that every employer engaged in commerce in an industry affecting commerce must pay during the first year (computed from the effective date of the original order issued under section 6 with respect to the industry) each employee employed by him a wage at a rate not less than 25 cents an hour, and during each succeeding year increase such wage 5 cents an hour until the wage reaches 40 cents an hour. Hence the 40-cent rate in a particular industry will be reached at the end of 3 years from the effective date of the order under section 6 with respect to the industry.

Maximum hours

Section 5 of the House amendment provides that no employer engaged in commerce in an industry affecting commerce shall employ any of his employees for a workday longer than 8 hours, or during the first year (computed from the effective date of the order issued under sec. 6 with respect to the industry) shall employ any of his employees for a workweek longer than 44 hours. In each succeeding year the employer is required to reduce the weekly hours by 2 hours until a 40-hour workweek is reached. No employee is to be deemed to be employed in violation of this section if he receives additional compensation for his overtime employment at the rate of one and one-half times the regular hourly rate at which he is employed, or times the rate applicable under or pursuant to the act, whichever is higher.

In the case of an employer engaged in the first processing of milk, whey, skimmed milk, or cream into dairy products, or in the ginning and compressing of cotton, or in the processing of cottonseed, the provisions of this section are not to apply to his employees in any place of employment where he is so engaged, and in the case of an employer engaged in the first processing of, or in canning, fresh fish or fresh sea food, or perishable fresh fruits or perishable fresh vegetables, or in handling, slaughtering, or dressing poultry or livestock, the provisions of this section are not to apply for 12 workweeks in any calendar year to his employees in any place of employment where he is so engaged.

Industries affecting commerce

Section 6 of the amendment directs the Secretary, as soon as practicable after the enactment of the act, to determine the relation of the various industries to commerce. The Secretary is to give due notice to interested persons and an opportunity to be heard. If in the case of any industry the Secretary finds that the activities of the industry are Nation-wide in their scope, or that the industry is dependent for its existence upon substantial purchases or sales of goods in commerce and upon transportation in commerce, or that the relation of the industry to commerce is in other respects close and substantial, the Secretary is required to issue an order declaring the industry to be an industry affecting commerce, but no such order is to be applicable to any retail industry the greater part of whose sales is in intrastate commerce. The order is to take effect at such time not more than 120 days after it is issued as the Secretary designates in the order.

Attendance of witnesses

Section 7 of the House amendment provides that for the purpose of the hearing to determine the facts upon which an order under section 6 is based the provisions of the Federal Trade Commission Act relating to the attendance of witnesses and the production of books, papers, and documents are to be applicable to the jurisdiction, powers, and duties of the Secretary.

Court review of orders

Section 8 of the House amendment provides for the review of an order issued under section 6 by any person aggrieved thereby, in the circuit court of appeals for the circuit in which is situated his principal place of business, or in the Court of Appeals of the United States for the District of Columbia. The court is given exclusive jurisdiction to affirm, or if it is not in accordance with law to modify or set aside, the order in whole or in part.

Investigations, inspections, and records

Section 9 of the House amendment provides that the Secretary may investigate and gather data regarding the wages, hours, and other conditions and practices of employment in any industry subject to the act, and may enter and inspect such places and records, question such employees, and investigate such facts, conditions, practices, or matters as the Secretary may deem necessary or appropriate to determine whether any person has violated any provision of the act, or which may aid in the enforcement of the provisions of the act. Except in connection with investigations and inspections relating to the employment of oppressive child labor, the Secretary is to utilize the Bureau of Labor Statistics for all investigations and inspections.

The Secretary, for the purpose of making the investigations and inspections above referred to, is authorized, with their consent, to utilize the services of State and local agencies and their employees, and to reimburse such State and local agencies and their employees for services rendered for such purposes.

Every employer subject to the amendment or to any other thereunder is required to make, keep, and preserve such records of the persons employed by him and of the wages, hours, and other conditions and practices of employment maintained by him, and to preserve such records for such periods of time, and to make such reports therefrom to the Secretary as the Secretary shall prescribe by regulation or order.

Child-labor provisions

Section 10 of the House amendment provides that no producer, manufacturer, or dealer shall ship or deliver for shipment in commerce any goods produced in an establishment situated in the United States in or about which within 30 days prior to the removal of such goods therefrom any oppressive child labor has been employed. A prosecution and conviction of a defendant for a shipment or delivery for shipment of any goods under the conditions prohibited in this section is to be a bar to any further prosecution against the same defendant for shipment or delivery for shipment of any such goods before the beginning of such prosecution.

Every employer engaged in commerce in an industry affecting commerce is prohibited from employing any employee under any oppressive child-labor condition.

The Chief of the Children's Bureau is to make all the investigations and inspections referred to above with respect to the employment of minors and to bring all actions under section 15 (relating to injunctions to restrain violations of the act) to enjoin any act or practice which is unlawful by reason of the existence of oppressive child labor, and is to administer all other provisions of the act relating to oppressive child labor.

Exemptions

Section 11 of the House amendment contains the exemptions from its provisions. Exemptions were made in the Senate bill by the device of excluding the individuals to be exempted from the definition of "employee." The wage-and-hour provisions are not to apply to—

(1) Any employee employed in a bona fide executive, administrative, professional, or local retailing capacity, or in the capacity of outside salesman (as such terms are defined and delimited by regulations of the Secretary);

(2) Any employee employed as a seaman;

(3) Any air-transport employee subject to the provisions of title II of the Railway Labor Act;

(4) Any employee employed in the catching, taking, harvesting, cultivating, or farming of any kind of fish, shellfish, crustacea, sponges, seaweeds, or other aquatic forms of animal and vegetable life, including the going to and returning from work, and including employment in the loading, unloading, or packing of such products for shipment, or in propagating, processing, marketing, freezing, canning, curing, storing, or distributing the above products or by-products thereof;

(5) Any employee employed in agriculture; or

(6) Any employee to the extent that such employee is exempted by regulations or orders of the Secretary issued under section 12 (relating to partial exemptions for learners, apprentices, and handicapped workers) or to weekly or semiweekly newspapers with a circulation of less than 3,000, the major part of which circulation is within the county where printed and published.

The hour provisions of the act are not to apply to any employee with respect to whom the Interstate Commerce Commission has power to establish qualifications and maximum hours of service pursuant to the provisions of section 204 of the Motor Carrier Act, 1935, or to any employee of an employer subject to part I of the Interstate Commerce Act.

The child-labor provisions are not to apply to any employee employed in agriculture, or to any child employed as an actor in motion pictures or theatrical productions.

Learners, apprentices, and handicapped workers

Section 12 of the House amendment requires the Secretary, to the extent necessary in order to prevent curtailment of opportunities for employment, by regulation or by order to provide for (1) the employment of learners, and of apprentices under special certificates as issued pursuant to regulations of the Secretary, at such wages lower than the applicable minimum and subject to such limitations as to time, number, proportion, and length of service as the Secretary shall prescribe; and (2) the employment of individuals whose earning capacity is impaired by age or physical or mental deficiency or injury, under special certificates to be issued by the Secretary, at such wages lower than the applicable minimum and for such period as shall be fixed in such certificates.

Prohibited acts

Section 13 of the House amendment makes it unlawful for any person—

(1) To violate any of the wage or hour provisions, or any of the provisions of any regulation or order of the Secretary issued under section 12 (relating to learners, apprentices, and handicapped workers);

(2) To transport, offer for transportation, ship, deliver, or sell in commerce, or to ship, deliver, or sell with knowledge that shipment or delivery or sale thereof in commerce is intended, any goods in the production of which any employee was employed in violation of the wage or hour provisions, or in violation of any regulation or order of the Secretary issued under section 12. No provision of the amendment is to impose any liability upon any common carrier for the transportation in commerce in the regular course of its business of any goods not produced by such common carrier, and no provision is to excuse any common carrier from its obligation to accept such goods for transportation;

(3) To willfully discharge or in any other manner discriminate against any employee because such employee has filed any complaint or instituted or caused to be instituted any proceeding under or related to the act, or has testified or is about to testify in any such proceeding;

(4) To violate any of the child-labor provisions; or

(5) To violate any of the provisions relating to the requirements of keeping records and making reports therefrom, or to make any statement, report, or record filed or kept pursuant to such provisions, knowing such statement, report, or record to be false in a material respect.

For the purpose of the prohibition relating to transportation in commerce of goods produced in violation of the amendment, proof that any employee was employed in violation of the wages or hours provision, or in violation of any regulation or order of the Secretary under section 12 (relating to learners, apprentices, and handicapped workers) in any place of employment where goods were produced, within 90 days prior to the removal of the goods therefrom, is to be prima facie evidence that the goods were produced by such employee.

Penalties

Section 14 of the House amendment provides that any person who violates any of the provisions of section 13 shall, upon conviction, be subject to a fine of not more than $500, or to imprisonment for not more than 6 months, or both.

Injunction proceeding

Section 15 of the House amendment vests the district courts of the United States and the United States courts of the Territories with jurisdiction to restrain violations of section 13.

Relation to other laws

Section 16 of the House amendment provides that no provision of the act is to justify noncompliance with any other Federal or State law or municipal ordinance establishing a higher minimum wage or a shorter maximum workday or workweek than that established under the act, and that no provision of the act relating to the employment of child labor is to justify noncompliance with any Federal, State, or municipal ordinance establishing a higher standard than the standard established under the act.

Separability of provisions

Section 17 of the House amendment contains the usual separability clause.

Effective date

Section 18 of the House amendment provides that no order under section 6 shall take effect prior to 120 days after the enactment of the act.

CONFERENCE AGREEMENT

Short title

Section 1 of the conference agreement follows the provisions of the House amendment in providing that the act may be cited as the Fair Labor Standards Act of 1938.

Findings and declaration of policy

Section 2 of the conference agreement follows generally the provisions of both the Senate bill and the House amendment, except that it states that the existence, in industries engaged in commerce or in the production of goods for commerce, of labor conditions detrimental to the maintenance of the minimum standard of living necessary for health, efficiency, and general well-being causes the effects on commerce described in the Senate bill and House amendment. It is declared to be the policy of the act to correct, and as rapidly as practicable to eliminate, these conditions in such industries without substantially curtailing employment or earning power.

This is the policy which has guided the Congress in the prescription of the definite wage, hour, and child-labor provisions; this is the policy which the Congress has set to guide the Administrator and the industry committees in working toward progressive improvement of labor standards. It by no means follows that the highest minimum wages or the lowest maximum hours authorized by the act are adequate to maintain what should be regarded as the minimum fair standard of living. But certainly conditions which fail to conform with the requirements of the conference agreement cannot be deemed adequate to maintain even a rudimentary minimum standard of living.

Definitions

Section 3 of the conference agreement contains definitions of the terms used in the conference agreement.

"Person" is defined in the same way as in the House amendment.

"Commerce" is defined in the same way as in the House amendment.

"State" is defined as in the Senate bill to include any State or the District of Columbia or any Territory or possession. But as is the case with all other provisions of the act, each term therein is to be treated as separable.

"Employer" is defined in the same way as in both the Senate bill and the House amendment.

"Employee" is defined as any individual employed by an employer. Taken in conjunction with the definition of "employ," which is defined as including suffering or permitting to work, the substance of the definition of employee in the conference agreement is contained in both the Senate bill and the House amendment.

"Agriculture" is defined in the same way as in the House amendment with the following exceptions: (1) The production of commodities defined as agricultural commodities in section 15 (g)

of the Agricultural Marketing Act is included within the definition of agriculture, (2) the raising of all fur-bearing animals is included within the definition of agriculture, and (3) forestry or lumbering operations when performed by a farmer or on a farm as an incident to or in conjunction with farming operations is also included within such definition.

"Industry" is defined in the same way as in the House amendment.

"Goods," "produced," "sale," and "sell," which are defined in the Senate bill but not in the House amendment, are defined in the same way as in the Senate bill.

"Oppressive child labor" is defined in the same way as in the House amendment with minor clerical changes.

"Wage," which was defined in neither the Senate bill nor the House amendment, is defined as including the reasonable cost, as determined by the Administrator, to the employer of furnishing his employee with board, lodging, or other facilities, where it is customary for the employer to furnish such facilities.

Administration

As the conference agreement provides for a limited degree of flexibility in the application of minimum-wage rates, it was impossible to avoid the creation of some administrative machinery to administer the act. Section 4 of the conference agreement provides for the creation of a Wage-and-Hour Division in the Department of Labor, under the direction of an Administrator to be appointed by the President by and with the advice and consent of the Senate.

Industry committees

Under section 5 of the conference agreement the Administrator is empowered to set up an industry committee for each industry engaged in commerce or in the production of goods for commerce. An industry committee is made up of an equal number of persons representing the public, employers, and employees; and its members are to be selected with due regard to geographical considerations.

Minimum wages

Section 6 of the conference agreement provides for the establishment of minimum wages for employees engaged in commerce or in the production of goods for commerce. The House amendment provided for the establishment of minimum wages if the employer was engaged in commerce in any industry affecting commerce. The conference agreement contains the definite minima of 25 cents and 30 cents per hour prescribed by the House for the first and second year, respectively, but allows 7 instead of 3 years for the minimum of 40 cents per hour to be reached, except in the case of an industry in regard to which it is definitely established, by the preponderance of the evidence, that a rate of 40 cents an hour would substantially curtail employment in such industry. After the second year the absolute floor is 30 cents per hour.

Superimposed upon, and constitutionally separable from, these relatively inflexible requirements of the conference agreement is a provision that enables separate, and, when substantial curtailment of employment will not result, requires higher, minimum rates (not exceeding 40 cents an hour) to be fixed industry by industry.

Maximum hours

Section 7 of the conference agreement provides for the establishment of maximum hours of employment for employees engaged in commerce or the production of goods for commerce. The House amendment provided for the establishment of maximum hours of employment if the employer was engaged in commerce in an industry affecting commerce. The conference agreement contains in section 7 (a) the definite maximum hours of employment, 44 hours a week for the first year, 42 hours a week for the second year, and 40 hours a week thereafter, with overtime work permissible upon the payment of one and one-half times the regular wage rate. Provision is made for certain exceptions in the provisions of subsections (b) and (c). The validity or invalidity of these exceptions would not, of course, affect the validity of the balance of the act.

The general exceptions in section 7 (b) are drawn so as to encourage under appropriate safeguards continuity or regularity of employment. Thus an exemption is accorded for employees under bona fide collective bargaining agreements which provide that no employee shall be employed more than 1,000 hours during any period of 26 consecutive weeks. A further exemption is accorded for employees employed on an annual basis under bona fide collective bargaining agreements which provide that no employee shall be employed more than 2,000 hours during any period of 52 consecutive weeks, and a further exemption is provided for periods of not more than 14 weeks in the aggregate in any calendar year for industries found by the Administrator to be of a seasonal nature. These exemptions are further restricted by the requirement that employees coming under these exemptions must receive compensation at one and one-half times the regular rate for employment in excess of 12 hours in any workday or in excess of 56 hours in any workweek.

The specific exemptions (beginning with the exemption of the first processing of milk, raw or pasteurized, into dairy products) from the hours provisions which were contained in the hours section of the House amendment have been retained with the following changes other than clerical changes: (1) It is made clear that the processing of sugar beets, sugar-beet molasses, sugarcane, or maple sap into sugar (but not refined sugar) or into sirup is included within the absolute exemption, (2) the period of weeks for the partial exemption has been increased to 14, and (3) there is included within this partial exemption the first processing within the area of production (as defined by the Administrator) of any agricultural or horticultural commodity during seasonal operations.

Wage orders

Section 8 of the conference agreement provides the procedure to be followed in the establishment of separate minimum wages, industry by industry. Since the rigid minima establish an absolute floor, so long as they are legally effective, the flexible minima in order to serve any useful purpose would have to be higher. With a view to effectuating the declared policy of the act, section 8 requires the administrator to convene the industry committee for each industry from time to time to recommend minimum wages for such industry.

Section 8 (c) of the conference agreement requires an industry committee to make such reasonable classifications within an industry as it determines to be necessary to fix the highest minimum wage rates consistent with the declared policy without substantially curtailing employment in any such classification and without giving a competitive advantage to any group in the industry. In determining whether such classifications should be made in any industry, and in making and determining the minimum rates for such classifications, no classification is to be made and no minimum rate is to be fixed, solely on a regional basis and no classification is to be made on the basis of age or sex, but the industry committee and the administrator are to consider among other relevant factors, competitive conditions as affected by production, living, and transportation costs, wages established by collective bargaining agreements, and wages paid by employers who voluntarily maintain fair minimum-wage standards.

Section 8 (d) provides that an industry committee, after investigating conditions in the industry, is to make a report to the Administrator containing its recommendations regarding the minimum-wage rates to be established for the industry. Upon the filing of the report, the Administrator holds a hearing after giving due notice to interested persons. If upon consideration of the evidence submitted by the industry committee and others, he is satisfied that the recommendations are made in accordance with law, are supported by the evidence, and, taking into consideration the same factors as the industry committee is required to consider, carry out the purposes of the act, then the Administrator enters an order putting the recommendations into effect. If the Administrator disapproves the recommendations, he must reconvene the same committee or appoint a new industry committee, for further consideration and recommendations.

This carefully devised procedure has a double advantage. It insures on the one hand that no minimum-wage rate will be put into effect by administrative action that has not been carefully worked out by a committee drawn principally from the industry itself and on the other hand that no minimum-wage rate will be put into effect by administrative action which has not been found by an administrative official of the Government, exercising an independent judgment on the evidence, and responsible to Congress for his acts, to be in accordance with law.

Section 8 (e) provides that no order is to be made or continued into effect after the expiration of 7 years from the effective date of section 6 unless the industry committee by a preponderance of the evidence before it determines, and the Administrator by a preponderance of the evidence adduced at the hearing finds, that such order is necessary to prevent substantial curtailment of employment in the industry. If no order is effective in an industry after the expiration of 7 years, the 40-cent rate automatically applies.

Section 8 (f) provides that orders issued under section 8 shall define the industries and classifications to which they are to apply and shall contain terms and conditions necessary to carry out their purposes, to prevent their circumvention or evasion and to safeguard the minimum rates established therein.

Section 8 (f) and (g) provides the method of giving due notice of the putting into effect of orders and of the holding of hearings.

Attendance of witnesses

Section 9 of the conference agreement confers the necessary powers for the summoning of witnesses and the production of documents for the purpose of any hearing or investigation under the act. It is substantially the same as in the House amendment.

Court review

Section 10 provides for the judicial review of orders. It follows substantially the corresponding section of the Senate bill.

Investigations and inspections

Section 11 of the conference agreement provides for investigations, inspections, and records. Its provisions do not substantially depart from the corresponding provisions of the House amendment except that "Administrator" is substituted for the "Secretary of Labor." The Administrator is directed to utilize the divisions and bureaus of the Department of Labor, of which the Wage and Hour Division itself is a part, for investigations, the gathering of data, and inspections necessary under the act. The Administrator, except in connection with the child-labor provisions, is given power to bring all actions to enjoin violations of section 15.

Child-labor provisions

Section 12 of the conference agreement adopts the child-labor provisions of the House amendment, with one exception. In view

of the omission from the conference agreement of the principle of section 6 of the House amendment, subsection (b) of section 10 of the House amendment has been omitted.

Exemptions

Section 13 of the conference agreement contains the same exemptions as were contained in the House amendment with the following changes and additions: (1) It includes an exemption from both the wage and hour provisions of employees of retail or service establishments the greater part of whose business is in intrastate commerce; (2) it includes an exemption from both the wage and hour provisions of employees of any street, suburban, or interurban electric railway, or local trolley or motor-bus carrier not included in other exemptions contained in this section; (3) the provisions of the so-called Biermann amendment have been transferred to this section as an exemption from both the wage and hour provisions; in this amendment the Administrator is to define the area of production, and the making of dairy products is included within its terms; and (4) a minor change has been made in the exemption of employees employed in agriculture from the child-labor provisions; the child will be affected by the exemption only while he is not legally required to attend school. As in the case of other exemptions and exceptions the validity or invalidity of any of the above exemptions will not affect the validity of the act.

Learners, apprentices, and handicapped workers

Section 14 of the conference agreement makes special provision for learners, apprentices, and handicapped workers. It follows in the main the provisions of the House amendment, but includes within its terms messengers employed exclusively in delivering letters or messages.

Prohibited acts

Section 15 of the conference agreement makes it unlawful to ship or sell in commerce or to ship or sell with knowledge that shipment or sale thereof in commerce is intended, any goods in the production of which any employee was employed in violation of section 6 or section 7 or section 14, or to violate the provisions of such sections, or to do certain other acts which violate provisions of the act or obstruct its administration. Except insofar as modification was necessary to conform with other provisions of the conference agreement, the section follows closely the corresponding section of the House amendment.

Penalties

Section 16 of the conference agreement provides a fine of not more than $10,000, or imprisonment for not more than 6 months, or both, for violations of the act. No person is to be imprisoned upon conviction for a first offense. This section also provides for civil reparations for violations of the wages-and-hours provisions. If an employee is employed for less than the legal minimum wage, or if he is employed in excess of the specified hours without receiving the prescribed payment for overtime, he may recover from his employer twice the amount by which the compensation he should have received exceeds that which he actually received.

Injunction proceedings

Section 17 relating to the jurisdiction of the courts to restrain violations of the act follows substantially the corresponding provision of the House amendment.

Relation to other laws

Section 18 which deals with the relation of the act to other laws follows the corresponding provision of the House amendment with the addition of a provision to the effect that nothing in the act is to be deemed as any justification for a reduction in wages or a lengthening of hours.

Separability of provisions

Section 19 contains the usual separability provision. Illustrations of its application have been discussed supra in connection with various provisions.

MARY T. NORTON,
ROBERT RAMSPECK,
M. A. DUNN,
KENT KELLER,
JENNINGS RANDOLPH,
RICHARD J. WELCH,
FRED A. HARTLEY, Jr.,
Managers on the part of the House.

Mr. TABER. Mr. Speaker——

The SPEAKER. For what purpose does the gentleman from New York rise?

Mr. TABER. Mr. Speaker, I make a point of order against the conference report.

The SPEAKER. The gentleman will state his point of order.

Mr. TABER. Mr. Speaker, about six or seven different items are involved in my point of order, so I shall go through them quickly.

In the first place, I call the attention of the Chair to page 3, where there is created an administrator, and to section 5, where it is provided that industry committees shall be appointed by the administrator. Nothing of this kind was in the bill as it passed the House. In the bill as it passed the Senate there was provision for a general board having charge of all industries, which was to pass on the questions that came up. Under section 5, an industry committee in each industry involved is to be set up by the administrator, and this is beyond the scope of the conference.

I shall state these items, if I may be permitted to do so, before I get to the argument.

On page 4, paragraph (c), provision is made with reference to the quorum of the industry committee and with reference to the compensation, and this is entirely beyond the provisions of either bill.

Then I call the attention of the Chair to this provision on page 5, paragraph (b):

No employer shall be deemed to have violated subsection (a) by employing any employee for a workweek in excess of that specified in such subsection without paying the compensation for overtime employment prescribed therein if such employee is so employed—

(1) In pursuant of an agreement, made as a result of collective bargaining by representatives of employees certified as bona fide by the National Labor Relations Board, which provides that no employee shall be employed more than 1,000 hours during any period of 26 consecutive weeks.

This is clearly beyond the scope of either bill; that is, to set up here a provision by which an exemption can be created as a result of a certificate that the representatives of the employees are bona fide, this certificate being issued by the National Labor Relations Board, is clearly beyond the scope of the conference.

Likewise, paragraph (2) of paragraph (b) on page 5 is clearly in the same way in violation of the rule and beyond the scope of the conference, as is paragraph (3), the exemption for a period of not more than 14 workweeks in the aggregate.

On page 6 the following provision appears in paragraph (c):

The industry committee for any industry shall recommend such reasonable classifications within any industry as it determines to be necessary for the purpose of fixing for each classification within such industry the highest minimum wage rate (not in excess of 40 cents an hour).

There is nothing whatever in either bill which sets up classifications of this character, and this provision setting up classifications within an industry is clearly beyond the scope of the conference.

Further in paragraph (c) is a provision setting forth at least three factors that shall be considered in arriving at a conclusion. Nothing or that sort was set up in either bill, and these provisions are clearly beyond the scope of the conference.

Further, the provisions of paragraph (d) are clearly beyond the scope of the conference.

It is perfectly clear, Mr. Speaker, that the conference committee clearly has gone beyond the scope of the conference in respect of the exemption in instances arising in pursuance of an agreement, made as a result of collective bargaining by representatives of employees certified as bona fide by the National Labor Relations Board, and in the provisions relating to the classification proposition and the set-up of the industry committees. I can see no possible way in which any one of these items can be considered within the scope of the conference and of the difference between the two Houses.

The SPEAKER. The Chair is ready to rule on the point of order raised by the gentleman from New York [Mr. TABER].

The gentleman from New York has raised a point of order against the conference report in the several particulars pointed out by him on the ground that the conferees exceeded the authority they had to reach an agreement upon the subject committed to them.

The legislative history of this bill is that the Senate passed a bill affecting wages and hours. The bill came to the House and the House committee struck out all the Senate bill after the enacting clause and presented to the House for its consideration one entire substitute amendment covering all subjects embraced in the matter, which the House adopted. The bill then went to conference upon this basis.

The Chair is reasonably familiar with all the provisions of the Senate and House bills touching this subject, and the Chair is in position to state that the House bill set up a very great number of detailed administrative features that were not included in the Senate bill. There were wide differences with reference to some of the provisions of the bill such as have inferentially been suggested by the gentleman from New York. This is not at all a matter of first impression. This question has been raised heretofore, and I call the attention of the gentleman from New York to the decision contained in section 3265, volume 8, of Cannon's Precedents, where this identical question was raised. The decision was by Mr. Speaker Gillett. The Chair will refer very briefly to that ruling and read the following language:

The first point made by the gentleman from Illinois, it seems to the Chair, is thoroughly disposed of by the decision of Speaker Clark, quoted in the Manual.

The very question was raised that is now presented by the gentleman from New York, that the conferees exceeded their authority in reporting the provisions of which the gentleman complains.

Further quoting from the decision:

It says:
"And it has been held so often and so far back and by so many Speakers that where everything after the enacting clause is struck out the conferees have carte blanche to prepare a bill on that subject, that it seems to the Chair that question is no longer open to controversy."

Following this precedent, the Chair overrules the point of order made by the gentleman from New York [Mr. TABER].

Mrs. NORTON. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, I feel greatly privileged to present this conference report today, on the eve of the anniversary of the death of our late beloved colleague, Bill Connery. I want to think when we pass this conference report today that it is our tribute to a gallant worker in the cause of the great army of underprivileged workers in the country; and, Mr. Speaker, I feel that his spirit is with us today in successfully finishing legislation that is going to mean more to the underpaid and underprivileged people of this country than anything that has ever been enacted by the Congress of the United States. May I say, too, Mr. Speaker, that I am deeply appreciative of the splendid work that has been done by the conferees on this bill. We met every day for 12 days and the bill was written around the conference table. We took into consideration every request that was brought before us and we tried to bring you a bill that we hope we can all agree upon. I believe it is the best bill on wages and hours that has ever been before the Congress of the United States, and I sincerely hope that my colleagues will agree with me that when this conference report is adopted today it is the work of not one man or one woman or one Member of Congress but that it is the work of every Member of Congress who is interested in human justice. This is the objective we are reaching for, and I sincerely believe, Mr. Speaker, we have taken the first step to attain that objective. [Applause.]

Before proceeding to discuss in detail what is contained in the conference report, let me say that the House conferees stood out for, and finally obtained an agreement retaining, the basic principles of the House bill.

You will recall that the House bill contained three basic principles:

First. An absolute floor on wages and an absolute ceiling on hours;

Second. A definite time fixed in the future for the attainment of the 40-cent minimum wage and the 40-hour week; and

Third. No geographical differentials.

On the other hand, the Senate bill contained just the reverse of these principles—a ceiling on wages and a floor on hours—no fixed time in the future for the attainment of the 40-cent rate and the 40-hour week—geographical differentials.

Under the House bill, the absolute floor for wages during the first year was to be 25 cents an hour, during the second year 30 cents an hour, during the third year 35 cents an hour, and thereafter 40 cents an hour. The ceiling on hours was to be 44 hours during the first year, 42 hours during the second year, and 40 hours thereafter. The administration of the House bill was confided to the Secretary of Labor.

What does the conference agreement provide with respect to wages? During the first year the absolute floor below which nobody covered by the bill can go is 25 cents an hour. There is an additional provision found in the conference agreement, however, which was not contained in the House bill, and which is a distinct improvement on the House bill. There are undoubtedly many industries to which a minimum-wage rate in excess of 25 cents an hour could be applied now without curtailing employment. Under the House bill, there was no way of applying a higher rate to these industries—and by industries I do not mean individual employers but, on the contrary, industries in the national sense. The conference agreement provides that the industry committees at any time may recommend to the Administrator, and the Administrator may at any time by order prescribe, minimum-wage rates for these industries; and so it is possible, under the conference agreement—and I feel confident that in many cases it is very likely—that the 40-cent rate will be reached during the second year.

Under the conference agreement, 30 cents an hour is the absolute floor during the second year. Nobody covered by the bill can go below this, although, as I have just said, some industries may be required to go higher.

Between the absolute floor of 30 cents an hour after the first year and the floor of 40 cents an hour after the seventh year, the conference agreement provides for a limited degree of flexibility. The industry committee for each industry is required to recommend to the Administrator, and the Administrator is required to prescribe by order, the highest minimum-wage rate for the industry which will not substantially curtail employment. And so it is very possible, as I have said before, that the 40-cent rate will be reached even during the first or second year in the case of some industries, during the third year in the case of still others, and so forth. Let me say here that this procedure of having recommendations made by industry committees on which employers, employees, and the public have equal representation is the procedure which has been in effect and has been eminently successful in England since, I believe, 1909.

After the seventh year the floor is to be 40 cents an hour, except in exceptional circumstances. What are these circumstances? Before the 40-cent rate can be set aside, the industry committee—on which, as I have said, employers, employees, and the public have equal representation and equal voting power—must find by a preponderance of evidence before it, and the Administrator must find by a preponderance of the evidence at the hearing before him, that the application of the 40-cent rate to the industry would substantially curtail employment in the industry. And so the rate of 40 cents an hour automatically applies after the seventh year except in the circumstances I have outlined. I cannot think of anything fairer than that.

Now, let me describe the provisions of the conference agreement relating to the classifications within an industry so that there will be no misunderstanding. The industry committees are required to recommend reasonable classifications in the industry and the highest minimum rates for each such classification, which will neither substantially curtail employment in the classification nor will give a competitive advantage to any group in the industry. The factors to be taken into consideration in making these classifications and in fixing the minimum wage rates for each classification are clear. No classification is permitted solely on a regional basis, so we have outlawed geographical differentials in the fixing of these classifications. The differences that will exist between the

wage rates applicable in each classification must be justified by facts and not geography.

The hours provisions of the conference agreement are virtually identical with those in the House bill, except that we have done away with the requirement of an 8-hour day. It seemed to the conferees that if employees wanted to work an extra hour each day so that they could have all of Saturday and Sunday to themselves, Congress ought not by legislation to deny them that right. The weekly hours are the same as in the House bill, however.

In addition to the specific exemptions from the hours provisions which were contained in the House bill, particularly in my amendment, the conference agreement contains general exemptions to allow for further flexibility. We believe that every meritorious complaint relating to the hours provisions has been met. We have provided that the basic hours provisions are not to apply where there is a collective-bargaining agreement providing for employment in excess of the basic maximum hours per week, but not for more than 1,000 hours in any period of 26 consecutive weeks. This exemption is hedged about, however, by the requirement that overtime compensation be paid for work in excess of 12 hours in any day, or 56 hours in any week, as the case may be.

This exemption will take care of the peculiar situation which exists in isolated mining and lumber camps which are located in some cases 75 or 100 miles from civilization. We have also provided an exemption from the basic maximum hours for employers who have adopted the annual wage plan. We provide that where employees are employed on an annual basis in pursuance of a collective-bargaining agreement which provides for employment not in excess of 2,000 hours in any period of 52 consecutive weeks, the employer is not covered by the basic maximum hours if he pays overtime compensation for work in excess of 12 hours in any day, or 56 hours in any week, as the case may be. We further provide for exemptions of seasonal industries for not more than 14 workweeks in any calendar year under the same conditions. These general exemptions to a certain extent overlap the specific exemptions, and so there can be no question but that all meritorious cases are covered in some cases twice.

The child-labor provisions of the conference agreement are virtually identical with those of the House bill.

Every amendment which was adopted on the floor to the House bill we have retained. We have a bill better than the House bill, infinitely better than the Senate bill. This is not a northern bill—it is not a southern bill—it is a labor bill and the conference report should be adopted overwhelmingly. [Applause.]

We have kept faith with the House. We have gone far in attempting to take into consideration all of the matters that were brought before us. We are presenting a unanimous conference report with the sincere hope that it may be adopted. In concluding may I thank the Labor Committee, the unofficial steering committee, and every Member who supported the committee in their difficult task of bringing this bill to a happy conclusion [Applause.]

[Here the gavel fell.]

Mrs. NORTON. Mr. Speaker, I yield 30 minutes to the gentleman from California [Mr. WELCH].

Mr. WELCH. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, as the record will show, I signed the conference report which was unanimous on the wage and hour bill which was changed from the bill which passed the House on May 24. I sincerely regret that in order to get a bill which would give relief to the underprivileged workers of this country, it was necessary to change the bill as it passed the House which provided for statutory wage increases, commencing at 25 cents per hour and running over a period of 3 years to 40 cents per hour.

The conference report provides a floor of 25 cents per hour, commencing on the effective date of the act. It further provides for an increase to 30 cents per hour beginning the second year.

The hourly provision in the bill starts at 44 hours and is reduced to 40 hours in 2 years. The wage rate commencing at 25 cents and then to 30 cents per hour the second year, and the weekly hour rate commencing at 44 and reduced to 40 are statutory and over which no administrator or board will have control.

When you stop to consider the thousands upon thousands of unfortunate people, some of whom are being paid as low as $3 a week and working as long as 60 hours a week, there is great merit in this bill. There will be an immediate reduction from 60 to 44 hours and in 2 years thereafter to 40 hours and an immediate raise in hourly wage for those who are now receiving from $3 to $6 a week to $11 a week.

Another important provision in this bill which should not be overlooked is the fact that it contains the best child-labor provision ever presented to Congress. [Applause.]

[Here the gavel fell.]

Mr. WELCH. Mr. Speaker, I yield 7 minutes to the gentleman from New Jersey [Mr. HARTLEY].

Mr. HARTLEY. Mr. Speaker, the title of the bill being reported to the House today should be, "A bill to further harass industry and to extend the New Deal depression."

Even if we admit that this bill will raise the wages of a part of the exploited or the lower paid workers of the country, this bill as written will so affect the economic structure of the Nation as to nullify those increases, and in addition will create such dislocation that everyone will suffer thereby. This final draft is based upon the New Deal obsession that there ought to be a law although no one gives a damn what kind of a law.

I expect that someone will charge me with being inconsistent for opposing this measure now after having signed the conference report. However, after careful deliberation I have come to the conclusion that the consistent thing for me to do is to vote against the bill. Last December I offered the motion to recommit the wage and hour bill, which provided for a board and differentials. This bill as reported by the conference committee has many more boards than the bill recommitted, and more serious differentials.

I voted for the House bill, and during the conference on every occasion and on every test stood firm for the philosophy of the House bill, and if this report maintained the philosophy of the House bill, I would be glad to stand here and defend it. However, this bill is being accepted only because it is the only kind of a bill that certain Members of the other body would permit the House to have without a filibuster. In other words a handfull of filibusterers have said to the House, "You will take this kind of bill or get no bill at all."

As for me, I would much rather have an honorable defeat than a dishonorable victory. This bill has been so amended that it is neither fish, fowl, nor beast. It is a legislative duckbill, platypus.

Mr. EATON. Mr. Speaker, will the gentleman yield?

Mr. HARTLEY. I will yield to my distinguished colleague from New Jersey.

Mr. EATON. The gentleman is using a very technical phrase here, and I regret I do not recognize the friend he mentions. I wonder if he would tell us what that is?

Mr. HARTLEY. For the information of my colleague from New Jersey, a duckbill, platypus, is an Australian mammal that has the bill of a duck, has web feet, is covered with both fur and feathers, and swims backward because it does not give a darn where it is going—it only wants to know where it has been. [Laughter.]

Political expediency rather than relief for the exploited workers of America has dictated the terms of this bill. We are told that this measure will raise the wages and lower the working hours of the exploited workers of America. If that is the case then why is it that the poorest paid labor of all, the farm labor whose weekly average for 1937 was $4.76 has been omitted from this bill? The answer is that the votes of the farm bloc in the House, the best organized bloc we have here, would have voted against the bill and defeated it.

If this is a bill to help labor why should not labor, whether on the farm or in the factory be treated on equal terms?

And when one looks further at the list of exemptions under section 13 it is difficult to understand why so many have sought to be excluded from the bill's alleged humanitarianism. As a matter of fact, the only real beneficiaries under this bill will be the 35,000, 40,000, or 50,000 politicians who will be added to the Federal pay roll to run the works, or should I say ruin the works.

This bill provides for a newly created industrial dictator, holding the power of life or death over American industry. I say industrial dictator because he will have the authority to appoint industry committees for every industry in the United States. If their conclusions do not suit him, he can fire them and appoint a new one until decisions satisfactory to him have been reached.

These industry committees are empowered to provide differentials in such a manner as to fade into insignificance the differentials in the bill recommitted by the House last December. I cannot see how anyone who voted to recommit the House bill last December can consistently vote for this bill.

These differentials may be effected within industry, not alone between the North and South, but between industries within a State and even within the same community.

The industry committee and Administrator, and I am reading from the bill, shall consider among other relevant factors in providing differentials:

1. Competitive conditions as affected by transportation, living, and production costs.
2. The wages established for work of like or comparable character by collective labor agreements negotiated between employers and employees by representatives of their own choosing.
3. The wages paid for work of like or comparable character by employers who voluntarily maintain minimum wage standards in the industry.

Just what does this mean? It means that every efficiently managed industry must suffer because of its efficiency. In other words, by legislation we are rewarding incompetency. It means further that the wages of those who work for inefficient management will be paid at no more than 30 cents an hour.

We have been told that this bill will merely affect the lower wage scales. To the contrary it will have a serious effect on the general wage structure, inasmuch as the requirement for payment of time and a half for overtime is based upon the regular rate of pay, whether that be 40 cents an hour or $1 an hour.

It is amazing to note that American industry is denied the right to ship in interstate commerce if it fails to meet the requirements of this bill, but that there is no prohibition against the products of Chinese coolies, Russian slave labor, Argentine peasants, or Japanese labor, paid $2.70 for a 60-hour week. So we say American industry ought to raise wages while its market is turned over to foreign low-wage competitors. Is this legislation for the benefit of the United States or the rest of the world? Some of our labor will get a pay raise all right, but for how long will they have jobs?

This House is being forced to accept this measure by the threat of those who would keep us here until the "snow flies." Rather than pass this face-saving measure we should be willing to remain here until the "snow flies" or until "hell freezes over" so that a decent minimum wage law may be enacted for the benefit of the exploited workers of America. [Applause.]

Mrs. NORTON. Mr. Speaker, I yield 5 minutes to the gentleman from West Virginia [Mr. RANDOLPH].

Mr. RANDOLPH. Mr. Speaker, I am amazed and at a distinct loss to understand the changed attitude of the distinguished gentleman from New Jersey [Mr. HARTLEY] in rising on this floor in opposition to the conference report which he joined in signing on Sunday.

As one of the seven conferees on the part of the House he affixed his signature but 2 days ago, which I show to you at this time, in favor of bringing before this body a unanimous report of the House conferees. Such report was joined in by the seven conferees of the Senate. Differences between members of the conference were reconciled in our efforts to enact a fair measure.

I read to you from the first page of the conference report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2475) to provide for the establishment of fair labor standards in employments in and affecting interstate commerce, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That is the report and approval in which the gentleman from New Jersey [Mr. HARTLEY] joined the other 13 members of the conference committee.

There are, of course, compromises in the conference report on the final draft of the wage and hour bill which comes before us. They are reasonable and sensible compromises, but the principles remain the same. I ask you as a plain matter of policy in this connection, Is it not best in this first Federal bill, designed to bring up a little the wages at the bottom of the scale and regulate also the hours for the needy and underpaid workers of this country, to make certain concessions? Is it not better that we have exemptions, so that in future years, if found necessary and advisable, we can bring under this law other business or industry exempted in this first bill which establishes the principle of ending starvation wages and unfair competition? Certainly those who have had long experience as legislators in this body know that there must be some compromise made in bringing out a measure of this kind. We go into a new field.

This bill properly enters the field of aiding and protecting those men and women in industry today who have no organization or collective bargaining agency to speak for them. The Congress of the United States on this occasion speaks for that group of individuals. So instead of being harsh your conferees have attempted to be sensible in this matter, and exemptions have been made and definitions have been placed in the bill which make it possible to bring a measure here which retains the best features of the House bill and good features of the Senate measure. And, after 10 or 11 days in a conference in which a very full and free discussion was undertaken, the gentleman from New Jersey [Mr. HARTLEY] joined in a unanimous report, and by his signature approved the work done. We come to you and say that, of course, this measure is not 100 percent perfect. Of course this bill does not involve all of the propositions many of us would like to have seen written into law; but certainly this measure is a well-balanced bill and takes into account the very ideas expressed by this body when the legislation was before us. I feel that it will take its place, along with the Social Security Act, as a great humanitarian effort. I trust, and I have reason to believe, that men and women on both sides of the aisle will join in almost unanimous approval of this fair, sensible, and trail-blazing conference report. [Applause.]

The SPEAKER. The time of the gentleman from West Virginia has expired.

Mr. WELCH. Mr. Speaker, I yield 5 minutes to the gentleman from Kansas [Mr. LAMBERTSON].

Mr. LAMBERTSON. Mr. Speaker and Members of the House, everybody on both sides ought to vote against this conference report, send it back to the committee, and wait until next year, when we can all think it over carefully before we pass a wage-and-hour bill. How ridiculous to bring a bill of this magnitude before a great legislative body with only 1 hour to consider it! You cannot even ask questions on a new bill that neither the House nor the Senate passed, a bill that was rewritten in conference. Here is one thing that is not in the House bill. The administrator appoints industry committees. It does not say how many he can appoint on each committee. He can appoint a hundred for each one of the hundreds of industries of the United States, and each member of that committee has his expenses paid and a per diem allowed when on duty, and may have legal and clerical help. There is no limit to the number of committees he may appoint. Here is another thing that is in this bill that was

not in the House bill. This industry board that is appointed by the administrator can classify labor in industry. Think of the power that you give to a committee appointed by the administrator to classify labor. The gentlewoman from New Jersey [Mrs. NORTON] spoke about the power of classification by these industry committees just a few moments ago.

We know what controls the National Labor Relations Board and all collective-bargaining agreements have got to be O. K.'d by them. They put that provision into this report, but it was not in either the House bill or the Senate bill. This is the point I wanted to emphasize particularly. Take that home with you; take that home to your A. F. of L., you men. You are voting for a bill here that gives to this C. I. O. Board the duty of passing on whether your collective-bargaining agreement is bona fide. I wonder how Mr. Green will like that when he finds it out? The C. I. O. will pass on the good faith of the agreement, and this industrial Board is going to classify each industry, endless in number. Answer me now, any of you, in your own time, if it is not in there just exactly like I say it is.

Full of exemptions! Yes; naturally it would have to be. The administrator alone, too, is given authority to determine whether an industry comes in or not. That is in the hands of one person to decide, and that means that person will decide whether they shall come under provisions of this act. More centralization of power. [Applause.]

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The gentleman has consumed 5 minutes.

Mr. WELCH. Mr. Speaker, I yield 5 minutes to the gentleman from Wisconsin [Mr. BOILEAU].

Mr. BOILEAU. Mr. Speaker, I am glad to have the opportunity of following the distinguished gentleman from Kansas, because this is a matter about which I want some information. It was called to my attention this morning that the conference report contained a provision to the effect that these agreements, the result of bargaining with organized labor with reference to hours, must have the approval of the National Labor Relations Board. The gentleman from Kansas made that very affirmative statement, that these agreements that exist must be approved by the National Labor Relations Board with reference to hours, otherwise the agreement would be meaningless. After having had that called to my attention I got hold of this report.

I have read the report very carefully, and I got an entirely different meaning than what I was told about it, an entirely different meaning than the gentleman from Kansas has given on this matter. Because of the fact that he is one of the conferees, I am glad to have this occasion to try to get the matter clarified here on the floor.

Section 7 (b), at the top of page 5 of the conference report, reads:

> No employer shall be deemed to have violated subsection (a) by employing any employee for a workweek in excess of that specified in such subsection without paying the compensation for overtime employment prescribed therein if such employee is so employed (a) in pursuance of an agreement, made as a result of collective bargaining by representatives of employees certified as bona fide by the National Labor Relations Board, which provides that no employee shall be employed more than 1,000 hours during any period of 26 consecutive weeks.

As I understand it—and I ask the distinguished gentlewoman from New Jersey if my interpretation is correct—as I understand it, this clause being set off by commas—

> Made as a result of collective bargaining by representatives of employees certified as bona fide by the National Labor Relations Board.

My understanding of that is that the representatives of the employees shall be certified as bona fide representatives of the employees; that it does not mean that the agreement is bona fide.

Mrs. NORTON. The gentleman's interpretation is absolutely correct.

Mr. BOILEAU. The gentlewoman from New Jersey agrees that my interpretation is correct?

Mrs. NORTON. Yes.

Mr. BOILEAU. If that be the case, then the gentleman from Kansas is entirely wrong in his interpretation, and I assume the gentlewoman from New Jersey is correct. It seems to me the language is very clear. It does not provide that the National Labor Relations Board shall certify the agreement as bona fide; but, rather, they shall determine that the representatives who enter into this agreement are the bona fide representatives for bargaining purposes of the laboring group; and I suppose that is in conjunction with the general philosophy of the National Labor Relations Board that the employees shall select the representatives of their own choosing.

Mr. RAMSPECK. Mr. Speaker, will the gentleman yield?

Mr. BOILEAU. I yield.

Mr. RAMSPECK. The gentleman is entirely correct. The question that he is discussing was discussed very carefully by the conferees; and the proviso is so worded that the single function of the National Labor Relations Board is to see that it is not a company-controlled union. They have nothing to say about the agreement.

Mr. BOILEAU. That is my interpretation of the language. I take it it was the thought of the conferees that the National Labor Relations Board should not take the side of one labor organization as against another labor organization insofar as bargaining agreements are concerned.

I stated a moment ago that the gentleman from Kansas, one of the conferees, had made a certain statement that I thought was important. I wanted to be sure to have an understanding as to the authority of those making statements. I understand now that the gentleman from Kansas was not one of the conferees, and I do not say that in a critical way. It is my opinion the gentleman was in error in his interpretation of this language. I am glad that the distinguished gentlewoman from New Jersey and other members of the conference committee have clarified the matter.

Mr. BRADLEY. Will the gentleman yield?

Mr. BOILEAU. I yield to the gentleman from Pennsylvania.

Mr. BRADLEY. Can the gentleman tell us whether the gentleman from Kansas voted for the bill as it passed the House or not?

Mr. BOILEAU. I have a recollection, but I do not desire to enter into that controversy with my distinguished friend.

Mr. BRADLEY. I cannot see why he would get so enthusiastic about labor right now.

[Here the gavel fell.]

Mr. WELCH. Mr. Speaker, I yield 5 minutes to the gentleman from Wisconsin [Mr. SCHNEIDER].

Mr. SCHNEIDER of Wisconsin. Mr. Speaker, the conference report on the bill calling for minimum wages, maximum hours, and the abolition of child labor is now before us. I believe that this report should and will be adopted by this House. And when it will be passed by both House and Senate and signed by the President, history will record that it took three sessions of the present Congress to force this achievement.

On August 17, 1937, in connection with the bill then pending, providing for minimum wages, maximum hours, and the abolition of child labor, I declared:

> Regardless of what happens to the present bill at this session, I am convinced that a minimum-wage and maximum-hour law will be enacted by Congress in the very near future. The abominable conditions which the hearings on this bill reveal must bring action soon. I am certain that the American people expect Congress to act and to act without delay.

PRESENT BILL A BEGINNING IN RIGHT DIRECTION

At that time—about a year ago, during the first session of this Congress—I pointed out that I was not completely satisfied with all of the provisions contained in the then pending bill. Nevertheless, I declared that as a Progressive, I was glad that the Congress was moving along the right road. To be frank, I must state that some of the provisions embodied in this conference report are not altogether to my liking or to the liking of friends of labor. However, I accept the present report as a beginning, with the firm expectation that the law will be amended and improved by succeeding Congresses.

In that spirit I hail the report and congratulate the President of the United States and the forward-looking legislators who sponsored and fought for this labor bill. As a member of the Labor Committee of the House of Representatives, I may be pardoned in claiming a modest part in the formulation and advocacy of legislation calling for minimum wages, maximum hours, and the abolition of child labor.

The measure as reported out by the conference report applies to interstate business exclusively. This is, of course, very well known. It must be repeated, however, to avoid any misunderstanding of the bill, that it does not in any way, shape, or form affect intrastate or purely local or State business. It covers only interstate commerce; that is, business which is interstate in character.

MAIN PROVISIONS OF BILL

Mr. Speaker, the present bill provides for an absolute bedrock minimum wage for the first year of 25 cents an hour, and for the second year of its operation of 30 cents per hour. The law does not go into effect until 120 days after it is signed by the President. This period of time is to enable those employers affected to adjust themselves to the new provisions.

By starting with such a low minimum wage of 25 cents an hour for the first year, the law will not affect any industry disastrously. However, it is well to realize that Congress, by the passage of this act, is going on record to the effect that an industry or business of an interstate character which cannot pay at least 25 cents an hour to its employees has no justification or reason for existence.

In the matter of maximum hours, the proposed act provides for 44 hours per week for the first year, 42 hours the second year, and 40 hours thereafter, with certain exceptions. Now, on the basis of 44 hours per week and 25 cents per hour the first year, a minimum wage of $11 a week is thus provided for. Will anyone say that a worker should receive less than the paltry sum of $11 a week to keep body and soul together? Then, after a whole year goes by, with a maximum workweek of 42 hours and a wage of 30 cents an hour, a minimum wage of $12.60 per week is thus called for. The measure also permits a higher wage, up to 40 cents per hour, barring certain exceptions.

Mr. SAUTHOFF. Will the gentleman yield?

Mr. SCHNEIDER of Wisconsin. I yield to the gentleman from Wisconsin.

Mr. SAUTHOFF. Does not the gentleman believe it is rather absurd for us to be debating $11 a week, which means about $572 a year, not including a vacation, when we ourselves are drawing considerably more than that in a single month. And does not my colleague, who has always stood by and for the farmer, also agree that we cannot hope to get 40 cents for our butter and better prices for all our farm products, unless the wages of the underprivileged and undernourished worker is raised?

Mr. SCHNEIDER of Wisconsin. I entirely agree with the gentleman.

An administrator of the law is to be set up, appointed by the President, who will issue the official orders. He and his division are to be located in the Department of Labor. He is to appoint representative advisory boards for an industry, to investigate and recommend what exceptions, if any, are to be made for certain industries from the 40 cents minimum wage per hour, or the 40 hours maximum work week. The goal set for the act is 40 cents per hour and 40 hours per week.

Mr. Speaker, this bill provides for the abolition of child labor in the production of goods for interstate commerce. The labor of children is defined to include all those under the age of 16, and also those between 16 and 18 in hazardous occupations. The Chief of the Children's Bureau of the United States Department of Labor will provide by special order for the employment of children from the age of 14 to 16 in any occupation in which employment is confined to periods which will not interfere with their schooling, and under conditions which will not interfere with their health and well-being.

DOES NOT COVER AGRICULTURE

As already pointed out, the bill does not apply to local or exclusively intrastate business. Likewise, it does not cover those engaged in agricultural pursuits. Nor do the provisions embrace those employed in the first processing of dairy products. Similar exceptions are made for perishable fruit and vegetable first processing during busy seasons for limited periods. The bill also exempts those who are employed in a bona fide executive, administrative, professional, or local retailing capacity.

HUMANITARIAN REASONS

So much for the provisions of the act. Now, what is responsible for this piece of legislation? The answer should be obvious. This bill calling for minimum wages, maximum hours, and the abolition of child labor is the result of years of education. The evils which it seeks to remedy have been brought vividly to the attention of the American people and Congress. First and foremost, there is an overwhelming sentiment, as indicated by national polls, in favor of this act, based on humanitarian grounds. The American people are now aware of a situation where the helpless, unorganized, and submerged one-third of the population are being exploited mercilessly and ruthlessly. They are determined to put a stop, once and for all, to the human degradation caused by the payment of sweatshop and starvation wages, by the working of men and women for very long hours, and the employment of children in their tender years. The Congress now has a chance to speak out and adopt this proposed measure, which, despite any of its shortcomings, will go a long way to end the exploitation of the poorest paid, the hardest worked, and the most defenseless toilers. In this rich country of ours there is absolutely no justification whatever for starvation wages, overlong hours of toil, and child labor.

The demand for the passage of this legislation is not based solely on humanitarian grounds. From a purely business and financial standpoint, as well as for humanitarian reasons, a law providing for minimum wages, maximum hours, and the abolition of child labor is absolutely necessary.

BUSINESS AND FINANCIAL REASONS

As illustrative of this practical or business standpoint, compare two communities. In the one, there are fair and decent employers. They pay their workers sufficient wages so that they can enjoy at least some of the benefits of American civilized living. The whole community benefits from their high purchasing power. Real-estate interests are enabled to sell homes to the workers. The retail-business man has a market for his goods. Service and amusement trades sell their services. Education, religion, and the spiritual side of life are given an opportunity to thrive and flourish. Let us not forget that a starved body cannot normally be the home of a contented, patriotic, and spiritual soul.

Now, contrast this community with another. Here are located employers who were invited to settle because of special tax exemptions and other inducements. The factory building itself may have been donated. It may well be the boast of the local chamber of commerce that the workers in this community are docile and will accept any wages and work any period of hours per week. There are no adequate restrictions against child labor in the State. Practically no community services exist for the welfare of the workers, were they permitted any leisure to enjoy them. The corporation may actually own everthing in sight, including the homes, churches, and schools, and may run the only stores, charging the workers exorbitant prices. There is no economic freedom; there is no political freedom in this type of community. In a very real sense, the workers in such a community live under a form of industrial serfdom.

Mr. Speaker, from a business and financial standpoint, it must be remembered that the decent employer and decent community are in competition with the unfair employer and low-standard community. In fact, the situation now faces us in the United States where the fair employer and the decent community can no longer survive against the cutthroat competition of the ruthless, chiseling, and exploiting employer and his industrial serflike community. The issue then becomes clear: Who shall be favored? Shall it be the fair employer and the decent community of free workers, or shall it be the unfair and exploiting employer and the community of serfs? Congress can give its answer by the passage of the pending bill and the conference report.

MIGRATION OF INDUSTRY TO LOW-WAGE AREAS

Am I exaggerating the situation? Here are some facts concerning the migration of industry. The American Federation of Full-Fashioned Hosiery Workers recently listed 58 mills which sold their equipment and moved from the city of Philadelphia and immediate vicinity since 1929. Between 1929 and 1937 there was an increase of full-fashioned hosiery machines in the South from 730 to 2,807, or an increase of 385 percent. The low-wage areas are drawing the industry to themselves like magnets. A full-fashioned hosiery worker reported his own experience where he was employed by a firm which had three plants, one in a community 22 miles outside of Philadelphia, and two others in the South. In January 1938 this company closed its plant in Pennsylvania for a period of from 4 to 6 weeks, throwing 400 people out on the streets, while it kept its southern plants going full blast, working of course longer hours at a lower piece rate than in Pennsylvania. The question was put to this workingman: "What is the differential in wage rates paid by the company in question in their southern plants, compared with the Pennsylvania rates?" And the worker answered: "From 30 to 40 percent."

The question was then put: "How about hours?" And the answer came: "Forty hours per week in Pennsylvania, and no limitation on hours in the South." That is the situation in one industry.

Migration of industry is not only taking place from the North to the South; it is also occurring from high-wage to low-wage areas inside the North and within Northern States. The needle trades—making men's and women's clothing and accessories—are in a state of flux, as well as textiles, where industry is constantly going "out of town;" that is, leaving the cities for the small towns and rural areas. Some of the lowest wages are found in these out-of-the-way places in the North. It is hardly necessary to pile up evidence; the facts are so numerous and well-known. The evils attendant to migration of industry come home to the older worker especially. The full-fashioned hosiery worker, whose plant has gone South, said before a group of Pennsylvania Congressmen in March 1938:

> I have spent the best years of my life in this industry, and as the saying goes, am a little too old to take up any other trade. And I am today pleading with you, for the sake of hundreds of others like myself, that you will do all within your power to create legislation that will at least give us some sense of security.

NO DEMOCRACY CAN SURVIVE WITH SUBMERGED WORKERS

Mr. Speaker, a new sense of stability and security will enter communities which have been threatened with unfair competition and the great fear of migration. The hearings and the debates on this legislation have proved beyond any question of doubt that it is not only the representatives of labor and liberal thought who favor it. Industry after industry and State after State, which are suffering from the disastrous effects of unfair competition, have demanded a floor to wages. The fair employer and the decent community are united with all progressive and humanitarian folks on behalf of this bill. And who are the opponents of it? Do they wish to contend that the fixing of 25 or 30 cents as a minimum wage is an outrageously high wage? Do they wish to argue that American business should be run on coolie wage standards? Do they wish to contend that purchasing power to buy the output of mass production industry is possible on starvation wages? Do they wish to declare that competition in business should take place without any restriction on the exploitation of human lives and little children? If they do wish to make these contentions, let them realize the consequences in a demoralized and exploited people. The people of America cannot accept their contentions and the results. If they did, our American civilization would disintegrate. No democracy can thrive or survive with a debased and poverty-stricken mass. No; the people cannot and will not tolerate exploitation, sweatshop wages, killing hours, and child labor, regardless of the callousness, selfishness, and indifference of a few.

LOW WAGES PAID IN NORTH AND SOUTH

There are those, of course, who show no concern that workers are receiving sweatshop and starvation wages. A few facts—and only very few can be presented in this brief space—may interest and awaken them. The Bureau of Labor Statistics of the United States Department of Labor investigated the hourly earnings in the cotton-goods industry in April 1937. It found that in the South 4.3 percent of the skilled men were earning less than 32½ cents per hour, 16.6 percent of the semiskilled men, and as much as 42.3 percent of the unskilled men. And as to the women, the percentage were much higher among those getting under 32½ cents per hour. Furthermore, about one-quarter of the unskilled men and 30 percent of the unskilled women were earning less than 27½ cents an hour. Now, the cotton-goods industry is one of the better-paying industries of the South. Imagine what the hourly wage rates are in the poorer- and worst-paying industries.

Entrance rates for common labor in July 1937 in the lumber industry (sawmills) in the South may help the imagination. In this industry 72.8 percent of the adult common laborers received an hourly entrance rate under 27½ cents. And 32.9 percent of the laborers were getting an entrance rate under 22½ cents per hour. Again, in the fertilizer industry of the South, 84.3 percent of the common laborers were receiving entrance hourly rates under 32½ cents. As many as 62.5 percent of the laborers were getting below 27½ cents.

Let it not be thought for a moment, however, that low wages are only found in the South. In the knitted underwear industry in New York State the average wage in April 1937 was 42.9 cents an hour, as compared with an average wage in Indiana of 28.7 cents per hour. And, if the average in Indiana was but 28.7 cents per hour, then it is clear that a large percentage received very much less than that sum per hour. Here is a town in New Jersey, where an experienced sewing-machine operator is employed in a factory making silk dresses. Consider the wages paid, as shown on her pay envelopes: The week of October 25, 1937, $6 for 40 hours of work. In the week of November 29, 1937, the pay is $3.13 for 39½ hours of work. Again, here is a belt factory which moved from New York City to West New York, N. J., and is paying $10 a week for 48¾ hours a week, or at a rate of 20.5 cents per hour. An investigation of certain factories in Boston, Mass., revealed their full-time wages ranging from $7 to $10 per week. A report of the Connecticut Department of Labor and Factory Inspection brought to light horrible conditions among home workers. There are several instances where these home workers were earning at a rate of less than 5 cents an hour. Up and down the Northern States, in Pennsylvania, New Jersey, as well as Wisconsin, my own home State, there are plenty of cases where very low wages are being paid for overlong hours of work. This bill is not a sectional measure. Its benefits will extend from one end of the country to the other, from Maine to Florida, from New York to California.

NUMBER OF WORKERS AFFECTED

Mr. Speaker, the Secretary of Labor, Frances Perkins, in a radio address on May 17, 1938, declared that "it is estimated that a minimum of 40 cents per hour would have affected 1,250,000 to 2,000,000 workers in the summer of 1937, including those in manufacturing, in wholesale trade,

and other industries engaged in interstate commerce, except on railroads and interstate motor carriers." She also stated that "it is estimated that eventually the pending bill will shorten the hours of about 2,500,000 workers." In connection with the statement of the Secretary of Labor, where she does not include the workers on railroads, it is important to note the testimony of Mr. L. E. Keller, representing the Brotherhood of Maintenance of Way Employees, at the joint hearings on the wage-hour bill, in June 1937.

LOW WAGES IN RAILROAD INDUSTRY

Mr. Keller filed with the committee a statement showing minimum rates of pay paid to section and extra gangmen on 98 railroads located in all parts of the United States and covering a very substantial percentage of the entire railroad mileage within the country. To quote from his testimony: "It will show rates as low as 17½ cents an hour and other rates of 20 cents, 21 cents, 22½ cents, 23 cents, 24 cents, 25 cents, and on up to a maximum of 45 cents which is received by a relatively small number of trackmen. It will also explode the fallacy that these lowest wages are restricted entirely to the southeastern section of the country. It will show rates of 22½ cents an hour on a major railroad system operating throughout the Northwest, 30 cents an hour on another major road in the Northwest, and which are paid in such industrial centers as Chicago, Milwaukee, and the Twin Cities. It will present an indefensible wage policy on the part of the Class I carriers in this country which exists today after our organization has exhausted every lawful means in its efforts to correct them short of calling a strike, which wisely or unwisely we have so far avoided." The conclusion from this testimony is that certainly tens of thousands of railroad employees will be benefited by the passage of the proposed measure.

PREVENTS REDUCTIONS IN WAGES

There is an aspect to the pending bill which has not received much, if any, attention, and which I regard as very important. During depressions—and we are in the midst of a serious one—there is a tendency on the part of employers to reduce wages, and especially of the unorganized and the poorest paid, those least able to resist. Under date of May 20, 1938, a release from the office of the Secretary of Labor states that—

Wage rates of more than 40,000 factory workers in 36 industries reporting to the Bureau of Labor Statistics were affected by rate reductions, chiefly in brass, shoe, and cotton factories.

Of course, these figures cover only factory employers reporting to the Bureau of Labor Statistics. There are plenty of other factory and nonfactory employers who have reduced the rates and who do not regularly report to the Bureau at all. In the months of January and February 1938 wage cuts reported in the Daily News Record, a trade paper devoted to news of the textile and clothing industries, affected thousands of workers, with reductions running to 10 and 12½ percent. Obviously the items do not begin to include all the reductions which actually took place. But the Bureau of Labor Statistics data and the Daily News Record reports serve to prove the point, that reductions on a wide scale have taken place in the present depression.

Mr. Speaker, this legislation providing for minimum wage, maximum hours, and the abolition of child labor is most necessary at this time to restore wages to the barest minimum and to prevent any further cuts below it. The mistaken belief that some employers have, that we can promote recovery by means of wage reductions, is checked by strong labor organizations which have the power of resistance. But the employer intent on wage cuts meets with little or no resistance from the poorest paid and poorest organized workers. Hence, he reduces purchasing power still more, and depresses the industry still further, and tears down old standards. By the passage of this legislation the wage-cutting employer will be prevented from trying to smash his way to recovery over the living standards of the defenseless and helpless submerged one-third of the population, whose standards are already too low, and which, instead of being further reduced, should and will be raised by the pending measure.

In the radio address, already referred to, made by the Secretary of Labor, Miss Frances Perkins quoted excerpts from letters of employers urging the enactment of a wage-hour bill. The fair employer is not opposed to this legislation. He knows its effects will help him and his workers. The farmer will also be benefited. True, it has been argued that he may have to pay more for some goods. But the farmer will not be fooled by this fallacious appeal made to him. The way to insure prosperity for the farmer is to help him obtain the cost of production of his own products, reduce monopoly prices where they exist on the things he buys, and help him secure a larger market for his output. The present bill, calling for minimum wages, maximum hours, and the abolition of child labor, will benefit the farmer, because it will increase the purchasing power of his best customers, the workers in the cities, and especially those who need more food and will be enabled to buy it.

Both the monopoly and highly competitive industry can still pay a minimum wage, as fixed under this act, and will not need to charge the farmer a single penny more for their goods. The monopolist, of course, fixes his price according to what the traffic will bear and not according to the cost of labor. The competitive industry can introduce more efficient methods and thereby offset any slight wage increase without raising its prices. No; the solution to the agricultural problem is to give the farmer his cost of production. The farmer has nothing to lose by the city worker's obtaining at least a bare minimum wage.

CONCLUSION

Mr. Speaker, this legislation constitutes a historic beginning in the United States. It is a declaration by Congress, after a lapse of 22 years since the passage of the Child Labor Law of 1916, which was declared unconstitutional, that it can and will abolish child labor in interstate commerce. In the field of wages and hours it is truly a tremendous stride forward as a piece of Federal legislation. This law, by applying to the entire country, so far as interstate commerce is concerned, treats all industries, all areas, all employers alike. It is fair and just to all, while at the same time it reaches out and protects the weakest and most exploited of workers. It brings at least some necessities and comforts into the lives of millions of Americans. From the humanitarian and materialistic standpoint, I am certain this legislation will be accepted almost everywhere by the overwhelming majority of the people. Mr. Speaker, I shall close as I began with the thought that this bill, when enacted into law, will receive constant study in practice, and from our experience we will improve it in succeeding Congresses. Meanwhile and today, the conference report should be supported so that legislation providing for minimum wages, maximum hours, and the abolition of child labor may be placed on the statute books of the United States.

Mr. WELCH. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. FISH].

Mr. FISH. Mr. Speaker, this is probably the most important, the most momentous and far-reaching measure that has reached the stage of final passage in the Congress that we have considered for many years. It strikes an effective blow against sweatshop hours, wages, and conditions that should have been done long ago. It affects the welfare of millions of poor wage earners, mostly unorganized, and who have little voice for themselves. In answer to the gentleman on the Republican side who asked why we did not wait until next year, may I say that we have been waiting far too long to pass minimum-wage standards for those wage earners receiving under $12 a week, which means $600 a year. It seems to me that we should not delay any longer in passing this bill which is fair, just, and humane.

I am not willing to predict how certain features of this bill will work out, or whether they will be for better or worse, but I can predict, and will predict, that it will be in the interest of those wage earners who receive less than 30 cents

an hour in the North and in the South, and those are the ones I am primarily interested in.

This bill provides a uniform wage scale of 25 cents for the first year and 30 cents for the second year. I would have preferred a uniform law all the way through to 35 or 40 cents. I would have preferred even to have this bill stop at 30 cents by uniform law rather than provide industry boards to determine the rates between 30 and 40 cents for the next 7 years. In view of the fact it is a compromise and that every single conferee signed the report, although the gentleman from New Jersey has now repudiated his signature, it seems to me the Congress can well afford to pass legislation of this kind providing for a square deal to underpaid labor which has the unanimous report of the conference committee.

For the information of the House I want to read what the Boston Herald, a conservative Republican paper, has to say about this particular bill editorially:

The pending bill has many obvious defects, but it is at least a beginning, it is fair to everybody, and therefore it will be received thankfully throughout New England.

The New York Times, which has bitterly opposed wage and hour legislation from the very beginning, has this to say in one of its editorials:

THE FINAL WAGE-HOUR BILL

The Federal wage-hour bill as it emerges from conference is in some respects an improvement over either the Senate or the House measure. It eliminates the Labor Standards Board created under the Senate bill with its broad discretion and sweeping powers. It gets away from the complete rigidity of the wage provisions of the House bill. Instead it sets up a well-considered administrative procedure, based on the precedent of most of the State minimum-wage laws, under which an administrator of the Department of Labor appoints and must be guided by the recommendations of "industry committees" consisting of an equal number of representatives of the workers, employers, and of the general public for each industry.

I submit, Mr. Speaker, that the only discretion in this bill is handed over to the industries themselves and to the public, and they can only fix wages by their own agreements between 30 and 40 cents an hour. This certainly is not very much of a discretion to give to the industries, and they are not apt to abuse their own interests and welfare.

The bill contains the good features of the N. R. A., which were the elimination of child labor and the establishment of minimum wages and maximum hours. These were the best features of the N. R. A., and if they had stood alone in the N. R. A., we would still be for it in America. Instead the N. R. A. put business in a strait jacket, unable to move in any direction because of fear of governmental edicts and bureaucratic rules and regulations.

[Here the gavel fell.]

Mrs. NORTON. Mr. Speaker, I yield such time as he may desire to the gentleman from Tennessee [Mr. McREYNOLDS].

Mr. McREYNOLDS. Mr. Speaker, I am glad that the wage and hour bill which has caused so much dissension since last fall is finally drawing to a close.

You are all well aware of the fact that I have opposed the wage and hour bill heretofore submitted for various reasons stated, but I am glad to know that the conference report on this bill submitted today is more in accordance with the views that I have been advocating. In all my speeches I have stated that I would support a reasonable wage and hour bill and that I was opposed to low wages wherever industry could afford it and without detriment to those employed. I have undertaken to point out that the discrimination in freight rates and the classification of labor in the South, under certain conditions, would be detrimental to us under the wage and hour bill. I have also insisted that if our industries are to pay the same wage as is paid in other parts of the United States for unskilled labor, then the same should be recognized by our Government in the payment of our W. P. A. employees.

You will remember that I offered an amendment to the relief bill when it was before the House, providing that the same base pay should be paid for unskilled laborers all over the United States without discrimination, and pointing out the fact that the base pay in the South was $21 per month and in some portions of the North, under the same conditions, $40 per month.

In the discussion of the wage and hour bill the discrimination of freight rates for the South has been brought to the attention of the general public and I feel that it will probably result in this differential being done away with to a great extent.

The amendment offered by me to the relief bill in the House providing that the same base pay should be paid for unskilled workers by the W. P. A. was voted down. The conferees of the House have provided in their conference report that if minimum rates of pay for persons employed by private employers in any occupation are established by or pursuant to the authority conferred by any Labor Standards Act enacted at the third session of the Seventy-fifth Congress, not less than the minimum rates of pay so established shall be paid to persons in similar occupations in the same locality employed on projects under the appropriation in subsection 1 of section 1 of this title. This means that the wage and hour bill, having become a law during this session of Congress, and if this amendment is agreed to in the House, which I think it will be, then the minimum pay per hour of the W. P. A. workers in the South will be 25 cents per hour the first year and 30 cents per hour the second year, in accordance with the terms placed in the Labor Standards Act, known as the wage and hour bill.

I have just conferred with the W. P. A. authorities and they advise me that as soon as the wage and hour bill becomes a law, they will at once raise the W. P. A. workers to the same rate. As this was started by me in the House, as before stated, I feel that I have been able to accomplish something for the workers in the South.

I have also been fighting against the discrimination of freight rates and pointed this out as one reason why the wage and hour bill should not have passed in the form it was in. I am advised by Senator PEPPER, of Florida, that he is going to introduce a resolution calling on the Interstate Commerce Commission to furnish the Senate a complete report on these rates at the next session, with the view of proper legislation.

The present bill being more in harmony with my views than any other bill we have had, and since I especially feel that we have made headway relative to doing away with the discrimination of freight rates in the South, and, further, that our southern W. P. A. workers shall be recognized upon the same base-pay footing as those of other sections, and, further, since the bill has been in conference, I have kept in close contact with the conferees to aid in working out the best bill possible and this bill having been unanimously agreed upon by the conferees, it is my purpose to vote for the bill.

Mrs. NORTON. Mr. Speaker, I yield such time as he may desire to the gentleman from Pennsylvania [Mr. DUNN].

Mr. DUNN. Mr. Speaker, this wage and hour bill, when enacted into law, will undoubtedly do a tremendous amount of good for millions of people in our country. The purpose of this measure is to create employment and wipe out sweatshops, child labor, and other social evils prevailing throughout our land. It is true the bill will not solve the whole unemployment problem but it will give millions of people who are now unemployed a job and will also go far in wiping out sweatshops which can be found in almost every State in the Union.

No Member of Congress should hesitate to support legislation which will benefit poor humanity.

Mrs. NORTON. Mr. Speaker, I yield such time as he may desire to the gentleman from Illinois [Mr. KELLER].

THE WAGE AND HOUR BILL

Mr. KELLER. Mr. Speaker, after years of struggle to enact a wage and hour bill, a conference committee of the two Houses of Congress has been able to report a national labor-standards bill by unanimous decision of the conferees. It was my responsibility and my great good fortune to be

one of those who reported this historic measure. Out of the separate bills which had been previously passed by the House and Senate and sent to conference a new bill has been written. It was written around the conference table by seven House Members and seven Senators. From the moment the conferees met a spirit of conciliation pervaded our deliberation. I am able to say to you that fairness was the watchword of the conference. A genuinely democratic spirit of adjustment characterized everything that was done and said by members in a resolute effort to write a bill that would be practicable, fair, and at the same time constitutional, so much so that this consistent purpose reconciled honest differences of opinion into an agreement on detailed terms and provisions that now express the best judgment of experienced men who represent, in the House and Senate, every section of the Nation and every phase of its industrial life.

This is not a sectional bill; it is national in scope and purpose. That purpose is to establish and maintain better national labor standards—not the standards which we hope labor may eventually and should attain and enjoy—but minimum standards below which labor cannot be compelled to work and live. This measure when enacted into law will outlaw the degrading standards of sweatshops. It will liberate children from the cruel bondage of industrial child labor. It will substantially raise the income of large numbers of men and women whose earnings are now inadequate on a full-time work basis to self-sustaining and self-respecting standards of life. On these foundations both labor and business can begin to build a house of greater security.

The Administrator and the industrial boards which he will appoint for each industry will be democratically representative. Each board will contain an equal number of public, labor, and business members. They are not governed by arbitrary rules of discretion but will proceed to examine into the facts and circumstances of each industry, into the wages and living conditions of its labor, hold hearings at which all interested parties will have an opportunity to appear, testify, and give their opinions. Upon the factual record of these hearings the boards will make findings of fact and recommendations to the Administrator. From this very brief explanation you will observe that the powers granted by the Commission are intended to be exercised by a fact-finding process which is not only consistent with, but essential to, the protection and security of business, labor, and what we call the general public. It is the democratic process. It takes the place of the arbitrary and dictatorial fixing of labor standards by private corporate boards. In this sense this measure is truly an expansion of democratic principles extended from the political life into the business life of the Nation.

Among the provisions for the enforcement of the act an old principle has been adopted and will be applied to new uses. If there shall occur violations of either the wages or hours, the employees can themselves, or by designated agent or representatives, maintain an action in any court to recover the wages due them and in such a case the court shall allow liquidated damages in addition to the wages due equal to such deficient payment and shall also allow a reasonable attorney's fees and assess the court costs against the violator of the law so that employees will not suffer the burden of an expensive lawsuit. The provision has the further virtue of minimizing the cost of enforcement by the Government. It is both a common-sense and economical method of regulation. The bill has other penalties for violations and other judicial remedies, but the provision which I have mentioned puts directly into the hands of the employees who are affected by violation the means and ability to assert and enforce their own rights, thus avoiding the assumption by Government of the sole responsibility to enforce the act.

This bill eliminates the defects and preserves the best features of the National Industrial Recovery Act. In doing so a better procedure is provided, so that no rights may be affected without opportunity to be heard. N. R. A. put down a floor for wages and a ceiling to hours of work. The health and economic security of every class of workers require such standards. Nor will it operate to the prejudices of any business. National standards alone are essential to fair competition. The present unregulated system is productive of competitive advantages and disadvantages. A manufacturer who pays $5 for $5 worth of work in New England, in the South, or in the West, is entitled to protection against his competitor who pays less than $5 for $5 worth of work. The employee who performs $5 worth of work in Pennsylvania, Alabama, or Illinois is entitled to the value of his work. Where in exceptional instances differentials or exceptions appear to be necessary they must be justified by economic facts and not by the emotions generated by an imaginary boundary line. This is one country; it is one people; it must live under the same standards. This bill is a long step toward these objectives.

The enactment of this law will directly and indirectly help agriculture. An increase in the income of one large group of consumers creates a correspondingly better market for all producers. The two large consuming classes, laborers and farmers, are also the principal producing groups. The income of these groups automatically rise and fall together. When in the depression that began in 1929 wage income dropped more than $6,000,000,000 farm income dropped correspondingly and immediately. Farmers cannot get increased income out of 12,000,000 idle men and women and their families who have no income except from public relief and public works. Farmers cannot get an increased crop income out of the 35,000,000 workers who are employed so long as the employment pays an insufficient amount to purchase a wide variety and an adequate supply of healthful food products. It is only in the security we provide for both these groups that national prosperity can be recovered. When industry fails to meet its responsibilities Government must assume those responsibilities. When business management fails to employ our people Government must provide employment to take up the slack until industry meets its obligations. To accomplish this rules and regulations must flow from political action. The principles of the democratic processes must be expanded and extended into business functions until both render the social and economic services that are indispensable to a healthful, social, and economic life.

It was out of these and other considerations which I do not have time to mention that this national labor-standards bill emerged. It will injure no businessman who accepts it in good faith. He will have the assurance that his competitors are subject to the same obligations that the measure imposes upon him. If it is accepted in good faith by both business and labor, it will be the beginning of stabilizing processes out of which business will derive increasing benefits in a more stable market, and the men and women who perform the Nation's work will enjoy a more secure and a happier existence.

This Nation cannot build a stable industry that can adequately support all its people until those who work are given a larger share in the yield or realization from industrial operations. Continued low wage incomes and low farm incomes will continue to undermine the stability of markets for both farm and factory products. It is only by a wider distribution of our national income that we can expand our markets, increase production, and gradually eliminate unemployment.

In closing let me again repeat what has been during the past many years, and shall continue to be, my slogan until its acceptance and achievement are an accomplished fact; that is, when industry fails to provide universal employment it is the duty and obligation of government to provide the opportunity for "A job for every man and woman who wants to work."

Mrs. NORTON. Mr. Speaker, I yield 3 minutes to the gentleman from Missouri [Mr. WOOD].

Mr. WOOD. Mr. Speaker, I am very glad that we have eventually come to an agreement upon this most important legislation, wage-hour legislation. I am quite sure that both

the House and the Senate will accept the report of the conferees and pass this bill by an almost unanimous vote.

Mr. SNELL. Mr. Speaker, will the gentleman yield for a question?

Mr. WOOD. No; I cannot yield.

I believe this is the best-balanced bill we have ever had before us for consideration since I have been coming to Congress. This bill takes into consideration the element of competition, brought about by transportation, living conditions, and production costs. The bill not only benefits the several millions of substandard and under-privileged workers of this Nation but is of great benefit to the more privileged workers. It will prove to be boon to manufacture and industry and will tend to prevent a repetition of the dark days of 1932 and 1933, when we were almost consumed by the flames of cut-throat competition during the depression.

I do not know of any piece of legislation whose passage will have a more far-reaching effect than the passage of this measure, not only because of the wage-hour provisions of this bill but because the bill eliminates child labor in industry in interstate commerce.

Another feature of this bill which I believe makes it far superior to any bill we have considered is that bureaucratic administration of this law is eliminated. The boards or committees that are to be set up under the law, appointed by the administrator, are not permanent.

The membership of the boards will include representatives of the employers and equal representation by the employees and the public. The bill does not set up a bureaucracy. Power and authority is at all times vested in the Administrator to appoint the temporary boards by industries. When the boards have finished their labors, they cease to exist. To my mind, this is a very strong feature of the bill, and I believe it will meet with the approval of a great many Members of the Congress who are opposed to bureaucratic government.

Mr. ANDERSON of Missouri. Mr. Speaker, will the gentleman yield for a question?

Mr. WOOD. I have only 3 minutes.

Mr. ANDERSON of Missouri. Does not the gentleman believe this is a better bill than when it was recommitted at the last session?

Mr. WOOD. I believe this bill is far superior to any bill we have ever had an opportunity to consider. It is the best-balanced bill we have had an opportunity to consider. The bill is not all that I wanted, but it is a fine beginning and is one of the most humane pieces of legislation with which we have ever been privileged to deal.

Mrs. NORTON. Mr. Speaker, I yield such time as he may desire to the gentleman from Texas [Mr. MAVERICK].

Mrs. NORTON. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts [Mr. HEALEY].

Mr. HEALEY. Mr. Speaker, I am very happy in the realization that this humane legislation has reached the stage of a conference report after its tortuous journey. It has surmounted the many obstacles in its path and is now on the way to final action by the Congress. I wish to compliment the conferees for their splendid work. I know they have labored very long and very earnestly. They have had to deal with some very perplexing and complex problems. In view of the very diverse views that had to be reconciled the conference report represents an outstanding achievement.

The enactment of this bill, and I believe it will be speedily enacted by both Houses of the Congress, culminates half a century of struggle to establish the principles embodied in this legislation. Over 40 years ago the first official recognition of the principle that we should conserve the health and efficiency of human beings was encompassed by the legislative enactment of a State—my own Commonwealth of Massachusetts—soon in many other States legislation was passed providing minimum wages for women and children in industry. The measure now before us recognizes the fact that men, too, have been exploited by sweated industry and should be protected. Through passage of this measure we should once and for all effectually eliminate child labor in industry and should establish a minimum wage which will tend to guarantee to those underpaid and underprivileged workers who are unable to organize for themselves at least an approach to a subsistence wage. This is not alone demanded by the conscience of the American people but is also a great step toward restoring the balance of purchasing power so vital to our industrial economy. The brief time allotted to me does not permit me to enumerate the many benefits that should flow from this legislation. I want to take the few seconds remaining to pay tribute to the gracious and gallant lady who so ably stepped into the breach left by the untimely death of our late loved colleague, Billy Connery. In a few moments, when the vote has been recorded, she will have had the satisfaction of seeing this great cause carried to a triumphant victory—a victory to which she contributed in so generous a measure.

Mrs. NORTON. Mr. Speaker, I yield the balance of my time to the gentleman from Georgia [Mr. RAMSPECK].

Mr. SNELL. Mr. Speaker, will the gentleman yield for a question or two?

Mr. RAMSPECK. I should like to make a brief statement first, if the gentleman does not mind.

Mr. SNELL. I do not want to interfere with that, but I have tried to ask questions and have not been permitted to do so. There are one or two matters in this conference report about which I should like to get some information.

Mr. RAMSPECK. I must insist that I make my statement first. The gentleman's side has had half of the time, and the gentleman could have gotten the information then.

Mr. SNELL. No one of whom I wanted to ask questions yielded to me.

Mr. RAMSPECK. I cannot yield to the gentleman now.

Mr. SNELL. If it is the administration policy not to give any information regarding this conference report, I just want to know it, that is all.

Mr. RAMSPECK. Mr. Speaker, I do not yield to the gentleman.

Mr. Speaker, this bill is not entirely satisfactory, perhaps, to any of us. The Senate passed a bill containing one philosophy and the House passed a bill containing another philosophy. My views in reference to this matter have been more in line with the Senate philosophy, which involved a very flexible plan of dealing with wages and hours and provided a fact-finding process.

In line with that belief I supported, last December, a motion to discharge the Rules Committee and voted against recommittal of that bill which was in line with that policy. When the matter came up in this session of the Congress I did not support the House version of the bill, which was an inflexible, rigid, criminal statute. The conference report which I signed and which I am going to support I think is neither a victory for one philosophy nor for the other. It is not a victory for the North or for the South. It is a fair compromise between people who wanted to get legislation, and therefore I am glad to support it. It has some of the philosophy of the House bill in that in the first year there is a rigid wage of 25 cents and thereafter a rigid wage of 30 cents, below which nobody can go.

The hours follow the policy of the House bill. We have injected flexibility into the wage between 30 cents and 40 cents based upon a consideration of economic and competitive factors, which will give business an opportunity to be heard, and therefore I feel that the conferees have done the best that could be done; and I wish to express to my fellow conferees, both of the House and the Senate, my appreciation of the splendid spirit in which they considered this matter and took into consideration the various viewpoints represented in the conference.

I now yield to the gentleman from New York.

Mr. SNELL. When this bill was before the House there was some discussion about the lumbering industry being exempted, and it was said at that time by someone that it was intended that the lumber industry should be exempted from the provisions of the bill, and that the provision would

be put in by the Senate. I cannot find it in the pending bill, and I would like to ask the gentleman if he can tell me whether the lumbering industry is exempted or not?

Mr. RAMSPECK. According to my understanding of the bill, the lumber industry is not exempted, although such forestry or lumbering as may be done by a farmer on his own farm is exempted.

Mr. SNELL. But the industry as a whole is not exempt?

Mr. RAMSPECK. It is not, according to my understanding.

Mr. SNELL. That is what I thought from a reading of the bill.

Do I understand there is a definite time when this 40-cent rate shall go into effect?

Mr. RAMSPECK. In 7 years it is directed that all wages shall go to 40 cents, the only exception being that if an industry committee finds by a preponderance of the evidence that to do so would create substantial unemployment, then they do not have to put into effect the 40-cent rate for the particular industry.

Mr. SNELL. Then, of course, that is a loophole for the whole proposition, because it would be very easy for certain industries in certain parts of the country to make out what could be a sufficient case showing that they could not pay 40 cents an hour in the manufacture of the products they were engaged in handling.

Mr. RAMSPECK. If they can show that to require them to pay 40 cents an hour would create substantial unemployment, then the industry—not in some particular area, but the industry as a whole—can have the matter stayed, but they cannot make a classification solely on the basis of regional or geographical location. They must take into consideration the economic factors set out in the bill, such as competitive conditions, and they must not make a classification which gives any group a competitive advantage over any other group.

Mr. SNELL. It specifically mentions living conditions.

Mr. RAMSPECK. Yes; it mentions living conditions as well as other things.

Mr. SNELL. And it is definitely understood that living conditions at the present time in the southern part of the United States are cheaper on account of climatic conditions and other things than they are in the northern part of the United States. With that specific exemption in there, could you not give the same classification as to wages to a man manufacturing lumber in Florida as you would in northern New York?

Mr. RAMSPECK. I will say to the gentleman that would be a question of fact, but I do not assume that living costs in all sections of the South are lower than in the North. I think it is a question of fact. I represent a city in regard to which the statistics show that the living cost is just about the average of the 59 leading cities of the United States, and I do not want any employee in my district paid a lesser wage than any employee in the gentleman's State.

Mr. SNELL. Why did they mention living conditions if they did not mean something by it?

Mr. RAMSPECK. It was just one of the factors to be considered. Does not the gentleman think that it is a factor that should be considered?

Mr. SNELL. I think it should, and I am agreeable to it, but I know there is something back of it and I know that as a whole living conditions in the southern part of the United States, where they do not have to pay out as much money for heat and for clothing and for heavy food as they do in the northern part, must be cheaper, and that is one way that will make differentials in pay in different parts of the country.

Mr. RAMSPECK. But there is a safeguard against the very argument the gentleman is laying down. If the only difference within an industry should be found to be a lower cost of living to the employees of an employer in the South, then to provide lower wages on that account would give an advantage to his employer over an employer in the North, and that is strictly prohibited by this act, and it ought to be prohibited.

Mr. SNELL. I know, but you take all of those provisions that are set forth in the bill, and there are enough of them to make at least a considerable discrimination in wages for a long time, and there is nothing that I can see that is absolutely definite as to wages or hours.

Mr. RAMSPECK. I do not agree to that.

The gentlemen from Louisiana [Mr. DEROUEN and Mr. MOUTON] have questioned me in regard to the matter appearing on page 5 in section 7 of the conference report where in line 5 of subsection C the processing of sugar beets, sugar-beet molasses, sugarcane, maple sap into sugar or maple sirup is exempted from the provision regarding hours, but from which refined sugar is excepted. They wish to know what the intention the conferees had in regard to this exemption.

It is my understanding that the intention was to exempt those who process these agricultural products into sugar, but not to exempt the operations of refiners when melting imported or purchased raw sugar.

It was my belief last year that some legislation regulating wages and hours would eventually be passed by the Congress, and for that reason I urged those who discussed the matter with me to support the philosophy of the Senate bill which provided every opportunity for the determination of such questions through a fact-finding process.

I have never advocated an arbitrary fixation of wages, nor have I advocated an arbitrary differential between the North and South. In fact, I refused to support a bill handed to me for the administration which would have fixed an arbitrary wage which would have been lower in the South than in the North.

In discussing this matter last December on the floor of the House, I called attention to the fact that the cost of living in Atlanta was approximately the same as the average for the 59 leading cities in the United States, and stated that I did not want the people of my district to be paid lower wages than those of other sections, but I did think and do still believe that the proper method of fixing wages is through a fact-finding process rather than by a rigid statute.

The bill agreed to by the conferees has been very carefully considered, and does furnish a fact-finding process for wages between 30 and 40 cents per hour. If properly administered by a person of reason and common sense, it is my belief that the matter can be satisfactorily handled without doing an injustice to any person or to any section of the country. I am therefore willing to support the bill adopted by the conferees and will cast my vote for the conference report.

The SPEAKER. The time of the gentleman from Georgia has expired. All time has expired.

Mrs. NORTON. Mr. Speaker, I move the previous question on the adoption of the conference report.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the conference report.

Mr. SNELL. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 291, nays 89, not voting 48, as follows:

[Roll No. 114]

YEAS—291

Aleshire	Biermann	Buck	Clason
Allen, Del.	Bigelow	Buckler, Minn.	Claypool
Allen, La.	Binderup	Buckley, N. Y.	Cochran
Allen, Pa.	Bland	Bulwinkle	Coffee, Wash.
Amlie	Bloom	Burch	Cole, Md.
Anderson, Mo.	Boileau	Burdick	Colmer
Arnold	Boland, Pa.	Byrne	Connery
Barry	Boren	Cannon, Mo.	Cooley
Bates, Ky.	Boyer	Cannon, Wis.	Costello
Bates, Mass.	Boykin	Carter	Creal
Beam	Boylan, N. Y.	Casey, Mass.	Crosby
Beiter	Bradley	Celler	Crosser
Bell	Brewster	Chandler	Crowe
Bernard	Brooks	Citron	Crowther

Cullen	Hancock, N. C.	Mahon, S. C.	Sacks
Cummings	Harlan	Mahon, Tex.	Sadowski
Daly	Harrington	Maloney	Sanders
Delaney	Hart	Martin, Colo.	Satterfield
DeMuth	Harter	Martin, Mass.	Sauthoff
DeRouen	Havenner	Massingale	Schaefer, Ill.
Dickstein	Healey	Maverick	Schneider, Wis.
Dies	Hennings	May	Schuetz
Dingell	Hildebrandt	Mead	Schulte
Dirksen	Hill	Meeks	Scott
Dixon	Honeyman	Merritt	Secrest
Dondero	Houston	Mills	Seger
Dorsey	Hull	Mitchell, Ill.	Shanley
Dowell	Hunter	Moser, Pa.	Shannon
Drew, Pa.	Imhoff	Mosier, Ohio	Sheppard
Duncan	Izac	Mouton	Sirovich
Dunn	Jenckes, Ind.	Murdock, Ariz.	Smith, Conn.
Eberharter	Jenkins, Ohio	Nelson	Smith, Maine
Eckert	Johnson, Lyndon	Nichols	Smith, Wash.
Edmiston	Johnson, Minn.	Norton	Smith, W. Va.
Eicher	Johnson, Okla.	O'Brien, Ill.	Snyder, Pa.
Elliott	Johnson, W. Va.	O'Brien, Mich.	Somers, N. Y.
Engel	Jones	O'Connell, Mont.	South
Englebright	Kee	O'Connell, R. I.	Sparkman
Evans	Keller	O'Connor, N. Y.	Spence
Faddis	Kelly, Ill.	O'Leary	Starnes
Farley	Kelly, N. Y.	O'Malley	Stefan
Ferguson	Kennedy, Md.	O'Neill, N. J.	Sullivan
Fish	Kennedy, N. Y.	O'Toole	Sumners, Tex.
Fitzgerald	Keogh	Palmisano	Sutphin
Fitzpatrick	Kirwan	Parsons	Swope
Flaherty	Kniffin	Patman	Teigan
Flannagan	Kocialkowski	Patrick	Terry
Flannery	Kopplemann	Patterson	Thom
Fleger	Kramer	Pearson	Thomas, Tex.
Fletcher	Kvale	Peterson, Fla.	Thomason, Tex.
Forand	Lanzetta	Pfeifer	Thompson, Ill.
Ford, Calif.	Larrabee	Phillips	Tobey
Frey, Pa.	Lea	Pierce	Tolan
Fries, Ill.	Leavy	Poage	Towey
Fulmer	Lesinski	Polk	Transue
Gambrill, Md.	Lewis, Colo.	Powers	Treadway
Garrett	Lewis, Md.	Quinn	Umstead
Gavagan	Long	Rabaut	Vincent, Ky.
Gearhart	Lord	Ramsay	Voorhis
Gehrmann	Lucas	Ramspeck	Wallgren
Gifford	Luckey, Nebr.	Randolph	Walter
Gilchrist	Ludlow	Rayburn	Wearin
Gildea	Luecke, Mich.	Rees, Kans.	Welch
Gingery	McCormack	Reilly	Wene
Goldsborough	McFarlane	Richards	Whelchel
Gray, Ind.	McGrath	Rigney	Wigglesworth
Gray, Pa.	McGroarty	Robinson, Utah	Williams
Greenwood	McKeough	Robsion, Ky.	Withrow
Greever	McLaughlin	Rogers, Mass.	Wolverton
Gregory	McReynolds	Rogers, Okla.	Wood
Griffith	McSweeney	Romjue	Woodrum
Haines	Maas	Roy	Zimmerman
Hamilton	Magnuson	Sabath	

NAYS—89

Allen, Ill.	Ford, Miss.	McClellan	Shafer, Mich.
Andresen, Minn.	Fuller	McGehee	Short
Arends	Gamble, N. Y.	McLean	Simpson
Bacon	Guyer	Mansfield	Smith, Va.
Barden	Gwynne	Mapes	Snell
Barton	Halleck	Mason	Taber
Brown	Hancock, N. Y.	Michener	Tarver
Carlson	Hartley	Mott	Taylor, S. C.
Case, S. Dak.	Hobbs	Oliver	Taylor, Tenn.
Chapman	Holmes	O'Neal, Ky.	Thurston
Church	Hope	Owen	Turner
Clark, N. C.	Jarrett	Pace	Vinson, Ga.
Cluett	Johnson, Luther A.	Patton	Wadsworth
Collins	Kerr	Peterson, Ga.	Warren
Cooper	Kinzer	Pettengill	West
Cox	Kitchens	Plumley	Whittington
Cravens	Kleberg	Rankin	Wilcox
Crawford	Knutson	Reece, Tenn.	Wolcott
Culkin	Lambertson	Reed, Ill.	Wolfenden
Doxey	Lambeth	Rich	Woodruff
Drewry, Va.	Lamneck	Robertson	
Driver	Lanham	Rockefeller	
Eaton	Luce	Rutherford	

NOT VOTING—48

Andrews	Dempsey	Hook	Ryan
Ashbrook	Disney	Jacobsen	Scrugham
Atkinson	Ditter	Jarman	Smith, Okla.
Boehne	Dockweiler	Lemke	Stack
Caldwell	Doughton	McAndrews	Steagall
Cartwright	Douglas	McGranery	Sweeney
Champion	Fernandez	McMillan	Taylor, Colo.
Clark, Idaho	Gasque	Mitchell, Tenn.	Thomas, N. J.
Coffee, Nebr.	Green	Murdock, Utah	Tinkham
Cole, N. Y.	Griswold	O'Connor, Mont.	Weaver
Curley	Hendricks	O'Day	White, Idaho
Deen	Hoffman	Reed, N. Y.	White, Ohio

So the conference report was agreed to.

The Clerk announced the following pairs:

On this vote:

Mrs. O'Day (for) with Mr. Ditter (against).
Mr. Curley (for) with Mr. Douglas (against).
Mr. McAndrews (for) with Mr. White of Ohio (against).
Mr. Griswold (for) with Mr. Reed of New York (against).
Mr. Dempsey (for) with Mr. Cole of New York (against).
Mr. Clark of Idaho (for) with Mr. Hoffman (against).
Mr. Andrews (for) with Mr. Gasque (against).
Mr. Lemke (for) with Mr. Tinkham (against).
Mr. O'Connor of Montana (for) with Mr. Jarman (against).

General pairs:

Mr. Doughton with Mr. Thomas of New Jersey.
Mr. Scrugham with Mr. Ashbrook.
Mr. Hook with Mr. Cartwright.
Mr. Murdock of Utah with Mr. Champion.
Mr. Boehne with Mr. Fernandez.
Mr. Deen with Mr. Hendricks.
Mr. Sweeney with Mr. McMillan.
Mr. Weaver with Mr. Ryan.
Mr. Green with Mr. Coffee of Nebraska.
Mr. Mitchell of Tennesse with Mr. Dockweiler.
Mr. Steagall with Mr. White of Idaho.
Mr. Jacobsen with Mr. Smith of Oklahoma.
Mr. Disney with Mr. Atkinson.
Mr. Taylor of Colorado with Mr. Caldwell.

The result of the vote was announced as above recorded.

A motion to reconsider the vote by which the conference report was agreed to was laid on the table.

Mr. GREENWOOD. My colleague Mr. BOEHNE is unavoidably absent today. If present he would have voted "yea" on agreeing to the conference report on the wage-hour bill.

Mr. McGRANERY. Mr. Speaker, it is with regret that circumstances over which I had no control prevented my being present in the Chamber of the House when consideration was given to the conference report on the wage and hour legislation. I was in attendance in a conference at the Navy Department in connection with a matter vitally affecting the city of Philadelphia.

I do wish to say, however, that I did sign the original petition to discharge the Rules Committee from further consideration of the first wage and hour bill and later voted for the passage of that bill. I also signed the second discharge petition at this session of the Congress and voted for passage of the present wage and hour bill. Had I been present, I would have voted for the adoption of the conference report passed by the House this afternoon, although, in my opinion, this bill does not go far enough to give to the working people of America a high enough standard of a living wage, to which I sincerely believe they are entitled.

I am convinced, however, that the adoption of this conference report will establish a principle for the further relief of the greater mass of American workers.

THE LATE WILLIAM P. CONNERY, JR.

Mr. LUCE. Mr. Speaker, the gentlewoman from New Jersey [Mrs. NORTON] has brought to our recollection that it was a year ago tomorrow that our good friend, Representative Connery, went to his reward. It chanced that yesterday I had prepared remarks to appear in the memorial volume, and it occurs to me it may not be inappropriate that they be inserted at this point, in view of his connection with the legislation that has just taken another step toward enactment, and I submit the remarks for that purpose.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. LUCE. Mr. Speaker, one word can sum up the character of William P. Connery, jr., and that word is "joyous." He lived to make others happier, and therein found his own happiness. Whether in the sober fields of legislation or in the cheerful fields of social intercourse his impulse always was to brighten the lives of others. Of course, this made him hosts of friends, and he deserved their friendship. So we all knew him as Billy Connery, and we called him so in no spirit of flippancy or disrespect but because we loved him and knew no better way to show it.

His years were too few, but they were crowded years, and in them he accomplished more than most men would in 3 score and 10, for he was a man of unbridled nervous energy and he wasted no moments. Who dares measure achievement only by length of days?

As to his part in the World War, he will be remembered most by what he did to cheer up his comrades. He came back

with intense desire to lessen the sufferings of those of them who survived only to find themselves with broken bodies or shaken minds, racked with pain or helpless from disease. For them he believed the Nation could not do too much. Those who yet live, whether on hospital beds or suffering in their homes, together with the widows and orphans of those who have paid the full price of martial honor, owe him much for his persistent zeal in their behalf.

In the same spirit of sympathy with those of mankind whom fate has not blessed, he had of late concerned himself, particularly with the toiling multitude. In the middle of his labors for the wage earners of the land, his life was cut short. Why he was forbidden to see the fruitage of his labors we cannot understand and we may not question. As best we can, we must content ourselves with gratitude for what he had done to the benefit of his fellows and with thankfulness for the privilege of his friendship.

EMERGENCY RELIEF AND PUBLIC BUILDINGS BILL

Mr. WOODRUM. Mr. Speaker, I call up the conference report upon House Joint Resolution 679, making appropriations for work relief, relief, and otherwise to increase employment by providing loans and grants for public-works projects and I ask unanimous consent that the statement be read in lieu of the report.

The SPEAKER. The gentleman from Virginia calls up the conference report on House Joint Resolution 679, and asks unanimous consent that the statement be read in lieu of the report. Is there objection?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H. J. Res. 679) making appropriations for work relief, relief, and otherwise to increase employment by providing loans and grants for public works projects, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 16, 18, 38, 39, 42, 46, 64, 65, 69, and 70.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, 7, 9, 10, 11, 13, 14, 15, 17, 19, 20, 21, 22, 23, 27, 28, 29, 33, 34, 36, 41, 44, 47, 48, 49, 51, 52, 53, 56, 57, 58, 59, 60, 61, 62, 63, 66, 67, 68, and 73, and agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following: "lime and marl in Wisconsin"; and the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following: ": *Provided further*, That notwithstanding any other provisions of this title, or of the Anti-Deficiency Act, the Works Progress Administrator is authorized, from time to time, out of funds appropriated in this subsection, to use such amount or amounts not to exceed in the aggregate $25,000,000, as may be determined by the President to be necessary, for the purpose of providing direct relief for needy persons; such amounts may be used in the discretion and under the direction of the President and through such agency or agencies as he may designate"; and the Senate agree to the same.

Amendment numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment, as follows: In lieu of the sum named in the matter inserted by such amendment, insert: "$3,000,000"; and the Senate agree to the same.

Amendment numbered 25: That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert: "$1,712,905,000"; and the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment, amended to read as follows:

"SEC. 2. The funds appropriated in this title to the Works Progress Administration shall be so apportioned and distributed over the period ending February 28, 1939, and shall be so administered during such period as to constitute the total amount that will be furnished to such Administration during such period for relief purposes, except that upon the happening of some extraordinary emergency or unusual circumstance, which could not be anticipated at the time of making such apportionment, the same may be waived or modified by the President who shall fully set forth the reasons therefor at the time of any such action and communicate the same to Congress in connection with any estimates for additional appropriations to carry out the purposes of this title, but any such waiver or modification shall not have the effect of reducing the total period of apportionment of such funds as provided herein by more than one month; and the funds appropriated in this title to the Secretary of Agriculture, to the Works Progress Administration for the National Youth Administration, and to the other agencies, shall be so apportioned and distributed over the twelve months of the fiscal year ending June 30, 1939, and shall be so administered during such fiscal year as to constitute the total amounts that will be furnished to the Secretary of Agriculture, to the Works Progress Administration for the National Youth Administration, and to the other agencies during such fiscal year for the purposes of this title."

And the Senate agree to the same.

Amendment numbered 30: That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment, as follows: In lieu of the matter inserted by such amendment insert: ": *Provided*, That if minimum rates of pay for persons employed by private employers in any occupation are established by or pursuant to the authority conferred by any Labor Standards Act enacted at the third session of the Seventy-fifth Congress, not less than the minimum rates of pay so established shall be paid to persons in similar occupations in the same locality employed on projects under the appropriation in subsection one of Section one of this title"; and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following: ": *Provided further*, That every relief worker employed on any Federal or non-Federal Works Progress Administration project shall be required, as a condition to his continued employment, to file quarterly a statement as to the amount of his earnings, if any, from outside employment while he was assigned to such a project, and the statements so filed shall be taken into consideration in assigning such workers to employment on such projects and in continuing them in such employment."; and the Senate agree to the same.

Amendment numbered 32: That the House recede from its disagreement to the amendment of the Senate numbered 32, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following: "need and who need employment to supplement their farm income"; and the Senate agree to the same.

Amendment numbered 35: That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following: "That effective July 1, 1938, the monthly compensation in any individual case heretofore or hereafter coming within the purview of such Act of February 15, 1934, shall not exceed the rate of $50, and the aggregate payments shall not exceed $4,000, exclusive of medical costs: *Provided further,*"; and the Senate agree to the same.

Amendment numbered 37: That the House recede from its disagreement to the amendment of the Senate numbered 37, and agree to the same with an amendment, as follows: In line 6 of the matter inserted by said amendment strike out the words "operated by such Administration" and insert in lieu thereof the words "financed from such funds", and in line 8 of the matter inserted by said amendment after the word "employed" insert the following: "after June 30, 1938, and", and in line 10 strike out the sum "$50,000,000" and insert in lieu thereof the sum "$25,000,000"; and the Senate agree to the same.

Amendment numbered 40: That the House recede from its disagreement to the amendment of the Senate numbered 40, and agree to the same with an amendment, as follows: In lieu of the number proposed insert: "24"; and the Senate agree to the same.

Amendment numbered 43: That the House recede from its disagreement to the amendment of the Senate numbered 43, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following: "June 30, 1940: *Provided*, That this limitation upon time shall not apply to any project enjoined in any Federal or State court"; and the Senate agree to the same.

Amendment numbered 45: That the House recede from its disagreement to the amendment of the Senate numbered 45, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following: "(including projects for making surveys and maps, not exceeding $2,500,000) in continental"; and the Senate agree to the same.

Amendment numbered 50: That the House recede from its disagreement to the amendment of the Senate numbered 50, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment amended to read as follows: ": *Provided*, That not to exceed $15,000,000 of such allotments shall be made for military or naval purposes except for the housing or hospitalization of personnel or for storage of material, supplies, and equipment at existing establishments"; and the Senate agree to the same.

Amendment numbered 54: That the House recede from its disagreement to the amendment of the Senate numbered 54, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$15,000,000"; and the Senate agree to the same.

Amendment numbered 55: That the House recede from its disagreement to the amendment of the Senate numbered 55, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment amended to read as follows: "June 30, 1940, for the completion (except liquidation) of the activities of such Administration"; and the Senate agree to the same.

Amendment numbered 71: That the House recede from its disagreement to the amendment of the Senate numbered 71, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following:

"In making loans pursuant to this title and pursuant to the Rural Electrification Act of 1936, the Administrator of the Rural Electrification Administration shall require that, to the extent practicable and the cost of which is not unreasonable, the borrower agree to use in connection with the expenditure of such funds only such unmanufactured articles, materials, and supplies, as have been mined or produced in the United States, and only such manufactured articles, materials, and supplies as have been manufactured in the United States substantially all from articles, materials, or supplies mined, produced, or manufactured, as the case may be, in the United States."

And the Senate agree to the same.

Amendment numbered 77: That the House recede from its disagreement to the amendment of the Senate numbered 77, and agree to the same with an amendment, as follows: In lieu of the matter inserted by such amendment, insert the following:

"TITLE VI. UNITED STATES HOUSING AUTHORITY

"SEC. 601. Section 10 of the United States Housing Act of 1937 (referred to in this title as the 'Act') is amended by amending subsection '(e)' and adding a new subsection '(f)' as follows:

"'(e) The Authority is authorized, on and after the date of the enactment of this Act, to enter into contracts which provide for annual contributions aggregating not more than $28,000,000 per annum. Without further authorization from Congress, no new contracts for annual contributions beyond those herein authorized shall be entered into by the Authority. The faith of the United States is solemnly pledged to the payment of all annual contributions contracted for pursuant to this section, and there is hereby authorized to be appropriated in each fiscal year, out of any money in the Treasury not otherwise appropriated, the amounts necessary to provide for such payments.

"'(f) Payments under annual contributions contracts shall be pledged as security for any loans obtained by a public-housing agency to assist the development of the housing project to which the annual contributions relate: *Provided*, That annual contributions shall be used first to apply toward the payment of interest or principal as same mature on any loan due to the Authority from the public-housing agency. The term "any loan due to the Authority" as used in this section shall mean any loan made by the Authority (including any bonds or other evidences of such loan which are resold by the Authority) to assist the development of the project to which the annual contributions relate.'

"SEC. 602. Section 20 (a) of the Act is amended to read as follows:

"'SEC. 20. (a) The Authority is authorized to issue obligations in the form of notes, bonds, or otherwise, which it may sell to obtain funds for the purposes of this Act. The Authority may issue such obligations in an amount not to exceed $800,000,000. Such obligations shall be in such forms and denominations, mature within such periods not exceeding sixty years from date of issue, bear such rates of interest not exceeding 4 per centum per annum, be subject to such terms and conditions, and be issued in such manner and sold at such prices as may be prescribed by the Authority with the approval of the Secretary of the Treasury.'

"SEC. 603. This title may be cited as the 'United States Housing Act Amendments of 1938.'"

And the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 72, 74, 75, and 76.

C. A. WOODRUM,
JOHN J. BOYLAN,
CLARENCE CANNON,
LOUIS LUDLOW,
J. BUELL SNYDER,
Managers on the Part of the House.

ALVA B. ADAMS,
KENNETH MCKELLAR,
CARL HAYDEN,
JAMES F. BYRNES,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H. J. Res. 679) making appropriations for work relief, relief, and otherwise to increase employment by providing loans and grants for public-works projects submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

TITLE I. WORK RELIEF AND RELIEF

On Nos. 25, 28, 36, 40, 48, 49, 52, 53, 56, 58, 59, 60, 61, 62, 63, 67, 68, and 73: Adjusts totals and section numbers and clarifies the text.

On No. 1: Inserts a short title for the Joint Resolution, as proposed by the Senate.

On Nos. 2 to 12, inclusive, relating to the appropriation for the Works Progress Administration: Appropriates $1,425,000,000, plus unexpended balances under the Emergency Relief Appropriation Act of 1937 and the Joint Resolution of March 2, 1938, as proposed by the Senate, instead of $1,250,000,000, plus the unexpended balances under the Emergency Relief Appropriation Act of 1937, as proposed by the House; adjusts the limitations on the total amount that may be utilized from the total appropriation for the various classes of projects by increasing the House figures to correspond on a percentage basis with the percentage increase made by the Senate in the total appropriation; makes the appropriation available for the prosecution of any projects approved for the W. P. A. under previous relief appropriation acts, instead of those "heretofore" approved as proposed by the House; includes specific provision, as proposed by the Senate, for "drainage" and "irrigation" projects included by the House measure in the general terms of the appropriation; makes provision specifically, as proposed by the Senate, for projects for "training for domestic service" included in the House measure under the general language of the appropriation; the House measure made provision for projects for the production of "materials for fertilizing soil for distribution to farmers under such conditions as may be determined by the sponsors of such projects under provisions of State law"; the Senate changed the word "materials" to "lime and marl," and the conference agreement adopts the Senate language, modified to restrict such projects to "lime and marl projects in Wisconsin," and inserts the proviso, proposed by the Senate, making not to exceed $125,000,000 of the W. P. A. appropriation available for direct relief in the discretion and under the direction of the President, modified to reduce the maximum amount from $125,000,000 to $25,000,000 and to clarify the language.

On Nos. 13 and 14, relating to the appropriation for the National Youth Administration: Adds to the unexpended balance reappropriated under the House measure any unexpended balance under allotments thereto under the joint resolution of March 2, 1938, as proposed by the Senate.

On Nos. 15 and 16, relating to the Farm Security Administration: Makes available to the Administration, as proposed by the Senate, any unexpended balance allocated to the Administration under the joint resolution of March 2, 1938, in addition to the unexpended balances of allocations to such Administration under the Emergency Relief Appropriation Act of 1937, carried in the House measure, and strikes out the limitation inserted by the Senate on the amount that may be expended for administrative expenses.

On Nos. 17 and 18, relating to the Puerto Rico Reconstruction Administration: Makes available to such Administration any unexpended balances under allocations from the joint resolution of March 2, 1938, as proposed by the Senate, in addition to the unexpended balances of allocations made to the Administration under the Emergency Relief Appropriation Act of 1937, provided by the House, and strikes out the limitation proposed by the Senate on the amount that may be expended for administrative purposes.

On Nos. 19 and 20: Appropriates $8,000,000 for expenses of administrative accounting by the Office of Commissioner of Accounts and Deposits and the Division of Bookkeeping and Warrants of the Treasury Department, as proposed by the Senate, instead of $2,000,000 as proposed by the House.

On Nos. 21 and 24 (in part), relating to the United States Employment Service: Appropriates $3,000,000 for administrative expenses, instead of $5,000,000 as proposed by the Senate, and instead of $1,500,000 as proposed by the House of administrative expenses incident to carrying on relief activities under title I.

On No. 22: Appropriates $850,000 as proposed by the Senate instead of $250,000, as proposed by the House, for administrative expenses of the National Emergency Council.

On No. 28: Appropriates $750,000, as proposed by the Senate, instead of $250,000, as proposed by the House, for administrative expenses of the National Resources Committee.

On Nos. 24 (in part) and 29: Strikes out, as proposed by the Senate, the appropriations and authority for continuance of the Prison Industries Reorganization Administration contained in the House measure.

On No. 26: The Senate struck out section 2 of the House measure, relating to the apportionment and distribution of the funds of the W. P. A. over a period of 7 months and for the other agencies over a period of 12 months, and inserted a substitute section, the effectiveness of which as an apportionment requirement was doubtful; the conference agreement restores the House section, modified so as to require W. P. A. funds to be distributed over a period of 8 months in accordance with the increased appropriation provided by the Senate, instead of over a period of 7 months under the appropriation provided by the House, with the further modification that upon the happening of some extraordinary emergency or unusual circumstance the apportionment made at the beginning of the year may be waived or modified by the President so as to permit such funds to be utilized during a period of less than 8 months but not less than 7 months; the 12 months' apportionment as to other agencies is not disturbed by the conference agreement.

On No. 27: Increases from $50,000,000 to $60,000,000, as proposed by the Senate, the amount which the Administrator of the W. P. A.

is authorized to allocate from W. P. A. funds to other Federal agencies for the purpose of operating projects of the type specified for the W. P. A.

On No. 30: Retains the proviso, inserted by the Senate, requiring that if minimum rates of pay for persons employed by private employers in any occupation are established by or pursuant to the authority conferred by any labor-standards act enacted at the present session of Congress, not less than the minimum rates of pay so established shall be paid to persons in similar occupations in the same locality employed on projects under the W. P. A. appropriation contained in this measure.

On No. 31: Retains the proviso, inserted by the Senate, requiring relief workers on W. P. A. projects to file quarterly statements of their earnings, if any, from outside employment while assigned to such projects, with modifications to clarify the purpose of the amendment.

On No. 32: The House measure provided that farmers in "actual need of work" but not on relief rolls have the same eligibility for employment on projects in rural areas as persons on such rolls; the Senate changed the House qualification to farmers in "need or who need employment to supplement their farm income", and the conference agreement establishes the qualification to farmers in "need and who need employment to supplement their farm income."

On Nos. 33 and 34: The House section 11 establishes priority in employment on projects and permits consideration for employment of aliens "in need who, prior to the date of enactment of the joint resolution, shall have declared their intention to become citizens"; the Senate amendments clarify what is meant by the phrase "declaration of intention" by defining it as a declaration which is "valid and has not expired."

On No. 35: The Senate increased the monthly maximum compensation on account of any person suffering death or disability from a traumatic injury received while working on projects under the relief appropriation as employees of the United States, from $30 to $70, and the aggregate payment from $3,500 to $5,000. The conference agreement fixes the maximum monthly compensation at $50 and the total aggregate payments at $4,000.

On No. 37: Retains the section, inserted by the Senate, requiring that expenditure authorizations under the W. P. A. appropriation (except those for administrative expenses) for other than labor costs shall not exceed an average of $7 per month per worker, excepting from this requirement a total not to exceed $50,000,000, modified so that the section shall be effective July 1, 1938, and to reduce the amount of $50,000,000 to $25,000,000.

On No. 38: Strikes out section 24, inserted by the Senate, providing that the services of persons who are qualified for employment under title I might be utilized in connection with any Federal construction project if the completion of the project would be expedited thereby.

On No. 39: Strikes out section 25, inserted by the Senate, directing the Administrator of the W. P. A. to turn over to the Federal Surplus Commodities Corporation $50,000,000 from the W. P. A. appropriation in the joint resolution for use by that Corporation for the purchase of agricultural commodities and fish and seafood products for relief distribution.

TITLE II. PUBLIC WORKS ADMINISTRATION

On No. 41: Retains the proviso, inserted by the Senate, prohibiting the use of any of the funds carried in the title for the acquisition of land to enlarge Indian reservations.

On Nos. 42 and 43: Adopts the House date of January 1, 1939, as the date prior to which a project to be eligible must be capable of being started, and June 30, 1940, the House date, prior to which it must be susceptible of being substantially completed, instead of the dates of March 31, 1939, and September 30, 1940, respectively, proposed by the Senate; and retains the proviso, inserted by the Senate, exempting from the date of June 30, 1940, any project enjoined in a Federal or State court.

On Nos. 44, 45, 46, 47, and 50, relating to Federal construction projects: Makes available a total of $200,000,000, as proposed by the Senate, instead of $100,000,000, as proposed by the House; restricts Federal projects to continental United States, as proposed by the House, and strikes out the Senate language providing for projects in Alaska, Puerto Rico, and Hawaii; includes projects for surveys and maps, as proposed by the Senate, modified so as to make not more than $2,500,000 susceptible of use for that purpose; makes the total the amount available for projects "authorized" by law, as proposed by the Senate, instead of "heretofore authorized" by law, as proposed by the House; restores the House limitation, stricken out by the Senate, prohibiting the making of any allotments for Federal projects for military or naval purposes except for housing or hospitalization of personnel or for storage of material, supplies, and equipment at existing establishments, modified so as to permit the use of not more than $15,000,000 for military and naval purposes in addition to the military and naval purposes permitted by the House limitation.

On No. 51: Strikes out, as proposed by the Senate, subsection (e) of section 201 of the House measure relating to participation of States or other political units or public bodies having constitutional limitations.

On Nos. 54 and 55, relating to administrative expenses of the Public Works Administration: Makes available $15,000,000, instead of $11,000,000, as proposed by the House, and $17,500,000, as proposed by the Senate, for administrative expenses, in addition to the sum of $9,000,000 made available therefor for the fiscal year 1939 in the Independent Offices Appropriation Act, 1939; requires, as proposed by the House measure, that the Administrator shall reserve from the appropriation an adequate amount for administrative expenses for the fiscal year 1940 as proposed by the House, instead of the fiscal year 1941, as proposed by the Senate, with the modification that the reservation of such funds for the fiscal year 1940 shall be for completion of acivities of the administration except for liquidation expenses.

On No. 57: Reduces from $500,000,000 to $400,000,000, as proposed by the Senate, the amount which may be used from the revolving fund realized from the sale of securities for the making of further loans.

On Nos. 64 and 65: Strike out subsections (i) and (j), inserted by the Senate, in section 201; these sections establish preferences of employment for various classes of persons under contracts for non-Federal projects and residence requirements in contracts for employment on Federal projects.

On Nos. 66 and 69: Extends the life of the Public Works Administration to the end of the fiscal year 1941, as proposed by the Senate, instead of to the end of the fiscal year 1940, as proposed by the House, and fixes the date prior to which certain projects are to be completed under the provisions of section 201 of the Public Works Administration Extension Act of 1937 at July 1, 1940, as proposed by the House, instead of July 1, 1941, as proposed by the Senate.

TITLE III. FEDERAL PUBLIC BUILDINGS

On No. 70: The House measure increases the total cost of the 3-year Federal public-building program from $70,000,000 to $130,000,000 and the Senate reduced the latter figure to $100,000,000. The Senate recedes, restoring the $130,000,000 limitation.

TITLE IV. RURAL ELECTRIFICATION LOANS

On No. 71: Inserts the Senate paragraph requiring the Administrator of the R. E. A., in making loans pursuant to this title and to the Rural Electrification Act of 1936, to require that materials for rural electrification uses shall be of domestic origin if obtainable, modified so as to clarify the intent of the paragraph by providing that the Administrator shall require "to the extent practicable and the cost of which is not unreasonable" that the borrower agree to use products of the growth and manufacture of the United States.

TITLE VI. UNITED STATES HOUSING AUTHORITY

On No. 77: Inserts the Senate amendment amending the United States Housing Act of 1937, modified as follows: The conference agreement strikes out the Senate section (601) defining the term "going Federal rate of interest" as found in section 2 (10) of the present law; strikes out the Senate section (602) authorizing the Housing Administrator to delegate any of his functions and powers to any person in the employ of the Authority; strikes out the Senate section (603) proposing to amend section 9 of the present law dealing with loans for low-rent housing and slum-clearance projects; inserts the Senate section (604—changing the number to "601") amending section 10 (e) of the present law authorizing contracts to be entered into for annual contributions by changing the maximum amount of $35,000,000 provided in the Senate amendment to $28,000,000, and adds a new subsection (f) to section 10 of the present law, which subsection provides that payments under annual contributions contracts shall be pledged as security for any loans obtained by a public-housing agency to assist the development of the housing project to which the annual contributions relate but requires that annual contributions shall be used first to apply toward the payment of interest or principal as they mature on any loan due to the Authority from the public-housing agency; inserts the Senate section (605—changing the number to "602") amending section 20 (a) of the present law so as to increase from $500,000,000 to $800,000,000 the amount of bonds or other obligations which the Authority may issue to obtain funds for the purposes of the Housing Act; strikes out the Senate section (606) exempting title VI from the provisions of any other title of the joint resolution, and inserts the Senate section (607—changing the number to "603") giving title VI a short title.

Amendments reported in disagreement

The committee of conference report in disagreement the following amendments of the Senate:

On No. 72: Appropriating $1,000,000 for administration expenses of the Rural Electrification Administration.

On No. 74 (title V): Appropriating $212,000,000 to enable the Secretary of Agriculture to make price-adjustment payments to producers of wheat, cotton, corn, tobacco, and rice.

On Nos. 75 and 76: Amending section 302 (b) (c) and (d) of the Agricultural Adjustment Act of 1938.

C. A. WOODRUM,
JOHN J. BOYLAN,
CLARENCE CANNON,
LOUIS LUDLOW,
J. BUELL SNYDER,
Managers on the part of the House.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. WOODRUM. Yes.

Mr. TABER. Amendment numbered 74 relates to agricultural price adjustment. As I understand it, that is brought

back here so that a vote on the conference report has nothing to do with that and that will be voted on separately later on?

Mr. WOODRUM. That is correct.

Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, the conference report on this joint resolution (H. J. Res. 679) is a complete agreement of the conferees with the exception of the following amendments: Amendment 72, relating to the administrative expenses for the Rural Electrification Administration, which has to be brought back because of the parliamentary situation; amendments numbered 74 and 75, which are in title V, dealing with farm parity payments; and amendment 76, amending section 302 of the Agricultural Adjustment Act of 1938, dealing with loans by the Commodity Credit Corporation. In all other respects the conferees have agreed. I have an idea that there are very few members of the House who do not understand, from press reports and from general information, just what has been done, and I do not want to take unnecessary time going through the 70-odd amendments in detail.

Mr. PATMAN. Mr. Speaker, will the gentleman yield?

Mr. WOODRUM. Yes.

Mr. PATMAN. About the parity payments. Will the payments be made for this year on cotton?

Mr. WOODRUM. That will be taken up when we get to amendment 74.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. WOODRUM. I ask the gentleman to let me make a brief statement and then I shall be glad to yield. On the question of the relief funds the provisions of the bill are exactly the same as when it left the House with this exception: Instead of the relief program for W. P. A. being on a 7-month basis, there was added in the Senate an additional $175,000,000 for which there was furnished a Budget estimate to place the program on an 8-month basis. In lieu of the so-called Woodrum amendment, which was an antideficiency amendment, there has been a modification which provides that the W. P. A. shall apportion their money over an 8-month period with a provision that in case of an unusual and unforeseen emergency happening after that apportionment, when it is so stated by the Chief Executive, who shall subsequently report to Congress, the money can be allocated for a shorter period but not for less than 7 months. That is to say, 1 month's latitude is given in the allocation of these funds, which is equivalent to giving the Chief Executive the right to reallocate $175,000,000 of W. P. A. funds. In addition to that, the Senate allocated not to exceed $125,000,000 of W. P. A. money for use for direct relief, which may be used under direction of the President for the purpose of providing direct relief if the emergency arises. The conferees cut that amount down to $25,000,000.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. WOODRUM. Yes.

Mr. TABER. That is an item out of the gross appropriation rather than a separate one?

Mr. WOODRUM. Out of the W. P. A. appropriation. It did not increase the gross amount. It provided an allocation out of the $1,475,000,000 that might be used for direct relief. The conferees reduced that allocation from $125,000,000 to $25,000,000, feeling that such an amount at the disposal of the President would be amply sufficient to meet any situation that would arise.

Mr. BEITER. Mr. Speaker, will the gentleman yield?

Mr. WOODRUM. I yield.

Mr. BEITER. In this connection, will that eliminate the time limitation on projects that may be undertaken as provided in other sections of the bill and permit allocation to be made for a project that has not had the approval of Congress? I am referring, of course, to the Florida ship canal.

Mr. WOODRUM. There are no funds in this bill for the Florida ship canal. The $25,000,000 is for direct relief, not for work relief. It is for direct relief in case of an emergency. The spirit and the purpose of it is to provide an emergency fund in case Congress is not in session and some situation should arise whereby the President might need funds to meet.

Mr. BEITER. Is the gentleman talking about P. W. A. or W. P. A.?

Mr. WOODRUM. W. P. A. Twenty-five million dollars is for direct relief.

Mr. BEITER. There is no limitation as to the completion of projects?

Mr. WOODRUM. It has nothing to do with projects at all. It is for direct relief, not work relief.

Mr. BEITER. So no part of this $25,000,000 could be allocated for projects.

Mr. WOODRUM. It could not.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. WOODRUM. I yield.

Mr. RANKIN. Senate amendment No. 72 relates to funds for the Rural Electrification Administration.

Mr. WOODRUM. Will not the gentleman wait until we come to that amendment? It will be taken up separately.

Mr. RANKIN. I shall be glad to.

Mr. TRANSUE. Mr. Speaker, will the gentleman yield?

Mr. WOODRUM. I yield.

Mr. TRANSUE. The item for direct relief was carried in both the House and Senate bills, was it not?

Mr. WOODRUM. There was nothing whatever in the House bill for direct relief. The Senate provided that of the amount for W. P. A. $125,000,000 might be used for that purpose. The conferees cut it to $25,000,000.

Mr. TRANSUE. Did the conferees take into consideration the situation in the Middle West, such as we have in Michigan?

Mr. WOODRUM. That is the reason we left $25,000,000 in the proviso. If it had not been for that we would not have left anything in for direct relief.

Mr. HAINES. Mr. Speaker, will the gentleman yield?

Mr. WOODRUM. I yield.

Mr. HAINES. Am I correct in my understanding that $130,000,000 is retained for the public-building program which the House provided?

Mr. WOODRUM. The gentleman is correct. The House provided an increase of $60,000,000 for the 3-year public buildings program, and that is still in the bill.

Mr. FITZPATRICK. Mr. Speaker, will the gentleman yield?

Mr. WOODRUM. I yield.

Mr. FITZPATRICK. Do I understand that this relief appropriation is to be spread over a period of 12 months?

Mr. WOODRUM. No; 8 months.

Mr. FITZPATRICK. That is 1 month more than the House bill provided.

Mr. WOODRUM. Yes; and that is why they put in the extra amount of money.

Mr. JOHNSON of Texas. Mr. Speaker, will the gentleman yield?

Mr. WOODRUM. I yield.

Mr. JOHNSON of Texas. I did not hear the beginning of the gentleman's statement due to confusion in the Chamber. With reference to the $212,000,000 for payment to farmers on certain agricultural commodities, will there be a separate vote?

Mr. WOODRUM. That is not in the conference report. There will be a separate vote on that amendment.

Mr. JOHNSON of Texas. If the conference report is adopted, we shall have an opportunity to vote on these amendments in disagreement?

Mr. WOODRUM. Yes.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. WOODRUM. I yield.

Mr. RICH. How will you take care of Pennsylvania if you allocate all your money to project relief?

Mr. WOODRUM. I may say to the gentleman from Pennsylvania that we think that out of this $140,000,000 that we forced on the Rural Electrification Administration, which was above the Budget, which they did not need, and all of

which they will not be able to use, that perhaps some of that will take care of Pennsylvania.

Mr. RICH. Before you get through you will find that the gentleman from Mississippi [Mr. RANKIN] is going to tell you that the Rural Electrification Administration did want this money, and that this money would be paid back into the Federal Treasury for it would be lent to these people and they would pay it back. Except for this you are not going to get any of it back at all but will waste the entire amount that is allocated.

Mr. RANKIN. Mr. Speaker, if the gentleman will yield.

Mr. WOODRUM. I yield.

Mr. RANKIN. The gentleman from Pennsylvania is entirely right. We needed every dollar of the $100,000,000 for rural electrification. It will all be paid back with interest and do more good than any other similar amount in the whole bill. [Applause.]

Mr. BIERMANN. Mr. Speaker, will the gentleman yield?

Mr. WOODRUM. I yield.

Mr. BIERMANN. Speaking of the $212,000,000 for parity payments to farmers, does this sum come out of the total relief appropriation or is it in addition to what was appropriated for relief?

Mr. WOODRUM. It is in addition to that amount; it is over and above the amount for relief and does not come out of the relief money at all.

Mr. BIERMANN. Then if we vote for that we will be voting to increase the total of this bill by $212,000,000?

Mr. WOODRUM. That is correct.

The amount of the bill as it passed the House was $2,519,425,000. As it passed the Senate it was $398,480,000 more than the amount of the House bill.

The conferees reduced it to some extent and as it stands now if parity payments are agreed to, the direct appropriations in the bill will be $165,405,000 above the Budget estimate.

Mr. Speaker, I shall insert at this point a financial statement of the direct appropriations in the joint resolution:

Amount of bill as passed the Senate		$2,917,905,000
Amount of bill as passed the House		2,519,425,000
Added by the Senate		398,480,000
Amount added by Senate:		
Works Progress Administration	$175,000,000	
Treasury accounting	6,000,000	
Employment Service	3,500,000	
National Emergency Council	600,000	
National Resources Committee	500,000	
Rural Electrification Administration, administration	1,000,000	
Parity payments for agriculture	212,000,000	
	398,600,000	
Less:		
Prison Industries Reorganization Administration	120,000	
		398,480,000
(Conference agreement accepts all of above increases except $212,000,000 for parity, allows $1,500,000 of $3,500,000 increase for Employment Service, proposes to allow $500,000 of $1,000,000 for Rural Electrification Administration, and eliminates the $120,000 for Prison Industries Reorganization Administration.)		
Total of Budget estimates for the joint resolution		2,750,000,000
The joint resolution will total, if conference agreements are carried out and the $212,000,000 for parity payments should be voted		2,915,405,000
Excess over Budget estimates		165,405,000

Mr. BOILEAU. Will the gentleman yield?

Mr. WOODRUM. I yield to the gentleman from Wisconsin.

Mr. BOILEAU. May I ask the gentleman whether or not under the provisions of this bill and existing law it will be possible for the P. W. A. to finance the construction of a county or municipally owned hospital?

Mr. WOODRUM. I think it would.

Mr. BOILEAU. I understood that under the old law they could finance the construction of hospitals, and I would like to have the gentleman explain that.

Mr. WOODRUM. Municipally owned or county owned hospitals may be financed, but not privately owned institutions, even though they are nonprofit institutions.

Mr. BOILEAU. I mean a county hospital.

Mr. WOODRUM. That can be done under the present bill.

Mr. BOILEAU. In such case, would it be possible to obtain both a loan and grant from the Federal Government?

Mr. WOODRUM. Yes.

Mr. BOILEAU. I had some difficulty in getting the exact facts on that situation, and I am glad to have the gentleman's assurance that can be done under this law.

[Here the gavel fell.]

Mr. WOODRUM. Mr. Speaker, I yield myself 5 additional minutes.

Mr. BEITER. Will the gentleman yield?

Mr. WOODRUM. I yield to the gentleman from New York.

Mr. BEITER. I am particularly interested in amendment No. 18, relating to the Puerto Rican Reconstruction Administration. In the bill that passed the House there was an amount of $6,000,000. I see in the amendment it makes available to such administration the unexpended balance. How much more does that increase the amount? Has the gentleman any knowledge of that?

Mr. WOODRUM. There will be a sizable unexpended balance. I think altogether the administration will have seven or eight million dollars.

Mr. BEITER. The total will be seven or eight million dollars?

Mr. WOODRUM. It may be a little over $8,000,000.

Mr. BEITER. The Director of the Budget approved $11,000,000?

Mr. WOODRUM. It will be less than the Budget estimate, but we thought that it was all they should receive.

Mr. IZAC. Will the gentleman yield?

Mr. WOODRUM. I yield to the gentleman from California.

Mr. IZAC. Has there been any change in the total amount of P. W. A. in conference?

Mr. WOODRUM. There was no change. I may clarify that by saying a decrease was made in the revolving fund arising from sale of securities from $500,000,000 to $400,000,000, which it is understood will not curtail or cramp their activities.

Mr. KENNEDY of New York. Will the gentleman yield?

Mr. WOODRUM. I yield to the gentleman from New York.

Mr. KENNEDY of New York. Do I understand the gentleman to say there was some disagreement on the United States Housing Authority and its $300,000,000?

Mr. WOODRUM. That is in the conference report, and I am glad the gentleman mentions that, because it is a matter in which the House has expressed some interest.

The President's message requested an increase of $300,000,000 in the amount of bonds to be issued by the United States Housing Authority. The Senate amendment did away with the 10-percent contribution from the localities. That was stricken out in conference, so that as the matter comes to you in the conference report we provide the increase of $300,000,000, but do not change the existing law as to the 10 percent.

Mr. KENNEDY of New York. Was anything said or evidence adduced in conference that would indicate we could not go forward under existing law? That is, on the 10-percent requirement from municipalities rather than the proposed 100-percent grant?

Mr. WOODRUM. There was nothing before the conferees that indicated they could not go ahead with the program. It was indicated strongly that the officials desired to have that restriction removed, but there was nothing indicated to the conferees that that should be done.

Mr. TRANSUE. Will the gentleman yield?

Mr. WOODRUM. I yield to the gentleman from Michigan.

Mr. TRANSUE. The President's message, in addition to asking for the $300,000,000 for the Housing Authority, also suggested liberalization of the Housing Authority laws in order to get some of this housing done.

Mr. WOODRUM. Perhaps it did, but it certainly could not have been contemplated that the Subcommittee on Deficiency Appropriations of the Appropriations Committee could do that. The gentleman is a member of the Banking and Currency Committee, and his own committee could not decide the question. That committee came in with a bill, and we were having a strenuous time on the floor of the House over this legislation when we were interrupted by information that came from the Senate that the Senate had placed this housing legislation on the relief appropriation measure, and the House stopped any further consideration of the separate bill. It was a matter so complicated that the conferees in the closing hour rush could not undertake to amend the organic housing law.

Mr. TRANSUE. It is a fact that the President wanted the law changed.

Mr. WOODRUM. I do not understand that the President wanted this particular change. If he did, I did not know about it, and I have a way of knowing if he wants something.

Mr. GOLDSBOROUGH. Will the gentleman yield?

Mr. WOODRUM. I yield to the gentleman from Maryland.

Mr. GOLDSBOROUGH. What the President desired was that more money be given to the Federal Housing Board and that it be allowed to expand more rapidly; so the amount was increased to $300,000,000. The amount that could be expended in 1 year was increased from $5,000,000 to seven and a half million dollars and from seven and a half million dollars to $35,000,000. That carried out the President's desires insofar as I know anything about them. Mr. Straus, in his testimony before the House Committee on Banking and Currency, said that they had been able to operate very satisfactorily under the present law.

Mr. MOTT. Mr. Speaker, will the gentleman yield?

Mr. WOODRUM. I yield to the gentleman from Oregon.

Mr. MOTT. How does this conference report affect P. W. A. applications for loans and grants, both those that have been approved and those that are yet to be approved?

Mr. WOODRUM. It makes the money available, and I understand they are all ready to go as soon as the bill is signed.

Mr. MOTT. Whether projects are already approved or are to be approved in the future?

Mr. WOODRUM. Of course, the projects have to be approved. They have a list of approved projects. They have other applications which have been filed, and they are ready to receive further applications, but we make the funds available.

Mr. MOTT. Are funds available for projects the applications for which have already been filed, but have not yet been approved, in the event they are approved?

Mr. WOODRUM. Yes; they are.

Mr. DONDERO. Mr. Speaker, will the gentleman yield?

Mr. WOODRUM. I yield to the gentleman from Michigan.

Mr. DONDERO. The House bill carried $60,000,000 for Federal buildings. I understand the Senate reduced that amount to $30,000,000. What is the position of that item in the conference report?

Mr. WOODRUM. It is reinstated just as the House had it.

[Here the gavel fell.]

Mr. WOODRUM. Mr. Speaker, I yield 10 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, this bill was bad enough as it came from the committee, worse as it went to the Senate, and worse as it left the Senate, but it is worst as it is now. As the bill left the House, including reappropriations out of revolving funds and everything else, it called for $3,223,425,000. There has been added $175,000,000 on account of W. P. A., $7,500,000 on account of administration, $500,000 for rural electrification, $212,000,000 on account of farm payments, $300,000,000 on account of housing, and quite a little more that no one can figure out on benefit payments that they provide under the housing provision to the tune of $28,000,000 a year. The total that you can put your finger on in the bill as it stands, after deducting $100,000,000 from the reappropriation of the P. W. A., which the Senate cut, is $3,819,000,000. If you add to that the $1,500,000,000 of R. F. C. loans that has been authorized and the $900,000,000, or whatever it is, that the W. P. A. is going to ask for the balance of the fiscal year after we come back here, there is a total of $6,219,525,000 for this sort of expenditure. None of it provides direct relief of any account. It is all for the politically controlled W. P. A. None of it provides for solving the relief problem on the basis of need. We are making no progress fast toward recovery.

This bill has in it some things which I believe I ought to call to the attention of the House. It calls for an increase of $500,000 for the National Resources Committee so that committee can get up plans for socializing industry and developing a lot of things in a peculiar sort of way. I am going to give you a picture of the persons who are on that Committee: Mordecai Ezekiel, Isador Lubin, Leon Henderson, Gardiner C. Means, Charles W. Eliot, 2d, Prof. Charles E. Merriam, Harold L. Ickes, Henry A. Wallace, Harry L. Hopkins, and Frances Perkins. They have added $500,000 to the bill for those people to get up plans to socialize industry and destroy the employment of our people.

Mr. HOUSTON. Is Dr. Rumely on that committee?

Mr. TABER. I do not know; maybe.

Mr. HOUSTON. He was on your committee to uphold constitutional Government against reorganization.

Mr. TABER. No committee that I had anything to do with.

Mr. HOUSTON. Oh, yes; the gentleman supported him.

Mr. TABER. I do not know about Dr. Rumely.

Mr. HOUSTON. He is your baby—not ours.

Mr. TABER. No; he is not my baby. I am not surprised that the gentleman wanted to get him off his list.

Mr. HOUSTON. I will unload him.

Mr. TABER. The gentleman must have believed that everybody thought he was on his doorstep.

Then they have added $600,000 for the National Emergency Council. Let me read you a question and answer on page 612 of our hearings:

Mr. WIGGLESWORTH. What is there in the picture to make you ask for $1,000,000 for next year?

This conference report gives them $850,000.

Mr. LEGGETT. The first half of the fiscal year 1938 and the fiscal year 1939 are not comparable. So far as fiscal years are concerned, that period is comparable with 1936, because of the fact that the demands for information during an election year are tremendous as compared with the demands in an off-year.

This outfit has a set-up of $88,000 in one place for press intelligence and $32,000 in another, and a total set-up in the field of $472,000 to provide political jobs in field offices. Just so you will not think I am making this indictment, I shall read a quotation from the President's Committee on Administrative Management:

Many of the State directors have political backgrounds; a number are independently wealthy; a few are field officials of other Government agencies. The salaries of the State directors range from $4,320 to $6,800.

Then again:

It is recommended that the State offices of the National Emergency Council be abolished.

It also says:

The State organizations of the National Emergency Council as at present staffed and organized fall far short of the requirement of neutrality in a coordinating agency.

Then they say a little further on:

It is by no means certain that the National Emergency Council draws upon sources of information sufficiently different from those of the regular agencies to warrant the expense involved in the reporting service.

Mr. Speaker, in view of this situation, and in view of the increase in this W. P. A. item of $175,000,000, and in view of this Housing Authority item being included in here, I am opposed to this conference report.

The housing outfit out of the $500,000,000 that is now authorized, down to the last date I have available, had started projects amounting to only $52,000,000, or 10 percent. They probably will start a lot more, maybe they have more now, but that is the last information I could get. They are putting up buildings at a tremendous cost. I put in the RECORD this morning a list of the places and the amounts per unit. The cost of providing for a family is more than double what it normally costs for private authorities to provide decent housing for a family that is earning its own living. This means it is not legitimate housing work on the part of the Federal Government but is dumping money out of the Treasury in a wasteful way. I could not support that kind of a proposition.

[Here the gavel fell.]

Mr. WOODRUM. Mr. Speaker, I yield the gentleman from New York 1 additional minute.

Mr. TABER. It is true they have cut down on the grant proposition from what was in the bill that we had before the House 10 days ago from $40,000,000 to $28,000,000, and they have kept the 10-percent local contribution in the item. These two things are better, but putting the whole thing in here is bad. It is carrying us further forward on a program that will wreck the financial structure of this Government.

As to these housing outfits, they can make these grants of $28,000,000 to these people who put up these buildings, so it does not cost the local people a single dollar, and they can make a profit out of the grant after paying interest and amortizing their charges. No rents will have to be paid to make the buildings profitable. The result is, this is placing a terrible burden on the Federal Government for 60 years. It is not a businesslike proposition, it is not a proposition in the interest of slum clearance or the taxpayer, but a waste. I hope that the conference report will not be agreed to.

Mr. WOODRUM. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. KENNEDY].

Mr. KENNEDY of New York. Mr. Speaker, at this time I would like to add to the remarks of the previous speaker on the question of low-cost housing. We are considering this conference report which, when adopted, will provide the funds for the United States Housing Authority. I have given considerable study to the housing problem throughout the years, and I must admit there is some merit to part of his criticism of the housing program. I know that we are all anxious to have many houses built, but primarily we want to eliminate the slums. Those of us who have worked on this problem felt that if we eliminated the slums we would of necessity create a demand for new houses. We have been building some new houses but in proportion to our building we have not destroyed the slums. In a few of the cases where we have demolished old buildings the tenants, many of whom had lived for generations in their homes and who loved the neighborhood, were unable to obtain apartments in the new buildings. This situation is due to the fact that they were unable to meet the requirements of the local housing authority. Sometimes I think that the requirements are so arranged as to work a hardship on the poor people instead of helping them.

Recently in my city one of the local officials prepared a report on this very subject, referring in particular to the Williamsburg housing project. In his report he showed that only a very small percentage of the tenants formerly living on the site of the new buildings were accepted as tenants in the new buildings.

My colleague, Dr. JOSEPH PFEIFER, the Congressman representing the Williamsburg district, informed me today that, to his personal knowledge, hundreds of families that had lived in that neighborhood for many years and who voluntarily moved in order to cooperate with the Housing Authority with the understanding that they would be given special consideration in the renting of apartments in the new buildings, instead of receiving special consideration, they were actually given the most shabby treatment. As a result, after having left the section of the city that was close to their hearts, and after having attended churches in which they were baptized and married, they find themselves wanderers and almost strangers in their own city. Dr. PFEIFER also informed me that his former neighbors, who represented the best type of our citizenship although poor people, were replaced by neighbors who, some of whom, are extremely radical and more interested in communism than they are in the American flag.

My reason for bringing this matter to the attention of the House of Representatives is to emphasize the aim and object of the slum-clearance and low-cost housing legislation. I am sure that when the Congress passed the legislation, which had for its object low-cost housing, it had in mind the wage earner in the lowest brackets. In my opinion, the local housing authorities overlooked this fact when they substituted their program which requires a regular job, a guaranteed income and a small family or none at all. The whole purpose and object of this legislation will have been completely destroyed if such a plan is continued. I am hopeful that my remarks today will be accepted in the constructive spirit in which they are made and that the United States Housing Authority will make it clear to all municipalities that apply for loans that the Congress of the United States, in appropriating these many millions of dollars, had two distinct aims in mind. The first aim is slum clearance and the second aim the building of low-cost houses for the sole benefit of wage earners receiving low salaries.

Mr. Speaker, and ladies and gentlemen of the House of Representatives, may I also express the hope that the housing authorities, in planning their new buildings, keep in mind the fact that the Congress of the United States expects them to make provision for the husband and wife who have large families. In most cases, they represent our finest manhood and womanhood and, as far as I can determine, they have been overlooked entirely in the matter of housing.

I represent a district located in the borough of Manhattan in a section known as Yorkville in which I am anxious to have erected a large housing project. I am sure it will be a success, and I ask for your wholehearted cooperation.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. WOODRUM. Mr. Speaker, I yield 8 minutes to the gentleman from Massachusetts [Mr. GIFFORD].

Mr. GIFFORD. Mr. Speaker, it is a pleasure to speak a few minutes on this appropriation bill, for as a member of the Committee on Expenditures, we are supposed to be watchful of this money after it is appropriated and note how it is spent. It has just been shown to us that we are, in this session, really appropriating about $6,000,000,000 for priming the pump and for relief. A new expression has been recently coined—priming the primaries.

Is it wise or necessary to spend this vast sum? The mere contemplation of it by private business and investors during the last 2 months has sent the business index down still further. It has not had the supposed beneficial effect on business, but rather it has caused a further slump, in fear of the real effects of further pump-priming activities. Consult the New York Times index of last Sunday for verification of this statement. The gentleman from Pennsylvania [Mr. RICH] constantly asks, "Where are you going to get the money?" You are taking this money being appropriated today from your grandchildren. They are helpless to object. Recently we have taken it from our children, but this debt will be bonded onto our grandchildren. Great Britain does not meet expenditures that way. She balances her budget in spite of her large expenditures. Recently the President stated, "Taxes, local and State and Federal combined, are nowhere near as high as they are in any other nation that pretends to be up to date." We recently read the results of a long study appearing in the

New York Tribune over taxes. I wish to comment on it. The ordinary laborer in England does not pay as much in taxes as the ordinary laborer in the United States.

Certain income taxes are much higher in the lower brackets, but in our country certain taxes in the higher brackets are very much higher. However, let us look at the per capita tax. In this report our per capita tax is placed at $133. Great Britain's at $123, and France's at $103. Astonishing in view of the President's assertion. Those are probably fairly correct figures, although figures and statistics can be juggled. On June 30, 1933, we had a debt of $22,500,000,000. We had about $3,500,000,000 of recoverables. You have collected practically all those and have spent the proceeds for current expenses, relief, and pump priming. We have about $3,000,000,000 cash in the Treasury, which represents the profit on gold which was taken from our people by legislation upheld but cursed by the Supreme Court. Solemn contracts payable in gold were violated by our action. A fictitious value on silver purchases accounts for much of this cash on hand. According to the figures released today there is a national debt of nearly $38,000,000,000. Contemplate the schemes—billions spent in the last 6 years. The Treasury has subscribed for the capital stock in some 24 separate corporations which we have set up for relief purposes. We have as recoverables in this report, outside of foreign debts, about three billions and a half claimed as real assets. Will you tell me, after studying this Treasury report, how much of the three billions and a half is really recoverable? It carries a notation at the bottom that these assets are carried at face value. The Commodity Credit Corporation capital stock was shown here last week as worth only about $6,000,000, but it is carried in this report as worth the full $100,000,000. Farmers' seed loans are carried as assets, even notes held given by farmers as far back as 1921. What really is the value of the capital stock in these various corporations? Make some inquiries and let us see if you can get the information. Do not tell the Nation that we have three and a half billion dollars of recoverables, but tell them that perhaps a billion and a half will be a fair estimate. Why not have these assets audited and learn the truth? After 6 long years, we have learned apparently nothing as to the proper method of administering relief.

At the first of this session it was determined to earmark relief appropriations, but in the end you are handing even a larger blank check than ever before to the President of the United States. At first you gave $125,000,000 for direct relief, and then cut it down to only twenty-five million. Of course this will allow the funds to be used in better schemes for vote-getting purposes. There is now much fuller realization that this great fund will indeed be most effective in priming the primaries. No one now contends its great political value and its shameless use for political purposes. One would think that the Committee on Expenditures would be troubled in their consciences to such a degree that they would summon the spenders for an accounting. My main purpose in taking the floor was to remind you of our present high taxes, greater per capita than other countries, and that we are not raising in taxes scarcely one-half the amount we are spending this year. This is evidently to be a $12,000,000,000 Congress. Instead of a promised balanced Budget for 1938, these appropriations being made today will be spent not only in this, but the following years. There is no hope of a balanced Budget for several years to come. Under such an outlook in the future, fear will continue to stalk the land even to a greater extent than heretofore.

Again, Where are we going to get this money? We dodge our own responsibilities and place the burden on our innocent grandchildren. Again we have learned nothing in 6 long years as to the proper method to administer relief and are still floundering helplessly. Again we give a blank check to the President of the United States that he may punish, and punish well, those especially of his own party who have not been in accord with his viewpoint. I sympathize with my Democratic friends. However, you have brought this situation upon yourselves and upon the country. Your great majority forces you to assume full responsibility.

Mr. WOODRUM. Mr. Speaker, I yield such time as he may desire to the gentleman from Kansas [Mr. HOUSTON].

LOOKING FORWARD WITH FRIENDS OF AVIATION TO A GREAT NETWORK OF CIVIL AIRPORTS FOR SAFETY IN AIR NAVIGATION, FOR NATIONAL DEFENSE, AND FOR THE PROVEN TRANSPORTATION OF THE FUTURE

Mr. HOUSTON. Mr. Speaker, air transportation has taken its inevitable place as an integral part of the national transportation sytem, having important bearing on all industrial and economic developments, as well as national defense. The situation confronting commercial aviation is somewhat analogous to the early efforts in the development of highways, railways, and the construction of harbors and inland waterways. Like all other forms of transportation, aviation is dependent on some form of government financial assistance. The Air Commerce Act of 1926 provided a basis for construction and maintenance of a great airways network equipped with aids to air navigation. Municipalities, States, and counties throughout the United States contributed heavily by the development and establishment of airports along this airways network and these airports are today not only the most important nucleus of the system but represent the major portion of the total investment.

The rapid growth of air transportation and the advancement and design of construction of modern air-transport equipment requires continuous improvement and maintenance of these ground facilities necessitating a permanent program of financing to satisfactorily meet all conditions as they arise.

Enormous sums have been invested for acquisition of property, construction, development, and maintenance of these airports and in addition large sums will be required to keep the development of these airports abreast with the rapid growth and expansion already made by this form of transportation and anticipated in the future. Such provisions are essential to insure safe and efficient operation of all types of aircraft. These airport facilities provided by the municipalities are rendering a public service of great benefit to the entire Nation and are indispensable to the United States as a facility of national defense. With the exception of such funds as have been made available by the various emergency relief programs, the entire financial burdens have been carried by the individual municipalities, notwithstanding the national and interstate service rendered to the public, the aviation industry, and for national defense. Investments made by municipalities in landing facilities and improvements such as hangars, administration buildings, and service facilities amount to several hundred million dollars and hardly any of these municipal airports in the United States are able to operate on a profitable basis.

The broad public service rendered by such municipal airports may well be exemplied by the case of Wichita, Kans. This city of 115,000 population, known as the birthplace of commercial aviation, provided an airport representing a capital investment of approximately $670,000, consisting of $450,000 city funds and $190,000 Federal funds, which provided for work relief labor. In addition to serving local needs and scheduled operations of two air lines, this development renders service to a population of approximately 1,000,000 people through the arrangement of star routes, railroad mail connections, and other forms of transportation. It also serves as a refuel base for military and naval aircraft. This city is now forced with the necessity of improving the present facilities by the construction of hard-surfaced runways and other developments to make the airport adequate for all weather operations of heavy transport and military aircraft expected to reach weights of over 70,000 or 100,000 pounds in the near future. These added improvements will cost in the neighborhood of $1,000,000, the city's share amounting to some $150,000, an enormous burden on an already heavily taxed municipality.

The construction of the Wichita Municipal Airport has covered a period of approximately 10 years and the airport has been carefully developed in accordance with a master plan prepared by the board of park commissioners under the able direction of Mr. Alfred MacDonald, nationally recognized authority on park and airport problems.

The Federal Government has long recognized the importance to the Nation of its transportation systems. It has as a matter of public policy rendered financial assistance in the development of a national highways system, for the construction of railroads, and the development of harbors and inland waterways. The adoption of a policy of permanent Federal financial assistance in the development and maintenance of public airports performing distinctly an interstate and Federal function would not mark any departure from established policy, particularly since such airports are absolutely necessary to the safe operation of air transport and for adequate national defense.

This important national problem was discussed at a conference held in Washington on December 6 and 7, 1937. Fourteen Federal, State, municipal, and private organizations were represented at this conference, including the following: Aeronautical Chamber of Commerce, Air Transport Association, Airline Pilots Association, American Municipal Association, National Aeronautic Association, National Association of State Aviation Officials, National Safety Council, Inc., Navy Department, Private Flyers Association, Sportsman Pilots Association, Treasury Department (Coast Guard), United States Conference of Mayors, War Department, and the Works Progress Administration, and Department of Commerce.

Various well-known aviation authorities and leaders in the Government field were called upon for their opinions and recommendations in this connection. Following are statements made by a few of these representatives which are significant and indicative of the importance of this national airport problem.

Mr. Clifford W. Ham, executive director of the American Municipal Association, comprised of a membership of 7,000 municipalities:

> That Federal participation in airport development should not be construed as part of an emergency program * * *. Airports are each interstate and national in character and have an important Federal significance. * * * No power exists by which local governments can create and derive any revenue from or develop any plans for such interstate business. Because of such interstate character, as well as its concern with air-mail movements and its concern with the safety and regulation of all interstate carriers, the Federal Government's function is clearly and forcibly portrayed. It was because of these facts that we passed at the annual convention of the American Municipal Association last October, a resolution urging that Congress enact the necessary legislation and provide funds to effectuate immediately an airport-development program, including construction, maintenance, and operation of a national long-term scale under a plan of Federal aid similar to that granted in construction and maintenance of highways and the development of waterways. The association continues to believe that only through the provision of such Federal aid will commercial aviation be able to grow and expand in the future.

Statement by Col. Floyd E. Evans, chairman, National Association of State Aviation Officials:

> We feel that Federal aid must be absolutely forthcoming.

Statement by Lt. Col. F. C. Harrington, Assistant Administrator and Chief Engineer of the Works Progress Administration:

> In connection with the relationship that is to exist in the future between the Federal Government, the State, and communities in airport construction, I want to mention a rather obvious analogy with which I happen to be familiar, due to the fact that I am in the Engineer Corps of the Army. It appears to me that the question that confronts the country in air navigation now is similar to the situation that confronted the country many years ago in the development of harbors. Over a long period of years a technique for Federal and local cooperation in the construction of harbors has been worked out that has proved to be a sound and logical one. * * * The Federal Government provides the channels and the anchorage areas in the harbors. No one has ever thought the Federal Government should provide the terminals, the piers, wharves, and warehouses, so it seems to me that principle could be applied to the question of airport development. The Federal Government might provide the runways in the first instance, but I do not think that the Federal Government has any proper part in the construction of hangars, administration buildings, and shops.

Statement of Maj. Gen. Oscar Westover, Chief, Air Corps, United States Army, quoting from an article appearing in the New York Times, February 9, 1936:

> The principal bases for defense against air attack is the network of civil airports extending into all the strategic areas of the continental United States.

From a resolution adopted by the United States Conference of Mayors, the following statement is made:

> *Resolved*, That the United States Conference of Mayors petition the Congress of the United States to enact such legislation as is necessary and competent to provide for and authorize a permanent program of Federal financial cooperation in the construction, improvement, development, and expansion of publicly owned airports, to the end that adequate funds will be available, when needed, to carry on and complete such projects of construction, improvement, development, and expansion as are necessary to meet the requirements of public safety, public convenience, and the proper functioning of the aviation industry in its service to the people of the United States.

An important provision of S. 3845, the bill to create a Civil Aeronautics Authority, is that requiring the Authority, through the Administrator, to make a field survey of the existing system of airports and to present to the Congress, not later than February 1, 1939, definite recommendations as to whether the Federal Government should participate in the construction, improvement, development, operation, or maintenance of a national system of airports; and if Federal participation is recommended, the extent to which and the manner in which, the Federal Government shall so participate.

The Works Progress Administration has expended approximately $350,000 on airport projects in the State of Kansas, six projects having been completed, three now in the course of construction, and eight additional projects are on the approved list. The W. P. A. has performed a splendid service for which full credit is given, but the United States must not depend upon this year-to-year emergency program of airport development, and I earnestly hope and believe the Seventy-sixth Congress will promptly provide Federal funds in a substantial amount for the adequate and systematic development and maintenance of a long-range national system of airports.

Mr. WOODRUM. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. BACON].

Mr. BACON. Mr. Speaker, I ask unanimous consent to extend my remarks and to include therein an editorial to which I shall refer in my remarks.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. BACON. Mr. Speaker, no one on the Republican side begrudges appropriations to relieve distress, and I refer to title I. We may differ as to the methods of spending the money appropriated under title I, but no one disagrees with the policy that Congress must appropriate sufficient money to relieve the unemployed and to take care of those out of work.

My thought in speaking a few minutes today, however, is directed to the so-called pump-priming features of the bill, title II. Mr. Roosevelt presented his pump-priming program to Congress on April 14. The effect was not what he expected. If there was any psychological effect to be gained by the pump-priming program, certainly it would have been shown in the commodity prices and the stock market in anticipation of the improvement that might come from pump priming.

I read from the New York Times of June 13:

> The average price of 50 representative stocks, as reflected in the New York Times index, was 80.73 at the close on April 13, the day before the President's spending message. Last Saturday they closed at 80.04.

Cotton closed down in that 2-month period. Wheat was down, corn was down. Oats held the same. Rye was

lower. There is no increase in public demand for any of these stable commodities. Demand has decreased. Apparently the only demand for these commodities comes from Europe due to a drought in Europe, but there is no increased demand in this country.

The Time's editorial goes on to say:

It is not merely businessmen, investors, and economists who are not inspired by the new program, but the man in the street. "We've tried spending," is his typical response, "and we're right back in a depression." Rightly or wrongly, the country has come to look upon the new spending program more as a huge political slush fund than as a recovery measure.

This is pretty strong language from a great Democratic paper. The article then goes on to say that pump priming will be a harm to the country unless private business, private capital, and private investments take up the slack. The reason that private business and investment will not and cannot take up the slack is because they are scared to death. They have lost confidence. Pump-priming by the Government cannot go on forever. Pump priming is of use only if it encourages private business and private capital once more to flow into the channels of trade. This Congress and this administration have caused the country to have a lack of confidence in the future. Private capital is scared to death. It does not know where to go. Unless private business and private capital can once more flow in the channels of trade, this pump priming and spending will do us in the long run more harm than good because we shall be back just where we were before and we shall have to do it all over again and with a greatly increased debt. There must come an end some day to the Government's ability to borrow money for deficit financing.

Mr. Speaker, I shall insert in my remarks at this point the complete editorial from which I quote excerpts.

The editorial follows:

THE METHOD OF RECOVERY

Mr. Roosevelt presented his detailed pump-priming program to Congress on April 14. Two months have now gone by and meanwhile Congress has granted to the President practically all that he asked for and more. In addition, gold has been "desterilized," bank reserve requirements have been lowered, and more potential bank credit has been made available. If there had been any real belief among the managers of business, investors, and the general public that this program would be likely to achieve its declared purpose of "pulling us out of the slump" there would have been an anticipatory improvement in the markets and in business activity. What has been the actual result?

The average price of 50 representative stocks, as reflected in the New York Times index, was 80.73 at the close on April 13, the day before the President's spending message. Last Saturday they closed at 80.04. July cotton, which closed at 8.71 cents a pound on April 13, closed last week at 8.14. Wheat, which closed at 79⅞ cents a bushel on April 13, closed last week at 79¼ cents (it has meanwhile been as low as 67⅝ cents). Corn, which closed at 61⅝ cents a bushel on April 13, closed at 59½ cents last week. Oats were unchanged and rye was lower. In some cases supplies are estimated to be larger now than they were 2 months ago, but the only estimated increase in demand is through drought and unexpected shortages developing outside of this country. There is certainly no increased demand because of recovery.

On the contrary, both in prices and activity conditions have become poorer. Two weeks ago the Annalist index of wholesale commodity prices fell to the lowest level since May 1936. In the week ended June 4 business activity, which has continued to decline since the President's pump-priming message, fell to its lowest point for the current depression—the lowest point it has reached, in fact, since May of 1933.

It should be unnecessary to rehearse again the reasons for this apathetic response of prices and business activity to the pump-priming program. No critical study of the past yields any convincing evidence that increased Government spending takes up the slack in private spending or brings recovery. It is not merely businessmen, investors, and economists who are not inspired by the new program, but the man in the street. "We've tried spending," is his typical response, "and we're right back in a depression." Rightly or wrongly, the country has come to look upon the new spending program more as a huge political slush fund than as a recovery measure.

The measures needed for recovery are still what they have always been. Expansion of business implies new investment and the assumption by businessmen of new risks. Those risks will be assumed only if there is reasonable prospect for profits large enough to compensate for taking the risk. And this implies on the part of the administration a clear recognition of and a sympathetic interest in the businessman's problems. For under the system of private enterprise it is private employers who provide employment; and unless they are in a position adequately to do that, our chief economic problem cannot be solved.

Mr. SIROVICH. So the gentleman is of the opinion that something may still be done which will restore these men to their former salaries in order to enable them to have the consuming and purchasing power to which the white-collared men are entitled?

Mr. WOODRUM. I understand that is under consideration by the W. P. A.

[Here the gavel fell.]

Mr. BACON. Mr. Speaker, in connection with the remarks I just made, I ask unanimous consent to include in full the short editorial from which I quoted.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. WOODRUM. Mr. Speaker, I move the previous question on agreeing to the conference report.

The previous question was ordered.

The SPEAKER pro tempore (Mr. LANHAM). The question is on agreeing to the conference report.

The question was taken; and on a division (demanded by Mr. TABER) there were—ayes 99, noes 10.

Mr. TABER. Mr. Speaker, I object to the vote on the ground there is not a quorum present.

The SPEAKER pro tempore. The Chair will count. [After counting.] One hundred and eighty-eight Members are present, not a quorum.

The Doorkeeper will close the doors, the Sergeant at Arms will notify the absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 297, nays 74, not voting 57, as follows:

[Roll No. 115]

YEAS—297

Aleshire	Bradley	Garrett	Kniffin
Allen, Del.	Cooper	Gavagan	Kocialkowski
Allen, La.	Costello	Gearhart	Koppleмann
Allen, Pa.	Cravens	Gehrmann	Kramer
Amlie	Creal	Gildea	Kvale
Anderson, Mo.	Crosby	Gingery	Lambeth
Arnold	Crosser	Goldsborough	Lanham
Barden	Crowe	Gray, Ind.	Lanzetta
Barry	Cullen	Gray, Pa.	Larrabee
Bates, Ky.	Cummings	Greenwood	Lea
Beam	Daly	Greever	Leavy
Beiter	Delaney	Gregory	Lesinski
Bell	DeMuth	Griffith	Lewis, Colo.
Bernard	DeRouen	Haines	Lewis, Md.
Biermann	Dickstein	Hamilton	Long
Bigelow	Dies	Hancock, N. C.	Lucas
Binderup	Dingell	Harlan	Luckey, Nebr.
Bland	Dirksen	Harrington	Ludlow
Bloom	Dixon	Hart	Luecke, Mich.
Boileau	Dorsey	Harter	McClellan
Boland, Pa.	Dowell	Havenner	McCormack
Boren	Doxey	Healey	McFarlane
Boyer	Drew, Pa.	Hennings	McGehee
Boykin	Driver	Hildebrandt	McGranery
Boylan, N. Y.	Duncan	Hill	McGrath
Cooley	Dunn	Hobbs	McKeough
Brewster	Eberharter	Honeyman	McLaughlin
Brooks	Eckert	Hope	McReynolds
Brown	Edmiston	Houston	McSweeney
Buck	Eicher	Hull	Maas
Buckler, Minn.	Elliott	Hunter	Magnuson
Buckley, N. Y.	Englebright	Imhoff	Mahon, S. C.
Bulwinkle	Evans	Izac	Mahon, Tex.
Burdick	Faddis	Jacobsen	Maloney
Byrne	Farley	Jenckes, Ind.	Martin, Colo.
Cannon, Mo.	Ferguson	Johnson, LutherA.	Massingale
Cannon, Wis.	Fitzgerald	Johnson, Lyndon	Maverick
Carter	Fitzpatrick	Johnson, Minn.	May
Case, S. Dak.	Flaherty	Johnson, W. Va.	Mead
Celler	Flannagan	Jones	Meeks
Chandler	Flannery	Kee	Merritt
Chapman	Fleger	Keller	Mills
Citron	Fletcher	Kelly, Ill.	Mitchell, Ill.
Claypool	Forand	Kelly, N. Y.	Moser, Pa.
Cochran	Ford, Miss.	Kennedy, Md.	Mosier, Ohio
Coffee, Wash.	Frey, Pa.	Kennedy, N. Y.	Mott
Cole, Md.	Fries, Ill.	Keogh	Mouton
Collins,	Fuller	Kerr	Murdock, Ariz.
Colmer	Fulmer	Kirwan	Nelson
Connery	Gambrill, Md.	Kitchens	Nichols

Norton	Rabaut	Shanley	Thompson, Ill.
O'Brien, Ill.	Ramsay	Shannon	Tolan
O'Brien, Mich.	Ramspeck	Sheppard	Towey
O'Connell, Mont.	Randolph	Sirovich	Transue
O'Connell, R. I.	Rayburn	Smith, Conn.	Turner
O'Connor, N. Y.	Reilly	Smith, Wash.	Vincent, Ky.
O'Leary	Richards	Smith, W. Va.	Vinson, Ga.
O'Malley	Rigney	Snyder, Pa.	Voorhis
O'Neal, Ky.	Robinson, Utah	Somers, N. Y.	Wallgren
O'Neill, N. J.	Rogers, Mass.	South	Walter
O'Toole	Romjue	Sparkman	Warren
Owen	Roy	Spence	Wearin
Palmisano	Sabath	Starnes	Welch
Parsons	Sacks	Stefan	Wene
Patman	Sadowski	Sullivan	Whittington
Patterson	Sanders	Sumners, Tex.	Wilcox
Patton	Satterfield	Sutphin	Williams
Pearson	Sauthoff	Swope	Withrow
Peterson, Fla.	Schaefer, Ill.	Tarver	Wolverton
Pfeifer	Schneider, Wis.	Taylor, S. C.	Wood
Phillips	Schuetz	Teigan	Woodrum
Pierce	Schulte	Terry	Zimmerman
Poage	Scott	Thom	
Powers	Secrest	Thomas, Tex.	
Quinn	Seger	Thomason, Tex.	

NAYS—74

Allen, Ill.	Fish	Mason	Short
Andresen, Minn.	Gamble, N. Y.	Michener	Simpson
Arends	Gifford	Oliver	Smith, Maine
Bacon	Gilchrist	Pace	Smith, Va.
Barton	Gwynne	Peterson, Ga.	Snell
Bates, Mass.	Halleck	Pettengill	Taber
Carlson	Hancock, N. Y.	Plumley	Taylor, Tenn.
Church	Jarrett	Polk	Thurston
Clark, N. C.	Jenkins, Ohio	Rankin	Tobey
Clason	Kinzer	Reece, Tenn.	Treadway
Cluett	Kleberg	Reed, Ill.	Umstead
Cole, N. Y.	Knutson	Rees, Kans.	Wadsworth
Cox	Lambertson	Rich	West
Crawford	Lamneck	Robertson	Wigglesworth
Crowther	Lord	Robsion, Ky.	Wolcott
Culkin	Luce	Rockefeller	Wolfenden
Dondero	McLean	Rogers, Okla.	Woodruff
Drewry, Va.	Mapes	Rutherford	
Engel	Martin, Mass.	Shafer, Mich.	

NOT VOTING—57

Andrews	Ditter	Hook	Scrugham
Ashbrook	Dockweiler	Jarman	Smith, Okla.
Atkinson	Doughton	Johnson, Okla.	Stack
Boehne	Douglas	Lemke	Steagall
Burch	Eaton	McAndrews	Sweeney
Caldwell	Fernandez	McGroarty	Taylor, Colo.
Cartwright	Ford, Calif.	McMillan	Thomas, N. J.
Casey, Mass.	Gasque	Mansfield	Tinkham
Champion	Green	Mitchell, Tenn.	Weaver
Clark, Idaho	Griswold	Murdock, Utah	Whelchel
Coffee, Nebr.	Guyer	O'Connor, Mont.	White, Idaho
Curley	Hartley	O'Day	White, Ohio
Deen	Hendricks	Patrick	
Dempsey	Hoffman	Reed, N. Y.	
Disney	Holmes	Ryan	

So the conference report was agreed to.

The Clerk announced the following pairs:

On this vote:

Mrs. O'Day (for) with Mr. Andrews (against).
Mr. Lemke (for) with Mr. Tinkham (against).
Mr. Clark of Idaho (for) with Mr. Hoffman (against).
Mr. Curley (for) with Mr. Ditter (against).
Mr. Griswold (for) with Mr. Reed of New York (against).
Mr. Dempsey (for) with Mr. Eaton (against).
Mr. Casey of Massachusetts (for) with Mr. Hartley (against).

Until further notice:

Mr. Doughton with Mr. Thomas of New Jersey.
Mr. Burch with Mr. Guyer.
Mr. Mansfield with Mrs. Rogers of Massachusetts.
Mr. Patrick with Mr. Holmes.
Mr. O'Connor of Montana with Mr. Douglas.
Mr. Fernandez with Mr. White of Ohio.
Mr. McMillan with Mr. McAndrews.
Mr. Gasque with Mr. White of Idaho.
Mr. Ford of California with Mr. Johnson of Oklahoma.
Mr. Boehne with Mr. Stack.
Mr. Ryan with Mr. Disney.
Mr. Whelchel with Mr. Taylor of Colorado.
Mr. Ashbrook with Mr. Weaver.
Mr. Coffee of Nebraska with Mr. Jarman.
Mr. Hook with Mr. Steagall.
Mr. Hendricks with Mr. Sweeney.
Mr. Scrugham with Mr. Cartwright.
Mr. Atkinson with Mr. Murdock of Utah.
Mr. Deen with Mr. Smith of Oklahoma.
Mr. Mitchell of Tennessee with Mr. Dockweiler.
Mr. Green with Mr. Caldwell.

Mr. HART changed his vote from "nay" to "yea."

The doors were opened.

The result of the vote was announced as above recorded.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Amendment No. 72: Page 31, after line 20, insert the following:

"SEC. 402. For an additional amount for salaries and expenses of the Rural Electrification Administration, fiscal years 1938 and 1939, including the same objects and under the same conditions specified under this head in the Independent Offices Appropriation Act, 1939, there is appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $1,000,000."

Mr. WOODRUM. Mr. Speaker, I move to recede and concur with an amendment which I send to the Clerk's desk.

The Clerk read as follows:

Mr. WOODRUM moves that the House recede from its disagreement to the amendment of the Senate No. 72, and agree to the same with an amendment as follows: In line 5 of the matter inserted by said amendment after the numerals "1939", insert the following: "including printing and binding"; and in line 7 of such matter strike out the sum "$1,000,000" and insert in lieu thereof the sum "$500,000."

Mr. WOODRUM. Mr. Speaker, I move the previous question.

Mr. RANKIN. Will the gentleman withhold that a moment?

Mr. WOODRUM. I withhold it.

Mr. RANKIN. Mr. Speaker, I wonder if the gentleman would yield to me to offer an amendment increasing this amount.

Mr. WOODRUM. The gentleman has already offered too many amendments. Seriously, may I say to the gentleman, the conferees of the House and Senate went into this matter very carefully. We feel very confident that the amount provided in this amendment will adequately take care of their administrative expenses.

Mr. RANKIN. I realize I am not permitted to offer an amendment unless the gentleman yields but, frankly, I think the amount ought to be raised back to the million dollars. As I understand the parliamentary situation, if we vote down the motion, we may lose the entire amount.

Mr. WOODRUM. I think that is correct.

Mr. RANKIN. Of course, I do not want to do that because we certainly need all the administrative expenses we can get down there, at least up to a million dollars. I wish the gentleman would agree to yield so that I may offer an amendment and I think the House will vote with me.

Mr. WOODRUM. I think it would not. I cannot yield for that purpose.

Mr. Speaker, I move the previous question.

The previous question was ordered.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

TITLE V. PRICE ADJUSTMENT ACT OF 1938

SEC. 501. There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, to be available until expended, the sum of $212,000,000 to enable the Secretary of Agriculture to make price-adjustment payments to producers of wheat, cotton, corn in the commercial corn-producing area, the kinds of tobacco for which farm acreage allotments were established under the 1938 agricultural conservation program, and rice, upon the normal yield of the farm acreage allotment established for the commodity under the 1939 agricultural conservation program. Such payments shall not be made with respect to any farm on which the acreage planted to the commodity for harvest in 1939 exceeds the farm acreage allotment for the commodity established under said 1939 agricultural conservation program. The rates of such payments shall not be less than 10 cents per bushel in the case of wheat, 2 cents per pound in the case of lint cotton, 5 cents per bushel in the case of corn, 1 cent per pound in the case of any of the foregoing kinds of tobacco, and one-fifth cent per pound in the case of rough rice: *Provided*, That, if a smaller rate shall be sufficient to bring the average farm price for any commodity to 75 percent of the parity price, the payments with respect to such commodity shall be made at such smaller rate. If funds should remain after payments were made at the foregoing rates said rates of payment may be increased. Any increases in such rates shall be made so as to bring the average return to producers from each commodity, including the payment hereunder, as nearly as may be possible to a uniform percentage, not in excess of 75 percent of the parity price. For the purpose of this section, the average farm price and parity price for each commodity shall be determined

for the first 5 months of the marketing year of 1938 (as defined in the Agricultural Adjustment Act of 1938) for such commodity. In administering this title said sum shall be available for the employment of persons and means in the District of Columbia and elsewhere, rent in the District of Columbia, and printing and binding, and the provisions of law relating to the appointment and compensation of persons employed by the Agricultural Adjustment Administration shall apply. The Secretary of Agriculture is authorized to issue such rules and regulations as may be necessary to administer this title. In case any person who is entitled to payment hereunder dies, becomes incompetent, or disappears before receiving such payment or is succeeded by another who renders or completes the required performance, payment shall, without regard to any other provisions of law, be made as the Secretary of Agriculture may determine to be fair and reasonable in all circumstances and provided by regulations. The provisions of other titles of this joint resolution shall not be applicable to this title.

Mr. WOODRUM. Mr. Speaker, I move that the House further insist on its disagreement to the Senate amendment.

Mr. CANNON of Missouri. Mr. Speaker, I offer a preferential motion.

The Clerk read as follows:

Mr. CANNON of Missouri moves that the House recede from its disagreement to the amendment of the Senate No. 74 and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

"TITLE V. PRICE ADJUSTMENT ACT OF 1938

"SEC. 501. There is hereby appropriated out of any money in the Treasury not otherwise appropriated, to be available until expended, the sum of $212,000,000 to enable the Secretary of Agriculture to make parity payments to producers of wheat, cotton, corn (in the commercial corn-producing area), rice, and tobacco pursuant to the provisions of section 303 of the Agricultural Adjustment Act of 1938: *Provided, however,* That, notwithstanding the provisions of said section, one-half of this sum shall be apportioned among such commodities in accordance with the provisions of said section 303 of the Agricultural Adjustment Act of 1938 and one-half shall be apportioned among such commodities in the same proportion that funds available for sections 7 to 17, inclusive, of the Soil Conservation and Domestic Allotment Act would be allocated to such commodities in connection with the 1939 agricultural conservation program on the basis of the standards set forth in section 104 of the Agricultural Adjustment Act of 1938: *Provided further,* That such payments with respect to any such commodity shall be made upon the normal yield of the farm acreage allotment established for the commodity under the 1939 agricultural conservation program, and shall be made with respect to a farm only in the event that the acreage planted to the commodity for harvest on the farm in 1939 is not in excess of the farm acreage allotment established for the commodity under said program: *And provided further,* That the rate of payment with respect to any commodity shall not exceed the amount by which the average farm price of the commodity is less than 75 percent of the parity price.

In apportioning the funds among commodities, parity income for each commodity shall be considered a normal year's domestic consumption and exports (in the case of corn, that part of a normal year's domestic consumption and exports determined on the basis of the proportion that corn production in the commercial corn-producing area was of United States production during the 5 years 1928–32, inclusive) of such commodity times the parity price. In determining parity prices and farm prices for these commodities, that part of the marketing year ending January 31, 1939, shall be used. In case any person who is entitled to payment hereunder dies, becomes incompetent, or disappears before receiving such payment or is succeeded by another who renders or completes the required performance, payment shall, without regard to any other provisions of law, be made as the Secretary of Agriculture may determine to be fair and reasonable in all the circumstances and provide by regulations. The administration of this title shall be in accordance with the provisions of the Agricultural Adjustment Act of 1938 and the provisions of other titles of this joint resolution shall not apply to this title.

Mr. RICH. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. RICH. The motion offered by the gentleman from Missouri states that $212,000,000 is to be paid out of Treasury funds not already appropriated. When there is no money in the Treasury, how can it be appropriated?

The SPEAKER. The Chair does not consider that a parliamentary inquiry.

Mr. TABER. Mr. Speaker, I reserve a point of order against the amendment.

The SPEAKER. The Chair is of the opinion that the gentleman is late in reserving the point of order.

Mr. WOODRUM. Mr. Speaker, I yield 30 minutes to the gentleman from Missouri.

Mr. CANNON of Missouri. Mr. Speaker, it is highly appropriate that the consideration of this amendment follows the consideration of the conference report on the wage and hour bill. They are companion measures. One is intended to provide for an adequate wage and a fair standard of living for labor and the other is proposed with a view of contributing to a more adequate wage and a fairer standard of living for agriculture.

As I came on the floor just now a Member said, "Why, they are both in violation of the law of supply and demand." That is true, Mr. Speaker, but we have been busy in this Congress and in the last several Congresses amending and modifying, and sometimes nullifying, the law of supply and demand, and just as busily relegating to the limbo of the past the frequently cited doctrine of laissez faire. Under a law passed by Congress, the Bituminous Coal Commission has just put a floor under the price of coal, increasing the cost to the consumer by $300,000,000. Coal enters into the cost of production of every farmer in the United States. The farmer pays a large part of that $300,000,000.

A few weeks ago the Interstate Commerce Commission, under authority granted by Congress, raised freight rates. The farmer more than any other consumer pays these arbitrary increases in freight rates. He pays the freight on everything he sells and he pays the freight on everything he buys. If anyone has any doubt about it let him examine a farmer's bill of sale on produce shipped, and his bill of lading on goods purchased, and he will find the freight is taken out of the check received for produce and added to the price paid for purchases. An Interstate Commerce Commission increase in railroad rates is a sight draft on the farmer. Not long since, Congress passed the Bus and Truck Act. Busses and trucks are the poor man's transportation, and when the Interstate Commerce Commission puts a floor under bus and truck rates the increase is paid principally by the farmers of America.

During this Congress we passed the "hot oil" bill. Who consumes oil and gas? The farmer, by the very nature of his profession, is the principal consumed of oil and gas and all their products. When Congress passed that law and by virtue of its enactment put a floor under the price of gas and oil, to that extent you placed an added burden on the cost of production of every farmer in the United States.

Just a week or two ago you passed the price-maintenance bill, in effect a sales tax levied and collected by the manufacturer, which increases the cost of living of every man, woman, and child in America, and especially the farmer. You put a floor under competitive retail prices by the enactment of a law, and when you passed that law you legislated money out of the pockets of the farmer.

This afternoon, when you agreed to the conference report on the wage and hour bill, you put a floor under wages. Labor enters into the cost of every article that goes into the farmer's cost of production on his farm, and the cost of living in his home.

Now, Mr. Speaker, if we can put a floor under the price of commodities and services the farmer consumes; if we can fix minimum wages and by law require the farmer to pay them, can we not in all justice and equity put a floor under sagging agricultural prices and establish a minimum wage for work on the farm as well as in the factory?

If legislation of this character is to be enacted the farmer is entitled to priority.

The farmer, above all others, is in need of this service. Industry and labor have since the World War been able to maintain their price schedules and wage scales, while the farmer, disorganized and burdened by ruinous surpluses, has been at the mercy of the open market, the speculator, the board of trade gambler, and the racketeer. For example, a year ago when wheat was selling at $1.21 a wheat combine cost $2,875. This year with wheat bringing 62 cents on the

farm, a combine costs $3,350. Wheat went down and the machinery which produced it went up. Corn was selling last January for $1.29. Today it is selling for 48 cents a bushel. But in that time freight rates have been advanced by law and it costs more to ship a bushel of corn when it brings 48 cents than it cost to ship it when it brought $1.29. In 1920, 1919 cotton was selling for 43.75 cents per pound and the union wage index was 151. Today cotton is selling for 7.2 cents and the wage scale is 240. In 1920 hogs were bringing $21.50 and average union wage scale, according to the National Industrial Conference Board, averaged 59 cents per hour. Today hogs are $9 and the average wage per hour has advanced from 59 cents to 71.2 cents. The trend has been especially marked during the last year; and while the Department of Agriculture reports a fall of 30 percent in farm prices, the Department of Labor reports steadily increasing wage scales as follows:

Wage scales

Average hourly earnings	March 1937	March 1938
All manufacturing industries	$0.613	$0.655
Building construction	.830	.921
Wholesale trade	.651	.683

Wheat has gone down, cotton has gone down, hogs have gone down, but the price of manufactured commodities and the union scale of wages have gone up. The price of every manufactured commodity which labor and industry sell and which the farmer must buy has gone up. And during the same period of time the price of food and fiber and all raw materials which the farmer sells and which labor and industry must buy have gone down.

Now, the farmer is not protesting against the increases in labor's wage or the rise in factory prices. The farmer believes in high wages. He believes in high prices, but he maintains that if he must pay a high price for commodities and if he must pay a high wage for labor he is himself entitled to a fair wage for his labor and an honest price for his products. And that is the judgment of the American people. For the last two decades every national convention of every political party has incorporated in its platform a pledge to place the farmer on a plane of economic parity with labor and industry.

That was particularly true of the 1936 conventions, and no Congress has ever been more definitely committed to farm relief or more emphatically pledged to agricultural parity than the Seventy-fifth Congress now in session. In keeping with that pledge, and carrying out the promise made to agriculture and the Nation, this Congress enacted the Agricultural Adjustment Act of 1938. Incorporated in that law, in addition to other methods and formulas for stabilizing farm prices, section No. 303, provides a method by which the prices which the farmer receives may be maintained at parity with the prices which he pays.

The time has come to put that provision of the farm law in effect. Prices have fallen today until no agricultural product is selling at the parity price we promised to maintain. Here are prices as of May 15, 1938:

Commodity	Market price	Parity price	Below parity
	Cents	*Cents*	*Cents*
Cotton	8.4	16.1	7.7
Wheat	71.4	114.9	43.5
Corn	52.7	83.5	30.8
Rice	56.4	105.7	49.3

If there was ever a time in the history of the country when conditions warranted the application of the law it is today. If we ever expect the law to achieve the purpose for which it was enacted; if we ever hope to make it effective, now is the time to do it.

But there is one important condition precedent. The law reads "if and when appropriations are made therefore." The law cannot be invoked until funds are provided. It is like a tractor standing in the field ready for service but utterly useless until gasoline is provided. It is ineffective until funds are provided, and that is what the pending amendment does. It appropriates $212,000,000 to put the law in motion.

Unless you provide gasoline for the tractor—unless you adopt this amendment to finance the law, you might as well repeal this section. And unless you provide the money, you might as well abandon all hope of parity for agriculture and acknowledge that in passing the law we were merely giving lip service to the farmer and that the platforms of 1936 were merely "molasses to catch flies."

There are only two objections to this appropriation. One is that the President, in recommending the law, urged that revenue be simultaneously provided to finance it. The other is that the farmer has already received huge amounts in the nature of Government subsidies. As to the first objection, it was pointed out in the Senate when this amendment was under debate, that the sums required for the purpose were so indefinite that no member of the Ways and Means Committee of the House or the Finance Committee of the Senate could estimate the amount needed, or determine the means to be employed in providing it. And even so, if the Treasury is to be tapped for the vast sum carried in the relief bill, practically all of which is to be expended in the larger cities and manufacturing centers, surely we are warranted in taking from the same source this comparatively insignificant amount to be used on the farm. And it is the last opportunity to supply the money necessary to finance parity prices.

The second objection is even more untenable. As large as are the amounts which have been appropriated for farm relief, the amounts which have been appropriated for nonfarm relief are even larger.

When we segregate expenditures by the Federal Government into two groups, expenditures in behalf of farmers and expenditures in behalf of nonfarmers, we find that in 1937 there were total expenditures of approximately $845,000,000 in the first group and $3,091,000,000 in the second group. On a per capita basis this amounts to $27 per person on farms and $32 per person not on farms. This same classification shows the following per capita expenditures:

Agricultural and nonagricultural expenditures of the Federal Government, per capita, 1932–38

	Agricultural (dollars)	Nonagricultural (dollars)
Year ending June 30—		
1932	14	10
1933	4½	15
1934	30	36
1935	32	32
1936	31	28
1937	27	32
1938 (10 months)	23	24
Total (1932–38)	160	178

These estimates of per capita agricultural and nonagricultural expenditures may be related to the per capita income from farm production going to the farm population and the per capita nonfarm income. Taking 1910–14 as 100, our records show that in 1929 farm income per capita available for living was 150 percent of the pre-war average compared with 196 percent for per capita nonfarm income, and the ratio of farm to nonfarm per capita income of 80 percent. By 1932 farm income available for living had fallen to 43 percent of the pre-war average; nonfarm income to 120 percent; and the ratio of farm to nonfarm to 36 percent. In 1937 farm income available for living amounted to 123 percent of pre-war; nonfarm income available for living 158 percent; and the ratio of farm to nonfarm income 78 percent. For 1938 we estimate farm income will be down to 96 percent; nonfarm income 139 percent; and the ratio of farm to nonfarm down to 69 percent.

Mr. Speaker, the need is pressing. The Department of Agriculture predicts that on August 1, 1938, a new cotton

crop of 13,000,000 bales will move into a world market already overburdened with a record-breaking surplus of 25,000,000 bales.

Estimates released this week forecast a wheat crop in excess of a billion bushels. And the Department announced a few days ago that with a surplus of 300,000,000 bushels of corn carried over, the crop this year will be 30 percent greater than normal. The Associated Press reports surpluses in tobacco, rice, wool, peanuts, and cottonseed oil.

With these unwieldly surpluses piling up on every hand in an already falling market and a rapidly declining consumer demand, it is easy to forecast the collapse which will follow harvest unless some action is taken here today to make this section effective. It is not merely a farm problem; it is a national problem. Declining farm prices necessarily mean a declining market for industry and increased unemployment for labor. In voting for this amendment we are voting for prosperous factories as well as prosperous farms. In voting for parity prices we are voting for full-time employment and standard wage scales. In voting for prosperous agriculture we are voting for continued and sustained prosperity throughout the Nation.

Labor and agriculture have a common cause. Members from the agricultural districts have shown their appreciation of that fact today by supporting the wage and hour bill. And I want to thank in advance the Members from the industrial centers who will reciprocate by supporting this amendment.

Mr. WOODRUM. Mr. Speaker, I yield 5 minutes to the gentleman from Wisconsin [Mr. BOILEAU].

Mr. BOILEAU. Mr. Speaker, apparently those who are asking for more funds for the relief of agriculture do not know that the lowering of the prices of agricultural commodities applies as well to other commodities than the five named in this bill. The $212,000,000 will go to just five commodities—wheat, cotton, tobacco, rice, and corn—produced in the commercial corn-producing areas. Not long ago we passed a so-called Agricultural Adjustment Act of 1938, and in that act we made certain inducements to induce producers of these five commodities to control their production; in other words, to reduce their production. We gave them certain inducements, and we thought those inducements were great enough to persuade the producers of those commodities to reduce them so that they would reduce the amount put on the market, and thereby get a fair price for their commodity. In doing that we dealt with corn, and picked a certain area that we called the commercial corn-producing area, and the benefits of this Agricultural Adjustment Act, so far as corn is concerned, applies almost entirely to that corn which is produced in the commercial corn-producing area. If we were right, if the Department of Agriculture down here in Washington was right, in advocating the corn program, then the corn farmers in that commercial corn-producing area will receive sufficient benefit payments under the Soil Conservation Act to enable them to produce corn profitably. If they need this additional program, then it is an admission that the act we passed a couple of months ago is a failure.

In view of the fact that these benefits are provided for and the benefits of this act apply only to the corn-producing area, it seems to me that they already have enough benefits so that if we are to give any additional payments to corn producers, that aid and assistance should be given to the producers of corn, whether it be produced in the commercial corn-producing area or in any other section of the country. There is no more justification for making these additional payments applicable to the producers of corn in certain counties or States only than there is to say that cotton payments shall be made in Alabama and not in Georgia, or that tobacco payments, or rice payments, or wheat payments shall be made to the producers of wheat, rice, or tobacco in one State and not in another. I submit that this provision for this additional payment out of the taxpayers' money, especially as it relates to corn, cannot be justified. Any additional payments should be paid equally to producers of corn wherever that corn may be produced.

I now yield to the gentleman from Illinois.

Mr. LUCAS. The gentleman from Wisconsin, of course, understands that when corn quotas go into effect they do not affect corn produced outside the commercial corn area.

Mr. BOILEAU. I appreciate that fact, but I say to the gentleman from Illinois that the program he advocated here a few months ago, the farm program which applies in all commercial corn-producing areas gave those farmers the benefits they asked for. It is the program the gentleman wanted. If any group of farmers are to get any additional benefits out of the taxpayers' money we want all of the farmers to get their share. Otherwise, it is rank discrimination. [Applause.]

CHOCTAW INDIANS OF MISSISSIPPI

The SPEAKER. With the indulgence of the gentleman from Virginia, the Chair lays before the House the following request from the Senate:

Ordered, That the Secretary be directed to request the House of Representatives to return to the Senate the bill (S. 1478) conferring jurisdiction on the Court of Claims to hear and determine the claims of the Choctaw Indians of the State of Mississippi, with accompanying papers.

The SPEAKER. Without objection, the request will be granted.

There was no objection.

WORK RELIEF AND PUBLIC BUILDINGS BILL

Mr. CANNON of Missouri. Mr. Speaker, I yield 5 minutes to the gentleman from Kansas [Mr. HOPE].

Mr. HOPE. Mr. Speaker, the Agricultural Adjustment Act of 1938 made provision for parity payments upon the five commodities designated in the act if and when appropriations were made available. This appropriation of $212,000,000 is designed only to provide for payments up to 75 percent of parity.

If and when all of the payments provided in this amendment are made the producers of these commodities will still be receiving only 75 percent of what this Congress has decided they should receive if they got a fair return for their capital and labor.

I call attention to the fact that prices of the particular commodities named in the bill and in this amendment, with the exception of tobacco, have declined so that they are now far below parity. I hold in my hand a publication of the Department of Agriculture called the Agricultural Situation. It shows the price index of agricultural products for the month of April 1938. As that time the price of cotton was approximately 52 percent of parity, corn was about 63 percent, and wheat was about 65 percent. Since April these prices have further declined.

The gentleman from Wisconsin and others representing the dairy sections complain because the dairy industry and the agricultural products in the areas which they represent are not included in these payments. I call attention to the fact, however, that dairy products, meat animals, wool, and a number of other products were in April, even with declining prices, bringing prices more than 75 percent of parity.

Mr. BOILEAU. What is the parity on dairy products?

Mr. HOPE. Butterfat is the only dairy product for which I can give figures at the moment. It is 78.6 of parity.

Mr. BOILEAU. We are now getting about 25 cents a pound for butterfat.

Mr. GILCHRIST. Your corn is not getting anywhere near parity today.

Mr. HOPE. If these products were included in this amendment there would be no way by which they could receive any payment, because prices for those products are still above 75 percent of parity. If the dairy industry wants to descend to the low level of prices that are being paid to the producers of grains and cotton, then I will support an amendment to include dairy products in the provisions of this bill.

So that is the answer, I think, to the contention of those who are going to oppose this amendment because their particular products are not included therein.

Mr. HOBBS. Mr. Speaker, will the gentleman yield?

Mr. HOPE. I decline to yield to the gentleman from Wisconsin. I feel I must decline to yield to anybody.

In the brief time remaining I want to call attention to the low income of agricultural producers. I have in my hand a report which is gotten out by the Department of Agriculture every year showing the average annual incomes of the owner-operators of farms throughout the country, north, south, east, and west. This report for the year 1935, which is the latest year for which these figures are available, shows that after making the payments which a farmer has to make for his operating expenses, his average receipts were $552 per year. Now, this is not your poor tenant farmer; this is the average for farmers who operate their own farms throughout the entire United States.

The report further shows that in 1935, 49.3 percent of the owner-operators of farms received less than $500 per year. Think of it—less than $10 per week. This is no 30- or 40-hour week, either. It is a 70- or 80-hour week; not for one man, but an entire farm family.

This year farm prices are lower than in 1935. In that year the general average of farm prices was 86 percent of parity. In April of this year it was 76 percent of parity, and prices of all farm commodities have declined since that time. Larger yields this year may equalize matters, but it is safe to assume that the average farm income, after paying operating expenses, will not exceed that for 1935. It is this situation which this amendment is intended to relieve. I sincerely hope it may be adopted.

Mr. WOODRUM. Mr. Speaker, I yield 5 minutes to the gentleman from Iowa [Mr. BIERMANN].

Mr. BIERMANN. Mr. Speaker, I come from a district that is nearly all agricultural. With the exception of three or four towns every incorporated place in my district is entirely dependent on agriculture. I want to see the farmers of my district and of all the country get parity prices, but I think that we Members who represent farm districts will promote the interest of our constituents a good deal more effectively if we try to be fair about these things.

Here is a proposal to dip into the Treasury of the United States and take out $212,000,000 for the farmers of the United States under the guise of making parity price payments. Of course, this will not make parity price payments. There are six and one-half million farm operators in the United States, and if each one got his share he would get less than $33, so this will not make parity prices.

The President of the United States said if any proposal of this kind was brought in we should furnish the means for raising the extra money. This appropriation properly belonged to the subcommittee of which the distinguished gentleman from Missouri [Mr. CANNON] is chairman. Why did he not bring in a provision for parity prices in the Agricultural appropriation bill a few days ago? He knows something about how much it would take to make parity prices and he had too good judgment to try to bring in something that would even propose to make parity prices.

This bill we are considering today provides for a tremendous expenditure of public money. It provides, as I understand, for $1,600,000,000 of relief money. That is gone for good. To be sure, we get some worth-while things from it, but the money never comes back to the Treasury. Besides that there are loans and grants for the Public Works Administration. There is $800,000,000 in loans for the Federal Housing Administration, plus millions for Federal public buildings, plus many millions for R. E. A. and many other smaller items. The taxpayers eventually are going to have to pay this bill.

How have the farmers been treated by this administration? How are they being treated this year? The bill that the gentleman from Missouri brought in here, and for which I voted, provided for something like $1,100,000,000 in agricultural appropriations. To be sure, not all of that goes to activities that are exclusively agricultural, but the bulk of that money does go to American farmers.

I have a bill that provides 3½ percent on Federal land bank loans and 4-percent interest on commissioner's loans up to June 30, 1940. That has passed both Houses and I think the President will sign it or else it will be sent back here in time to be passed over his veto. That will save about $30,000,000 per year for the farmers who owe on their places. In this bill there are $484,000,000 for public roads. The farmers get the bulk of that benefit. There is provision for drainage, irrigation, conservation, and for combatting insect pests under this relief bill.

There is provision for $75,000,000 for the National Youth Administration, and, of course, the boys and girls from the farms will get their portion of that. There is provision for $175,000,000 for the Farm Security Administration. The farmers will get all of that. They will get all the $100,000,000 for rural electrification loans, which are intended to bring to the farms of America the same comforts and conveniences that are enjoyed in the towns and cities. Should we Representatives of farm constituencies demand more, merely because we have the votes to make our demands effective?

We ought to be fair in these matters. Other groups ought to be fair. We cannot continue indefinitely to come in here and demand more and more money every time our group has the votes to take the money out of the Treasury of the United States.

I want to be fair to labor, to industry, to agriculture. The prosperity of each is dependent on the prosperity of the other two. America will go forward better when each recognizes the rights of the other two. There has been too much disposition here lately to grab all we can for our own group. That is not statesmanship. It is not patriotic. We have the votes here today to take this $212,000,000 out of money that the Treasury must borrow, and we can bestow it on farmers. But is it fair for us to do so? Truly it is not. I do not believe farmers, knowing the facts, would want us to do it. At any rate, to my mind it is clearly unfair. It is taking advantage, in a discreditable way, of the fact that we have the votes. I shall not support that kind of legislation.

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Speaker, I yield such time as he may desire to the gentleman from Texas [Mr. PATMAN].

CANNON AMENDMENT SHOULD BE ADOPTED

Mr. PATMAN. Mr. Speaker, I sincerely hope that the Cannon amendment, which will appropriate $212,000,000 to the fund intended to assist in giving the farmers parity prices, will pass and become a law. The farmers are entitled to parity prices. At least that much. In order to get cost of production plus a reasonable profit, it will require more than parity prices. This Congress is obligated to appropriate the money to give the producers of basic agricultural products at least a parity price.

If this amendment passes, the farmers will receive 2 cents additional per pound on their cotton this year, although it probably will not be paid until the end of this year or the first of next. This payment will be in addition to the soil-conservation payments and the subsidy payments from the $147,000,000 fund representing 30 percent of the tariff duties this year. In all, the farmers will receive from the Government, if this amendment is enacted into law, more than $30 a bale. Although this seems like a large amount, the income of the farmer will still be low, considering the great reduction in production and the low market price. As long as the farmer receives less than $100 a bale for cotton he is not receiving enough.

It was my pleasure as a member of the Banking and Currency Committee to work with the Members from the cities and assist them in obtaining a liberal appropriation for low-cost housing. Now these Members are reciprocating by voting for this amendment. Members from the cities have another reason; they realize that the country cannot be prosperous without the farmers being prosperous. Today the farmers have more support from industrial areas

than ever before in the history of the country because of the fine teamwork that has been demonstrated between Members from the country and Members from the city working in the interest of the general welfare of all the people.

PRESIDENT SAID INCREASE FARM PURCHASING POWER

On March 16, 1933, the President of the United States, in a message to Congress, stated:

To the Congress:

At the same time that you and I are joining in emergency action to bring order to our banks, and to make our regular Federal expenditures balance our income, I deem it of equal importance to take other and simultaneous steps without waiting for a later meeting of the Congress. One of these is of definite constructive importance to our economic recovery.

It relates to agriculture and seeks to increase the purchasing power of our farmers and the consumption of articles manufactured in our industrial communities; and at the same time greatly to relieve the pressure of farm mortgages and to increase the asset value of farm loans made by our banking institutions.

* * * I tell you frankly that it is a new and untrod path, but I tell you with equal frankness that an unprecedented condition calls for the trial of new means to rescue agriculture. If a fair administrative trial of it is made and it does not produce the hoped-for results, I shall be the first to acknowledge it and advise you.

PARITY PRICES DEMANDED BY ADMINISTRATION

In the CONGRESSIONAL RECORD of March 20, 1933, commencing at page 642 of the bound volumes, there is printed a radio address on the farm bill by the Honorable Henry A. Wallace, Secretary of Agriculture. In this radio address Mr. Wallace stated:

Now for the things the new farm bill proposes to do.

Its basic purpose, first of all, is to increase the purchasing power of farmers. It is, by that token, farm relief, but it is also by the same token, national relief, for it is true that millions of urban unemployed will have a better chance of going back to work when farm purchasing power rises enough to buy the products of city factories.

The goal of the bill, in terms of price, is pre-war parity between the things the farmer sells and the things the farmer buys. Let me explain that. In the pre-war years, 1909–14, wheat brought around 88 or 90 cents a bushel on the farm, cotton better than 12 cents a pound, and hogs better than 7 cents a pound. But at the same time, the prices of the things the farmer had to buy—his fertilizer, farm machinery, and the like—were on a comparable level. In general, these items bought by the farmer were a little lower than they are right now. But the prices the farmer got for his wheat and cotton and hogs were, in those pre-war days, more than twice as high as they are now. It is that gap that we want to bridge. And this bill provides the bridge.

GIVE FARMERS SQUARE DEAL

It will be noticed that the administration has been contending for parity prices for farm products. A parity price is placing the farmers on the basis of equality with industry. It is making the farmer's dollar worth as much to the farmer as the railroad owner's dollar is worth to the railroad owner. It is making the farmer's dollar worth as much to him as the laborer's dollar is worth to the laborer.

The administration caused to be passed the Agricultural Adjustment Act to give the farmers parity prices. The Agricultural Adjustment Act has been declared unconstitutional. In other words, the Supreme Court of the United States has burned the bridge over which the administration expected to go to give the farmers parity prices. The question is now, Shall we repair that bridge, reconstruct it to do exactly what the administration has promised the farmers all along? No one should object to the farmers having parity prices. It is absolutely right and fair that they receive them, and the farmers will be discriminated against if they are not given.

WHO IS TO BLAME IF CONGRESS DOES NOT PASS A SATISFACTORY FARM BILL?

Congress is to blame if a satisfactory farm bill is not passed. The President and leaders in the administration for the past 5 years have advocated parity prices for farmers. The Democratic platform in 1932 had a provision which stated:

The enactment of every constitutional measure that will aid the farmers to receive for their basic commodities prices in excess of cost.

In other words, the Democratic Party in 1932 pledged the farmers a price in excess of cost of production. Parity prices are not that high.

The Democratic platform in 1936 stated:

We have kept our pledge to agriculture to use all available means to raise farm income toward its pre-war purchasing power.

The platform in 1936 also had a provision in favor of a fair profit to the farmers.

CITIES DEPENDENT UPON FARMS

The President in his remarks at Bismarck, N. Dak., August 27, 1936, stated:

It means we have got to have the cooperation of the people in the cities as well as the people on the farms. It is just as much their problem as it is the problem of the farmers themselves. Incidentally, in an agricultural country, there would not be any cities if there were not farms.

The President is exactly right. The farmers of America represent so much of the American market that all other classes and groups suffer along with them when their purchasing power is destroyed by low prices.

If the farmers are prosperous, the country is prosperous. If the farmers are forced to a starvation level, other classes and groups will eventually suffer along with them, although not so quickly or suddenly as the farmers suffer.

PROSPERITY DEPENDS ON COTTON FARMER

The President, in his speech at Laramie, Wyo., September 2, 1936, stated:

What happens to cattle in Texas and in North Dakota affects your prosperity here in Wyoming, and that is true not only of cattle in other parts of the country but of other crops. You are affected by what happens to corn and hogs in the Middle West. It is a queer thought, but it is actually true, and if you will think it out you will see that I am right. In the same way, your prosperity is affected by what happens to the cotton farmer down South. If the cotton farmer gets pretty good prices and has good crops it means he and his family will buy more food. That is a simple illustration.

The President makes a very important suggestion when he says the farmer and his family will buy more if they get good prices. So this is not a problem affecting only the cotton farmer or the wheat farmer or any other farm group. It is a problem that seriously affects the people of the entire Nation. Who will buy the automobiles made in Michigan if the farmer's purchasing power is destroyed? Who will buy the farm machinery that is made in so many States in the Union if the farmer's purchasing power is destroyed? Who will buy the thousand and one other different commodities mentioned in every section of this Nation if the farmer is depressed through low prices?

A $400 ANNUAL INCOME DRAG ON PROSPERITY—FARMERS MAKE $200

The President, in his address at Charlotte, N. C., September 10, 1936, states:

No man or woman, no family, can hope in any part of the country to attain security in a city on starvation wages any more than they can hope on a farm to attain security on starvation crop prices. I do not have to tell you who live in any of these Southern States, which have factories in all of them, that a family that tries to subsist on a total wage income of $400 a year is just as much a drag on the prosperity of America as the farm family that seeks to subsist on a yearly cash income of a hundred dollars.

The President says in this speech that a family with a total wage income of $400 a year is a drag on the prosperity of America. Farm families growing cotton earn about $200 a year. Parity prices will give them about $400 a year. Labor on the farm is 5 and 10 cents an hour. Farmers cannot pay more because prices they receive will not justify it.

I have quoted the President and the Democratic platform to let you know that the question of parity prices is not new; that the administration in power is pledged to give the farmer parity prices.

Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to insert certain excerpts from Democratic platforms, certain excerpts from speeches of President Franklin D. Roosevelt, and excerpts from statements of Hon. Henry A. Wallace, Secretary of Agriculture.

Mr. CANNON of Missouri. Mr. Speaker, I yield the remainder of my time to the gentleman from Texas [Mr. JONES].

Mr. JONES. Mr. Speaker, the picture sometimes changes. I was hopeful when the farm bill was passed that the appropriation would be sufficient to accomplish the purpose intended, just as my good friend from Virginia, as I remember it, at the last session said he hoped the relief bill this year could be cut to a billion dollars and maybe lower. At least others made similar statements. They found it necessary to bring in a much larger appropriation for that purpose.

I have undertaken during the last few years, as other members of my committee and many Members of the House, to see that the farmers of America are placed on a basis of equality with those in other occupations and people engaged in other industries. I think this is tremendously important. For a hundred years we had a tariff system in which the farmer could have no part, or at least very little part. They bled the agricultural sections, which produced some of the conditions which we have today. We adopted the slogan that we are going to have a tariff for all or a tariff for none.

When we have a $3,000,000,000 relief bill, which came in after we passed the agricultural appropriation bill through the House, the major portion of which will be spent in the cities of the country, it is only fair and reasonable that the amendment offered by the gentleman from Missouri [Mr. CANNON] should be adopted and allocate $200,000,000 to bring the farm industry at least a part of the way up to parity. Of course, it will not bring it all the way up, but certainly the amount that is carried in this bill is as little as they could be expected to secure.

Mr. Speaker, I am sorry I do not have time to go into some of the details of this proposition, but let me call attention to the fact that practically every country in the world that has ever remained great has remained a pastoral country. Take the Scandinavian countries and the great countries throughout all history, unless they remained balanced or unless they have treated the country areas and city areas fairly, they did not prosper and the countries that did that are the ones that prospered in the long run.

I am as anxious as anyone for the great spending programs to be ended. When the time comes when the others are willing that this be done, I shall be glad to sit around the table and reduce all along the line. But I am unwilling for the economy to begin on the farm while the provision for the industrial area is continued.

It is easier for the people in the cities to become organized. It is easier for them to become vocal. It is easier for them to present their claims. It is easy for a country to become overindustrialized. For that very reason, just as I believe in a tariff for all or a tariff for none, and therefore an offset to the tariff to balance the tariff in favor of the country, I believe that when we are going into the Treasury to relieve a desperate situation for the moment there should be something done toward balancing that program as well as the other programs of this country. I submit that is but a fair proposition and but a just result. I hope this Congress, since it is going to pass this bill and since it has already adopted the conference report that conveys a great deal of this program into a form where perhaps 75 or 80 percent of it will be spent in the cities of the country, should put some of this money into the country where it will keep the people from going into the cities and thus complicating their relief problems. [Applause.]

Mr. WOODRUM. Mr. Speaker, I yield myself 20 minutes.

Mr. TABER. Mr. Speaker, will the gentleman yield for a question?

Mr. WOODRUM. I yield to the gentleman from New York.

Mr. TABER. In the agricultural bill, as I recall, there was a total of approximately $1,089,000,000.

Mr. WOODRUM. I will give those totals in just a moment. I have a list of them here.

Mr. TABER. Five hundred million dollars of it was for benefit payments.

Mr. WOODRUM. The gentleman is correct.

Mr. Speaker, I think my service in the House has taught me to gage pretty well the temperament and sentiment of the House. I do not have any illusions as to what you will do with this matter, but I do have a duty to perform, and my duty in this instance is to caution you against making a grave mistake. The gentleman from Texas says the situation has changed; that notwithstanding the fact that the great Committee on Agriculture under his able and unsurpassed leadership brought forward the new agricultural program which received the approval of the President of the United States just a few months ago, and which at that time outlined a formula for agricultural relief, the situation has now changed and we must do something more.

Mr. GILCHRIST. Mr. Speaker, will the gentleman yield?

Mr. WOODRUM. Not right now.

The gentleman from Texas also stated that I said I hoped a certain amount would be sufficient for relief and it was not sufficient, and that we are doing something more in the way of relief. The President also said that.

Mr. Speaker, what a foolish thing it would be for us to sit here today and undertake to revise and rewrite the Agricultural Adjustment Act through an amendment attached by the Senate to a deficiency appropriation bill. Not a Member of this House today, aside from two or three gentlemen who framed this amendment to the Senate amendment, knows what is in it or what it would do. We are told it will help the farmer, so hip, hip, hooray, let us go ahead.

Bear this in mind: Other people are interested in the farmer today besides my beloved friend from Texas. I think something of the farmer, and I have voted for everything my good friend has brought in here. The President of the United States thinks something of the farmer, too. Until his advent in office the farmer had a hard lot to endure in this country. Do you care anything about what the President thinks about this matter? Perhaps you do not. Perhaps it makes no difference to you what he thinks. Perhaps the fact that you are putting a quarter of a billion dollars into the Budget that he did not count on, that is contrary to his estimates, and that puts us that much more in the red, does not make any difference to you, but that is what we are doing. I wanted to know what the President thought about it and I asked him this question, "What do you think of the Senate amendment?" He said, "I think today what I thought when the agricultural adjustment bill was passed."

Mr. COOLEY. Mr. Speaker, will the gentleman yield?

Mr. WOODRUM. Not right now.

When that bill was presented to him the President, in signing it, said:

> While the new act makes many important changes in the existing plan for the benefit of agriculture, it is to be noted that, with one exception—the provision for "parity" payments—the improved plan for agricultural adjustment does not entail any greater annual cost than the sum authorized under the present one, which is known as the Soil Conservation and Domestic Allotment Act. Parity payments would increase the present authorized cost, and in order to make such payments it would be necessary to provide additional revenue needed to finance them.

In the recent tax bill the Senate refused to provide the processing taxes and provide the revenue necessary to meet this expenditure. The sum of $212,000,000 is not a drop in the bucket if you are going to bring about parity for the farmer. The amount would merely add chaos to confusion. As one distinguished gentleman, a member of the Committee on Agriculture, said a moment ago, "It will take at least a billion and a half."

What has been done for the farmer? He is not the forgotten man, let me say to you. We are providing this year in the appropriation bills—and I shall put a list of them in my remarks—aside from this $212,000,000, a total of $1,102,799,228 of direct benefit to agriculture; $500,000,000 for agricultural adjustment payments; $48,000,000 in the Sugar Act; $25,500,000 in the Crop Insurance Act; $30,000,000 for farm tenancy; $1,800,000 for the cotton-pool certificates; reduction

of interest on farm mortgages, $28,700,000; Farm Security Administration, House Joint Resolution 679, $175,000,000; encouragement of exportation and domestic consumption of farm products, $147,000,000—a permanent appropriation; restoration of the capital impairment of the Commodity Credit Corporation, almost entirely for cotton, which we have just passed in the second deficiency bill, $94,235,405.

I am incorporating here a statement showing the details of these sums:

Sums appropriated or proposed to be appropriated for use in the fiscal year 1939 of direct benefit to agriculture

In the Department of Agriculture appropriation bill as it passed the House (does not include sums appropriated for Farm Credit Administration and the Federal Farm Mortgage Corporation):		
Agricultural adjustment payments		$500,000,000
Sugar Act of 1937		48,000,000
Crop Insurance Act:		
Administration	$5,500,000	
Capital stock of Corporation	20,000,000	
		25,500,000
Farm Tenant Act:		
Loans	25,000,000	
Submarginal land purchases	5,000,000	
		30,000,000
Cotton-pool certificates		1,800,000
In the Treasury-Post Office Appropriation Act, 1939: Account reductions interest rate, farm mortgages		28,700,000
In pending relief bill: Farm Security Administration, for loans, relief, etc		175,000,000
Exportation and domestic consumption of farm products (being a permanent appropriation of an amount equal to 30 percent of customs receipts)		147,000,000
NOTE: The foregoing sum of $147,000,000 is the amount estimated in the regular Budget. Latest estimates (unofficial) of the receipts place this appropriation at $143,758,000. Already earmarked from this fund for cotton price-adjustment payments is $65,000,000. The balance is available for the general purposes of the act.		
Total of amounts actually appropriated or as to which the two Houses are in agreement		956,000,000
In pending deficiency bill: Restoration, capital impairment, Commodity Credit Corporation		94,285,405
Total of all items above		1,050,285,405
Sums not included in the above, carried in the agriculture appropriation bill as finally passed, for regular departmental activities deemed of direct benefit to agriculture		52,513,823
Grand total, all items above		1,102,799,228
Parity payments (if approved)		212,000,000
Grand over-all total		1,314,799,228

These are of direct benefit to the agriculture of America.

Mr. Speaker, the chief argument used for the passage of this recovery program, the W. P. A. and the P. W. A. appropriations, is that it will create public purchasing power by furnishing work for the unemployed people of America so that they might have money to go into the stores, business houses, and market places, and buy the produce of our farms, the cotton, the wheat, the corn, and the tobacco and what not.

Now, what sort of picture do we have here today? An amendment is put on this bill in the Senate amending the Agricultural Adjustment Act. Our friends in the House say that is not the thing to do, that this will not do it, and my beloved colleague, the gentleman from Missouri [Mr. CANNON], offers an amendment to amend the Senate amendment. There is a difference of opinion right here today in this body as to what should be done.

Now, I want to advise you what to do. We should defeat this amendment. The evidence before the Senate shows that these parity payments would not need to be actually paid before the first of January, and nobody can tell what they could be until after the harvesting of the crops this year. If our recovery program means anything, if the Agricultural Adjustment Act means anything, just as the gentleman from Wisconsin [Mr. BOILEAU] has said, it should not be necessary to provide these large amounts for parity payments. I may say to you that in my judgment it is foolish to undertake in this relief measure to rewrite and revise the Agricultual Adjustment Act.

There is not a farmer in the United States today that can say when this Congress adjourns, even if this appropriation is not made, that the Congress has not dealt generously and liberally and been anxious to do what it could in a legislative way to help the agricultural situation.

So I do hope this House today will not undertake in this casual, haphazard manner to rewrite and revise the Agricultural Adjustment Act but that we will follow the leadership of the President of the United States in this matter, and when we come back here in January, if these payments are necessary, we will set about it and follow his advice and raise the taxes and make such payments as should be made. [Applause.]

Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore (Mr. O'CONNOR of New York). The question is on the motion of the gentleman from Missouri [Mr. CANNON] to recede and concur with an amendment.

The question was taken; and on a division (demanded by Mr. WOODRUM) there were—ayes 97, noes 71.

Mr. WOODRUM. Mr. Speaker, I object to the vote on the ground a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 231, nays 128, not voting 69, as follows:

[Roll No. 116]

YEAS—231

Aleshire	Dixon	Kerr	Peterson, Ga.
Allen, Ill.	Dowell	Kirwan	Pettengill
Allen, La.	Doxey	Kitchens	Pfeifer
Anderson, Mo.	Drewry, Va.	Kleberg	Phillips
Arends	Driver	Kniffin	Pierce
Arnold	Duncan	Knutson	Plumley
Barden	Dunn	Kopplemann	Poage
Bates, Ky.	Eicher	Kvale	Polk
Bell	Elliott	Lambeth	Quinn
Bernard	Englebright	Lanham	Rabaut
Bigelow	Farley	Larrabee	Ramsay
Binderup	Ferguson	Leavy	Ramspeck
Bland	Flannagan	Lesinski	Rankin
Bloom	Fletcher	Lewis, Md.	Rayburn
Boren	Ford, Miss.	Long	Reece, Tenn.
Boyer	Fries, Ill.	Lucas	Reed, Ill.
Boykin	Fuller	Luckey, Nebr.	Rees, Kans.
Boylan, N. Y.	Fulmer	Ludlow	Richards
Brooks	Gambrill, Md.	Luecke, Mich.	Rigney
Brown	Garrett	McClellan	Robertson
Buck	Gearhart	McFarlane	Robinson, Utah
Buckler, Minn.	Gilchrist	McGehee	Robsion, Ky.
Burch	Gildea	McGrath	Rogers, Okla.
Burdick	Goldsborough	McKeough	Romjue
Byrne	Gray, Ind.	McLaughlin	Roy
Cannon, Mo.	Greenwood	McReynolds	Sanders
Carlson	Greever	Mahon, S. C.	Satterfield
Case, S. Dak.	Gregory	Mahon, Tex.	Schaefer, Ill.
Celler	Griffith	Maloney	Schulte
Chandler	Guyer	Martin, Colo.	Scott
Chapman	Halleck	Mason	Secrest
Church	Hamilton	Massingale	Shannon
Clark, N. C.	Hancock, N. C.	Maverick	Sheppard
Claypool	Harrington	May	Sirovich
Coffee, Wash.	Havenner	Mead	Smith, Va.
Collins	Hildebrandt	Meeks	Smith, Wash.
Colmer	Hill	Mills	Snyder, Pa.
Connery	Hobbs	Mosier, Ohio	South
Cooley	Honeyman	Mouton	Sparkman
Cooper	Hope	Murdock, Ariz.	Spence
Cox	Houston	Nelson	Starnes
Cravens	Imhoff	Nichols	Stefan
Creal	Izac	O'Brien, Mich.	Sumners, Tex.
Crosby	Jacobsen	O'Connell, Mont.	Sutphin
Crowe	Jenckes, Ind.	O'Connor, N. Y.	Tarver
Crowther	Johnson, Luther A.	O'Toole	Taylor, S. C.
Cullen	Johnson, Lyndon	Owen	Teigan
Cummings	Johnson, Minn.	Pace	Terry
Delaney	Johnson, Okla.	Parsons	Thom
DeMuth	Johnson, W. Va.	Patman	Thomas, Tex.
DeRouen	Jones	Patterson	Thomason, Tex.
Dies	Kee	Patton	Thompson, Ill.
Dingell	Keller	Pearson	Thurston
Dirksen	Keogh	Peterson, Fla.	Tolan

Transue	Vinson, Ga.	Wene	Williams
Turner	Voorhis	West	Wood
Umstead	Wallgren	Whittington	Zimmerman
Vincent, Ky.	Warren	Wilcox	

NAYS—128

Allen, Del.	Engel	Kinzer	Rogers, Mass.
Allen, Pa.	Evans	Kocialkowski	Rutherford
Amlie	Faddis	Lamneck	Sabath
Andresen, Minn.	Fish	Lanzetta	Sacks
Bacon	Fitzgerald	Lea	Sauthoff
Barry	Fitzpatrick	Lewis, Colo.	Schneider, Wis.
Barton	Flaherty	Lord	Schuetz
Bates, Mass.	Flannery	Luce	Seger
Beiter	Fleger	McCormack	Shafer, Mich.
Biermann	Forand	McGranery	Shanley
Boileau	Frey, Pa.	McLean	Short
Boland, Pa.	Gamble, N. Y.	Maas	Simpson
Bradley	Gavagan	Mapes	Smith, Conn.
Brewster	Gehrmann	Martin, Mass.	Smith, Maine
Buckley, N. Y.	Gifford	Merritt	Smith, W. Va.
Bulwinkle	Gingery	Michener	Snell
Cannon, Wis.	Gray, Pa.	Mitchell, Ill.	Somers, N.Y.
Citron	Gwynne	Moser, Pa.	Sullivan
Clason	Haines	Mott	Swope
Cluett	Hancock, N. Y.	O'Brien, Ill.	Taber
Cochran	Harlan	O'Connell, R. I.	Taylor, Tenn.
Costello	Hart	O'Leary	Tobey
Crawford	Harter	Oliver	Towey
Crosser	Healey	O'Malley	Treadway
Daly	Hennings	O'Neal, Ky.	Walter
Dondero	Hull	O'Neill, N. J.	Wigglesworth
Dorsey	Jarrett	Palmisano	Withrow
Drew, Pa.	Jenkins, Ohio	Powers	Wolcott
Eaton	Kelly, Ill.	Randolph	Wolfenden
Eberharter	Kelly, N. Y.	Reilly	Wolverton
Eckert	Kennedy, Md.	Rich	Woodruff
Edmiston	Kennedy, N. Y.	Rockefeller	Woodrum

NOT VOTING—69

Andrews	Dickstein	Kramer	Scrugham
Ashbrook	Disney	Lambertson	Smith, Okla.
Atkinson	Ditter	Lemke	Stack
Beam	Dockweiler	McAndrews	Steagall
Boehne	Doughton	McGroarty	Sweeney
Caldwell	Douglas	McMillan	Taylor, Colo.
Carter	Fernandez	McSweeney	Thomas, N. J.
Cartwright	Ford, Calif.	Magnuson	Tinkham
Casey, Mass.	Gasque	Mansfield	Wadsworth
Champion	Green	Mitchell, Tenn.	Wearin
Clark, Idaho	Griswold	Murdock, Utah	Weaver
Coffee, Nebr.	Hartley	Norton	Welch
Cole, Md.	Hendricks	O'Connor, Mont.	Whelchel
Cole, N. Y.	Hoffman	O'Day	White, Idaho
Culkin	Holmes	Patrick	White, Ohio
Curley	Hook	Reed, N. Y.	
Deen	Hunter	Ryan	
Dempsey	Jarman	Sadowski	

So the motion to recede and concur with an amendment was agreed to.

The Clerk announced the following additional pairs:

On this vote:

Mr. Lemke (for) with Mr. Tinkham (against).
Mr. Clark of Idaho (for) with Mr. Hoffman (against).
Mr. Griswold (for) with Mr. Reed of New York (against).
Mr. Dempsey (for) with Mr. Cole of New York (against).
Mr. O'Connor of Montana (for) with Mr. Ditter (against).
Mr. Hook (for) with Mr. Andrews (against).
Mr. Jarman (for) with Mr. Holmes (against).
Mr. Gasque (for) with Mr. Hunter (against).

General pairs:

Mr. Doughton with Mr. Thomas of New Jersey.
Mr. Casey of Massachusetts with Mr. Hartley.
Mr. Kramer with Mr. Wadsworth.
Mr. McAndrews with Mr. Lambertson.
Mr. Mansfield with Mr. Carter.
Mr. Atkinson with Mr. Douglas.
Mr. Boehne with Mr. White of Ohio.
Mr. Fernandez with Mr. Culkin.
Mr. Sweeney with Mr. Welch.
Mrs. O'Day with Mr. McGroarty.
Mr. Beam with Mrs. Norton.
Mr. Murdock of Utah with Mr. Curley.
Mr. Deen with Mr. Ashbrook.
Mr. Patrick with Mr. Scrugham.
Mr. Mitchell of Tennessee with Mr. Disney.
Mr. Taylor of Colorado with Mr. Green.
Mr. Hendricks with Mr. White of Idaho.
Mr. Dockweiler with Mr. Ryan.
Mr. McMillan with Mr. Caldwell.
Mr. Coffee of Nebraska with Mr. Whelchel.
Mr. Cartwright with Mr. Weaver.
Mr. Ford of California with Mr. Steagall.
Mr. McSweeney with Mr. Sadowski.
Mr. Cole of Maryland with Mr. Champion.
Mr. Smith of Oklahoma with Mr. Dickstein.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The Clerk will report the next Senate amendment in disagreement.

The Clerk read as follows:

Page 34, line 9, insert the following: "Sec. 502. This title may be cited as the 'Price Adjustment Act of 1938.'"

Mr. WOODRUM. Mr. Speaker, I send to the desk the following motion, which I ask to have read.

The Clerk read as follows:

Mr. WOODRUM moves that the House recede from its disagreement to the amendment of the Senate No. 75 and agree to the same with an amendment as follows:

In line 1 of the matter proposed to be inserted by such amendment, strike out the word and figures "Sec. 502."

Mr. WOODRUM. Mr. Speaker, I yield now to the gentleman from Ohio [Mr. LAMNECK].

Mr. LAMNECK. Mr. Speaker, an event has just taken place within the halls of the House of Representatives which at first gave pause and then laughter to every patriotic American citizen and believer in free government.

Initially it caused resentment in the heart of every red-blooded American citizen. It caused him to ask himself in all seriousness if there was no limit to the arrogance of one man who evidently believed that he was about to be crowned dictator of the United States, empowered to reduce Members of Congress to mere puppets.

I refer to the installation by John L. Lewis of himself and his robe bearers in the Speaker's office yesterday and his unprecedented gall in summoning Members of Congress to the throne room to instruct them on how they should vote on a pending measure.

This action initially struck me as the most shocking and disgraceful event that has taken place in the Nation's Capital in decades, if not, indeed, in all time.

It is bad enough to have lobbyists of any kind plying their trade in the offices of Members of Congress, or in the halls, or over telephones. It is bad enough, I say, even if they represent majority interests in this country. But it is beyond my power of speech to express the chagrin I felt and that every other loyal American must have felt to have a man seemingly determined upon the complete wrecking of industrial life of this country and who represents at best only a small minority of the workers, take up his headquarters in the offices of the third highest ranking official of our Government and demand that representatives of a free people come before him and bend their knees in craven supplication.

It is unnecessary for me to review the past activities of John L. Lewis. Every intelligent man and woman in this country knows, regardless of whether he admits it or not, that during the last 2 years he has been the most destructive single force that ever has swept down on industrial America. He and his radical followers have introduced a brand of terrorism into the United States which knew no bounds. Accomplishment of their objectives, regardless of what the results may be to the welfare of the Nation, apparently, was all that they had in mind. I need not detail to this House the ruin that Lewis' personally devised plans, executed by a small group of irresponsible lieutenants through the medium of sit-down strikes, featuring assaults with guns, pistols, clubs, fists, and other weapons, have wrought. The bloody record is to be found in the pages of almost every daily newspaper in the United States which has appeared since he first determined to rule or ruin, regardless of the effect on the lives and property of other persons.

The sad part of the whole situation is that he has been able, through intimidation and coercion, to enlist under his banner several million well-meaning workers who feared not to go along with him in his battle for power. To these men my sympathy goes out. I have been critical in the past, and I am critical now of the actions of Lewis and his radical cabinet, but I do not believe, nor do I think that the average man believes, that the vast number of workers who have joined his organization honestly approve of his methods.

There is one point in connection with the activities of Lewis which I think should be made very clear. That is that he does not represent any large segment of American labor. There are gainfully employed in the United States

somewhere between forty-five and fifty million persons. The largest membership that John L. Lewis ever has claimed for the C. I. O. was in the neighborhood of 4,000,000. If we subtract from this number the very large group that once became members of the Lewis organization but latterly, in disgust with his methods, has ceased to pay dues, then the number of his organization members in good standing is appreciably decreased. Official figures, of course, are not available, but it is questionable indeed if the Lewis organization today has one and one-half million dues-paying members.

Imagine, then, if you will, the temerity of a man who has pledged to his support not more than one-fifteenth of the gainfully employed workers of the country pretending to speak for all labor and to chart an industrial program for the Nation. It would be bad enough for a true representative of such a group of really loyal followers to attempt to set himself up as dictator and establish headquarters in the Speaker's office. But it is almost inconceivable to imagine that one having only one-fifteenth of the workers of the Nation numerically enrolled, and a very much smaller group loyally enrolled, should resort to the kingly show which the Nation has just so amazingly witnessed.

I say that when I first heard of Lewis setting up a throne room in the Speaker's office I felt a great resentment, and I imagine that this was the feeling that swept the entire country. However, as I have thought the matter over and Lewis' efforts to make the Rules Committee jump through a hoop have failed, the absurdity of his action has begun to appeal to me. Now I am beginning to laugh at the colossal egotism of the man, and unless I am very much mistaken, the whole country is laughing, too.

The American sense of humor, which is widespread, has saved this Nation from many crashes. And so I feel that this same saving sense of humor is going to prevent a Lewis cataclysm. There may be funnier things in this world today than John of the shaggy locks and weeping willow eyebrows setting up a 1-day kingdom in the Capital and then having his regal chair jerked out from under him, but I cannot conceive of it.

From the time today that Lewis' endeavor to herd members of the Rules Committee like sheep failed the mighty John L. became the laughingstock of the country. Nothing is more fatal to one who would be king than to make a joke of himself. This Lewis has done with rare success. Possibly when intelligent citizens of the United States stop chuckling at the spectacle Lewis has made of himself they will realize that he is just another exploded phenomenon and they will wonder why anybody ever feared him or took seriously his ambition to be either President or dictator or both.

All of this will have a salutary effect on industrial relations in the United States. The country has suffered terribly in recent months because of the domination by Lewis, primarily of the National Labor Relations Board, and many public officials. The result has been economic chaos. But this chaos will not last. With the Lewis obstruction removed by his own ridiculous actions, the country can settle down to a sound solution of the labor problem.

A sound solution can be found. Employers of the United States and people generally want workers to earn decent wages. At the same time, they want industrial peace. They know that only through the payment of adequate wages and industrial peace can prosperity be restored to this country. John L. Lewis never has had any such program in mind. He has sought and will continue to seek to stir up trouble between employer and employee and collect dues for himself. Fortunately, as I have pointed out, he does not control a majority of the labor of this country and I am convinced that there are enough loyal and decent workers and employers in it who, backed by the solid support of the average citizen who desires industrial peace and not warfare, can bring about a satisfactory and happy settlement for all concerned.

The time is not far distant when good industrial relations will be reestablished in this country. They will come when this Government learns, as has Great Britain, that peace and prosperity result from curbing irresponsible labor leaders of the Lewis type and protecting the rights of the individual workers. I hope that the President will, as he has indicated he intends to do, send a committee to England to study the British Trade Disputes Act. It has worked successfully. Workers and the public like it. The only persons who do not like it are greedy leaders like Lewis and professional radicals like many of his right-hand men. The reason is plain. The law hurts their racket, and helps the workers and the public.

Adoption of similar legislation in this country will be hard on Lewis, yet he has aided materially during the last 24 hours in bringing it about. His Capitol Hill clowning has lifted a great strain from a Nation which previously was taking him seriously. He has given the public a laugh. His frowns have lost their force. Perhaps his clouding up and threatening to "reign" will prove the clearing shower before the sunshine of industrial peace in our Nation.

Mr. WOODRUM. Mr. Speaker, I move the previous question on the motion to recede and concur with an amendment.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Virginia.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Page 34, after line 10, insert the following:

"SEC. 503. (a) The first sentence of subsection (b) of section 302 of the Agricultural Adjustment Act of 1938, as amended, is amended (1) by inserting after 'June 15' the words 'or at any time thereafter during such marketing year;' and (2) by striking out 'on such date' and inserting in lieu thereof 'at any such time.'

"(b) The first sentence of subsection (c) of section 302 of such act, as amended, is amended (1) by adding after 'August 1' the words 'or at any time thereafter during such marketing year', and (2) by striking out 'on such date' and inserting in lieu thereof 'at any such time.'

"(c) The first sentence of subsection (d) of section 302 of such act, as amended, is amended by inserting after 'November 15' wherever it appears the words 'or at any time thereafter during such marketing year.'"

Mr. WOODRUM. Mr. Speaker, I send to the desk the following motion, which I ask to have read.

The Clerk read as follows:

Mr. WOODRUM moves that the House recede from its disagreement to the amendment of the Senate No. 76 and agree to the same with an amendment, as follows: In line 1 of the matter proposed to be inserted by such amendment, strike out the figures "503" and insert in lieu thereof "502."

Mr. WOODRUM. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Virginia.

The motion was agreed to.

A motion to reconsider the votes by which the several motions were agreed to was laid on the table.

EXTENSION OF REMARKS

Mr. McGRANERY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD, to be placed immediately following the disposition of the wage and hour bill.

The SPEAKER pro tempore. Is there objection?

There was no objection.

FLOOD CONTROL

Mr. DRIVER. Mr. Speaker, I call up House Resolution 532, which I send to the desk and ask to have read.

The Clerk read as follows:

House Resolution 532

Resolved, That upon the adoption of this resolution the House shall proceed to the consideration of the conference report upon the bill H. R. 10618, and all points of order against said conference report shall be waived.

Mr. DRIVER. Mr. Speaker, the purpose of this resolution is to make the conference report upon the bill (H. R. 10618), authorizing the construction of certain public works on rivers for flood control, immune from points of order, and the reason for the resolution is that certain amendments adopted in the Senate were placed in sections without changing the language of the section from that which was contained in the House bill, and, in addition, two projects were inserted by the Senate, and placed in the section providing for surveys and investigations, all of which made it necessary for the conferees to rewrite practically those sections, and made them subject to points of order. This is purely a technical resolution, and the matter will be fully explained on the presentation of the conference report.

Does the gentleman from Massachusetts [Mr. MARTIN] desire any time?

Mr. MARTIN of Massachusetts. Mr. Speaker, arrangements have been made by the minority members of the Flood Control Committee to secure time from the gentleman from Mississippi [Mr. WHITTINGTON] on the presentation of the conference report. Therefore, I do not desire any time on the rule.

Mr. JENKINS of Ohio. Mr. Speaker, will the gentleman yield?

Mr. DRIVER. Yes.

Mr. JENKINS of Ohio. Do I understand that the gentleman will not use any more of his time on the rule?

Mr. DRIVER. No. There will be ample time in the consideration of the conference report.

Mr. JENKINS of Ohio. There will be only 1 hour's time.

Mr. DRIVER. But there will be 30 minutes on the gentleman's side under the agreement which is satisfactory to the gentleman from Massachusetts, the ranking minority member of the Committee on Rules.

Mr. MOTT. I understand that this is simply a technical matter, and it does not change any projects.

Mr. DRIVER. Not at all. There is no change, except to protect this conference report against points of order, caused by the rewriting of the sections where the Senate put on amendments without changing the necessary language.

Mr. Speaker, I move the previous question on the resolution.

The SPEAKER. The question is on ordering the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

The SPEAKER. The Clerk will report the conference report.

The Clerk read the title of the bill.

Mr. WHITTINGTON. Mr. Speaker, I ask unanimous consent that the statement be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The conference report and statement as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10618) entitled "An act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes," having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

Amendments numbered 30, 49, 51, 52, and 53: That the Senate recede from its amendments numbered 30, 49, 51, 52, and 53.

Amendments numbered 54 and 55: That the Senate recede from its amendments numbered 54 and 55 and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the said Senate amendments strike out all of section 9 of the engrossed bill and insert in lieu thereof the following:

"SEC. 9. That the sum of $375,000,000 is hereby authorized to be appropriated for carrying out the improvements herein over the five year period ending June 30, 1944, and the sum of $10,000,000 additional is authorized to be appropriated and expended in equal amounts by the Departments of War and Agriculture for carrying out any examinations and surveys provided for in this act and any other acts of Congress, to be prosecuted by said Departments. The sum of $1,500,000 additional is authorized to be appropriated and expended by the Federal Power Commission for carrying out any examinations and surveys provided for in this act or any other acts of Congress, to be prosecuted by the said Federal Power Commission."

And the House agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same.

Amendments numbered 17, 18, 19, and 20: That the House recede from its disagreement to the amendments of the Senate numbered 17, 18, 19, and 20, and agree to the same.

Amendments numbered 21, 22, and 23: That the House recede from its disagreement to the amendments of the Senate numbered 21, 22, and 23, and agree to the same.

Amendments numbered 25, 26, 27, 28, and 29: That the House recede from its disagreement to the amendments of the Senate numbered 25, 26, 27, 28, and 29, and agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same.

Amendments numbered 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, and 48: That the House recede from its disagreement to the amendments of the Senate numbered 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, and 48, and agree to the same.

Amendments numbered 2, 3, 4, 5, and 6: That the House recede from its disagreement to the amendments of the Senate numbered 2, 3, 4, 5, and 6, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the said amendments, strike out all of section 2 of the engrossed bill and insert in lieu thereof the following:

"SEC. 2. That section 3 of the Act of June 22, 1936 (Public Numbered 738, Seventy-fourth Congress) as heretofore amended and as herein further modified, shall apply to all flood-control projects, except as otherwise specifically provided by law.

"That in case of any dam and reservoir project, or channel improvement or channel rectification project for flood control, herein authorized or heretofore authorized by the Act of June 22, 1936 (Public, Numbered 738, Seventy-fourth Congress), as amended, and by the Act of May 15, 1928 (Public, Numbered 391, 70th Congress) as amended by the Act of June 15, 1936 (Public, Numbered 678, Seventy-fourth Congress), as amended, title to all lands, easements, and rights-of-way for such project shall be acquired by the United States or by States, political subdivisions thereof or other responsible local agencies and conveyed to the United States, and provisions (a), (b), and (c) of section 3 of said Act of June 22, 1936, shall not apply thereto. Notwithstanding any restrictions, limitations, or requirement of prior consent provided by any other Act, the Secretary of War is hereby authorized and directed to acquire in the name of the United States title to all lands, easements, and rights-of-way necessary for any dam and reservoir project or channel improvement or channel rectification project for flood control, with funds heretofore or hereafter appropriated or made available for such projects, and States, political subdivisions thereof, or other responsible local agencies, shall be granted and reimbursed, from such funds, sums equivalent to actual expenditures deemed reasonable by the Secretary of War and the Chief of Engineers and made by them in acquiring lands, easements, and rights-of-way for any dam and reservoir project, or any channel improvement or channel rectification project for flood control heretofore or herein authorized: *Provided*, That no reimbursement shall be made for any indirect or speculative damages: *Provided further*, That lands, easements, and rights-of-way shall include lands on which dams, reservoirs, channel improvements, and channel rectifications are located; lands or flowage rights in reservoirs and highway, railway, and utility relocation."

And the Senate agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7 and agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8 and agree to the same with an amendment as follows: In lieu of the matter proposed to be stricken and inserted by the Senate amendment, insert the following:

"When approved by the Secretary of War upon the recommendation of the Chief of Engineers and of the Federal Power Commission."

And the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11 and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the said Senate amendment, insert the following:

"*Provided further*, That the Secretary of War is hereby authorized and directed to reimburse the Muskingum Conservancy District in Ohio a sum not to exceed the actual expenditures made by it in acquiring lands, easements, and rights-of-way for reservoirs in the Muskingum River Valley, but such reimbursement

shall not exceed $4,500,000, nor include any expenditures for lands, easements, and rights-of-way heretofore or hereafter purchased from said district by the United States."

And the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

"For the purposes of preventing or controlling floods, and of facilitating navigation on the Ouachita River in Arkansas and Louisiana, authority is hereby conferred on the Secretary of War and the Chief of Engineers to participate on behalf of the United States in the cost of construction of a multiple-use reservoir at the Blakely Mountain site on the Ouachita River in Arkansas, according to plans and estimates duly approved by the Secretary of War and the Chief of Engineers, pursuant to a resolution of the Committee on Flood Control of the House of Representatives, adopted May 11, 1938: *Provided*, That the sum of money expended in said participation shall not exceed a just and reasonable proportion of the total cost of the multiple-use reservoir as allocated according to the proportionate storage capacity reserved or utilized for flood-control purposes, nor exceed the estimated value of the flood control to be achieved, nor in any event to exceed the sum of $2,000,000: *Provided further*, That the Secretary of War is authorized to pay for said participation in said multiple-use reservoir out of any funds authorized for flood control in the Arkansas River Basin when the flood-control portion of the project is completed: *Provided further*, That the Federal Power Commission is hereby authorized and directed to retain and exercise the authority heretofore conferred on it by law with respect to that portion of the project constructed and operated for power purposes: *Provided further*, That the improvements shall be operated and maintained at the expense of the private parties constructing said project in accordance with regulations approved by the Secretary of War and the Chief of Engineers with respect to navigation and flood control and by the Federal Power Commission with respect to the operations for power which regulations shall provide for payments to the United States for the use for power purposes of any flood waters temporarily stored for flood control in the flood-control portion of the reservoir, at such rates as the Federal Power Commission shall determine to be fair and reasonable."

And the Senate agree to the same.

Amendments numbered 13 and 14: That the House recede from its disagreement to the amendments of the Senate numbered 13 and 14, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the said Senate amendments, strike out the first and second provisos and strike out the first three words, to-wit: *"And provided further"* of the third proviso, on page 8 of the engrossed bill, and insert in lieu thereof the word *"Provided"*; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the said Senate amendment, insert the following:

"The Lugert-Altus Flood Control and Reclamation Reservoir located on the North Fork of the Red River in Oklahoma, is hereby authorized for construction at an estimated cost of $2,497,000, on the following basis as to a division of the cost of construction:

"(a) The Chief of Engineers shall report to the President on or before November 1, 1938, the value of said Lugert Reservoir as a flood control works, and the value so reported shall be the maximum amount herein authorized to be appropriated as a charge against any funds appropriated and available for the construction for flood control projects.

"(b) The remainder of the estimated cost of such Lugert Reservoir, namely, the estimated total cost of the reservoir, less the amount reported by the Chief of Engineers as the value of said reservoir as a flood control project, is also hereby authorized to be appropriated out of the special fund in the Treasury of the United States created by the Act of June 17, 1902 (43 U. S. C. 391, 411), and therein designated "the reclamation fund" for the construction of said Lugert Reservoir for reclamation and irrigation as reported in Senate Document Numbered 153, Seventy-fifth Congress, third session, and as further authorized by the last paragraph on page 37 of Public Act Numbered 497, Seventy-fifth Congress, third session, providing that the construction of said Lugert Reservoir and Altus reclamation project shall not be undertaken until the Chief of Engineers and the Secretary of the Interior join in an agreement as to the division of cost of the construction of the said reservoir as provided herein."

And the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the said Senate amendment, insert the following:

"The construction of a reservoir and other control works, in accordance with plans in the office of the Chief of Engineers, in lieu of the construction of a floodway for the diversion of Bayou Bodcau and Cypress Bayou, Louisiana, to improve flood protection, as authorized in section 5 of the Flood Control Act approved June 22, 1936, provided that the total estimated cost shall not be increased, is approved."

And the Senate agree to the same.

Amendments numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the said Senate amendment, insert on page 9, after line 2 of the engrossed bill, the following:

"The Government of the United States acknowledges the right of the States of Oklahoma and Texas to continue to exercise all existing proprietary or other rights of supervision of and jurisdiction over the waters of all tributaries of Red River within their borders above Denison Dam site and above said dam, if and when constructed, in the same manner and to the same extent as is now or may hereafter be provided by the laws of said States, respectively, and all of said laws as they now exist or as same may be hereafter amended or enacted and all rights thereunder, including the rights to impound or authorize the retardation or impounding thereof for flood control above the said Denison Dam and to divert the same for municipal purposes, domestic uses, and for irrigation, power generation, and other beneficial uses, shall be and remain unaffected by or as a result hereof. All such rights are hereby saved and reserved for and to the said States and the people and the municipalities thereof, and the impounding of any such waters for any and all beneficial uses by said States or under their authority may be as freely done after the passage hereof as the same may now be done."

And the Senate agree to the same.

Amendment numbered 32: That the House recede from its disagreement to the amendment of the Senate numbered 32, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the said Senate amendment, strike out the period at the end of line 6, page 23 of the engrossed bill and insert the following:

": *Provided*, That such works and measures which are herein authorized to be prosecuted by the Department of Agriculture may be carried out on the watersheds of the Rio Grande and Pecos Rivers subject to the proviso in section 2 of the said act of June 22, 1936."

And the Senate agree to the same.

Amendment numbered 50: That the House recede from its disagreement to the amendment of the Senate numbered 50, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by said Senate amendment, insert on page 4 following line 24 of the engrossed bill the following:

"SAVANNAH RIVER

"In view of the flood control and other general benefits to accrue from the project known as the Clark Hill Project on the Savannah River, Georgia-South Carolina, described in the 'Report To The President,' through the Secretary of War, The Secretary of the Interior, and The Federal Power Commission, by The Savannah River Special Board,' and dated at Washington, D. C., February 29, 1936, The Secretary of War is hereby authorized to reimburse out of flood control appropriations not to exceed $1,700,000 to the State of South Carolina, or to a local political subdivision thereof for the actual costs to it of the lands, easements, and rights of way needed and acquired for this project."

And the Senate agree to the same.

WILL M. WHITTINGTON,
MON. C. WALLGREN,
ROBERT T. SECREST,
Managers on the part of the House.

MORRIS SHEPPARD,
CHAS. L. MCNARY,
JOHN H. OVERTON,
HATTIE W. CARAWAY,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10618) entitled, "An act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes," submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of said amendments.

Amendments

On amendment No. 1: This amendment proposed by the Senate eliminated section 1 of the bill and reenacted the language of section 2 of the act of June 22, 1936.

On amendments Nos. 2, 3, 4, 5, and 6: Amendment No. 2 included channel improvements, with dams and reservoirs. Amendment No. 3 included the act of May 15, 1928. Amendment No. 4 defined lands, easements, and rights-of-way as including the lands on which dams, reservoirs, and channel improvements are located, and highway, railway, and utility relocations. Amendment No. 5 provides that the costs of highway, railway, and utility relocations should be considered as a part of the construction costs. Amendment No. 6 provided that for dams and reservoirs the title should be acquired by the United States and the United States should pay the entire costs of dams and reservoirs. It was necessary, therefore, to rewrite section 2. As rewritten and as agreed to in conference, section 2 provides that as

to dams, reservoirs, channel improvements, and channel rectification, the United States shall pay the entire costs and that the title shall be in the United States. The language as agreed to is substantially the language of amendment No. 6 proposed by the Senate and known as the Barclay amendment. It provides channel improvements and channel rectifications, as well as dams and reservoirs to be constructed at Federal costs.

For some time it has been evident that unless the Federal Government assumed the costs of reservoir construction, but few reservoirs for flood control would be constructed. If the United States is to pay the entire costs, the title to the reservoirs should be in the Federal Government. The amendment agreed to by the conferees provides that the title shall be in the Federal Government.

In the act of June 22, 1936, two dams were provided—the Conchas in New Mexico and Bluestone in West Virginia. The title was to be in the Federal Government. The title to the Tygart Reservoir is in the United States. The title to the Grand Coulee Reservoir, the Bonneville Dam, and the dams in the Tennessee Valley are in the United States.

The bill as it left the House provided for a local contribution of 30 percent for dam and reservoir construction. The effect of the Senate amendment is to eliminate this local contribution. Under the terms of the bill and section 2 as agreed to in conference, rights-of-way and lands for levees and river walls must be furnished by the local interests, whereas lands and rights-of-way for dams and reservoirs may be condemned by the United States and shall be acquired at Federal cost.

On amendments Nos. 7 and 8: Under the agreement of the conferees, pen stocks shall be installed in any dam authorized when approved by the Secretary of War upon the recommendation of the Chief of Engineers and of the Federal Power Commission. Under existing law the recommendation has to be made by the Chief of Engineers alone. Under the amendment and as agreed to in the conference, the Federal Power Commission must also approve the installation of pen stocks. Inasmuch as another provision proposed by the Senate and agreed to by the conferees provides for appropriations for investigations and studies by the Federal Power Commission of dams and reservoirs, the conferees agreed that both the Chief of Engineers and the Federal Power Commission should join in the recommendations for the installation of pen stocks.

On amendments Nos. 9, 10, 12, 15, 16, 24, and 50: These amendments as modified and agreed to were approved by the Chief of Engineers and cover projects recommended by the Chief of Engineers on which reports were not available and cover matters on which hearings were not conducted by the House.

On amendments Nos. 11, 13, and 14: These amendments were modified, and as agreed to they provide for the United States paying the entire costs of the dam along the Red River, just as the United States pays the entire costs of other dams authorized in the bill. Amendment No. 11 makes the provision for reimbursement to the Muskingum Conservancy District in Ohio correspond to section 2 as agreed.

On amendments Nos. 18, 19, and 20: These amendments provide for acquiring flowage rights instead of lands in fee in the Morganza floodway. Amendment No. 19 provides that 25 percent of the moneys on any lands under the act of May 15, 1928, as amended and supplemented, acquired by the Government where leased may be paid to States for schools and highways by the United States. Amendment No. 20 is clarifying.

On amendments Nos. 51, 52, and 53: These amendments were eliminated, and section 7 remains as it passed the House.

On amendments Nos. 54 and 55: The House authorized $10,000,000 for examinations and surveys by the Department of War and the Department of Agriculture. Section 9 as agreed to in conference retains substantially the language of section 9 as it left the House, and also authorizes an additional appropriation of $1,500,000 for examinations and surveys by the Federal Power Commission.

On amendment No. 49: This amendment covers a river and harbor matter and is not germane to the flood-control bill. Moreover, it was not approved by the Chief of Engineers, and it was accordingly eliminated from the bill.

On amendment No. 30: The Senate receded, and the House amendment providing for a survey at Chattanooga, Tenn., and Rossville, Ga., remains.

On amendment No. 32: This amendment was agreed to and inserted at the end of section 7, so that the watersheds of the Rio Grande and Pecos Rivers may be examined under the terms of section 7 of the act.

On amendments Nos. 21, 22, 23, 25, 26, 27, 28, 29, 31, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, and 48: These amendments provide for preliminary examinations and surveys; they were proposed by the Senate, and inasmuch as they were not included in the House bill, and inasmuch as the Chief of Engineers recommends that they be included, the said amendments were agreed to in conference. All streams providing for preliminary examinations and surveys included in the bill as it passed the House are included in the bill as agreed to.

The bill as passed by the House provided, in the only two reservoirs where provision is made presently for the development of power, that the title to the reservoirs shall be in the United States. As amended in the Senate and as agreed to in conference the United States is to pay the entire costs of all of the other reservoirs authorized in this bill. This will increase the costs of these projects to the United States at an estimated amount of $39,000,000. Inasmuch as the Senate did not increase the amount of the authorization, the conferees felt that they were not warranted in going beyond the amount thereof in the bill as it passed the House except to provide for surveys by the Department of War, by the Department of Agriculture, and by the Federal Power Commission at a total cost of $11,500,000.

Under the bill, as agreed, the United States is to acquire lands, rights-of-way, and easements for dam reservoir, and channel-improvement projects. Provision is made to reimburse where these improvements have been made. Under the terms of the bill the Chief of Engineers may either condemn or he may purchase. If he purchases or reimburses, the Treasury is protected, because he is only authorized to reimburse the actual expenditures made by the local interests deemed to be reasonable. It has been asserted that if the United States pays all of the costs of reservoirs and dams the Federal Treasury will not be protected. The answer is that the Chief of Engineers may condemn in the event unreasonable prices are demanded for lands or flowage rights. The Secretary of War is given the same right to acquire lands and easements for dams and reservoirs that the Federal Government is given to acquire lands or easements for Federal purposes. It is believed that the language agreed to by the conferees will protect the Federal Treasury. If the United States can acquire lands or easements for other purposes there is no reason why the United States should not be given the power to acquire lands and easements for reservoir purposes. Two or more States are often involved. Only the United States can acquire titles in these cases. Interstate questions are involved; moreover, as stated, practically every reservoir that has been constructed at Federal cost has been built upon lands acquired by the United States.

The States will be deprived of no power. The Federal Power Commission has jurisdiction over power developments along navigable streams. Under the present flood-control bill and in all other flood-control acts the principle of local contribution for local protective works, including levees and flood walls, remains.

It is contemplated that the flood-control costs in the Blakely Mountain Dam project along the Ouachita River will be paid out of the amount allocated to the Arkansas River Basin and that the reimbursements to the Muskingum Conservancy District will be paid out of the amounts allocated to the Ohio River Basin.

It is understood that the costs of flood control in the Lugert Dam will not exceed $600,000 and that the costs of lands in the Clarks Hill Reservoir is $1,700,000. The additional projects authorized in the Senate and agreed to in the House will increase the authorizations of the House bill about two and a half million dollars in addition to the estimated increased amounts already mentioned resulting from the United States assuming the entire costs of dams and reservoirs.

WILL M. WHITTINGTON,
MON. C. WALLGREN,
ROBERT T. SECREST,
Managers on the part of the House.

Mr. WHITTINGTON. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, the conference report provides for the adoption of projects with the additions made by the Senate, and the additions of new projects are probably the smallest that were ever inserted by the other body in a flood-control or river and harbor bill. They amount to about $2,500,000, and are recommended by the Chief of Engineers.

The Senate added 55 amendments to the bill, but there are only 5 or 6 to which I wish to direct your attention. The first amendment of the Senate struck out section 1 of the bill as it passed the House and reenacted the declared policy as contained in the act of June 22, 1936. The conferees agreed upon that language and accepted this amendment of the Senate.

The act of June 26, 1936, provided that penstocks should be installed in all flood-control reservoirs when the Chief of Engineers recommended that they be installed, upon the approval of the Secretary of War. The conference report changes existing law in this regard and makes it mandatory that the Secretary of War shall install them when approved by him upon the recommendation of the Chief of Engineers and of the Federal Power Commission, the Federal Power Commission having supervision over Federal water-power rights in navigable streams.

The third amendment I mention is in the last section in the flood-control bill. As that part of the bill left the House it provided for the expenditure of $5,000,000 by each, the Secretary of War and the Secretary of Agriculture, in examinations and surveys. The section was amended in the Senate, and as agreed to now provides for $1,500,000 to be expended by the Federal Power Commission for examinations and

surveys, and the conferees have agreed that these investigations shall be made under existing law by the Federal Power Commission. As agreed to, the section reduces the amount from $5,000,000, proposed by the Senate, to $1,500,000; and I may say from my contacts with the Federal Power Commission that the amount is sufficient and satisfactory.

In the fourth place, the most important of the amendments agreed to in this conference are the amendments to section 2 of the bill as it left the House. Under section 2 of the bill as it was passed by the House the Federal Government was to pay 70 percent of the cost of lands, easements, and rights-of-way for reservoirs and dams for flood control. There were two projects where provision was made for the development of power as the bill passed the House. The entire cost of those two projects and the title to the projects were in the Federal Government.

The Senate inserted a number of amendments, but I direct your attention particularly to amendment No. 6, known as the Barkley amendment. This amendment provides that the Federal Government shall pay the entire cost of dams and reservoirs and channel improvements or channel rectification for flood-control purposes, and provides reimbursement of those that have been constructed under the act of 1936. The conferees accepted this amendment with language that undertook to protect the Federal Treasury by providing that the Secretary of War may either purchase the land and the rights-of-way for dams or he may condemn; and in the event of prior construction he may pay the actual cost of that construction provided he deems that cost to be reasonable. In other words, under the terms of this conference report the entire costs of the reservoirs for flood control will be borne by the Federal Government instead of the said 70 percent as provided by the bill when it left the House. The language to protect the Federal Treasury is, in my judgment, materially improved by the amendment agreed upon in the conference report.

Substantially the only reservoirs that have been constructed for flood control have been reservoirs where the Federal Government paid the entire cost and where the title to those reservoirs is in the Federal Government. I do not share the apprehension of some of my friends who claim that title to the reservoirs should not be in the Federal Government because if the Federal Government is to pay the entire cost certainly the title should be in the United States. I remind you in this connection that the title to the reservoir known as the Tigart Dam, in Pennsylvania, is in the Federal Government. The title to the reservoir known as the Parker Dam is in the Federal Government, and such is the case with reference to the Grand Coulee Dam, the Bonneville Dam, and the Fort Peck Dam, where the Federal Government is paying all the costs of construction. The title to all dams in the Tennessee Valley is in the United States.

May I say, in addition, that there has been some fear that the Federal Power Commission may infringe upon the rights of the States. I invite your attention to this language in the Federal Power Act of 1920, approved June 10, as amended:

SEC. 27. Nothing herein contained shall be construed as affecting or intending to affect or in any way to interfere with the laws of the respective States relating to the control, appropriation, or use or distribution of water used in irrigation or for municipal or other uses or any vested right acquired therein.

There is nothing new to have title vested in the Government of the United States. All public improvements made at the sole cost of the United States provide, as I recall, that the title shall be vested in the Federal Government. The title to land on which every public building and every post office, I may say, is in the Federal Government. The title to all resettlement and farm-tenant projects is in the United States. The title to forests and submarginal lands is in the United States.

There has been some feeling that this might interfere with reclamation and water users' rights. Those who entertain an apprehension of that sort, with all deference, have not a leg on which to stand. Let me remind you that under the reclamation law passed on June 17, 1902, the title to every reservoir constructed by the Bureau of Reclamation with Federal funds is in the Government of the United States under this act that has been in force for 35 years. I quote from section 6 of the Reclamation Act of June 17, 1902, the following:

Provided, That the title to and the management and operation of the reservoirs and the work necessary for their protection and operation, shall remain in the Government until otherwise provided for by act of Congress.

That act was passed more than 35 years ago, and there have been constructed, as I am advised by the Bureau of Reclamation, 80 storage reservoirs for reclamation, while 35 are in the process of construction, 115 in all since that law was passed in 1902. The title to every one of those reservoirs is in the United States of America.

For my part I have advocated for years that if reservoirs are to be utilized in solving the problem of national flood control they would never be generally constructed unless they are constructed at Federal cost and by the United States of America. The conference report as agreed to provides for that very thing.

[Here the gavel fell.]

Mr. WHITTINGTON. Mr. Speaker, I yield myself 3 additional minutes.

Moreover, the matter of States' rights has been unnecessarily injected into this question. The Supreme Court of the United States has decided in the case of *California* v. *Arizona* (282 U. S. 423), that if the Government of the United States adopts a Federal project it is not necessary for it to have the consent of the State in order to acquire the land for the purpose of constructing that project. It is not necessary for the Federal Government in Pennsylvania or Mississippi, Colorado, or any other State to ask permission of the Governor or the legislature to acquire or condemn a site for a post-office building, or for other Federal purposes in the Army and Navy improvements.

Mr. Speaker, under the terms of this bill, the effect of this amendment as agreed to or a substitute for section 2, and this is the vital amendment in the bill, is that the title to these reservoirs for flood control shall be in the United States of America. Every one of these reservoirs as provided in this act is to be selected by the Chief of Engineers in his discretion and he has to select primarily flood-control reservoirs and, being constructed at the expense of the United States, if pen stocks can be installed for the future development of power, the arm of the United States, the Federal Power Commission, in cooperation with the Chief of Engineers, may install these pen stocks.

In my judgment, this bill as agreed to protects the Federal Treasury and gives to the Nation for the first time a comprehensive flood-control program which provides not only for the construction of levees and flood walls, where the principle of local cooperation obtains and is continued, but provides for an adequate flood-control policy by the utilization of reservoirs for detaining floodwaters at the sources.

Mr. MAY. Will the gentleman yield?

Mr. WHITTINGTON. I yield to the gentleman from Kentucky.

Mr. MAY. The gentleman may have made it clear, but I did not get it. Will this amendment require the Federal Government to pay for the acquisition of land and roads that are taken within a reservoir area?

Mr. WHITTINGTON. It will, and for railways, too.

Mr. MAY. The gentleman has stated the facts as they are, that in these great reservoirs out West the Government owns and has the title to them, but he failed to call attention to the fact that in the Tennessee Valley, where the T. V. A. is constructing dams, they pay for everything there.

Mr. WHITTINGTON. Absolutely.

Mr. MAY. And ultimately will have taken a million acres of land.

Mr. SNYDER of Pennsylvania. Will the gentleman yield?

Mr. WHITTINGTON. I yield to the gentleman from Pennsylvania.

Mr. SNYDER of Pennsylvania. The Legislature of the State of Pennsylvania 2 years ago passed a law so it would dovetail into the Federal laws to build a dam.

Mr. WHITTINGTON. What is the question?

Mr. SNYDER of Pennsylvania. They are now building and have under construction two $5,000,000 or $6,000,000 dams. Will there be any delay?

Mr. WHITTINGTON. No; there will not be. You do not suspend the works by passing this bill for 100 percent costs any more than by the 70-percent provision when it passed the House.

Mr. SNYDER of Pennsylvania. Then there will be no delay?

Mr. McCORMACK. Will the gentleman yield?

Mr. WHITTINGTON. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I want to congratulate the gentleman and the conferees on bringing in this report. I have been very much interested in legislation along this line, as the gentleman well knows, having introduced a bill providing for a 100-percent Federal contribution, always contending this is a national problem and it is the only way this problem can be adequately and properly met.

Mr. WHITTINGTON. The gentleman knows I have been in sympathy with him and with the 100-percent costs of reservoirs from the beginning.

Mr. CITRON. Mr. Speaker, will the gentleman yield?

Mr. WHITTINGTON. I yield to the gentleman from Connecticut.

Mr. CITRON. Is there any provision in the bill for taking care of the loss of taxes to any communities? Personally I believe this should be shared by the States in proportion to their benefits. This bill as worked out by the conferees is excellent legislation and in providing for a farsighted, comprehensive program, which we have been advocating for many years, the chairman and his committee surely deserve our commendations.

Mr. WHITTINGTON. I may say the amendment for 100-percent costs of dams and reservoirs was inserted in the Senate and that matter was not in conference, with respect to dams and reservoirs generally, but in another section of the bill there is language that commits the Government to a policy of paying to local taxing agencies a part of the revenues that may be derived from leases of land in Arkansas and Mississippi. The policy will and should be extended to all reservoirs, and is in line with the policy in farm security and landlord and tenant projects.

Mr. GRAY of Pennsylvania. Mr. Speaker, will the gentleman yield?

Mr. WHITTINGTON. I yield to the gentleman from Pennsylvania.

Mr. GRAY of Pennsylvania. Can the gentleman inform me if work will be suspended on the Tionesta and Coogan Creek Dams in Pennsylvania?

Mr. WHITTINGTON. I have already answered the gentleman's question by saying it will not.

Mr. GRAY of Pennsylvania. No; the gentleman has not answered my question.

Mr. WHITTINGTON. I beg the gentleman's pardon. The same question was asked by the gentleman from Pennsylvania [Mr. SNYDER] and promptly answered by me.

Mr. GRAY of Pennsylvania. If the Federal Government is going to take title to those lands, will work be suspended from now on?

Mr. WHITTINGTON. I have answered the gentleman's question by saying if you have a contract, an outright contract, it will be completed. If you do not want to accept the reimbursement that the Federal Government offers, you do not have to.

Mr. GRAY of Pennsylvania. No; but will work be suspended?

Mr. WHITTINGTON. I said I did not think so. The work will be continued. The bill has been materially improved by the amendments agreed to in conference. [Applause.]

Under leave to revise and extend my remarks, I may say that, as I have pointed out, the amendments agreed to in conference, in my judgment, improve the measure and make it a more satisfactory bill than when it passed the House.

The bill, as it passed the House, very materially increased the Federal cost of reservoirs and dam construction. The bill provided for the Federal Government paying 70 percent of the actual expenditures of acquiring the lands, easements, and rights-of-way. Some Members now suggest that if the United States pays 100 percent of such costs instead of 70 percent, it will interfere with the building of dams and reservoirs now under contract authorized under the act of June 15, 1936, or June 22, 1936.

The payment by the Federal Government of 100 percent instead of 70 percent cannot change the situation. The bill was before the House; it was debated. No one suggested that the payment of 70 percent would invalidate any existing contract, or that the Government of the United States would repudiate any contracts.

If the payment of 70 percent would not result in the suspension of dam construction in Pennsylvania, surely the payment of 100 percent should not result in such suspension. Moreover, the payment of 70 or 100 percent is really an amendment under existing law to the payments provided in the act of June 22, 1936. That act provided that the Federal Government in the case of reservoirs for the protection of Pittsburgh, where the benefits extended to other States than Pennsylvania, the estimated costs to the local interests might be reduced by one-half the amount by which the estimated cost of lands, easements, and rights-of-way exceeded the estimated construction cost. The bill as it passed the House increased the amount to 70 percent. It is now increased to 100 percent. If it were true that the change in the amount of local contribution would abrogate a contract for flood-control work, there would never be improvements made in flood-control legislation.

It has been suggested that the United States could not acquire title in Pennsylvania or some other States. My understanding is that the United States acquires title to post-office sites. I know of no State that will benefit more from the 100-percent dam and reservoir construction by the Federal Government provided in the bill as agreed to in conference than the Commonwealth of Pennsylvania. I know of no State that will be permitted to build more dams with Federal money.

I believe that the local interests should cooperate with the Government. The principle of local cooperation has been safeguarded in the language agreed to in the conference report. Under the bill as it passed the House, the Chief of Engineers was authorized to reimburse the local agencies 70 percent of the actual expenditures. Under the language agreed to by the conferees, the Federal Treasury is protected, for this provision is modified and limited by authorizing the Secretary of War to make reimbursements for actual expenditures if the expenditures are deemed reasonable by the Secretary of War and the Chief of Engineers. The qualifying language agreed to in the conference report further protects the Treasury. It is strange that some will contend that the Federal Government, under the power to acquire, will not pay more than a post-office site is worth, more than a public-building site is worth, more than forest lands are worth, more than submarginal lands are worth, more than Farm Security or Resettlement lands are worth, more than lands are worth for reclamation dams and reservoirs, and then balk when it comes to giving the United States Government the power to acquire lands either by condemnation or by purchase for flood-control reservoirs.

As I have pointed out, practically the only reservoirs that are being constructed under the act of June 22, 1936, have been the two above the city of Pittsburgh, where the wealthy city of Pittsburgh had provided to purchase the sites for two dams only and where thus far no provision has been made for the purchase of the seven additional

sites for reservoirs authorized in that State, and in the Los Angeles area and in the West where the cost of the lands for reservoirs was around 5 percent of the construction costs.

It has been suggested that there have been no hearings on dams and reservoirs at the cost of the Federal Government. Ever since the great flood of 1927, more than 10 years ago, at all hearings on flood-control projects, including those recently conducted in 1938, advocates of national flood control at national expense, have appeared before the Flood Control Committee. For 10 years and during the consideration of every flood-control bill, advocates from various sections of the United States have appeared in behalf of not only dams and reservoirs, but local protective works at national expense. During the hearings on the pending bill there were advocates who appeared and advocated dams and reservoirs at Federal expense.

I believe that sufficient time has elapsed since the passage of the act of 1936 for the committee and the Congress to know definitely that unless the Federal Government assumes substantially all costs of dams and reservoirs they will not be constructed. It was rather amusing to hear some members of the committee and some who declined to sign the conference report say that we should delay a modification of the act of 1936 until we had tried it more thoroughly. Their actions speak louder than their words. These same Members voted to increase the Federal cost by 70 percent as the bill passed the House. There is not much difference between 70 and 100 percent, particularly when the 100 percent is better safeguarded for the Federal Treasury than the 70 percent.

As I have stated, the argument of States' rights has no place in these discussions. The Federal Government has the power to condemn in every State in the Union now without the consent of the States, to acquire lands for post offices and for Federal purposes. I have already pointed out that during the past 35 years 80 reservoirs have been constructed for reclamation and 35 are under process of construction. The title to all of these reservoirs is in the United States. The United States has had the power to condemn lands for reservoirs in reclamation for more than 35 years. The Members of Congress who would deny this power for flood-control reservoirs are inconsistent.

As I have stated by quoting from the Federal Water Power Act, there is no ground for the apprehension that the reclamation States may be adversely affected and that the rights to appropriate waters may be endangered by the United States acquiring title to the reservoirs. The answer is that under the Federal Water Power Act the laws of the respective States are not interfered with and I have quoted the exact language of that act.

The bill as agreed to in conference gives the Secretary of War and the Chief of Engineers the power to acquire by condemnation or purchase, lands and flowage rights for dams and reservoirs. They are given power to reimburse. Only a few have been constructed. The language authorizing reimbursement will safeguard the public Treasury.

The Flood Control Committee was organized in 1916 during the administration of President Woodrow Wilson. My predecessor, the Honorable B. G. Humphreys, was the chairman. The principle of local contribution obtained. That principle still obtains in the construction of levees and floodwalls along the Mississippi River and other rivers. The Federal contribution was liberalized in the Flood Control Act of 1928. The provisions for local contribution along the Mississippi River for local protective works, including levees and river walls, are the same as the provisions for such works along every other river in the United States. For local protective works, the principle of local contribution is continued in the pending bill as agreed to in conference. The local interests must continue to furnish the lands and rights-of-way for local protective works and many of them are authorized in the pending bill.

Under existing law pen stocks may be installed in any dam when approved by the Secretary of War upon the recommendation of the Chief of Engineers. The bill as agreed to in conference goes a step further. The Federal Power Commission represents the Government in its power policies. As agreed to in conference $1,500,000 is authorized to be appropriated for examinations and surveys by the Federal Power Commission. They will thus have the opportunity to examine all reservoirs and reservoir sites. Again, as the representative of the Federal Government, the bill provides, as agreed to in conference, that pen stocks shall be installed when approved by the Secretary of War upon the recommendation of the Chief of Engineers and of the Federal Power Commission. Substantially all of the reservoirs are primarily flood-control reservoirs. They are to be selected by the Chief of Engineers, but there should be cooperation. As agreed to, the bill provides that the Federal Power Commission shall have a voice as to the installation of pen stocks. Such a provision is entirely proper. In my judgment there is no conflict. It is proper that both the Chief of Engineers and the Federal Power Commission should join in the recommendation. The President deals with Cabinet members. The Secretary of War alone has the power to condemn for reservoirs.

The provision with respect to pen stocks is fair. Inasmuch as the Chief of Engineers selects the projects, he should have a voice as to their construction and as to the installation of pen stocks. So should the Federal Power Commission. Both the Chief of Engineers and the members of the Federal Power Commission are appointed by the President. I do not believe there will be any conflict. On the contrary, I believe there will be cooperation between the Chief of Engineers and the Federal Power Commission. The Chief of Engineers is always interested in protecting and conserving the resources of the Nation; in fact, such a provision represents a step forward. In 1936, for the first time, the Department of War was reinforced and supplemented by the Department of Agriculture. Downstream protective works were supplemented by upstream conservation and reforestation measures. In the bill the Federal Power Commission is added to these two important agencies of the Government.

I believe that the best interest of the United States and of the natural resources of the country will be promoted by utilizing the Corps of Engineers, the Bureau of Soil Conservation, the Bureau of Forestry, the Weather Bureau, and the Federal Power Commission in the expansion and enlargement of the flood-control policy of the United States rather than by the establishment of additional governmental agencies.

As shown by the statement of the managers on the part of the House, only a few projects were added to the bill in the Senate. Only such projects were retained as are recommended by the Chief of Engineers. The additional projects included by the Senate and agreed to in conference will increase the authorization of the House bill about two and a half million dollars.

The bill, as it passed the House, authorized $10,000,000 for works by the Department of Agriculture. It authorized $375,000,000 for flood-control works. As agreed to in conference, these amounts have been increased by $11,500,000 to provide for examinations and surveys by the Department of War, the Department of Agriculture, and the Federal Power Commission.

There has been undue agitation and wholly unnecessary apprehension with respect to hydroelectric power as a result of the provision for the United States paying the entire costs of the construction of dams and reservoirs. I have pointed out that in the only two dams where power is presently to be generated the title, as the bill passed in the House, to the lands was in the Government. There is no provision anywhere in the pending bill that provides for superseding any existing State law with respect to the use or appropriation of waters. On the contrary, such rights are expressly recognized in connection with the so-called Denison Reservoir.

Again, if it developed that power should be generated at any of the dams authorized in the pending bill it would

be necessary for the changes in the plans to be approved by Congress. The bill authorizes the projects as reported in the documents referred to in the bill. They make no provision for the generation of power. It would require further legislation to provide for hydroelectric power development. If the Federal Power Commission and the Chief of Engineers, on further investigation, find that power can be economically developed at any of the reservoirs, they would be recreant to their duty if they did not ask Congress to modify the legislation to provide for the development and conservation of such power. The point is that there should be no apprehension with respect to the Federal Government engaging in power development as a result of the 100-percent cost of dams and reservoirs to the Federal Government, because no such power can be developed until Congress passes further legislation.

In conclusion, I must report to the House that my conferees who joined with me in the report, the gentleman from Washington [Mr. WALLGREN], and the gentleman from Ohio [Mr. SECREST], are entitled to the thanks of the House for their fine and excellent work in connection with the passage of the bill and the conference report. I should like to take this occasion to say that all members of the Committee on Flood Control in the House of Representatives during the present and the previous sessions of the present Congress have studied carefully the problem of flood control in all parts of our country. I am indebted to all of the members of the committee for their helpful work and fine cooperation. I must add that I am especially and personally gratified at the unanimous support and cooperation of the entire membership of the House in passing the pending bill and in approving the conference report for the most comprehensive legislation for flood-control improvements ever adopted by this or any other country.

[Here the gavel fell.]

Mr. WHITTINGTON. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. ENGLEBRIGHT].

Mr. ENGLEBRIGHT. Mr. Speaker, I desire again to compliment the chairman of the Committee on Flood Control for the conscientious manner in which he has worked out a flood-control bill. We had many serious problems to reconcile in the conference as a result of the Senate amendments. I found myself in harmony with all of the provisions of the bill with the exception of paragraph 6 of section 1. When the bill was reported by the House committee and passed the House, this section provided for a 70-percent Federal contribution on reservoir sites with the title to the land, the reservoir sites, easements, and rights-of-way remaining in the States, the municipalities, or the flood-control districts. The Senate amendment is a new departure, inasmuch as this provides for a 100-percent Federal contribution with the title to rest in the Federal Government. The question is whether a change should be made in this policy, regardless of the fact that Army engineers, the Mississippi River Commission, various local flood-control associations, and the Flood Control Committees of the House and Senate opposed it. The various States of the Union have their water commissions and have jurisdiction over the waters of their States.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. ENGLEBRIGHT. Not now; just let me finish my statement.

The 100-percent Federal contribution can be justified, but with the title resting in the Federal Government it violates the compacts between the New England States and of various municipalities and the agreements between States in the West.

I do not believe sufficient consideration has been given to this matter. No hearings were held on the subject. The amendment was inserted on the floor of the Senate. Due to the lack of proper consideration of the subject, I was unable to bring myself to sign the conference report with respect to this particular part of the bill. I am in favor of all other sections and provisions of the bill and shall support the same.

[Here the gavel fell.]

Mr. WHITTINGTON. Mr. Speaker, I yield 3 minutes to the gentleman from Massachusetts [Mr. MCCORMACK].

Mr. McCORMACK. Mr. Speaker, the argument of the gentleman from California is simply one of failure to recognize where the responsibility lies in meeting this challenge to the American people. I have always maintained the Federal Government should make a 100-percent contribution in the purchase of sites of dams and reservoirs and in the construction of the dams and reservoirs themselves. I introduced and fought for a bill to that effect. This bill meets not only the New England situation but settles for the first time in a proper manner this problem in its application throughout the entire country. Our friends on the Republican side talk about State rights. Now they talk about title. If the Government is going to pay 100 percent, certainly the Government is entitled to have the title to the land which it buys outright. We have always had the same objections to flood-control measures from the Republican side, and it is always academic opposition. I wonder how the people of the flood-affected areas of the United States will feel if another flood occurs and they are sitting in their second-story windows watching the water go by and remembering the arguments of some of our Republican friends with regard to States' rights and where title should reside.

What they are concerned with is protection, and what we should be concerned with is bringing to the people of the flood-affected areas the protection to which they are entitled. The only way this can be done is by a 100-percent contribution on the part of the Federal Government in the purchase of the sites upon which dams and reservoirs are to be constructed.

I wish again, as I said to the chairman of the committee, to congratulate the members of the committee on the report they have brought in here. It definitely meets this great challenge to the American people and this source of constant menace to so many millions of our people located in the various sections of our country affected by the floods which have occurred in the past and will occur in the future. The members of the Republican Party have opposed this progressive legislation, and I hope we will have a roll call on this conference report to place them definitely on record.

[Here the gavel fell.]

Mr. SNELL. Mr. Speaker, will the gentleman from Mississippi yield me 2 or 3 minutes

Mr. WHITTINGTON. Mr. Speaker, I yield the gentleman from New York 3 minutes.

Mr. SNELL. Mr. Speaker, I accept the challenge which the gentleman from Massachusetts [Mr. MCCORMACK] has just presented to the House, that the Republicans have continually opposed flood control. As a matter of fact, the real intensive flood control was started under President Coolidge, and he is the man who was responsible for it.

The only thing the Republicans have opposed is the manner of purchase and paying for this land. We feel that in order to save money for the people of this country those who are vitally interested should pay something toward the rights-of-way and flowage rights, and then we will only pay about what the land is worth. This is the position we took in the beginning, and we stand for this now, because I know, and I believe the gentleman from Massachusetts knows, that this is a sensible, honest program, and when the gentleman gets up here and states that the Republicans have always opposed this, he forgets the fact that it was the Republicans who started and sponsored the real flood control in this country.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. SNELL. I yield.

Mr. McCORMACK. Will the gentleman say the Republicans were the ones who brought in this plan of 100-percent contribution?

Mr. SNELL. No; and I am opposed to that now because it does not protect the rights of the people and is not the right principle. If the Democrats had more regard for the

taxpayers, we would not be in the financial straits we are at the present time.

Mr. McCORMACK. Never mind about the principle, what about protecting the lives and the property of the people?

Mr. SNELL. We know all about that, and we want to protect property as much as you do. We have stood for that principle for years here and the gentleman knows it will save a lot of money if the people who are buying these rights-of-way have some interest in buying them for what they are worth. This is the only thing I have stood for and I challenge the gentleman or any other man to say that this is not an honest principle and in the interest of the taxpayers of this country.

Mr. McCORMACK. If that is the gentleman's challenge, I thoroughly respect the gentleman's viewpoint, but I absolutely disagree with him because this is a national challenge and a national problem.

Mr. SNELL. Then the gentleman should not say that the Republicans have opposed flood control because that is not a statement of the fact.

Mr. McCORMACK. Any flood control we have had in the past has been ineffective, and this is the only type of flood control which can be effective in meeting the problem.

Mr. SNELL. The gentleman is mistaken in saying that this is the only type of flood control.

Mr. McCORMACK. I am talking about dams and reservoirs——

Mr. SNELL. I have the floor and I do not yield further I made one of the first speeches made in this House on that subject and I made it during the first 2 years I was in Congress, and that was 20 years ago, and I advocated at that time dams and reservoirs on the headwaters of the streams.

Mr. McCORMACK. Providing for Federal contribution of 100 percent?

Mr. SNELL. No; I have told the gentleman that I am against that 100-percent proposition, and given him the reasons for my position.

Mr. McCORMACK. But they have all been ineffective.

Mr. SNELL. They may be from your standpoint, but not from the standpoint of the taxpayer, and I try to remember him sometimes when I pass judgment on legislation.

[Here the gavel fell.]

Mr. WHITTINGTON. Mr. Speaker, I yield 5 minutes to the gentleman from Kansas [Mr. CARLSON].

Mr. CARLSON. Mr. Speaker, I want to assure the House I do not care to get into any controversy with the gentleman from Massachusetts [Mr. McCORMACK] and the gentleman from New York [Mr. SNELL]. The Flood Control Committee has worked hard and diligently on a bill; in fact, we brought before this House a bill and passed it unanimously. If there were any Republican votes against that bill, I would ask the gentleman from Massachusetts [Mr. McCORMACK] to stand up and name them. The Senate received this bill and they placed on it fifty-some amendments.

It was with some reluctance I felt I could not sign the conference report. I am as interested in flood-control and water-conservation legislation as any gentleman in this House, but I do not believe we should come into this House and say that the act of July 22, 1936, has failed. That was the first time that the Federal Government had adopted a comprehensive flood-control program in cooperation with the States, and yet in 2 years we challenge that policy. Gentlemen take the floor here today and say it has failed. I do not believe we have had sufficient time to try it. I think we should have given it several years of trial. In permanent national legislation we should not change our policy every 2 years.

There are States in this Union that are making plans to cooperate with the Federal Government in a large number of these projects. I realize it is nice to go home and say to the citizens of our districts, "I secured this project at a cost to the Federal Government of 100 percent," but I am wondering whether in this conference report we have protected the taxpayers and the citizens of this country as they are entitled to be protected. I have the feeling that when we contribute locally, when we raise the money to buy the site for a reservoir, there is an interest in that reservoir and there is a need for it.

Mr. ZIMMERMAN. Mr. Speaker, will the gentleman yield?

Mr. CARLSON. Let me finish my statement and then I shall yield.

I realize there are various States affected and that various rivers flow through different States and the problems become national, but we have not had proper hearing, in my opinion, on this all-important legislation.

The distinguished chairman of our committee brought out the facts in regard to reclamation and irrigation projects. I have in mind a reservoir that we hope to construct that affects two States, so far as irrigation is concerned. Plans have been made to raise the money for local contribution and local management. There is a question in my mind as to whether or not there will be some controversy over the division of the water between the States of Kansas and Colorado if we adopt the proposed conference report. I tried to get some figures as to how much additional cost this conference will be over our original bill. I notice in the conference report it says $39,000,000. I think that is a fair statement for the projects in the bill, but let us remember that this bill is retroactive. We go back and pay for reservoir sites, and we are going to pay for sites for channel changes beginning with the act of 1928, and the two acts of 1936, and if I am not correct I ask the gentleman from Mississippi [Mr. WHITTINGTON] to correct me.

Mr. WHITTINGTON. That figure is the figure given me by the office of the Chief of Engineers, and it contains all costs for all reservoirs.

Mr. CARLSON. The conference committee on H. R. 10618, entitled "An act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes," is returning to the House a report which adopts a new principle in necessary flood-control legislation. This report carries a provision which requires 100-percent contribution by the Federal Government for the construction of any dam, reservoir project, channel improvement, or channel rectification project for flood control. Personally I have always favored a bill whereby the State or political subdivision thereof should contribute, in part, at least, to the construction of projects of this type. It seems to me this is absolutely necessary if we are to protect the taxpayers and Treasury of the United States. While I realize the need for flood control and all its allied programs, such as water conservation, reforestation, and hydroelectric power, I believe this is a matter which should have had lengthy study and serious consideration. Our committee spent weeks in studying the flood-control and water-conservation problems of the Nation and reported unanimously H. R. 10618. In our bill we had retained the principle of local contributions for dams and reservoirs by requiring the local communities to pay 30 percent of the cost of lands, rights-of-way, and damages. When the bill was returned to us from the Senate, we found they had removed all local contributions and in so doing amended the bill so that the Federal Government is authorized and directed to acquire in the name of the United States title to all lands, easements, and rights-of-way necessary for any project approved in the bill. The Senate added 50 separate and distinct amendments.

I believe the departure from the principle of contribution by the States and their political subdivisions is undesirable for two reasons: First, that local contributions give an assurance that the project is necessary, that it will effectively serve the purpose, and that it will be built economically. We should not lose that safeguard. Second, the Federal Government, by contributing 100 percent of the cost, securing title, and operating and maintaining the same, further centralizes governmental powers at the expense of State and local jurisdictions.

It seems to me that the Flood Control Act of June 22, 1936, being the first policy of the Federal Government to cooperate with the States in flood-control purposes, is sound and reasonable and I believe it should be given a fair trial and had hoped that it would be continued. Two years' time is not long enough to try a program of national importance. The Flood Control Act of 1936 provided a national plan for flood control which was based upon cooperation between the States and Federal Government. The common interests of States and Federal Government in flood control are recognized, and the act provides for a division of the costs. It seems to me that the principle upon which this act is based is fundamentally sound and before any new amendment or legislation is adopted it should be given further trial. The construction of flood-control projects affects local interests very materially. This is especially true of flood-control reservoirs, the development of which may result in overflowing of towns, valleys, and the destruction of highways, railroads, and other public utilities. Some of these projects may cause serious economic losses to the States in which situated and local participation in the choice of such projects is essential to the protection of local interests.

Since the presentation of this report I have made every effort to secure information as to who approved the 100-percent contribution by the Federal Government on flood-control projects. The President of the United States, in a letter dated April 28, 1937, to the Honorable WILLIAM M. WHITTINGTON, chairman of the Committee on Flood Control, stated, in part, as follows:

> One other subject remains—the participation of State and local authorities in the cost of any of these projects. It is my belief that, for many reasons, the Federal Government should not be charged with the cost of the land necessary for levees, dams, and reservoirs.

The Mississippi River Commission, which has been actively concerned and interested in a program of flood control, adopted a resolution which reads as follows:

> The Commission is firmly of the opinion that some degree of local financial cooperation is essential to a successful accomplishment of a flood-control project. This opinion is based, not on a belief that local interest should share in the cost by reason of their being beneficiaries but on the belief that without a local sharing in the cost the Commission as an agency of the Federal Government disbursing Federal funds, will be confronted by inordinate demands for flood-control work not needed nor justified.

The Mississippi Valley committee of the Public Works Administration has consistently supported the principle of local contribution and in their report state as follows:

> Recent experience with applications for Federal funds to completely finance flood-control projects of chief benefit only to local communities indicates the necessity of adherence to a policy based on allocation of costs in proportion to benefits. While Federal participation may be liberal under such a policy, there is an obvious danger in yielding to local pressure to an extent that will involve Government in obligations far beyond reasonable justification.

The SPEAKER pro tempore. The time of the gentleman from Kansas has expired.

Mr. WHITTINGTON. Mr. Speaker, I yield the gentleman 3 more minutes.

Mr. HOUSTON. Mr. Speaker, will the gentleman yield?

Mr. CARLSON. I will be glad to yield to the gentleman from Kansas.

Mr. HOUSTON. Will the gentleman tell us what the status of the Caddoa Dam is under the provisions of this bill?

Mr. CARLSON. It will be constructed by 100-percent contribution by the Federal Government.

Mr. KOPPLEMAN. The gentleman has stated that we have been going along for 2 years without success. Will the gentleman tell us what his plan is to give the people relief from floods?

Mr. CARLSON. I assure the gentleman that we are making progress. Many States are making plans to cooperate in this program of flood control and water conservation.

Mr. ZIMMERMAN. Is it not a fact that reservoirs, the subject of which we are considering at this time, are often places in States or places that are unable to bear the burden of contributing to their construction, and that the benefit will be obtained in another State entirely removed from the location of the reservoir or the dam.

Mr. CARLSON. Mr. Speaker, the gentleman from Missouri is a member of the committee, and a very valuable member, and I agree with everything that he has said.

Mr. ZIMMERMAN. Further, oftentimes the construction of a reservoir or a dam is not an injury to a particular locality, and therefore it is impossible to get local contributions, and for that reason we have not been able to get flood control under the law as it exists today, and we must have the expense borne by the Federal Government.

Mr. CARLSON. The gentleman from Missouri will agree that we have only tried it for 2 years and therefore we have had no opportunity to really conclude that.

Mr. ZIMMERMAN. But many projects have bogged down, and we have had no comprehensive system because we cannot get local contribution.

The SPEAKER pro tempore. The time of the gentleman from Kansas has again expired.

Mr. WHITTINGTON. Mr. Speaker, I yield four minutes to the gentleman from Pennsylvania [Mr. EBERHARTER].

Mr. EBERHARTER. Mr. Speaker, in my opinion this radical departure from the policy heretofore established is not a partisan question. This is a question of participation by the States in flood control, and was decided by the House and Senate in the 1936 flood-control bill. The matter of local participation has been before the Flood Control Committee of the House for a long time and that committee, after due deliberation, rejected the proposition of the Federal Government assuming the complete cost of flood-control work. The Senate Committee on Flood Control rejected the proposition of the Federal Government assuming the entire cost. The House of Representatives rejected that proposition. But an amendment was put in this bill by a gentleman in the other body to the effect that the entire cost should be borne by the Federal Government. Now, the House Committee on Flood Control, which previously rejected that principle, comes in here in the last days of the session, and takes it upon itself to recommend to this House that it adopt a principle already rejected by the flood-control committees of both branches of Congress, to the effect that the States cannot participate. Mr. Speaker, this means that the entire Federal flood-control program will be jeopardized.

It will throw the entire subject back into the old log-rolling method. It will make of flood control nothing but a pork-barrel proposition. Each Congressman will come here knowing that it will not cost one cent of local taxation to the taxpayers in his district or State, and make every attempt to get every flood-control project he possibly can. I cannot blame the Members individually for attempting to get all they possibly can for their districts when the cost comes out of the general pot. But I say it is wrong in principle. This bill will mean the abandonment of some of the sovereign powers of the States. It means in effect a suicide of State rights. And I say that abandonment of the principle of local participation by the States in the matter of flood control, the very opposite of what was heretofore recommended by this committee, the opposite to what was passed by the House, the opposite of what was recommended by the Senate Committee on Flood Control, would be a serious mistake. I would much rather see this conference report voted down than for us to abandon a principle that means so much. I hope this conference report is voted down, because there are many States that entered into compacts with the Federal Government, in good faith, on the basis of participation. The Federal Government will now say to those States that they cannot proceed with that work, and all flood-control work must be abandoned until readjustments are made in accordance with this new and radical change in policy.

The SPEAKER pro tempore. The time of the gentleman from Pennsylvania has expired.

Mr. WHITTINGTON. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio [Mr. JENKINS].

Mr. JENKINS of Ohio. Mr. Speaker, I think that the little colloquy between the distinguished gentleman from Massachusetts [Mr. MCCORMACK] and our distinguished minority floor leader probably brought to a focus the real controversy, if there is a real controversy in this bill. There can be no politics in this matter. It would not be a fair assertion to say that either the Republican Party or the Democratic Party has ever taken any special stand on this bill or the legislation or administration policies involved.

This bill has in it only two or three items that call for complete and total Federal participation. The great bulk of the money to be spent under this bill will call for local participation in improvements all up and down the Ohio and Mississippi Rivers. That has not been changed from what I understand to be the law at the present time, and for some time past.

Mr. WHITTINGTON. Mr. Speaker, if the gentleman will yield, the law that was passed 10 years ago still obtains, and it provides for local contribution for levees and local protection works. It is the law today in regard to every local flood wall and protective project, just as the gentleman states. The bill does not interfere with anybody's contract and it will not interfere with any work that is now under construction.

Mr. JENKINS of Ohio. Personally I would much prefer had no allusion been made here to the Federal Power Commission or that these dams and reservoirs should be considered in any way as power projects; but when we consider the great western dams we find in all those cases total participation by the Federal Government. The Federal Government through the general taxes pays for the dam, but the power generated is available to all the people, and the protection from floods is general and affects people far removed from the location of the dam and reservoir.

Let us take a concrete illustration. Let us take, for instance, the Blue Stone Dam far up in the mountains of West Virginia which drains a watershed near the border of North Carolina and Virginia. The Blue Stone Dam is in a section where the property to be inundated is of no great value.

The people in that section will get practically no benefit from the dam or from the reservoir, but the Blue Stone Dam when constructed will be a gigantic structure which will hold back many thousands of acre-feet of water, and the effects of this will be felt 100 miles down the Ohio River in cities like Cincinnati, Ohio, and Huntington, W. Va., and various other cities far from the location of the reservoir. When the matter is viewed in this light it is seen that the proposition is national in its scope. The people in that community where the dam is constructed cannot contribute; and if the improvement is dependent upon their capacity to purchase any considerable proportion of the rights-of-way, it will never be built.

Mr. SPENCE. Mr. Speaker, will the gentleman yield?

Mr. JENKINS of Ohio. I yield.

Mr. SPENCE. I would like to cite one example that shows how impossible it is to proceed under the present law. There are 45 impounding reservoirs to control floods on the Ohio River. These dams are in Kentucky. The estimated value of the land alone is $30,000,000, and Kentucky receives very little benefit from the construction of the reservoirs.

Mr. JENKINS of Ohio. And it would be practically impossible for the local people to contribute anything.

Mr. HOPE. Will the gentleman yield?

Mr. JENKINS of Ohio. Yes; I am glad to yield to the gentleman from Kansas.

Mr. HOPE. I will ask the gentleman if it is not a fact that before the enactment of the 1936 Flood Control Act all reservoirs were built at the cost of the Federal Government?

Mr. JENKINS of Ohio. I think that is true; at least that is my recollection. There is one amendment in this conference report about which I would like to ask the chairman of the committee for some information, and that is amendment No. 7, on page 5. Maybe I did not understand the gentleman's explanation of this amendment. I do not understand the language of the amendment to be as the gentleman interpreted it. I understood the gentleman to say that the question of whether penstocks should be located in a dam is to be left to the joint decision of the Power Commission and the Chief of the Army Engineers. I do not read amendment No. 7 to mean that. Will the gentleman explain it again?

Mr. WHITTINGTON. The gentleman misunderstood my statement. The word "shall" has been inserted in place of the word "may," so it reads "shall be approved by the Secretary of War upon the recommendation of the Chief of Engineers and of the Federal Power Commission."

Mr. JENKINS of Ohio. The amendment does not say that. I will read it to the gentleman:

Shall be——

Mr. WHITTINGTON. If the gentleman will permit an interruption, the language to which I referred is the language carried in the conference report, not the language in the amendment to which the gentleman just called attention.

Mr. JENKINS of Ohio. I was trying to reconcile the gentleman's statement with the language of the amendment.

Mr. WHITTINGTON. This was the language adopted by the conferees in lieu of the language proposed by the Senate.

Mr. JENKINS of Ohio. If the conference report is adopted, the question of whether pen stocks shall be located in a dam will be determined by the Army engineers together with the Power Commission. In other words, if they cannot agree, that means they cannot go in.

Mr. WHITTINGTON. Absolutely, and the reservoirs will be selected in the first place by the Chief of Engineers.

Mr. JENKINS of Ohio. I am glad of this, and, Mr. Speaker, I am glad that the bill carries provision with reference to the Muskingum River Valley project in Ohio. That is a great project and the people are much interested in it. The people have made their contribution and I hope this will be a model from which other sections of the country may get lessons of benefit. I expect to vote to accept the conference report. I have been fighting here for years for a comprehensive flood-control bill. This may not do all we hope and the Federal authorities may abuse their powers, but there will be patriotic Congressmen when we are gone. This bill will be gladly received by millions who have suffered from the terrors of floods. [Applause.]

[Here the gavel fell.]

Mr. WHITTINGTON. Mr. Speaker, I yield three minutes to the gentleman from Pennsylvania [Mr. GRAY].

Mr. GRAY of Pennsylvania. Mr. Speaker, I represent a district that has been afflicted time and again with the ravages of floods. The State of Pennsylvania has attempted to do its part, along with the Federal Government, in the matter of flood prevention.

I hope that no amount of partisan politics and no controversy as to the kind of flood control or flood prevention we are going to have will actually stop flood prevention. To me the program is not the important thing. It is the prevention of the damage and the ravages of floods that is the important thing, however we get it.

There may be something in the argument or reasoning of those who oppose this program. On the other hand, it looks like a very comprehensive means of assisting all the States and all the communities that may be subject to floods. I know the people of my district and particularly those of the city of Johnstown who have suffered so much will welcome above all things flood prevention work, regardless of how they get it.

[Here the gavel fell.]

Mr. WHITTINGTON. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts [Mr. TREADWAY].

Mr. TREADWAY. Mr. Speaker, I regret very much that the provisions as originally passed by the House and reported by the Flood Control Committee have been set aside

in this conference report. I represent the city of Holyoke which suffered probably as much from the floods of 1936 as any place in the country, certainly in New England.

The city of Holyoke and the adjoining cities along the Connecticut River have stood ready to share in the expense involved in the construction of dams for flood protection. This matter of including reservoirs was not a definite proposal that came before the Flood Control Committee when the representatives of the various cities on the Connecticut River appeared and agreed to accept the conditions provided in the original House bill.

Mr. Speaker, what we want in that section of the country is flood control, and prompt action. We have suffered seriously from floods in that area, and it seemed to us, and the Governors of the States directly affected agreed, that it was the only way in which their interest could be protected; that is, to enter into this agreement for part payment which they stood ready to make in order to secure prompt action in reference to flood control.

It is with this thought in my mind that I regret that the change has been made which turns over the entire cost of the reservoirs to the Government itself, whereby the local communities lose control of their respective rights.

However, I realize the conference report will undoubtedly be adopted and I shall vote for it in hopes that flood control can be secured under it with a certain degree of promptness.

[Here the gavel fell.]

Mr. WHITTINGTON. Mr. Speaker, I yield 2½ minutes to the gentleman from California [Mr. VOORHIS].

Mr. VOORHIS. Mr. Speaker, I venture to say that future generations may forget much that this Congress has done, but they will look back upon the passage of this flood control conference report as one of the milestones of real progress of the American people. It means that we have come to the place through the efforts of this committee where the control of the waters of this country is to be placed upon the basis of a great national program.

There are four great gifts of God to man—fire, air, land, and water. The waters flow upon the North American Continent without respect to State lines. We know from past experience that not one of the great dams of this country—and certainly this applies to the Boulder Dam which affects my State so much—could possibly have been constructed on the basis of local contribution and divided administrative control, but were only made possible because they were constructed with a view to serving the national interests of all America. These dams, as the distinguished chairman of the committee [Mr. WHITTINGTON] has pointed out were constructed 100 percent at Federal expense and they belong 100 percent to the Federal Government—as they should.

This bill puts flood control on that basis, and I am delighted that the committee of which I happen to be a member has taken what I believe to be one of the most forward steps in American legislative history in recent years. From a purely humanitarian standpoint the passage of this bill will mean in a word that flood control can proceed, protective works can be built, the people's lives saved, whereas before all these things waited upon red tape, the inability of local communities to raise necessary funds, and the old, old obstacle of "State's rights."

Mr. ZIMMERMAN. Will the gentleman yield?

Mr. VOORHIS. I yield to the gentleman from Missouri.

Mr. ZIMMERMAN. May I call the attention of the gentleman to the fact that the water which passes Cairo, adjoining the district I have the honor to represent, comes from and flows on and through some thirty-odd States, finally passing Cairo, Ill., on down the Mississippi River? This is a national problem.

Mr. VOORHIS. And must necessarily be dealt with as such.

Finally, I would like to point out that we really get effective flood control in this conference report and we bring together conservation, water-power development, flood control, and the whole program, so that we may go forward without delay and without difficulty into the future. This conference report marks a great forward step, and I earnestly hope it will be overwhelmingly adopted. [Applause.]

[Here the gavel fell.]

Mr. WHITTINGTON. Mr. Speaker, I yield such time as he may desire to the gentleman from Texas [Mr. THOMASON].

Mr. THOMASON of Texas. Mr. Speaker, I am interested in the amendment offered to this bill in the Senate on June 9 by Senator HATCH, of New Mexico, which was adopted, and which I understand from the chairman of the House committee has been retained in the conference report.

Inasmuch as this amendment vitally affects my people residing in the valleys of the Rio Grande and the Pecos River in Texas, I want to have every assurance that their rights will be fully safeguarded. I am unable to determine from the wording of the amendment just what is meant, but I assume it refers to the soil conservation and erosion program. I am in hearty accord with the purposes of this work and hope that this amendment is in the interest of the residents of these valleys, where we have several reclamation projects, including the Rio Grande project in the El Paso Valley and the Red Bluff project in the Pecos Valley.

The compact relating to the division of the waters of the Pecos River has been agreed upon but it must be ratified by the legislatures of both Texas and New Mexico, and, pending that time, I desire to be assured that this amendment will work no injury to the people of these sections, but that, on the other hand, it will be beneficial.

When the amendment was offered in the Senate both Senators HATCH and CHAVEZ gave Senator CONNALLY assurance that if any matter should come up that would adversely affect the rights of the people in the valleys of these rivers below the State of New Mexico, they would appear before the Secretary of Agriculture and ask a full and fair hearing before any work is done pursuant to this legislation.

I am also assured by the chairman of the House committee, Mr. WHITTINGTON, of Mississippi, that the matter was presented to the conference, of which Senator SHEPPARD, of Texas, is chairman, and that he was given assurance that no rights of our water users would be infringed, but that the legislation is intended to be of benefit to us. If this should not prove to be the case, in the opinion of our people who will be affected, I shall expect the Secretary of Agriculture to take proper steps for a complete adjustment of the situation.

Mr. WHITTINGTON. Mr. Speaker, I yield 1½ minutes to the gentleman from Connecticut [Mr. KOPPLEMANN].

Mr. KOPPLEMANN. Mr. Speaker, to emphasize the necessity for the acceptance of the conference report, let me give you a little bit of New England history in connection with flood control. An attempt through law was made to provide for reservoirs in four States of New England. When the compacts were drawn there was placed in them a provision that took from the people their rights to electrical-power development. But without giving up the people's rights over power development, it would have been impossible for the four States to have arrived at an agreement with regard to their participation in constructing these reservoirs. Today we find ourselves in an impasse where reservoirs are prohibited, due to the kind of compact drawn up by the New England States. Under the measure reported to this House by the conferees—and I congratulate them upon it, and cannot understand the opposition to it—the people of New England are going to be protected from floods.

[Here the gavel fell.]

Mr. WHITTINGTON. Mr. Speaker, I yield to the gentleman from Kansas [Mr. HOPE] such time as he may desire.

Mr. HOPE. Mr. Speaker, I am particularly interested in those provisions of this report which provide that the Federal Government shall acquire lands, rights-of-way, and easements for reservoir construction. This seems to me to be both logical and fair. Flood protection and other benefits to be derived from reservoir construction cover wide

stretches of territory. It is very seldom that the immediate vicinity in which a resorvoir is constructed receives appreciable benefits. Frequently the people of one State are the beneficiaries of reservoirs constructed in another State. In almost every instance it is impossible to apportion costs among the areas benefited. This bill goes further than any legislation up to date in recognizing flood control for what it is—a national problem. I congratulate the committee and its able chairman upon this fine constructive piece of legislation.

The district which I have the honor to represent will be directly benefited by this legislation because it will make possible the construction of the Caddoa Dam and Reservoir. For many years the people of western Kansas and eastern Colorado have looked forward to the time when this splendid water conservation project might become a reality. The action of the House today brings their dream one step nearer realization.

Mr. WHITTINGTON. Mr. Speaker, I yield 5 minutes to the gentleman from Mississippi [Mr. RANKIN].

Mr. RANKIN. Mr. Speaker, this is one of the most important measures of its kind that has passed this House since the creation of the T. V. A. There are some provisions that should have been changed or eliminated, but it has some splendid features.

It is really the first complete program that has yet been presented to Congress, covering the entire field of flood control and utilization of the Nation's water-power resources that reaches every section of the country. As a result of the amendments which I have sponsored, and over which the controversy has been raging for the last few days, this measure will save to the American people for all time the water-power resources of this country.

There is enough hydroelectric power in our navigable streams and their tributaries to electrify every home, including every farm home, and supply every commercial consumer in America—including every merchant, every professional man, every hotel, restaurant, garage and filling-station operator, and all others who have to pay commercial rates for electricity; and then probably have enough left to supply all the industrial demands of the entire Nation.

Five years ago, on this floor, I led the fight for the bill creating the T. V. A. Our main battle then was over those sections of the bill that provided for the building of additional dams and for the distribution of the power generated by the T. V. A. to the ultimate consumers at reasonable rates.

Looking back over the last 5 years of operation of the T. V. A., I must say that the results have been most gratifying. The people in the district which I represent are the greatest beneficiaries of the T. V. A. up to the present time, for T. V. A. power is being distributed in 6 of the 10 counties of the district, at the yardstick rates, and the remaining 4 counties will be connected up before the end of the year. In fact, two of them—Clay and Lowndes—get a small amount of T. V. A. power now, and will get more before the year is out.

The residential and commercial consumers alone in those six counties saved $1,135,719 on their light and power bills last year, to say nothing of the savings to the industrial consumers. When we get the other four counties connected up and T. V. A. power to every consumer, the savings for the entire district will probably amount to more than $2,000,000 a year.

Throughout the district the standard Mississippi Power Co. rates were in effect 5 years ago. The following comparative table will show what the residential rates were at that time and how they compare with the present T. V. A. rates. I am going to run this table up to 1,400 kilowatt-hours a month, showing what the cost would be in each bracket under the Mississippi Power Co. rates in effect 5 years ago, and then under the present T. V. A. rates. I have used 1,400 kilowatt-hours because at that point the average reaches 7½ mills a kilowatt-hour under the standard T. V. A. rates. The charge for all excess over 1,400 kilowatt-hours a month under the standard T. V. A. contract is 7½ mills per kilowatt-hour, which we hope to get reduced as time goes on. The excess over 1,400 kilowatt-hours a month under the old power-company rates was 5 cents a kilowatt-hour, or more than six times what it is under the T. V. A. rates.

Large numbers of residential consumers in the T. V. A. area now use more than 1,400 kilowatt-hours a month, since the rates have been reduced.

Here is the comparative table:

Residential rates

	Mississippi Power Co. rates, 1932	Present Tennessee Valley Authority rates
First 30 kilowatt-hours a month	$3.00	$0.90
Next 170 kilowatt-hours a month	13.60	2.60
Next 300 kilowatt-hours a month	21.00	2.40
Next 350 kilowatt-hours a month	21.00	1.40
Next 550 kilowatt-hours a month	27.50	2.20
Total (1,400 kilowatt-hours a month)	86.10	10.50

Read these figures twice and compare them carefully, and remember that the Power Co. was buying its power from Muscle Shoals at that time for 1.56 mills a kilowatt-hour. Today Florence, Ala., is buying the same power right at the dam and paying 4.73 mills a kilowatt-hour. Corinth, Miss., or the Alcorn County Electric Power Association, 50 miles from the dam, is paying 5.11 mills a kilowatt-hour; and Tupelo, 100 miles from the dam, is buying it at 5.26 mills a kilowatt-hour; and all are selling it at the standard T. V. A. rates, paying more taxes than the Power Co. paid, paying out their distribution systems and making a profit.

So you will see that T. V. A. is not selling us power below the cost of production. If it can sell just 60 percent of the power generated at the rates it now charges Florence, Corinth, or Tupelo, or even at 4 mills a kilowatt-hour, every dollar spent on the T. V. A. will be paid back to the Government, with interest, in less than 30 years.

At the Conowingo Dam on the Susquehanna River in Pennsylvania, which is privately owned and operated for profit, electricity is sold wholesale at 2.7 mills a kilowatt-hour; and power at Boulder Dam is sold at 1.63 mills a kilowatt-hour. We are now learning what electricity is really worth. For 1,400 kilowatt-hours the power company paid $2.18 at Muscle Shoals 5 years ago and, as you see, sold it to us for $86.10. No wonder they oppose the T. V. A.

POWER COMPANIES' OBJECTIVE

What they are after now is to either destroy the T. V. A. or get control of it so they can get power again at those low rates and raise the rates to the consumers back to what they were 5 years ago. That would not only paralyze the entire territory, but it would absolutely kill rural electrification in that area. The farmers simply could not stand to pay those rates.

At the time the T. V. A. Act was passed, owing to the exorbitant rates they were compelled to pay, the residential consumers in northeastern Mississippi used on an average of only about 30 to 35 kilowatt-hours a month. With the reduced T. V. A. rates, the average residential consumption has more than doubled; and in some localities it has risen to an average of 166 kilowatt-hours a month—more than four times what it was 5 years ago.

Five years ago rural electrification in that section was practically unknown, and the power companies did not intend for the farmers to ever get any benefit from Muscle Shoals or the T. V. A. They had one short line out to Auburn in Lee County and were charging those farmers $4.50 a month for 25 kilowatt-hours, which they now get for $1.

Today we have a splendid rural electrification program in operation, or the lines under construction, in every county in the district. More than 1,000 miles of rural power lines are either in service or under construction in the district, and they are being extended just as rapidly as possible. More than 4,000 farm homes are thus provided with cheap electricity, and it is my hope that we can reach every one in the

district within a short time, and that the same thing may be done in every other congressional district in the United States.

ALCORN COUNTY, MISS.

In Alcorn County, which is served with T. V. A. power through the Alcorn County Electric Power Association, savings to the residential and commercial consumers of electric lights and power alone last year amounted to $328,543, or the value of 8,213 bales of cotton at the present price. The consumption has more than doubled, the use of electrical appliances has grown by leaps and bounds, and for the first time in history large numbers of farmers and other people in the rural districts are enjoying the use of electricity with a splendid prospect of getting it spread all over the county. Already 77 percent of the residential consumers in the county, including Corinth, Rienzi, Wenasoga, and Thrasher, just across the line, as well as the rural areas, have electric refrigerators, as against a national average of 29 percent. Before the T. V. A. came the average in Corinth and Rienzi was less than 20 percent, and the rural areas had none at all. They did not even have lights.

They are also enjoying the use of more electric irons, radios, ranges, water pumps, washing machines, electric churns, water heaters, hot plates, electric heaters, hot beds for sprouting seeds, incubators, and chicken brooders, and some of the farmers have electric fences.

One farmer told me he had a fine registered Jersey bull that he simply could not keep behind a fence. He finally electrified the top strand with a light charge and in such a way that it would go off and on every few seconds. The first time that bull walked into it he stuck for about a half minute, stood there, waved his tail, and bawled while the sparks flashed from his hoofs, and the owner said he had never been close enough to touch that fence again.

LEE AND ITAWAMBA COUNTIES

In Lee and Itawamba Counties, including Tupelo, Fulton, Guntown, Saltillo, Verona, Shannon, Nettleton, Plantersville, Mooreville, Mantachie, and other towns and rural communities, the savings last year for electric lights and power amounted to $460,497. At the present price it would take more than 11,000 bales of cotton to pay that difference—to pay the overcharges we would have to pay for the electricity used in these two small counties last year under the old power-company rates.

As a result of these low rates 88 percent of the residential customers in Tupelo have electric refrigerators in their homes, as against a national average of 29 percent; and in the smaller towns and rural sections of the two counties, in addition to all the other electrical appliances I have just named, 49 percent of the residential consumers have electric refrigerators, which exceeds the percentage in the large, congested centers, such as New York, Pittsburgh, and Philadelphia, where the rates are so high as to prevent a liberal use of such appliances.

The Tombigbee Electric Power Association, which covers these two counties, Lee and Itawamba, as well as a portion of eastern Prentiss, has already built more than 300 miles of rural power lines and serves 2,700 customers, a majority of whom are farmers, and other extensions have been approved. We are trying now to get extensions of these lines into every community and to every home in the areas as soon as possible.

There are 27 cotton gins in Lee County alone, 26 of which were operated with electricity last year, and I understand the other one is changing to electricity this year. Not only has the T. V. A. reduced the rates these ginners have to pay for electricity to less than one-half what it was 5 years ago, but it has eliminated what the power company called "service charges." In addition to the exorbitant rates charged for energy, the power company was charging some of these gins a "service charge" of $500 a year for no extra service whatsoever—merely exercising their power to extort, which we have taken away from them, at least in that section of Mississippi. They still retain and exercise that power in the southern part of the State, as well as in Louisiana and Arkansas.

PRENTISS COUNTY

In Prentiss County the residential and commercial consumers of electric lights and power that are served by the Prentiss County Electric Power Association last year saved $111,566, or the value of more than 2,800 bales of cotton at the present price. These savings will be increased as time goes on and the rural lines are extended to reach more people in the country districts. In fact, we hope to see these savings doubled when the rural electrification program in Prentiss County is fully developed. Under my amendments for additional funds and assistance for rural electrification, I believe we can work out a plan to extend these rural lines to every nook and corner of the county and place it in reach of every home.

TISHOMINGO COUNTY

In Tishomingo County last year, the commercial and domestic consumers of electricity, served by the Tishomingo County Electric Power Association, including Iuka, Burnsville, Belmont, Tishomingo, Golden, Dennis, Paden, Holcut, and other towns and rural communities in the county, saved $59,624, or the value of 1,490 bales of cotton at the present price. These savings will be greatly increased when the rural electrification program in that county is completed. I give these savings in terms of bales of cotton because cotton is our chief money crop in that section.

We are working on a plan now to get a high-power line that runs the full length of the county stepped down so as to serve the homes along its course and to get some other short extensions which will finish providing electricity to more than 95 percent of the homes in Tishomingo County. I dare say that will be a record for any agricultural county throughout the entire United States.

MONROE COUNTY

The residential and commercial consumers of electricity in Monroe County, including the city of Amory, the towns of Smithville, Hatley, Greenwood Springs, Becker, Quincy, Gattman, Hamilton, Caledonia, and Steens in Lowndes, and other rural communities, served by the Monroe County Electric Power Association, last year saved $110,696, or the value of more than 2,800 bales of cotton at the present price—not including the savings to the farmers in the western section of the county who receive their power through Okolona, and whose savings cannot be easily separated from the savings made in Okolona and other rural areas in another district.

The city of Aberdeen is not yet being served with T. V. A. power, but has a contract with the T. V. A. and is expected to be connected up at an early date. When that is done and the rural electrification program is extended to reach every community in the county, I dare say the savings for Monroe County will more than double.

The Power Trust has held Aberdeen back with an injunction in the Federal Court for 3 or 4 years in order to keep T. V. A. power out of that city so as to enable them to continue wringing their exorbitant profits from the helpless consumers. But righteousness is at last about to prevail; the injunction has been dissolved, arrangements have been made for funds for a new distribution system, and a contract signed by the T. V. A. for power for the next 20 years. Every electric consumer in the county will soon be enjoying the use of T. V. A. power, and we hope to get extensions made to reach every community in the county before the end of the year.

CLAY, LOWNDES, OKTIBBEHA, AND NOXUBEE COUNTIES

While the rates in the counties of Clay, Lowndes, Oktibbeha, and Noxubee have been slightly reduced as result of the example of the T. V. A. yardstick, nearly all of the present consumers in these counties are receiving their power through a private power company and paying overcharges of at least 100 percent. There are three exceptions, however—West Point purchases power wholesale and distributes it at rates that have been reduced almost 50 percent since the creation of the T. V. A., and a portion of the eastern section of Lowndes County, including Caledonia, Kalola Springs, and Steens, is being served by the Monroe County Electric Power Association, while a

few customers in the northern portion of Clay are being served from Okolona.

The Four-County Electric Power Association, covering the counties of Clay, Lowndes, Oktibbeha, and Noxubee, now has under construction approximately 500 miles of rural lines that will serve something like 1,500 or 2,000 farmers in these four counties all of which will be served with T. V. A. power and at T. V. A. rates. We hope to get these lines extended, doubled if possible, in order to cover all the rural sections of the four counties.

The cities of Columbus and Starkville both have contracts with the T. V. A. to supply them with power to be distributed to the ultimate consumers at the yardstick rates. The power interests are using every insidious means known to try to block them, from injunctions to propaganda; but public sentiment is so strong against them that I do not believe they can check this onward march of progress in those two enlightened and progressive cities. Their injunction against Starkville has already been dissolved and their propaganda in Columbus is so palpable that the ones who spread it have lost what influence they formerly had, or thought they had. Spreading their misleading propaganda while pretending to desire T. V. A. power for Columbus has not fooled the people of that city. They are wide awake and are determined to have T. V. A. power distributed to the people of Columbus at T. V. A. rates.

When the electricity is turned on the rural lines in these four counties and Columbus, Starkville, Macon, Brookville, Shuqualak, Crawford, Artesia, Mayhew, Sturgis, Longview, Bradley, Maben, Pheba, Cedarbluff, Tibbee, Montpelier, Mashulaville, and all other towns and communities in the four counties are connected up, we expect to run these savings for the residential and commercial consumers alone in these four counties to at least $1,000,000 a year, as compared with the rates consumers were compelled to pay before the T. V. A. was created and its yardstick rates put into effect, and probably to that amount in comparison with the rates they are paying now.

In other words, compared with the old power company rates, I expect to see the residential and commercial consumers of the First Congressional District save $2,000,000 a year on their light and power bills, to say nothing of the savings that will come to the industrial consumers.

This district is leading the entire Nation in rural electrification. When we complete the projects we now have under construction and the lines that have been surveyed, we will have more than 5,000 farm homes electrified, where a few years ago there was no rural electrification at all; and we expect to continue the drive until we reach them all.

BENEFITS OF CHEAP ELECTRICITY

With this cheap electricity has come a vast increase in the use of electrical appliances. Before the T. V. A. power was turned on in Tupelo only 19 percent of the residential consumers of electricity used electric refrigerators. Today 88 percent of them use electric refrigerators. In Alcorn County, as I said, it has grown to 77 percent, and that includes the rural areas served by the Alcorn County Electric Power Association.

In Amory 76 percent of the consumers use electric refrigerators, and throughout the small towns and rural areas of the entire six counties more than 50 percent of the residential consumers have their own electric refrigerators, when the national average, including the great cities of the Nation, is only 29 percent.

The use of other electrical appliances has grown by leaps and bounds, from the radio to the washing machine, from the water pump to the electric range and the electric heater. I am reliably informed that there are only 45 electric ranges in use in Houston, Tex., a city of 292,000 people. There are more than 350 electric ranges in Tupelo, Miss., a town of less than 10,000.

We have something like a hundred homes in Tupelo that are heated with electricity, and the same thing is true in Corinth. Many people are building their homes without chimneys or flues, because it is cheaper to heat with electricity than with any other fuel.

I predict that the time is not far distant when the same conditions will prevail in every State in the Union. Many people in Ontario, Canada, have been building their homes without chimneys for 25 years. They have had cheap electricity for a long time. They use it and they know what it means.

This is a new civilization breaking over America, and I thank my stars that it is reaching out to the humblest farmer in the land, lightening his burdens, cheering his home, and making it a more pleasant and a more attractive place in which to live.

The fact that it came first to the district and to the people I represent while I am here to see it and to witness its effects has brought to me a degree of satisfaction that I dare say has come to few public men on this earth

OTHER COUNTIES IN MISSISSIPPI

Cheap electricity from the T. V. A. is also being spread throughout the Second and Fourth Congressional Districts. Okolona, Pontotoc, New Albany, Holly Springs, Ripley, Ashland, Blue Mountain, and a large number of other towns and villages in that area have been connected up, as well as large numbers of rural customers, and others are being connected up as rapidly as arrangements can be made. Water Valley has already signed a contract with T. V. A. and other towns have made application. It is only a matter of time until all north Mississippi will be enjoying the use of T. V. A. power.

But south Mississippi, as well as a large portion of the Delta, is still in the grip of private power companies that are owned and controlled by gigantic holding companies that serve no useful purpose. They reach down into the pockets of the consumers and exact exorbitant tributes every month that rolls around by charging rates too high for any free people to have to pay. Although every foot of Mississippi is within the distribution radius of the T. V. A., which is admitted to be 300 to 350 miles, and although the law provides that States, counties, municipalities, and cooperative associations within the distribution radius shall have first right to the power generated by the T. V. A., yet the Power Trust and their influences have been sufficiently active and powerful to keep T. V. A. power from spreading into that area, or even to the State capital at Jackson, where the people are staggering under burdens of overcharges for lights and power paramount to economic slavery.

In other words, the power companies, and the holding companies that control them, are levying a direct tax upon every individual and upon every business establishment that turns an electric switch in those areas sufficient to stir them to revolt. It is not only "taxation without representation" but it is taxation without mercy, and without protection of any kind. It is really taxation with a penalty, in that it prevents them from using enough electricity to operate those appliances that add so much to the comforts and conveniences of a man's home or his place of business, and prevents commercial and industrial growth. They are not restricted in their charges by either laws or regulations; the amount exacted is limited only by the customer's ability to pay.

These utilities are simply wringing the lifeblood from the people of south Mississippi, Alabama, Louisiana, and Arkansas, and depriving them of the use of those electrical appliances necessary for the enjoyment of the real blessings of this modern civilization in order to pour money into the pockets of the "higher ups," maintain their base structure of watered stocks, control a sufficient number of politicians and newspapers to protect them in their ruthless misconduct, and prevent the people in those areas from getting justice.

THE HINDENBURG LINE

The Commonwealth & Southern, which is incorporated in the State of Delaware, which owns and controls the Mississippi Power Co., the Alabama Power Co., and the Georgia Power Co., is trying to draw what is called its "Hindenburg line" across the northwestern corner of Georgia, northern Alabama, and north-central Mississippi, and forever preclude the people south of that line from securing electricity from the T. V. A.

Of all the brazen attempts ever made by the utilities of America to fasten the chains of economic slavery and subjugation upon a helpless people and perpetuate them and

their children in such bondage, this effort to establish this Hindenburg line is about the worst that has ever come to light.

This would shut out practically all of the State of Georgia, four-fifths of the State of Alabama, and over half of the State of Mississippi from any direct benefits from T. V. A., and forever preclude them from the use of T. V. A. power. It would shut out Birmingham, Ala.—which is within 75 miles of Guntersville Dam, closer than Tupelo is to Muscle Shoals—and keep T. V. A. power out of nearly all the other cities, towns, and rural areas of that State.

The power interests have been scheming in every possible way to run this line north of Columbus, Miss., and have had what they thought was some powerful influence helping them. But, so help me God, they will never run this "Hindenburg line" across the district I represent. The rest of you can do as you like, but I am going to see that every city, town, and community in the district I represent, at least, has the privilege of securing T. V. A. power, if they want it, without having to beg permission from, or pay tribute to, the Power Trust in order to get it.

The power interests have been attempting to coerce the T. V. A. into signing a contract to recognize this Hindenburg line and to agree not to serve any customers beyond it, knowing that the T. V. A. has no legal right to enter into such an agreement. Congress passed the law providing that this power should be sold to States, counties, municipalities, and nonprofit cooperative associations throughout the distribution radius, which is admitted to be at least 300 miles in every direction, and the T. V. A. cannot change that law by any contract or agreement with private power interests, or with anyone else. If the power companies want to sell their lines and distribution systems at what they are worth, the T. V. A. is ready and willing to buy. But T. V. A. has neither the right nor the inclination to make a treaty with the Power Trust, as if it were some foreign power, to shut out the people within the distribution radius of the T. V. A. from ever enjoying the use of T. V. A. power.

MISSISSIPPI POWER CO.

The Mississippi Power Co., which is incorporated in the State of Maine, serves—or is served by—the people in practically every town from Aberdeen, Columbus, and Starkville on the north, to Gulfport, Poplarville, and Columbia, on the south, with the exception of a few places that, like West Point, have their own distribution systems. Aberdeen, Columbus, and Starkville all three have contracts with the T. V. A., and will no doubt be served with T. V. A. power and be distributing it within the very near future—at T. V. A. rates—and I hope we can get all the other towns and communities in that area connected up at an early date, including Macon, Brookville, Shuqualak, Ackerman, Louisville, Philadelphia, and DeKalb.

But unless something is done to change the situation and give them relief the people in the cities, towns, and communities in Mississippi south of those points seem to be doomed to continue to suffer the penalties they are now paying.

Now, let us compare the rates the people in that area are now paying the Mississippi Power Co. with the T. V. A. rates. Here are the rates now paid by residential consumers in Aberdeen, Columbus, Starkville, Macon, Meridian, Laurel, Hattiesburg, Forest, Biloxi, Gulfport, Columbia, Bay St. Louis, Poplarville, and every other city and town in that area that gets its electricity through the Mississippi Power Co.

Residential rates, monthly bills

	Kilowatt-hours							Excess over 1,400 kilowatt-hours a month
	25	40	100	250	500	1,000	1,400	
Mississippi Power Co. rates	$2.13	$2.95	$5.35	$8.60	$11.36	$16.86	$20.86	1 cent a kilowatt-hour.
Tennessee Valley Authority rates	.75	1.50	2.50	5.00	6.90	8.90	10.50	7½ mills a kilowatt-hour.
Monthly overcharge	1.38	1.45	2.85	3.60	4.46	7.90	10.36	

Since the average domestic consumer in that area uses only about 40 or 50 kilowatt-hours a month, you will see that he is overcharged more than 100 percent—almost 200 percent. We use an average of 166 kilowatt-hours a month in Tupelo, and in Alcorn County they use an average of 158, and that includes the rural customers, as well as those in the city of Corinth.

Now, let us take the commercial consumers in that area—the merchants, professional men, hotel, restaurant, garage and filling-station operators, and all others who have to pay commercial rates for their electricity—and see what their overcharges amount to. The Mississippi Power Co. has two schedules up to 1,500 kilowatt-hours a month, so I will insert them both.

The T. V. A. is not trying to fool anybody, so it only has one schedule.

Commercial rates, monthly bills

	Kilowatt-hours						
	50	150	375	750	1,500	6,000	
Mississippi Power Co. rates	$4.25 5.15	$10.63 12.00	$24.13 28.15	$44.13 50.90	$81.63 91.40	}	$174
Tennessee Valley Authority rates	1.50	4.50	10.00	17.50	27.50		90

The power company also has what they call an "objective rate" that runs from 100 percent to 200 percent higher than the T. V. A. rate, but is applied only where the customer has used a certain amount for a certain time—like giving a prisoner a short time off for good behavior.

Since the average commercial consumer uses less than 400 kilowatt-hours a month, you will see that he is also overcharged more than 100 percent. How can the merchants and other commercial consumers stand such overcharges?

Now, let us turn to the industrial consumers and see how much they are overcharged by the Mississippi Power Co. It also has two schedules for industrial consumers, so I will insert them both. The T. V. A. has nothing to conceal and is not trying to deceive anyone, so it only has one schedule for industrial power.

Industrial rates, monthly bills

	Kilowatt-hours						
	15,000	30,000	60,000	100,000	200,000	400,000	1,000,000
Mississippi Power Co. rates	$330 376	$596 676	$1,112 1,276	$1,770 2,076	$3,410 4,076	$5,010 6,076	$10,410 10,816
Tennessee Valley Authority rates	226	407	715	1,111	1,991	2,629	4,429

Thus you will see that under the Mississippi Power Co. rates an industrial consumer is overcharged anywhere from $104 for 15,000 kilowatt-hours a month to $6,387 for 1,000,000 kilowatt-hours a month from Aberdeen, Columbus, Starkville, and Macon on the north, to Gulfport, Bay St. Louis, Poplarville, and Columbia on the south.

How in the world can an industry of any kind survive and pay these overcharges?

MISSISSIPPI POWER & LIGHT CO.

Now let us compare the rates charged by the Mississippi Power & Light Co. with the T. V. A. rates and see what overcharges the people in the southwestern part of the State and the Delta have to pay for electric lights and power.

Since this company serves, or is served by, every city and town in that section of the State from Jackson to Tylertown, and from Natchez to Greenville, Tunica, and Hernando—except the few that have their own distribution systems—the rates in that area are supposed to be uniform. Therefore the overcharges are supposed to be uniform also, and to apply to all who purchase electric energy from the Mississippi Power & Light Co., which is incorporated in the State of Florida and is owned and controlled by the Electric Bond & Share,

which is incorporated in New York, and is owned and controlled by Wall Street.

We will use the standard rates charged by the Mississippi Power & Light Co. for residential service, and compare them with the T. V. A. rates.

Residential rates, monthly bills

	Kilowatt-hours							Excess over 1,400 kilowatt-hours a month
	25	40	100	250	500	1,000	1,400	
Mississippi Power & Light Co. rates.	$2.40	$3.30	$5.90	$8.90	$12.90	$20.40	$26.40	1½ cents a kilowatt-hour.
Tennessee Valley Authority rates.	.75	1.20	2.50	5.00	6.90	8.90	10.50	7½ mills.
Monthly overcharge.	1.65	2.10	3.40	3.90	6.00	11.50	15.90	

The average domestic consumer in that area uses about 50 kilowatt-hours a month, and is therefore overcharged more than 100 percent—almost 200 percent.

No wonder the Mississippi Power & Light Co. is fighting T. V. A. No wonder they keep Jackson full of highly paid lobbyists, especially when the legislature is in session. No wonder they spend so much money to control certain newspapers over the State. They can afford it, when they are wringing such tributes from the helpless users of electric lights and power.

But the worst is yet to come. Let us take the commercial rates and see how the Mississippi Power & Light Co. gouges the merchants, professional men, hotel, restaurant, garage and filling-station operators, and all others who have to pay commercial rates. Since they also have an extra "schedule" for their convenience, I will give both of them. T. V. A. has only one. Multiplying or juggling schedules does not affect electricity and should not affect the price.

Commercial rates, monthly bills

	Kilowatt-hours					
	50	150	375	750	1,500	6,000
Mississippi Power & Light Co. rates	$5.00 3.80	$13.50 10.20	$31.95 21.60	$63.60 40.20	$126.90 77.40	$170.00 176.40
Tennessee Valley Authority rates	1.50	4.50	10.00	17.50	27.50	90.00

So you will see that the commercial consumers are overcharged on an average of about 200 percent. Remember that these figures are for Jackson, the State capital, the largest city in the State, and the one to which the people are supposed to look for protection from such legalized extortions. These figures are taken from the official reports of the Federal Power Commission and are correct.

Now, suppose we take the industrial consumers in that area and note the tribute they have to pay. Since the Mississippi Power & Light Co. has two schedules for their own convenience, I will show both of them.

As I said, the T. V. A. does not try to fool anyone; therefore it only has one schedule. Electricity is the same no matter what schedule you apply, no matter how it is generated. So these different schedules are merely camouflage.

Industrial rates, monthly bills

	Kilowatt-hours						
	15,000	30,000	60,000	100,000	200,000	400,000	1,000,000
Mississippi Power & Light Co. rates	$377 410	$694 756	$1,328 1,448	$2,174 2,373	$4,286 4,677	$8,086 6,277	$11,486 11,677
Tennessee Valley Authority rates	226	407	718	1,111	1,991	2,629	4,429

These figures are for the city of Jackson. You will note that an industrial consumer is overcharged a minimum of from $151 for 15,000 kilowatt-hours of electric energy a month to $7,248 a month for 1,000,000 kilowatt-hours.

How in the world can the industries in that area stand to bear such overcharges?

OVERCHARGES IN MISSISSIPPI LAST YEAR $4,667,000

These overcharges for electric lights and power in Mississippi last year to residential, commercial, and industrial consumers amounted to $4,667,000, according to the T. V. A. rates, or the value of 116,675 bales of cotton, or an average of 1,420 bales to the county. Take off the 10 counties in northeast Mississippi that are getting T. V. A. power at T. V. A. rates and this overcharge for the other 72 counties will average $64,694 to the county, or the value of 1,620 bales of cotton to the county.

In other words, the light and power consumers in these 72 counties pay overcharges to these two gigantic power monopolies equal to the rent out of 467,000 bales of cotton every year. How can the people in those 72 counties continue to carry such a load?

LET US TAKE THIS ENORMOUS TAX OFF THE PEOPLE OF MISSISSIPPI

These overcharges are taxes levied not by the State but by private utilities that are domiciled in other States. This is not only taxation without representation but taxation with a penalty, in that these overcharges prevent the use of those electrical appliances that would add to the comforts and conveniences and relieve the drudgery in every business establishment and in every home.

The Legislature of Mississippi will meet in a few days to try to take the taxes off the homes in Mississippi. I wish they would also take up this proposition and help to take these enormous and unjust taxes off the homes and off the business establishments throughout the State. That would mean more to the people in those counties than anything else that has been done for them since the Civil War.

WE NEED A T. V. A. LINE DOWN THE NATCHEZ TRACE

A high-power line 300 miles long down the Natchez Trace would reach all the way from Pickwick Dam to Natchez and could lay power down at Natchez for around 5 mills a kilowatt-hour. The Army engineers said in their report in 1930 that prime power could be laid down 300 miles from Muscle Shoals at 4.4 mills a kilowatt-hour. Boulder Dam power is transmitted to Los Angeles, Calif., 268 miles, and laid down wholesale at a little less than 4 mills a kilowatt-hour. So there is no reason why we cannot lay this power down at Natchez, or any other point in the State, for 5 or 6 mills a kilowatt-hour.

Extensions could be made from this high line to reach every city, town, and community in south Mississippi. Let us buy out the property of these private power companies in that area at what they are worth, and then sell the distribution systems back to the municipalities or cooperative associations. They could immediately reduce rates for all classes of service to the standard T. V. A. yardstick rates and then make enough money to pay their distribution systems out in a few years—and at the same time pay into their municipal treasuries in lieu of taxes more money every year than is now being paid in taxes by the private power companies.

Corinth, Tupelo, and other cities in the T. V. A. area pay more in lieu of taxes than the power companies pay in cities twice their size. Corinth, or rather the Alcorn County Electric Power Association, bought its distribution system in 1934, improved it, built rural lines to various parts of the county, paid in lieu of taxes more than the private power company had been paying, and the indications are now that it will have its system paid out by 1940. Then it can reduce rates still more.

This is the greatest opportunity that ever came to the people of south, central, and western Mississippi, and I hope the legislature will take advantage of it while we have a chance to secure Federal assistance. This will not be confiscating the property of private power companies. We can afford to pay them what their property is actually worth; but if they refuse to sell at a reasonable price, then the

municipality can go ahead and build its own distribution system.

This would be a happy solution of a very perplexing problem, and one that will otherwise grow more perplexing as time goes on. It would double and treble the consumption of electricity in the homes and in the business establishments, multiply the use of electrical appliances, and ultimately electrify every farm home in the State, and bring to the people in the rural sections comforts and conveniences the like of which many of them have hardly had the hope to dream.

It is the only chance the people of south Mississippi have now, or probably ever will have, to get cheap hydroelectric power.

If everyone in public office or other responsible position in Mississippi, including the Governor and every member of the legislature, and every newspaper in the State, will join me in this fight, we will build this high-power line down the Natchez Trace, and compel these utilities to reduce their charges to the T. V. A. levels for every class of service and every "schedule" in every city, town, and community in the State, or we will place T. V. A. power in every home and in every business establishment in Mississippi and supply them with T. V. A. power at T. V. A. rates.

If the Members of this House will stay with me, and the Members of the Senate will stay with Senator NORRIS, we will do the same thing for the rest of the people throughout the entire country.

"BE SURE YOU ARE RIGHT; THEN GO AHEAD"

Mr. Speaker, my mother had a great-uncle who once served in this House for many years, Col. David Crockett, of Tennessee. His slogan was, "Be sure you are right; then go ahead." He followed that slogan through life. It guided him during the trying years of his hectic public career and finally carried him to his death in the Texas revolution.

That slogan has been my guide in the battles I have waged for simple justice for the unprotected consumers of electric light and power.

I know that I am right, and I expect to go ahead, as long as I am a Member of this House, or until we get cheap electricity to every human being in America.

I knew that I was right 5 years ago when I was waging the fight for the creation of the T. V. A., which, as I have said before, stands today as the greatest single development of ancient or modern times.

I knew I was right in my demands to have that power distributed to the ultimate consumers at rates based upon the cost of production, transmission, and distribution. Time and experience have sustained that view.

I knew I was right in my contention that electricity should be distributed to the farmers of this Nation at rates they could afford to pay. Congress and the country have come around to my views on that proposition, as was evidenced by the votes in both Houses on my rural electrification amendment.

We have gained such headway now that no power on earth can stop this great onward movement until we electrify every farm home in America.

I knew I was right in contending for the passage of legislation providing for the electric rate surveys now being compiled and issued by the Federal Power Commission and which have already saved the electric consumers of this country millions and millions of dollars annually in reductions of light and power rates.

I knew I was right in demanding that provisions be written into the Bonneville bill that would give the people of that great northwestern country the same protection from overcharges for lights and power now enjoyed by us people in the T. V. A. area.

I knew that I was right in my fight for the holding-company bill, which, if it had passed as it came from the Senate, would have done away with those useless holding companies that sprawl over the country like a huge octopus, reach their tentacles into the pockets of the helpless consumers of electric energy, and take from them hundreds of millions of dollars annually in exorbitant overcharges.

I knew I was right in opposing the attempt on the part of private power interests to have the T. V. A. pool its power with them and have this Government enter into a kind of partnership or collusion for the handling of public power that would have put the stamp of approval on their misconduct and shut the door of hope in the faces of the consumers of electric energy so far as reduced rates or improved services are concerned and would have forever wrecked the power program of this administration, which stands today as its greatest accomplishment.

I knew I was right when I appealed to the Legislature of Mississippi last winter and got them to remove all burdensome taxes from our nonprofit cooperative power associations that are engaged in distributing electricity to the farmers of our State.

I know I am right in this instance in sponsoring these amendments to save to the American people the water-power resources of the country now and for all time to come, and I expect to "go ahead" in this fight as long as I am in public life or until I see electricity delivered to every home, including every farm home, and to every business establishment in America at the yardstick rates or at rates based upon the cost of generation, transmission, and distribution. [Applause.]

Mr. WHITTINGTON. Mr. Speaker, I yield to the gentleman from Colorado [Mr. MARTIN] such time as he may desire.

Mr. MARTIN of Colorado. Mr. Speaker, on behalf of the people of Colorado I desire to express their appreciation for this legislation, which will result in the realization of a great project in that State. I refer to Caddoa Dam and Reservoir on the Arkansas River in eastern Colorado. When this project is built, as now seems assured by this legislation, and should I live to see its completion, there will be few living in the Arkansas Valley, perhaps none, who will have all of my memories of it.

The dream of Caddoa is an old one. As a young man in the early nineties I fired a locomotive through the river valley which will be spanned by the dam. Even then, and probably with the coming of the first settlers before the Civil War, Caddoa was speculated about as the site of a great dam.

The valley floor there is level and narrows to a width of 4,000 to 5,000 feet, lying between fairly sheer stone walls rising to a height of 80 to 100 feet. From the wall rims the surface slopes upward on rock shelves to levels permitting of a dam 120 feet or more in height and 2½ miles in length. Borings show a rock floor under the valley only a few feet below the surface. As a dam site Caddoa may be said to be a "natural." It is small wonder that from early days it suggested a project such as is authorized in the Flood Control Act of 1936, and is now to be made possible of construction by the pending conference report.

When I was in Congress nearly 30 years ago, someone occasionally mentioned Caddoa, but that was all. The building of a dam was still only a dream. Then I dropped out of Congress for 20 years. On returning 6 years ago I got occasional letters suggesting that a dam ought to be built at Caddoa. Then in July 1933 I got a request from the Oklahoma delegation asking me to join in a petition to the President to build a series of dams in the Arkansas Valley. I bit. From that day to this Caddoa has been on my daily calendar. I have no time to go over that story and it would be too long to read. My file on it would fill several fat books.

Caddoa was the only one of the 13 proposed dams on the Arkansas River to get in and stay in the Flood Control act of 1936. The other 12 bounced out. Regardless of what I or anyone else may have done for it, it owes its place in the first National Flood Control act to the Army Engineers. Several years prior to the movement begun by the Oklahoma delegation the Army engineers had made an exhaustive survey of the Arkansas River Valley and had recommended Caddoa as a flood irrigation dam and reservoir. That was the acid test that kept Caddoa in the act, the approval of the Army engineers, and without it no

Member of Congress could have put and kept it in the law. My hat is off to the Army engineers.

Now the provisions of this conference report sweep away the last barrier to the construction of Caddoa, the barrier of local costs wholly beyond the means of the farming valley of the Arkansas in Colorado. The dream of the pioneers will come true. Caddoa will be built. Our thanks to Chairman Whittington and his committee, to the Senate—and to the Army engineers.

Mr. WHITTINGTON. Mr. Speaker, I yield to the gentlewoman from Massachusetts [Mrs. ROGERS] such time as she may desire.

Mrs. ROGERS of Massachusetts. Mr. Speaker, particularly do I want to thank the distinguished chairman of the Committee on Flood Control [Mr. WHITTINGTON] and his conferees on the committee for accepting an amendment in the bill—an amendment adopted in the Senate. This amendment approves the comprehensive plan for flood control in the Merrimack River Basin and authorizes, in addition to the construction of a system of flood-control reservoirs, certain related flood-control work which may be found justified by the Army engineers.

The tragedy of it all is that this authorization comes 2 years too late. If the administration had taken action immediately after the disaster which made our people homeless and penniless, the work would have been completed by this time and we would be safe from future floods. With the passage of this bill we have the authorization, but as there will be no further appropriation bills passed in this Congress there will be no real flood-control work done in the Merrimack River Basin, only such as can be picked up from the W. P. A. or the P. W. A.

I have worked hard and constantly to obtain money for this protection. To some extent I have been successful. The W. P. A. allocated certain sums which have been very helpful in carrying on local minor projects to clear the river bed and permit the water to flow uninterruptedly. The value of this work was proven last autumn during a slight flood.

Now we must fight and work and beg for money from the W. P. A. or the P. W. A. to secure any measure of security for our people. Those who were driven out of their homes in 1936 live in constant dread of another rampage of waters. They feel that the sword of Damocles is ever over their heads, and until we provide for a series of reservoirs to control the rush of thawing snow and ice no true sense of security can be had.

The administration has been singularly callous and aloof to the danger which constantly hovers over the Merrimack Valley. That is the tragedy of it all. Had action been taken when it should have been taken, 2 years ago, today we would have real protection and safety.

Mr. WHITTINGTON. Mr. Speaker, I yield 2 minutes to the gentleman from Connecticut [Mr. PHILLIPS].

Mr. PHILLIPS. Mr. Speaker, I am very glad to see this bill in the form it is. It protects the people of New England against what a lot of us thought and still think was an effort on behalf of the power companies to steal the water-power rights from the people for 999 years. Thus selfish power interests would perpetuate unfair monopolies and unjustly high electric rates. This bill now protects the people against this and should bring about lower electric rates in New England.

Mr. WHITTINGTON. Mr. Speaker, I yield to the gentleman from New York [Mr. LORD] such time as he may desire.

Mr. LORD. Mr. Speaker, the proposed flood-control bill before us proposes to abandon the policy of the States sharing in the cost of flood-control projects and the Federal Government pay the whole cost. This sounds good at first until we stop and think where the Government gets its money from.

When the States participate in the cost they are more careful what they ask for than when the cost comes entirely from the Treasury of the United States. Therefore we go back to the old log-rolling method and the State that can muster the votes gets the project.

For example, the Grand Coulee Dam is being constructed at the entire expense of the Government, with no payment by the States where the construction is. This is a wasteful expense of the taxpayers' money, for there is no use for the power when the dam is completed.

Had the States affected had to contribute, the taxpayers would have been saved this great waste of public funds.

WHO PAYS THE BILL?

The New England States, New York, and Pennsylvania will pay more than three-quarters of the bill. New York alone will pay nearly one-third of the whole bill.

Therefore, it is not hard to see that the "pork barrel" will be wide open, and everyone will be working for a project where the cost will nearly all fall on a few Eastern States. To my mind, this is a very unfair bill. [Applause.]

[Here the gavel fell.]

Mr. WHITTINGTON. Mr. Speaker, I yield to the gentleman from Kansas [Mr. REES] such time as he may desire.

Mr. REES of Kansas. Mr. Speaker, this bill provides for the expenditure of approximately $400,000,000 for the building of dams and reservoirs that have already been designated by the Chief of Army Engineers. Only a part of these projects will be built, and those will be the ones selected by the Army engineers under the direction of the Federal Power Commission. Under this bill, it appears they will have the authority to locate and determine the size of these dams and reservoirs.

I rise particularly to call your attention once more to the practicability of building a number of smaller dams, rather than just a few large ones. This measure was intended in the first place primarily for flood-control purposes. Today the flood-control features become secondary and the question of power seems to be taking its place. I believe that for flood-control purposes, we can use these millions of dollars to better advantage by building smaller dams on the tributaries of some of these streams, rather than building a few large dams—practically all of which will be located along the Ohio and Mississippi Rivers. I realize it is helpful to build large reservoirs on these rivers, but think it would be just as practical and would be beneficial to more people, if several smaller dams were constructed on the upper tributaries of those rivers. I know this bill cannot be amended at the present time, but I call the attention of the House again to the feasibility of using these funds for a larger number of smaller and less expensive dams and reservoirs. More people, in my judgment, would be benefited thereby. I also suggest that part of these funds could be used for cleaning and straightening the channels of these tributaries.

Mr. WHITTINGTON. Mr. Speaker, I yield to the gentleman from Arkansas [Mr. MCCLELLAN] such time as he may desire.

Mr. McCLELLAN. Mr. Speaker, I shall detain the Members of the House but a few moments. It is obvious that sentiment is overwhelming for the immediate adoption of this conference report and the enactment of this legislation. Many of you who have spoken praise the merits of this bill. I concur in what you have said. This measure will do more not only to promote but actually to secure flood control than any other ever enacted by the Congress. Flood control constitutes one of the greatest conservation programs we could possibly adopt. Losses from floods exceed on an average more than $500,000,000 annually in property loss, and from 500 to 1,000 human lives are taken each year. In addition more than 4,000,000,000 tons of our richest soils are washed into the sea. They are devastating and seriously retard progress and development of our valleys.

There are a number of projects in my State authorized in this bill. When they shall have been constructed their protective influence will be manifest on a number of our streams, and I am anxious to see others provided for at the next session of Congress.

Mr. Speaker, I am glad to have had some part in the drafting and reporting of this bill. As a member of the House Flood Control Committee and also a member of the subcommittee appointed by the chairman to draft this bill, I have, along with the other members of that committee, worked long hours and faithfully to get a bill that would be fair to all sections of the Nation.

Of course, I was also diligent in looking after the welfare of my own State and district, and I am highly gratified to hear these expressions of praise and approval by able Members of this House.

The provision requiring the Federal Government to accept full responsibility with respect to cost of reservoir projects is the most important of all. It insures the ultimate and possibly the early construction of every project authorized. Ever since I have been a Member of this Congress I have insisted and repeatedly spoken on the floor of this House and in committee advocating full national responsibility, and now it is about to become a reality. Why, Mr. Speaker, 3½ years ago the Army engineers were recommending that the Federal responsibility provided in the Flood Control Act of 1928 be made inoperative and nullified. I bitterly opposed such action.

I fought that proposal in the House Flood Control Committee throughout that session of Congress. My friend, the chairman of the Flood Control Committee [Mr. WHITTINGTON], also opposed it, and on account of this controversy and others that arose, no flood-control bill was reported out of the committee. Now, I have had the privilege of serving in this House until this hour when I am about to see the policy I have worked for and advocated become law. I rejoice in the knowledge this great progress is being made.

Now, Mr. Speaker, I want to pay tribute to the able chairman of the Flood Control Committee of the House [Mr. WHITTINGTON]. His grand leadership of the flood-control forces of this House more than any other factor has made this law possible. He has been patient, tolerant, faithful, and worked unceasingly. I commend him for his high qualities of statesmanship. In securing passage of this law he rendered a large service to the people of this Nation, and I am happy indeed that I have had the privilege and pleasure of working with him in the cause of national flood-control legislation. [Applause.]

Mr. WHITTINGTON. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

The question was taken; and on a division (demanded by Mr. EBERHARTER) there were—ayes 226, noes 4.

So the conference report was agreed to; and a motion to reconsider was laid on the table.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. St. Claire, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 7344. An act for the relief of Eddie Walker.

The message also announced that the Senate had adopted the following order:

Ordered, That Mr. TYDINGS be appointed a member of the committee of conference on the part of the Senate on the bill (H. R. 7084) to provide that all cabs for hire in the District of Columbia be compelled to carry insurance for the protection of passengers, and for other purposes, in place of Mr. OVERTON.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 1531) entitled "An act extending and classifying the civil service to include postmasters of the first, second, and third classes, and for other purposes."

The message also announced that the Senate insists upon its amendments to the bill (H. R. 1995) entitled "An act to add certain lands on the island of Hawaii to the Hawaii National Park, and for other purposes," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. ADAMS, Mr. HATCH, Mr. O'MAHONEY, and Mr. BORAH to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3610) entitled "An act to adjust the salaries of rural letter carriers."

The message also announced that the Senate insists upon its amendments to the bill (H. R. 9997) entitled "An act to regulate the distribution, promotion, and retirement of officers of the line of the Navy, and for other purposes," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. WALSH, Mr. GERRY, and Mr. HALE to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7759) entitled "An act for the relief of Susan Lawrence Davis."

The message also announced that the Senate further insists upon its amendments to the bill (H. R. 7084) entitled "An act to provide that all cabs for hire in the District of Columbia be compelled to carry insurance for the protection of passengers, and for other purposes," disagreed to by the House; asks a further conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. HITCHCOCK, Mr. OVERTON, and Mr. CAPPER to be the conferees on the part of the Senate.

The message also announced that the Senate had passed without amendment a bill and a concurrent resolution of the House of the following titles:

H. R. 9881. An act to amend section 23 of the act to create the California Debris Commission, as amended; and

H. Con. Res. 64. Concurrent resolution authorizing the enrollment of H. R. 4285, with a corrective change.

The message also announced that the Senate recedes from its amendment No. 1 to the bill (H. R. 6586) to regulate the transportation and sale of natural gas in interstate commerce, and for other purposes, and agrees to the amendments of the House to the amendments numbered 2 and 3 of the Senate to said bill.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2475) entitled "An act to provide for the establishment of fair labor standards in employments in and affecting interstate commerce, and for other purposes."

The message also announced that the Senate agrees to the amendments of the House to bills and a concurrent resolution of the Senate of the following titles:

S. 375. An act for the relief of Mrs. John Olson;

S. 1346. An act for the relief of Stillwell Bros., Inc.;

S. 1987. An act for the relief of George J. Leatherwood;

S. 2052. An act for the relief of Henry E. Reents;

S. 2437. An act for the relief of Oscar Jones;

S. 2797. An act for the relief of Miriam Thornber;

S. 2890. An act for the relief of Clarence Daniel;

S. 2895. An act for the relief of Leona Draeger;

S. 3057. An act for the relief of John Fanning;

S. 3469. An act to amend section 128 of the Judicial Code, as amended;

S. 3540. An act for the relief of certain personnel of the Coquille River Coast Guard Station, Bandon, Oreg.;

S. 3584. An act for the relief of G. E. Maxwell;

S. 3694. An act to provide for the issuance of a license to practice the healing art in the District of Columbia to Dr. Sigfried Speyer and Dr. Luther Fete;

S. 3734. An act for the relief of certain officers and enlisted men of the United States Coast Guard; and

S. Con. Res. 31. Concurrent resolution to establish a Joint Committee on Forestry.

MEMBERSHIP ON STANDING COMMITTEES OF THE HOUSE

Mr. CULLEN. Mr. Speaker, I present a privileged resolution for immediate consideration by the House.

The Clerk read as follows:

House Resolution 535

Resolved, That ALPHONSE ROY, of New Hampshire, be, and he is hereby, elected a member of the standing committees of the House of Representatives on Civil Service, Education, and Expenditures in the Executive Departments.

The resolution was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. TREADWAY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a press editorial.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

ORDER OF BUSINESS

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. RAYBURN. Mr. Speaker, in order that Members and others may understand the situation, and in response to rumors that have been floating around from some parts of the Capitol, about which I have been asked, I presume, 40 times within the last hour, with respect to whether we are going to adjourn tonight, I think everybody at both ends of the Capitol who understands the situation knows that this would be impossible, and I hope this statement may stand until tomorrow.

NAVAL AND MARINE CORPS RESERVE

Mr. VINSON of Georgia submitted the following conference report and statement on the bill (H. R. 10594) to provide for the creation, organization, administration, and maintenance of a Naval Reserve and a Marine Corps Reserve:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10594) having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 14, 15, 16, 17, 18, 19, and 20.

That the House recede from its disagreement to the amendment of the Senate numbered 21 and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be stricken out by the Senate amendment, insert the following: ", but shall be paid in advance $20 per annum"; and the Senate agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment, as follows: "*Provided further*, That for those performing aerial flights in the capacity of pilots duly prescribed as a part of their training, the pay and the pay limits prescribed by this section shall be increased by 50 per centum for any quarter during which not less than four hours of such flying has been performed: *And provided further*, That no officer shall receive an increase of pay by reason of the performance of aerial flights, greater than the increase for such reason that may, under the provisions of this section, be paid to reserve officers of the grade of captain in the Naval Reserve or colonel in the Marine Corps Reserve"; and the Senate agree to the same.

CARL VINSON,
P. H. DREWRY,
MELVIN J. MAAS,
Managers on the part of the House.

DAVID I. WALSH,
PETER G. GERRY,
HIRAM JOHNSON,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10594) to provide for the creation, organization, administration, and maintenance of a Naval Reserve and a Marine Corps Reserve, submit the following statement in explanation of the effect of the action agreed upon and recommended in accompanying conference report as to each of such amendments:

The Senate conferees voted to recede from all amendments inserted by the Senate except amendments 2, 13, and 21, and came to agreement with the House conferees on these amendments, as follows:

On amendment No. 2: This amendment would provide no remuneration whatsoever for those ex-Regular Navy men assigned to the Fleet Reserve after 4 or more years of service in the Regular Navy. The bill as passed by the House provided $25 per year. The conference committee felt that failure to provide any remuneration would nullify the intent—that of inducing to join the Naval Reserve, a considerable number of well-trained and immediately available ex-Regulars. However, it was felt the same results would be accomplished with an annual payment of $20, instead of $25, thereby effecting a saving of 20 percent on the original estimated costs, which savings would ultimately amount to $180,000 per year. The original language was therefore restored but the amount of payment was reduced from $25 to $20.

On amendment No. 13: This amendment would deny to Naval Reserve aviators performing flights as a part of their drills the 50-percent increase in drill pay now allowed the National Guard under similar conditions. The committee felt this should be restored to the bill, but the safeguards should be provided so that only those actually serving as pilots of aircraft would receive this extra remuneration, and in the cases of officers above the rank of captain in the Navy or colonel in the Marine Corps the additional pay would be limited to the pay authorized for these grades. New language was therefore inserted to accomplish these results.

On amendment No. 21: This amendment deletes from this bill the provisions relative to the naval training of civilians. Those receiving this training are in nowise to be connected with the Naval Reserve. They are covered much more completely and satisfactorily in a separate bill (H. R. 9965) which passed the House on May 2, 1938. The committee therefore felt that this did not properly belong in this bill, and the House conferees agreed to its elimination.

CARL VINSON,
P. H. DREWRY,
MELVIN J. MAAS,
Managers on the part of the House.

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report.

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman tell us what the changes are?

Mr. VINSON of Georgia. Mr. Speaker, there were some twenty-odd amendments to this bill. The Senate receded on all amendments except three, and the three amendments have been brought back with amendments that the House conferees have agreed to. The bill is probably $180,000 less than it was when it passed the House.

Mr. MARTIN of Massachusetts. And this is a unanimous report?

Mr. VINSON of Georgia. It is a unanimous report and is an urgent matter, and we hope the conference report will be agreed to.

Mr. FISH. Mr. Speaker, will the gentleman yield?

Mr. VINSON of Georgia. I yield.

Mr. FISH. Does the report provide for any reserve for the air force?

Mr. VINSON of Georgia. It does, and I may state it limits the pay to that of a colonel in the Marine Corps and a captain in the Navy.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent that the statement may be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk read the statement.

Mr. VINSON of Georgia. Mr. Speaker, I move the previous question on the adoption of the conference report.

The previous question was ordered.

The conference report was agreed to, and a motion to reconsider was laid on the table.

DISTRIBUTION, PROMOTION, AND RETIREMENT OF OFFICERS OF THE LINE OF THE NAVY

Mr. VINSON of Georgia submitted a conference report and statement on the bill (H. R. 9997) to regulate the distribution, promotion, and retirement of officers of the line of the Navy, and for other purposes.

WILLIAM R. KELLOGG

Mr. KENNEDY of Maryland submitted the following conference report and statement on the bill (S. 371) for the relief of William R. Kellogg:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 371) entitled "An act for the relief of William R. Kellogg" having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendments of the House, and agree to the same.

AMBROSE J. KENNEDY,
ROBERT RAMSPECK,
FRANK CARLSON,
Managers on the part of the House.

M. M. LOGAN,
ARTHUR CAPPER,
JOSIAH W. BAILEY,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 371) for the relief of William R. Kellogg, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report.

This claimant seeks money for loss sustained by him as the result of the cancelation of a lease by the Post Office Department of his property, which was leased, claimant states, with the understanding that it would be a 10-year lease. He is said to have spent large sums of money in equipping his property for the Post Office Department, but, nevertheless, his lease contained a 90-day cancelation clause, which the Department exercised. The Senate awarded him $1,000 and the House cut the appropriation to $675, which represents 3 months' rent, and which the Department says he is entitled to. This covers the cancelation period. The claimant being out of town at the time the Post Office Department tried to notify him of the cancelation, he did not receive the notice until 16 days prior to the date the building was actually vacated. The claimant is certainly entitled to the 3 months' rental value, but in view of the fact the Department was exercising its rights under the lease, it was agreed in conference that no greater amount than $675 should be allowed.

The Senate conferees therefore receded from their disagreement to the amendment of the House.

AMBROSE J. KENNEDY,
ROBERT RAMSPECK,
FRANK CARLSON,
Managers on the part of the House.

Mr. KENNEDY of Maryland. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. KENNEDY of Maryland. Mr. Speaker, I ask unanimous consent that the statement may be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The Clerk read the statement.

The conference report was agreed to, and a motion to reconsider was laid on the table.

A. C. WILLIAMS

Mr. KENNEDY of Maryland submitted the following conference report and statement on the bill (S. 1043) for the relief of A. C. Williams:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1043) for the relief of A. C. Williams, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its amendment numbered 1.

That the Senate recede from its disagreement to the amendment of the House numbered 2, and agree to the same.

AMBROSE J. KENNEDY,
ROBERT RAMSPECK,
FRANK CARLSON,
Managers on the part of the House.

EDWARD R. BURKE,
ARTHUR CAPPER,
JOSIAH W. BAILEY,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1043) for the relief of A. C. Williams, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report.

Two bills were introduced in the Senate for the relief of the claimant; one for his injuries, and another for the death of his wife, both as the result of an accident with a W. P. A. vehicle. Only the one bill was reported by the Senate, and it appeared to the House committee that the amount recommended was meant to cover both claims. The committee therefore so amended the bill that the money would be paid to the claimant in settlement of all claims. It was disclosed later that this bill was only meant to cover claimant's injuries. The amount of money involved is $2,962.63.

At the conference, the House conferees receded from their amendment, which was the only material change.

AMBROSE J. KENNEDY,
ROBERT RAMSPECK,
FRANK CARLSON,
Managers on the part of the House.

Mr. KENNEDY of Maryland. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The Clerk read the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

W. D. PRESLEY

Mr. KENNEDY of Maryland submitted the following conference report and statement on the bill (H. R. 2665) for the relief of W. D. Presley.

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2665) for the relief of W. D. Presley, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same.

AMBROSE J. KENNEDY,
ROBERT RAMSPECK,
FRANK CARLSON,
Managers on the part of the House.

M. M. LOGAN,
ARTHUR CAPPER,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 2665) for the relief of W. D. Presley, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report:

The House passed this bill in the amount of $1,250. The Senate reduced the amount to $665, as this was the amount recommended by the Secretary of Agriculture. The Senate conferees insisted on the Senate amendment.

At the conference, therefore, the House conferees receded from the disagreement of the House to the Senate amendment.

AMBROSE J. KENNEDY,
ROBERT RAMSPECK,
FRANK CARLSON,
Managers on the part of the House.

Mr. KENNEDY of Maryland. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The Clerk read the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

HAFFENREFFER & CO., INC.

Mr. KENNEDY of Maryland. Mr. Speaker, I present a conference report and statement upon the bill (H. R. 5743) for the relief of Haffenreffer & Co., Inc., and ask unanimous consent for its present consideration.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the conference report and statement, as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5743) for the relief of Haffenreffer & Co., Inc., having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment, as follows: In lieu of the matter inserted by the Senate amendment insert the following: "*Provided further*, That the Commissioner of Internal Revenue is directed to take from any refund determined upon by him under the provisions of this act such sum as he may find the United States shall have incurred as additional expenses as a result of the above-described claim"; and the Senate agree to the same.

AMBROSE J. KENNEDY,
FRANK CARLSON,
JOHN M. COFFEE,
Managers on the part of the House.

L. B. SCHWELLENBACH,
ARTHUR CAPPER,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 5743), to refund to Haffenreffer & Co., Inc., a Massachusetts corporation, certain taxes paid for revenue stamps, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report.

As the bill passed the House, the Commissioner of Internal Revenue was authorized to receive and consider the claim of Haffenreffer & Co., for a refund of the fermented malt liquor tax paid by it on certain unmarketable ale, with tax stamps purchased. After the purchase of the stamps, it was discovered that the beer was unmarketable, and all of it was destroyed, as the Government knows. The Commissioner of Internal Revenue has no authority to refund the amount of stamps purchased because of the technicality that some of the beer had left the premises, although it was all returned and destroyed. The bill is only jurisdictional and authorizes the Commissioner to refund the amount due, which actually amounts to $13,655. The Senate for some unknown reason attached a proviso that the refund should not exceed $1,000. Such an amendment was out of all line of order, as the claimants are due whatever amount the Commissioner may determine. It was compromised by the conferees, therefore, that the Senate proviso be eliminated, but that wording be inserted to allow the Government to deduct from any payment found allowable any expenses the Government may have been put to in this transaction.

AMBROSE J. KENNEDY,
JOHN M. COFFEE,
FRANK CARLSON,
Managers on the part of the House.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

OLD HARBOR VILLAGE AREA OF BOSTON

Mr. KENNEDY of Maryland. Mr. Speaker, I present a conference report and statement upon the bill (H. R. 1948) conferring jurisdiction upon the United States District Court for the District of Massachusetts to hear, determine, and render judgment upon the claims of certain property owners within the Old Harbor Village area of Boston, Mass., and ask unanimous consent for its present consideration.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the conference report and statement as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 1948) conferring jurisdiction upon the United States District Court for the District of Massachusetts to hear, determine, and render judgment upon the claims of certain property owners within the Old Harbor Village area of Boston, Mass., having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate to the text of the bill and agree to the same with an amendment, as follows: After the words "rental income", in the third line from the bottom of the Senate engrossed amendment, insert the following: "depreciation in the value of any such property"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate to the title of the bill and agree to the same.

AMBROSE J. KENNEDY,
ROBERT RAMSPECK,
FRANK CARLSON,
Managers on the part of the House.

PRENTISS M. BROWN,
ALLEN J. ELLENDER,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 1948) for the relief of certain property owners within the Old Harbor Village area of Boston, Mass., submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report:

The bill is strictly jurisdictional upon the United States District Court for the District of Massachusetts to hear, determine, and render judgment, upon the claims of any person or corporation, etc., that owned property within the Old Harbor Village area of Boston, Mass., for damages resulting from the commencement of condemnation proceedings instituted by the United States through the Public Works Administration for the purpose of carrying out the slum-clearance project in such area. The Government condemned certain property for this project, and then abandoned the condemnation proceedings 10 months later. The Senate made two limitations in the wording of the bill, one of which was agreeable to the conferees on the part of the House. The other one would definitely eliminate the possibility of the claimants recovering damages for one of the major phases of their losses. A compromise was agreed upon, and as it is the claimants cannot recover any damages that cannot be established before the court.

AMBROSE J. KENNEDY,
ROBERT RAMSPECK,
FRANK CARLSON,
Managers on the part of the House.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

MARTIN BRIDGES

Mr. KENNEDY of Maryland. Mr. Speaker, I present a conference report and statement upon the bill (H. R. 1872) for the relief of Martin Bridges, and ask unanimous consent for its present consideration.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the conference report and statement as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 1872) for the relief of Martin Bridges, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its admendment.

AMBROSE J. KENNEDY,
JOHN M. COFFEE,
FRANK CARLSON,
Managers on the part of the House.

J. W. BAILEY,
P. M. BROWN,
ARTHUR CAPPER,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the

Senate to the bill (H. R. 1872), for the relief of Martin Bridges, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying report.

The House passed this bill for $1,946.74, representing actual cost of repairs to three new automobiles, as a result of a collision involving these three cars belonging to claimant, an automobile dealer, and two Government trucks. The new cars were at the time of the accident being delivered. The Senate reduced the amount of the bill to $1,000, although the actual damages have been established as $1,946.74.

At the conference, the Senate conferees receded from the amendment of the Senate.

AMBROSE J. KENNEDY,
JOHN M. COFFEE,
FRANK CARLSON,
Managers on the part of the House.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

HENRY M. HYER

Mr. KENNEDY of Maryland. Mr. Speaker, I present a conference report and statement upon the bill (H. R. 2362) for the relief of Henry M. Hyer, and ask unanimous consent for its present consideration.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the conference report and statement as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2362) for the relief of Henry M. Hyer, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment No. 1.

AMBROSE J. KENNEDY,
ROBERT RAMSPECK,
FRANK CARLSON,
Managers on the part of the House.
M. M. LOGAN,
ARTHUR CAPPER,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 2362) for the relief of Henry M. Hyer, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report:

This bill was introduced for only $460, which is the claimant's monetary loss growing out of an accident with a C. C. C. truck. The author of the bill states that the claimant only asked for this amount, believing he could not be allowed compensation for his injuries. The Government admits the liability, and the claimant contributed in no way to the accident. The House committee allowed the sum of $1,250, which the House passed the bill for. The Senate cut it to $500, which would be little over claimant's actual expenses. It is customary in cases of this kind to allow for injury, pain, and suffering, and the amount of $1,250 to cover all is very reasonable.

At the conference the Senate conferees receded from their amendment.

AMBROSE J. KENNEDY,
ROBERT RAMSPECK,
FRANK CARLSON,
Managers on the part of the House.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

ROBERTA CARR

Mr. KENNEDY of Maryland. Mr. Speaker, I present a conference report and statement upon the bill (H. R. 2191) for the relief of Roberta Carr, and I ask unanimous consent for its present consideration.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the conference report and statement as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2191) for the relief of Roberta Carr, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment numbered 1.

AMBROSE J. KENNEDY,
ROBERT RAMSPECK,
FRANK CARLSON,
Managers on the part of the House.
H. H. SCHWARTZ,
J. G. TOWNSEND, JR.,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 2191), for the relief of Roberta Carr, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report.

The House passed this bill in the amount of $5,000 to be paid to claimant, who is the widow of a man killed in an accident involving a C. C. C. truck. There are also two small, minor children. This is the usual amount allowed in death cases, although the committee feels this is often not adequate. The Senate cut the amount to $2,000.

At the conference, the Senate conferees agreed with the House conferees, and receded from the Senate amendment.

AMBROSE J. KENNEDY,
ROBERT RAMSPECK,
FRANK CARLSON,
Managers on the part of the House.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

MIRIAM GRANT

Mr. KENNEDY of Maryland. Mr. Speaker, I present a conference report and statement upon the bill (H. R. 6618) for the relief of Miriam Grant, and ask unanimous consent for its present consideration.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the conference report and statement as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 6618) for the relief of Miriam Grant, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment.

AMBROSE J. KENNEDY,
ROBERT RAMSPECK,
FRANK CARLSON,
Managers on the part of the House.
H. H. SCHWARTZ,
J. G. TOWNSEND, JR.,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 6618) for the relief of Miriam Grant submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report:

The House passed this bill in the amount of $1,964 for compensation to claimant for damages resulting from an accident involving a truck of the Food and Drug Administration. The Department conceded the liability, and the amount of $1,964 seems very reasonable. The Senate cut the appropriation to $1,964, and the conferees on the part of the Senate admitted that this was not justified.

The Senate conferees therefore receded from the amendment of the Senate.

AMBROSE J. KENNEDY,
ROBERT RAMSPECK,
FRANK CARLSON,
Managers on the part of the House.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

SUSAN LAWRENCE DAVIS

Mr. KENNEDY of Maryland. Mr. Speaker, I present a conference report and statement upon the bill (H. R. 7759) for the relief of Susan Lawrence Davis, and ask unanimous consent for its present consideration.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the conference report and statement as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7759) for the relief of Susan Lawrence Davis, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate and agree to the same with an amendment as follows: In lieu of the sum inserted by the Senate insert "$1,800"; and the Senate agree to the same.

AMBROSE J. KENNEDY,
ROBERT RAMSPECK,
FRANK CARLSON,
Managers on the part of the House.

M. M. LOGAN,
ALLEN J. ELLENDER,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 7759) for the relief of Susan Lawrence Davis submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report:

The House recommended the payment of $3,600 to the claimant for damage to her business and reputation resulting from her illegal arrest on May 2, 1932, by a policewoman of the Metropolitan Police Department, and her subsequent confinement in Gallinger Municipal Hospital for mental examination. The Senate reduced the amount to $500.

At the conference a compromise amount of $1,800 was agreed upon.

AMBROSE J. KENNEDY,
Manager on the part of the House.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

B. B. BARBEE

Mr. KENNEDY of Maryland. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 5615) for the relief of Capt. B. B. Barbee, with Senate amendments, and agree to the Senate amendments.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The Clerk read the Senate amendments, as follows:

Strike out all after the enacting clause and insert:

"That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the administrator of the estate of Capt. B. B. Barbee, United States Army, deceased, the sum of $1,588.65, or so much thereof as shall have been collected from Captain Barbee prior to the passage of this act, in full and final settlement of all claims whatsoever against the United States for a stoppage in his pay on account of the embezzlement of public funds by a civilian employee of the office of the quartermaster, Fort Jay, N. Y., from July 1, 1925, to February 28, 1931, while Captain Barbee was on duty as agent finance officer, Governors Island, N. Y."

Amend the title so as to read: "An act for the relief of the administrator of the estate of Capt. B. B. Barbee, deceased."

The Senate amendments were agreed to, and a motion to reconsider was laid on the table.

The title was amended so as to read: "An act for the relief of the administrator of the estate of Capt. B. B. Barbee, deceased."

ANNA LEE HEBERT AND MRS. NICHOLAS HEBERT

Mr. KENNEDY of Maryland. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 6710) conferring jurisdiction upon the United States District Court for the Eastern District of Louisiana to hear, determine, and render judgment upon the claims of Anna Lee Hebert and Mrs. Nicholas Hebert, with Senate amendments, and agree to the Senate amendments.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The Clerk read the Senate amendments, as follows:

Page 1, line 6, strike out "claim" and insert "claims."

Page 1, line 8, strike out "and upon the claims."

Page 1, line 9, strike out "son" and insert "children."

Page 2, line 1, strike out all after "and" down to and including "death" in line 10, on page 2, and insert "Virges Hebert, both formerly of New Orleans, La.; of Mr. and Mrs. Dossie E. Worrell, of Zachary, La., for the death of their son, Leon Worrell; of Mr. and Mrs. C. B. McClure, of Zachary, La., for the death of their son, Earl Roy McClure; and of W. F. Cobb, of Zachary, La., for personal injuries and damage to his truck, said deaths, personal injuries, and damage having resulted from a collision between the automobile in which Anna Lee Hebert, Vernon Hebert, and Virges Hebert were riding, and a truck operated by the Corps of Engineers, War Department, and a collision between said latter truck and the truck owned by W. F. Cobb, in which he, Leon Worrell, and Earl Roy McClure were riding, on April 28, 1936, on United States Highway No. 61, between New Orleans and Baton Rouge, near Lutcher, La.: *Provided*, That the judgments, if any, for injuries of Anna Lee Hebert shall not exceed $4,000; for deaths of Vernon Hebert and Virges Hebert shall not exceed $5,000 each; for deaths of Leon Worrell and Earl McClure shall not exceed $5,000 each, and for injuries and damage of W. F. Cobb shall not exceed $5,000."

The Senate amendments were agreed to.

A motion to reconsider was laid on the table.

The title was amended so as to read: "An act conferring jurisdiction upon the United States District Court for the Eastern District of Louisiana to hear, determine, and render judgment upon the claims of Anna Lee Hebert, Mrs. Nicholas Hebert, Mr. and Mrs. Dossie E. Worrell, Mr. and Mrs. C. B. McClure, and W. F. Cobb."

FIRST-CLASS MAIL MATTER

Mr. MEAD. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 2716) to provide for the local delivery rate on certain first-class mail matter, with Senate amendments, disagree to the Senate amendments, and ask for a conference.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. HAINES, TAYLOR of South Carolina, LUCKEY of Nebraska, MASON, and SHAFER of Michigan.

SALARIES OF RURAL LETTER CARRIERS

Mr. MEAD. Mr. Speaker, I submit a conference report and statement on the bill (H. R. 3610) to adjust the salaries of rural letter carriers and ask unanimous consent for its immediate consideration.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 3610) to adjust the salaries of rural letter carriers, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment as follows: On page 1 of the Senate amendment, in line 5, strike out the figures "1939" and insert in lieu thereof the figures "1940"; and the Senate agree to the same.

T. G. BURCH,
JAS. M. MEAD,
HARRY L. HAINES,
FRANK CARLSON,
E. HAROLD CLUETT,
Managers on the part of the House.

KENNETH MCKELLAR,
CARL HAYDEN,
L. J. FRAZIER,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 3610) to adjust the salaries of rural letter

carriers submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The House bill provided for additional compensation, within the discretion of the Postmaster General, to rural letter carriers serving heavily patronized routes not more than 38 miles long. The total compensation in such cases, however, was not to exceed $2,100 per annum.

The Senate amendment directed the Postmaster General to report these pay changes by January 1, 1939, to the Post Office Committees of the House and the Senate, and prohibited any further increases being made after that date.

This amendment was not only a limitation on the period during which the salaries of the carriers might be increased, but it imposed a hardship upon the Post Office Department in requiring them to carry out the provisions of the act and to make a report in about 6 months' time.

The conferees adopted the Senate amendment with a modification which extended the period for granting pay increases for a year by changing the limiting date from January 1, 1939, to January 1, 1940.

T. G. BURCH,
JAS. M. MEAD,
HARRY L. HAINES,
FRANK CARLSON,
E. HAROLD CLUETT,
Managers on the part of the House.

The conference report was agreed to, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. MEAD. Mr. Speaker, I ask unanimous consent to extend my remarks and insert a short letter and brief excerpts.

The SPEAKER. Without objection it is so ordered.

There was no objection.

Mr. BOYLAN of New York. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein certain excerpts.

The SPEAKER. Without objection it is so ordered.

There was no objection.

Mr. O'CONNELL of Montana. Mr. Speaker, I ask unanimous consent to extend my own remarks in reference to free speech in Jersey City and to include two speeches I intended to deliver and an editorial with reference thereto.

The SPEAKER. Without objection it is so ordered.

There was no objection.

Mr. O'CONNELL of Montana. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD with reference to the copper situation in Montana and include therein different tables and copies of two bills which I introduced in connection therewith.

The SPEAKER. Without objection it is so ordered.

There was no objection.

Mr. CARLSON. Mr. Speaker, I ask unanimous consent to extend the remarks I made this afternoon and to include therein two statements.

The SPEAKER. Without objection it is so ordered.

There was no objection.

ROTARY-WINGED AIRCRAFT

Mr. O'CONNOR of New York. Mr. Speaker, I call up House Resolution 523.

Mr. FISH. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] One hundred and fifty-three Members are present, not a quorum.

Mr. O'CONNOR of New York. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 117]

Allen, Ill.	Cannon, Wis.	Curley	Duncan
Allen, La.	Cartwright	Deen	Eckert
Andrews	Chapman	Dempsey	Elliott
Ashbrook	Clark, Idaho	De Muth	Farley
Atkinson	Coffee, Nebr.	Disney	Fernandes
Biermann	Cole, Md.	Ditter	Fish
Binderup	Cole, N. Y.	Dixon	Flannery
Boehne	Crosby	Dockweiler	Ford, Calif.
Burch	Culkin	Doughton	Gambrill, Md.
Caldwell	Cummings	Douglas	Gasque
Gearhart	Lemke	Polk	Thomas, N. J.
Gildea	Lewis, Md.	Rankin	Tinkham
Green	Luce	Reed, N. Y.	Vinson, Ga.
Griswold	McAndrews	Rutherford	Wadsworth
Hancock, N. C.	McGrath	Ryan	Wearin
Hartley	McGroarty	Schneider, Wis.	Weaver
Hendricks	McLean	Schuetz	Welch
Hildebrandt	McMillan	Scrugham	Whelchel
Hoffman	Mansfield	Smith, Okla.	White, Idaho
Hook	Mitchell, Ill.	Smith, Va.	White, Ohio
Jarman	Mitchell, Tenn.	Stack	Withrow
Johnson, Okla.	Mosier, Ohio	Steagall	Wood
Johnson, L. B.	Murdock, Utah	Sumners, Tex.	Woodrum
Kirwan	O'Connor, Mont.	Sutphin	
Kniffin	O'Day	Sweeney	
Lamneck	Pace	Taylor, Colo.	

The SPEAKER. Three hundred and twenty-seven Members have answered to their names, a quorum.

Further proceedings under the call were dispensed with.

The SPEAKER. The Clerk will report the resolution.

The Clerk read the resolution, as follows:

House Resolution 523

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 10605, a bill to authorize the appropriation of funds for the development of rotary-winged aircraft, and all points of order against said bill are hereby waived. That after general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Military Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

Mr. O'CONNOR of New York. Mr. Speaker, I yield 30 minutes to the gentleman from New York [Mr. SNELL].

Mr. Speaker, this is a resolution for the consideration of the so-called autogiro bill, which authorizes an appropriation of $2,000,000 to experiment with the autogiro, a plane that rises perpendicularly in the air.

I reserve the balance of my time.

Mr. SNELL. Mr. Speaker, there is no opposition to the present rule and no time has been requested on this side.

Mr. O'CONNOR of New York. Mr. Speaker, I move the previous question.

The resolution was agreed to.

Mr. DORSEY. Mr. Speaker, I ask unanimous consent that this bill (H. R. 10605) to authorize the appropriation of funds for the development of rotary-winged aircraft may be considered in the House as in the Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the interest of adequate national defense and the further interest of the needs of other governmental activities and of American commercial and civil aeronautics for rotary-wing aircraft development there is hereby authorized to be appropriated, out of any funds in the Treasury not otherwise appropriated, the sum of $2,000,000 to remain available until expended for the purpose of rotary-wing aircraft research, development, procurement, experimentation, and operation for service testing.

The Secretary of War is authorized and directed to proceed immediately with said research, development, procurement, experimentation, and operation for service testing and further to allot such sums from this fund to other Federal departments or agencies as he, in his judgment and discretion and within the limits herein prescribed, may deem advisable for the furtherance of these purposes.

The following agencies of the Federal Government are hereby authorized and directed to submit to the Secretary of War plans for research, development, procurement, experimentation, and operation for service testing of rotary-wing aircraft. Upon presentation of plans, together with estimates of requirements, the Secretary of War will approve, apportion, and allot the necessary funds which in his discretion may appear proper for each, respectively.

The agencies referred to are:

(a) In the United States Army, the Office of the Chief of Cavalry, the Office of the Chief of Field Artillery, the Office of the

Chief of Coast Artillery, the Office of the Chief of Infantry, the Office of the Chief Signal Officer, the Office of the Chief of Air Corps, the Office of the Chief of Medical Corps, the Office of the Quartermaster General, and the National Guard Bureau.

(b) In the Department of Agriculture, the Bureau of Entomology and Plant Quarantine, the Bureau of Biological Survey, and the Forest Service.

(c) In the Department of the Interior, the National Park Service.

(d) In the Treasury Department, the Coast Guard.

(e) In the Department of Commerce, the Bureau of Air Commerce.

(f) In the Department of the Navy, the Office of the Chief of Naval Operations, the Bureau of Aeronautics, and the Office of the Chief of Marine Corps.

(g) The National Advisory Committee for Aeronautics.

(h) In the Post Office Department, the Postmaster General.

Such of these agencies as are approved by the Secretary of War for the purpose of carrying out the provisions of this act and to whom the Secretary of War, in accordance with the provisions of this act shall allocate funds, are hereby directed to report at the end of each fiscal year or at such times as the Secretary of War may direct, showing the progress of the work in hand, future programs, if any, and recommendations. Special emphasis in these reports shall be placed on the utility of rotary-wing aircraft at the present time and the promise this type of aircraft holds for the future in the opinion of the chief of each agency concerned.

The Secretary of War is authorized and directed to establish forthwith in the engineering section of the Matériel Division of the United States Army Air Corps a Rotary Wing Aircraft Section. The functions of this section shall be the usual functions of an engineering section of the Matériel Division of the United States Army Air Corps but, in addition, this section is authorized and directed to coordinate all the activities of the Government agencies employed in purchase, construction, experimentation, and service testing of rotary-wing aircraft.

The sum of $600,000 is to be taken by the Secretary of War from this appropriation and used exclusively in the placing of contracts for the construction of improved and experimental types of rotary-wing aircraft by private industry. No individual or concern shall be eligible under the provisions of this act to contract with the United States Government for the building of rotary-wing aircraft unless he has produced one aircraft of rotary-wing type which has successfully flown.

Mr. DORSEY. I desire to offer some committee amendments, and I may say for the benefit of the House that these amendments are offered to make this bill agree with a bill reported by a Senate committee.

The Clerk read as follows:

Committee amendment offered by Mr. DORSEY: Page 3, line 24, strike out all of lines 24 and 25; and on page 4, all of lines 1 to 8, inclusive.

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment offered by Mr. DORSEY: Page 4, line 12, strike out all after the period, beginning with the word "no", line 12, to the period in line 17.

The committee amendment was agreed to.

Mr. SIROVICH. Mr. Speaker, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. SIROVICH: Page 1, line 6, after the word "wing" insert "and others."

Page 1, line 9, after the words "rotary wing", insert "and other."

Page 2, line 12, after the word "wing", insert "and other."

Page 3, line 20, after the words "rotary-wing", insert "and other."

Page 4, line 12, after the words "rotary-wing", insert "and other."

Mr. DORSEY. Mr. Speaker, that amendment is acceptable to the committee.

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "To authorize the appropriation of funds for the development of rotary-wing and other aircraft."

RADIO INVESTIGATION

Mr. O'CONNOR of New York. Mr. Speaker, I call up House Resolution 92 and ask for its immediate consideration.

Mr. HARLAN. Mr. Speaker, I make the point of order there is not a quorum present.

The SPEAKER. The Chair will count. [After counting.] One hundred and twelve Members are present; not a quorum.

Mr. O'CONNOR of New York. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 118]

Allen, Ill.	Deen	Harrington	Pettengill
Andrews	Dempsey	Hartley	Polk
Ashbrook	Dirksen	Healey	Powers
Atkinson	Disney	Hendricks	Reed, N. Y.
Barden	Ditter	Hennings	Ryan
Bell	Dockweiler	Hildebrandt	Sacks
Binderup	Doughton	Hoffman	Satterfield
Boehne	Douglas	Hook	Schuetz
Boykin	Drew, Pa.	Jarman	Schulte
Boylan, N. Y.	Drewry, Va.	Jenckes, Ind.	Scrugham
Bradley	Duncan	Johnson, L. B.	Short
Brewster	Eaton	Kelly, N. Y.	Smith, Okla.
Burch	Eberharter	Kinzer	Smith, Va.
Burdick	Edmiston	Kniffin	Stack
Caldwell	Elliott	Kopplemann	Steagall
Cannon, Wis.	Englebright	Lemke	Sutphin
Carter	Farley	Lewis, Md.	Sweeney
Cartwright	Fernandes	Luce	Taylor, Colo.
Casey, Mass.	Fish	Luckey, Nebr.	Taylor, Tenn.
Champion	Flaherty	McAndrews	Tinkham
Chandler	Ford, Calif.	McGroarty	Tolan
Chapman	Frey, Pa.	McLean	Towey
Citron	Fulmer	McMillan	Vinson, Ga.
Clark, Idaho	Gambrill, Md.	Mansfield	Wadsworth
Cluett	Gasque	Mason	Wearin
Coffee, Nebr.	Gearhart	Mead	Weaver
Cole, Md.	Gifford	Mitchell, Tenn.	Welch
Cole, N. Y.	Gingery	Mott	Whelchel
Crosby	Green	Murdock, Utah	White, Idaho
Culkin	Griswold	Norton	White, Ohio
Cummings	Halleck	O'Connor, Mont.	Withrow
Curley	Hancock, N. C.	O'Day	Wood

The SPEAKER. On this roll call 300 Members have answered to their names. A quorum is present.

Further proceedings under the call were dispensed with.

RADIO INVESTIGATION

The SPEAKER. The Clerk will report the resolution.

The Clerk read the resolution as follows:

House Resolution 92

Whereas the Congress, in creating the Federal Radio Commission and in enacting the Communications Act of 1934, expressly reserves to the people of the United States control of all radio frequencies; and

Whereas, despite the restriction through the leasing of, the purchase of, the affiliating of, the operation of, or, through the possession of contracts giving to a select few the exclusive right to use the more desirable time of these radio-broadcasting stations, there is reason to believe that contrary to the intent and the spirit, as well as the language of laws in force, one or more monopolies exist in radio broadcasting, which radio-broadcasting monopolies are believed to be profiting illegally at the expense and to the detriment of the people through the monopolistic control and operation of all clear channel and other highly desirable radio-broadcasting stations, such as the Columbia Broadcasting System, the National Broadcasting Co., and the Mutual Broadcasting System, or other existing groups; and

Whereas it is believed that neither public interest, convenience, or necessity is served by permitting virtual radio-broadcasting monopolies to control this property which has been reserved to the control of the American people; and

Whereas it is contrary to public policy, convenience, or necessity to allow any private groups to monopolize the use of a property reserved to and for the people: Therefore be it

Resolved, That a committee of seven Members of the House of Representatives shall be appointed by the Speaker, which committee is hereby directed to inquire into and investigate the allegations and charges that a monopoly or monopolies exist in radio broadcasting alleged to be held by the Columbia Broadcasting System, National Broadcasting Co., Mutual Broadcasting System, or others; be it further

Resolved, That the said committee shall make a thorough and exhaustive investigation of all charges and allegations of the existence of a monopoly or monopolies in radio broadcasting and the effect which such monopoly or monopolies may have on the character of radio programs, and rates charged advertisers, and generally the effect of such monopoly or monopolies on the public, and said committee shall report in whole or in part at any time to the House of Representatives during the Seventy-fifth Congress, together with such recommendations for legislation or otherwise as it deems advisable; and be it further

Resolved, That said committee or any subcommittee thereof is authorized to sit and act during the present Congress at such times and places within the United States whether or not the House is sitting, has recessed, or adjourned, to hold such hearings; to require the attendance of such witnesses and the production of such books, papers, and documents by subpena or otherwise and take such testimony as it deems necessary with respect to such monopoly or monopolies and the management and operation of any company or companies being so investigated. Subpenas shall be issued under the signature of the chairman of

said committee or any member designated by him, and shall be served by any person designated by them or either of them. The chairman of the committee or any member thereof may administer oaths to witnesses. Every person who, having been summoned as a witness by authority of said committee, or subcommittee thereof, willfully makes default, or who, having appeared, refuses to answer any questions pertinent to the matter herein authorized to be investigated, shall be held to the penalties provided in sections 102, 103, and 104 of the Revised Statutes of the United States, as amended (U. S. C., title 2, secs. 192, 193, and 194.

The SPEAKER. The Chair recognizes the gentleman from New York [Mr. O'CONNOR].

Mr. BULWINKLE. Mr. Speaker, will the gentleman yield?

Mr. O'CONNOR of New York. I yield to the gentleman from North Carolina.

Mr. BULWINKLE. Mr. Speaker, I ask unanimous consent that the time for the consideration of this resolution be extended to an hour and a half.

Mr. O'CONNOR of New York. Mr. Speaker, in view of the fact that we have nine rules pending, I regret I must object.

Mr. Speaker, I yield 30 minutes to the gentleman from Massachusetts [Mr. MARTIN].

Mr. Speaker, at this moment I intend to say only a few words and then reserve the remainder of my time until the close of the debate to reply to the alibis that will be offered against this resolution.

I have never seen a situation just like this. I have never in my life seen such lobbying against a resolution, from high places and from low places, from part of the leadership of the House and from the page boys of the House and even the colored boys in the other places. I have been here so long I can smell what is going to happen in this House.

This is not my resolution. It is the resolution of a great friend of ours, our late beloved colleague Bill Connery, of Massachusetts, who introduced it years ago. It is his resolution that has been reported out. Admittedly there is a 95-percent monopoly of radio in the hands of certain interests. You can walk out in that lobby tonight and you will find difficulty in getting through the lobby because of the crowd of radio lobbyists from New York and all over the country, and from every department of the Government. This is the situation we face. The Committee on Rules instructed me after holding hearings for 2 years to bring in this resolution to investigate the radio monopoly. I know all the pressure that has been put on my friends. I know all the pressure that has been put on all the Members of this House. I shall reply to the alibis when I close. I can take a licking, but there will be a scandal in America as far as the interests of our public are concerned if this resolution is voted down. We shall have a roll call and see who is for the public and who is for the radio trusts. [Applause.]

Mr. Speaker, I reserve the balance of my time.

Mr. MARTIN of Massachusetts. Mr. Speaker, I yield 10 minutes to the gentleman from Massachusetts [Mr. WIGGLESWORTH].

Mr. WIGGLESWORTH. Mr. Speaker, I hope very much that this resolution will be adopted. I have been interested in the investigation for which it provides for almost 3 years. It seems to me on the strength of the evidence available at this time that the investigation is absolutely essential with a view to proper regulation of the industry and proper protection of the public.

I first became interested in this matter several years ago, in the light of testimony offered to the Committee on Appropriations of the House. Since that time, as the Members of the House know, both on the floor of this House and elsewhere, I have repeatedly urged that a thoroughgoing investigation of the entire radio set-up in this country be conducted by Congress.

When we deal with the radio industry, we deal with a broadcast band which has been likened to a national resource. We deal with a limited number of frequencies. These frequencies must be allocated and regulated in the public interest. When we deal with this industry, we deal with an industry which pays not one red cent at the moment for the Federal licenses upon which its very existence depends. We deal with an industry which from those licenses earned an income estimated in the last calendar year at something like $130,000,000.

I approach this question from the broad standpoint of the proper regulation of the industry in the national interest. Congress sought that regulation through the Radio Act of 1927 and the Communications Act of 1934.

No one can read these two acts without realizing that Congress had certain definite objectives in mind. Among them was the elimination of anything like private ownership in these frequencies, the elimination of undesirable trafficking in licenses, and the elimination of monopoly or the evils of monopoly. While I make no pretense of having expert knowledge in this field, the evidence embodied in the hearings of the Appropriations Committee during the past 3 years, evidence which has come to me from many other sources seems to me to present an overwhelming case to the effect that we have failed to accomplish any one of the objectives to which I have referred.

We are confronted by a virtual monopoly, as the gentleman from New York [Mr. O'CONNOR] has said, in the hands of the three big broadcasting chains of the Nation, Columbia, Mutual, and National.

Mr. CELLER. Mr. Speaker, will the gentleman yield?

Mr. WIGGLESWORTH. I am sorry, I have so little time I cannot yield. If I may make my statement first I shall be pleased to yield.

We are confronted also by a practice of trafficking in licenses which to my mind carries with it all the possibilities for the capitalization of these Federal franchises into profits to the detriment of the people as a whole, as in other fields in the past in this country.

I have not time to go into the details of the monopoly. Every one of the 40 so-called cleared channels in the broadcast band is today controlled by a station owned or affiliated with one of the three big chains; 96 percent of the full-time operating power is similarly allocated to chains affiliated with the big three. At last accounts, no independent station was authorized to operate with more than 1,000-watt power, while over 200 Big Three stations were authorized to operate with a power of 50,000 watts, one of them with a power of 500,000 watts.

Mr. BULWINKLE. Mr. Speaker, will the gentleman yield?

Mr. WIGGLESWORTH. I have only a few minutes. I am sorry. If I finish I shall be glad to yield.

This and other evidence which I could offer if time permitted indicates clearly the existence of a monopoly in this industry; not only the existence of a monopoly but of a monopoly which may fairly be said to have been created and fostered by the Federal Government itself. I think we ought to know the extent of this monopoly. I think we ought to know its effects.

I wish I had time to go thoroughly into the matter of existing trafficking in licenses. I wish I could speak in detail of the tables embodied in the hearings of the Appropriations Committee during the past 2 years. These tables show the terms of every transfer of a radio station since the Communications Commission was set up, transfers which, as a matter of law, can only be made with the approval of the Federal Communications Commission if found to be in the public interest. Licenses are made for periods not exceeding 3 years as a matter of law, for periods not in excess of 6 months as a matter of practice; and yet, Mr. Speaker, in the tables to which I refer you will find instance after instance of the transfer of a radio station with a replacement value far less than the purchase price authorized in the transfer. A classic example is that of station KNX on the Pacific coast. This station, having a replacement value of about $63,000, was transferred to a purchaser, with Federal approval, for the sum of about $1,250,000.

I have here in my hand another very recent example. Station KFRX, with a replacement value of about $4,000, is transferred, with approval, for a consideration of about $65,000, even though the equipment in this case is specifically stated to be worthless.

The tables are filled with similar examples.

I could show you also instances where the tranfers authorized have been in the form of a lease, the transfer authorized in one case being for 10 years, with an option of renewal for another 10 years; in another case for a period of 99 years; in another for an indefinite duration; and in another, where the replacement value of the station was estimated at $500,000, for a period of 7 years at an annual rental of $219,000.

These are but a few examples which, in the absence of further explanation, demonstrate clearly that we have failed to eliminate undesirable trafficking in licenses.

I wish I had time to speak of the matter of program complaints—1,140 of them in 1937 and no license revoked or denied renewal as a result.

I think this investigation ought to ascertain the extent of the existing monopoly and its effects. I think it ought to ascertain the extent to which we have been successful in eliminating undesirable trafficking in licenses of the private ownership in frequencies. I think it ought to tell us what steps we should take to avoid profiteering in the interest of the investor, the advertiser, and the consumer. I think it ought to indicate what steps we should take with a view to a proper regulation of radio programs.

The SPEAKER pro tempore (Mr. MEAD). The time of the gentleman from Massachusetts has expired.

Mr. MARTIN of Massachusetts. Mr. Speaker, I yield the gentleman 2 additional minutes.

Mr. WIGGLESWORTH. I think it ought to indicate what tax or contribution may properly be imposed on the holders of these invaluable Federal licenses as a contribution to the Federal Treasury—licenses costing them nothing, as I have said, and yielding an annual return of some $130,000,000 a year.

Chain broadcasting, super-power, advertising, term of license, censorship, station liability, newspaper ownership, these and other matters of major policy in my judgment could be facilitated in the light of a proper investigation of the entire broadcasting field.

To my mind, Mr. Speaker, such an investigation is vital in the interest of the American people. I hope that this House will see fit to follow the leadership of the distinguished chairman of the Rules Committee, the gentleman from New York [Mr. O'CONNOR].

Mr. CELLER. Mr. Speaker, will the gentleman yield?

Mr. WIGGLESWORTH. I yield.

Mr. CELLER. We will consider this evening, I presume, another resolution from the Judiciary Committee providing for an investigation of all types of monopoly. Will we not be duplicating our work if we pass both resolutions?

Mr. WIGGLESWORTH. I will simply say to the gentleman from New York that I think this particular question is so important to the people, as a whole, and so intricate that it merits special consideration by a special committee which can give its full time and thought to the problem involved. [Applause.]

[Here the gavel fell.]

Mr. O'CONNOR of New York. Mr. Speaker, I yield 5 minutes to the gentleman from Massuchusetts [Mr. CONNERY].

Mr. CONNERY. Mr. Speaker, first of all I wish to commend the chairman of the Committee on Rules and the Rules Committee for bringing this resolution into the House for action. It seems ridiculous to me that anybody should have to stand in the Well of this House and tell its membership that a radio monopoly exists. It is generally conceded that such a monopoly does exist, and in this resolution the National Broadcasting Co., the Columbia Broadcasting Co., and the Mutual Broadcasting System are specifically named. The greatest proof, to my mind, that a radio monopoly does exist, and that the whole situation shows that there is something "rotten in Denmark," is the very fact that the Federal Communications Commission itself, realizing that such monopoly does exist and that conditions are obnoxious, has voted and is now in the process of an investigation of its own into the situation.

But here we have the farcial situation of the Federal Communications Commission investigating something for which it is directly responsible. This monopolistic situation is nothing new. Radio monopolies have existed for years, and the Federal Communications Commissioners have had every opportunity to rectify conditions and clean them up; and, therefore, it seems ridiculous to me, and it should to all other Members of the House, that we can expect the Federal Communications Commission to investigate itself. Such procedure, of course, will only result in whitewash.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. CONNERY. Yes.

Mr. RICH. If the gentleman knows that a monopoly exists, why does he not have the Attorney General prosecute?

Mr. CONNERY. I think we will do much better in a congressional investigation; accomplish much more by first getting the real and complete facts upon which to base our case.

Mr. RICH. Why investigate, if you know that a monopoly already exists?

Mr. CONNERY. Does the gentleman agree that it exists?

Mr. RICH. I do not know; but if the gentleman says that it does, I would ask the Attorney General to start action.

Mr. CONNERY. Does the gentleman know that 90 percent of the time at night on the air is controlled by three major broadcasting companies?

Mr. RICH. No.

Mr. CONNERY. Does the gentleman know that there are 40 clear channels assigned to the United States, every one of which is controlled by one of the major companies either directly or indirectly through its subsidiary stations, and that if the Congress desired to put through the proposition projected here recently, that the Government set up its own radio station, there is no clear channel available for such station, and therefore it would be necessary in that event to revoke the license of one of the stations to which the Federal Communications Commission has already assigned a clear channel?

Mr. RICH. We have a Federal Communications Commission, and it seems to me if the gentleman knows that a monopoly exists, instead of spending money investigating we should go ahead and prosecute.

Mr. CONNERY. I agree with the gentleman, if that were feasible. Mr. Speaker, there is hardly time left in the few minutes allotted me to go into this to any great extent. The CONGRESSIONAL RECORD is replete with facts that we have been giving the Congress for months.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. CONNERY. Yes.

Mr. MAY. I understood the gentleman to say that the Federal Communications Commission is proposing to investigate.

Mr. CONNERY. It is in the process of investigating right now.

Mr. MAY. If it should investigate, it might close up the situation and we would have no facts on which we could base an investigation.

Mr. CONNERY. I do not see how the Federal Communications Commission can get very far in its investigation when it is apparently a guilty party itself. They can investigate themselves and do a good job of whitewash.

Mr. STEFAN. Mr. Speaker, will the gentleman yield?

Mr. CONNERY. Yes.

The SPEAKER. The time of the gentleman from Massachusetts has expired.

Mr. O'CONNOR of New York. Mr. Speaker, I yield the gentleman 2 minutes more.

Mr. STEFAN. Is it not a fact that the reason you are not prosecuting these alleged monopolies is because the Congress has refused to appropriate money to enforce the Sherman Antitrust Act?

Mr. CONNERY. The gentleman is right about that. Now, just as has been said by the chairman of the Committee on Rules, the gang is at work; the bunch is down here from New York going right to town. Evidence of that is contained in the following clipping from the Washington Herald of yesterday, in the Merry-Go-Round:

Apparently the Radio Corporation of America is worried about a congressional investigation. Its president, David Sarnoff, has sent Edward L. Bernays, high-powered publicity agent, scurrying around the Halls of Congress to mold public opinion.

That is a sample of what we are up against here today.

Mr. Speaker, I had the privilege and honor of actively taking part today in the passage of the wage and hour bill, one of the ideals and dreams of Billie Connery, and another important thing in his heart and mind was this resolution. He had fought for this investigation for 3 or 4 years. I hope the House will today pass this resolution.

Mr. HILL. Mr. Speaker, we all had a high regard for Billie Connery. If he introduced this 4 years ago, why has not the Rules Committee given it a rule before this time?

Mr. CONNERY. The gentleman is mistaken. This was introduced in January 1937 in this Seventy-fifth Congress. I say that he was carrying on his fight for this investigation for 3 or 4 years.

The SPEAKER. The time of the gentleman from Massachusetts has expired.

Mr. MARTIN of Massachusetts. Mr. Speaker, I yield 5 minutes to the gentleman from North Carolina [Mr. WARREN].

Mr. WARREN. Mr. Speaker, I certainly am not here to offer any alibis that might be attempted to be answered later on in this debate as to my opposition to this resolution. No lobbyists have talked to me about it. No one has seen me and asked me to oppose it, although it is a well-known fact that this hall out here has been covered with them today asking Members to support it.

I am in favor of the House of Representatives setting up special committees to investigate anything where a substantial case has been made out. This proposal is nothing in the world but a duplication. An effort was made to bring it up in the Senate. They promptly discarded it, and now it is palmed off on the House in the closing hours of a session of Congress. On this calendar to be called up this very night is a broad and comprehensive resolution endorsed by the President of the United States for the investigation of monopolies. The distinguished chairman of the Judiciary Committee, the gentleman from Texas [Mr. SUMNERS] will tell you and every Member who reads that resolution will tell you that it fully covers this very question. Why, may I ask, is it desired in these closing moments to set up this special committee?

Mr. O'CONNOR of New York. Mr. Speaker, will the gentleman yield?

Mr. WARREN. I yield.

Mr. O'CONNOR of New York. The investigation called for by the monopoly resolution is for the executive departments to investigate themselves. I do not think the gentleman believes that the sixth department is going to investigate the others. That is not going to be satisfactory.

Mr. WARREN. That resolution also provides that the committee shall have on its membership Members from the House and the Senate.

Mr. O'CONNOR of New York. They, however, are not in the majority.

Mr. WARREN. Showing how slap-twisted this resolution is, the gentleman will note that it reads that this committee shall report at the Seventy-fifth session of Congress, a session which will be over in the short space of about 24 hours.

Mr. STEFAN. Mr. Speaker, will the gentleman yield?

Mr. WARREN. No; I cannot yield.

I will tell you what is back of this thing. The whole thing was started on baseless charges which he has refused repeatedly to substantiate by Commissioner Payne, a disgruntled Republican smart aleck of the Communications Commission. [Applause.]

I hold no brief for Mr. Frank R. McNinch. Back in the Hoover administration I appeared before the Senate committee in opposition to his confirmation, and I made some very caustic remarks at that time about the gentleman. We were mad then in North Carolina; a political question was involved, and we attributed most of our troubles at that time to Mr. McNinch.

Mr. O'CONNOR of New York. Mr. Speaker, will the gentleman yield?

Mr. WARREN. Not now.

But I never have, nor has any human being to my knowledge ever, impugned the lofty character or the high integrity of Mr. Frank R. McNinch. Everyone knows that last August the President himself realized that there was trouble in the Communications Commission, and he drafted Mr. McNinch and transferred him as the Chairman of that Commission temporarily to clean up the situation. He has done a fine job. If you do not believe it, look into the record and see what he has accomplished up to date. It is my prediction that, acting under the orders of the President, he will clean up any bad or undesirable situation that might exist there. [Applause.]

[Here the gavel fell.]

Mr. MARTIN of Massachusetts. Mr. Speaker, I yield 5 minutes to the gentleman from Georgia [Mr. COX].

Mr. COX. Mr. Speaker, I hold no brief for the Communications Commission. If I thought there was the slightest basis in fact for the pending resolution, and if I thought that any part of the charges which have been leveled against the members of the Commission was true, I would certainly favor the adoption of the resolution.

Mr. Speaker, this resolution is not for the purpose of investigating alleged radio monopolies. This resolution is for the purpose of taking the members of the Radio Commission for a ride by a committee set up for that particular purpose.

The chairman of the Rules Committee said that this was not his resolution; but, Mr. Speaker, it is well known that it is at least his baby by adoption, and if any pressure has been exerted from any source it has been that which has been exerted by the chairman of the Committee on Rules in behalf of bringing out this rule and securing its adoption.

The chairman of the Committee on Rules will discover when the vote shall have been taken that the majority of his committee is against his resolution.

Mr. O'CONNOR of New York. Mr. Speaker, will the gentleman yield?

Mr. COX. I yield.

Mr. O'CONNOR of New York. I trust the gentleman is not disclosing what happened in the Rules Committee.

Mr. COX. No; I am not.

Mr. O'CONNOR of New York. The rule would not be here except by a majority vote of the Rules Committee which directed me to report it.

Mr. COX. I wish, Mr. Speaker, I could disclose what takes place in the Rules Committee. [Laughter and applause.]

The gentleman from North Carolina put his finger upon the trouble. This resolution is here because of certain insinuations that have been made by Mr. Payne of the Commission.

The Rules Committee had Mr. Payne pay it a visit, and he was given full opportunity to make complete disclosures and sustain by evidence the insinuations or the charges which he had been making for many months.

Mr. Speaker, Mr. Payne presented a very sorry figure in his appearance before that committee. Having stated he would offer proof to sustain his charges, upon a subsequent

appearance he confessed that he had no evidence to support the statements he had made. He was loose, careless, and irresponsible in what he said, and made a most unfavorable impression. The Communications Commission has issued an order which is broad and comprehensive. It provides for an investigation of alleged monopolies and undesirable practices, and no one acquainted with the Chairman of the Commission and with the members of the Commission can have the slightest doubt but that the investigation will be thorough and complete. Certainly the radio people are expecting no favors at the hands of the Commission. In view of all monopoly investigations that are certain to be provided for before this Congress adjourns, this proposal for investigation is senseless, and the resolution should be defeated.

[Here the gavel fell.]

Mr. O'CONNOR of New York. Mr. Speaker, I yield myself one-half minute to say that the Chairman of the Radio Commission frankly confessed before the Rules Committee that, of course, the Commission was not going to investigate itself. That is settled.

Mr. MARTIN of Massachusetts. Mr. Speaker, I yield 1 minute to the gentleman from Nebraska [Mr. STEFAN].

Mr. STEFAN. Mr. Speaker, I wish to express my appreciation for the work which my colleague from Massachusetts [Mr. CONNERY] has done to carry on for his late and beloved brother, William Connery, who was my very good friend and who spent most of his time in Congress looking out for the welfare of the workingman. I was closely associated with Billy Connery when he decided to take up the matter of investigating the radio business. In his old files on this investigation matter will be found considerable information which I furnished him when he consulted with me as to my experience in the radio business. I am personally interested in this movement to appoint a committee to investigate the radio chains but there are some questions which have been worrying me since studying this matter.

Here we are asked to name a committee to investigate what is alleged to be a radio monopoly while at the same time we will soon get the O'Mahoney legislation to investigate all monopolies. We also have the Sherman antitrust law which, if enforced, I feel could solve a lot of these questions if we furnish the appropriation. Will we be duplicating here? To properly investigate the radio industry will be an expensive undertaking. Could we not save some money by eliminating duplication by letting this work be done by the proposed monopoly investigation? Why have two monopoly investigating committees?

Let me discuss with you briefly my ideas of this radio business. We all recognize how rapidly it has grown and that it represents many millions of dollars. We also recognize the fact that no individual nor any corporation should have power to control the air channels, but private industry has many millions of dollars invested in this undertaking and will invest many millions more as the radio service improves and new inventions come on the market. There is the matter of Government-owned radio stations. I ask here whether or not this investigation may be aimed at eventually eliminating all private ownership of radio and turning the industry over to the Government to operate? This Congress should be informed fully on all the purposes and intent of this investigation. The radio industry which has become a household necessity today should have no secrets from the public and the peoples' representatives should know what to expect in the future. If this investigation has as its purpose the eventual ownership of radio by the Federal Government, we should know that now. If the intent of this investigation is to investigate any alleged wrongful monopoly of radio, the public should know that too. We should know what we intend to accomplish by this investigation.

I am not opposed to an investigation except to mention here my views on economy. If the O'Mahoney monopoly investigation can accomplish what we are trying to get at here, why not let that committee investigate this alleged monopoly and save the taxpayers many thousands of dollars? I ask this question sincerely because I am not adverse to an investigation of the alleged radio monopoly. In fact I would not stop at merely investigating these great radio chains. I would include in this investigation the Federal Communications Commission; the alleged patent monopoly; I would investigate the hardship under which many independent radio stations are working today; I would investigate the valuable work which is and has been done by the members of the American Amateur Radio Relay League; I would investigate the A. S. C. A. P.—the American Society of Authors and Composers—because of their continuous demands on independent radio stations; I would investigate other organizations which have become so burdensome on radio stations that some of these stations may be forced out of business; I would investigate the monopoly which controls the phonograph records and which have even included monopoly over the music played by our Army and Navy bands and orchestras; I would include in this investigation the relationship of our Army and Navy radio communications system as it is related to commercial radio.

Because of the great ramifications which go along in this great radio industry, Mr. Speaker, I advise the leaders of this House to see to it that experienced radiomen are included in any investigation of the radio industry. While I am on the subject, Mr. Speaker, I ask that any monopoly investigation committee take seriously my suggestion about the small independent stations which are not financially able to join the big chain organizations but who render a public service which is almost a household necessity today. I hope this committee will make it possible to make some investigation of the powerful Federal Communications Commission and eliminate some of the drastic rules and regulations which have worked such a hardship on some of these independent stations. As one illustration, Mr. Speaker, radio stations are given a license which runs for 6 months only. So far as I can learn, these stations do not know if their licenses will be renewed the day before the license expires.

The big radio chains can take care of themselves. They are financially equipped to employ legal talent, but these small independent stations, located so far from Washington, find it very difficult to maintain a legal staff and keep legal representatives in Washington continually looking out for their interests whenever some complaint may arise and which may immediately bring a notice from the F. C. C. for a hearing and a threat to cancel their license. These licenses should run at least a year and advance notice should be given to these stations in order that they would know at least 30 days in advance that something has happened which may stop them from operating. The Commission could take advantage of the law which permits them to grant licenses for 3 years. Why could they not try out the 1-year license plan and help these radio stations?

There may be grave abuses of the privilege given to the great chains to control so many radio stations. If there are such abuses which may be working against the public welfare, I feel we have the ammunition in the Sherman antitrust law to eliminate them. However, the general monopolies investigation could find out for us just what these abuses are. I feel that the public is entitled to know everything concerning this great industry.

Mr. Speaker, we must not forget that the radio today has nothing to sell or from which it can gain revenue except from the sale of time on the air. The channel over which this profit-making time is sold really belongs to all of us. Therefore a strong Federal Communications Commission is absolutely necessary. But do not forget, Mr. Speaker, that even the great chains are on a very fine commercial basis. It required a great deal of money to first build a radio station. That station was not built overnight. It was the creation of American genius and the American improvement on inventions. The amateur radio operators have had their part in making this possible. Very few men in this great Chamber can realize the weary hours, the patience, the

monetary expenditures, the disappointments, and rough road over which these pioneers in radio have experienced in order that we can take radio for granted, as we do today.

Perhaps some of the inventors who have made possible the tubes and apparatus which is in every American home today have never profited from their discoveries and improvements on inventions. To these experimenters, to these radio amateur operators and engineers, the American radio world owes a great tribute.

As the radio stations were built and put into operation, experiments on programs and methods of attracting the public followed. Then followed the organizations of great chains to take over what the humble inventor produced. Great capital was attracted and the usual monopoly of inventions and radio stations became apparent. The humble amateur radio operator who continues to experiment and improve radio was crowded from one band to another until today he wonders if eventually there will be no air bands for him to work over. Then came the music industry, the phonograph industry, the telephone industry, the legal fraternity, and others who took advantage of the progress of radio. The general public paid little attention to these many expensive problems which the station builders had to meet. Newspapers soon learned that radio, as a competitor, was as sure as is the automobile a competitor to the railroad. Freedom of radio as well as the press attracted the public for the first time. Sponsors of merchandise which they have to sell learned the value of the spoken word and the appeal of music. Thus it developed that very few stations would be on the air today except for the vast expenditure of money by sponsors for radio advertising.

We could give here amazing columns of figures showing the huge expenditures by radio advertisers and sponsors; we could add to that the huge amount of money expended for newer radio apparatus, radio stations, and radio buildings; we could add the amount spent by the public for radio sets and the amounts added to that by the humble amateur radio operator and experimenter—just to show how this infant industry of a few years ago has grown into a modern giant.

Such an investigation is so important, Mr. Speaker, that I feel that the general monopoly investigating committee should add it to its list of alleged trusts to be probed. If this is done and the general monopoly committee has a radio-investigating section I would plead that it include in its membership and its employees men who really know the radio business; men who know radio theory; men who understand the Morse and Continental codes; men who know radio publicity; radio program directing; men who know costs and all phases of the great radio industry. If that is done I feel that perhaps the Congress and the general public will get a real report on alleged radio monopoly and fair treatment will be accorded to all concerned.

Mr. MARTIN of Massachusetts. Mr. Speaker, I yield such time as he may desire to the gentleman from New York [Mr. CELLER].

Mr. CELLER. Mr. Speaker, I see no present need for the passage of this resolution. If we pass it, we will have three radio investigations going on at the same time. Firstly, the Radio Commission has ordered an investigation on superpower and, in addition, an investigation on chain broadcasting and monopolies. The latter investigation is expected to begin early in July. Secondly, you would have this radio investigation under this bill. And thirdly, you will pass tonight undoubtedly House Joint Resolution 697, a bill to create a temporary national economic committee with 6 Members of the Congress and 6 members of the executive branches of the Government, appointed to investigate monopolies of all sorts, including the radio monopoly, if any; and for general purposes this group of 12 will have appropriated to it the sum of $500,000.

It is interesting to note the type of investigation that the Federal Communications Commission will conduct beginning July 1. I herewith submit order No. 37 concerning it:

FEDERAL COMMUNICATIONS COMMISSION,
Washington, D. C., March 18, 1938.

ORDER NO. 37

Whereas under the provisions of section 303 of the Communications Act of 1934 as amended "the Commission, from time to time, as public convenience, interest, or necessity requires, shall: (1) Have authority to make special regulations applicable to radio stations engaged in chain broadcasting"; and

Whereas the Commission has not at this time sufficient information in fact upon which to base regulations regarding contractual relationships between chain companies and network stations, multiple ownership of radio broadcast stations of various classes, competitive practices of all classes of stations, networks, and chain companies, and other methods by which competition may be restrained or by which restricted use of facilities may result: Now, therefore, it is

Ordered, That the Federal Communications Commission undertake an immediate investigation to determine what special regulations applicable to radio stations engaged in chain or other broadcasting are required in the public interest, convenience, or necessity; such investigation to include an inquiry into the following specific matters, as well as all other pertinent and related matters, including those covered in the report on social and economic data prepared by the engineering department of the Federal Communications Commission and filed with the Commission on January 20, 1938:

1. The contractual rights and obligations of stations engaged in chain broadcasting, arising out of their network agreements.

2. The extent of the control of programs, advertising contracts, and other matters exercised in practice by stations engaged in chain broadcasting.

3. The nature and extent of network program duplication by stations serving the same area.

4. Contract provisions in network agreements providing for exclusive affiliation with a single network, and also provisions restricting networks from affiliation with other stations in a given area.

5. The extent to which single chains or networks have exclusive coverage in any service area.

6. Program policies adopted by the various national and other networks and chains, with respect to character of programs, diversification, and accommodation of program characteristics to the requirements of the area to be served.

7. The number and location of stations licensed to or affiliated with each of the various national and other networks. The number of hours and the specified time which such networks control over the station affiliates and the number of hours and the specified time actually used by such networks.

8. The rights and obligations of stations engaged in chain broadcasting so far as advertisers having network contracts are concerned.

9. Nature of service rendered by each station licensed to a chain or network organization, particularly with respect to amount of program origination for network purposes by such stations.

10. Competitive practices of stations engaged in chain broadcasting as compared with such practices in the broadcasting industry generally.

11. Effect of chain broadcasting upon stations not affiliated with or licensed to any chain or network organization.

12. Practices or agreements in restraint of trade or furtherance of monopoly in connection with chain broadcasting.

13. Extent and effects of concentration of control of stations locally, regionally, or nationally in the same or affiliated interests, by means of chain or network contracts or agreements, management contracts or agreements, common ownership, or other means or devices, particularly insofar as the same tends toward or results in restraint of trade or monopoly.

It is further ordered that hearings be held in connection with such investigation at such times and places as the Commission shall designate.

It is further ordered that a copy of this order be posted in the office of the Secretary and that a copy of the same be mailed to each licensee of a broadcast station and to each chain and network organization.

By the Commission.

T. J. SLOWIE, *Secretary.*

In further reference to the investigation ordered by the Radio Commission, it is interesting to note the statements made by Chairman McNinch. Among other things, he made mention of the many respects in which improvements have been made within the Commission. Particularly, he called attention to the fact that when he assumed the chairmanship of the Commission, he found a vast accumulation of license applications and other pending matters. He felt that one of the very important tasks of the Commission was to clear the docket of these accumulated cases. Without any further delay, this was done.

Mr. McNinch further stated that during the 8-month period in which he had been Chairman of the Commission, he had not been able to discover any evidence of any Commissioner being influenced by lobbyists or others, and that

there had never been brought to his attention or to that of the Commisison any charge whatsoever that any lobbyist had exercised or attempted to exercise influence upon any member of the Commission or the staff of the Commission.

Various charges and so-called indictments have been brought against a number of radio companies. I herewith set forth some of these charges, and what I deem to be the correct answers thereto:

First. It was charged that sales and transfers constituted "trafficking in licenses."

Transfers of radio stations must be approved by the F. C. C. Transfers cited before the Rules Committee were approved after public hearing. In each case it was demonstrated that the transfer price was reasonable in relation to prospective earnings. To base transfers on the value of equipment involved would be to limit such transfers to radio stations which are unsuccessful as business ventures. Public interest, not price, is the test upon which transfer of control should be determined. Congress did not intend transfers should be disapproved because the sale price is more than the value of the apparatus.

Second. It was charged that because of network operation, a monopoly exists in the ownership and operation of radio stations.

There is intense competition among networks. There are four major networks, many regional networks. A station affiliated with a network is an independent station, voluntarily entering into a contractual arrangement to obtain the program service of a network just as a newspaper subscribes to the service of a press association.

Third. It was charged that big stations "drown out" small stations, and that small stations have the best programs.

Engineering data at the F. C. C. reveal that two stations can now serve the same area without mutual interference, irrespective of the power output of either station. Questions of program content are matters of common knowledge. The F. C. C. is engaged in a comprehensive study to determine the place of small stations in the future development of the industry.

Fourth. It was charged that radio is "dominated and controlled by the power trusts."

The F. C. C. is required to keep a complete record of stock ownership of all radio stations. Full and complete information of ownership of radio stations is now available from public records. Only 2 of 696 broadcasting stations in the United States are owned by power companies.

Fifth. It was charged that the 40 clear-channel stations in the United States are controlled by the major network companies.

Most of these stations are independently owned stations and have affiliated with the networks to obtain high quality program service. Of the 97 stations carrying Columbia programs—March 1937—only 10 are clear-channel stations. Columbia owns eight and leases one of these stations, five of which are clear-channel stations.

The National Broadcasting Co. controls 17 stations outright. Its blue network and red network comprise 145 stations, including the 17 aforesaid.

Mutual owns only one station, and that is WOR, located at Newark, N. J. It has arrangements with 77 other stations.

In addition to the four main networks aforesaid, there are numerous other combinations: (a) Yankee network, covering New England, with 12 stations; (b) Colonial network, also in New England, with 6 stations; (c) Mason-Dixon group, in Pennsylvania and Delaware, with 10 stations; (d) Texas quality network, with 7 or 8 stations; (e) Don Lee network, on the west coast, with 25 stations; (f) Z network, in Montana, with 2 stations.

It is interesting to note that no network license has ever been revoked.

A LARGE NETWORK IS LIKE A PRESS ASSOCIATION

The service rendered by any one of the large radio chains is like unto the service rendered by a press association to a newspaper. Just as a newspaper becomes a member of a press association, so any local or independent station may become affiliated with a radio chain or any other radio station. Just as a newspaper receives the service of a press association with a supply of local, domestic, national, or international news, so a local broadcasting station receives the service of programs which are developed, maintained, and distributed by the large chains. No local newspaper could successfully operate without the service of a press association. Similarly, no local independent broadcasting station could long survive without the unusual programs transmitted over the facilities of the chains from some centrally located broadcasting station.

These programs supplied by the chain systems are invaluable. They involve the cultural, the musical; entertainment and dramatic productions; nationally and internationally known orchestras; at times, entire dramatic productions are conveyed through the ether. Were it not for the chains, the country never would have heard from Admiral Byrd when he was down at the South Pole in Little America. Never before in the history of civilization have we had, through the instrumentality of the radio as developed by the chains, such mass education and mass entertainment. There is brought to the farmer in the hinterlands, to the sailor at sea, to the housewife in the country, and to the city dweller in the tenements, news of the day, religious discussions, sermons, speeches of the President, of the members of his Cabinet, of the Congressmen, of the Senators, of prime ministers, of kings, of emperors, and even those of dictators. Forums have been established for the education and edification of the intellectually elite.

The best programs are conveyed over the chains only because the chains can afford to pay for exceptional talent. Such programs include Jack Benny, Eddie Cantor, Charlie McCarthy, Guy Lombardo, Kate Smith, the Ford hour, the New York Philharmonic Orchestra, and the National Symphony under the direction of Toscannini.

It is not uncommon to hear over the chains programs coming from Berlin, Tokyo, Rio de Janeiro, Buenos Aires, Rome, New Zealand, or Siam.

THE GREATEST IMPETUS GIVEN TO RADIO THROUGH CHAINS

Well nigh 25,000,000 homes in America are equipped with radio sets. In addition thereto, 4½ million automobiles are thus equipped, making a total of 29½ million radios reaching 100,000,000 listeners. No nation can claim so many radio sets, so many listeners. In proportion to population, England, France, Germany, and Italy, are woefully outdistanced by the United States; and this only because of the fine programs made possible by the chain broadcasting companies.

These chains, therefore, are indirectly responsible for the manufacture, transportation, sale, delivery, as well as repair of these millions of radio sets. They are, therefore, indirectly responsible for the employment of thousands upon thousands of employees, since, if there were no chains, this vast amount of business would not be done.

THE NETWORKS ACTUALLY PREVENTED MONOPOLIES

In the beginning, the only large company operating was the National Broadcasting Co. I believe it was then called Station WEAF, and was operated by the American Telephone & Telegraph Co. They started to spread.

Then there came into the field the Columbia Broadcasting System. Their coming to be followed by the Mutual System—WOR, of New Jersey—very likely prevented any one chain from developing a monopoly, since these chains competed very greatly against each other. Had these chains not developed, some large entity undoubtedly would have come along and bought out single stations right and left, and would thus have developed like the A. T. & T. Co., which latter organization controls practically all the telephone companies in the country. The coming of these chains voluntarily prevented rather than created monopolies.

ALLOCATION OF TIME

Ordinarily, on these chains, if I understand their procedure correctly, 35 percent of their daily time—of 16 hours a

day—embraces commercial programs, that is, sponsored or paid-for programs, 65 percent, or the balance of the 16 hours per day, is covered by sustaining or nonprofit programs, like orchestras, speeches, sermons, forums, and so forth. The local stations are under the form of contract with the chains. They need not take these nonprofit programs. They must usually take the sponsored or paid-for programs. They may substitute the nonprofit or sustaining programs with local talent or local commercial paid-for programs of their own.

RADIO REWARDS

Much is said concerning the huge profits of some of these stations. My answer is, "What of it?" They pioneered; they risked their all in the beginning. They went into undiscovered regions. They are entitled to their rewards. Just as in the beginning they pioneered in the field of radio, so they are now pioneering in short-wave broadcasting. They are constantly experimenting. Before long these same companies will give us television. The profits derived in radio aids these companies in developing and advancing in these new realms. If not for these profits, we would not have advanced so far in radio. If not for these profits, we would not now have the present benefits of short-wave broadcasting and television. There would not now be at the disposal of these companies funds for experimentation into short wave and television.

The record of public service of a broadcaster over a period of years leads him to expect confidently a renewal unless he has abused his franchise. Moreover—and this is an important consideration—the act under which the Commission operates protects the licensee against any arbitrary denial of a renewal of his license. The act specifically provides that the licensee has recourse to the Court of Appeals of the District of Columbia against any possible arbitrary action of the regulatory authority, and this includes the right to have his license renewed if the standards of public interest have been met.

And while, in accepting his license, the licensee definitely waives any property rights in the air, he has by his efforts created a going concern of substantial value for which he is entitled, as a matter of justice, to reasonable compensation.

The American tradition of private initiative is responsible for the development of the art of radio to its present stage. And while it is necessary that the Federal Government police the air to prevent the chaos of interference, individuals who have developed valuable radio stations are entitled to reasonable reward for the efforts they have made. To hold otherwise would be to prohibit transfers of successful stations and limit such transfers to the unprofitable properties.

Most businessmen who develop successful enterprises devote their capital, their time, and energy to them with the expectancy that in the future they may sell at a profit and retire. Because radio stations require a Federal license is not a sufficient reason to prohibit their sale and transfer if the transferee meets the standards of public interest. For the art of radio to progress and develop, private capital must be ventured. It follows that the operator of a radio station should have the same privileges in being rewarded for his investment and his efforts as he would receive in any other type of business.

The Federal Communications Commission has sustained the concept above outlined, with the important proviso that both the buyer and seller have met all the tests which comprise the standards of public interest, convenience, and necessity, as required by the Communications Act. In passing upon applications for transfers, the Commission is required to look into all the facts, including the sales price. It should be emphasized that replacement value is not the sole criterion in considering transfers of radio stations. The past and prospective earnings of the station are and should be the principal factors. It is accepted by the industry that 10 times the annual earnings of a station is not an excessive purchase price. Moreover, it should be considered that approval of a transfer from one owner to another does not mean that the Federal Communications Commission in any sense surrenders any regulatory control over the facilities and the uses to which they are put.

The legislative history of the Communications Act of 1934 and the Radio Act of 1927 clearly demonstrates that the consideration of the amount paid for transfer of control of radio stations was intentionally excluded by Congress as a determinant factor of a decision by the Commission, consenting or refusing to consent to such transfer. A review of the hearings before congressional committees reveals that the prices paid by transferees was a subject of considerable discussion. Without reviewing in detail this legislative history, it seems pertinent to point out that Congress intentionally rejected a proposal that no assignment or transfer be approved if the consideration be greater than the reasonable value of the apparatus. Therefore, under the well established rules of statutory construction, the Federal Communications Commission is entirely justified in considering more than the bare bones of the property in passing upon applications for transfer of control of radio stations.

The purchase of KNX, a 50,000-watt station in Hollywood, Calif., by the Columbia Broadcasting System last year for $1,250,000 has been referred to before the Rules Committee. While such a price may appear high, it should be noted that on this investment an earning of 16% was shown. A thorough hearing on this transfer was held by the three Commissioners comprising the Broadcast Division of the Communications Commission. They unanimously approved the transfer. Undoubtedly, the desire to encourage competitive conditions in the industry entered into their decision. It was shown in the record that Columbia Broadcasting System had no adequate outlet in Southern California and that to deny the transfer would be tantamount to denying the people of that area a full opportunity to hear Columbia programs. Moreover, important programs can be originated from that source because of the concentration of available talent incident to the moving-picture industry. These and other factors made it appear to the Commission that the transfer was thoroughly justified. And it is undoubtedly true that this purchase price is substantially lower from the standpoint of earnings than the price paid for other stations which the Commission has approved.

In connection with the purchase of station KNX, it was the view of a certain company that it would be subject to justifiable criticisms if it declined to meet the price at which this station was available. In order to perform acceptable public service, it was necessary to have this outlet on the west coast. Had this company failed to acquire this property on the grounds that the price asked represented an amount in excess of the value of the equipment, it was felt that the company would not be meeting its obligation to offer the listeners in every section of the United States the benefit of its service.

It should also be noted that Federal taxes are an important factor in arriving at an agreement for the price to be paid for a station. An example is Columbia's proposed purchase of WOAI at San Antonio, Tex., for $825,000, which also has been referred to before the Rules Committee. The purchase price, I am informed, was based upon the seller's desire to obtain $600,000 net for his station. The remainder of the purchase price, or $225,000, was the approximate amount which would be paid in taxes to the Federal Treasury. In this case taxes constituted such a problem that the seller insisted upon cancelation of the contract after December 31, 1936, if the proposed transfer was not approved by the Commission. The Commission neither approved nor disapproved this transfer, there having been insufficient time for consideration after the examiner who conducted the hearing made his report. This proposed purchase was an attempt by Columbia to equalize the facilities in Texas where Columbia suffered a competitive disadvantage.

Attention is directed to the testimony of the Honorable Anning S. Prall, Chairman of the Federal Communications Commission, before the Subcommittee on Appropriations of

the Senate, Seventy-fifth Congress, on February 8, 1937, as carried on pages 100 and 101 of that committee's hearings on H. R. 4064, the independent offices' appropriation bill. For convenience there is quoted the testimony, including questions by Senator Steiwer and brief statements by the chairman of the committee, Senator Glass, and Senator McAdoo:

Senator STEIWER. Yes; then I find others reflecting similar situations. Probably the most significant one was the case of KNX, of Los Angeles. Let me give you the figures. Its replacement cost, according to this table, is $217,237. Apparently it was sold for $1,250,000, which is something like 600 percent of the replacement cost.

Mr. PRALL. That is correct.

Senator STEIWER. How does the Commission justify allowing prices of that kind to be paid?

Mr. PRALL. In the first place, that station was doing a business showing a profit on $1,250,000 of 16 percent.

Senator STEIWER. Let me interrupt at that point, if I may. The value of that plant would consist of just two things, would it not, the replacement value of the plant, plus the value of the license?

Senator ADAMS. Are there not two other things in that? One is intelligence in management, the second is the character of programs.

Mr. PRALL. There is a decision of the court dealing with that subject, where the court, I believe, points to an important phase, or refers to it as an important item, that is, the value as a going concern. I do not feel that we can simply take the equipment, the buildings, of the physical assets, and place a value on their replacement as being the value of the business to you or to me.

The CHAIRMAN (Senator GLASS). Should the Commission assume to do that? If I am unbusinesslike and indiscreet enough to pay a high price for a radio station in my town, should the Commission intervene and say I should not be indiscreet enough to do it?

Mr. PRALL. I wonder, Senator, on that very line, if we have any right whatsoever to tell a man what he should or should not pay for a station.

The CHAIRMAN. I do not think you ought to have.

Senator MCADOO. I do not think so either. The Commission should determine solely whether or not the transfer is in the public interest.

Mr. PRALL. We take into consideration the buyer, and what a change of ownership in a station will mean to the community where it is located, or the community the station serves. If in our judgment it will better serve or serve as well the community to be served, that is one point, if the station has built up a business and shows a good profit comparable with the investment, whatever it amounts to. I think most of the owners of broadcasting stations go so far as to feel that 10 percent of the annual income is a fair price for a station.

(Mr. Prall undoubtedly meant to say, or did say, that 10 times the annual earnings is a fair price. The statement quoted is an exact transcript of the hearings.)

Senator ADAMS. The tabulation in the record shows that in a very considerable percentage of the cases the sale price has been less than the replacement price; in other words, it has not been a profitable enterprise.

Mr. PRALL. That may be true.

Senator GREEN. Under the law, is it any of your business what the consideration is for the transfer?

Mr. PRALL. I think not. I agree with Senator GLASS that it is not up to us to tell a man whether he should or should not pay a certain price for a station.

Senator MCADOO. Your function is limited absolutely to the determination of the question as to whether or not the programs furnished are in the public interest. You have nothing to do with the right of private contract.

Mr. PRALL. In the final analysis, that is what we do.

No one should get the idea that the value of a station depends only on its replacement value, because that is not so. To support that, if you wish we will send you a decision of the Supreme Court on that very subject, wherein the Court said that an important part of the transaction is its value as a going concern.

THERE IS NO MONOPOLY

To perceive clearly the error of this charge of monopoly it is necessary to understand first the nature of an affiliate arrangement which most of these so-called network stations have with the network. These arrangements are contractual in their nature and are entered into voluntarily in order that the broadcast station may receive the revenues and derive other benefits accruing from network programs made available to it. To contend that a vast majority of the stations in this country are dominated or monopolized by the four major networks because they happen to broadcast the programs of one or another of these networks is no more or less accurate than to maintain that the vast majority of newspapers of this country are dominated or monopolized by the three major press associations, because those papers find it necessary to subscribe to the press associations to obtain a news service which is essential to their successful operation and not otherwise obtainable. In radio, as in other enterprises engaged in the dissemination of intelligence to large groups of our population, it is necessary in order to obtain a balanced service not only to have local news and programs but also to have available news and programs from national and international sources.

Rather than constituting a rebuke against network companies, it would appear that the overwhelming desire of stations to become affiliated with the networks is, on the contrary, a tribute to the character and quality of program service made available by the networks. It is a recognized fact throughout the industry that a network contract is a desirable asset for any station of any power, regardless of where located. This is true, not solely because of the revenue from sponsored programs, but, in addition, the sustaining programs of networks invest a contract member with a prestige and a type of program service not otherwise available. Moreover, such service builds audience and enables the member station to sell non-network time to advantage.

The history of the rapid growth and development of the radio industry clearly demonstrates that there is vigorous competition among networks and reveals that the charge of monopoly is wholly without foundation. The National Broadcasting Co. was organized in 1926, and, as it pioneered the field, had no competition when it formed its red and blue networks.

The Columbia network was established in 1928 and began with a nucleus of a very few relatively low-powered stations which were on the less-favored channels in the East. In the face of strong and established competition, the Columbia network has steadily developed. By its initiative, its originality of production, the need which it met, and the public acceptance of its services, this network has rapidly increased its competitive force. Then came the Mutual Broadcasting Co., which has ever sought a betterment of facilities which will improve its opportunity to serve the listeners of the United States. Certainly, it can be demonstrated that National, Columbia, and Mutual have brought effective competition into the network field. It has prevented what otherwise threatened to become a great single network monopoly, as I said before, under the control of one giant company analagous to the American Telephone & Telegraph Co. Inquiry to advertisers who purchase radio time or a casual examination of the industry's trade publications will disclose that competition among major networks is intense and that no monopoly exists.

It should be obvious that four networks do not constitute a monopoly.

It was asserted before the House Rules Committee that the 40 clear channels in the United States are controlled by National Broadcasting Co., Columbia, and Mutual.

Without going into great detail to answer this charge, it may be pointed out that there are four major networks operating regularly from coast to coast in the United States—National Broadcasting Co., with its Red and Blue networks, the Columbia, and Mutual. A few clear-channel stations are on each network. Some of these stations are owned by the networks, but most of them are owned independently and have become affiliated with the networks to obtain high-quality programs presented by nationally known talent, and from musical centers, such as New York, Hollywood, and Chicago; the international broadcasts from such centers as London, Paris, Rome, Berlin, Tokyo, Buenos Aires, Rio de Janeiro, and occasionally from more remote points, such as New Zealand, Siam, and even Little America. Also the networks provide them with addresses by the President, Members of Congress, and other Government officials at the Nation's Capital.

Each of the networks serves substantially more regional and local than clear-channel stations, the vast majority of all classes being independently owned. For example, of the 97 stations carrying Columbia programs as of March 1937, 10 are clear-channel stations, 6 are duplicated or "broken-down"

clear channel stations with coverage somewhat larger than regional stations, but substantially less than clear-channel stations, 2 are part-time clear channel, 65 are regional stations, and 14 are local or 100-watt stations. Of this group of 97 stations which comprise the Columbia Broadcasting System, Columbia owns only 8 and leases 1, and of these 9, 5 are clear channel, 1 is duplicated channel, and 3 are regional stations. The remaining 89 stations are independently owned and have voluntarily entered into contractual relationship with Columbia in order to receive its program service.

The fact is that the big as well as the small stations find that the program service of the networks is a distinct advantage. It gives them a constant source of high-quality entertainment, information, news, religious discussions, speeches on public questions by Congressmen and Senators, and, in short, brings the events of the world into the homes of their local listeners, thus assuring popularity of the local station and a broader public service. The fact that no station connected with any of the major networks, whether independently or network owned, has ever had its license revoked by the Federal Communications Commission is a tribute to the quality of the public service rendered. In addition to the 4 major networks, there are about 40 regional networks, most of which include stations also carrying programs of the major networks.

It must be remembered that the broadcaster, to attract and hold the attention of the audience, must be keen to perceive what the audience wants and likes to hear. Whereas a Senator or Congressman comes up for reelection periodically, the broadcaster's programs are subject to continual vote of their listeners. It takes only a twist of the dial for the listener to vote for or against the offering of a network or a station, and this voting process is going on continually. The fact that the American people seem well satisfied with the quality of service they are receiving, plus the fact that the American programs have the highest quality of those of any country in the world, is evident from the general approbation the industry continually receives from the public. This is indicated in part by the millions of pieces of mail that come each year to the network headquarters as well as to individual stations. Continuing efforts are made by the networks to improve the type and character of programs so as to maintain and increase the interest of listeners.

Mr. MARTIN of Massachusetts. Mr. Speaker, I yield five minutes to the gentleman from New York [Mr FISH].

Mr. FISH. Mr. Speaker, I am willing to bet dollars to doughnuts or a new campaign hat that the Democratic majority does not dare adopt this resolution. [Laughter.] The only way you can prove that is by passing the resolution. [Laughter.]

The gentleman from North Carolina stated that the lobby was filled with lobbyists for this bill. The only people I know of who are for the resolution are the American people themselves and they are not here to speak for it. There are plenty of others in and around the lobby who are working brazenly against the resolution and definite orders have been given from the highest source that it must not go through. I leave you to guess where those must orders come from.

Mr. Speaker, I am not concerned with the charges made before the Rules Committee in spite of the fact that they are serious and grievous. There are many things, however, I would like to know and I believe the American people are entitled to all the facts.

I would like to know whether Charlie Michelson, head of the Democratic Publicity Bureau, at a salary of $25,000 is still receiving $10,000 from the Crosley Radio Corporation of Cincinnati for the use of his influence.

Mr. O'CONNOR of New York. Will the gentleman yield?

Mr. FISH. I yield to the gentleman from New York.

Mr. O'CONNOR of New York. That situation in Ohio is one of the chief contentions in this whole proposition. It has a 500,000-watt station.

Mr. FISH. I did not know about that. I have evidently hit on the sore spot. It looks like a racket.

Mr. O'CONNOR of New York. That controls the situation in America and is one of the reasons for the opposition to this rule.

Mr. FISH. It is more rotten than I thought.

Mr. O'CONNOR of New York. Oh, much more.

Mr. FISH. I knew my colleague from New York [Mr. O'CONNOR] would agree with me. Is it not a fact that this Crosley station at Cincinnati with a 500,000-watt experimental station used it for commercial purposes for a number of years and profited financially from this experimental station?

Mr. O'CONNOR of New York. I may shock the gentleman by stating that in the 1936 campaign this Crosley Republican station permitted no Democrat to speak over it and with their 10 times the power of any station in the world only permitted Republicans to speak over it on behalf of Mr. Landon. [Laughter and applause.]

Mr. FISH. That does not change my opinion. Perhaps if they are so prejudiced, they should be investigated.

I would also like to know whether it is a fact, as has been alleged in the press for a year or so, that Elliott Roosevelt obtained his radio licenses without a hearing from the Communications Commission and whether he bought stations for Mr. Hearst, then bought other stations for himself without hearing.

There are many of these facts that we challenge you Democrats to bring out through an impartial investigation. What are you afraid of? What are you trying to cover up? The American people are entitled to know these facts. Serious charges have been made, and it is up to the House to investigate and either substantiate or refute the charges. I believe most of the radio chains, the National, Columbia, and Mutual, are on the level, and can defend easily themselves against wrongdoing. I believe they have been fair generally in affording time to Members of Congress regardless of party affiliations. However, definite charges of serious nature have been made, and we cannot afford to turn them down. If you Democrats vote down this resolution you must take the responsibility because we propose to have a roll-call vote on this resolution tonight. [Applause and laughter.]

[Here the gavel fell.]

Mr. MARTIN of Massachusetts. Mr. Speaker, I yield myself the balance of the time.

Mr. Speaker, there have been many ugly rumors brought to the attention of the membership of the Committee on Rules concerning the situation in the radio field. I do not know whether they are true or not, but certainly from the rumors that have reached us and also from the articles appearing in the public press it appears there is occasion for a real and impartial probe. I believe this can best be accomplished through the instrumentality of a congressional committee rather than from a committee dominated by members of the executive departments. The other committee will be too absorbed in the many points of the great question of monopoly to give attention to the radio probe. Let us turn the light of full publicity into radio. Let the sunlight shine into these charges. Let us find out the facts. If they are true, let the truth come out. If they are false, then the Commission and everyone in the radio industry should be vindicated. Therefore, I hope this resolution will be adopted. [Applause.]

The SPEAKER pro tempore (Mr. MEAD). The Chair recognizes the gentleman from New York [Mr. O'CONNOR].

Mr. HARLAN. Mr. Speaker, there was an agreement with the chairman of the committee that I was to have 5 minutes.

Mr. O'CONNOR of New York. There was no such agreement, Mr. Speaker.

Mr. HARLAN. There certainly was, in the presence of the Committee on Rules.

Mr. O'CONNOR of New York. Mr. Speaker, I will give the gentleman 5 minutes, in spite of the agreement, to talk about the Crosley station.

Mr. HARLAN. Mr. Speaker, the statement of the chairman of the Committee on Rules with reference to the Crosley radio station is just as reliable as anything that has been

stated in the discussion in support of this rule. During the 1936 campaign just as many Democrats as Republicans spoke over that station. Anybody who had the money could speak over it. I definitely recall our Democratic Governor, Governor Davey, spoke over that station many times.

Despite all the camouflage, there are just three possible justifications for adopting this rule. One is investigating the scientific knowledge in the radio field. Another is the question of monopoly. The third is the question of corruption. Do not be fooled by the fact that this resolution is directed only at monopoly. The purpose and the animus back of this resolution is the charge of corruption made before the Committee on Rules. When Mr. Payne testified before the Committee on Rules I did not hear him. I was not present at the time. However, I have talked with a great many members of the Committee on Rules who did hear him, and the remarks of the gentleman from South Carolina were the most complimentary of what I have heard said about him from both sides. Vague charges were made which sounded more as if they were made by a man with a persecution complex than anything else.

If we are to investigate commissions on such sleazy and flimsy testimony we might just as well start with the Interstate Commerce Commission and go down the line with the rest of them. There is not a bit more testimony here before our committee against the Communications Commission since Mr. McNinch has been in charge of it than there is against the Federal Trade Commission or any other commission of this Government.

Mr. KRAMER and Mr. O'MALLEY rose.

Mr. HARLAN. I am sorry, I cannot yield.

We are having an investigation covering monopoly made by three Senators, three Members of the House, and three representatives of the executive department. It will be a thorough investigation, covering everything that is mentioned in this resolution. This resolution is directed wholly toward monopoly. Are we going to duplicate this investigation and waste all this money? We have a whole raft of investigating junkets going on. Are we going to go before the country and be placed in the position of giving every Congressman the job of carrying on some kind of investigation?

Mr. STEFAN. Mr. Speaker, will the gentleman yield?

Mr. HARLAN. I am sorry, I cannot yield.

If there is to be a scientific investigation made, why not let our Committee on Interstate and Foreign Commerce make it? Has that committee asked for this investigation? No; in fact, only one man on the Committee on Rules has shown any interest in this matter as far as I have been able to find. Of course, the Republican Members have gone along. They would be very foolish if they would not take advantage of a Democratic mud-slinging party of this kind, but that is all there is to it.

Mr. Speaker, if you are disappointed or have a grievance against the Communications Commission because you have not been given a station, vote for this resolution. If you want to shillelagh someone, if you have a personal grievance against the administration and want to get even, vote for this resolution. If you belong to the opposition party and want to see the Democrats make fools of themselves generally, of course, you should vote for this resolution. Outside of that, nothing has been submitted to our committee, to the Committee on Interstate and Foreign Commerce, or to this House, to justify such an investigation as this.

They have very shrewdly brought the name of Bill Connery into this discussion. We all loved him; everyone did. However, the resolution on which we had the hearings has not been reported out. They selected this resolution because of the emotional appeal that would be created from its association with his name.

I repeat, Mr. Speaker, there is nothing to justify making this investigation. [Applause.]

[Here the gavel fell.]

Mr. O'CONNOR of New York. Mr. Speaker, as I said in the beginning, I know when the deck is stacked; but as a good Democrat, let me caution my colleagues against violent action.

The gentleman from Ohio [Mr. HARLAN] said something about bringing out the Connery resolution. We had four or five resolutions before us. The distinguished gentleman from Ohio well knows that we brought out the Connery resolution as the most sensible resolution before us. The others may have contained matters which were derogatory of certain individuals.

The Rules Committee has lived with this matter for 2 years. We have held countless hearings, whether the gentleman from Ohio was present or not. We have heard several Members of Congress. Commissioner Payne's appearance before the Rules Committee was entirely collateral and had nothing to do with the substance of the matter.

Mr. Speaker, every time we had a meeting some member, either the distinguished Democratic member from Illinois or the distinguished Republican member from Massachusetts, brought up this radio resolution. We had testimony, and this [indicating volumes] is only part of it, before our committee verifying beyond doubt, as Chairman McNinch, of the Federal Communications Commission, has said, that two or three broadcasting companies have a 95-percent monopoly of the air. There was other testimony as to the vulgar, indecent nature of broadcasts.

So this matter was more fairly considered by Rules Committee than any matter in my 16 years on that committee, and, strange to say, there was practically no opposition in the committee until a very recent date, when the lobbyists got busy and this alibi grew up that the general "monopoly resolution" would take care of the situation—six departments of the executive branch of the Government supposed to investigate another executive branch.

The fundamental question is this. Honest men do not fear investigations. There is a division in this Communications Commission as to whether there should be an investigation. Two commissioners voted to have a congressional investigation. The situation is not much different from the T. V. A. which we voted here. It is an internal family row—with scandal in it.

The distinguished gentleman from North Carolina [Mr. WARREN] has said that no lobbyists talked to him. Well, he is a rare creature in this House, and, of course, I believe him. There has not been a department of the Government, high or low, that has not been interested in blocking this investigation, and let me say here now that the only man I can think of in the Government at this moment, and I talked to him today, who has not "stuck his chin out" on this matter and has taken no part in it, is our great Postmaster General, Mr. Farley.

Now, why is there all this pressure and all this lobbying against an investigation by the House of Representatives, which must draft the legislation to cure this situation? The Radio Commission itself admits that it has been busy issuing licenses, some 600, and has not adopted a policy as to the control of the licensees.

The distinguished gentleman from Georgia [Mr. Cox] said this is my "baby." I never introduced the resolution. I was at times accused of "blocking the resolution." It has been before the Rules Committee for 2 years. The Rules Committee by a decisive vote directed me to report it. My obligation and duty to the House is that this resolution is on the House Calendar, and if it is defeated by Democratic votes it is all right with me, but sad for our party. I always forget what happens here, and I go on to the next thing. We have nine more rules pending, and it does not matter to me. I never had any controversy with anybody in the radio industry. So, so far as I am concerned, I am only doing a duty devolved upon me by my Rules Committee, and I think it is the best thing to do for my party before there is a major scandal following the scandals already existing. Certain people standing at this moment in that lobby outside this Chamber, trying to control this Congress, have uttered the statements, "We do not care about the Rules Committee; we do not care about the House; we have our

connections in other places." These brazen statements have been made in these Halls. They have been made on the golf courses of the District.

Mr. SABATH rose.

Mr. O'CONNOR of New York. I yield to the distinguished gentleman from Illinois who voted to report the resolution for a radio inquiry.

Mr. SABATH. I am thankful to the chairman for giving me at least the privilege of asking a question and the question is this. In view of the fact he has stated that the Illinois member of the committee has pressed to report the resolution, I may say the gentleman is correct. I have been trying to bring out the resolution for 2 years, but when the President sent up the message and it was finally decided that we would report a general resolution to create a commission to investigate the entire field, I believed we should not duplicate our efforts and I thought that the investigation could be carried on under that general resolution. [Applause.]

Mr. O'CONNOR of New York. The President sent in his message for a monopoly investigation a few months ago, and the gentleman from Illinois voted 2 days ago to report the radio resolution. [Laughter and applause.]

Mr. SABATH. I did that because I always believe in giving the Members a chance to vote on any proposition.

Mr. CELLER. Mr. Speaker, will the gentleman yield?

Mr. O'CONNOR of New York. I yield for a brief question.

Mr. CELLER. Does the gentleman feel, in the light of the fact he is interested in the Democratic Party, that this resolution will give great comfort to the enemy of the Democratic Party, the Republican Party?

Mr. O'CONNOR of New York. I do not think there is anything to that at all. My concern is to preserve the Democratic Party against political scandals which exist in the Federal Communications Commission and other departments of the Government.

The Democratic Party has been in control for 5 years, and if anything has happened in the administration, in any commission, in any part of the Government it is our Democratic responsibility, and we should face it honestly, and we should not weaken to any lobbyists, whether they are politically connected with radio, or otherwise.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. O'CONNOR of New York. I yield to the distinguished gentleman, our greatest economist, for a brief question.

Mr. RICH. Can the gentleman tell us how much they are going to ask to have appropriated for this investigation?

Mr. O'CONNOR of New York. Oh, please do not worry about that. We are going to get the money somehow. The gentleman should not worry where it is going to come from. Maybe we will borrow it.

Mr. RICH. But where are you going to get the money?

Mr. O'CONNOR of New York. Where we have gotten the rest of it.

Mr. STEFAN. Mr. Speaker, will the gentleman yield?

Mr. O'CONNOR of New York. Yes.

Mr. STEFAN. Will the distinguished chairman of the Committee on Rules assure me that this general monopolies investigation bill will not cover this investigation?

Mr. O'CONNOR of New York. I do not believe the general monopoly investigation, when they get through with steel and aluminum and other alleged monopolies, will ever get down to radio.

Mr. STEFAN. They cannot cover this?

Mr. O'CONNOR of New York. No. With the six departments in there who will control that investigation, radio and the Federal Communications Commission will have free sailing and never be touched.

Mr. Speaker, the fate of this resolution means nothing to me. But I do hate to see the effect of a lobby on Congress. I have never seen anything like it since the utility bill, and we finally passed the utility bill when Speaker Byrns and I took the floor and made the closing speeches for the "death sentence." We then licked the utility lobby. But that lobby now out there is riding high and handsome. They have the highest people in the House and all of the high people in the administration acting with them. It is all nothing in my young life. You can lick it if you want to, and whether you do or not I shall come up smiling and call up the next rule on the program. So, my misguided Democrats, submit to this pernicious lobby if you will, but from my heart I feel you are making a grave mistake.

Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The question was taken; and on a division (demanded by Mr. MARTIN of Massachusetts) there were—ayes 65, noes 209.

Mr. MARTIN of Massachusetts. Mr. Speaker, on that I demand the yeas and nays.

The SPEAKER. The gentleman from Massachusetts demands the yeas and nays. Those in favor of taking the vote by yeas and nays will rise and stand until counted. [After counting.] Sixty-eight Members have risen, a sufficient number, and the yeas and nays are ordered.

The question is on agreeing to the resolution.

The question was taken; and there were—yeas 100, nays 236, answered "present" 1, not voting 91, as follows:

[Roll No. 119]

YEAS—100

Amlie	Edmiston	Kvale	Schaefer, Ill.
Andresen, Minn.	Engel	Lord	Schneider, Wis.
Arends	Englebright	Luce	Seger
Bacon	Ferguson	McGranery	Shafer, Mich.
Bates, Mass.	Fish	McLean	Shannon
Bernard	Flannery	Maas	Short
Boileau	Gamble, N. Y.	Mapes	Simpson
Brewster	Gehrmann	Martin, Mass.	Smith, Conn.
Cannon, Wis.	Gifford	May	Smith, Maine
Carlson	Gilchrist	Michener	Smith, Wash.
Carter	Gray, Pa.	Mott	Snell
Case, S. Dak.	Guyer	O'Connor, N. Y.	Stefan
Chandler	Gwynne	Oliver	Sutphin
Church	Hancock, N. Y.	Parsons	Taber
Clason	Havenner	Phillips	Taylor, Tenn.
Coffee, Wash.	Holmes	Plumley	Teigan
Connery	Hope	Powers	Thompson, Ill.
Crawford	Hull	Reed, Ill.	Thurston
Crowther	Hunter	Rees, Kans.	Tobey
Culkin	Jarrett	Reilly	Tolan
Dirksen	Jenkins, Ohio	Robsion, Ky.	Treadway
Dondero	Johnson, Minn.	Rockefeller	Wigglesworth
Dorsey	Kennedy, N. Y.	Rogers, Mass.	Withrow
Dowell	Kinzer	Rutherford	Wolcott
Eaton	Knutson	Sauthoff	Wolverton

NAYS—236

Aleshire	Crosser	Halleck	Lewis, Colo.
Allen, Del.	Crowe	Hamilton	Long
Allen, La.	Cullen	Harlan	Lucas
Allen, Pa.	Daly	Harrington	Luckey, Nebr.
Anderson, Mo.	Delaney	Hart	Ludlow
Arnold	DeMuth	Harter	Luecke, Mich.
Barden	DeRouen	Healey	McClellan
Barton	Dickstein	Hennings	McCormack
Bates, Ky.	Dies	Hill	McFarlane
Beam	Dingell	Hobbs	McGehee
Beiter	Dixon	Honeyman	McGrath
Bigelow	Doxey	Houston	McKeough
Bland	Duncan	Imhoff	McLaughlin
Bloom	Dunn	Izac	McReynolds
Boland, Pa.	Eberharter	Jacobsen	McSweeney
Boyer	Eckert	Jenckes, Ind.	Magnuson
Boykin	Eicher	Johnson, LutherA.	Mahon, S. C.
Bradley	Elliott	Johnson, Lyndon	Mahon, Tex.
Brooks	Evans	Johnson, Okla.	Maloney
Brown	Faddis	Johnson, W. Va.	Martin, Colo.
Buck	Farley	Jones	Massingale
Buckler, Minn.	Fitzgerald	Kee	Maverick
Buckley, N. Y.	Fitzpatrick	Keller	Mead
Bulwinkle	Flaherty	Kelly, Ill.	Meeks
Burdick	Flannagan	Kelly, N. Y.	Merritt
Byrne	Fleger	Keogh	Mills
Cannon, Mo.	Fletcher	Kerr	Mitchell, Ill.
Casey, Mass.	Forand	Kirwan	Moser, Pa.
Celler	Ford, Miss.	Kitchens	Mosier, Ohio
Chapman	Frey, Pa.	Kleberg	Murdock, Ariz.
Citron	Fuller	Kniffin	Nelson
Clark, N. C.	Garrett	Kocialkowski	Nichols
Claypool	Gavagan	Kopplemann	O'Brien, Ill.
Cochran	Gildea	Kramer	O'Connell, Mont.
Collins	Gingery	Lambertson	O'Connell, R. I.
Colmer	Goldsborough	Lambeth	O'Leary
Cooley	Gray, Ind.	Lamneck	O'Malley
Cooper	Greenwood	Lanham	O'Neal, Ky.
Costello	Greever	Larrabee	O'Neill, N. J.
Cox	Gregory	Lea	O'Toole
Cravens	Griffith	Leavy	Owen
Creal	Haines	Lesinski	Pace

Palmisano	Rayburn	Shanley	Towey
Patman	Reece, Tenn.	Sheppard	Transue
Patterson	Rich	Sirovich	Turner
Patton	Richards	Somers, N. Y.	Umstead
Pearson	Rigney	South	Vincent, Ky.
Peterson, Fla.	Robertson	Sparkman	Voorhis
Peterson, Ga.	Robinson, Utah	Spence	Wallgren
Pettengill	Rogers, Okla.	Starnes	Warren
Pfeifer	Romjue	Sullivan	Wearin
Pierce	Roy	Sumners, Tex.	Wene
Poage	Sabath	Swope	West
Quinn	Sacks	Tarver	Whittington
Rabaut	Sanders	Taylor, S. C.	Wilcox
Ramsay	Satterfield	Terry	Williams
Ramspeck	Schuetz	Thom	Wood
Randolph	Schulte	Thomas, Tex.	Woodrum
Rankin	Scott	Thomason, Tex.	Zimmerman

ANSWERED "PRESENT"—1

Driver

NOT VOTING—91

Allen, Ill.	Deen	Hook	Scrugham
Andrews	Dempsey	Jarman	Secrest
Ashbrook	Disney	Kennedy, Md.	Smith, Okla.
Atkinson	Ditter	Lanzetta	Smith, Va.
Barry	Dockweiler	Lemke	Smith, W. Va.
Bell	Doughton	Lewis, Md.	Snyder, Pa.
Biermann	Douglas	McAndrews	Stack
Binderup	Drew, Pa.	McGroarty	Steagall
Boehne	Drewry, Va.	McMillan	Sweeney
Boren	Fernandez	Mansfield	Taylor, Colo.
Boylan, N. Y.	Ford, Calif.	Mason	Thomas, N. J.
Burch	Fries, Ill.	Mitchell, Tenn.	Tinkham
Caldwell	Fulmer	Mouton	Vinson, Ga.
Cartwright	Gambrill, Md.	Murdock, Utah	Wadsworth
Champion	Gasque	Norton	Walter
Clark, Idaho	Gearhart	O'Brien, Mich.	Weaver
Cluett	Green	O'Connor, Mont.	Welch
Coffee, Nebr.	Griswold	O'Day	Whelchel
Cole, Md.	Hancock, N. C.	Patrick	White, Idaho
Cole, N. Y.	Hartley	Polk	White, Ohio
Crosby	Hendricks	Reed, N. Y.	Wolfenden
Cummings	Hildebrandt	Ryan	Woodruff
Curley	Hoffman	Sadowski	

So the resolution was rejected.

The Clerk announced the following additional pairs:

On this vote:

Mr. Hartley (for) with Mr. Burch (against).
Mr. Hoffman (for) with Mr. Clark of Idaho (against).
Mr. Reed of New York (for) with Mr. Drewry of Virginia (against).
Mr. Tinkham (for) with Mr. Murdock of Utah (against).
Mr. Lemke (for) with Mr. Hook (against).
Mr. Andrews (for) with Mr. O'Connor of Montana (against).
Mr. Cole of New York (for) with Mr. Dempsey (against).
Mr. Ditter (for) with Mr. Gasque (against).
Mr. Gearhart (for) with Mr. McAndrews (against).
Mr. White of Ohio (for) with Mr. Hancock of North Carolina (against).
Mr. Douglas (for) with Mr. Mouton (against).
Mr. Wolfenden (for) with Mr. Fernandez (against).

Until further notice:

Mr. Mansfield with Mr. Wadsworth.
Mr. Boehne with Mr. Allen of Illinois.
Mr. Fulmer with Mr. Cluett.
Mr. Griswold with Mr. Mason.
Mr. Doughton with Mr. Thomas of New Jersey.
Mr. Vinson of Georgia with Mr. Welch.
Mr. Smith of Virginia with Mr. Woodruff.
Mr. Cummings with Mr. Atkinson.
Mr. Whelchel with Mr. Sweeney.
Mr. Bell with Mr. Scrugham.
Mr. Dockweiler with Mr. McGroarty.
Mr. Fries with Mr. Ryan.
Mr. Cartwright with Mr. Lanzetta.
Mrs. Norton with Mr. Walter.
Mr. Snyder of Pennsylvania with Mr. Boren.
Mr. Cole of Maryland with Mr. Hendricks.
Mr. Jarman with Mr. Drew of Pennsylvania.
Mr. Steagall with Mr. O'Brien of Illinois.
Mr. Disney with Mr. Patrick.
Mr. Weaver with Mrs. O'Day.
Mr. Deen with Mr. Sadowski.
Mr. Coffee of Nebraska with Mr. Polk.
Mr. Barry with Mr. Gambrill of Maryland.
Mr. Secrest with Mr. White of Idaho.
Mr. Curley with Mr. Smith of West Virginia.
Mr. Mitchell of Tennessee with Mr. Ashbrook.
Mr. Boylan of New York with Mr. Smith of Oklahoma.
Mr. Kennedy of Maryland with Mr. Binderup.
Mr. Lewis of Maryland with Mr. McMillan.
Mr. Caldwell with Mr. Crosby.
Mr. Champion with Mr. Stack.

Mr. BREWSTER and Mr. CANNON of Wisconsin changed their votes from "nay" to "yea."

Mr. NICHOLS changed his vote from "yea" to "nay."

The result of the vote was announced, as above recorded.

On motion of Mr. HARLAN, a motion to reconsider the vote by which the resolution was rejected was laid on the table.

INVESTIGATION OF TENNESSEE VALLEY AUTHORITY

Mr. WARREN. Mr. Speaker, I offer a concurrent resolution and ask for its immediate consideration.

The Clerk read as follows:

House Concurrent Resolution 62

Resolved by the House of Representatives (the Senate concurring), That the limit of expenditures under the joint resolution entitled "Joint resolution creating a special joint congressional committee to make an investigation of the Tennessee Valley Authority," approved April 4, 1938, is hereby increased by the sum of $100,000, such additional sum to be paid one-half from the contingent fund of the Senate and one-half from the contingent fund of the House of Representatives upon vouchers approved by the chairman of the special joint congressional committee created by such joint resolution.

With the following committee amendment:

Line 6, strike out "$100,000" and insert in lieu thereof "$50,000."

The committee amendment was agreed to.

The resolution was agreed to, and a motion to reconsider was laid on the table.

INVESTIGATION BY COMMITTEE ON MERCHANT MARINE AND FISHERIES

Mr. SMITH of Virginia. Mr. Speaker, I call up House Resolution 498.

The Clerk read as follows:

Resolved, That the Committee on Merchant Marine and Fisheries, as a whole or by subcommittee, is authorized and directed to make a full inquiry into questions and problems in relation to the merchant marine and fisheries, and a thorough study of methods and proposals for remedies and improvements in connection with such questions and problems, including recommendations for legislation submitted by the United States Maritime Commission in its economic survey, with a view to legislation in the next Congress.

The committee shall, from time to time, report to the House (or to the Clerk of the House, if the House is not in session) during the present Congress the results of its investigation and study, together with such recommendations for legislation as it deems advisable.

For the purposes of this resolution the committee, or any subcommittee thereof, is authorized to sit and act during the present Congress, at such times and places in the District of Columbia or elsewhere, whether or not the House is sitting, has recessed, or has adjourned, to hold such hearings, to require, by subpena or otherwise, the attendance of such witnesses and the production of such books, papers, and documents, and to take such testimony, as it deems necessary. Subpenas shall be issued under the signature of the chairman of the committee or any member designated by him, and shall be served by any person designated by such chairman or member. The chairman of the committee or any member thereof may administer oaths to witnesses.

Mr. SMITH of Virginia. Mr. Speaker, I yield 30 minutes to the gentleman from Massachusetts [Mr. MARTIN].

Mr. Speaker, this is a resolution authorizing the Committee on Merchant Marine and Fisheries to conduct hearings and investigations during the adjournment of Congress. They are matters looking to legislation. The committee feels that it is very important that they be permitted to make these investigations and report to the next Congress.

As far as I can learn there is no objection to this resolution.

Mr. SNELL. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I am going to yield to the gentleman from Virginia [Mr. BLAND], who will be glad to explain the matter.

Mr. SNELL. I will address my question to the gentleman from Virginia.

Mr. SMITH of Virginia. Mr. Speaker, I yield 5 minutes to the gentleman from Virginia [Mr. BLAND].

Mr. BLAND. Mr. Speaker, this resolution is unanimously endorsed by the Committee on Merchant Marine and Fisheries, by industry, by labor, by all of the interests that are in any way affected, because they believe it is

necessary for the committee to make a comprehensive study of the various problems before the committee.

I wish, for one, to divorce the proposal from the semblance of an investigation, or trying to unearth something. It is intended that it shall be a constructive study of various suggestions made by the Maritime Commission or received from any other source in the interests of the merchant marine, the welfare of the country and the American people. It is believed that the Committee on Merchant Marine and Fisheries should know very fully what is going on in the Maritime Commission, and that Commission desires that the committee shall know. It cannot fully inform itself during a session of Congress when it is pressed by the business of the daily sessions of the House.

Mr. SNELL. Mr. Speaker, will the gentleman yield for a question?

Mr. BLAND. I yield.

Mr. SNELL. In what way does this resolution differ from one we passed a week or so ago relative to an investigation and study to be made by a special committee?

Mr. BLAND. I am not familiar with a study to be made by a special committee, but I may say that where legislation is desired I am firmly convinced that the best body to make it is the legislative committee that handles the legislation.

Mr. SNELL. I am in entire accord with that statement, but I thought we passed some kind of authorization a few days ago to make an investigation of the merchant marine.

Mr. BLAND. No; none was passed of that nature.

Mr. MARTIN of Massachusetts. In view of the fact that the other day we established a mediation board, does that require investigation now? In other words, is not that already accomplished?

Mr. BLAND. That would not be duplicated because that will be working as a mediation board, but there are many other problems that will be studied. That will be one of the functions, but there are many other functions; for instance, the plans of the Maritime Commission, the policies, the money expended on subsidies, all of the various problems of the Maritime Commission will be under consideration and study as well as various fishery problems and other matters under the jurisdiction of the committee.

Mr. MARTIN of Massachusetts. Mr. Speaker, I yield 1 minute to the gentleman from Minnesota [Mr. KNUTSON].

Mr. KNUTSON. Mr. Speaker, this evening I delivered an address at the Flag Day exercises held at the east entrance of the Capitol, under the auspices of the Grand Army of the Republic and the Women's Relief Corps.

Mr. Speaker, I ask unanimous consent to have inserted at this point in the RECORD the address I made.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The matter referred to follows:

SPEECH OF CONGRESSMAN HAROLD KNUTSON BEFORE THE DEPARTMENT OF THE POTOMAC, G. A. R., FLAG DAY, JUNE 14, 1938

Mr. KNUTSON. Mr. Chairman, members of the G. A. R., the Women's Relief Corps, the American Legion, Veterans of Foreign Wars, their auxiliaries, and fellow Americans, we are assembled this evening on this historic spot in the Nation's Capital to commemorate an outstanding event that occurred 161 years ago today—the adoption of the starry emblem as the flag of our country—and in all that time the Stars and Stripes have floated over a free people, proud and unsullied.

Up to the time of Betsy Ross, the Quaker seamstress, whose dream and loving handiwork brought forth an emblem never to be surpassed in beauty, nor excelled in its significance, the Revolutionary heroes had fought under flags of local significance. Troops from the Northern Colonies fought under a banner emblazoned with the pine tree, which had this inscription, "An appeal to God," while in the South they went forth to battle for the cause of liberty and human rights under the serpent flag representing a coiled rattlesnake, ready to strike, with the motto, "Don't tread on me."

It can be readily appreciated that had not a national flag been adopted, under which all could fight for the holy cause of freedom, we might today be divided into several nations rather than one great and glorious Republic, under whose Constitution we are guaranteed rights and privileges enjoyed by no other people under the sun.

At the time Congress adopted as our national emblem the flag made by Betsy Ross there were 13 separate and distinct Colonies fighting the mother country, and aside from the fact that they had but one objective, liberty and independence, there was all too little cooperation and cohesion among them; but the glorious emblem with its 13 stars and 13 stripes welded and cemented the struggling Colonies into a cohesive confederation that was to develop into a great nation, one and indivisible.

At the time that Betsy Ross' flag was adopted there were 13 separate and distinct political units with a total population of 2,500,000 people, and the western frontier did not extend beyond the Alleghenies.

My countrymen, what a transformation in 161 years. Today we are a nation of 130,000,000 souls and our boundaries extend from the storm-tossed shores of the Atlantic to the sun-kissed shores of the Pacific, from the Great Lakes to the Gulf of Mexico.

One hundred and sixty-one years ago there were no railroads and but few wagon roads. Such conveniences as the telephone and telegraph were undreamed of and each family was more or less self-contained. Today our country is traversed by railroads, highways, and airways that cover the land as a network. It is dotted with cities, villages, and hamlets, and a wilderness of productive soil has been converted into millions of farms that support all our people.

Well may we ask how all this has been attained in such a comparatively short time. There has been nothing like it in all the annals of the human race. My friends, the secret of that great achievement lies in the fact that those who made this country were not afraid of work. They realized that their dream of expansion and development could only be attained through industry, thrift, and frugality, and as I stand here before you this evening I can visualize the thousands and thousands of empire builders who resolutely set their faces toward the land of the setting sun, braving the hidden dangers of the unchartered forests, and willing to endure any hardship or danger that their goal might impose upon them.

That, my countrymen, was the spirit of America, a spirit born of the union of the best blood in all Europe that here became fused into a new people whose accomplishments were to become the marvel and the envy of the world and today as one of the fruits of their labor it may be truthfully said that the sun never sets upon the Stars and Stripes.

Whenever I think of what the Founding Fathers of our beloved country endured in order to bring forth this new Republic in the Western Hemisphere, those who suffered the chilling blasts and the pangs of hunger at Valley Forge, the fever and heat of the Tropics, those who fought, bled, and died at Bloody Angle that our country might be preserved, those who lowered the flag of tyranny at Manila Bay, and on the poppy-clad fields of Flanders, snatched victory from defeat. When we think of what those heroes fought, bled, and died to achieve and perpetuate we cannot but realize that a sacred trust, handed down from the glorious past, rests upon us.

This great and glorious country was conceived with the thought that here all men were to be free and equal; that here there was to be no discrimination before the law, and that here should the oppressed and the persecuted of all lands find an asylum. Our Government was founded upon the theory that there should be the least possible interference on the part of the Government in all dealings with its citizenry. Here each was to be free to achieve and attain according to his merits and ability.

It has been truly said that "eternal vigilance is the price of liberty," and never in all the history of the Republic has that trite saying been more true than today. We talk about liberty as though it were a precious possession that cannot be taken from us, but we seldom pause to contemplate just what it means.

Liberty is the spring from which flows all the blessings that we as a free people enjoy. It is to our people what the blood stream is to the individual. It is the foundation of our whole being—national and individual—and if we would but stop and consider what it has cost in blood and treasure to achieve and to hold we would guard it with all the powers at our command.

In this connection let me read the warning uttered by that great liberal, Woodrow Wilson, back in 1912 when he said: "Liberty has never come from the government. The history of liberty is a history of limitations of governmental power, not an increase of it."

Today the liberty of our people is endangered as never before and those who are indifferent to the trend of the times are evading their sacred responsibilities of citizenship.

Today we have among us a considerable number who advocate the destruction of our institutions on the theory that they are not fitted to the times. They would tear down the Republic, stone by stone, and erect upon the ruins a new structure that is to be dedicated to a philosophy of government that is un-American and alien to our history and traditions.

These misguided individuals, who undoubtedly mean well, disregard the fact that each stone in our national structure has been carefully and laboriously laid and that the whole structure represents the wisdom and the experience of all the ages.

I ask you, my fellow citizens, why should we change our form of government? Is it not true that under it we have attained levels never before dreamed of? Is it not true that in this country we have a greater and wider diffusion of knowledge than in any other country? Is it not true that here opportunities exist that are unequaled in any other country or under any other form of government? Is it not true that under our form of government we have more freedom and greater national security than that enjoyed by any other people?

Change our form of government? Do any of you know of a government in Europe which you prefer to that we now have and enjoy?

At this point I feel it would be appropriate for me to read a quotation from a great statesman, having to do with the constant clamor for a change in existing conditions. I refer to Daniel Webster, one of the greatest defenders of the Constitution that we have ever had. He said:

"There are persons who constantly clamor. They complain of oppression, speculation, and pernicious influence of accumulated wealth. They cry loudly against all banks and corporations, and all means by which small capitalists become united in order to produce important and beneficial results. They carry on mad hostility against all established institutions. They would choke the fountain of industry and dry all streams. In a country of unbounded liberty they clamor against oppression. In a country of perfect equality they would move heaven and earth against privilege and monopoly. In a country where property is more evenly divided than anywhere else they rend the air shouting agrarian doctrines. In a country where wages of labor are high beyond parallel they would teach the laborer he is but an oppressed slave.

"Sir, what can such men want? What do they mean? They can want nothing, sir, but to enjoy the fruits of other men's labor. They can mean nothing but disturbance and disorder, the diffusion of corrupt principles, and the destruction of the moral sentiments and moral habits of society."

Those words might have been spoken today rather than nearly 100 years ago.

I am not one of those who contends that our form of government has attained perfection. Nothing that is the creation of mortal man is perfect, nor can it ever attain perfection. Perfection is beyond attainment, but we can approximate perfection, and with the passing of time we will continue to make such changes in the Constitution of the United States as will be found necessary and desirable, but, my friends, such changes must and will be made in the way and manner prescribed in our great Magna Carta. They will be made lawfully and orderly.

To me it is unthinkable that the Constitution of the United States should be scrapped or so altered as to change its entire purpose. Let us not forget that that noble document, created by men who were inspired by God, has been pronounced the greatest charter of human rights ever conceived by the mind of man and has been used as the pattern for the constitution of nearly every democracy in the world. I have no sympathy for the theory that because a thing is old and venerable it has outlived its usefulness. One might as well try to convince me that the Holy Bible should be discarded on account of its age as to suggest that the Constitution of the United States should be scrapped. Both of these noble documents, regardless of their age, stand as beacon lights pointing the way of progress to a world that for centuries had groped in darkness, knowing not whither to turn in order to escape from their despair, and we may take the greatest satisfaction in the knowledge that both continue to shine with ever-increasing luster. Both rest upon a foundation that is as indestructible as the granite hills of our beloved land. They embrace principles and precepts that are immutable and unchangeable, and there can be no compromise in the fight to maintain them.

Yonder, across the majestic Potomac, lies historic Arlington, which the American people have set aside as a national shrine to our heroic dead. That sacred soil contains the ashes of thousands of heroes, many of whom have written their names in letters of eternal light. Many of those interred there made the supreme sacrifice for the land and the flag that we all love and revere. They have handed down to us a heritage that is as rich as it is priceless. They fought, bled, and died that the land of their fathers might endure down through the ages; that the millions who were to come after them might continue to enjoy the blessings that their sacrifices made possible. We owe to those heroes who sleep in Arlington, and in all other sacred plots, the duty of keeping our flag unsullied, and the principles of our Government intact, and to maintain all the traditions of our glorious past. Those who followed Washington, Grant, Lee, Dewey, and Pershing have imposed upon us that sacred obligation; and, my friends, we will not be false to the trust that has been reposed in us.

In doing so we will be but carrying out the high resolve of the Christlike Lincoln when he said:

"It is for us, the living, rather to be dedicated here to the unfinished work which they who fought here have thus far so nobly advanced. It is rather for us to be here dedicated to the great task remaining before us—that from these honored dead we take increased devotion to that cause for which they gave the last full measure of devotion; that we here highly resolve that these dead shall not have died in vain; that this Nation, under God, shall have a new birth of freedom; and that government of the people, by the people, for the people shall not perish from the earth."

We are custodians of that trust, and merely hold for safekeeping for the countless generations that are to follow us a truly representative Government and all that it stands for. In that sacred duty we may from time to time meet with reverses, but they will merely inspire us to greater efforts and loftier heights.

"I am hurt, Sir Andrew Barton cried;
I am hurt but I am not slain,
I'll lie me down and bleed a while,
And then I'll fight again."

That, fellow Americans, is the spirit of America.

My friends, the danger to the Republic lies not without but rather within. The danger to the Republic, as I see it, will come from the indifference of our people. We live in unusual times and many of the experiences gained in the long past are being disregarded. Our people have from the very dawn of white settlement on this hemisphere been taught that there is no substitute for honest toil; that all wealth must come from the soil, from the mines, and from the sea. Today a new philosophy is being urged upon us. A philosophy that would have us believe that the less we produce the more we will have; a philosophy that teaches us to look to the Government at Washington to do for us the things that we should do for ourselves.

My friends, to me that is the philosophy of frustration, and if followed to its ultimate end would result in the destruction, not alone of our country, but of our institutions and our people.

There is no such thing as a short cut to the more abundant life. It can only be attained through honest effort and creative labor. That principle is builded upon a foundation as sound as the soil of our native land, and no decree of Congress or of the Executive can alter, modify, or set it aside.

My friends, let me plead with you to not forsake the tried and proven paths over which our ancestors have traveled for many centuries. It has been a long trail, often beset with doubts and fears, but in looking back we can see that we have gone far. Better yet, we know that the golden era of the Republic lies ahead of us, and that is one of the things that gives us courage to carry on. We know that we are traveling to higher levels, to a more perfect life, and to a better understanding of each other's problems.

True, we must keep in step with changing times. If we do not do so we will disintegrate and perish. However, all progress should be orderly and have due regard for sound economic laws. Let us take warning from what has happened across the waters, where democracies have been ruthlessly swept aside and replaced with dictatorships.

Americans would rather die than bend the cringing knee to a dictator. The trend toward dictatorship is in evidence on all sides. Let the great American people keep their heads in this time of stress and unrest. Let us cling to those things which have been proven good and safe and sound, ever remembering that the future of our country will be determined by what we do now. Let us ever bear in mind the parting admonition of George Washington when he adjured us to avoid foreign entanglements.

With our twelve or fourteen million people out of work, with industry at a low ebb, we have enough problems at home to occupy us without meddling in the affairs of other countries with which we have little or no concern.

Today we are all Americans, united and one, imbued with the same lofty ideals and animated with a common desire to serve our beloved country, a land where we should know neither hatred nor prejudice.

From the depths of every loyal heart, and with all the fervor that glorifies and exalts every patriotic soul, there goes forth from our breasts the prayer that the God of our fathers will continue to watch over us and to shed His blessings upon a people who are dedicated to the fatherhood of God and the brotherhood of man.

Seventeen years ago a great people disinterred the earthly remains of an unknown soldier who had made the supreme sacrifice on Flanders Field and with loving hands conveyed his sacred ashes back to his native land, where with fitting ceremonies they were deposited in the hallowed soil of Arlington. Should the time ever come when our country and its institutions are threatened, we will take the heart of that unknown hero, encase it in our love and affection, and hurl it into the midst of the enemy, shouting, "Lead on, heart of Unknown Soldier; we follow thee, we follow thee," and the American people, never having known defeat when following our beloved flag and glorious traditions, will fall upon those who would destroy us and drive them from our shores. Let us remember that there is room for but one "ism" in this land of the free and the home of the brave—Americanism—and may it endure for ever and ever.

HANG OUT THE FLAG

Hang out the flag, son,
This is the day.
Hang out Old Glory, son,
This is Flag Day.
Oh, look to the sheen of it,
The wind-swept careen of it,
Remember the scene of it, boy,
It's your flag.

Red for the dead
And the blood that's been shed for it;
White for the right,
Of each fight that's been led for it;
Blue that's as true,
As the hue of the sky over it;
Hang out the flag, son,
Hang out the flag.

It's your flag, son, all of it,
With a star for each State
In the shade of the fall of it;
Lift up your voice, son,
Answer the call of it;
This is the day, son,
Hang out the flag.

—By Stafford King, National Vice Commander, American Legion, St. Paul, Minn.

Mr. MARTIN of Massachusetts. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. CULKIN].

Mr. CULKIN. Mr. Speaker, I desire to heartily second the statement made by my distinguished and able chairman. This problem of the merchant marine, of course, is one of the most complex and difficult that any committee in this House faces. We have worked diligently on the question but there are still many loose ends.

In justice to the men who go to sea and to the operators these matters should be cleared up. May I say in this connection that this is not a resolution to investigate the Maritime Commission. The Maritime Commission, may I say, is functioning admirably and in the interest of the Government. Under its auspices the operators, the men and the shipbuilders are hewing fairly close to the line. But there is still room for substantial improvement.

Mr. Speaker, this investigation is necessary to supplement our unfinished investigation into the questions involved. I believe out of it will come great benefits to the merchant marine on which this Congress ultimately will spend the sum of $500,000,000. I therefore support the resolution offered by my distinguished chairman.

Mr. LUECKE of Michigan. Will the gentleman yield?

Mr. CULKIN. I yield to the gentleman from Michigan.

Mr. LUECKE of Michigan. Does the committee contemplate an investigation of the fisheries of the Great Lakes?

Mr. CULKIN. The committee will look into the question in which the distinguished gentleman is so interested, the Great Lakes fisheries. As the Members of the House know, the Great Lakes fisheries are speedily being depleted and will be completely wiped out unless something is done. This investigation will go into that question. I trust the resolution will pass.

Mr. SMITH of Virginia. Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to, and a motion to reconsider was laid on the table.

ADDITION OF CERTAIN LANDS TO THE HAWAII NATIONAL PARK

Mr. DEROUEN submitted a conference report and statement on the bill (H. R. 1995) to add certain lands on the island of Hawaii to the Hawaii National Park.

INVESTIGATION BY COMMITTEE ON MERCHANT MARINE AND FISHERIES

Mr. WARREN. Mr. Speaker, in view of the passage of the resolution just offered by the gentleman from Virginia [Mr. SMITH] I offer a privileged resolution from the Committee on Accounts, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

House Resolution 531

Resolved, That the expenses of conducting the investigation and study authorized by H. Res. 498, incurred by the Committee on Merchant Marine and Fisheries, acting as a whole or by subcommittee, not to exceed $10,000, including expenditures for the employment of clerical, stenographic, and other assistants, shall be paid out of the contingent fund of the House on vouchers authorized by such committee or any subcommittee thereof conducting such investigation and study or any part thereof, signed by the chairman of the committee and approved by the Committee on Accounts.

SEC. 2. The official committee reporters shall serve said committee at its hearings in the District of Columbia. Whenever other stenographic service is employed, the cost thereof shall not be in excess of 25 cents per 100 words.

The resolution was agreed to, and a motion to reconsider was laid on the table.

JOINT COMMITTEE ON FORESTRY

The SPEAKER. Pursuant to the provisions of Senate Concurrent Resolution 31, Seventy-fifth Congress, the Chair appoints as members of the Joint Committee on Forestry the following Members of the House: Mr. FULMER, Mr. DOXEY, Mr. PIERCE, Mr. REED of New York, and Mr. ENGLEBRIGHT.

EXTENSION OF REMARKS

Mr. DIRKSEN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein some tables on market agreements provided by the Department of Agriculture.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

ESTABLISHMENT OF PUBLIC AIRPORT IN THE VICINITY OF THE NATIONAL CAPITAL

Mr. GREENWOOD. Mr. Speaker, I call up House Resolution 522 and ask for its immediate consideration; pending which I yield one-half of the time to the gentleman from Massachusetts [Mr. MARTIN].

The Clerk read the resolution, as follows:

House Resolution 522

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of S. 2838, an act to establish a public airport in the vicinity of the National Capital, and all points of order against said act are hereby waived. That after general debate, which shall be confined to the act and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Military Affairs, the act shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the act for amendment the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the act and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

Mr. GREENWOOD. Mr. Speaker, this is a resolution from the Rules Committee on the bill (S. 2838) for the establishment of a landing field at Camp Springs, Md.

This grows out of the appointment of a committee to study the various sites for a landing field in the vicinity of the Capital. The committee consisted of three Members of the House, three Members of the Senate, and three members appointed by the President of the United States. This committee made a very thorough investigation of all tracts that were offered in the vicinity of the Capital, and, after giving the matter thorough consideration and study, having in mind convenience, size, economy in purchase, and location, by a system of elimination, it has settled upon this tract of some 2,000 acres at Camp Springs.

The committee has carried out the instructions by reporting back to the Congress what they deemed to be the best site, the one which would furnish ample expansion to aviation for the future, one that is on a high elevation above the river, outside of the territory where there might be interference from towers and structures like the Washington Monument and other high buildings, such as industrial plants.

This is located something over 9 miles from the Capital. It will provide runways of 5,000 feet in each direction from the axis or the crossing of the landing roadways in order to provide for expansion in the future.

The rule provides for 1 hour of general debate. The bill comes from the Committee on Military Affairs. This is an open rule, and it provides for the consideration of the Senate bill, which will expedite the legislative situation. The rule also provides for the consideration of amendments.

Mr. TABER. Mr. Speaker, will the gentleman yield for a question?

Mr. GREENWOOD. I yield to the gentleman from New York.

Mr. TABER. Does the gentleman know how many acres are involved in this proposal?

Mr. GREENWOOD. The report states it provides for about 2,000 acres.

Mr. TABER. Two thousand five hundred, I believe; and at how much per acre?

Mr. GREENWOOD. I understand the options range from $35 to $200, and that the options have been taken, without any idea of establishing this airport, at prices that will be considered as very reasonable for the tracts that are being purchased.

Mr. TABER. Is it not a fact that most of this land is scrub timber land worth from $10 to $15 per acre?

Mr. GREENWOOD. I understand some of it is, but interspersed with that are valuable tracts. Of course, in establishing a field like this you have to take all classes of tracts that are included in the site in order to get the land in a solid body.

Mr. TABER. Is is correct that the total cost of the 2,500 acres is somewhere around $500,000?

Mr. GREENWOOD. I do not know that evidence appeared before the Committee on Rules on that feature. The total authorization provided is something over $3,000,000. Among the 9 or 10 different sites that have been considered, this is the lowest estimate that has been made on any of them where the acreage anywhere near approached the amount involved in this site.

Mr. TABER. This means 4 square miles, with 640 acres in a square mile.

Mr. GREENWOOD. Yes; something near that.

Mr. HOLMES. Mr. Speaker, will the gentleman yield?

Mr. GREENWOOD. I yield to the gentleman from Massachusetts.

Mr. HOLMES. In order to get a proper airport, is it not true that eventually approximately 3,500 acres will be needed?

Mr. GREENWOOD. As I understand, the larger airports in other parts of the country, and some of those in Europe, have a runway 2 miles in length. This proposal is for a runway of about a mile in each direction from the center, but it will provide for future expansion, so the airport, we believe, will meet the needs of the future.

Mr. HOLMES. In the present taking of 2,500 acres?

Mr. GREENWOOD. Yes.

Mr. RANDOLPH. Mr. Speaker, will the gentleman yield?

Mr. GREENWOOD. I yield to the gentleman from West Virginia.

Mr. RANDOLPH. How far is the proposed site from the center of the city, or from the Capitol?

Mr. GREENWOOD. It is a fraction over 10 miles, about 10 miles and a fraction from the Willard Hotel, and 9 miles and about the same fraction from here.

Mr. RANDOLPH. The gentleman has spoken about the future. Does the gentleman not know, in view of the development of aviation not only in the way of aircraft but also of landing fields, that even although planes much larger than the ones we have in use today are being built, due to the inventions which are constantly being applied we will need in the future not even the landing space we have today?

Mr. GREENWOOD. I do not agree with the gentleman. Many of the landing fields in Europe have runways longer than are being provided in this field. While the runway here is approximately 5,000 feet, there are many large landing fields in Europe which provide runways of 2 miles.

Mr. RANDOLPH. It is not the length of the runway but the obstructions that really count.

Mr. GREENWOOD. Certainly, and you have to have the runway in order to get away from the obstructions. You cannot just drop down on a short runway. You must get the headway or the lead before you even reach the field.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. GREENWOOD. I yield to the gentleman from New York.

Mr. TABER. There was an article in one of the papers today indicating that Eddie Rickenbacker, one of the famous fliers, has stated that the airlines from New York to Washington would be abandoned if the Camp Springs Airport were the one to be used, because this field would be absolutely unsuitable and would not let the airlines compete as to time with the rail lines. If this is the situation, this site would not even meet the needs of the present.

Mr. NICHOLS. Mr. Speaker, will the gentleman yield to me in order that I may answer that question?

Mr. GREENWOOD. I yield to the gentleman from Oklahoma.

Mr. NICHOLS. I may say to the distinguished gentleman from New York that Mr. Rickenbacker has appeared before our Commission on more than one occasion. Mr. Rickenbacker has also appeared before committees of whose subcommittees I have been chairman. Mr. Rickenbacker's statement this morning was not inconsistent with the statement he has always made. He simply said this morning what he has always maintained that there should be an airport close in to the District of Columbia as well as a far-out airport. He also stated this morning, although I did not intend to bring in the question of sites, that the Washington-Hoover field, which is now being used, should be maintained as a close-in airport. The reason is that if the shuttle business from here to New York, from here to Pittsburgh, and from here to Philadelphia, were forced to go to Camp Springs or any other far-out site, the additional 15 or 20 minutes that would be added onto their schedules would bring the airlines close to railroad competition. Therefore, it was simply the contention of Mr. Rickenbacker that the Washington-Hoover Airport or some other airport should be maintained for close-in business, but Mr. Rickenbacker agreed with everyone who is familiar with the subject that an airport of the proportions of Camp Springs must be built and maintained in order to take care of transcontinental business.

Mr. GREENWOOD. In connection with the statement that was made by the gentleman from Oklahoma [Mr. NICHOLS], there is no tendency on the part of the development of this particular project to in any way forestall the development of the field close-in for the accommodations that are now being made or that can be made; but it is the feeling of the War Department and of the President, and of this special committee that has investigated the matter, we should plan for the expansion of the future and have an adequate field of large proportions in the vicinity of the Capital in addition to the Hoover Field or the one that may be developed at Gravelly Point. There is in no sense competition between the two.

Mr. RANDOLPH. Mr. Speaker, will the gentleman yield?

Mr. GREENWOOD. I yield to the gentleman.

Mr. RANDOLPH. Is it not more logical that the improvement and the expansion of the present Washington Airport be brought about before any of the other projects, which may be meritorious, are brought to the attention of the Congress?

Mr. GREENWOOD. I would not say it would be meritorious to develop it first. There will be 219 acres in the Hoover field that is being used now and all the testimony shows that is not sufficient area to develop the kind of field the Government feels should be developed to take care of Government planes, as well as commercial planes, through the expanding program of aviation.

Mr. THURSTON. Mr. Speaker, will the gentleman yield?

Mr. GREENWOOD. I yield.

Mr. THURSTON. If this site should be selected will the Government deal directly with the persons who own the land or will they be obliged to purchase it from those who have obtained options?

Mr. GREENWOOD. As I understand, the options that have been obtained, have been obtained on behalf of the Government and there is no element of speculation in the closing of the options because the Government will close them.

Mr. THURSTON. And there are no intervening persons who will profit thereby?

Mr. GREENWOOD. That is my understanding. Perhaps a member of the committee could answer that question, but that is the understanding I have had from the hearings before the Rules Committee.

Mr. Speaker, I reserve the balance of my time.

Mr. MARTIN of Massachusetts. Mr. Speaker, I yield 5 minutes to the gentleman from Minnesota [Mr. MAAS].

Mr. MAAS. Mr. Speaker, I am opposed to this rule and this bill, because, in the first place, there is no reason to go this far out of town for an airport and, in the second place, I have never seen such insistence on a particular site in my life. There is a concerted effort which says the airport must be at Camp Springs and no other site. Now, why?

There are better sites around Washington, in spite of the reports of the Commission. The gentleman from California [Mr. SCOTT] and I flew over this country and looked at this site and we circled around and around Washington and we could pick out half a dozen better sites all much closer in to Washington. Here is a Washington newpaper report in today's paper that states, "Airport site at Camp Spring assessed as low as $10 an acre," and an article in another Washington paper of today showing that some of this land has been optioned to the Government at as high as $4,000 an acre, and that the average is $213 an acre. The Navy Department bought a site for a naval radio station and we averaged $30 an acre, and it is in this same locality, and in fact almost adjacent to it. Why the difference between $30 an acre and $213 an acre in the same immediate locality?

Mr. DALY. Mr. Speaker, will the gentleman yield for a question?

Mr. MAAS. I yield.

Mr. DALY. How long ago did the Navy buy that site?

Mr. MAAS. Only about 3 years ago.

I do not believe this rule ought to be adopted now. There is sufficient doubt in the minds of enough people as to the desirability of this site and as to the questionable transaction of the real estate involved, so that the matter should have adequate consideration, and I do not believe we should adopt any rule at this late hour on a matter as important as this.

Mr. PHILLIPS. Mr. Speaker, will the gentleman yield?

Mr. MAAS. I yield.

Mr. PHILLIPS. I would like to have the gentleman tell the House whether or not the Naval Affairs Committee heard this matter and what they decided unanimously?

Mr. MAAS. The Naval Affairs Committee, after a thorough hearing and investigation of this matter, unanimously reported in opposition to the bill.

Mr. RANDOLPH. Mr. Speaker, will the gentleman yield?

Mr. MAAS. I yield.

Mr. RANDOLPH. The gentleman from Minnesota is a distinguished Member of this body, and, more than that, the gentleman is a flyer himself and uses the Washington-Hoover Airport practically every week. I use it very often myself. Is it not a fact that the money which this Congress should appropriate should be spent for the filling in of the lagoon, the taking over of the Agricultural Experiment Station, the tearing down of the obstruction, and a general expansion program at the present airport close-in, which would adequately serve the Nation's Capital?

Mr. MAAS. It would give us one of the finest airports in the United States. The normal objection to an airport as close in as that airport is that it is so close to the city that the city itself would present obstacles, but because of the peculiar location on the river, you have adequate approaches and take-off areas with sufficient safety at that airport to make it perfectly feasible and as safe to operate as any airport in the country and yet it is practically in the heart of the city which, of course, is a tremendous advantage in the matter of operating air lines.

Mr. REECE of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. MAAS. I yield.

Mr. REECE of Tennessee. The gentleman from Indiana [Mr. GREENWOOD] said the development of the Camp Springs site as an airport would not interfere with the development of the Washington Airport. If the Camp Springs site is developed on the scale contemplated in this resolution, would it then be commercially feasible to properly develop the Washington Airport?

Mr. MAAS. No; and let me warn you what will happen. If you go ahead and build the Camp Springs Airport, when you get through with it you will not have any air transport service to Washington at all.

Your north-south line is not going to use Camp Springs if we do build it, and they are ready to run 25 round trips a day between Washington and New York alone. If Camp Springs is developed, it will not be possible to continue to maintain the present Hoover-Washington Airport in competition with Camp Springs, and some of the major air lines will not use Camp Springs, so the net result will be a white elephant on our hands, with the probable loss of all scheduled air service to Washington. We are now completing a big Army airfield at Bolling Field, and the old Bolling Field is being turned over to the Navy, so Camp Springs is not needed for military-defense purposes. We are faced with the prospect of developing a giant airport that no one will use.

Mr. DONDERO. Would not the distance of more than 10 miles out of the city make that airport so impractical and inconvenient, and raise the price of taxi fare so much that it would be wholly outside a sphere of a commercially valuable line, so that it could not be used for the purpose intended?

Mr. MAAS. That is my view and my experience. We have an example of that in New York, with your Floyd Bennett Field, costing some $7,000,000, mostly from P. W. A. money. A magnificent field, it is true, but it is so far from New York City that nobody uses it, and today New York is building a new airport near to the city; and if we build this Camp Springs proposition, we will just have another Floyd Bennett scandal in the city of Washington.

The SPEAKER pro tempore. The time of the gentleman from Minnesota has expired.

Mr. MARTIN of Massachusetts. Mr. Speaker, I yield the gentleman 5 minutes more.

Mr. TERRY. Mr. Speaker, will the gentleman yield?

Mr. MAAS. Yes.

Mr. TERRY. How many acres are there in the present Hoover Airport, the one across the river.

Mr. MAAS. I am not sure of that, but I think the gentleman from West Virginia can answer that.

Mr. RANDOLPH. Something over 200 acres.

Mr. TERRY. How much can that be expanded?

Mr. MAAS. It can be done at much less expense than the purchase of the Camp Springs proposition. You can fill in the lagoon and add the experimental farm, take out those old factories, and move the road, and fill the land up 3 feet or more, and have one of the finest airports in the world at less than the cost of the Camp Springs proposition.

Mr. TERRY. How many acres could you get by adding in the agricultural experimental farm?

Mr. MAAS. Oh, you can go beyond the experimental farm. It is almost limitless to the west.

Mr. SCOTT. Does the gentleman think we have to have 2,500 acres for a landing field?

Mr. MAAS. Of course not.

Mr. SCOTT. Is there a landing field anywhere in the United States that approximates that?

Mr. MAAS. There is only one of 2,100 acres, and only a third of that is used.

Mr. SMITH of Connecticut. Mr. Speaker, will the gentleman yield?

Mr. MAAS. Yes.

Mr. SMITH of Connecticut. As to the availability and development of the present field, in regard to its being large enough for city use, the evidence was almost unanimous before the committee that it is a physical impossibility, that you would have to cut down that hill at great expense to get in long cross runways, that the value of the land itself, placed upon it by the Agricultural Department, is approximately $10,000 an acre, and if you fill the lagoon, you have to sink the road, and, of course, the fire commissioner is very much against that, and you have other obstacles, the factory buildings and the Arlington towers, and the other things in the field.

Mr. MAAS. Oh, the Arlington towers are coming down. We are already through with them. Our radio station has been moved to Annapolis.

Mr. SMITH of Connecticut. At the present time the field is safe only about 30 percent of the time for landing, and the pilots object bitterly to using that field except in one particular wind condition. It has been almost the unanimous testimony that that field cannot be developed.

Mr. MAAS. I am not making any particular plea for any particular landing field. I believe that the present airport can be made into an adequate airport, but there are other adequate sites closer than Camp Springs that are very much more desirable.

Mr. BREWSTER. And do I understand the gentleman from Connecticut contends that we should continue to use a $10,000-an-acre land to raise vegetables?

Mr. SMITH of Connecticut. I do not contend that.

Mr. BREWSTER. That is what they were doing with it this afternoon, or were when I was flying over it. Why could it not be used for the safety of passengers?

Mr. SMITH of Connecticut. I do not believe it can be used except at great expense.

Mr. MAAS. Anyway, Mr. Speaker, it is up to us to say what we shall do with it. We own the land. The size of airports has about reached the limit. You do not have to worry about having to buy more and more land to expand airports. You will have to adjust your airplanes to the size of the airport and that will be done. Today there is a development for accelerating take-offs which will solve the major problem, as the largest planes can land on almost any airport now. When you let your flaps down and drop your wheels you are slowing down the landing speed of your plane comparable to using air brakes on a car. The difficulty with big planes is in taking off, and that can and will be solved without much increase in the size of present airports.

Mr. NICHOLS. Mr. Speaker, will the gentleman yield?

Mr. MAAS. Yes.

Mr. NICHOLS. Will the gentleman explain to the House how you can get an airplane into a small airport in a blind landing—landing on the radio beam?

Mr. MAAS. I am talking about 5,000- and 6,000-foot runways. They are as long as they are ever going to be.

Mr. NICHOLS. How can you get a large airplane into an airport with runways of 2,000 feet and high obstructions within a radius of 2 miles of the airport?

Mr. MAAS. Where are your high obstructions within 2 miles of the Washington airport?

Mr. NICHOLS. There are the Washington Monument and the hillcrest at Arlington and the radio towers and the industrial stacks.

Mr. MAAS. The gentleman claims to know something about aviation, and if he does know anything about aviation he knows that those have nothing to do with it.

In blind landing actually you do not have to pay any attention to obstructions in any other direction than that of landing beam, because when there is fog there is no wind. If there were wind, there would not be any fog. In blind landing you come to the field in one fixed direction and you know there is sufficient adequate clear area in the direction where the blind landing system would be installed for the present airport.

Mr. NICHOLS. My friend surely is not going to say to me that he thinks that an airplane flying blind in "soup," in thick fog, should have obstructions 500 or 600 feet high within a radius of 2 miles of the airport if they are compelled to land on a radio beam with instruments.

Mr. MAAS. You come in from much farther than that on the radio beam, and when flying on the beam you do not come in circling the field. You pick up the beam a long way out.

Mr. NICHOLS. What happens to the pilot when he loses the beam and has to circle around to pick it up again?

Mr. MAAS. You do not land that way in blind flying. When you get onto your blind-landing area and pick up the beam you are brought straight in in a gentle glide. You do not circle the airport.

Mr. NICHOLS. Will the gentleman tell me what would happen when the pilot misses the cone of silence which brings him onto his beam? What happens to him while he is looking for the cone of silence in the area within 2 miles of the airport?

Mr. MAAS. He does not do his circling to recover the beam at that low altitude. The gentleman should know that.

Mr. NICHOLS. Well, 500 feet——

Mr. MAAS. He does not have to come down under 1,000 feet, and he would not do so.

Mr. NICHOLS. Does not the gentleman know that in making a blind landing you do glide for as much as 2 miles?

[Here the gavel fell.]

Mr. MAAS. I wish I had time to continue longer. [Applause.]

Mr. GREENWOOD. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. LANHAM].

Mr. LANHAM. Mr. Speaker, the matter of a national airport in Washington has been one of legislative consideration before our various committees for several years, and the longer it is pending the more controversial it becomes. It develops very largely into a controversy between owners of various pieces of real estate, each decrying the value of other pieces of real estate and exalting the value of their own.

It has been contemplated that there shall be two airports in Washington. Two airports are necessary for more than one reason. In the first place, along the river, conditions of fog sometimes make flying unsafe. So one reason, Mr. Speaker, for the establishment of an additional airport just beyond the limits of the District of Columbia is to have one of sufficient altitude to be free from these conditions of fog, and of sufficient size to be adequate for all purposes of aviation, including that of necessary defense of the Capital of the United States.

An airport bill has been pending before the Committee on Public Buildings and Grounds, of which I have the honor to be chairman, during this session of Congress. We held very extensive hearings. We flew over these various sites and visited some of them by bus in order to inspect them from the ground. There are a few good airport locations around Washington. Any of them will cost considerable money by reason of the fact that real estates enhances in value whenever it can be sold to the Government. Laying aside, therefore, the controversy with reference to these relative sites from the standpoint of real-estate arguments, it

may be said that the Camp Springs site is a splendid site for an airport.

The high-priced land to which reference has been made is land which has been improved and has buildings upon it. It can be eliminated, and it is contemplated, I understand, that it will be eliminated from this site, and that this high-priced land will not enter into this purchase.

There are a few other sites that are very good. But I dare say from the investigation we have been able to make they would cost just as much if not more. The Committee on Public Buildings and Grounds has not concluded its investigation of these various sites. It has gone about it systematically, but it does realize that this is one of the available adequate sites which can be had as economically, I believe, as any adequate site in the vicinity of the National Capital.

May I say, if it be important for an airport to be established for Washington and for the National Capital with any degree of speed, this bill furnishes the only opportunity for the enactment of a measure of that kind, because this bill has already passed the Senate. It has been reported by the Committee on Military Affairs of the House, and in the short time remaining of this session there will be no opportunity for action on any other site but this one. If there be danger in delay, if it be necessary to have this matter promptly settled, this is the only opportunity to do so.

We were a little uncertain for a while in the Committee on Public Buildings and Grounds with reference to this site because of objections interposed by the Navy Department that the use of this site as an airport would militate against the operation of the naval radio station, which was represented to us as being the means of communication with our ships and troops halfway around the world. But that objection has been eliminated. There is now no contention to the effect that we cannot have adequate communication with our troops and ships in various parts of the world.

It was my pleasure, in company with the distinguished chairman of the Committee on Military Affairs and the distinguished gentleman from Oklahoma [Mr. NICHOLS], who was a member of the original commission which visited these various sites and selected this one, to discuss this matter with the President. We have assurances there will not be any interference with Naval communication by radio with our troops in all parts of the world. I repeat, if action is to be had any time soon to obviate these continual rows of real-estate owners in various sections of the Capital and its vicinity, this is the only legislative possibility for the establishment of an airport in the reasonably near future.

[Here the gavel fell.]

Mr. MARTIN of Massachusetts. Mr. Speaker, I yield 5 minutes to the gentleman from Connecticut [Mr. PHILLIPS].

Mr. PHILLIPS. Mr. Speaker, there used to be an old gentleman up in our town in Connecticut who had a very interesting philosophy. He used to say, "What we need around here is a good grafter, because while he lines his own pockets he gets things done."

I do not subscribe to that philosophy, and I do not think any Member of this House does. While we may need a new airport, we must not lend ourselves to any proposition of that kind.

Mr. Speaker, I am speaking now as a member of the Naval Affairs Committee in discussing this proposition. It is apparently the custom of the House to take what a committee reports and act favorably on it. May I point out that the Naval Affairs Committee of the House devoted a whole morning to this matter and unanimously made a report against this Camp Springs airport proposition, and to date that committee has not changed that report. I will tell you why in a minute, but before I do so I want to tell you something that happened when that meeting was over.

All during the hearing there was sitting in the Naval Affairs Committee room an official of the P. W. A. I would like to state his name, but ethics prevents my doing so. Once or twice I have met the gentleman socially in the company of someone whom I know. When this meeting was over, this gentleman just referred to, an official of the P. W. A., came up to me and said, "You people let the Navy put it over on you again." I said, "What is your interest in the matter?" He said, "I have some options on the land over there."

I looked through the newspapers today, but I did not see his name mentioned and I assume therefore he is dealing through some kind of a stooge. They are now asking the Members of the House to put over what seems to me, after hearing the facts brought out before the Naval Affairs Committee, which devoted a morning to the matter, as I have stated, one of the most contemptible land grabs that I have seen since I became a Member of this House.

The gentleman who preceded me intimated that the Navy had withdrawn its objection. The Naval Affairs Committee heard people from the Navy Department, as stated, for a whole morning; it heard all of the facts, and there has not been a single member of the Committee on Naval Affairs I know of who has changed his opinion.

What are the facts? It was testified before the Committee on Naval Affairs, point No. 1, that the generators on the planes will seriously interfere with the Navy radio, a main sending and receiving station of the Navy, and that Navy radio will interfere with plane landing signals. It was testified that thousands of dollars have already been spent by the Navy and prospectively will be spent there.

It was also testified that the high naval aerials there would be dangerous to the planes as they come in and go out.

There was a whole hour's testimony given which showed conclusively there was no compelling reason at all why that airport should be placed over there, and that in the planning to place it there the Navy Department was entirely ignored.

The question was asked before the Naval Affairs Committee whether or not the Navy was consulted. The answer was that neither the Navy Department, nor anybody in the Navy Department, had been consulted in any way, shape, or manner when it was decided to put over this land grab to establish the Camp Springs airport as proposed.

A year ago what happened? Last August when the Senate was in the closing minutes of the session, when everybody in the House was tired out and was hanging on the ropes, so to speak, they tried to put the bill over then. This Camp Springs airport matter was called up just as the Congress was about to adjourn in the last minutes of that closing session. Now, again, in the closing hours, the night before the House adjourns, when we are nearing the end of the session and everybody is tired, this matter is again brought up and they are trying to jam this Camp Springs airport matter through, trying to put it over on you once more.

Mr. Speaker, I hope the Members of the House will not be a party to a land grab and that is what this is, nothing more or less. [Applause.]

[Here the gavel fell.]

Mr. MARTIN of Massachusetts. Mr. Speaker, I yield the balance of my time, 15 minutes, to the gentleman from California [Mr. SCOTT].

Mr. SCOTT. Mr. Speaker, I serve on the Committee on Naval Affairs and was a member of the subcommittee appointed to hear the representatives of the Navy Department on the subject of this airport. What they said to us led us to adopt unanimously, and later led the full committee to adopt unanimously, a report against the Camp Springs airport. Since that time I have paid more attention to the proposal to build an airport at Camp Springs, and I believe I have put enough study into it and heard enough about it that what I say to the House now should have some little effect on your vote. I hope the vote you cast will be to vote down this rule and not even consider this land graft, this real-estate venture. I hope you will not consider it, because if you do consider the bill and pass it you will see the day you will regret your action because of the things that will come after in the way of disclosure as to what has been going on in getting this airport.

Let me repeat what the gentleman from Connecticut has just said. The last thing that occurred on the floor of this

House on the closing day of the first session of the Seventy-fifth Congress was an attempt by the gentleman from Kentucky to call up this bill, S. 2838. The matter was still being discussed on the floor when the Speaker said to the gentleman:

I think you might just as well drop this because the Senate has already adjourned sine die, and any action that we may take now will have no effect.

At the last minute of the session it was attempted to push this bill through.

This bill passed the Senate on the 13th day of August 1937 and has been with us ever since. We have had several months in which we might have had the bill called up; but no; we wait until the night before the day we adjourn and bring it up again in a slough of rules. Why? Why did it not come up on the calendar for discussion under the ordinary procedure? Why leave its consideration until the last minute? My only answer to that is that it is done with the hope that the House would be in such a turmoil or there would be so few Members paying any attention to the matter that the bill could be pushed through. I think it is for that one reason that the bill has been held up until the last minute. I believe we ought to refuse to consider the bill until we know more about it.

Mr. SMITH of Connecticut. Mr. Speaker, will the gentleman yield?

Mr. SCOTT. I am sorry; I am going to refuse to yield to any question.

The Navy has had at Cheltenham a radio broadcasting system. So far they have spent $371,500 on it and intend to spend more.

TABLE I. *Radio station near Camp Springs, expenditures to date*

1 commanding officer's quarters	$14,500
Warrant officer's quarters	12,000
6-family apartment house	48,000
19-man barracks	54,000
Powerhouse	6,000
Main operating building	35,000
Total for buildings	169,500
Clearing the land and grading	131,000
Land (559 acres)	16,000
Roads, bridges, etc	55,000
	371,500

None of the above can be economically salvaged.
All buildings are of brick construction.

They are moving from Arlington because of the noise that occurs there which interferes with the reception. The Navy looked all over this part of the country for a place to put a radio station and finally, believing there would be no development out that way, went clear out into the middle of this forest, among the trees, and established this station. Then appeared the desire for this airport.

One of two things has to happen: Either you build that airport there and let the airport interfere with the station the Navy is building, and let the station the Navy has built and is building interfere with and present obstacles to the landing of planes, or you move the Navy's broadcasting station out of there. If you do the latter, you destroy the $371,500 worth of work that has already been done out there and tell the Navy to go some place else and find another site. When you do that, it adds to the cost of this airport, if you put it there, to the extent of $742,000, this being the cost of what you tear down and what it will cost you to replace what you have already done.

The Navy opposed this proposal at the time. The Navy is not now opposing it as vociferously as it did then. One of two things has happened. Either the Navy when it came before our committee and protested vehemently against placing this airport out here was captious in its opposition to this bill, or something has happened since then to shut the mouths of the representatives of the Navy. What has happened I do not know, frankly, although I may make guesses. However, I do not believe, having heard the testimony of those gentlemen before our committee, that their objections to the bill at that time were merely captious.

Mr. BATES. Mr. Speaker, will the gentleman yield?

Mr. SCOTT. I am sorry, I cannot yield.

Now, Mr. Speaker, why build another airport? Do we need two of them now? If we have two airports and part of the business goes to Camp Springs and the other part to the Washington-Hoover Airport, neither of the airports will make enough money to get by. I understand that the Washington-Hoover Airport today takes in about $70,000 a year for the use of that landing field. There is not enough money coming in to run two airports. The airplanes that are coming in here are not going over to the Camp Springs Airport, and I will tell you why. They would be silly if they did.

Mr. ANDERSON of Missouri. Mr. Speaker, will the gentleman yield?

Mr. SCOTT. No, I cannot yield; I am sorry.

In Virginia I am told there is no tax on aviation gasoline. The air lines saved approximately $70,000 last year by not having to pay the tax on gasoline, and this $70,000 was used to pay the airport for the privilege of landing their planes there. In Maryland I am told there is a tax on airplane gasoline, and I understand the tax is 5 cents per gallon. Do you believe any aviation company will use the Camp Springs airport and pay a tax of 5 cents a gallon on its gasoline if it can go into the Washington-Hoover Airport and not have to pay a tax on gasoline? If you are going to eliminate that difficulty, I fear that you will have this to do: You will have to make a Government reserve out of the Camp Springs airport and run it as such.

When you do that, then they are going to come back to this Congress and ask you for improvements on the Federal reserve and some more expense will be added to the Camp Springs airport, and on top of that the property all around the parcels of land that will be taken for this airport will go up in value. Now, I wonder if this is not the nigger in the wood pile. There is where it begins to get profitable for somebody to operate in real estate, and that is why they want the airport out there. You can prove this, I think, by referring to the options that have been taken out there.

This Airport Commission was acting in 1937. They were meeting then in secret to determine where they were going to put this airport. In connection with the airport that is contemplated, options have been taken on 21 parcels of land, and listen to this: Since the Airport Commission was established, 10, as I recall, of those 21 parcels of land have changed hands at least once, and some of them twice, and now all of the Members of the House of Representatives received a letter from a man by the name of John A. Brickley, 209–210 Barr Building, Washington, D. C. The letter came to your homes. Now, get tonight's Star, look in there and see how much John A. Brickley is going to get for the parcel of land he owns—$110,000. Of course, he can afford to send out a six- or eight-page mimeographed letter to every Member of Congress urging the passage of this bill so they will buy his land. Who is John A. Brickley?

Then I wish you had the time, and I hope to goodness you put this off until you take time to do it, by some kind of investigation to compare the assessed valuation of this land with the options. The commission you appointed, I am told, hired three men and sent them out to get options in this territory. Supposedly, they did not tell what they wanted the land for, but everybody out there knew the Government was contemplating the building of an airport out there. These men, assigned by the Government to do it, were getting the options, according to my information, on the method of cost plus. You know what that means. They went to the man who owned the land and said, "If I can get you $10,000 for your property, will you kick back 2 percent, will you kick back 5 percent, will you kick back 10 percent?" They went as high as demanding 10 percent from the property owners for getting the option, while they were working for the Government.

Now, if you people in this House want to be a party to that and take what one of the papers described as "a pig in a

poke" without knowing what is going on there, without knowing the amount of lobbying that has been going on in favor of this airport or the number of transactions in the land that has taken place out there and the names of some of the people involved out there who appear on the records as having once owned the land for a few weeks and then having sold it to somebody else—if you gentlemen in this House want to pass a bill like that just because somebody says we are in the closing days of the session and if you do not do it you will not have a chance, you are taking unto yourselves a responsibility that I personally do not want.

Mr. GOLDSBOROUGH. Mr. Speaker, will the gentleman yield?

Mr. SCOTT. I cannot yield.

Mr. GOLDSBOROUGH. The gentleman does not want to make accusations here without proof.

Mr. SCOTT. I refuse to yield, Mr. Speaker, and I will tell you why I shall have to refuse to yield to anybody. I am going to explain that. I asked for time on my side of the House to discuss this matter. I spent some time in looking into this question. I have had some individuals go into the State of Maryland and check these records to see who owned the land, and there are some names involved, and if you will put this thing off until there is a chance to verify them on the records of the State of Maryland, I will disclose that information on the floor of the House, and then you will not want to be a party to passing this airport bill [applause], but I could not get the time on my side of the House to do it. I asked for the time and I was told that it was the policy to rush this rule through in a hurry so we can get out of here. I was told that I would not be given time on this side of the House because they wanted to get it to a vote; that I could take my time under the 5-minute rule, and I could have 5 minutes in the discussion of the bill. I do not want this thing to come to a vote on the bill. I want to stop it right here with this rule. I had to go to the other side of the House for my time. The gentleman from Massachusetts [Mr. MARTIN] very graciously gave me 13 minutes. I need all of that time to tell you what I know. Had I had additional time I would have been glad to yield for questions. I hope to goodness that on the sketchy information I have been able to produce in my limited time, on the information that is in greater detail in the papers, if you will take the trouble to read them, that you will when you realize that the options are from four to seven times the assessed valuation of the property down there, refuse to consider this land-graft bill, this real-estate promotion, and not be a party to giving this money to these people. [Applause.]

[Here the gavel fell.]

Mr. GREENWOOD. Mr. Speaker, I yield the remainder of my time to the gentleman from Oklahoma [Mr. NICHOLS].

Mr. NICHOLS. Mr. Speaker, some rather pointed statements have been made by the gentleman who just preceded me. I am sure that the gentleman is in good faith, and I am sure that when he agreed to introduce the resolution for the Washington Times yesterday, after three Members of the House had first refused to introduce that resolution, he was also acting in good faith. Let me advise the House what members of the Commission the gentleman charges with collusion. I now name them. Appointed after a joint resolution had been adopted by both the bodies, they are Senator Royal S. Copeland, of New York; William R. Austin, Senator from Vermont; William H. King, United States Senator from Utah; Mary T. Norton, Representative from New Jersey; W. Sterling Cole, a distinguished Member of the minority from New York; Jack Nichols, myself; Frederick A. Delano, Chairman of the National Capital Park and Planning Commission; Daniel I. Sultan, Colonel, Engineer Commissioner of the District of Columbia; Major General Westover, of the Air Corps, Chief of the Air Corps of the United States Army.

Let me give you a little history. That Commission assembled its members and called before its assembly not a single witness. Not a single real-estate man was called nor yet a single owner of a parcel of land was permitted to give testimony before that Commission. Why? Because that Commission had at its disposal the services of the Corps of Engineers of the United States Army and the Air Corps of the United States Army. The first thing that Commission did was to take an airplane picture of the 15-mile radius of the District of Columbia. Then, that airplane picture was laid before the Commission and we studied the terrain. Forty-nine sites were picked by the Corps of Engineers of the United States Army in and around the District of Columbia. Not a single witness appeared yet. The Corps of Engineers went out, unannounced, no one knew what they were doing, flew over the sites, drove around them in automobiles, and walked over them on foot, and 49 reports in respect to 49 different sites were filed before the Commission, and I have in my hand the data on all of them.

The Commission then worked up a chart, and said to the Corps of Army Engineers give so much percentage to location, so much percentage to nearest to the post office, so much percentage to fog or lack of fog, so much percentage to drainage of land, so much percentage to the character of the land, so much percentage to prevailing winds, so much percentage to general climatic conditions, and all things that we could think of that could possibly be elements in the consideration of the selection of sites. We worked that up and then said to the Corps of Engineers, go out on the 49 sites and apply these rules, and then bring back to this Commission the top 10 sites. Mind you, no real-estate man has yet been called before the Commission, no speculator in the District of Columbia or any place else yet knew what was going on. The Corps of Engineers brought back 10 sites, and after they had brought them back we worked out a further rule of percentage in executive session, when no one knew anything about it. We then sent them out and told them to eliminate the matter down to three sites. When they had eliminated it down to three sites every member of the Commission drove around and walked over those sites.

When we got there, applying all of the impartial percentages, Camp Springs stood out so far above all of the rest that we had to agree on it, and you will remember my actions on this floor. I am the man who has been accused of being biased in favor of the Washington Airport. You remember it. I do think it would make a good airport, but against the impartial application of that rule, Camp Springs stands out far above any other site that was offered. When we had finally decided among those nine members—and I defend the integrity of any and every one of them and welcome the gentleman's investigation of anything that happened in this whole transaction—when we had decided on Camp Springs, not yet had there been a single real-estate man before us. Then we called in the pilots, such men as Eddie Rickenbacker, and the heads of the various airlines, who operate in and out of these airports. We called in airport managers all over the United States. We had Colonel Creel before our committee, all in executive session, testifying one at a time, and we laid before them the information that we had, and without a single exception, including Eddie Rickenbacker, there was not one who did not agree with the Commission that Camp Springs, for an all-purpose, all-weather airport, was the finest site that could have been selected for the District of Columbia.

Mr. WOLCOTT. Mr. Speaker, will the gentleman yield?

Mr. NICHOLS. I am sorry, but my time is limited and I have an awful lot of ground to cover. After that, when there had not been a single dissenting vote against it, then the Commission did the dastardly deed, we did the terribly awful thing, we called in and gave Mr. Delano and Colonel Sultan, Commissioner of the District of Columbia, authority to go out and pick men who would go into this area and take options upon that site.

No one yet knew that Camp Springs was even being considered. Camp Springs had never been submitted to any committee that I had been on, and I have worked on this subject the whole 4 years that I have been here. No one knew it was being considered.

Those men went out there and took options on that land. If there is any conniving in it, if there is corruption, let us have an investigation and send some of them to the penitentiary. I am willing. [Applause.] But do not destroy the finest airport that can be obtained in the District. They came back and told the Commission they had taken options on that land at prices more attractive than they had hoped themselves to be able to obtain. They told us they had many options which cost them not a cent. I do not know their names, I never saw one of the men who took the options, but I am constrained to the opinion that Fred Delano and that Commissioner Sultan are honorable, honest men whose integrity cannot be questioned. This thing was in their charge and under their care.

Let us see what the pilots say about Camp Springs. These are the boys who fly the airplanes in and out of the airports. Here is a two-page letter. I quote only two paragraphs from the letter, but I ask unanimous consent that I may incorporate the complete letter in the RECORD.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. NICHOLS. The letter makes this statement:

If the Camp Springs bill is defeated, it will mean that operations must continue off the present unsatisfactory and dangerous airport site.

Of course, it means that, for there is no other place for them to operate. Listen to the closing paragraph:

The President has done a good job, and his airport proposal should be carried to a conclusion as quickly as possible, because this matter has been hanging fire now for upward of 10 years, and something should be done about it immediately in the interest of safeguarding the lives of air travelers to and from the Capital City, many of whom are national and foreign representatives of distinction and their families.

That is signed by David L. Behncke, president of the Airline Pilots Association.

In the name of the pilots who have to fly the planes, in the name of the passengers who have to ride in them, I beseech this House to adopt this rule and ultimately to pass the bill, to the end that the Capital of the greatest nation in the world can within a few years have the model airport of the whole world and take her place at the head of the procession of nations, not only in supremacy of the air but also in supremacy of the airport and the national defense of the National Capital; and I guarantee you that you will have behind you the good spirit and the good will of all of those in the business of aviation today and of all of those who are fairly conversant with the subject. This rule should by all means be adopted and the bill finally be passed. [Applause.]

The letter referred to follows:

THE AIR-LINE PILOTS' STAND ON THE WASHINGTON AIRPORT SITUATION

1. The only interest the air-line pilots have in the District airport situation is to immediately secure a good, safe airport capable of accommodating present-day and future equipment.

2. We did not become involved in the relative merits of the different sites that were selected for the reason that we did not wish to become meshed in the many special-interest groups involving factions sponsoring this and that site for special reasons.

3. Our only interest has been to secure an adequately large, safe, and obstruction-free airport for this locality in the interest of protecting the lives of the pilots and the precious human cargo that is constantly entrusted to them for safe passage.

4. If a better site equal to or better than Camp Springs can be found that will, of course, be entirely satisfactory to the pilots, but from the observations we have made this is impossible, taking into consideration the needs of the present and future day airport as to size, surrounding obstruction-free area, and all of the other requirements necessary to modern flying.

5. The President is to be commended for the splendid work he has done in his attempts to straighten out the very involved Washington Airport situation, and his recommendations should be followed.

6. If the Camp Springs bill is defeated, it will mean that nothing will be done to alleviate the dangerous situation that now exists because of the lack of adequate airport facilities for Washington for at least 2 more years and in all probability for a much longer period of time.

7. If the Camp Springs bill is defeated, it will mean that operations must continue off the present unsatisfactory and dangerous airport site. Accidents have been avoided only by reason of the skill of the pilots and pure luck, but this cannot go on forever. If something is not done as quickly as possible to build an adequate airport for the District, the way is being left open for a terrible airplane crash, bringing with it the usual appalling loss of human life.

8. We hear much about the loss of business on the part of the air lines operating so-called merry-go-rounds to and from Washington. In the first place, where safeguarding human life is involved, profits should not be the primary consideration. In the second place, if any airline suspends any merry-go-round schedules to Washington that they are now operating, other air-line companies will replace such schedules immediately.

9. The difference in time going to the present airport site and the new airport site over an express highway is negligible. By their own statement, it takes 10 minutes to go to the present airport. Usually it takes longer. Add 10 minutes to this and passengers could easily go out to a sufficiently large, obstruction-free, safe airport such as the President's airport commission has selected. In our opinion, 10 minutes in running time between Washington and New York is not sufficient to affect traffic to any noticeable degree.

10. Nothing should stand in the way to the immediate building of an airport for our Capital City second to none, not only in this country but the entire world. This is necessary not only from a civil aviation development point of view but also as an auxiliary to national defense.

11. The President has done a good job, and his airport proposal should be carried to conclusion as quickly as possible, because this matter has been hanging fire now for upward of 10 years, and something should be done about it immediately in the interest of safeguarding the lives of air travelers to and from the Capital City, many of whom are national and foreign representatives of distinction and their families.

DAVID L. BEHNCKE,
President, Airline Pilots' Association.

The SPEAKER pro tempore (Mr. WILCOX). The time of the gentleman from Oklahoma has expired; all time has expired.

Mr. GREENWOOD. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the adoption of the resolution.

The question was taken; and on a division (demanded by Mr. GREENWOOD) there were—ayes 69, noes 133.

Mr. NICHOLS. Mr. Speaker, I ask for the yeas and nays.

The SPEAKER pro tempore. The gentleman from Oklahoma asks for the yeas and nays. Those in favor of taking this vote by the yeas and nays will rise and stand until counted. [After counting.] Seventeen Members have arisen, not a sufficient number. The yeas and nays are refused.

On motion of Mr. SCOTT, a motion to reconsider the vote by which the resolution was rejected was laid on the table.

STILL FURTHER MESSAGE FROM THE SENATE

A still further message from the Senate, by Mr. St. Claire, one of its clerks, announced that the Senate insists upon its amendments to the bill (H. R. 2716) entitled "An act to provide for the local delivery rate on certain first-class mail matter," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MCKELLAR, Mr. HAYDEN, and Mr. FRAZIER to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1831) entitled "An act to provide for the payment of attorneys' fees from Osage tribal funds."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 1995) entitled "An act to add certain lands on the island of Hawaii to the Hawaii National Park, and for other purposes."

The message also announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 1131. An act to amend the part of the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1921, and for other purposes," approved June 4, 1920, relating to the conservation, care, custody, protection, and operation of the naval petroleum and oil-shale reserves; and

S. 3560. An act to revise the boundaries of the Colonial National Historical Park in the State of Virginia, and for other purposes.

INVESTIGATION OF MONOPOLIES

The SPEAKER. The Chair recognizes the gentleman from Texas [Mr. SUMNERS].

Mr. SUMNERS of Texas. Mr. Speaker, I move to suspend the rules and pass Senate Joint Resolution 300.

The Clerk read the Senate joint resolution, as follows:

Senate Joint Resolution 300

Joint resolution to create a temporary national economic committee

Resolved, etc., That there is hereby established a temporary national economic committee (hereinafter referred to as the "committee"), to be composed of (1) three Members of the Senate, to be appointed by the President of the Senate; (2) three Members of the House of Representatives, to be appointed by the Speaker of the House of Representatives; and (3) one representative from each of the following Departments and agencies, to be designated by the respective heads thereof: Department of Justice, Department of the Treasury, Department of Labor, Department of Commerce, the Securities and Exchange Commission, and the Federal Trade Commission. Such representative may designate an alternate to sit and act for him on the committee in his absence. Any such alternate, while so acting, shall have the same rights, powers, and duties as are conferred and imposed upon a member of the committee by this joint resolution. Any member appointed under clauses (1) and (2) may, when unable to attend a meeting of the committee, authorize another such member to act and vote for him in his absence. A vacancy in the committee shall not affect the power of the remaining members to execute the functions of the committee and shall be filled in the same manner as the original selection.

SEC. 2. It shall be the duty of the committee—

(a) To make a full and complete study and investigation with respect to the matters referred to in the President's message of April 29, 1938, on monopoly and the concentration of economic power in and financial control over production and distribution of goods and services and to hear and receive evidence thereon, with a view to determining, but without limitation, (1) the causes of such concentration and control and their effect upon competition; (2) the effect of the existing price system and the price policies of industry upon the general level of trade, upon employment, upon long-term profits, and upon consumption; and (3) the effect of existing tax, patent, and other Government policies upon competition, price levels, unemployment, profits, and consumption; and shall investigate the subject of governmental adjustment of the purchasing power of the dollar so as to attain 1926 commodity price levels; and

(b) To make recommendation to Congress with respect to legislation upon the foregoing subjects, including the improvement of antitrust policy and procedure and the establishment of national standards for corporations engaged in commerce among the States and with foreign nations.

SEC. 3. (a) The committee shall have power to appoint subcommittees to assist the committee in its work. The members of the committee shall serve without additional compensation but shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the exercise of the functions vested in the committee.

(b) The Department of Justice, Department of the Treasury, Department of Labor, Department of Commerce, the Securities and Exchange Commission, and the Federal Trade Commission are directed to appear before the committee or its designee and present evidence by examination of witnesses or the introduction of documents and reports. The evidence presented by each of these agencies shall cover the subject matter of this inquiry which is within its administrative jurisdiction under existing law or which may be assigned to such agencies by the committee. Each such agency is authorized to request the committee to issue such subpenas as such agency may require for the attendance of witnesses and the production of documents and reports.

(c) The committee shall have power to employ and fix the compensation of such officers, experts, and employees as it deems necessary for the performance of its duties. The committee is authorized to utilize the services, information, facilities, and personnel of the Departments and agencies of the Government.

SEC. 4. (a) Prior to the opening of the first session of the Seventy-sixth Congress or as soon thereafter as is practicable the committee shall transmit to the President and to the Congress preliminary reports of the studies and investigations carried on by it, and by the Departments and agencies represented thereon, together with the findings and recommendations of the committee, and shall submit to the President and to the Congress as soon as practicable thereafter, during or prior to the termination of the Seventy-sixth Congress, further and final reports of the studies and investigations carried out pursuant to this resolution, together with the findings and recommendations of the committee.

(b) A majority of the committee shall constitute a quorum, and the powers conferred upon them by this joint resolution may be exercised by a majority vote.

(c) All authority conferred by this joint resolution shall terminate upon the expiration of the Seventy-sixth Congress.

SEC. 5. For the purpose of this joint resolution the committee, or any subcommittee designated by it, shall be entitled to exercise the same powers and rights as are conferred upon the Securities and Exchange Commission by subsection (c) of section 18 of the act of August 26, 1935 (49 Stat. 831); and the provisions of subsections (d) and (e) of such section shall be applicable to all persons summoned by subpena or otherwise to attend and testify or to produce books, papers, correspondence, memoranda, contracts, agreements, or other records and documents before the committee.

SEC. 6. (a) There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $500,000, or so much thereof as may be necessary, to carry out the provisions of this joint resolution.

(b) Of the funds authorized to be appropriated under subsection (a), not to exceed $100,000 shall be immediately available for expenditure by the committee in carrying out its functions and not to exceed $400,000 shall be available, as the President shall direct, among the Departments and agencies represented on the committee to enable them to carry out their functions under this joint resolution.

Mr. MICHENER. Mr. Speaker, I demand a second.

Mr. SUMNERS of Texas. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER. The gentleman from Texas is recognized for 20 minutes.

Mr. SUMNERS of Texas. Mr. Speaker——

Mr. RAYBURN. Mr. Speaker, will the gentleman yield for a question?

Mr. SUMNERS of Texas. I yield.

Mr. RAYBURN. I have asked my colleague to yield for the purpose of saying to the Members of the House that I hope they will remain here, because this suspension on the monopoly-investigation resolution and a suspension on a resolution for the investigation of the phosphate supply of the country are the only things that will be taken up this evening. I trust we may stay here for 50 or 60 minutes longer in order to dispose of these matters.

Mr. SUMNERS of Texas. Mr. Speaker, this is a very important matter. It is almost midnight, and, in order to expedite the proceedings, we are asking the consideration of the resolution under suspension of the rules instead of under a rule. I want to be as helpful as I can in the time available. For this reason, I hope that I may have the attention of the Members while I make a brief explanation of the resolution.

Historically, it will be recalled that the President sent a message to the Congress suggesting the appointment of a committee to be composed of the representatives of three of the executive departments of the Government to conduct an examination with regard to monopolies, and so forth. Following that message, a bill was introduced in the Senate by Senator O'MAHONEY proposing the addition to the suggested agencies for the investigation of two representatives each from the House and the Senate to act with these representatives of the executive departments of the Government. I was called into conference; there were a series of them, in which persons representing these executive agencies participated. Later the matter was considered in the Senate, and, as it passed the Senate, there was provision that there be 3 Members of the Senate, 3 Members of the House of Representatives, a representative of the Departments of Justice, Treasury, Labor, Commerce, the Securities and Exchange Commission, and the Federal Trade Commission, making a committee of 12 members, 6 members from the executive departments and 6 members from the two branches of Congress.

It is provided in the bill that when these designated representatives of the executive branch of the Government cannot attend they may designate others to serve for them.

It is also provided in the bill, and this is a rather important provision, that when the members of the legislative branch of the Government cannot be present they may give their proxy to some member of the committee from the legislative branch of the Government; at least that is what is contemplated and that is what will occur.

Without going into the details of the bill, as was stated this evening in a previous discussion, this bill proposes and gives breadth of inquiry into the whole field that is discussed when monopolies are considered in this country.

Mr. Speaker, I yield for questions.

Mr. Speaker, in the absence of any questions I reserve the balance of my time.

Mr. MICHENER. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. HANCOCK].

Mr. HANCOCK of New York. Mr. Speaker, if any Member of the House thinks this resolution will bring about a bona fide investigation into the economic situation in the United States he is guileless, credulous, and simple-minded. This will be an investigation by the administration itself, and in substantiation of that statement I call attention to the provisions of the bill itself.

It provides that this investigating committee shall consist of representatives of six different groups of the executive department and three Members of the Senate and three Members of the House. Being optimistic, I should say one Member of the Senate would be a new dealer, one Member of the Senate would be a Democrat, and one would be a Republican; likewise, in the House, it is to be assumed that one of the investigating committee will be a new dealer, one a Democrat, and one a Republican. In other words, the administration will control this committee.

If we need an investigating committee, let us have either the executive department do the job or let us have the legislative branch do it, or else turn it over to a group of nonpartisan economists, such as the Brookings Institution or other groups who might do it without thought of the coming election.

[Here the gavel fell.]

Mr. BACON. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] Two hundred and twenty-seven Members are present, a quorum.

Mr. MICHENER. Mr. Speaker, I yield 3 additional minutes to the gentleman from New York [Mr. HANCOCK.]

Mr. HANCOCK of New York. Mr. Speaker, I hope you will appreciate the duties that have been assigned to this proposed committee. It is to solve all the economic problems of America. Section 2 says:

> It shall be the duty of the committee (a) to make a full and complete study and investigation with respect to the matters referred to in the President's message of April 29, 1938.

If you read that message you will find that it involves the entire economic structure of the United States:

> The causes of such concentration and control and their effect upon competition; the effect of the existing price system and the price policies of industry upon the general level of trade; the effect of existing tax, patent, and other Government policies.

In other words, the duty of this committee will be to solve the economic problems of America and the world and it will be composed of appointees of the President of the United States, selected from the executive departments, with a few Members of Congress who will undoubtedly be the tail to the kite on this committee.

The most humiliating proposition that has ever been put up to the House of Representatives since I have been here is the concluding subsection of this bill. Let me call your attention to it. It reads as follows:

> Of the funds authorized to be appropriated under subsection (a), not to exceed $100,000 shall be immediately available for expenditure by the committee in carrying out its functions and not to exceed $400,000 shall be available, as the President shall direct, among the Departments and agencies represented on the committee to enable them to carry out their functions under this joint resolution.

I think this is the most debasing resolution that has ever been presented to the Congress of the United States. If we are going to have a legislative investigation into these economic problems of the United States, let us have the legislative branch do it. If we want the President of the United States to make it, let us leave Congress out of it. Personally, I think if we want a real solution of our economic problems let us put it up to the Brookings Institution or some other comparable nonpartisan group of economists competent to pass on these national problems. [Applause.]

[Here the gavel fell].

Mr. MICHENER. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. SNELL].

Mr. SNELL. Mr. Speaker, as far as I am concerned, I am not interested in monopolies. As a matter of fact, I know very little about them. Certainly, there is no one to say any word in their favor.

I am in entire accord with what my colleague, the gentleman from New York, has said. If you are going to have an investigation, a real one, either let Congress do it or let the President of the United States do it. I am surprised at the attitude of the other body with regard to this investigation. Only a few years ago I was on a conference committee with Members of the Senate and they took the positive stand, although the House had passed a resolution somewhat similar to this, providing for a joint investigation by the executive Departments and Members of the Senate and the House, that they never would have an investigation of that character. We met in conference for 2 or 3 weeks over the entire winter, and the resolution died. I am surprised to find that the other body has so materially changed its position at the present time.

If I recall correctly, it was only a short time ago that the President's Secretary of Labor asked the Senate for authority to subpena witnesses in connection with labor relations disputes. She was promptly denied that power. Under this resolution you are giving four Departments of the Government and two independent agencies the power to investigate the economic life of this country.

As a matter of fact, while this committee it set up only as a temporary proposition, my judgment is, and I predict, that this will become a permanent investigating committee. It will be a good deal like two committees of another body which are now investigating civil liberties and lobbying. They are two investigations that are going on indefinitely. As a matter of fact, they furnish an opportunity for persecution of various citizens and corporations of the country.

If you start this investigation under the plan as laid down in this resolution, you will adopt exactly the same tactics. I should think the two bodies of Congress would be absolutely ashamed to start an investigation and give the executive departments $400,000, leaving only $100,000 for their own use. This proves on the face of it who is going to make this investigation. If this House has any respect for itself or any respect for the Congress of the United States, which the Supreme Court has decided should make these investigations, you will certainly never go on record by adopting a resolution of this kind providing for the creation of a mixed committee, absolutely controlled by the President and the executive departments of the Government. I know how they will use this committee, and you ought to know from previous experience. [Applause.]

[Here the gavel fell.]

Mr. SUMNERS of Texas. Mr. Speaker, I yield 3 minutes to the gentleman from Texas [Mr. RAYBURN].

Mr. RAYBURN. Mr. Speaker, when the matter of monopoly legislation was first talked about a great many of our friends and critics said, "Are you going to rush into this thing? Are you going to begin passing far-reaching laws without adequate study?" When the antitrust statute was passed in 1890 and when practically only one revision had been made of it, the Clayton Act of either 1914 or 1915, they began throwing up their hands and saying, "Are you going to plunge into this great subject without any investigation of it? Are bills going to be introduced into the Congress and rushed through without consideration?"

The present occupant of the chair and I were at conferences where this matter was discussed in the beginning, and it was decided that in order to do away with criticism that

action was hasty and ill-considered, without the people vitally interested being given an opportunity to be heard, the whole field of monopoly law at the present time, and the prospective law to govern this subject, should be gone into thoroughly. At that time the idea of a thorough, searching, and far-reaching investigation by the Congress, with the help of the executive departments—and they will be most helpful, indeed—was determined upon. Of course, we thought then that nobody would object to having a thorough and complete investigation to find out if monopoly did exist and to make recommendations for the sound, I hope sane, and deliberate consideration of the House of Representatives and the Senate. Because we in this instance are not subject to the criticism of rushing hastily into this broad field of monopoly legislation and are doing what our friends would have advocated and complained of if we had not done it, they are, of course, disappointed that that criticism is taken away from them. Therefore I believe everyone in this House should be willing, and is willing, that a committee of the Congress should go into this question, dissect it, and say whether or not any legislation at all is necessary, and, if it is necessary, make recommendations to the Congress of the United States, which, through its committees, can then deliberately pass upon the question. [Applause.]

[Here the gavel fell.]

Mr. MICHENER. Mr. Speaker, I am somewhat surprised at the speech of the minority leader, who just preceded me. [Laughter.] I mean the majority leader. I certainly did not intend to cast any reflection. I was simply thinking in prospect. I take it from your approbation of what I have just said that you were also surprised. The distinguished majority leader devoted a large part of his time to the discussion of the advisability of deliberation in the enactment of important legislation. He told the House that there should be no hasty action when dealing with important matters; that this resolution does deal with a most important matter and the entire subject should be approached with caution. The action the House is taking tonight is directly in opposition to the advice given by the distinguished gentleman from Texas [Mr. RAYBURN]. It is now after 11 o'clock. The midnight hour approaches. The House has been in session continuously and without recess since 12 o'clock noon. Many of the Members are not on the floor. Many of those who are present are well-nigh exhausted, and under these conditions the House is confronted with this far-reaching resolution.

On April 29 President Roosevelt sent a special message to Congress asking for a general investigation of the economy of the Nation. Special reference was made to monopolies, and, therefore, many of the uninformed call this the "monopoly" investigation. A resolution in accordance with the President's message was introduced in the House by the chairman of the Judiciary Committee and in the Senate by Senator O'MAHONEY, of Wyoming. No hearings have been held by the Judiciary Committee and no action whatever was taken by the committee concerning this resolution until last Friday, June 10. On that occasion the resolution was called up for consideration, and the author of the Senate resolution was the only witness appearing in behalf of the resolution. May I remind the majority leader that there certainly was no haste between April 29 and June 10 in bringing up this resolution. There was plenty of deliberation by the leadership during that period. In short, there was no consideration given to the resolution and no action asked for by the Judiciary Committee until June 10. The Judiciary Committee by a divided vote reported the resolution favorably and the Rules Committee granted a rule making it possible for the House to debate the resolution and giving the House an opportunity to amend the resolution. This was the action contemplated and which was expected. Those opposed to the resolution had no idea that the rules were to be suspended and the right to read the resolution for amendment cut off with but 20 minutes on a side for debate before the vote. This suspension rule is the standing "gag" rule of the House. Naturally, I was surprised when the chairman of the Judiciary Committee arose and moved to suspend the rules and pass the bill. All we can do about it now is to talk for 40 minutes and then vote "yes" or "no." I ask you, Mr. Majority Leader, whether this is deliberate and considered action on the part of the House or is it the steam-roller method to force through a resolution that cannot stand the test of debate just because the administration wants it? The majority in the House is so large that I concede that the rallying call of the majority leader will be most effective. You have the power to pass this legislation or about any other legislation you desire. As a minority, we can only plead and protest. Recent experience tells us that it does not make much difference which ccurse we pursue; the result is the same. Obedient New Deal Members still follow the leader.

The resolution which we are considering has not as yet been analyzed other than to say that its purpose is to carry out, insofar as possible, the recommendations made by the President in his message of April 29, 1938. In a casual survey of the resolution, we find there is established a national economic committee to be composed of three Members of the Senate, to be appointed by the President of the Senate; three Members of the House of Representatives, to be appointed by the Speaker of the House of Representatives; and one representative from each of the following departments and agencies, to be designated by the respective heads thereof: Department of Justice, Department of the Treasury, Department of Labor, Department of Commerce, the Securities and Exchange Commission, and the Federal Trade Commission. Such representatives may designate an alternate to sit and act for him on the committee in his absence. Any such alternate, while so acting, shall have the same rights, powers, and duties as are conferred and imposed upon a member of the committee by this joint resolution.

Any Member of Congress who has been appointed to the committee, when unable to attend a meeting of the committee, may authorize another such member of the committee to act and vote for him in his absence.

It is not intended that the Members of Congress will make this investigation. The proxy system adopted makes it possible for one of the congressional members of the committee to hold the proxies of all the others, and vote when it is necessary. The upshot of the whole thing will be that the representatives of the departments and agencies will do the investigating. This was what President Roosevelt demanded in his message. A congressional investigating committee has responsibility. In this instance the proxy will make it possible for one New Deal Member to represent the entire congressional membership of the committee when a vote is necessary. This insures Executive domination. The resolution provides $500,000 to cover the expenses of the investigation. But $100,000 is controlled by the committee, while $400,000 is to be expended under the direction of the President. Does this sound like a congressional or an Executive investigation? Just giving the President $400,000 more to spend as he desires. If it is intended that this committee is to conduct its own investigation, why give the Executive the control of the money?

Mr. CELLER. Mr. Speaker, will the gentleman yield?

Mr. MICHENER. I would rather not yield, as I have so little time, but I will yield for a short question.

Mr. CELLER. What are the six Members of the Senate and House going to do meanwhile? Are they going to stand by like nincompoops and do nothing?

Mr. MICHENER. All I know is what the witness before our committee said, and if the gentleman was present, he probably heard him say it.

Mr. CELLER. I was present. Will the gentleman yield for a question?

Mr. MICHENER. I will yield for a short question.

Mr. CELLER. Was not that discussion on the amount of the appropriation when Senator O'MAHONEY came before us and said there was some difficulty——

Mr. MICHENER. I refuse to yield further. The gentleman can make a speech in his own time.

Mr. FISH and Mr. O'MALLEY rose.

Mr. MICHENER. I yield first to the gentleman from New York.

Mr. FISH. I just want to know where Tommy Corcoran and Benny Cohen come in?

Mr. MICHENER. I do not want to inject any partisan politics into this important debate. I think, however, the Congress will take judicial notice of the fact that Messrs. Corcoran and Cohen are White House advisers and exponents of that philosophy that seeks to make over our entire economic and social system in accordance with some Old World patterns.

Mr. FISH. Whose proxy will they have?

Mr. MICHENER. I have no idea. They may operate by remote control.

Mr. FISH. Did they sponsor this bill?

Mr. MICHENER. I hope the gentleman will not ask me to yield further along that line.

Mr. O'MALLEY. Mr. Speaker, will the gentleman yield?

Mr. MICHENER. I yield for a short question.

Mr. O'MALLEY. Is it intended that the proxies or the alternates for the Members of the House and Senate shall be other Congressmen or other Senators?

Mr. MICHENER. No, the proxies would cover only those Members of Congress who are members of this committee.

Mr. O'MALLEY. How could somebody outside of Congress act for a Congressman?

Mr. MICHENER. This resolution does not contemplate that.

Mr. CELLER. If the gentleman will yield for a correction in that regard, so that there may not be any misapprehension on the part of the Members, I will say that if there were resignations the House could appoint others to take their place.

Mr. MICHENER. I do not favor the flexibility of this provision of the resolution so far as alternates to representatives of the several departments are concerned. The proxy provision, as to Members of Congress, also sets a new precedent so far as legislation of this type is concerned.

This committee will have unlimited inquisitorial power as to all industry of the country, because the President's message is all-inclusive. However, in order that there may be no misunderstanding as to what is intended to be investigated, the resolution specifically provides that all matters respecting monopoly and the concentration of economic power in and financial control over production and distribution of goods and services and to hear and receive evidence thereon, with a view to determining, but without limitation, the causes of such concentration and control and their effect upon competition the effect of the existing price system and the price policies of industry upon the general level of trade, upon employment, upon long-term profits, and upon consumption and the effect of existing tax, patent, and other Government policies upon competition, price levels, unemployment, profits, and consumption.

No committee or commission ever created by the Congress has had such vast inquisitorial power.

Section 3 provides that the commitee shall have power to appoint subcommittees to assist the committee in its work. In short, the original committee is appointed, organizes, itself, selects its own officers, and designates the personnel necessary to carry on the work of the committee. Then members of the committee representing the several departments may name alternates from their respective departments to carry on the work. Then the congressional members of the committee may leave proxies to carry on their part of the work.

Investigations of monopolies and trusts have been undertaken on numerous occasions down through the years but without beneficial results. It seems to me that the purpose of a proper investigation could better be served by a congressional committee, and that the several executive departments of the Government could best present to the congressional committee the facts from which the committee would be permitted to draw its conclusions and make a report recommending legislation. The technical advisers in the several departments would be available to such congressional committee, and the information and recommendations of these administrative agencies would be most valuable.

The Congress should control this investigation and not the Executive with unlimited authority. The President's recommendations contemplate an Executive investigation. This resolution includes Members of the Congress. However, the resolution is so artfully drafted that, as a matter of fact, the Executive would control the purse strings of the committee; six of the members of the committee would represent executive departments under Presidential control and domination, while six members of the committee would be appointed from the Congress. It is not doing violence to custom and reality to venture the assertion that at least a majority of the congressional part of the committee will be in sympathy with the Executive philosophy so far as this investigation is concerned.

As a practical matter, this committee will be set up in Washington and will have carte blanche authority to investigate all or any part of industry, public or private, in such manner and under such rules and regulations as the committee may determine. All power of subpena, and so forth, now possessed by the Securities and Exchange Commission will be available to the committee. The courts are authorized to enforce the powers of the committee. Witnesses will be compelled to attend and testify and to "produce books, papers, correspondence, memoranda, contracts, agreements, or other records and documents." It would seem that with the business of the country in the condition in which we find it today, the Congress should be very hesitant about setting up any more investigating committees having power to go into all the details of all industry, naturally causing more uncertainty and more fear on the part of the business interests of the country.

I do not believe that it is for the best interest of our country to pass any legislation at this time that might be used to harass, annoy, or intimidate any industry, be it small or large. While this investigation might be conducted without any undesirable incidents attaching, yet there is a possibility, and that possibility will retard and not assist our industrial recovery.

We have had too much punitive legislation of late, and too much punitive talk on the part of high officials in the Government. There is fear in the country, especially on the part of big business, little business, and investors of all types. Surely, legislation has been enacted and administrative power has been exercised that warrant such fear. I cannot imagine anything that will cause more consternation in industry throughout the country than the thought that a group of Washington bureaucrats is liable to swoop down upon them, investigating books and accounts, and making public its private matters. Remember, under this resolution, the old questions of undistributed-profits tax, the capital-gains tax, income taxes, and profits are all subject to inquiry. The businessmen of the country have too many reports to make as it is under existing law, and surely more uncertainty, more threats, and more fear will not contribute to less unemployment, more jobs, higher wages, more profits, more purchasing power, and recovery.

Senator O'MAHONEY, of Wyoming, the author of the Senate resolution, appearing before the Judiciary Committee in behalf of the Senate resolution, made it very clear to the committee that in his opinion pump priming and legislation of this type will not bring permanent recovery, and that before permanent recovery can be effected there must be established in this country—and I quote his words—"social control over the economic life of the Nation." This resolution is a step in the program to bring about this control. It is another venture along the highway to planned economy. Hearings should be held before the Judiciary Committee so that the House may be fully advised as to just what is contemplated by the proponents of this measure.

Existing antitrust laws should be enforced, and an investigation, the purpose of which is to strengthen those laws, is advisable; but any attempt to reform and change the entire economic system obtaining in this country and to establish "social control over the economic life of the Nation" is wrong and should not be tolerated.

The SPEAKER. The time of the gentleman from Michigan has expired.

Mr. SUMNERS of Texas rose.

Mr. PATMAN. Mr. Speaker, before the gentleman begins will he permit a question?

Mr. SUMNERS of Texas. Yes.

Mr. PATMAN. There is pending in the Senate and in the House Senate Joint Resolution 292 and House Joint Resolution 662, directing the Federal Trade Commission to investigate the methods employed by the manufacturers of motor-vehicle tires. Will this resolution under consideration cover that?

Mr. SUMNERS of Texas. I may say that this resolution covers the whole field of trust investigation.

Mr. McFARLANE. Is this resolution sufficiently broad to cover the radio investigation we had under debate this afternoon?

Mr. SUMNERS of Texas. Yes; this resolution is broad enough to cover the whole field of monopoly investigations.

Mr. Speaker, I believe it is agreed generally by everybody who understands the situation that the whole field of trust and monopolies and the trade situation is going to be investigated. That is proposition No. 1. It was suggested by the executive branch of the Government in the President's message that the executive branch of the Government conduct the investigation. That was the introduction of the matter. Then representatives of the legislative branch of the Government were placed in the picture by Senator O'MAHONEY's bill, with the suggestion that the legislative branch of the Government ought to have participation in that investigation. That matter was worked out in the conferences referred to, giving us another example of how much better people can get on and progress when they talk to each other than when they talk about each other. There was everywhere the disposition to cooperate toward a helpful arrangement.

As a result of those conferences and what followed in the Senate and in the House Judiciary Committees, this bill is here tonight. I call attention to what my friend from Michigan [Mr. MICHENER] has criticized, the provision in this bill that when a Member of Congress cannot attend he may appoint or designate a proxy. I made that suggestion myself, for this reason. We want to maintain for the legislative branch an equal balance and number with the executive branch. We know that Members of Congress cannot stay here all of the time, as well as members of the executive branch can, and the only practical way to maintain that balance is with this provision, that when a given Member of Congress appointed on this committee is absent, he can leave the power to vote with one of his colleagues who is going to remain here, and notwithstanding the fact there may not be more than two or three Members of Congress here, there will always be an equal balance in voting power between the legislative and the executive branches on this joint committee that is to conduct this investigation.

Mr. O'MALLEY. A Member of Congress must name another Member as his proxy.

Mr. SUMNERS of Texas. He is expected to name another member of the committee who is a Congressman.

Mr. O'MALLEY. He cannot name a clerk or some executive of a department.

Mr. SUMNERS of Texas. No.

Mr. TABER. As I read that, he can name any member of the committee. He does not have to name a Member of Congress, but any member of that committee can be named an alternate, an executive, or one representing an executive department. There is no question about the meaning of that language.

Mr. SUMNERS of Texas. I do not think there is any question about the meaning of it, either, and I do not think that a Member of Congress would ever designate anybody except one of his colleagues.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. SUMNERS of Texas. I yield.

Mr. RICH. We have been investigating and passing resolutions of investigation on practically everything. The business of the country is now at practically a standstill. Does not the gentleman think he better let the business of the country go ahead and try to get the country back on its feet instead of investigating everything? The first thing the gentleman knows his party will wreck the Nation. It is time to stop a lot of this foolishness.

Mr. SUMNERS of Texas. I may say to the gentleman from Pennsylvania that unless some investigation is made there are going to be a lot of shooting-in-the-dark bills to do this and that to various trusts and organizations. This legislation is exactly the sort of legislation this country ought to have, that is an opportunity for an investigation, a thorough investigation before somebody begins to shoot a lot of bills in here that really will disturb things. Besides, we know that there is going to be an investigation. The only practical question is whether the legislative branch will participate. This bill affords an opportunity.

Mr. MURDOCK of Arizona. Mr. Speaker, will the gentleman yield?

Mr. SUMNERS of Texas. I yield.

Mr. MURDOCK of Arizona. We do want to eliminate fear from the public mind so that business may operate on an even keel, but I ask the gentleman: Will not a knowledge that what we are doing in this National Legislature is based on sound economic principles do more to eliminate fear than any promises we can make, or anything else? As lawmakers we need both information and wisdom.

Mr. SUMNERS of Texas. I will make this statement, that if the power conferred by this resolution is properly exercised it is the thing that ought to be done. If it is not properly exercised it will be just too bad. That is not different, however, from all powers which men possess. While Members of Congress urge that this investigation should be conducted solely by Members of Congress, and academically that may be sound, there is more than an even chance that in our present circumstances this arrangement may prove highly advantageous. What is known as the "depression" disarranged the normal distribution of governmental powers. It would have done it regardless of what party had been in power or who had been President. The redistribution of governmental power, which is inevitable, will put a very heavy strain upon the relationship between the executive and the legislative branches of the Government. This is not due to party or official personnel. As I see the present and visualize the future, I am made certain in my judgment that the thing of prime necessity now is to preserve among the agencies of the Government not only the possibility but the fact of cooperative, mutually respectful effort in the common interest. The most unifying thing which people can do is to do together things in which they have a common interest. There is a chance for this joint effort to have a far-reaching, helpful influence.

Mr. EBERHARTER. Mr. Speaker, will the gentleman yield?

Mr. SUMNERS of Texas. I yield.

Mr. EBERHARTER. Does not the gentleman think the membership of the committee will be composed of men of such caliber that they should have control of the expenditure of the entire sum of $500,000 authorized to be appropriated?

Mr. SUMNERS of Texas. That is an academic question. I say very candidly to the gentleman from Pennsylvania, that as a practical matter this is the best bill we can get. It is capable of being worked out all right and, as I have indicated, I see in this arrangement in our circumstances the possibility of definite advantage, taken as a whole.

Mr. EBERHARTER. In other words, the gentleman does not think it would be possible to pass a bill in the House which would give complete control of the expenditure of $500,000 to the committee.

Mr. SUMNERS of Texas. I do not believe it could be done. I do not discuss whether it should be done, I answer the gentleman's question by saying that I do not think it could be done.

Mr. CITRON. Mr. Speaker, will the gentleman yield?

Mr. SUMNERS of Texas. I yield.

Mr. CITRON. Is not the purpose of this resolution to make a thorough and comprehensive study of monopolies and trusts in this country and not for the purpose of creating mere ballyhoo or having a fishing exposition to arouse publicity? I favor this resolution. Economic conditions have changed since we passed the antitrust laws over 40 years ago. This subject of monopolies is involved, complicated, and important.

Mr. SUMNERS of Texas. It is hoped that that is the way the thing will work out. That is the way it ought to work. There is nothing in the bill which would interfere with that character of procedure.

Mr. MURDOCK of Arizona. Mr. Speaker, will the gentleman yield?

Mr. SUMNERS of Texas. I yield.

Mr. MURDOCK of Arizona. I am in favor of this bill. I do not believe that this legislative body is made up of supermen. I do believe that the task of legislation before us is of such intricacy these days that all the brains as well as all the character which can be put into it will be required to reach proper solutions. I favor study and investigation, although saying nothing about this particular plan, so that when we legislate here we may do so with all the accumulated wisdom and knowledge we can bring to the task. For this reason I favor this study.

Mr. SUMNERS of Texas. Yes; we are not in a condition to stand a lot of shooting in the dark, such as will occur unless we can have the facts and base a corrective and constructive program upon that knowledge.

Mr. KLEBERG. Mr. Speaker, will the gentleman yield?

Mr. SUMNERS of Texas. I yield.

Mr. KLEBERG. Apparently we are all agreed that there is a need of some investigations of monopolies and trusts. We may take that for granted. The issue about which I am somewhat in doubt is the question as to whether this investigation could go forward without the mediation of the representative branch. Is that required to set such a thing in progress?

Mr. SUMNERS of Texas. I am afraid I do not exactly understand my colleague's question.

Mr. KLEBERG. I will restate my question. I ask my distinguished friend whether it is necessary, in order to motivate an investigation of this sort, to have action by the legislative branch of the Government?

Mr. SUMNERS of Texas. Yes; I think so.

Mr. KLEBERG. In that case, the power being with us to set up this investigation, why should we not have retained our prerogative, if we have that power, to have kept a majority on the committee which is to conduct this investigation? Why should it have been necessary to include extraneous branches, executive or otherwise? If we desire to call them into the investigation to serve us, why could we not have done that effectively by legislation just as well?

Mr. SUMNERS of Texas. I tried to make my views clear. The President sent down a message asking for an investigation by the executive branch of the Government. Such a bill could have been put through the Congress. Senator O'MAHONEY, in the first place, made the suggestion that Members of Congress be put on the committee; I joined, and there was no objection from the executive branch. This bill, this concession by the executive branch, if I may so designate it, was not grudgingly made, insofar as I know. We are in the process of readjustment, rearrangement of governmental powers which, as I stated, were disturbed by the great emergency which became the responsibility of this administration. This readjustment is difficult all around. It is a dangerous period. It calls for courage guided by experience and sound judgment and restraint by patience and mutual forebearance. We are dealing with conditions and not theories.

We cannot afford to get angry with each other in the Government, for "Whom the gods would destroy they first make mad." This bill is not exactly as Members would have it, perhaps; but as I have indicated, this tying in together in this critical time of the legislative and other agencies of the Government should tend to restrain premature and possibly ill-considered action, while a broader judgment formulates and guides a well-considered national policy. I continue to see in this picture the possibilities, though we might not have suggested this plan, perhaps, in the first instance, of effective cooperative association in doing this work. We are all in the same boat. We confront the same dangers. We have the same responsibilities. I have a notion that we are going to demonstrate that we can do this job as copartners in a great undertaking ought to do it. If we can make that demonstration, it will be a helpful, hope-inspiring thing of the first magnitude, important far beyond the carrying out of the specific mandate of the legislation. I make these observations not as an argument for the passage of the bill—that has been certain from the beginning—but to allay unnecessary apprehension and help put us all in the proper attitude to do as well as we can this work to which this bill assigns us.

The SPEAKER. The time of the gentleman from Texas has expired. All time has expired.

The question is, Shall the rules be suspended and the resolution pass?

The question was taken; and on a division (demanded by Mr. PATMAN) there were—ayes 237, noes 33.

So (two-thirds having voted in favor thereof) the rules were suspended, and the resolution was passed, and a motion to reconsider was laid on the table.

The SPEAKER. Without objection, House Resolution 533 will be laid on the table.

There was no objection.

INVESTIGATION OF ADEQUACY AND USE OF PHOSPHATE RESOURCES

Mr. JONES. Mr. Speaker, I move to suspend the rules and pass Senate Joint Resolution 298, to create a joint congressional committee to investigate the adequacy and use of the phosphate resources of the United States.

The Clerk read the Senate joint resolution, as follows:

Resolved, etc., That there is hereby established a joint congressional committee (hereinafter referred to as the "committee") to be composed of three Senators, to be appointed by the President of the Senate, and three Members of the House of Representatives, to be appointed by the Speaker of the House of Representatives. A vacancy in the committee shall not affect the power of the remaining members to execute the functions of the committee and shall be filled in the same manner as the original appointment. The committee shall select a chairman from among its members.

SEC. 2. It shall be the duty of the committee to make a thorough study and investigation of the phosphate resources of the United States with particular reference to (1) the use and service of phosphate to American agriculture, (2) the domestic consumption and exports of phosphate, (3) the adequacy of the supply of phosphate in the United States, (4) the development of phosphate deposits in the Western States, and (5) methods of conserving the phosphate resources of the United States, to the end that there may be insured a continuous supply of phosphate to meet the present and future needs of agriculture in rebuilding soil fertility. The committee shall report to the Senate and the House of Representatives, on or before February 15, 1939, the results of its study and investigation, together with such recommendations as it deems advisable.

SEC. 3. The committee, or any subcommittee thereof, shall have power to hold hearings and to sit and act at such places and times; to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents; to administer such oaths; to take such testimony; to have such printing and binding done; and to make such expenditures as it deems advisable. Subpenas shall be issued under the signature of the chairman of the committee and shall be served by any person

designated by him. The provisions of sections 102 to 104, inclusive, of the Revised Statutes shall apply in case of any failure of any witness to comply with any subpena, or to testify when summoned, under authority of this joint resolution. The expenses of the committee, which shall not exceed $10,000, shall be paid one-half from the contingent fund of the Senate and one-half from the contingent fund of the House of Representatives upon vouchers approved by the chairman of the committee.

SEC. 4. The committee shall have power to employ and fix the compensation of such officers, experts, and employees as it deems necessary in the performance of its duties, but the compensation so fixed shall not exceed the compensation fixed under the Classification Act of 1923, as amended, for comparable duties. The committee is authorized to utilize the services, information, facilities, and personnel of the departments and agencies of the executive branch of the Government.

The SPEAKER. Is a second demanded?

Mr. TABER. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mr. LEAVY. Mr. Speaker, this matter of phosphates and the importance and significance of this essential mineral to our national well-being, as well as its place in the world at large and between nations, is one that has come into the national and international picture far more prominently in the last 4 or 5 years than at any time in the last century.

We know through our soil-conservation activities that there is a great lack of phosphate in millions of acres of land now in cultivation. We know that in the eastern region of the United States this has been true for some considerable time. We have had to replenish our soil through artificial means with phosphate in the Atlantic coast region for many years. The cost of this essential ingredient of the soil is a great factor in agricultural cost of production. We know that throughout the Mississippi Valley they are placing phosphates upon land that a quarter of a century ago did not need it. We know that in the far West, where lands are still new, they are beginning to reach the state where we must replenish them with phosphates.

This is an all-important and essential substance. Neither plant nor animal life can survive without it. We know that there are only four nations on earth that control the world supply of phosphate. They are the United States, Great Britain, France, and Russia. We know that central Europe cannot possibly get along without phosphate. We know that Italy and Germany for the last 3 years have been taking crude phosphates from the American phosphate beds in Florida, using them as ballast on their merchant ships returning home from our ports, and piling them up in their own country. It has many times been stated that the Central Powers lost the World War because of their inability to secure this all-important mineral.

We know that about 90 percent of the phosphate being mined and processed comes from Florida and Tennessee, where less than 8 percent of our national supply is located. Ninety-two percent of the American phosphate is located in the Northwest in the States of Idaho, Utah, Wyoming, and Montana. Ninety percent, or 2,400,000 acres, is on public domain. This is all readily accessible. That is in forest reserves. It is absolutely within the control of the Federal Government. This priceless treasure must not be exploited, but must be kept by the Federal Government for the well-being of all the people.

The question is the wisdom of the enactment of legislation either limiting exports or, if wisdom suggested it, encouraging exports; developing the Northwest fields in order that the Nation may secure an ample supply of phosphate before our eastern supply is exhausted, and insuring to the American farmer at a low cost an abundant amount of this life-giving mineral.

This resolution follows the President's suggestion made in a message delivered here on May 20, wherein he stated:

> I invite the especial attention of the Congress to a very large percentage of known phosphate rock which is on Government-owned land—probably three-quarters of the whole supply; and to the fact that the eastern supply, while in private ownership, is today being exported in such quantities that when and if it is wholly depleted, eastern farms will have to depend for their phosphate supply on the far-western lands.
>
> It is therefore high time for the Nation to adopt a national policy for the production and conservation of phosphates for the benefit of this and coming generations.
>
> To the end that continuous and adequate supplies be insured, and that efficient forms of this key element, phosphorus, be available at the lowest cost throughout the country, I recommend that a joint committee of the Senate and the House of Representatives be named to give study to the entire subject of phosphate resources, their use and service to American agriculture, and to make a report to the next Congress.

A resolution was introduced in the Senate by Senator POPE, of Idaho, and in the House by the gentleman from Idaho [Mr. WHITE], likewise by the chairman of the Committee on Agriculture, Mr. JONES, of Texas. The Senate passed the bill yesterday.

The House Committee on Rules has given us a rule today. The resolution calls for the appointment of three Members of the House and three Members of the Senate and appropriates $10,000, $5,000 to be supplied by the House and $5,000 by the Senate. The resolution requires that a report be made back here by February of 1939, and then the Congress can legislate if legislation seems wise.

Mr. COOLEY. Mr. Speaker, will the gentleman yield?

Mr. LEAVY. I yield to the gentleman from North Carolina.

Mr. COOLEY. The gentleman has given the House a great deal of very valuable information with reference to this subject. I am wondering if the gentleman can tell us where he obtained the information he has given the House with regard to this particular subject.

Mr. LEAVY. Some of the information is contained in the President's message. Some of the information is contained in circular matter put out by private interests. The major part of the information I obtained as a member of the subcommittees for the Department of Agriculture and the Department of the Interior, of the Committee on Appropriations, when we had before us the heads of the Bureau of Soils and Chemistry, the Geological Survey, and the Bureau of Mines.

In addition to the facts I have previously enumerated to you concerning the tremendous importance and great national significance of phosphates, let me further call your attention to the fact that in the northwestern part of the United States there is now being developed hydroelectric energy on a scale heretofore never dreamed of. This energy will soon be available in amounts sufficiently great and at a cost so low that it can be applied to crude phosphates by electrolytic and electrothermal methods to produce a concentrated and refined product, as has been indicated by the experiments of the T. V. A., so that costs incident to transportation will become a very minor factor, and soil conservation will then in truth become a possibility and a reality.

Mr. Speaker, let us think for a moment what it really means to our national well-being to still have in the ownership, possession, and control of the American people these two wonderful natural resources located in close proximity to each other—hydroelectric energy and mineral phosphates. We need and we must have national legislation to preserve and utilize these important natural gifts. [Applause.]

[Here the gavel fell.]

Mr. TABER. Mr. Speaker, it seems to be the style these days to have investigations. I am forced to admit, after viewing the species of legislation this House has had under consideration all day long and all evening long, that a resolution to investigate fertilizer or phosphate would be proper.

This resolution calls for the appointment of three Members of the House and three Members of the Senate to investigate matters which the Bureau of Mines, the Bureau of the Census, the Geological Survey, and other bureaus and departments of the Government already have on their books. All that is necessary to do to get this material in shape, and this was practically admitted by the gentleman from Washington, is to call the heads of these bureaus

before a committee and examine them for a couple of hours.

Then, if there is any reason why there should be a program of legislation to deal with the question, the committee can bring in the measures and have them considered by the House. There can be nothing to this kind of an investigation but a cheap, ordinary junket. I hope the House will refuse to pass this resolution.

Mr. SIROVICH. Mr. Speaker, will the gentleman yield?

Mr. TABER. I decline to yield, Mr. Speaker.

The SPEAKER. The question is, Shall the rules be suspended and the joint resolution passed?

The question was taken; and on a division (demanded by Mr. TABER and Mr. BACON) there were—ayes 217, noes 33.

So, two-thirds having voted in favor thereof, the rules were suspended and the joint resolution was passed.

A motion to reconsider was laid on the table.

A similar House joint resolution (H. J. Res. 534) was laid on the table.

MEMORIAL SERVICE FOR WILLIAM CONNERY

Mr. JONES. Mr. Speaker, I overlooked yielding half a minute to the gentleman from Massachusetts [Mr. CONNERY], and I ask unanimous consent that he may be permitted to address the House for one-half minute.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. CONNERY. Mr. Speaker, I simply wish to call attention to the fact that 1 year ago tomorrow your colleague and my beloved brother and predecessor, Billy Connery, passed to his heavenly reward. I wish to state further that a memorial service is being held at 10 o'clock tomorrow at St. Aloysius Church, North Capitol and I Streets. You are all invited. The occasion will be informal.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1839. An act to authorize the conveyance by the United States to the town of Bristol, Maine, of a portion of the Pemaquid Point Lighthouse Reservation, and for other purposes; to the Committee on Merchant Marine and Fisheries.

S. 4136. An act to facilitate the control of soil erosion and/or flood damage originating upon lands within the exterior boundaries of the Nevada and Toiyabe National Forests in Nevada, and to promote efficiency and economy of administration of said national forests; to the Committee on Public Lands.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills and joint resolutions of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 152. An act to add certain lands to the Rio Grande National Forest, Colo.;

H. R. 447. An act for the relief of Alpha Vint;

H. R. 599. An act for the relief of W. J. Steckel;

H. R. 1141. An act for the relief of J. W. Beams;

H. R. 1250. An act for the relief of Emilie Dew, Jack Welsh, Mary Jane Bowden, and Henry U. Gaines, Jr.;

H. R. 1363. An act for the relief of estate of Milton L. Baxter;

H. R. 1861. An act for the relief of the firm of Schmidt, Garden & Martin, architects, of Chicago, Ill.;

H. R. 2149. An act for the relief of Guy L. Hartman;

H. R. 2171. An act for the relief of Frank Burgess Bruce;

H. R. 2231. An act for the relief of Charles E. Black;

H. R. 2358. An act for the relief of Dwain D. Miles;

H. R. 2368. An act for the relief of the estate of Catherine Harkins, deceased;

H. R. 2429. An act for the relief of Eugene Nicholas;

H. R. 2487. An act for the relief of Thomas J. Allen, Jr.;

H. R. 2560. An act for the relief of the State of New York Insurance Department as liquidator;

H. R. 2650. An act for the relief of Veracunda O'Brien Allen;

H. R. 2711. An act to create a Division of Water Pollution Control in the United States Public Health Service, and for other purposes;

H. R. 2767. An act for the relief of George L. Stone;

H. R. 2779. An act for the relief of Lilly Bundgard and Gloria Bundgard;

H. R. 3225. An act for the relief of Roland Stafford;

H. R. 3232. An act conferring jurisdiction upon the Court of Claims of the United States to hear, consider, and render judgment on the claims of Joliet National Bank, of Joliet, Ill., and Commercial Trust & Savings Bank, of Joliet, Ill., arising out of loans to the Joliet Forge Co., of Joliet, Ill., for the providing of additional plant facilities and material for the construction of steel forgings during the World War;

H. R. 3655. An act for the relief of Clarence D. Schiffman;

H. R. 3747. An act for the relief of George O. Wills;

H. R. 4032. An act for the relief of the New Amsterdam Casualty Co.;

H. R. 4169. An act to carry out the findings of the Court of Claims in the case of the Atlantic Works, of Boston, Mass.;

H. R. 4227. An act for the relief of Mrs. R. A. Smith;

H. R. 4285. An act to increase the salaries of letter carriers in the Village Delivery Service;

H. R. 4367. An act for the relief of Perry Walker;

H. R. 4443. An act for the relief of Meta De Rene McLoskey;

H. R. 4717. An act for the relief of Bernard Knopp;

H. R. 4830. An act for the relief of Mrs. D. O. Benson;

H. R. 4864. An act for the relief of Helen Rauch and Max Rauch;

H. R. 4941. An act for the relief of Rogowski Bros.;

H. R. 5006. An act for the relief of DeWitt F. McLaurine;

H. R. 5153. An act for the relief of George F. Anderson and Vera D. Anderson;

H. R. 5260. An act for the relief of Col. William H. Noble;

H. R. 5308. An act for the relief of Anna Caporaso;

H. R. 5471. An act to amend the laws relating to the distribution of public documents to depository libraries;

H. R. 5597. An act for the relief of Luigi Mazza;

H. R. 5763. An act to provide for the extension of the boundaries of the Hot Springs National Park in the State of Arkansas, and for other purposes;

H. R. 5805. An act to amend an act entitled "An act to provide for the exercise of sole and exclusive jurisdiction by the United States over the Hawaii National Park in the Territory of Hawaii, and for other purposes," approved April 19, 1930;

H. R. 6016. An act for the relief of Lavina Karns;

H. R. 6186. An act for the relief of Moses Red Bird;

H. R. 6246. An act to provide for placing educational orders to familiarize private manufacturing establishments with the production of munitions of war of special or technical design, noncommercial in character;

H. R. 6296. An act for the relief of Dr. A. C. Antony and others;

H. R. 6327. An act for the relief of Edward J. Thompson;

H. R. 6374. An act for the relief of Lena R. Burnett;

H. R. 6461. An act for the relief of William F. Bourland;

H. R. 6669. An act for the relief of Augusta L. Collins;

H. R. 6713. An act for the relief of Genesee Brewing Co., Inc.;

H. R. 6727. An act for the relief of Edward E. Brown, Charles Walker, Frank Parr, John Moyer, and Lynford P. Fowles;

H. R. 6753. An act for the relief of the Derby Oil Co.;

H. R. 6842. An act for the relief of Frank M. Schmitt, Antonio Salas, Victoria Griego, and Victor Coco;

H. R. 6846. An act for the relief of Harvey and Carrie Robinson;

H. R. 6951. An act for the relief of Harold Price;

H. R. 6952. An act for the relief of Hattie Doudna;

H. R. 7012. An act for the relief of J. Anse Little;

H. R. 7060. An act for the relief of James Mohin and Joseph Lercara;

H. R. 7143. An act for the relief of the Curtiss Aeroplane & Motor Co., Inc.;

H. R. 7158. An act to except yachts, tugs, towboats, and unrigged vessels from certain provisions of the act of June 25, 1936, as amended;

H. R. 7166. An act for the relief of the estate of Raymond Finklea;

H. R. 7198. An act for the relief of Fred Johnson;

H. R. 7297. An act for the relief of Gordon L. Cheasley;

H. R. 7424. An act for the relief of certain persons whose cotton was destroyed by fire in the Ouachita Warehouse, Camden, Ark.;

H. R. 7429. An act for the relief of Muriel C. Young;

H. R. 7460. An act for the relief of Mr. and Mrs. Roy Blessing;

H. R. 7520. An act for the relief of members of the Navy or Marine Corps who were discharged from the Navy or Marine Corps during the Spanish-American War, the Philippine Insurrection, and the Boxer uprising because of minority or misrepresentation of age;

H. R. 7537. An act for the relief of certain stevedores employed on the United States Army transport docks in San Francisco, Calif.;

H. R. 7606. An act for the relief of Albert Richard Jeske;

H. R. 7607. An act for the relief of Frank B. Decker;

H. R. 7688. An act to authorize the addition of certain lands to the Modoc, Shasta, and Lassen National Forests, Calif.;

H. R. 7689. An act to authorize the addition of certain lands to the Shasta and Klamath National Forests, Calif.;

H. R. 7690. An act to authorize the addition of certain lands to the Plumas, Tahoe, and Lassen National Forests, Calif.;

H. R. 7693. An act to authorize the Secretary of War to transfer to the government of Puerto Rico certain real estate of the War Department;

H. R. 7793. An act for the relief of Nicholas de Lipski;

H. R. 7826. An act to make available for national-park purposes certain lands within the boundaries of the proposed Isle Royale National Park, and for other purposes;

H. R. 7868. An act to provide for conveying to the State of North Dakota certain lands within Burleigh County, within that State, for public use;

H. R. 7874. An act to provide for the leasing of State, county, and privately owned lands for the purpose of furthering the orderly use, improvement, and development of grazing districts;

H. R. 7890. An act for the relief of Brooks-Callaway Co.;

H. R. 7960. An act for the relief of Wilma Artopoeus;

H. R. 7982. An act to regulate the manufacturing, dispensing, selling, and possession of narcotic drugs in the District of Columbia;

H. R. 8051. An act for the relief of Roswell H. Haynie;

H. R. 8055. An act for the relief of Helry P. McCaig;

H. R. 8098. An act conferring jurisdiction upon the Court of Claims to hear and determine the claims of Edward Forbes and others;

H. R. 8099. An act to amend certain administrative provisions of the Tariff Act of 1930, and for other purposes;

H. R. 8123. An act for the relief of Sonia M. Bell;

H. R. 8165. An act to add certain lands to the Trinity National Forest, Calif.;

H. R. 8176. An act providing for continuing retirement pay, under certain conditions, of officers and former officers of the Army, Navy, and Marine Corps of the United States, other than officers of the Regular Army, Navy, or Marine Corps, who incurred physical disability while in the service of the United States during the World War, and for other purposes;

H. R. 8241. An act for the relief of Fred J. Christoff;

H. R. 8271. An act to confer jurisdiction upon the Court of Claims of the United States to hear, determine, and render judgment upon the claims of the attorneys for the Russian Volunteer Fleet;

H. R. 8275. An act for the relief of Stanley Kolitzoff and Marie Kolitzoff;

H. R. 8365. An act for the relief of the North Mississippi Oil Mills of Holly Springs, Miss.;

H. R. 8375. An act for the relief of Roscoe B. Huston;

H. R. 8380. An act for the relief of Glenn R. Martin;

H. R. 8391. An act for the relief of Frances M. Heinzelmann;

H. R. 8417. An act for the relief of John B. Dollison;

H. R. 8423. An act for the relief of Frank W. Lohn;

H. R. 8424. An act for the relief of John F. Dailey and Ethel M. Dailey;

H. R. 8479. An act for the relief of Jane Murrah;

H. R. 8480. An act for the relief of Commander James T. Mathews;

H. R. 8492. An act for the relief of Robert Doty, a minor;

H. R. 8515. An act to amend the act entitled "An act for the relief of Harry Bryan and Alda Duffield Mullins, and others," approved August 28, 1937;

H. R. 8544. An act for the relief of Alba C. Mitchell;

H. R. 8567. An act for the relief of Margaret B. Nonnenberg;

H. R. 8571. An act granting 6 months' pay to Mrs. Vallie M. Current;

H. R. 8643. An act for the relief of Kate Durham Thomas;

H. R. 8672. An act for the relief of Fergus County, Mont.;

H. R. 8683. An act for the relief of Gus Vakas;

H. R. 8696. An act for the relief of Ruby Z. Winslow;

H. R. 8723. An act for the relief of Spencer D. Albright, Jr.;

H. R. 8743. An act for the relief of Louis Michael Bregantic;

H. R. 8744. An act for the relief of J. G. Bucklin;

H. R. 8858. An act for the relief of Joseph Brum and Gussie Brum;

H. R. 8922. An act for the relief of E. E. Johnson;

H. R. 9084. An act for the relief of John Lawson and Roy Webb;

H. R. 9130. An act for the relief of Marshall Carver;

H. R. 9142. An act for the relief of J. J. B. Hilliard & Son;

H. R. 9196. An act for the relief of J. T. Burt and Alice Burt;

H. R. 9215. An act for the relief of the Read Machinery Co., Inc.;

H. R. 9277. An act for the relief of James M. Wright;

H. R. 9297. An act for the relief of Dr. Samuel A. Riddick;

H. R. 9400. An act for the relief of Adolph Arendt;

H. R. 9535. An act for the relief of Amy M. Ghent;

H. R. 9640. An act for the relief of Shoshone Garage;

H. R. 9674. An act for the relief of John Borowski, Benjamin H. Hammack, and Eber A. Wean;

H. R. 9825. An act for the relief of Raymond Pledger and Thomas P. Giacomini, Jr.;

H. R. 9844. An act providing for the zoning of the District of Columbia and the regulation of the location, height, bulk, and uses of buildings and other structures and of the uses of land in the District of Columbia, and for other purposes;

H. R. 9881. An act to amend section 23 of the act to create the California Debris Commission, as amended;

H. R. 9916. An act to provide for the establishment of a Coast Guard station at or near Shelter Cove, Calif.;

H. R. 9981. An act for the relief of the State of Connecticut;

H. R. 10171. An act to amend the act entitled "An act giving jurisdiction to the Court of Claims to hear and determine the claim of the Butler Lumber Co., Inc.";

H. R. 10238. An act making appropriations for the Department of Agriculture and for the Farm Credit Administration for the fiscal year ending June 30, 1939, and for other purposes;

H. R. 10315. An act to amend the Merchant Marine Act, 1936, to further promote the merchant marine policy therein declared, and for other purposes;

H. R. 10346. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Niobrara, Nebr.;

H. R. 10642. An act to amend an act entitled "District of Columbia Alley Dwelling Act," approved June 12, 1934, and for other purposes;

H. R. 10650. An act to provide for a 5-year building program for the United States Bureau of Fisheries;

H. R. 10672. An act to amend section 4197 of the Revised Statutes, as amended (U. S. C., 1934 ed., title 46, sec. 91), and section 4200 of the Revised Statutes (U. S. C., 1934 ed., title 46, sec. 92), and for other purposes;

H. R. 10772. An act to amend certain sections of the act entitled "An act providing for the public printing and binding and the distribution of public documents," approved January 12, 1895, as amended;

H. J. Res. 620. Joint resolution for the observance of the celebration of the one hundred and twenty-fifth anniversary of the Battle of Lake Erie; and

H. J. Res. 703. Joint resolution to authorize the acceptance of title to the dwelling house and property, the former residence of the late Justice Oliver Wendell Holmes, located at 1720 Eye Street N.W., in the District of Columbia, and for other purposes.

The SPEAKER announced his signature to enrolled bills and a joint resolution of the Senate of the following titles:

S. 44. An act for the relief of Edward N. Jerry;

S. 82. An act for the relief of F. A. Rumery & Sons, of Portland, Maine;

S. 213. An act for the relief of Ida A. Gunderson;

S. 375. An act for the relief of Mrs. John Olson;

S. 606. An act for the relief of Mabel F. Hollingsworth;

S. 652. An act for the relief of John B. Jones;

S. 667. An act for the relief of William E. Jones, Walter M. Marston, William Ellery, Richard P. Hallowell, 2d, and Malcolm Donald as executors under the will of Frank W. Hallowell, and Malcolm Donald as executor under the will of Gordon Donald;

S. 824. An act for the relief of Sam Kimzey;

S. 866. An act for the relief of the estate of James D. McEachern;

S. 945. An act for the relief of the Community Investment Co., Inc.;

S. 1168. An act for the relief of Joseph W. Bollenbeck;

S. 1239. An act for the relief of John W. Beck;

S. 1272. An act relative to the military record of James Meagher, deceased;

S. 1346. An act for the relief of Stillwell Bros., Inc.;

S. 1987. An act for the relief of George J. Leatherwood;

S. 2052. An act for the relief of Henry E. Reents;

S. 2072. An act for the relief of Stuart C. Peterson;

S. 2408. An act for the relief of John H. Balmat, Jr.;

S. 2437. An act for the relief of Oscar Jones;

S. 2475. An act to provide for the establishment of fair labor standards in employments in and affecting interstate commerce, and for other purposes;

S. 2541. An act for the relief of the estate of George Ehret, Jr.;

S. 2594. An act authorizing the President of the United States to summon Sam Alexander before an Army retiring board, and for other purposes;

S. 2624. An act for the relief of Emmett Lee Payne;

S. 2629. An act to authorize an exchange of lands between the city of San Diego, Calif., and the United States;

S. 2739. An act for the relief of certain employees of the Federal Emergency Administration of Public Works and the National Resources Committee;

S. 2797. An act for the relief of Miriam Thornber;

S. 2819. An act to create a Committee on Purchases of Blind-Made Products, and for other purposes;

S. 2883. An act for the relief of George H. Lowe, Jr.;

S. 2890. An act for the relief of Clarence Daniel, a minor;

S. 2895. An act for the relief of Leona Draeger;

S. 2948. An act for the relief of A. J. Moses and Gladys Moses, a minor;

S. 2994. An act for the relief of Mrs. Morgan R. Butler;

S. 3005. An act to confer jurisdiction on the Court of Claims to hear and determine the claim of the A. C. Messler Co.;

S. 3031. An act for the relief of the Lima Locomotive Works, Inc.;

S. 3034. An act for the relief of Faye B. Millie;

S. 3057. An act for the relief of John Fanning;

S. 3142. An act for the relief of Lt. Comdr. Robert R. Blaisdell and Lt. Edward W. Hawkes (retired), Supply Corps, United States Navy;

S. 3263. An act for the relief of the State of Georgia;

S. 3415. An act to purchase certain private lands within the Shoshone (Wind River) Indian Reservation;

S. 3426. An act to authorize an appropriation for repayment to Middle Rio Grande Conservancy District, a subdivision of the State of New Mexico, of the share of the said district's construction and operation and maintenance costs applicable to certain properties owned by the United States, situated in Bernalillo County, N. Mex., within the exterior boundaries of the district; to authorize the Secretary of the Interior to contract with said district for future operation and maintenance charges against said lands; to authorize appropriation for extra construction work performed by said district for the special benefit of certain Pueblo Indian lands and to authorize appropriation for construction expenditures benefiting certain acquired lands of Pueblo Indians of the State of New Mexico;

S. 3446. An act for the relief of Richard K. Gould;

S. 3469. An act to amend section 128 of the Judicial Code, as amended;

S. 3470. An act for the relief of Lewis M. Foster;

S. 3490. An act for the relief of Benjamin H. Faith;

S. 3534. An act for the relief of Christ Rieber;

S. 3540. An act for the relief of certain personnel of the Coquille River Coast Guard Station, Bandon, Oreg.;

S. 3561. An act for the relief of certain individuals in connection with the construction, operation, and maintenance of the Fort Hall Indian irrigation project, Idaho;

S. 3573. An act for the relief of William J. Pitochelli;

S. 3584. An act for the relief of G. E. Maxwell;

S. 3587. An act for the relief of Mr. and Mrs. P. F. Nixon, parents of Herschel Lee Nixon, deceased minor son;

S. 3597. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Natchez, Miss., and for other purposes;

S. 3611. An act to further extend the times for commencing and completing the construction of a bridge across the Missouri River between the towns of Decatur, Nebr., and Onawa, Iowa;

S. 3694. An act to provide for the issuance of a license to practice the healing art in the District of Columbia to Dr. Sigfried Speyer and Dr. Luther Fete;

S. 3719. An act for the relief of Manuel L. Clay;

S. 3734. An act for the relief of certain officers and enlisted men of the United States Coast Guard;

S. 3739. An act for the relief of Alpha T. Johnson;

S. 3754. An act to amend sections 729 and 743 of the Code of Laws of the District of Columbia;

S. 3758. An act for the relief of Emily Gertrude Toby;

S. 3845. An act to create a Civil Aeronautics Authority, and to promote the development and safety and to provide for the regulation of civil aeronautics;

S. 3846. An act relating to the levying and collecting of taxes and assessments, and for other purposes;

S. 3867. An act authorizing the North Dakota State Highway Department and the Department of Highways of the State of Minnesota to construct, maintain, and operate a free highway bridge across the Red River;

S. 3892. An act creating the City of Dubuque Bridge Commission and authorizing said Commission and its successors to purchase and/or construct, maintain, and operate a bridge or bridges across the Mississippi River at or near Dubuque, Iowa, and East Dubuque, Ill.;

S. 3898. An act to extend the times for commencing and completing the construction of a bridge across the Piscataqua River at or near Portsmouth, N. H.;

S. 3907. An act to further extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Garrison, N. Dak.;

S. 3917. An act authorizing the President to present gold medals to Mrs. Richard Aldrich and posthumously to Anna Bouligny;

S. 3929. An act to authorize the Legislature of Puerto Rico to create public corporate authorities to undertake slum clearance and projects to provide dwelling accommodations for families of low income, and to issue bonds therefor; to authorize the legislature to provide for financial assistance to such authorities by the government of Puerto Rico and its municipalities, and for other purposes;

S. 3940. An act authorizing the Comptroller General of the United States to adjust and settle the claim of Oscar L. Mather;

S. 3990. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Miami, Mo.;

S. 4024. An act authorizing advancements from the Federal Emergency Administration of Public Works for the construction of certain municipal buildings in the District of Columbia, and for other purposes;

S. 4027. An act providing that excess-land provisions of Federal reclamation laws shall not apply to certain lands that will receive a supplemental water supply from the Colorado-Big Thompson project;

S. 4050. An act to repeal section 2 of the act of June 16, 1936, authorizing the appointment of an additional district judge for the eastern district of Pennsylvania;

S. 4076. An act to amend the Federal Crop Insurance Act;

S. 4090. An act to provide for the care and treatment of juvenile delinquents;

S. 4126. An act to amend the act authorizing the construction of a bridge at South Sioux City, Nebr.;

S. 4144. An act to amend section 1 of an act entitled "An act granting the consent of Congress to the county of Pierce, a legal subdivision of the State of Washington, to construct, maintain, and operate a toll bridge across Puget Sound, State of Washington, at or near a point commonly known as The Narrows", and to extend the times for commencing and completing the construction of such bridge;

S. J. Res. 264. Joint resolution providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution of the class other than Members of Congress;

BILLS PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills and joint resolutions of the House of the following titles:

H. R. 738. An act for the relief of Asa C. Ketcham;

H. R. 1543. An act to amend section 24 of the Immigration Act of 1917, relating to the compensation of certain Immigration and Naturalization Service employees, and for other purposes;

H. R. 2711. An act to create a Division of Water Pollution Control in the United States Public Health Service, and for other purposes;

H. R. 2904. An act for the relief of officers and soldiers of the volunteer service of the United States mustered into service for the War with Spain and who were held in service in the Philippine Islands after the ratification of the treaty of peace, April 11, 1899;

H. R. 4258. An act for the relief of Barbara Jean Matthews a minor;

H. R. 7688. An act to authorize the addition of certain lands to the Modoc, Shasta, and Lassen National Forests, Calif.;

H. R. 7689. An act to authorize the addition of certain lands to the Shasta and Klamath National Forests, Calif.;

H. R. 7690. An act to authorize the addition of certain lands to the Plumas, Tahoe, and Lassen National Forests, Calif.;

H. R. 7764. An act to authorize the sale of surplus power developed under the Uncompahgre Valley reclamation project, Colorado;

H. R. 7826. An act to make available for national-park purposes certain lands within the boundaries of the proposed Isle Royale National Park, and for other purposes;

H. R. 9258. An act to authorize the Secretary of the Navy to accept on behalf of the United States certain land in the city of Los Angeles, Calif., with improvements thereon;

H. R. 9844. An act providing for the zoning of the District of Columbia and the regulation of the location, height, bulk, and uses of buildings and other structures and of the uses of land in the District of Columbia, and for other purposes;

H. R. 10238. An act making appropriations for the Department of Agriculture and for the Farm Credit Administration for the fiscal year ending June 30, 1939, and for other purposes;

H. R. 10298. An act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes;

H. R. 10315. An act to amend the Merchant Marine Act, 1936, to further promote the merchant marine policy therein declared, and for other purposes;

H. R. 10536. An act authorizing the United States Maritime Commission to sell or lease the Hoboken Pier Terminals, or any part thereof, to the city of Hoboken, N. J.;

H. R. 10650. An act to provide for a 5-year building program for the United States Bureau of Fisheries;

H. J. Res. 683. Joint resolution to provide for a floor-stock tax on distilled spirits, except brandy; and

H. J. Res. 688. Joint resolution creating the Niagara Falls Bridge Commission and authorizing said commission and its successors to construct, maintain, and operate a bridge across the Niagara River at or near the city of Niagara Falls, N. Y.

RECESS

Mr. RAYBURN. Mr. Speaker, I move that the House stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; accordingly (at 11 o'clock and 53 minutes p. m.) the House stood in recess until tomorrow, Wednesday, June 15, 1938, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON NAVAL AFFAIRS

There will be a full open hearing before the Committee on Naval Affairs at 10 a. m., Wednesday, June 15, 1938, for the consideration of H. R. 10911, profit limitation on aircraft manufacturing. Very important.

EXECUTIVE COMMUNICATIONS, ETC.

1429. Under clause 2 of rule XXIV, a letter from the Acting Secretary of the Interior, transmitting the draft of a proposed bill to add certain lands of the Front Royal Quartermaster Depot Military Reservation, Va., to the Shenandoah National Park, and for other purposes, was taken from the Speaker's table and referred to the Committee on Military Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. DRIVER: Committee on Rules. House Resolution 532. Resolution providing for the consideration of H. R. 10618, conference report; without amendment (Rept. No. 2747). Referred to the House Calendar.

Mr. O'CONNOR of New York: Committee on Rules. House Resolution 533. Resolution providing for the consideration

of House Joint Resolution 697; without amendment (Rept. No. 2748). Referred to the House Calendar.

Mr. O'CONNOR of New York: Committee on Rules. House Resolution 534. Resolution providing for the consideration of Senate Joint Resolution 298; without amendment (Rept. No. 2749). Referred to the House Calendar.

Mr. TOLAN: Committee on the Judiciary. S. 2811. An act to amend the Judicial Code by adding thereto a new section, to be No. 659 (1), relating to the certification, authentication, and use in evidence of documents of record or on file in public offices in the State of Vatican City; without amendment (Rept. No. 2750). Referred to the House Calendar.

Mr. CHAPMAN: Committee on Interstate and Foreign Commerce. S. 4007. An act authorizing the county of Lawrence, Ky., to construct, maintain, and operate a free highway bridge across the Big Sandy River at or near Louisa, Ky.; without amendment (Rept. No. 2751). Referred to the House Calendar.

Mr. CHAPMAN: Committee on Interstate and Foreign Commerce. S. 4011. An act to extend the time for completing the construction of a bridge across the Mississippi River at or near a point between Cherokee and Osage Streets, St. Louis, Mo; without amendment (Rept. No. 2752). Referred to the House Calendar.

Mr. BLAND: Committee on Merchant Marine and Fisheries. S. 4132. An act limiting the hours of labor of certain officers and seamen on certain vessels navigating the Great Lakes and adjacent waters; without amendment (Rept. No. 2753). Referred to the House Calendar.

Mr. WALTER: Committee on the Judiciary. House Joint Resolution 707. Joint resolution requesting the President of the United States to proclaim the week of May 31, 1939, National Flood Prevention Week; without amendment (Rept. No. 2754). Referred to the House Calendar.

Mr. SATTERFIELD: Committee on the Judiciary. S. 2783. An act to amend the China Trade Act, 1922, as to the duration of the China Trade Act corporations; without amendment (Rept. No. 2755). Referred to the Committee of the Whole House on the state of the Union.

Mr. BLAND: Committee on Merchant Marine and Fisheries. H. R. 10872. A bill to authorize contingent expenditures, United States Coast Guard Academy; without amendment (Rept. No. 2756). Referred to the Committee of the Whole House on the state of the Union.

Mr. O'BRIEN of Michigan: Committee on the Judiciary. House Joint Resolution 715. Joint resolution in respect of salaries of judges and justices appointed under the act of May 31, 1938; without amendment (Rept. No. 2757). Referred to the Committee of the Whole House on the state of the Union.

Mr. GREEVER: Committee on the Public Lands. S. 3157. An act to empower the President of the United States to create new national forest units and make additions to existing national forests in the State of Montana; without amendment (Rept. No. 2758). Referred to the Committee of the Whole House on the state of the Union.

Mr. GREEVER: Committee on the Public Lands. S. 3763. An act to increase the period for which leases may be made for grazing and agricultural purposes of public lands donated to the States of North Dakota, South Dakota, Montana, and Washington by the act of February 22, 1889, as amended; without amendment (Rept. No. 2759). Referred to the Committee of the Whole House on the state of the Union.

Mr. GREEVER: Committee on the Public Lands. S. 4136. An act to facilitate the control of soil erosion and/or flood damage originating upon lands within the exterior boundaries of the Nevada and Toiyabe National Forests in Nevada and to promote efficiency and economy of administration of said national forests; without amendment (Rept. No. 2776). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 10180. A bill for the relief of the International Oil Co. of Minot, N. Dak.; without amendment (Rept. No. 2760). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 3937. H. R. 10497. A bill conferring jurisdiction upon the Court of Claims of the United States to hear, determine, and render judgment upon the claim of the Wisconsin Bridge & Iron Co.; without amendment (Rept. No. 2761). Referred to the Committee of the Whole House.

Mr. O'CONNOR of New York: Committee on the Public Lands. S. 190. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Waterton Oil, Land & Power Co., of Butte, Mont., against the United States; without amendment (Rept. No. 2762). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. GUYER: A bill (H. R. 10914) to aid the several States in making, or for having made, certain toll bridges on the system of Federal-aid highways free bridges, and for other purposes; to the Committee on Roads.

By Mr. LEA: A bill (H. R. 10915) to encourage travel in the United States, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. PATTON: A bill (H. R. 10916) granting pensions to veterans of wars and campaigns who are permanently and totally disabled, not the result of their own felonious misconduct; to the Committee on Pensions.

By Mr. SMITH of Virginia: A bill (H. R. 10917) to exempt certain agricultural cooperatives and the members thereof from the District of Columbia business-privilege tax; to the Committee on the District of Columbia.

By Mr. MAAS: A bill (H. R. 10918) to create a National Defense Commission on Inventions, and for other purposes; to the Committee on Military Affairs.

By Mr. PHILLIPS: A bill (H. R. 10919) to prevent the retroactive application of any Federal tax on employees of the States and their subdivisions; to the Committee on Ways and Means.

By Mr. O'CONNELL of Montana: A bill (H. R. 10920) relating to the employment or maintenance of unemployed veterans of the Spanish-American and World Wars; to the Committee on Labor.

By Mr. ALLEN of Pennsylvania: A bill (H. R. 10921) to regulate the flow of interstate commerce (a) by increasing the national income, (b) by maintaining production of goods flowing in interstate commerce at a high level of operation, (c) by abolishing unemployment, (d) by providing consumers' goods and services in quantities limited only by the Nation's natural resources, and to create the Industrial Expansion Board, Industrial Expansion Administration, and other Federal agencies to carry into effect and administer the foregoing purposes; to the Committee on Ways and Means.

By Mr. VOORHIS: A bill (H. R. 10922) to regulate the flow of interstate commerce (a) by increasing the national income, (b) by maintaining production of goods flowing in interstate commerce at a high level of operation, (c) by abolishing unemployment, (d) by providing consumers' goods and services in quantities limited only by the Nation's natural resources, and to create the Industrial Expansion Board, Industrial Expansion Administration, and other Federal agencies to carry into effect and administer the foregoing purposes; to the Committee on Ways and Means.

By Mr. MAVERICK: A bill (H. R. 10923) to regulate the flow of interstate commerce (a) by increasing the national

income, (b) by maintaining production of goods flowing in interstate commerce at a high level of operation, (c) by abolishing unemployment, (d) by providing consumers' goods and services in quantities limited only by the Nation's natural resources, and to create the Industrial Expansion Board, Industrial Expansion Administration, and other Federal agencies to carry into effect and administer the foregoing purposes; to the Committee on Ways and Means.

By Mr. AMLIE: A bill (H. R. 10924) to regulate the flow of interstate commerce (a) by increasing the national income, (b) by maintaining production of goods flowing in interstate commerce at a high level of operation, (c) by abolishing unemployment, (d) by providing consumers' goods and services in quantities limited only by the Nation's natural resources, and to create the Industrial Expansion Board, Industrial Expansion Administration, and other Federal agencies to carry into effect and administer the foregoing purposes; to the Committee on Ways and Means.

By Mr. GUYER: Joint resolution (H. J. Res. 719) to implement the Kellogg-Briand Pact for World Peace; to the Committee on Foreign Affairs.

By Mr. CASE of South Dakota: Joint resolution (H. J. Res. 720) to prescribe the acreage allotments for wheat for 1939; to the Committee on Agriculture.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Ohio, memorializing the President and the Congress of the United States to consider their House Resolution No. 168, with reference to the Cowen Creek project of Clinton County, Ohio; to the Committee on Rivers and Harbors.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. FLANNERY introduced a bill (H. R. 10925) for the relief of Leroy Lester Weidow, which was referred to the Committee on Naval Affairs.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

5354. By Mr. HAVENNER: Petition of the American Friends of the Chinese People, San Francisco, Calif., urging passage of the O'Connell Peace Act, House Joint Resolution 527; to the Committee on Foreign Affairs.

5355. By Mr. LAMBERTSON: Petition of Mrs. W. E. Haverfield and 63 other citizens of Topeka, Kans., urging the passage of Congressman CHARLES N. CROSBY'S bill, providing for a fund to be raised by a 2 percent gross income tax, to be prorated to all eligibles over 60 years old, with the amendments offered by Congressman BOILEAU; to the Committee on Ways and Means.

5356. By Mr. LAMNECK: Petition of F. H. Nagle and 48 other citizens, of Columbus, Ohio; to the Committee on the Judiciary.

5357. By the SPEAKER: Petition of Robert E. Lee Jordan, Los Angeles, Calif., petitioning consideration of his communication with reference to Senate Joint Resolution 208; to the Committee on the Judiciary.

5358. Also, petition of Hollenbeck Home for the Aged, Los Angeles, Calif., petitioning consideration of their petition dated June 10, 1938; to the Committee on Foreign Affairs.

5359. Also, petition of Alabama Ginners' Association, Hanceville, Ala., petitioning consideration of their resolution with reference to the wage and hour bill; to the Committee on Labor.

5360. Also, petition of the Association of Former Internes of Freedmen's Hospital, Washington, D. C., petitioning consideration of their resolution dated June 10, 1938, with reference to the Freedmen's Hospital; to the Committee on Appropriations.

5361. Also, petition of the city of Brighton, Colo., petitioning consideration of their resolution dated June 7, 1938, regarding the construction of a United States post-office building in the city of Brighton; to the Committee on Appropriations.

SENATE

WEDNESDAY, JUNE 15, 1938

(Legislative day of Tuesday, June 7, 1938)

The Senate met at 10 o'clock a. m., on the expiration of the recess.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Tuesday, June 14, 1938, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. BARKLEY. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Connally	Holt	Overton
Andrews	Copeland	Hughes	Pepper
Ashurst	Davis	Johnson, Calif.	Pittman
Austin	Dieterich	Johnson, Colo.	Pope
Bailey	Donahey	King	Radcliffe
Bankhead	Duffy	La Follette	Reames
Barkley	Ellender	Lee	Reynolds
Berry	Frazier	Lewis	Russell
Bilbo	George	Lodge	Schwartz
Bone	Gerry	Logan	Schwellenbach
Borah	Gibson	Lonergan	Sheppard
Brown, Mich.	Gillette	Lundeen	Shipstead
Brown, N. H.	Glass	McGill	Thomas, Utah
Bulkley	Green	McKellar	Townsend
Bulow	Guffey	McNary	Truman
Burke	Hale	Maloney	Tydings
Byrd	Harrison	Miller	Vandenberg
Byrnes	Hatch	Minton	Wagner
Capper	Hayden	Murray	Walsh
Caraway	Herring	Neely	Wheeler
Chavez	Hill	Norris	
Clark	Hitchcock	O'Mahoney	

Mr. LEWIS. I announce that the Senator from California [Mr. MCADOO], the Senator from Nevada [Mr. MCCARRAN], the Senators from New Jersey [Mr. MILTON and Mr. SMATHERS], the Senator from South Carolina [Mr. SMITH], the Senator from Oklahoma [Mr. THOMAS], and the Senator from Indiana [Mr. VAN NUYS] are detained from the Senate on important public business.

The VICE PRESIDENT. Eighty-six Senators have answered to their names. A quorum is present.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

The VICE PRESIDENT announced his signature to the following enrolled bills and joint resolutions, which had previously been signed by the Speaker of the House of Representatives:

S. 375. An act for the relief of Mrs. John Olson;

S. 1346. An act for the relief of Stillwell Bros., Inc.;

S. 1987. An act for the relief of George J. Leatherwood;

S. 2052. An act for the relief of Henry E. Reents;

S. 2437. An act for the relief of Oscar Jones;

S. 2475. An act to provide for the establishment of fair labor standards in employments in and affecting interstate commerce, and for other purposes;

S. 2797. An act for the relief of Miriam Thornber;

S. 2819. An act to create a Committee on Purchases of Blind-made Products, and for other purposes;

S. 2890. An act for the relief of Clarence Daniel, a minor;

S. 2895. An act for the relief of Leona Draeger;

S. 3057. An act for the relief of John Fanning;

S. 3469. An act to amend section 128 of the Judicial Code, as amended;

S. 3540. An act for the relief of certain personnel of the Coquille River Coast Guard Station, Bandon, Oreg.;

S. 3584. An act for the relief of G. E. Maxwell;

S. 3694. An act to provide for the issuance of a license to practice the healing art in the District of Columbia to Dr. Sigfried Speyer and Dr. Luther Fete;

S. 3734. An act for the relief of certain officers and enlisted men of the United States Coast Guard;

S. 3754. An act to amend sections 729 and 743 of the Code of Laws of the District of Columbia;

S. 3846. An act relating to the levying and collecting of taxes and assessments, and for other purposes;

S. 3929. An act to authorize the Legislature of Puerto Rico to create public corporate authorities to undertake slum clearance and projects, to provide dwelling accommodations for families of low income, and to issue bonds therefor; to authorize the legislature to provide for financial assistance to such authorities by the government of Puerto Rico and its municipalities, and for other purposes;

S. 4024. An act authorizing advancements from the Federal Emergency Administration of Public Works for the construction of certain municipal buildings in the District of Columbia, and for other purposes;

H. R. 152. An act to add certain lands to the Rio Grande National Forest, Colo.;

H. R. 447. An act for the relief of Alpha Vint;

H. R. 599. An act for the relief of W. J. Steckel;

H. R. 1141. An act for the relief of J. W. Beams;

H. R. 1250. An act for the relief of Emilie Dew, Jack Welsh, Mary Jane Bowden, and Henry U. Gaines, Jr.;

H. R. 1363. An act for the relief of the estate of Milton L. Baxter;

H. R. 1861. An act for the relief of the firm of Schmidt, Garden & Martin, architects, Chicago, Ill.;

H. R. 2149. An act for the relief of Capt. Guy L. Hartman;

H. R. 2171. An act for the relief of Frank Burgess Bruce;

H. R. 2231. An act for the relief of Charles E. Black;

H. R. 2358. An act for the relief of Dwain D. Miles;

H. R. 2368. An act for the relief of the estate of Catherine Harkins, deceased;

H. R. 2429. An act for the relief of Eugene Nicholas;

H. R. 2487. An act for the relief of Thomas J. Allen, Jr.;

H. R. 2560. An act for the relief of the State of New York Insurance Department as liquidator;

H. R. 2650. An act for the relief of Veracunda O'Brien Allen;

H. R. 2767. An act for the relief of George L. Stone;

H. R. 2779. An act for the relief of Lilly Bundgard and Gloria Bundgard;

H. R. 3225. An act for the relief of Roland Stafford;

H. R. 3232. An act conferring jurisdiction upon the Court of Claims of the United States, to hear, consider, and render judgment on the claims of Joliet National Bank, of Joliet, Ill., and Commercial Trust & Savings Bank, of Joliet, Ill., arising out of loans to the Joliet Forge Co., of Joliet, Ill., for the providing of additional plant facilities and material for the construction of steel forging during the World War;

H. R. 3655. An act for the relief of Clarence D. Schiffman;

H. R. 3747. An act for the relief of George O. Wills;

H. R. 4032. An act for the relief of the New Amsterdam Casualty Co.;

H. R. 4169. An act to carry out the findings of the Court of Claims in the case of the Atlantic Works, of Boston, Mass.;

H. R. 4227. An act for the relief of Mrs. R. A. Smith;

H. R. 4285. An act to increase the salaries of letter carriers in the Village Delivery Service;

H. R. 4367. An act for the relief of Perry Walker;

H. R. 4443. An act for the relief of Meta De Rene McLoskey;

H. R. 4717. An act for the relief of Bernard Knopp;

H. R. 4830. An act for the relief of Mrs. D. O. Benson;

H. R. 4864. An act for the relief of Helen Rauch and Max Rauch;

H. R. 4941. An act for the relief of Rogowski Bros.;

H. R. 5006. An act for the relief of DeWitt F. McLaurine;

H. R. 5153. An act for the relief of George F. Anderson and Vera D. Anderson;

H. R. 5260. An act for the relief of Col. William H. Noble;

H. R. 5308. An act for the relief of Anna Caporaso;

H. R. 5471. An act to amend the laws relating to the distribution of public documents to depository libraries;

H. R. 5597. An act for the relief of Luigi Mazza;

H. R. 5763. An act to provide for the extension of the boundaries of the Hot Springs National Park in the State of Arkansas, and for other purposes;

H. R. 5805. An act to amend an act entitled "An act to provide for the exercises of sole and exclusive jurisdiction by the United States over the Hawaii National Park in the Territory of Hawaii, and for other purposes," approved April 19, 1930;

H. R. 6016. An act for the relief of Lavina Karns;

H. R. 6186. An act for the relief of Moses Red Bird;

H. R. 6296. An act for the relief of Dr. A. C. Antony and others;

H. R. 6327. An act for the relief of Edward J. Thompson;

H. R. 6374. An act for the relief of Lena R. Burnett;

H. R. 6461. An act for the relief of William F. Bourland;

H. R. 6669. An act for the relief of Augusta L. Collins;

H. R. 6713. An act for the relief of Genesee Brewing Co., Inc.;

H. R. 6727. An act for the relief of Edward E. Brown, Charles Walker, Frank Parr, John Moyer, and Lynford P. Fowles;

H. R. 6753. An act for the relief of the Derby Oil Co.;

H. R. 6842. An act for the relief of Frank M. Schmitt, Antonio Salas, Victoria Griego, and Victor Coco;

H. R. 6846. An act for the relief of Harvey and Carrie Robinson;

H. R. 6951. An act for the relief of Harold Price;

H. R. 6952. An act for the relief of Hattie Doudna;

H. R. 7012. An act for the relief of J. Anse Little;

H. R. 7060. An act for the relief of James Mohin and Joseph Lercara;

H. R. 7143. An act for the relief of the Curtiss Aeroplane & Motor Co., Inc.;

H. R. 7166. An act for the relief of the estate of Raymond Finklea;

H. R. 7198. An act for the relief of Fred Johnson;

H. R. 7297. An act for the relief of Gordon L. Cheasley;

H. R. 7424. An act for the relief of certain persons whose cotton was destroyed by fire in the Ouachita Warehouse, Camden, Ark.;

H. R. 7429. An act for the relief of Muriel C. Young;

H. R. 7460. An act for the relief of Mr. and Mrs. Roy Blessing;

H. R. 7520. An act for the relief of members of the Navy or Marine Corps who were discharged from the Navy or Marine Corps during the Spanish-American War, the Philippine Insurrection, and the Boxer uprising because of minority or misrepresentation of age;

H. R. 7537. An act for the relief of certain stevedores employed on the United States Army transport docks in San Francisco, Calif.;

H. R. 7606. An act for the relief of Albert Richard Jeske;

H. R. 7607. An act for the relief of Frank B. Decker;

H. R. 7693. An act to authorize the Secretary of War to transfer to the government of Puerto Rico certain real estate of the War Department;

H. R. 7793. An act for the relief of Nicholas de Lipski;

H. R. 7868. An act to provide for conveying to the State of North Dakota certain lands within Burleigh County, within that State, for public use;

H. R. 7874. An act to provide for the leasing of State, county, and privately owned lands for the purpose of furthering the orderly use, improvement, and development of grazing districts;

H. R. 7890. An act for the relief of Brooks-Callaway Co.;

H. R. 7960. An act for the relief of Wilma Artopoeus;

H. R. 7982. An act to regulate the manufacturing, dispensing, selling, and possession of narcotic drugs in the District of Columbia;

H. R. 8051. An act for the relief of Roswell H. Haynie;

H. R. 8055. An act for the relief of Helry P. Craig;

H. R. 8098. An act conferring jurisdiction upon the Court of Claims to hear and determine the claims of Edward Forbes and others;

H. R. 8099. An act to amend certain administrative provisions of the Tariff Act of 1930, and for other purposes;

H. R. 8123. An act for the relief of Sonia M. Bell;

H. R. 8165. An act to add certain lands to the Trinity National Forest, Calif.;

H. R. 8176. An act providing for continuing retirement pay, under certain conditions, of officers and former officers of the Army, Navy, and Marine Corps of the United States, other than officers of the Regular Army, Navy, or Marine Corps, who incurred physical disability while in the service of the United States during the World War, and for other purposes;

H. R. 8241. An act for the relief of Fred J. Christoff;

H. R. 8271. An act to confer jurisdiction upon the Court of Claims of the United States to hear, determine, and render judgment upon the claims of the attorneys for the Russian Volunteer Fleet;

H. R. 8275. An act for the relief of Stanley Kolitzoff and Marie Kolitzoff;

H. R. 8365. An act for the relief of the North Mississippi Oil Mills of Holly Springs, Miss.;

H. R. 8375. An act for the relief of Roscoe B. Huston;

H. R. 8380. An act for the relief of Glenn R. Martin;

H. R. 8391. An act for the relief of Frances M. Heinzelmann;

H. R. 8417. An act for the relief of John B. Dollison;

H. R. 8423. An act for the relief of Frank W. Lohn;

H. R. 8424. An act for the relief of John F. Dailey and Ethel M. Dailey;

H. R. 8479. An act for the relief of Jane Murrah;

H. R. 8480. An act for the relief of Commander James T. Mathews;

H. R. 8492. An act for the relief of Robert Doty, a minor;

H. R. 8515. An act to amend the act entitled "An act for the relief of Harry Bryan and Alda Duffield Mullins, and others", approved August 28, 1937;

H. R. 8544. An act for the relief of Alba C. Mitchell;

H. R. 8567. An act for the relief of Margaret B. Nonnenberg;

H. R. 8571. An act granting 6 months' pay to Mrs. Vallie M. Current;

H. R. 8643. An act for the relief of Kate Durham Thomas;

H. R. 8672. An act for the relief of Fergus County, Mont.;

H. R. 8683. An act for the relief of Gus Vakas;

H. R. 8696. An act for the relief of Ruby Z. Winslow;

H. R. 8723. An act for the relief of Spencer D. Albright, Jr.;

H. R. 8743. An act for the relief of Louis Michael Bregantic;

H. R. 8744. An act for the relief of J. G. Bucklin;

H. R. 8858. An act for the relief of Joseph Brum and Gussie Brum;

H. R. 8922. An act for the relief of E. E. Johnson;

H. R. 9084. An act for the relief of John Lawson and Roy Webb;

H. R. 9130. An act for the relief of Marshall Carver;

H. R. 9142. An act for the relief of J. J. B. Hilliard & Son;

H. R. 9196. An act for the relief of J. T. Burt and Alice Burt;

H. R. 9215. An act for the relief of the Read Machinery Co., Inc.;

H. R. 9277. An act for the relief of James M. Wright;

H. R. 9297. An act for the relief of Dr. Samuel A. Riddick;

H. R. 9400. An act for the relief of Adolph Arendt;

H. R. 9535. An act for the relief of Amy M. Ghent;

H. R. 9640. An act for the relief of Shoshone Garage;

H. R. 9674. An act for the relief of John Borowski, Benjamin H. Hammack, and Eber A. Wean;

H. R. 9825. An act for the relief of Raymond Pledger and Thomas P. Giacomini, Jr.;

H. R. 9881. An act to amend section 23 of the act to create the California Debris Commission, as amended;

H. R. 9916. An act to provide for the establishment of a Coast Guard station at or near Shelter Cove, Calif.;

H. R. 9981. An act for the relief of the State of Connecticut;

H. R. 10171. An act to amend the act entitled "An act giving jurisdiction to the Court of Claims to hear and determine the claim of the Butler Lumber Co., Inc.";

H. R. 10346. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Niobrara, Nebr.;

H. R. 10642. An act to amend an act entitled "District of Columbia Alley Dwelling Act," approved June 12, 1934, and for other purposes;

H. R. 10672. An act to amend section 4197 of the Revised Statutes, as amended (U. S. C., 1934 ed., title 46, sec. 91), and section 4200 of the Revised Statutes (U. S. C., 1934 ed., title 46, sec. 92), and for other purposes;

H. R. 10772. An act to amend certain sections of the act entitled "An act providing for the public printing and binding and the distribution of public documents," approved January 12, 1895, as amended;

H. J. Res. 620. Joint resolution for the observance of the celebration of the one hundred and twenty-fifth anniversary of the Battle of Lake Erie; and

H. J. Res. 703. Joint resolution to authorize the acceptance of title to the dwelling house and property, the former residence of the late Justice Oliver Wendell Holmes, located at 1720 Eye Street NW., in the District of Columbia, and for other purposes.

MOUNT RUSHMORE NATIONAL MEMORIAL COMMISSION (S. DOC. NO. 222)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Mount Rushmore National Memorial Commission, fiscal year 1939, in the amount of $100,000, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

CLAIM OF UNITED STATES AGAINST A. BRUCE BIELASKI

The VICE PRESIDENT laid before the Senate a letter from the Acting Comptroller General of the United States, submitting, in compliance with the provisions of section 312 (a) of the Budget and Accounting Act (42 Stat. 26) a report relative to the supplemenal settlement of the claim of the United States against A. Bruce Bielaski, which, with the accompanying paper, was referred to the Committee on Appropriations.

SALARIES OF DIRECTORS, OFFICERS, ETC., OF SUBSIDIZED MERCHANT MARINE LINES

The VICE PRESIDENT laid before the Senate a letter from the Acting Comptroller General of the United States, submitting, pursuant to law, a report concerning the enforcement by the United States Maritime Commission of the provisions of section 805 (c) of the Merchant Marine Act of 1936, limiting to $25,000 per annum the amount of salaries which may be paid directly or indirectly to a director, officer, or employee by subsidized lines, subsidiaries, affiliates, or associates, which, with the accompanying papers, was referred to the Committee on Commerce.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following resolution of the House of Representatives of the State of Ohio, which was ordered to lie on the table:

Resolution memorializing the Congress of the United States to approve legislation affecting Cowen Creek project in Clinton County, Ohio

Whereas the true friends of agriculture understand the need of a definite program designed to help provide a more abundant water supply in dry seasons, and as a flood preventative in excessively wet seasons; and

Whereas the Cowen Creek project of Clinton County, Ohio, will positively solve this problem to a greater extent than any plan so far proposed; and

Whereas it will provide a measure of enjoyment to the people of Clinton and the surrounding counties for recreational purposes in addition to being a part of a soil-conservation plan; and

Whereas this project has been approved by petitions and otherwise by various organizations interested civically and impartially: Therefore be it

Resolved, That we memoralize the Congress of the United States to approve appropriations allocated for this purpose so that the citizens of Ohio can enjoy and be benefited to the extent they so much deserve and that the project be finished as soon as possible and feasible; and be it further

Resolved, That copies of this resolution be transmitted to President Franklin D. Roosevelt, Vice President John N. Garner, the Clerk of the Senate, and the Clerk of the House, and to the Senators and Congressmen from Ohio.

The VICE PRESIDENT also laid before the Senate a letter in the nature of a petition from Augusto Ferrer, of Ponce, P. R., praying for the enactment of House bill 2904, the so-called Philippine travel-pay bill, which was ordered to lie on the table.

Mr. BARKLEY (for Mr. MILTON) presented the following concurrent resolution of the Legislature of the State of New Jersey, which was ordered to lie on the table:

A concurrent resolution memorializing the Congress of the United States of America to eliminate the taxation of gasoline by the Federal Government

Whereas the Congress of the United States of America in 1932 imposed a tax of 1 cent per gallon upon all sales of gasoline; and

Whereas the State of New Jersey and all the other States of the United States had already imposed taxes upon such sales; and

Whereas the Federal tax on such sales was untimely and restrictive and, coupled with the respective State taxes on such sales, places a burden upon the users of gasoline beyond that which they should rightfully carry and beyond that which the traffic can legitimately bear; and

Whereas the taxation of sales of gasoline should properly be left to the exclusive use of the States as a means of providing funds for road construction and maintenance: Now, therefore, be it

Resolved by the Assembly of the State of New Jersey (the senate concurring therein), That the Congress of the United States be, and is hereby, respectfully memorialized to abandon the Federal gasoline sales tax and surrender to the States exclusively the power to tax such sales in the future: and be it further

Resolved, That a copy of this resolution be transmitted to the President of the United States, the Clerk of the House of Representatives, the Secretary of the United States Senate, and to each Member of Congress elected from the State of New Jersey, and that the latter be requested to use their best endeavors to accomplish the purpose of this resolution.

Mr. VANDENBERG presented memorials numerously signed by sundry citizens of the State of Michigan, remonstrating against the operation of Federal crop control, particularly the corn-allotment plan, which were ordered to lie on the table.

REPORTS OF COMMITTEES

Mr. JOHNSON of California (for Mr. WHEELER), from the Committee on Agriculture and Forestry, to which was referred the bill (H. R. 10785) to amend the Perishable Agricultural Commodities Act, 1930, as amended, reported it without amendment.

Mr. LOGAN, from the Committee on Claims, to which was referred the bill (H. R. 1251) for the relief of Anna L. Andreas and Anita Andreas, reported it without amendment and submitted a report (No. 2204) thereon.

Mr. CAPPER, from the Committee on Claims, to which was referred the bill (H. R. 8199) for the relief of Mrs. Olive Fletcher Conklin, reported it without amendment and submitted a report (No. 2205) thereon.

Mr. BROWN of Michigan, from the Committee on Claims, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

H. R. 7854. A bill for the relief of Joseph Gross (Rept. No. 2206); and

H. R. 9888. A bill for the relief of William Henry Johnston, Jr., a minor (Rept. No. 2207).

Mr. PITTMAN, from the Committee on Foreign Relations, to which was referred the joint resolution (H. J. Res. 702) to provide that the United States extend to foreign governments invitations to participate in the Third International Congress for Microbiology to be held in the United States during the calendar year 1939, and to authorize an appropriation to assist in meeting the expenses of the session, reported it with an amendment and submitted a report (No. 2208) thereon.

Mr. SCHWELLENBACH, from the Committee on Claims, to which was referred the bill (H. R. 9543) for the relief of Mr. and Mrs. Harold E. Theriault, reported it without amendment and submitted a report (No. 2209) thereon.

Mr. ADAMS, from the Committee on Public Lands and Surveys, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

H. R. 5804. A bill to provide for the residence of the United States commissioners appointed for the national parks, and for other purposes (Rept. No. 2210); and

H. R. 6591. A bill to exempt from cancelation certain desert-land entries in Riverside County, Calif. (Rept. No. 2211).

Mr. SHEPPARD, from the Committee on Military Affairs, to which was referred the bill (S. 23) to reestablish the longevity pay of warrant officers, reported it with an amendment and submitted a report (No. 2212) thereon.

Mr. RUSSELL, from the Committee on Immigration, to which were referred the following bills, reported them severally without amendment and submitted reports thereon as indicated:

H. R. 6306. A bill to authorize the cancelation of deportation proceedings in the case of Henrietta Vendemmia;

H. R. 7039. A bill for the relief of Paul Hirschmann (Rept. No. 2213); and

H. R. 7357. A bill for the relief of Giovanni Raffa (Rept. No. 2214).

ENROLLED BILLS AND JOINT RESOLUTION PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on June 14, 1938, that committee presented to the President of the United States the following enrolled bills and joint resolution:

S. 44. An act for the relief of Edward N. Jerry;

S. 82. An act for the relief of F. A. Rumery & Sons, of Portland, Maine;

S. 213. An act for the relief of Ida A. Gunderson;

S. 606. An act for the relief of Mabel F. Hollingsworth;

S. 652. An act for the relief of John B. Jones;

S. 667. An act for the relief of William E. Jones, Walter M. Marston, William Ellery, Richard P. Hallowell, 2d, and Malcolm Donald as executors under the will of Frank W. Hallowell; and Malcolm Donald as executor under the will of Gordon Donald;

S. 824. An act for the relief of Sam Kimzey;

S. 866. An act for the relief of the estate of James D. McEachern;

S. 945. An act for the relief of the Community Investment Co., Inc.;

S. 1168. An act for the relief of Joseph W. Bollenbeck;

S. 1239. An act for the relief of John W. Beck;

S. 1272. An act relative to the military record of James Meagher, deceased;

S. 2072. An act for the relief of Stuart C. Peterson;

S. 2408. An act for the relief of John H. Balmat, Jr.;

S. 2532. An act for the relief of Mr. and Mrs. Guy R. Syth;

S. 2541. An act for the relief of the estate of George Ehret, Jr.;

S. 2594. An act authorizing the President of the United States to summon Sam Alexander before an Army retiring board, and for other purposes;

S. 2624. An act for the relief of Emmett Lee Payne;

S. 2629. An act to authorize an exchange of lands between the city of San Diego, Calif., and the United States;

S. 2739. An act for the relief of certain employees of the Federal Emergency Administration of Public Works and the National Resources Committee;

S. 2876. An act for the relief of Mark H. Doty;

S. 2883. An act for the relief of George H. Lowe, Jr.;

S. 2948. An act for the relief of A. J. Moses and Gladys Moses, a minor;

S. 2994. An act for the relief of Mrs. Morgan R. Butler;

S. 3005. An act to confer jurisdiction on the Court of Claims to hear and determine the claim of A. C. Messler Co.;

S. 3031. An act for the relief of the Lima Locomotive Works, Inc.;

S. 3034. An act for the relief of Faye B. Millie;

S. 3079. An act for the relief of George W. Breckenridge;

S. 3142. An act for the relief of Lt. Comdr. Robert R. Blaisdell and Lt. Edward W. Hawkes (retired), Supply Corps, United States Navy;

S. 3227. An act for the relief of Mr. and Mrs. Chester A. Smith;

S. 3263. An act for the relief of the State of Georgia;

S. 3415. An act to purchase private lands within the Shoshone (Wind River) Indian Reservation;

S. 3426. An act to authorize an appropriation for repayment to the Middle Rio Grande Conservancy District, a subdivision of the State of New Mexico, of the share of the said district's construction and operation and maintenance costs applicable to certain properties owned by the United States, situate in Bernalillo County, N. Mex., within the exterior boundaries of the district; to authorize the Secretary of the Interior to contract with said district for future operation and maintenance charges against said lands; to authorize appropriation for extra construction work performed by said district for the special benefit of certain Pueblo Indian lands and to authorize appropriation for construction expenditures benefiting certain acquired lands of Pueblo Indians of the State of New Mexico;

S. 3446. An act for the relief of Richard K. Gould;

S. 3470. An act for the relief of Lewis M. Foster;

S. 3490. An act for the relief of Benjamin H. Faith;

S. 3512. An act for the relief of Elizabeth Cory;

S. 3534. An act for the relief of Christ Rieber;

S. 3561. An act for the relief of certain individuals in connection with the construction, operation, and maintenance of the Fort Hall Indian irrigation project, Idaho;

S. 3573. An act for the relief of William J. Pitochelli;

S. 3587. An act for the relief of Mr. and Mrs. P. F. Nixon, parents of Herschel Lee Nixon, deceased minor son;

S. 3597. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Natchez, Miss., and for other purposes;

S. 3611. An act to further extend the times for commencing and completing the construction of a bridge across the Missouri River between the towns of Decatur, Nebr., and Onawa, Iowa;

S. 3719. An act for the relief of Manuel L. Clay;

S. 3739. An act for the relief of Alpha T. Johnson;

S. 3758. An act for the relief of Emily Gertrude Toby;

S. 3845. An act to create a Civil Aeronautics Authority, and to promote the development and safety and to provide for the regulation of civil aeronautics;

S. 3867. An act authorizing the North Dakota State Highway Department and the Department of Highways of the State of Minnesota to construct, maintain, and operate a free highway bridge across the Red River;

S. 3892. An act creating the City of Dubuque Bridge Commission and authorizing said commission and its successors to purchase and/or construct, maintain, and operate a bridge or bridges across the Mississippi River at or near Dubuque, Iowa, and East Dubuque, Ill.;

S. 3898. An act to extend the times for commencing and completing the construction of a bridge across the Piscataqua River at or near Portsmouth, N. H.;

S. 3907. An act to further extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Garrison, N. Dak.;

S. 3917. An act authorizing the President to present gold medals to Mrs. Richard Aldrich and posthumously to Anna Bouligny;

S. 3940. An act authorizing the Comptroller General of the United States to adjust and settle the claim of Oscar L. Mather;

S. 3990. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Miami, Mo.;

S. 4027. An act providing that excess-land provisions of Federal reclamation laws shall not apply to certain lands that will receive a supplemental water supply from the Colorado-Big Thompson project;

S. 4050. An act to repeal section 2 of the act of June 16, 1936, authorizing the appointment of an additional district judge for the eastern district of Pennsylvania;

S. 4076. An act to amend the Federal Crop Insurance Act;

S. 4090. An act to provide for the care and treatment of juvenile delinquents;

S. 4126. An act to amend the act authorizing the construction of a bridge at South Sioux City, Nebr.;

S. 4144. An act to amend section 1 of an act entitled "An act granting the consent of Congress to the county of Pierce, a legal subdivision of the State of Washington, to construct, maintain, and operate a toll bridge across Puget Sound, State of Washington, at or near a point commonly known as 'The Narrows,'" and to extend the times for commencing and completing the construction of such bridge; and

S. J. Res. 264. Joint resolution providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution of the class other than Members of Congress.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. TYDINGS:

A bill (S. 4177) to provide for the erection of a monument in Baltimore, Md., in honor of Gen. Casimir Pulaski; to the Committee on the Library.

A bill (S. 4178) to give double credit for civil-service retirement purposes for certain periods of service in the military or naval forces of the United States outside the continental United States; to the Committee on Civil Service.

By Mr. McKELLAR:

A bill (S. 4179) to amend section 239 of the act of June 8, 1872 (17 Stat. 312; U. S. C., title 39, sec. 500); to the Committee on Post Offices and Post Roads.

By Mr. HAYDEN:

A bill (S. 4180) to authorize Federal cooperation in restoring and developing the potential productivity of natural grasslands and other ranges in the States and Territories, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. OVERTON:

A joint resolution (S. J. Res. 312) to authorize the Secretary of War to lend War Department equipment for use at the 1938 National Eucharistic Congress to be held in New Orleans, La., from October 17 to October 20, 1938; ordered to lie on the table.

AMENDMENT TO SECOND DEFICIENCY APPROPRIATION BILL

Mr. POPE submitted an amendment intended to be proposed by him to House bill 10851, the second deficiency appropriation bill, 1938, which was ordered to lie on the table and to be printed, as follows:

On page 90, line 9, to strike out the period and insert a semicolon and the following: "and not to exceed $4,000 for the operation and maintenance of a fish hatchery in Shoshone County, Idaho, to be donated to the United States by the Shoshone County Sportsmen's Association, of Wallace, county of Shoshone, Idaho."

WITHDRAWAL OF MOTIONS FOR RECONSIDERATION

Mr. KING. Mr. President, I desire to withdraw my motions to reconsider the votes by which House bill 733, for the relief of George E. Titter, and House bill 736, for the relief of Mallery Toy, were ordered to a third reading, and passed.

The VICE PRESIDENT. Without objection, the motions to reconsider are withdrawn.

EXTENSION OF CIVIL SERVICE TO POSTMASTERS

Mr. O'MAHONEY. Mr. President, considerable interest has been expressed by the public in the House bill 1531, passed a day or two ago, extending the civil service to certain postmasters. I ask unanimous consent that there may be printed as a Senate document the conference report which I filed on behalf of the conferees on June 7, 1938, together with a brief explanation of it, and various Executive orders which have been issued from time to time respecting the appointment of postmasters.

The VICE PRESIDENT. Without objection, it is so ordered.

PERMISSION TO PRINT CERTAIN MATTERS IN APPENDIX OF RECORD

Mr. BARKLEY. Mr. President, in the rush of the closing hours of Congress, in order to prevent the exclusion from the RECORD of something that justly is entitled to be incorporated, I ask that I may be given permission to have printed in the Appendix a summary of the enacted laws and record votes thereon, memoranda from the executive departments and agencies of the Government, and speeches and editorials and articles to be printed as part of my remarks.

The VICE PRESIDENT. Without objection, the leave to print in the RECORD, requested by the Senator from Kentucky, is granted.

POLITICS IN 1938—ADDRESS BY SENATOR BULKLEY

[Mr. HATCH asked and obtained leave to have printed in the RECORD a radio address delivered on June 13, 1938, by Senator BULKLEY, on the subject Politics in 1938, which appears in the Appendix.]

RECAPTURE OF AMERICAN TRADE

[Mr. GIBSON asked and obtained leave to have printed in the RECORD an article published in the Washington Star on June 13, 1938, regarding the recapture of American trade, which appears in the Appendix.]

COTTON RESEARCH LABORATORY IN TEXAS

[Mr. CONNALLY asked and obtained leave to have printed in the RECORD an outline of argument before the Department of Agriculture officials at Washington May 13, 1938, by Victor H. Schoeffelmayer, agricultural editor of the Dallas News, advocating the location of the million-dollar cotton research laboratory in Texas, which appears in the Appendix.]

THE FALLACY OF THE RECIPROCAL TRADE AGREEMENT POLICY—ADDRESS BY WILLIAM L. MONRO

[Mr. DAVIS asked and obtained leave to have printed in the RECORD an address on the subject of The Fallacy of the Reciprocal Trade Agreement Policy, delivered by William L. Monro, president of the American Tariff League, before the Hungry Club of Pittsburgh, Pa., May 23, 1938.

HYDRO YARDSTICK SYSTEMS—ARTICLE BY JUDSON KING

[Mr. NORRIS asked and obtained leave to have printed in the RECORD an article by Judson King, director of the National Popular Government League, on the subject Shall Municipalities and Rurals Join Hydro Yardstick Systems?

ECONOMIC SIGNIFICANCE OF THE UNDISTRIBUTED-PROFITS TAX

[Mr. HILL asked and obtained leave to have printed in the RECORD an article by James G. Smith published in the American Economic Review for June 1938 on the subject Economic Significance of the Undistributed-Profits Tax, which appears in the Appendix.]

UNITED STATES SAVINGS BONDS

[Mr. MINTON asked and obtained leave to have printed in the RECORD a statement regarding United States Savings bonds, which appears in the Appendix.]

AMENDMENT OF CIVIL SERVICE CLASSIFICATION ACT—STATEMENT BY NATIONAL ASSOCIATION OF FEDERAL MECHANICS

[Mr. MCKELLAR asked and obtained leave to have printed in the RECORD a statement by the National Association of Federal Mechanics, entitled "Statement of Reasons to Make S. 3683 a Law," which appears in the Appendix.]

SOCIAL SECURITY ACT—EXEMPTION OF FARM COOPERATIVE ASSOCIATIONS

[Mr. ANDREWS asked and obtained leave to have printed in the RECORD a letter addressed to him by John S. Taylor, Jr., president of the Citrus City Growers' Association of Largo, Fla., under date of June 10, 1938, which appears in the Appendix.]

UNEMPLOYMENT INSURANCE SYSTEM AND RAILROAD EMPLOYEES—STATEMENT BY CHARLES M. HAY

[Mr. CLARK asked and obtained leave to have printed in the RECORD a statement by Charles M. Hay, counsel for the Railway Labor Executives' Association regarding unemployment insurance for railroad employees.

AGRICULTURAL SITUATION IN WASHINGTON 1932–37

[Mr. BONE asked and obtained leave to have printed in the RECORD a summary of the agricultural situation in the State of Washington from 1932–37.

RESPONSIBILITIES OF PRESENT-DAY BANKING—ADDRESS BY MARSHALL R. DIGGS

[Mr. SHEPPARD asked and obtained leave to have printed in the RECORD an address delivered by Marshall R. Diggs, Acting Comptroller of the Currency, before the Texas Bankers' Association, at Fort Worth, Tex., on Tuesday, May 17, 1938.

"BUSINESS AND GOVERNMENT"—EDITORIALS FROM FORTUNE MAGAZINE

[Mr. MURRAY asked and obtained leave to have printed in the RECORD editorials on the subject of Business and Government, published in Fortune Magazine for March, April, May, and July, 1938.

"THE DISTANT HORIZON"—ADDRESS BY COL. O. R. M'GUIRE

[Mr. OVERTON asked and obtained leave to have printed in the RECORD a commencement day address delivered by Col. O. R. McGuire at the Louisiana State University on May 30, 1938, on the subject, The Distant Horizon.

CITIZENSHIP AND PASSPORTS

[Mr. ANDREWS asked and obtained leave to have printed in the RECORD a broadcast on the subject of Citizenship and Passports on Sunday, May 15, 1938.

PERMISSION TO PRINT SPEECHES IN APPENDIX

Mr. DUFFY. Mr. President, I ask unanimous consent that there may be printed in the Appendix of the RECORD at a later date a speech to be delivered tomorrow, Thursday, June 16, by the junior Senator from Utah [Mr. THOMAS] at Boston.

I make a similar request as to a speech to be delivered on the 25th of June by Postmaster General Farley.

The VICE PRESIDENT. Is there objection to the request of the Senator from Wisconsin? The Chair hears none, and permission is granted.

NAVAL AND MARINE CORPS RESERVE—CONFERENCE REPORT

The VICE PRESIDENT. When the Senate took a recess this morning the Senator from Wyoming [Mr. O'MAHONEY] had the floor. The Chair feels that he should now recognize that Senator.

Mr. WALSH. Mr. President, will the Senator from Wyoming yield to me for a moment?

Mr. O'MAHONEY. I shall be glad to yield to the Senator from Massachusetts.

Mr. WALSH. Is the Senator willing to entertain, through the Chair, a unanimous-consent request to lay aside the pending conference report for the consideration of another conference report, dealing with the Naval Reserve?

Mr. O'MAHONEY. I yield for that purpose, provided I shall not lose the floor.

Mr. WALSH submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R.

10594) to provide for the creation, organization, administration, and maintenance of a Naval Reserve and a Marine Corp Reserve, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 14, 15, 16, 17, 18, 19, and 20.

That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be stricken out by the Senate amendment, insert the following: ", but shall be paid in advance $20 per annum"; and the Senate agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment, as follows: "*Provided further*, That for those performing aerial flights in the capacity of pilots duly prescribed as a part of their training, the pay and the pay limits prescribed by this section shall be increased by 50 percentum for any quarter during which not less than four hours of such flying has been performed: *And provided further*, That no officer shall receive an increase of pay by reason of the performance of aerial flights, greater than the increase for such reason that may, under the provisions of this section, be paid to reserve officers of the grade of captain in the Naval Reserve or colonel in the Marine Corps Reserve"; and the Senate agree to the same.

DAVID I. WALSH,
PETER G. GERRY,
HIRAM JOHNSON,
Managers on the part of the Senate.

CARL VINSON,
P. H. DREWRY,
MELVIN J. MAAS,
Managers on the part of the House.

The report was agreed to.

AMENDMENT OF PERISHABLE AGRICULTURAL COMMODITIES ACT

Mr. JOHNSON of California. Mr. President, will the Senator from Wyoming yield to me?

Mr. O'MAHONEY. I yield to the Senator from California.

Mr. JOHNSON of California. I ask unanimous consent that a House bill which was reported from the Committee on Agriculture and Forestry this morning, and to which there is no objection, may be considered and acted upon.

The VICE PRESIDENT. The Senator from California asks unanimous consent for the present consideration of the bill, which the clerk will state by title.

The CHIEF CLERK. A bill (H. R. 10785) to amend the Perishable Agricultural Commodities Act, 1930, as amended.

Mr. BARKLEY. Mr. President, I do not intend to object to this request, but there are a large number of Senators, and I am among them, who have small routine matters on their desks; and, in view of the exigency of the situation, I think the pending business and the deficiency bill ought not to be interrupted to take up these matters. I shall not object to this request, but after this I feel that I shall have to object.

I have no objection to the request of the Senator from California.

The VICE PRESIDENT. The Chair is under some sort of a misapprehension. The Chair understood the rules of the Senate to be that when a Senator asked unanimous consent for the consideration of a bill, the Senate could undoubtedly give it. He is informed by the Parliamentarian that it is against the rules of the Senate for this bill to be considered by unanimous consent; that it must be taken out of the hands of some committee.

Mr. JOHNSON of California. Mr. President, the Committee on Agriculture and Forestry has reported the bill.

The VICE PRESIDENT. The Chair merely wanted to make that statement. The Chair believes, regardless of the rules of the Senate, that the United States Senate may give unanimous consent for the consideration, engrossment, third reading, and passage of a bill without regard to whether or not it has ever been to a committee. The Chair thinks that by giving unanimous consent the rules of the Senate are changed, and the Senate may do anything it wishes to do.

Is there objection to the present consideration of the bill referred to by the Senator from California?

There being no objection, the bill (H. R. 10785) to amend the Perishable Agricultural Commodities Act, 1930, as amended, was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 7 (a) of the Perishable Agricultural Commodities Act, 1930, as amended, is further amended by changing the semicolon at the end thereof to a period and adding the folowing language: "If, after the respondent has filed his answer to the complaint, it appears therein that the respondent has admitted liability for a portion of the amount claimed in the complaint as damages, the Secretary under such rules and regulations as he shall prescribe, unless the respondent has already made reparation to the person complaining, may issue an order directing the respondent to pay to the complainant the undisputed amount on or before the date fixed in the order, leaving the respondent's liability for the disputed amount for subsequent determination. The remaining disputed amount shall be determined in the same manner and under the same procedure as it would have been determined if no order had been issued by the Secretary with respect to the undisputed sum;".

Mr. BARKLEY. Mr. President, I feel that I must object to any further unanimous-consent requests until the pending business shall have been disposed of. It is not fair to other Senators to have exceptions made.

The VICE PRESIDENT. The Senator from Kentucky will have that opportunity as long as the present occupant of the Chair is presiding.

AUTHORIZATION OF FLOOD-CONTROL PROJECTS—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10618) entitled "An act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes."

Mr. O'MAHONEY. Mr. President, last night, at a late hour, after the conference report upon the flood-control bill was brought before the Senate, and while the distinguished and able Senator from Louisiana [Mr. OVERTON] was explaining the report, I rose to ask a simple question. Although I was on my feet for considerably more than an hour, and members of the committee which had charge of the bill were also upon their feet on the floor of the Senate, I was altogether unable to obtain an answer to the question. It is a perfectly simple question, and one to which it seems to me there should be no hesitation whatever in giving a reply.

As was suggested last night, I am not concerned in filibustering against the consideration of this measure. I believe in flood control. I believe in the development of public power. I think the development of power sites upon the rivers and streams of the country is of tremendous importance to the people, and no word of mine will ever be used to prevent the accomplishment of that purpose; but I call the attention of the Senate to the fact that when the act of June 22, 1936, was passed, it explained an explicit provision that whenever the Secretary of War sought to acquire land in one State for the benefit of another, the consent of the State within which the land was to be acquired must be obtained.

That is a perfectly clear proposition. If lands in Kentucky are to be condemned for the benefit of some other State lower on the stream, under the act which is now being repealed, the consent of Kentucky must be obtained.

The conference report which has been brought in to us contains this sentence in the revised section 2:

> Notwithstanding any restrictions, limitations, or requirement of prior consent provided by any other act, the Secretary of War is hereby authorized and directed to acquire in the name of the United States title to all lands, easements, and rights-of-way necessary for any dam and reservoir project or channel improvement or channel rectification project for flood control—

And so forth.

> Notwithstanding any restrictions, limitations, or requirements of prior consent provided by any other act.

Mr. President, I wish the distinguished Senator from Louisiana [Mr. OVERTON] or the distinguished Senator from Kentucky [Mr. BARKLEY], the majority leader, would tell the Senate what other acts are being repealed by that provision. In the few moments I have had to give consideration to the matter, I have been able to find one. I quoted it here last night. Let me quote it again this morning. It is the provision of the act of June 22, 1936:

Provided further, That when benefits of any project or useful part thereof accrue to lands and property outside of the State in which said project or part thereof is located, the Secretary of War with the consent of the State wherein the same are located may acquire the necessary lands, easements, and rights-of-way for said projects.

Will the Senator from Louisiana indicate to me why that apparently wise provision of law for the protection of States upstream is now to be withdrawn?

The Senator from Louisiana sits mute in his seat. Is there no explanation for it?

Mr. OVERTON. Mr. President, I answered that query four or five times, according to my recollection, last evening. I do not think it is necessary for me to repeat what I have said.

Mr. O'MAHONEY. I wish the Senator would point out the place in the RECORD in which he answered it once.

Mr. OVERTON. I respectfully suggest that the Senator from Wyoming make his own research of the RECORD and not call upon me to officiate as his clerk.

Mr. O'MAHONEY. Mr. President, the answer of the Senator is practically the same answer as was given last night. We wander all around the central question which is involved. The Senator from Kentucky indicated last night, during the progress of the discussion, that the Senate and the House of Representatives would remain in session until this bill passed, regardless of this question.

Mr. LUNDEEN. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I very gladly yield to the Senator from Minnesota.

Mr. LUNDEEN. Mr. President, the press, through its financial pages, is telling us a great deal about the railroads, and the impending wage cut, and about possible strikes.

The effort that is now being made by the railroads to reduce the wages of the employees should be opposed by every progressive in the land.

Only recently the railroads of this country were granted an increase in freight and passenger rates by the Interstate Commerce Commission, which placed an added burden on the backs of the farmers and consumers of this country.

It is conservatively estimated that this raise in rates will bring into the treasury of the railroads $270,000,000 annually.

Having obtained this raise, they now propose to cut the wages of every railroad worker in the country, practically one-sixth, and reduce the purchasing power of these men and women by more than one quarter of a billion dollars.

BETRAYAL OF LABOR-FARMER

To do this would not only be a rank betrayal of labor, but would place an added burden on the farmer and the producer. With one hand they would place a burden upon the farmer and the producer, and with the other hand they would take away from the railroad workers their purchasing power, and, thereby, place a double burden upon the farmer and the producer.

The financial condition of the railroads is not due to high wages. It is due to mismanagement. It is due to financial juggling, and the payment of huge bonuses and commissions to the bankers and brokers of the East.

This is no time to reduce the purchasing power of the workers of America, and not only the workers, but also every industry should stand back of President Roosevelt in his effort to increase purchasing power and to prevent a Nation-wide attempt to reduce the wages of the workers and reduce their scale of living.

Our Government has just sponsored a $4,500,000,000 spending program, and the purpose of it is to increase buying power, not to decrease it.

It comes with poor grace on the part of the railroads at a time like this, to seek to decrease the buying power of their employees and workers.

HIDING BEHIND THE LIFE-INSURANCE COMPANIES

It is time that the public ascertained the facts regarding this fight to cut the wages of the railroad workers. A well-organized propaganda has been carried on in this country that if these railroads do not obtain increased rates and reduced wages they will be unable to pay the interest on their bonds; that the life-insurance companies of this country will be faced with bankruptcy. This is not a fact, and the people of this country ought to realize it. In the first place, with proper management the railroad companies can meet their interest rates. In the second place, if the railroad bonds should be entirely defaulted, it would not seriously affect the condition of the life-insurance companies of this country. The railroads of this country are in their present condition because of the financial juggling, mismanagement, and rank dishonesty.

Only 11 percent of the assets of the 33 largest life-insurance companies of this country are represented by railroad bonds.

If every bond held by the insurance companies were defaulted, which is not at all possible, the intrinsic value of the policies of every policyholder in this country would not be seriously affected.

I desire to include in my remarks the following news release issued by Alfred M. Best Co., Inc., insurance publishers and reporters, of New York City:

Because life-insurance companies are known to be large holders of railroad bonds, and the railroads in general have been having an unfortunate time of it recently, many unfounded rumors have been going the rounds as to the effect that railroad difficulties might have upon life-insurance company assets and policyholders.

The real facts are almost startlingly favorable to the life-insurance companies. To compile them we have taken the statements of 33 of the largest companies, omitting several Canadian institutions whose holdings in United States railroad bonds are of no relative importance.

Approximately 97 percent of the United States life-company assets are represented in our survey, with presumably proportionate figures on other items. This survey developed the following facts, all taken from the sworn annual statements of these companies as of December 31, 1937, and here is the point:

First. Only 11 percent of assets are represented by railroad bonds;

Second. The group of life companies carried their railroad bonds at an average price of 84.6—stated to be amortized value;

Third. The market value as of the same date was 80.7;

Fourth. The depreciation in dollars to put railroad bonds at market was $123,000,000; surplus was $1,167,000,000; but

Fifth. If the entire bond portfolio was placed at market, the companies would show a gain in surplus of $109,000,000.

The reason for this is that the amortized values used by the companies in their statements considerably undervalue extremely high-grade bonds such as Governments, of which the companies hold a large volume; other bonds have for various reasons been written down and are not carried at amortized values in general but at figures substantially lower, sometimes under market.

FACTS AND FIGURES

The "convention market" value required by the National Association of Insurance Commissioners and reported by the companies in their statements (but not used for statement purposes) are true market values for railroads and all other active bonds; they are arbitrary values only for the smaller and local municipals which do not have a real market, and these do not affect our figures. In other words, the true excess of market values overamortized on high-grade issues considerably exceeds the deficit in the rail group, which is not large because the companies have already written the bonds down very substantially, or bought them at low prices.

These figures compare with the total surplus to policyholders of the group of 33 companies of $1,167,000,000 as of the same date. Total figures upon which the above facts are based are as follows:

Assets	$24,351,000,000
All bonds (amortized statement value)	12,626,000,000
All bonds—Market (convention)	12,735,000,000
Railroad bonds (par value)	3,177,000,000
Railroad bonds (amortized-statement value)	2,686,000,000
Railroad bonds (market value)	2,563,000,000
Percent railroad amortized to par	84.6
Percent railroad market to par	80.7
Differences—All rails to market	123,000,000
Differences—All bonds to market	109,000,000
Surplus	1,167,000,000

[At this point Mr. LUNDEEN yielded to Mr. THOMAS of Utah to present the conference report on Senate bill 2475, the wage and hour bill, the proceedings and debate on which appear in the RECORD at the conclusion of Mr. LUNDEEN's remarks.]

INTERSTATE COMMERCE COMMITTEE—SENATOR WHEELER AND THE RAILWAYS

Mr. LUNDEEN. Mr. President, the statement of the Senator from Montana [Mr. WHEELER], chairman of the Interstate Commerce Committee of the United States Senate, at the hearings on the investigation of railroads and holding companies, clearly shows that financial juggling of the railroads and bankers has brought about the condition which today plagues the railroads of this country. I quote:

Today's testimony has made clear to me one of the most astounding facts in all the history of high financing. Here is the Missouri Pacific, one of the largest corporations in the United States. Its books are falsified. It files false financial statements with the Interstate Commerce Commission, and it issues false financial statements to the investing public. It kept this up year after year. Its falsification goes so far that the corporation creates fictitious bank deposits of millions of dollars. Every dime, every nickel, and every cent of that fake special deposit at Guaranty Trust Co. of New York is fictitious. If a small-business man or an ordinary man obtaining a small personal loan at a bank did such a thing as this the banking community itself would see to it that he was promptly sent to the penitentiary for falsification of his accounts; and if this sort of thing were practiced generally, or if it could be practiced generally, the entire credit structure upon which business is done in this country would be completely broken down.

Mr. WHEELER. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Montana?

Mr. LUNDEEN. I do.

Mr. WHEELER. I call the attention of the Senator to the fact that the president of the Missouri Pacific and the treasurer of the Missouri Pacific did not really know that they were keeping a false set of books. The books were so manipulated by the holding company that the way in which the money was being used was not even known to the president or the treasurer of the company. They so testified upon the witness stand, showing how a holding company may manipulate the funds of an operating company without even the president of the operating company knowing it.

Mr. LUNDEEN. I thank the able Senator for his statement in that connection, and I have no doubt as to its correctness. I desire to say to the distinguished Senator from Montana that he has contributed more than I could hope to contribute to the discussion of the railroad question, and I hope in the future he will lead the way still further on that subject.

I desire to read into the RECORD an article which appeared in the June issue of the Railroad Trainman. It is a statement by A. F. Whitney, the able president of the Railroad Trainmen. Mr. Whitney has justly earned for himself the title of a courageous and sincere champion of the men of the railway service. The statement is as follows:

TRAINMEN WILL FIGHT WAGE CUTS

At a press conference on May 12, 1938, I issued the following statement on the proposed wage cut:

The chairmen of the general committees, Brotherhood of Railroad Trainmen, advise us that their respective managements today served notices of the managements' desire to reduce basic rates of pay 15 percent, effective July 1, 1938.

The railroads now propose to return the Nation to the dismal days of 1932 and 1933. When the railroad employees accepted a 10-percent pay-roll reduction in 1932, the carriers solemnly promised that this deduction would last for a period of only 1 year, and that it would not only restore national prosperity but world prosperity also. We all know now that the 10-percent deduction lasted for 38 months and that the depression deepened following this reduction in mass purchasing power.

While business complains about Government spending, it continues to follow a deflationary policy of reducing mass purchasing power, thus making Government spending more imperative if starvation is to be avoided in this land of plenty. The President is striving to bring about recovery. The railroads are now attempting to launch a national program of wage cuts. Today the railroads are getting more for their wage dollar than ever before. The wage cut proposed by the carriers only accentuates the spread between what the worker receives and what he gives. This taking from labor's income to profit capital when labor is constantly giving more in proportion to the wages it receives, results in wealth concentration and the destruction of purchasing power, making deflation and economic depression inevitable.

The railroads have menaced the country with a constant barrage of propaganda designed to discredit their employees. They have bought progressive social and safety legislation. They have threatened wage cuts and in 1932, when the Nation sorely needed mass purchasing power, they secured a pay-roll reduction of 10 percent, which netted the coupon clippers $400,000,000. During the past year, the railroads have received increases in their freight tariffs. They saved millions of dollars annually as a result of the 1937 amendments to the Railroad Retirement Act. They have sent tens of thousands of their employees into the breadlines.

The statement appearing in today's press relating the difficulties confronting the railroads is misleading. The average monthly wage of trainmen represented by the Brotherhood of Railroad Trainmen was $144 in 1936, and beginning October 1, 1937, $11.44 was added, which brought the trainman's monthly compensation up to $155.44. From this he is obliged to pay away-from-home expenses amounting to about $35 per month. A reduction, as proposed by the carriers, of 15 percent would reduce the trainman's monthly compensation to $132 per month, and when his away-from-home expenses are paid he would have less than $100 per month from which he must maintain his home, educate his family, pay his retirement tax, and maintain his insurance, and so forth.

The public fully understands that whatever financial difficulties the railways find themselves in at this time are due to overcapitalization, the payment of high interest rates on bonded indebtedness, the unnecessary squandering of millions of dollars in advertising and propaganda calculated to deceive the public and oppress their employees, the purchasing of corporation securities at unwarranted prices, and the spending of unnecessary millions in building large warehouses and passenger terminals in many of the larger cities for the purpose of chiseling business from their competitors. The Interstate Commerce Commission has been obliged to hear numerous complaints against carriers that have given millions of dollars to big business in the way of free service and refunds that have been held by the Commission to constitute rebates in violation of the law.

By following an improvident financial policy of refinancing at higher interest rates, instead of making reasonable efforts to liquidate their indebtedness, the railroads have permitted themselves to be robbed by the large financial institutions to which they have paid fabulous sums in commissions. Last, but not least, the railroads have adopted a selfish antisocial philosophy of getting the utmost possible for their wage dollar, through the use of larger equipment, longer trains, and other means by which profits are increased by adding to the burdens and responsibilities of employees and resulting in less frequent and less flexible service to the public.

This constant antagonism of the railroads toward the public welfare, their harsh criticism of governmental agencies, such as their attempt to beat down the living standards of American railway workers and precipitate a destructive wage-cutting program at a time when the Nation is struggling for economic recovery, leaves the people with but one alternative: The Federal Government must step in, put a halter upon this manhandling of the public and railway employees, and take the railroads over and operate them.

We wish to serve notice upon the railroads that train and yard men represented by the Brotherhood of Railroad Trainmen will not accept a wage cut.

The moguls of finance who control the railroads are either blind to the fact that our economic system will not function without a broad distribution of purchasing power, or they are deliberately trying to create a situation whereby they can ruin and rule.

Not content with concentrating most of the wealth of the country in their own hands, they would take away what little there is left in the pockets of the working people. We need not mince words. Their every action, especially the threatened railway wage cut, points to an attempt to impose upon the American people a system of industrial fascism and social feudalism.

"Our company," said a prominent Cleveland manufacturer, "won't spend another cent in the United States as long as the New Deal runs things. * * * If I were a young man starting out in life, I'd leave this country and start in Australia."

I believe men like that should be taken in hand by legislation.

The sit-down strike of capital is not only an evidence of the unwillingness of big business to cooperate with Government in a period of severe economic crisis but it is a cool scheme to derail the American people, destroy their Government, their labor organizations, and their democracy.

Assistant Attorney General Robert H. Jackson, speaking before the American Political Science Association in Philadelphia, Pa., on December 29, 1937, stated very plainly: "The blunt truth is that today we have in command of big business the same bourbons who were in command of the defeat of 1929, and who since then have learned nothing and forgotten nothing."

He said further: "I know too much about big business to attack labor for its struggle to get a decent wage or to blame it for this recession. Labor has had nowhere near the percentage advance that big business has given to its own darlings. Labor would be happy, I

am sure, to get increases only in the same proportion and at the same time as managers of big business increase their own salaries."

Wealth concentration in this land of potential plenty has contributed in no small degree to the current economic difficulties. What can we expect in the way of a just distribution of the Nation's yearly output if "during the golden 1920's, when presumably all Americans were beginning to figure in the destinies of our corporate life, the real participants consisted of not more than 1,150,000 persons, who among them owned 94.3 percent of the worth of our corporation"? In 1929, the peak year of prosperity, over 42 percent of American families received less than $1,500 income, whereas but twenty-three one-hundredths of 1 percent of all families received $50,000 or over per family. In that same year 71.2 percent of America's families received an annual income of less than $2,500, which is the amount estimated by a Department of Agriculture official as the minimum health, comfort, and decency standard for a family.

Since their incomes are more than enough to provide their families with all the comforts of life, our generals of finance and our captains of industry are little concerned about health and comforts for the millions of less fortunate American families. A number of companies last year reported profits higher than those prevailing in the boom years of 1929 or 1928. Corporate profits for the first quarter of 1938 exceeded expectations. The coupon-clippers, in short, have not been knocking on Harry Hopkins' door asking for certification to the W. P. A.

Instead, by throwing their switches, these invisible rulers of America are derailing millions of workers and are bringing back into prominence the bread line, the soup kitchen, the Hooverville, with all the attendant features of social degradation.

One of the spokesmen for business, Col. Leonard P. Ayres, statistician and vice president of the Cleveland Trust Co., asserts that business recovery is doubtful until radical remedies are adopted for the Nation's railroads.

Yet it is proposed that we adjourn and go home without doing anything about the railroads.

He proposes to cut the railway wage bill by decreasing the number of employees and, of course, by wage reductions. Business recovery to him obviously means only an upturn in profits. It does not mean employment for millions now denied the right to work. It does not mean bread and milk for thousands of undernourished families. It does not mean school for the youth. It does not mean the right to live for the majority of the American people. Such is the antisocial philosophy of our economic "experts," the Charlie McCarthys of Wall Street.

We agree with Colonel Ayres that "radical remedies" are the order of the day, but we must have constructive remedies that will serve the welfare of all the people and not those which will feed the profit-cravings of the few.

I want Senators to consider that there are 15,000,000 men in the United States today out of work, men who need jobs, and it is proposed now to throw other hundreds of thousands of men out of their jobs upon the great railway systems and into the bread lines. I am opposing adjournment until something is done for these men.

The American people must outlaw the industrial and financial sit-down strike, now manifesting itself as an offensive against railway labor and the rest of the Nation's working population. The fight ahead of us will be desperate, because the greedy money changers know no reason. Every railroad worker, every member of organized labor, and every friend of labor who desires to protect his home and his fireside should go into this battle with a determination to crush every influence that might reduce his purchasing power and his living standards.

Again we emphasize: If capital insists on continuing its sit-down and spreading ever wider the gap between extreme wealth and extreme poverty, the people have no choice but to take over our transportation plant and run it in the interest of the public and the employees.

Many of the railroads have not only been extravagant during the past but have fallen victims to the Wall Street magpies and vultures.

The present attempt to reduce wages is as brazen as a daylight holdup.

A FEW GREAT SYSTEMS OF PRIVATELY OWNED RAILROAD MONOPOLIES OR GOVERNMENT OWNERSHIP

Mr. President, I wish to say to Senators within the sound of my voice that we may possibly have to contemplate a special session unless some action is taken at this time. We may find a situation in the not distant future where there will be a clash between the great railway magnates and the millions who work upon the railroads, that they will come to grips, and that we must take sides with the common man, not with the presidents of the railroads, with the great bondholders and stockholders whose wealth is great and whose dividends and profits are large.

The time will come when we will no longer smile at the wage of Eugene Grace and Buck, his vice president of the Bethlehem Steel, $224,000 greater in one year than the salary of the President of the United States; the salary of the Vice President; the salaries of all the Justices of the Supreme Court, the salaries of all the 53 Governors of our States and Territories; the salaries of all the Cabinet members, and the salaries of the 96 Senators of the United States combined; $224,000 more in salaries than all of them put together.

GOVERNMENT OWNERSHIP OF RAILROADS EVENTUALLY—WHY NOT NOW?

Mr. President, when that condition obtains in the United States it is up to us to pass fundamental, basic legislation. We cannot pass little plaster legislation any longer, giving a little here and making a little loan there. We must either consolidate the railroad systems into great private monopolies, a few of them, which will mean the crushing out of the railroad men and their wages in the great privately owned systems, or we must take them over into Government ownership, into the ownership of the people of the United States.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. LUNDEEN. I yield.

Mr. CLARK. Since the Senator referred to Mr. Grace, of the Bethlehem Steel Co. and the Bethlehem Shipbuilding Co., and the salaries and bonuses of officials received by that company during the war, I wonder whether the Senator has had occasion to see the decision of the District Court of the United States for the Eastern District of Pennsylvania recently rendered in the case of United States of America against the Bethlehem Steel Corporation, in equity, and the Bethlehem Shipbuilding Company, Ltd., against the U. S. Shipping Board and the Emergency Fleet Corporation?

WARTIME PROFITEERS

Those cases grew out of a contract made between the Emergency Fleet Corporation at the most necessitous period of the war, by which the Bethlehem Shipbuilding Corporation built for the Shipping Board and the Emergency Fleet Corporation under a cost-plus contract, which the court found was extorting money from this Government-owned corporation by the necessities of the war, for the construction of 66 vessels, to be used during the period of the war, at a cost of some $120,000,000, from which the Bethlehem Shipbuilding Co. has already received the extortionate profit, on a cost-plus basis, without putting up a dime of its own money, of $20,000,000, and is now suing the Government of the United States for in excess of $5,000,000 more, and that claim for $5,000,000 more was upheld by the Federal Court for the Eastern District of Pennsylvania a few days ago. But in upholding it and awarding judgment for the $5,000,000 in excess, the court used these words:

This is a charge of actual fraud perpetrated by deception. The master has found against this charge of actual fraud and under all the evidence he would not have found otherwise. The managers for the contractor—

That is, the Bethlehem Shipbuilding Co.—

The managers for the contractor adopted the famous Rob Roy distinction, who admitted he was a robber but stoutly proclaimed that he was no thief. The contractor boldly and openly fixed the figures in the estimated cost so high as to give them the promise of large bonus profits. The managers for the Fleet Corporation knew that the estimate was high and why it was made high and so protested it. The reply of the contractor's managers was, "We will take the contract with this promise of bonus profits incorporated in it, but not otherwise. You take it or leave it."

The court proceeds:

Whatever wrong there was in this may have been the wrong in a daylight robbery, but there was no element of deception in it.

Then it awarded judgment. Some of these days the Congress of the United States will be called on to appropriate the money to pay that judgment for the additional extortionate profits demanded by that company.

Mr. LUNDEEN. Mr. President, I wonder whether at that time, when that action is sought, we will receive in taxation any money from the $10,000,000 that was given as a bonus to Eugene Grace during the war. When I make these statements I am not making them in any spirit of hostility toward these men of money and millions; they are just proceeding

according to the methods and customs usual in this country, and they are fine gentlemen, of course. The interest of the common man is greater than that of any group of selfish individuals looking out for themselves alone. Mr. A. F. Whitney, able president of the Brotherhood of Railroad Trainmen, in his statement which I have just had the honor to read to the Senate, referred to a Cleveland manufacturer who said if he were younger he would be tempted to move to Australia, and just because the President is advocating some New Deal measures. I think the railroads would be better off if some of them did move. I think the railroad systems could be operated without some of the magnates who are in them. I think there would still be men with sufficient brains to run the railroad systems.

THE RAILWAY SITUATION IN THE COUNTRY DEMANDS ACTION

I certainly hope, and I appeal to the progressive and liberal Senators—I presume we all put ourselves in that class—to remain on the job in Washington and let us do something about the railway situation in the country. Let us not permit this matter to slide along into a battle between the railroads and their employees over wage cuts, which are now in the offing—cuts in wages amounting to $250,000,000.

Senators, I ask, when wages are cut down by $250,000,000, will that contribute to prosperity in America? If the question is one of votes or anything like that, I think Senators would gain favor with the public if they were to stay on the job in Washington and handle the railroad situation rather than to campaign at home. We are now in a campaign for the railroad men and for the real majority of Americans. Ours is a government by majority, after all.

Mr. President, I appreciate the indulgence of the Senate. At present I have no desire to occupy a long period of time. I know that Senators are restless and want to get home. However, I think the railroad question transcends our own personal interests. It is greater than the fortunes of any one of us or all of us. After all, we were sent here by the millions who are out there on the prairies, and the farms, and toiling in the factories and upon the railroads, and we must not forget them.

Public utilities owned and operated by foreign governments

Country	Specific utilities				
Albania	Post.	Telegraph.	Telephone.		
Argentine Republic	do.	do.		Railroads (in part).	
Australia:					
1. Commonwealth	do.	do.	Telephone.	do.	
2. States:					
New South Wales.				Railroad and street cars.	
Victoria.					
Queensland.					
South Australia.					
Western Australia.					
Tasmania.					
Austria	Post.	Telegraph.	Telephone.	Railroad.	
Belgium	do.	do.	do.	do.	Merchant marine.
Bolivia	do.	do.			
Brazil	do.	do.	Telephone.	Railroad.	
Bulgaria	do.	do.	do.	do.	
Canada:					
1. Dominion	do.	do.		do.	
2. Provinces:					
Manitoba.					
Nova Scotia.					
Ontario.					Hydroelectric power.
New Brunswick.					
Saskatchewan.					
Quebec.					Electricity.
Chile	Post.	Telegraph.		Railroads (in part).	
China	do.				
Colombia	do.	Telegraph.		Railroads.	
Czechoslovakia	do.	do.	Telephone.	do.	
Denmark	do.	do.		do.	
Egypt	do.		Telephone.	do.	
Estonia	do.	Telegraph.	do.	do.	
Finland	do.	do.	do.	do.	
France	do.	do.	do.	Railroads (in part).	
Germany	do.	do.	do.	Railroads.	
Great Britain	do.	do.	do.		
Greece	do.	do.	do.	Railroads.	
Haiti	do.	do.			
Hungary	Post.	Telegraph.	Telephone.	Railroads.	
India	do.	do.		do.	
Irish Free State	do.	do.	Telephone.		
Italy	do.	do.	do.	Railroads.	
Japan	do.	do.	do.	Railroads (in part).	
Latvia	do.	do.	do.	Railroads.	
Lithuania	do.	do.	do.	do.	
Luxemburg	do.	do.	do.		
Mexico	do.	Telegraph (in part).	Telephone (in part).	Railroads.	
Netherlands	do.	Telegraph.	Telephone.		
New Zealand	do.	do.	do.	Railroads.	
Norway	do.	do.	do.	do.	
Peru				Railroads (in part).	
Poland	Post.	Telegraph.	Telephone.	Railroads.	
Portugal	do.	do.	Telephone (in part)	Railroads (in part).	
Rumania	do.	do.	Telephone.	Railroads.	
Russia	do.	do.	do.	do.	Hydroelectric power, rivers and canals, gas, electricity, etc.[1]
Salvador	do.	do.	do.		
Siam	do.			Railroads.	
South Africa	do.	Telegraph.	Telephone.	do.	
Spain	do.	do.			
Sweden	do.	do.	Telephone.	Railroads.	Hydroelectric power and canals.
Switzerland	do.	do.	do.	do.	
Turkey	do.	do.	do.	do.	
Uruguay	do.	do.	do.		
Venezuela	do.	do.	do.		
Yugoslavia	do.	do.	do.	Railroads.	

[1] Constitution of the Union of Soviet Socialist Republics, arts. 4–12.

Sources: League of Nations, memorandum on public finance (1922–26); League of Nations, Economic Intelligence Service, public finance, 1928–35; Statesman's Yearbook, 1936; Official Yearbook of the Commonwealth of Australia, 1935; Canada Yearbook, 1936; Financial and Economic Annual of Japan, 1934; New Zealand Official Yearbook, 1934.

RAILWAYS GO CRASHING TO DOOM AND DISASTER

That our American railroads are now in a desperate, financial plight has been known for some time. They have been compelled to sharply reduce their expenditure on roadbeds, maintenance in general, cars and equipment; $42,104,234 was spent in April 1937, on maintenance-of-way and structures such as rails, crossties, ballasts, bridges, tunnels, buildings on right-of-way, signal apparatus, and labor. April 1938 shows a 21-percent reduction down to only $33,149,544 expended.

ECONOMY AND RETRENCHMENT ON MAINTENANCE MEAN TRAGEDY AND DEATH

When roadbeds deteriorate and rolling stock is neglected there can be but one final answer—wrecks, injuries, and death. We must not economize. We must not neglect maintenance-of-way. We must maintain all major railway safety factors.

MORE THAN A QUARTER OF A MILLION RAILROAD EMPLOYEES LAID OFF DURING THE LAST YEAR

Employment on class I railways was 1,174,434 on July 15, 1937. On May 15, 1938, the number had fallen to 904,897—a reduction of more than a quarter of a million—269,537—in the number of men employed by American class I railways. Two-thirds of those laid off were employed on maintenance-of-way, structures, and equipment, and it is now well known that the number of railroad workers is the lowest in 40 years.

A TERRIBLE RAILWAY DISASTER CLAIMED MORE THAN 40 LIVES

Just within the last few days a terrible railway disaster claimed more than 40 lives and a large number injured. It will be claimed, of course, that it was an act of God and storm and weather. But, perhaps, if there had been more maintenance-of-way men—men to report the condition of roadbeds and bridges and the stages of swollen streams—I dare say this accident never would have happened.

I warn the American public that if we persist in economy of maintenance there will be other disasters in which precious American lives will be lost and others maimed, injured, and crippled.

DEPRESSION-RECESSION, PANIC OF 1937

A great business slump struck last year, and we have a gage to that slump in the fact that car loadings in the first 23 weeks of 1938 were 25 percent less than for the same period in 1937. More than 30 percent of all the railways of America are in receivership or trusteeship. These bankrupt and wrecked roads now, still maintaining a huge salary roll for their millionaire railway magnates, insolently and arrogantly demand a $250,000,000 slash in the wages of the men who maintain the roadbeds, keep the trains moving, and load and unload the great trains that roll east and west and north and south through this mighty Nation.

Not only do these financial overlords demand a sum approaching $300,000,000 in higher rates from the farmers, producers, and consumers of America, but on top of that they pile their demand for more than a quarter of a million dollars cut in the wages of that splendid personnel—the railroad brotherhoods and railway labor in general.

WE MUST CHOOSE THIS DAY WHOM WE WILL SERVE

I want Minnesota and America to know that I take my stand with the men and with the railway employees, with the railway brotherhoods, and the railway labor in general. I will fight now and in the future and continuously against these drastic cuts, huge increased rates, and other fallacies and policies which will once more put our entire railway system through the wringer and dump them in the lap of "Uncle Sam" for another period of rehabilitation. Then we may expect further demands from the private owners that they may be permitted to wreck and ruin the roads once more as they did in wartime and after wartime in order that their huge salaries, bonuses, dividends, profits, and other renumerations may continue without pause and delay while they live in a superworld of luxury and comfort.

FIFTY-SIX RAILROADS OWE THE GOVERNMENT NEARLY $400,000,000—WHY NOT TAKE THEM OVER?

We know from recently published figures that 56 railroads now owe the Reconstruction Finance Corporation nearly $400,000,000—to be exact, $381,733,211. Any plan or plot which may advance loans to the roads in order that the men and equipment may be further exploited and any plaster legislation to recondition the roads at the expense of the Government is not a proposal or legislation in the interest of the American public and should be denounced and exposed at this time as a fallacy not to be countenanced.

WE ARE MOVING INTO A GREAT RAILWAY CRISIS

We are in a great railway crisis and the moment has arrived when the railways of America must be taken over by the Government to be owned, controlled, and operated by the United States of America as they are operated by the governments of almost every nation in the world, as the telegraphs and telephones are operated by almost every government in the world, and as the post and post offices are operated by all civilized governments. Any measure short of that will fail. Any measure failing that will renew the burdens upon the American taxpayers, will increase the drain upon the Federal Treasury and cost our railway employees billions in wage cuts and lower standards of living; and will bring misery, poverty, destitution, and hunger to those who are permanently laid off.

NOW IS THE TIME FOR ACTION

This is the time for action. Other nations have led the way. We know that the Post Office system is owned and operated by the Federal Government most efficiently and has given generations of splendid service, and it is the greatest business in all the world. That is Government ownership.

If the stockholders and investors in American railroads do not desire to be completely frozen out and find themselves in bankruptcy, let them give their support to Government ownership. It is their only salvation, and it is the only real solution of the railway problem.

GOVERNMENT OWNERSHIP OF RAILWAYS NOW BEFORE THE SENATE

On May 12, 1938, on the floor of the Senate, I warned our people that a crisis was approaching. I inserted a complete text of a Government-ownership bill which has the support of able men throughout this Nation—a bill which I introduced in the House of Representatives some years ago and which I have now reintroduced in the Senate—a bill which will stand the test of time, and which will require but few, if any, amendments.

I gave facts, figures, and statistics showing just what happened during the wartime—the break-down of the railroads under private ownership. I warned how the Government was compelled to come to the rescue of the roads. I showed how the railroads then again demanded the return of the railroads to private owners. I reminded the people, and at that time I predicted another wreck; and that the wreck did come, and that we have now arrived at another and a greater crisis.

WE MUST NOT ADJOURN NOW—OUR WORK IS UNFINISHED

I am now sounding the warning again as I did on June 15, 1938, when I pleaded with the Congress not to adjourn because our work here is unfinished; because we have 15,000,000 unemployed; because hunger, malnutrition stalk through the land; because of the railroad crisis; because of the money question which has not been solved; because social security is yet in its insecurity stage; because our aged are still without hope. Election or no election, I begged and pleaded with the Members of the House and Senate to remain here on the job; but we are adjourning. We are going home, and we are traveling home on bankrupt roads, on dangerous equipment which will become more dangerous in the near future.

WE ARE FACING A GREAT RAILWAY WAGE CUT

We are faced with a great railway wage cut in July of $250,000,000. Hundreds of thousands of our finest mechanics, trainmen, and workers are now wandering the streets of this Nation seeking employment or finding a dole on W. P. A.

This was not the future visioned by Washington, Jefferson, Jackson, and Lincoln. They saw in the morning light of this Nation's history a grander and more glorious day. Let us advance toward the east with real solutions and get down to basic fundamentals instead of hasty, half-baked, plaster legislation. For that is the only solution in this hour.

Mr. O'MAHONEY. There is much virtue in what the Senator says. Already rumors are circulating through this Chamber and through the House of Representatives that we may be called into extraordinary session in November to consider problems which we now know are confronting us and which remain unanswered. But that was not the point to which I was addressing myself. I was calling attention to the fact that the majority leader last night declared that no adjournment resolution would be brought in for action by the Senate or the House until this bill had been disposed of.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield to the Senator.

Mr. BARKLEY. That statement was in response to an inquiry from the Senator from Idaho as to whether any time had been fixed for adjournment.

Mr. O'MAHONEY. The Senator is right about that.

Mr. BARKLEY. I stated that no time had been fixed and that there would not be a concurrent resolution presented in either House until——

Mr. O'MAHONEY. Until this measure had been disposed of.

Mr. BARKLEY. Yes. I might have said the same thing as to relief legislation.

Mr. O'MAHONEY. Oh, yes.

Mr. BARKLEY. And the deficiency bill.

Mr. O'MAHONEY. Certainly.

Mr. BARKLEY. Or any other bill about which there might be an inquiry.

Mr. O'MAHONEY. Certainly. What I desired to point out to the Senator from Kentucky was that the particular provision to which I have been directing attention can be restored to this bill by the conferees within an hour; but it is

the apparent intention of the leadership not to permit the restoration of that protective clause. I now ask, Why? I propound this very simply question and can get no answer to it: Why do representatives of the sovereign States in this body refuse to say why they are taking away from the States they represent the protection given by the law?

Mr. BARKLEY. I will answer that question in my own time if I deem it necessary to answer it. I do not care to answer it in the Senator's time. I may discuss this matter myself in my own time.

Mr. O'MAHONEY. If the Senator would only say that he would discuss it in his own time, I would quit.

Mr. BARKLEY. That is a great inducement for me to say that I will discuss it. [Laughter.]

Mr. O'MAHONEY. I know it is.

Mr. BARKLEY. At the same time, I do not want to deprive the Senate of the pleasure of listening to the Senator from Wyoming.

Mr. O'MAHONEY. Mr. President——

Mr. BARKLEY. I am not trying to deal facetiously with the Senator, but the Senator has asked a specific question, as to why we are not willing that this matter shall go back to conference, and that the language to which he refers shall be restored. I can tell the Senator why.

In the first place, as I stated last night, the Senate considered this matter carefully and seriously. It was considered by the Committee on Commerce. The Senator from Missouri [Mr. CLARK] offered practically the same amendment in the Committee on Commerce, and it was voted down by a majority of only one after serious and careful consideration. I offered it on the floor of the Senate, it was adopted after discussion, practically without opposition, it went to conference, the conferees have agreed to it, and the House has agreed to the conference report.

There is nothing new about this matter of waiving the right of the States to give their consent before the Government buys property involved in dams and reservoirs, because all over the country for years and years the Federal Government has acquired the title to property.

Mr. O'MAHONEY. Does the Senator contend that this is a waiver by the States?

Mr. BARKLEY. No; I do not contend that it is a waiver.

Mr. O'MAHONEY. I understood the Senator to say that.

Mr. BARKLEY. I contend that it is not necessary for the States to waive, because the Government has for many years acquired the title to property where it was engaged in its own activities—the Senator from Louisiana last night referred to post-office buildings all over the country—and the consent of the States has not been necessary to enable the Government to acquire property of that kind. In all the States involved in the Tennessee Valley operations the Government of the United States has purchased, it has condemned, it has acquired property, countless lawsuits have been instituted in order to acquire property where the parties could not agree upon the price, without the consent of the States.

We are proposing a thing I have favored from the very beginning of flood-control legislation, that the Government shall incur the entire expense not only of the flood-control device, but of the purchase of the necessary lands, the easements, and the rights-of-way. The States and the communities, as the Senator knows, in all the valleys where floods have devastated vast regions, have asked that the Federal Government assume the whole responsibility of the flood-control situation. They have come here with their petitions and have represented—what I know in many cases to be true—that they are unable to make the necessary local contributions required by the act of 1936.

If the Government of the United States is to be asked, as it is asked in this bill, to undertake the entire obligation, as I believe it to be a national obligation not only to build the flood walls, the reservoirs, the dikes, and whatever may be necessary to protect the people, and pay the entire cost out of the United States Treasury, including the purchase of lands, easements, and rights-of-way, and including the relocation of streets and highways, and utilities and railroads, and other things made necessary, certainly the local communities cannot complain if the Government of the United States insists that title to the property be vested in the Government of the United States.

Mr. O'MAHONEY. Of course they could not complain; I agree with the Senator on that point 100 percent. But that is not what I am talking about.

Mr. MALONEY. Mr. President, will the Senator yield to me there?

Mr. O'MAHONEY. I am very glad to yield.

Mr. MALONEY. I should like to point out to the Senator and to the majority leader that, while the leader says that the States and the municipalities have come to the Federal Government asking for a 100-percent contribution, we in New England feel that this controversy is created as the result of our flood-control situation, and we in New England did not come to the Federal Government asking for a 100-percent contribution. We have been opposed to it. We feel that it is dangerous to throw off the self-restraint of some local contribution, and thereby permit States and municipalities with no restraint whatsoever to ask for projects of great magnitude which might not be economically feasible. So much for the statement that the States have come here asking for full 100-percent contribution.

I am not so familiar with the Tennessee Valley situation as I might be, but I remember this——

Mr. O'MAHONEY. The Senator recalls that in the case of the Tennessee Valley Authority there was a special act.

Mr. MALONEY. That is covered in a special act but let me point out in that connection that when we were considering the Tennessee Valley measure in the Seventy-third Congress, if my memory does not fail me, there was not then the great willingness to go along. As I recall, the States of the South, before they would go along with the Tennessee Valley Authority, insisted that there be written into the law a provision that a percentage of the gross income of the Tennessee Valley operation be given to certain States in the South for the losses they contended they incurred through captured and condemned land.

Mr. O'MAHONEY. I thank the Senator for that contribution. There is no provision of that kind in this measure. There is no opportunity presented here by which the States in which the land may now be condemned, without the consent of those States, and taken, may be reimbursed, from the development of power or anything else.

Mr. MALONEY. Will the Senator yield to me again?

Mr. O'MAHONEY. I yield.

Mr. MALONEY. I should like to refresh the recollection of Members of the Senate. Flood control is a very serious thing in New England. My State has suffered millions upon millions of dollars of loss as a result of the late floods. We came to the Federal Government for cooperation. We felt, and we were so advised, that the proper way of handling the situation was by way of interstate compact, and the States of New Hampshire, Vermont, Massachusetts, and Connecticut, in cooperation with Army engineers, who were the responsible authorities in the matter of flood control, sat down and worked day and night and Sundays, always with the Army engineers present, to compose a compact which would meet the needs of the Federal Government and the States.

We still believe that the Army engineers approved that compact. We still believe that it was written in accordance with the then existing law. We made arrangements to provide the necessary moneys to carry out our work. But, as the very able and distinguished Senator from Massachusetts [Mr. WALSH] pointed out yesterday, because there appeared to be one or two instances where there was a possibility of the creation of power, the Federal Government injected itself into the consideration again, and said, in effect: "We repudiate our approval of these compacts. You cannot go on excepting as we dictate and direct."

If the Senator will yield to me just a moment more, I should like to make my own position clear. The Senator from Wyoming last night spoke of the indestructible States. I realize, as he does, and as he has so often said, that in this age of inventive genius, with rapidly changing conditions, so different from the time pointed out last night by the Sen-

ator from Vermont, when power was not dreamed of, when Ethan Allen shook his fists in the faces of those from the valley, sovereign rights are not what they used to be. The sovereign rights of States are approaching death and, probably, as the Senator from Wyoming said last night, that is necessary.

But there is a proper way to bring all this about. We can keep faith with the founders. We can do this thing in a constitutional way. New England today, and for the last six months, has not changed its mind. My Governor pleads with me today to oppose the so-called Barkley amendment to this proposal. My State does not want to commit a rape upon the States of New Hampshire and Vermont, because while we are not personally affected by this contribution, insofar as our individual State is concerned, we do have an appreciation, as does the Senator from Wyoming, that not only in this instance, but in other instances, we are entering a dangerous field.

The Senator from Wyoming last night hinted at the fact that there was on the calendar of the Senate a bill or bills to make contributions for Federal education, and while Senators have said that that did not mean Federal control, they cannot be consistent and vote for the pending proposal and fail to maintain, as they have maintained on the floor of the Senate, that where the purse goes so goes the power. They cannot do that in this instance and repudiate that contention when made with respect to the educational system.

Mr. President, what does that mean? It means that after the adoption of the pending conference report, if the Federal Government shall at a later time contribute money for education in the States, if the Congress keeps faith with itself, Federal control shall follow those contributions, and that the Government shall take over the education in the States.

Where do we go from there? We go to a complete centralization of government, without a chance for the people to be heard, as the Senator from Wyoming pointed out last night. There are some of us who are willing to enter upon a new field insofar as power is concerned. We have demonstrated by our votes and our actions that we want to be progressive in this respect. But there are some of us who believe that the people have a right to be heard; that we are, as the Senator from Wyoming pointed out, representatives of what are still sovereign States. I think it is a sad thing for the Senate at this late time, in the confusion, the excitement, and the desire to get away, to surrender, as we do if we agree to the conference report as written, the rights of the States of New England and the other States of the Union.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. BARKLEY. Commenting on the statement of the Senator from Connecticut with respect to the so-called Harrison education bill, and the expression of the fear that that might involve taking over the educational institutions by the Federal Government, I will say that I certainly would be opposed to any such policy on the part of the Federal Government. I wanted to point out that that has not followed with reference to the matter of Federal contributions to the construction of highways throughout the country. For 22 years the Federal Government has been contributing to the States for the construction of highways, in cooperation always with the State highway departments, and every highway that is constructed by Federal aid in any State is a highway the construction or improvement of which is initiated by the State highway department. Every employee on that highway is employed by the State highway department, and the Federal Government does not undertake to initiate as a part of its road program a single road anywhere, except through the cooperation of the State highway department, and after its own initiation of the work.

Mr. O'MAHONEY. Mr. President, the Senator has just put his finger upon the question. He has given the answer in his own words. In that case there is consent. Here the opportunity for consent is withdrawn. Why is that done? There is not a single Federal highway constructed by the use of Federal-aid funds in any State in the Union without the complete consent of the State within which it is built. But in this instance it is proposed to build the reservoirs, to condemn the lands, to use the waters, without the consent of the State.

Mr. BARKLEY. And in the highway program to which I have referred the law requires that the State shall match every dollar put up by the Federal Government, but I dare say that if Congress were to authorize the construction of a highway out of its own funds, to be paid for 100 percent as a national highway, that it would do with respect to that as it is undertaking to do in the present case. It would not require the consent of the State; it would not require matching by the State; it would not require that the State highway departments should cooperate; but if it were a program authorized and paid for entirely by the Federal Government, I dare say that the same policy would apply as we are seeking to have applied when the Federal Government pays the expenses of flood-control projects up to the extent of 100 percent.

Mr. O'MAHONEY. Now the Senator enters into the realm of prophecy.

Mr. MALONEY. I want to applaud the prophecy of the majority leader, because just so surely as night follows day that prediction will come true. If the Federal Government sees any benefit or profit in the inanimate highways of the country, they will be taken over just so surely as the educational system of this country will be taken over if we adopt this practice and policy today. It represents a change from two years ago. Then we had an entirely different policy in the administration. Those who would change it now by 100-percent contributions and Federal condemnations, two years ago took an entirely opposite view. There were some Senators on the floor and in the Commerce Committee as well who sincerely and earnestly believed then that a 100-percent Federal contribution was proper, because they recognized this as a national possibility. But those who would change it now were opposed then. So I maintain that the majority leader is absolutely right. We will give Federal Government control over highways if it at all appears that they are important to the Central Government.

Mr. POPE. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. POPE. I wish to make a brief statement to the Senator with reference to what seems to be the same situation in my State, and in other Western States, and then see what the distinction is in the mind of the Senator. When Arrow Rock Dam was built, it was built for reclamation purposes. There was no consent obtained from the State, through the State legislature, or in any other way. When the Black Canyon Dam was built, where power was created and is now being furnished to the various irrigation districts, there was no consent. And the rights-of-way are now being procured for the building of ditches through my State, as between the Federal Government and individuals, without any consent being obtained from the State. I cannot understand the departure which the Senator is talking about.

Mr. O'MAHONEY. There is no departure, as the Senator very well knows. He is talking now about the reclamation law.

Mr. POPE. Yes; and power development in connection with it.

Mr. O'MAHONEY. That law specifically reserves the water rights to the States. It would not have passed the Senate and the House of Representatives if that reservation had not been made. It has been made. Last night I was reading in the Senate the provision in the Water Power Act to which the Senator has just now referred, section 27 of the Federal Power Act of June 10, 1920:

> Nothing herein contained shall be construed as affecting, or intending to affect, or in any way to interfere with the laws of the respective States relating to the control, appropriation, use, or distribution of water used in irrigation or for municipal or other uses, or any vested right acquired therein.

In every single one of these acts there was a reservation to the State of the State's power, the State's authority, the

State's right. There was a reservation to that effect in the act of 1936, an act not yet 2 years old.

What I am emphasizing now, the question that I am now propounding is, Why is this change of policy being adopted? No one has yet said one word in explanation of the fact that the Senator from Kentucky is now asking us to withdraw from the State of Idaho the protection which the State of Idaho now has against the construction in that State, for the benefit of States lower down the stream, of dams and reservoirs, without the consent of the State of Idaho.

Mr. POPE. Mr. President, will the Senator yield to me further?

Mr. O'MAHONEY. Yes; I yield.

Mr. POPE. I think the Senator is confusing two things. First, the matter of obtaining rights-of-way, dam sites, and whatever easements are necessary for the construction of these works. The other is the right of States to control the appropriation and distribution of water. I think that it would be unconstitutional for the Federal Government to attempt to control the appropriation and distribution of water. But that is not the question involved here.

I do not think the Congress has the power to control the appropriation and distribution of water; but the power of appropriating lands for reservoirs, ditch rights, and that sort of thing has been exercised for a long time under the reclamation law by the Federal Government without State interference. Not long ago the attorney general of my State rendered an opinion on the matter, so far as the State was concerned, that the Federal Government did have a right to locate sites within the State for dam purposes, and to build ditches and acquire rights-of-way without interference or consent of the State.

I think the Senator is confusing two things. One is the right of the State to appropriate and distribute water. The other is the right of the Federal Government, in carrying out its purposes, to acquire the necessary easements and rights-of-way.

Mr. O'MAHONEY. The Senator may think there is a confusion. However, let me remind him that within the past 2 months the Bureau of Reclamation, with the cooperation and assistance of the Department of Justice, filed in the Supreme Court of the United States a pleading in which it was asserted that the Federal Government has complete ownership of all the water in all the streams in the public-land States.

Mr. POPE. The Senator certainly does not think that contention is valid, does he?

Mr. O'MAHONEY. The contention was made. I am saying to the Senator that if western Senators stand upon the floor and permit legislation of this kind to be enacted, it will form another cumulative step in the steady undermining of the power of the States to control their own waters, their own lands, and their own rights.

Mr. WALSH. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. WALSH. If in the Reclamation Act the right is reserved to the States to control, distribute, and use the waters in the States which have arid land that needs to have water spread over it for fertilization purposes, why should not the States which use the water for other purposes have reserved to them the right for such uses, and the right to control the distribution of the water? How can one justify the control and use of water for one purpose in one State, and deny it for another purpose in another State? That is the issue, is it not?

Mr. O'MAHONEY. It seems so to me, Mr. President.

Mr. WHEELER. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. WHEELER. I must confess that I am somewhat confused. With reference to the Fort Peck Dam in my State, the Federal Government, under the authority of the Army engineers, built the Fort Peck Dam. The Federal Government condemned the property and built the dam. The Federal Government owns the basin, for which the property was condemned.

Mr. O'MAHONEY. Was the property condemned?

Mr. WHEELER. Yes; the property was condemned. The Government tried to buy the land, but it could not be bought, and the Government condemned it. The Government now plans to build a small power plant—at least I hope it does—and that plant will be under the control of the Federal Government. I am sure the same thing took place with reference to Bonneville, with reference to Grand Coulee, and with reference to the dam in Arizona. I may be wrong about it, but I do not see any difference.

Mr. WALSH. Are those projects under a general act, or are they under special acts?

Mr. WHEELER. I think they are under special acts.

Mr. WALSH. The projects to which the Senator refers were constructed under special acts; and all parties had an opportunity to be heard. The States were represented when the Congress passed upon a subject which dealt with the building of dams for power purposes. In the present instance we have a general act, labeled a Flood Control Act, which involves a general law on the subject, without any knowledge or consent of the States, and without a hearing being given the States.

Mr. WHEELER. I think in each of the cases to which I have referred there was a special act.

Mr. WALSH. So far as I am concerned—and I think I speak the sentiments of some other Senators who take the same position—I have no objection whatever to a special act dealing with the taking of waters for power purposes by the Federal Government. What I am objecting to is a general flood-control law which places the power in the Federal Government, without the States knowing it, to use the waters and to take fee title in the lands where dams and reservoirs are built without the knowledge and consent of the States.

Mr. WHEELER. The same thing is being done with reference to the dams which are being built. The only difference is that the dams are built under specific acts of Congress appropriating money for specific purposes.

Mr. WALSH. Exactly.

Mr. WHEELER. The representatives of the States in Congress have something to say on the question as to whether or not the States desire such dams to be built.

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. OVERTON. I think the Senator from Montana and the Senator from Massachusetts are both in error with reference to the law under which authority was granted to the United States for the construction of the dams referred to. It is my understanding that the United States Government proceeded under the rivers and harbors act, and under general law, and that there was no specific act authorizing the construction of the dams.

Mr. WHEELER. Yes; there was.

Mr. OVERTON. I may be in error about it.

Mr. WHEELER. The Federal Government may have proceeded under the general law, but the Federal Government came to Congress and asked for a specific appropriation. I know that was done with respect to Fort Peck.

Mr. OVERTON. I have before me the River and Harbor Act——

Mr. POPE. Mr. President, will the Senator yield at this point?

Mr. OVERTON. I have before me the River and Harbor Act which authorized the construction of the Bonneville Dam, the Fort Peck Dam, and others. That act was approved August 30, 1935.

Mr. WHEELER. I think the Senator is correct.

Mr. OVERTON. The act is Public, No. 409, Seventy-fourth Congress, H. R. 6732, entitled "An act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes."

Mr. WHEELER. I think the Senator is correct. The money to build the Fort Peck Dam was taken out of the general appropriation of public-works money. A certain amount was set aside for the building of the Fort Peck Dam. After the money was allotted the Federal Government bought certain lands; and in cases where it could not buy the lands or agree with the parties, the lands were condemned.

Mr. OVERTON. But the project was authorized by general law.

Mr. WHEELER. That is correct.

Mr. O'MAHONEY. Mr. President, in connection with what the Senator from Montana has said, let me add that in every instance which he has mentioned the State within which the construction took place was benefited. What we are concerned about is the condition which arises when the structure is built in one State for the benefit of another State. The law as it stands today protects the State within which the construction is carried on. That protection is now sought to be withdrawn.

Mr. WHEELER. Let me say that the Senator is incorrect with reference to the Fort Peck Dam, because that was distinctly a dam built in Montana, not for preventing floods in Montana, but for preventing floods lower down on the Missouri River. As a matter of fact, the project was not looked upon at any time as a Montana project. It was looked upon, and distinctly stated by the President of the United States to be part of a national program of flood control, and the dam was built in Montana because that happened to be the particular place where it was most appropriate to build it.

Mr. O'MAHONEY. Were not some Montana lands benefited by it?

Mr. WHEELER. Thus far no lands in Montana have been benefited.

Mr. O'MAHONEY. But they will be benefited?

Mr. WHEELER. We are in hope that they will be benefited.

Mr. O'MAHONEY. Of course, there was a special act.

Mr. WHEELER. No; there was no special act with reference to the Fort Peck Dam.

Mr. O'MAHONEY. Was it under the N. I. R. A.?

Mr. WHEELER. The money was allotted by the President of the United States. Some $60,000,000 or $70,000,000 was set aside out of the Public Works funds for the purpose of building the dam. Such was the situation in that particular case, and I think the Senator will find the same situation in the case of the Bonneville Dam.

Mr. POPE. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. POPE. I wish to refer particularly to the statement made by the Senator from Massachusetts [Mr. WALSH] that these dams were constructed under special acts. All the dams to which I referred a few minutes ago were constructed under the general Reclamation Act, which was a law of general application throughout the country.

Mr. O'MAHONEY. That act is a special act within the meaning of the Senator from Massachusetts and myself.

Mr. WALSH. The special acts contained the reservations to the States to which reference has been made, for the control and distribution of benefits arising from the building of reclamation projects.

Mr. POPE. Does the Senator refer to the general Reclamation Act?

Mr. WALSH. Yes.

Mr. POPE. I think the Senator is mistaken.

Mr. WALSH. The language has been quoted, showing the reservation to the States.

Mr. POPE. I should have no objection whatever to a reservation to the effect that the Federal Government should have no power over the appropriation and distribution of water. As a matter of fact, I think the Federal Government would have no constitutional right to interfere with that matter. However, in the matter of obtaining sites, constructing the dams, and constructing ditches, as I attempted to point out a few minutes ago, it seems to me there is a vast difference. It seems to me the Senator from Wyoming, who is familiar with reclamation projects in his State, should realize that, because we have been operating in that way for a great many years without any dissatisfaction.

Mr. O'MAHONEY. Let me say to the Senator from Idaho that we wander away from the point of the debate into all sorts of side issues. The present question is, Why should we now, in the conference report, sacrifice the protection which has been given to the States in this particular type of case? Why should we not say that the law as it now stands shall be maintained and that whenever a structure is to be built in one State for the benefit of another the consent of the State in which it rises shall be granted before condemnation proceedings shall be undertaken? Can the Senator give any reason why that principle should now be abandoned?

I have been speaking here all morning without having any Senator present an answer to that question. The only thing I am interested in is the protection of the States. I do not want to occupy the floor; I do not want to delay the consideration of this measure, but I should like to have somebody competent to answer the question state why this measure is brought in at this time, taking away that protection? Can the Senator give the answer?

Mr. POPE. I have not studied the subject especially. It seems to me, though, that the answer the Senator from Louisiana [Mr. OVERTON] made last night is an adequate answer.

Mr. HALE. Mr. President, will the Senator yield to permit me to read a telegram from the Governor of my State?

Mr. O'MAHONEY. I am very glad to yield to the Senator from Maine.

Mr. HALE. I have received this morning this telegram from the Governor of my State:

AUGUSTA, MAINE, *June 14, 1938.*

Senator FREDERICK HALE,
Senate Office Building, Washington, D. C.:

Understand Senate amendment to flood-control bill would give to Federal Government title to water resources of States without their consent and open way to Federal ownership and control of all natural resources. Am advised that amendments are now in conference committee. If this is correct, I believe the position of Maine would be unalterably opposed. Could you so advise Senator COPELAND?

LEWIS O. BARROWS, *Governor.*

Mr. GERRY. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield to the Senator from Rhode Island.

Mr. GERRY. Was not Boulder Dam constructed under a special compact?

Mr. O'MAHONEY. It was.

Mr. GERRY. Is not that compact an example of States having conflicting rights? The legislation was very carefully considered and there was a great deal of debate for a year or two until a compromise was reached. That is my recollection.

Mr. O'MAHONEY. The Senator is quite right. The entire theory was that where the use of an interstate stream becomes a matter of concern to several States and to the United States there shall be a compact among such States. The Colorado River compact is well known. It was debated upon the floor of the Senate for years, as I recall. It was an agreement among the States through which the Colorado River flows to which the Federal Government gave its consent for the adjudication of the water rights. That was the theory. The Senator from Connecticut [Mr. MALONEY] was speaking only a few moments ago about a similar theory in New England, but the compact there did not reach full fruition, as I understand.

Mr. WALSH. It is now pending, but is objected to by the Federal Power Commission.

Mr. O'MAHONEY. The Senator from Massachusetts tells me that there is a compact between New England States now pending in Congress, which is objected to by the Federal Power Commission. But our whole concept of the relationship between the States and the Federal Government was one of mutual consent and agreement. Here it is proposed to overthrow that theory. I ask, Why?

Mr. OVERTON rose.

Mr. O'MAHONEY. I yield to the Senator from Louisiana.

Mr. OVERTON. With reference to the Boulder Dam, it is my recollection that the State of Arizona enacted a statute prohibiting the construction of the dam until the plans and specifications were submitted to and approved by

some authority of the State of Arizona. The United States Government undertook to proceed with the construction of the dam without obtaining the approval of the State of Arizona notwithstanding the statute requiring its approval. Litigation resulted, and the case went up to the United States Supreme Court. According to my understanding, the Supreme Court held that the United States did not have to obtain the consent of the State of Arizona. That is the case of the State of Arizona against California. Those who are more familiar with that legislation than am I, and with the jurisprudence connected with it, can correct me if I am in error. But the point is that the Supreme Court in that case held that it was not necessary for the United States to submit its plans to the State of Arizona notwithstanding the requirement of a statute of the State of Arizona that the construction should not be proceeded with until the plans had been submitted and agreed to by the Engineering Department of the State of Arizona.

Mr. O'MAHONEY. Mr. President, I am not at all familiar with the condition in New England. I am not interested at all in the power phases of this bill, because I believe in the development of public power. I am concerned only in making sure that the adoption of the pending conference report, containing the clause to which I have made objection, will not operate to deprive the Western States of their control over their waters and resources. I am fearful that this is merely another step in the steady progress of the suppression of State authority and State control over the resources within the boundaries of the respective States. We have seen that move advance step by step. We have seen all the property within the public domain taken over by the Federal Government, to be operated from Washington, whereas once it was controlled by the States. The original theory of the public domain was that that land was held by the Federal Government in trust for the benefit of the States in which it lay, to be distributed among the people of the respective States as they were settled.

We saw the forest reservations created by Executive order years ago, now almost a generation ago. Thousands upon thousands of acres of land upon which a tree had never grown were withdrawn from the operation of the public-land laws and placed within the boundaries of national forests.

We have seen the homestead law set aside. We have seen whatever remains of the public domain taken over under the Taylor Grazing Act, to be administered from Washington. Not all of them, but many western Senators, gave their consent. I personally gave my consent to the Taylor Grazing Act and supported it upon the floor of the Senate. But what I am pointing out to the Members of this body is that gradually, step by step, the sovereignty of the States is being overthrown. This is another step in that steady progress; and the pity of it, it seems to me, is that the act is being committed in that body which, under the Constitution, is supposed to be the representative body of the States. It is constituted of two Members from each State. Why? Because the framers of the Constitution felt that it was necessary for the protection of the sovereignty of the States that there should be equal representation in the Senate. It was in this body that originated the proposal to which I am addressing my remarks.

Mr. SHIPSTEAD. Mr. President——

Mr. O'MAHONEY. I yield to the Senator from Minnesota.

Mr. SHIPSTEAD. That was the original intention, but that has been now perverted. Since we have had the formation of political parties a man is now expected to represent his party instead of his State. That is a perversion of the American system of government injected by alien influences and the foreign feeling that a party and its leadership is supreme, ignoring the Constitution, ignoring the rights of the States, ignoring the very foundation of the Constitution.

Mr. O'MAHONEY. Well, Mr. President, one could talk for an hour or more upon that question. Parties developed immediately after the Constitution was ratified; I do not believe we are ever going to get away from them, and I doubt whether we should do so. But that is neither here nor there.

Mr. WALSH. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I am very glad to yield to the Senator from Massachusetts.

Mr. WALSH. I should like to call the Senator's attention to a letter I have received from the director of the State Water Commission of the State of Connecticut which confirms what the Senator has repeatedly said, that in all acts dealing with the use and control of water there have been reservations for the protection of the States. This letter states:

> Subsection (b) of section 22 of the Federal Power Act places upon the F. P. C. the duty of causing an immediate investigation of the proposed construction of such dams as we have under consideration——

Referring to the New England dams—

> and the act further states, if the Commission finds that interstate or foreign commerce would not be affected by the construction of the dam, then "permission is hereby granted to construct such dam or other project works in such stream upon compliance with State laws."
>
> However, the absence of power potentialities at a flood-control reservoir even though located on a nonnavigable stream does not remove the opposition of the administration through the F. P. C. The Commission takes the position that if any Federal money is used in construction of a flood-control reservoir that reservoir automatically becomes a Government dam as defined in subsection 10 of section 3 of the Federal Power Act as amended. It therefore follows that, if this position is sustained, the F. P. C. automatically assumes control over such a reservoir and would be required to assess benefits to every user of water on the stream and to collect an annual charge therefor.

This would seem to indicate that even under the Power Act the survey must be made, the State must be informed of the project, and the project and the development must be carried on under State laws.

Mr. O'MAHONEY. Mr. President, I cannot conclude these remarks without once more calling attention to the provision of the conference report to which I am making objection. It is to be found in section 2, appearing on page 2 of the report:

> Notwithstanding any restrictions, limitations, or requirement of prior consent provided by any other act—

Let me say here that the authors of that phrase knew exactly what they intended to accomplish. They sought to set aside the effect of other acts of Congress. I have asked them over and over and over again to specify what acts they desired to set aside, and why, without having received any reply—

> Notwithstanding any restrictions, limitations, or requirement of prior consent provided by any other act, the Secretary of War is hereby authorized and directed to acquire in the name of the United States title to all lands, easements, and rights-of-way—

And so forth—a direction to the Secretary of War to proceed.

The particular provision which I have been able to find, from a very brief survey of the laws, which is being set aside by the conference report, reads as follows. It is from section 3 of the act of June 22, 1936:

> *And provided further*, That when benefits of any project or useful part thereof accrue to lands and property outside of the State in which said project or part thereof is located, the Secretary of War, with the consent of the State wherein the same are located, may acquire the necessary lands, easements, and rights-of-way.

"With the consent of the State!" Here we have a change of policy which fundamentally affects the rights of every State represented in this body.

It seems to me to be clear beyond any possibility of argument that the conference report should be sent back to the conferees to be revised so as to maintain the protection written into the law only 2 years ago, and when the question is presented to the Senate I hope the Senate will reject the conference report.

CLAIMS OF CHOCTAW INDIANS OF MISSISSIPPI

The VICE PRESIDENT. The Chair lays before the Senate a message from the House, returning to the Senate, in compliance with its request, House bill 1478, with the amendment

of the House thereto, and calls the attention of the Senator from Texas to it.

Mr. CONNALLY. Mr. President, I ask unanimous consent that the Senate rescind its former action, disagreeing to the amendment of the House, requesting a conference, and appointing conferees.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. CONNALLY. I ask that the Chair lay the House amendment before the Senate.

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 1478) conferring jurisdiction on the Court of Claims to hear and determine the claims of the Choctaw Indians of the State of Mississippi, which was, on page 5, line 12, to strike out "James E. Arnold" and insert "J. A. Riddell."

Mr. CONNALLY. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

A. C. WILLIAMS—CONFERENCE REPORT

Mr. BURKE. Mr. President, my attention is called to the fact that there is on the desk a conference report received from the House on the A. C. Williams claim. The Senator from New Mexico [Mr. HATCH] calls my attention to the matter, and would like to have it called up.

Mr. BARKLEY. Mr. President, a parliamentary inquiry. This conference report, of course, like the one now under consideration, is privileged.

The VICE PRESIDENT. Certainly.

Mr. BARKLEY. It has no privilege over the one we are now considering.

The VICE PRESIDENT. None whatever; but it may be taken up by unanimous consent.

Mr. BARKLEY. Is there any urgent reason why it should be adopted at this time?

Mr. BURKE. There is none. I made the suggestion only at the request of the Senator from New Mexico, as I happened to be on the conference committee.

The VICE PRESIDENT. Is there objection to the request of the Senator from Nebraska? The Chair hears none.

Mr. BURKE. I therefore submit the conference report.

The legislative clerk read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1043) for the relief of A. C. Williams, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its amendment numbered 1.

That the Senate recede from its disagreement to the amendment of the House numbered 2, and agree to the same.

JOSIAH W. BAILEY,
EDWARD R. BURKE,
ARTHUR CAPPER,
Managers on the part of the Senate.

AMBROSE J. KENNEDY,
ROBERT RAMSPECK,
FRANK CARLSON,
Managers on the part of the House.

The report was agreed to.

AUTHORIZATION OF FLOOD-CONTROL PROJECTS—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10618) entitled "An act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes."

Mr. BURKE. Mr. President, I desire to address myself now to the pending matter.

Mr. GLASS. Mr. President——

Mr. BURKE. I yield to the Senator from Virginia.

Mr. GLASS. May I have the privilege of inviting the Senator's attention to a constitutional provision which vitally relates to this very question, and which seems absolutely to confirm my statement that the Federal Government may not condemn a foot of ground in any State without the consent of the State?

I know that it is true from the fact that when the Shenandoah Valley Park was established in Virginia, the Federal Government could not condemn any of the land there; and the State legislature—the State having subscribed a million dollars toward it, and private contributors having subscribed a million dollars—had to order the condemnation, after which it turned the park over to the National Government. Today the roadway known as the Skyline Drive is being constructed under the same conditions; and I have been informed by the Interior Department that certain sections of it cannot be begun until the State itself shall condemn the right-of-way and turn it over to the Federal Government.

I should like the Senator, however, to explain to me, at least, the meaning of this part of the Constitution relating to the subject. After saying that the Congress shall exercise exclusive legislation in all cases affecting the District of Columbia, the Congress is empowered—

To exercise like authority over all places purchased by the consent of the legislature of the State in which the same shall be, for the erection of forts, magazines, arsenals, dockyards, and other needful buildings.

In other words, the Government may not acquire lands for forts or magazines or arsenals or dockyards or other needful buildings without the consent of the State in which they are located. I have said here, because I was so informed by the Treasury Department, that the Government may not acquire a site for a public building unless the State law permits it to be done. I should like the Senator from Nebraska to explain that provision of the Constitution.

Mr. BURKE. Mr. President, I am sure the Senate would be much more interested in the explanation of the Senator from Virginia, and would profit much more greatly therefrom, than in any explanation I could offer; but it seems to me that provision of the Constitution speaks for itself. Any fifth-grade schoolboy would understand that when the framers of the Constitution said that the Federal Government could go into the States and acquire property only on certain conditions, one of them being the consent of the State, they meant exactly what they said, and that the pending provision, if it becomes a law and is challenged in the courts, ought to be thrown out as not coming within the provisions of the Constitution. The possibility that that might be done, however, would of course be no justification for the approval of the measure by the Senate in the first instance.

Mr. O'MAHONEY. Mr. President——

Mr. BURKE. Mr. President, I had intended to speak at some little length on this subject; but the matter has been so very fully covered by the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Massachusetts [Mr. WALSH], the Senator from Connecticut [Mr. MALONEY], and others, that I shall be very brief; and I now very gladly yield to the Senator from Wyoming.

Mr. O'MAHONEY. Mr. President, I ask the Senator to yield in order that I may read into the RECORD the provision of the Reclamation Act—which is the act of June 17, 1902—which protects the rights of the several States. This is section 8 of the act of June 17, 1902, now cited as section 383 of title 43, United States Code:

Nothing in this chapter shall be construed as affecting or intended to affect or to in any way interfere with the laws of any State or Territory relating to the control, appropriation, use, or distribution of water used in irrigation, or any vested right acquired thereunder, and the Secretary of the Interior, in carrying out the provisions of this chapter, shall proceed in conformity with such laws, and nothing herein shall in any way affect any right of any State or of the Federal Government or of any landowner, appropriator, or user of water in, to, or from any interstate stream or the waters thereof.

The Bureau of Reclamation has always operated under that provision, and I am informed that with respect to every project which was undertaken by reason of the emergency appropriation, the original N. I. R. A., the Bureau has strictly observed that law. Every contract under these

emergency reclamation projects which was entered into by the Bureau of Reclamation took recognition of that law. But it is proposed now that we withdraw all and every protection, so far as the construction of projects in one State for the benefit of another is concerned.

Mr. BURKE. Mr. President, I was very much interested in the interchange which took place between the Senator from Kentucky [Mr. BARKLEY] and the Senator from Wyoming [Mr. O'MAHONEY], in reference to Federal contributions to highway construction. The Senator from Kentucky said:

> There is no need to fear that if we give this power to the Federal Government there will be any reaching out after control in the States, because we have had for twenty-odd years a highway program, and the Bureau of Public Roads goes into no State until the State asks that it come; it condemns no property; it does not have anything to do with the construction of any road, without the consent and approval of the State.

And he offered that as a precedent to show that we have nothing to fear from this proposal.

The Senator from Wyoming called his attention to the fact that that was the very point at issue, the question we now have before us, namely, that it is proposed to authorize the Federal Government to go into the States and take possession of dam sites and reservoir sites and other things, specifically having stricken from the law the provision that the State must give its consent. By bringing up that analogy, the Senator from Wyoming pointed out that the Senator from Kentucky had really given away his case. So the Senator from Kentucky then came back with the defense:

> But in the road case the Federal Government requires a 50-percent contribution from the States, and here we have provided for a 100-percent contribution from the Federal Government itself.

So, Mr. President, the question is brought down to the simple point that we are asked, as representatives of the sovereign States, to accept what amounts to a bribe of the remaining 50 percent of the contribution of the cost, and, in exchange for that bribe, to give up all the rights the States have in these matters, all the rights they possess and exercise under the road-building program, and turn the entire matter over to the Federal Government.

Mr. President, I think it might be worth while, since this highway question has been brought up, to consider the proposal which was made, with some approval, certainly, from very high sources in the Government recently, when we were considering the matter of building superhighways. It was then proposed that as a part of that program the Federal Government should not only acquire the land for four or five or more superhighways to run across the continent from east to west and from north to south, but should acquire also a very considerable strip of land on either side of the highways, to be owned by the Federal Government, on which buildings could be erected and businesses operated, or the properties leased; or if as a result of the construction of the highways, property values should increase, the Federal Government would be in the land-selling business, and out of the profit made from the sale of the land would partly pay the cost of the superhighways.

It is not the law, of course, and we hope never will be the law, but some of those who are now very urgently in favor of the pending measure, both within and without the legislative department of the Government, urge that seriously as a proper function of the Federal Government.

What I had intended to say on this matter, and what I am largely not going to say because it would be very general in nature, has to do with what is left of the matter of State rights. I was prompted to say anything at all by a casual remark made yesterday by the senior Senator from Idaho [Mr. BORAH] calling attention to the fact that almost immediately after we take action upon the pending proposal, which completely abandons every principle to which Thomas Jefferson adhered, almost immediately after we take action upon this matter, with the statement confidently made by those who favor it that there are sufficient votes to carry it, we will then pass in another measure to the consideration of approving an appropriation of $500,000 to start the building of a great shrine to Thomas Jefferson in the District of Columbia. Thus we will honor in one breath the memory of a great man who enunciated principles of lasting worth to this country, after having in the breath immediately preceding repudiated completely those principles.

I wish to read just a paragraph or two from a letter written by Thomas Jefferson, with which Senators are all familiar, but the exact words of which may not be in everyone's mind. This is what Thomas Jefferson said:

> I ask for no straining of words against the General Government, nor yet against the States. I believe the States can best govern our home concerns, and the General Government our foreign ones. I wish, therefore, to see maintained that wholesome distribution of power established by the Constitution for the limitation of both; and never to see all offices transferred to Washington, where, further withdrawn from the eyes of the people, they may more secretly be bought and sold as at market.

Jefferson then proceeds in the letter to say:

> The true barriers of our liberty in this country are our State governments * * * 17 distinct States, amalgamated into one as to their foreign concerns, but single and independent as to their internal administration * * * can never be so fascinated by the arts of one man, as to submit voluntarily to his usurpation. Nor can they be constrained to it by any force he can possess.

Mr. President, those 17 States have now grown to 48, and under Jefferson's theory 48 independent States, with full control over all their internal affairs, should be able to preserve for all time the American form of government. But we find a tremendous sweep in the opposite direction, partly justified by changing conditions, but a movement which should have certainly the most careful attention of Congress, and particularly of the United States Senate, whenever it is proposed to further extend the Federal power.

I had hoped, as others had hoped, I know, that the trend might have been checked recently. For instance, there was the decision of the Supreme Court in those cases where the question involved the right of a State to control the offering for sale and the sale within its borders of convict-made goods brought in from other States. The Supreme Court in upholding the acts of Congress said that the moment such goods crossed the State line they could be divested of their interstate character, and subjected wholly to the control of the State, whether in the original package or not. So, many who believe in developing the States thought that here was a chance for the States to reassert some of their power, to regain back some of their strength; and they are moving in that direction. Some have even felt that we had here a very practical answer to the child-labor question. I never shared the view fully that such a holding would take the place of a definite prohibition by the Federal Government, but there was hope in it at least, that since any State, say New York, implemented with this power given to it by the Supreme Court could bar completely from the State goods which did not measure up to the qualifications laid down by the State, as under a proper interpretation of the decision in the convict-made goods case, the State would clearly be entitled to do, the problem might be solved.

But in any event—and this is all I want to say, Mr. President—I think in America today we should in every way possible revitalize our State and local governments. The Federal Government should not ask and should not be permitted to enter into any new fields unless it is absolutely necessary to do so. I see no necessity for it in the present case.

I agree fully with the positions stated by the able Senator from Wyoming, the Senator from Massachusetts, the Senator from Connecticut, and others, that the action proposed to be taken represents a violent departure, which should not be taken, and that as representatives of the sovereign States we should insist that the conference report be recommitted, and be changed in accordance with the previously existing law.

The PRESIDING OFFICER (Mr. HATCH in the chair). The question is on agreeing to the conference report.

Mr. DAVIS. Mr. President, floods have been very costly to Pennsylvania, both in loss of life and property. Pennsylvania is at this time building two flood-control reservoirs on Tionesta Creek and Crooked Creek, at an approximate cost of $5,000,000.

There are in Pennsylvania about 870 storage reservoirs, either built or building, each with a capacity of 1,000,000 gallons or more. The aggregate drainage area about these reservoirs is 10,900 square miles, or an average drainage area for each reservoir of about 12.5 square miles. The total storage is 238,000,000,000 gallons, or an average of about 275,000,000 gallons for each reservoir.

Two reservoirs, Lake Wallenpaupack, in Pike and Wayne Counties, and the Pymatuning Reservoir, in Crawford County, have a combined capacity of 133,000,000,000 gallons, or 56 percent of the total. Lake Wallenpaupack has the greatest capacity, 70,000,000,000 gallons, although its water surface area of 5,560 acres is but slightly more than one-third of that of the Pymatuning Reservoir, which has an area of 16,400 acres and a capacity of 63,000,000,000 gallons. The drainage area about Lake Wallenpaupack is 227 square miles, while that above Pymatuning is 160 square miles. Disregarding these two reservoirs, which have capacities far exceeding those of any others in the State, the average storage per reservoir is about 120,000,000.

Mr. President, there is very good reason to believe that the flood-control bill as reported by the conferees strikes a paralyzing blow at flood control in Pennsylvania.

When Congress passed the Copeland-Wilson Omnibus Act in 1936, laying down the requirement that States or political subdivisions should provide "lands, easements, and rights-of-way" for flood-control projects, there was no State that hastened more rapidly than Pennsylvania to comply.

The Pennsylvania State Legislature passed a flood-control act that met every requirement for cooperation under the Federal statute. An outright appropriation of $4,900,000 for land acquisition was passed by both houses of the legislature without a dissenting vote. Furthermore, the legislature took the first step toward eventual passage of a $50,000,000 flood-control bond issue.

With part of the $4,900,000 State apropriation the Pennsylvania Department of Forests and Waters purchased the sites of two flood-control reservoirs on Tionesta Creek and Crooked Creek, tributaries of the Allegheny River, the main source of the devastating floods that have visited Pittsburgh at an average rate of more than once a year for 80 years.

The Federal Government has started construction of the Tionesta and Crooked Creek Dams. The construction cost of the Tionesta project is about $2,600,000 and at Crooked Creek about $2,200,000. Contracts for these projects were let last winter, and since early spring construction has been proceeding at as rapid a pace as possible. Steam shovels, tractors, bulldozers, and other equipment have been moved on to the sites and are working at top speed, two shifts a day. At Tionesta more than 200 men are at work. About 175 men are employed on the Crooked Creek job.

In compliance with the 1936 act as passed by Congress, the land on which these dams are being built has been bought and paid for by the Commonwealth of Pennsylvania. In the State act authorizing this purchase, there is contained this very significant provision: That all real property involved in dam and reservoir projects in Pennsylvania shall be owned and held in the name of the Commonwealth and "may be leased, sold, or assigned only as the legislature may hereafter provide." Before this act was passed in Harrisburg, it was sent to Washington for comment, and the interested Federal authorities gave assurance that the act was entirely satisfactory.

Mr. WALSH. Mr. President, will the Senator yield?

Mr. DAVIS. I yield.

Mr. WALSH. I am informed that there were two flood control dam projects undertaken in Pennsylvania under the act of 1936.

Mr. DAVIS. The Senator was correctly informed.

Mr. WALSH. And that after the projects were undertaken the Federal Power Commission, or some other governmental agency, asked that the Federal Government be given title to the land under the dams and the reservoirs. Is that correct?

Mr. DAVIS. That is my understanding.

Mr. WALSH. The Flood Control Act of 1936 makes no requirement for title. It requires the easements and the rights-of-way for levees, and for other necessary dams for the holding back of the waters, to be given to the Federal Government.

Mr. DAVIS. As I understand, in order that the State of Pennsylvania may give title to the Government it would be necessary to call the legislature into session, as the legislature is the only authority in the State of Pennsylvania which has the power to give title.

Mr. WALSH. In any event, the Senator's State refused to do so, and that held up the projects. The State refused or could not give the title, and the projects were suspended for a time.

Mr. DAVIS. That is correct.

Mr. WALSH. Thereafter the Governor of the State, or some official of the State, as required by the law of 1936, communicated with the Secretary of War to find out if there was any hydroelectric power involved in the construction of these reservoirs and dams. Is that correct?

Mr. DAVIS. Yes. I am coming to that in just a few moments.

Mr. WALSH. And the reply which was received stated that none was involved; and therefore the projects went on.

Mr. DAVIS. That is correct.

Mr. WALSH. What effect the present proposal may have upon the situation in the State of Pennsylvania I do not know. But I assume the work is already in process of completion.

Mr. DAVIS. I shall call that to the attention of the Senate.

In the bill now pending before Congress there is contained this language, in section 2, page 4, lines 9 to 16:

> Notwithstanding any restrictions, limitations, or requirement of prior consent provided by any other act, the Secretary of War is hereby authorized and directed to acquire in the name of the United States title to all lands, easements, and rights-of-way necessary for any dam and reservoir project with funds heretofore or hereafter appropriated or made available for such projects—

Note the phrase—

> The Secretary of War is hereby authorized and directed to acquire in the name of the United States title to all lands, easements, and rights-of-way necessary for any dam and reservoir project with funds heretofore or hereafter appropriated or made available for such projects.

When the Secretary of War, as directed by this act, attempts to acquire the sites of the Tionesta and Crooked Creek Dams he will find that the State of Pennsylvania cannot relinquish title because of the express provision of the State act that the legislature alone can sell, lease, or assign such title. The Pennsylvania Legislature is not now in session and will not be in session until January of 1939. I cannot predict what the legislature's attitude may be, but I think I can say there is no absolute certainty it will willingly relinquish title to this property.

In view of this situation, it seems to me there is only one thing that the Secretary of War can do—that is to stop construction at Tionesta and Crooked Creek. I hope I am wrong; but with the Secretary of War directed to acquire title for the United States and the State of Pennsylvania unable to relinquish title, it appears to me that stoppage of work is the only possible outcome.

This will be a tremendous disappointment to the entire citizenry of western Pennsylvania, who, after 30 years of pleading for flood control, were seeing the start of the first two of nine reservoir projects. It will also be a great disappointment to the men who have been fortunate enough to obtain jobs on these projects.

There is no place in the United States where flood control is more desperately needed than in the great metropolitan Pittsburgh area. Nowhere are the people more anxious for it, and nowhere has action to comply with the 1936 act of Congress been taken more rapidly or more enthusiastically.

It is not fair to these people to penalize them, as the pending flood-control bill most certainly will do.

There are other reasons why I believe there should be a measure of cooperation between the States and the Federal Government in flood control. One is that eliminating contributions by the States and their subdivisions lets down the bars to unnecessary and unworthy projects in all parts of the country. Another is that States should not be deprived of their sovereign rights of at least partial control of their flowing waters. Another is that local experience, local judgment and knowledge of local conditions, such as can be provided only by local citizens, will be helpful in supplementing the studies of the War Department in planning flood-control projects.

Our main plea against the pending bill, however, is that if it passes work on the two dams now under construction is threatened with immediate stoppage.

For these reasons I am impelled to vote against the adoption of the conference report.

Mr. LODGE. Mr. President, I desire to comment briefly on the able addresses made on this subject by the Senator from Wyoming [Mr. O'MAHONEY] and the Senator from Vermont [Mr. AUSTIN], and particularly the eloquent speech which was made by my colleague the senior Senator from Massachusetts [Mr. WALSH].

I have a very open mind—to put it mildly—on the public-utility question. If I felt that the prevailing law would interfere with progress either along that line or along the line of flood control, my attitude would be different. However, as a representative, in part, of Massachusetts, which has suffered a great deal from floods which arise in Vermont and New Hampshire, I can truthfully say that there has been a disposition on the part of both the people and the governments of Vermont and New Hampshire to take all necessary steps to protect those who live farther down the river against the disaster of floods.

In view of this attitude it seems scarcely gracious or fair for the Congress to take the position which is now contemplated and which to me seems both wanton and unnecessary.

Mr. SCHWARTZ. Mr. President, I desire to make a few observations on the pending question, particularly as it affects Wyoming. I also wish to refer briefly, if I may, to the power of the Congress to do the particular thing which is sought to be done; that is, to build flood-control dams and control water without the consent of the State.

FEDERAL GOVERNMENT HAS IN PAST SECURED CONSENT OF STATES

Before coming to the question of the power of Congress, let me say that at least it has been the policy in the past for the Government, when it goes into a State, to acquire private lands, whether for national parks or for forest reservations, to secure the consent of the State.

I wish to read two provisions, one of which is from the act creating the National Forest Reservation Commission. Very similar provisions will be found in many of the acts creating national forests in other parts of the United States than the West. In the act creating the National Forest Reservation Commission there is a provision in section 516, found on page 129 of title 16 of the United States Code Annotated, which reads as follows:

> The Secretary of Agriculture is authorized to purchase, in the name of the United States, such lands as have been approved for purchase by the National Forest Reservation Commission at the price or prices fixed by said Commission. No deed or other instrument of conveyance shall be accepted or approved by the Secretary of Agriculture under this section until the legislature of the State in which the land lies shall have consented to the acquisition of such land by the United States for the purpose of preserving the navigability of navigable streams.

In the act creating the National Park Service there is found a provision which I shall read. Before reading it, let me say that a preliminary step in the creation of a national park is an investigation as to its desirability. In the act of June 23, 1936, chapter 731, section 1, the following language is found:

> The Secretary of the Interior (hereinafter referred to as the "Secretary") is authorized and directed to cause the National Park Service to make a comprehensive study, other than on lands under the jurisdiction of the Department of Agriculture, of the public park, parkway, and recreational-area programs of the United States, and of the several States and political subdivisions thereof, and of the lands throughout the United States which are or may be chiefly valuable as such areas, but no such study shall be made in any State without the consent and approval of the State officials, boards, or departments having jurisdiction over such lands and park areas.

BASIS OF STATES' CONSENT FOUND IN CONSTITUTION

Mr. President, there is a reason for such provisions. It is found in article I, section 8, clause 17, of the Constitution, and the decisions of the courts in relation thereto. The first portion of clause 17 has to do with the acquisition of a 10-mile square area for the seat of the National Government. The concluding portion of the clause reads:

> And to exercise like authority over all places purchased by the consent of the legislature of the State in which the same shall be, for the erection of forts, magazines, arsenals, dockyards, and other needful buildings.

Without going into the cases, if it is purposed at any time to acquire the title to land within a State, if the purchase is made, and the land is to be used under one of the powers granted to the Federal Government, and become subject to the jurisdiction of the United States, then it is necessary to obtain the consent of the State. But if it is for some purpose for which the Government may make appropriations, but which is not within one of the direct grants, then the Federal Government may acquire the land in its capacity as an ordinary proprietor, and not in its governmental and sovereign capacity. In that case all the jurisdiction of the sovereign State remains. The Federal Government is then a mere proprietor, the same as a citizen of the State.

I wish to read a citation from the case of *Fort Leavenworth Railroad Co.* v. *Lowe* (114 U. S. 531).

> The consent of the States to the purchase of lands within them for the special purposes named is, however, essential under the Constitution, to transfer to the General Government, with the title, of political jurisdiction and dominion.
>
> Where lands are acquired without such consent, the possession of the United States, unless political jurisdiction be ceded to them in some other way, is simply that of an ordinary proprietor. The property in that case, unless used as a means to carry out the purposes of the Government—

Meaning some power granted to the United States in the Constitution—

> is subject to the legislative authority and control of the States equally with the property of private individuals.

The point I make is that if the consent of the State is required for construction of these flood-control dams we would have some opportunity of protecting our water rights and of obtaining the right to use the water for irrigation purposes.

Mr. President, I do not intend, of course, to argue the constitutional question at this time, because it has been ably discussed by the Senator from Vermont [Mr. AUSTIN] and by my colleague the Senator from Wyoming [Mr. O'MAHONEY]. However, I wish to say a few things about what the situation means to the State of Wyoming.

PROVISION THREATENS AGRICULTURAL AND SCENIC INTERESTS OF WYOMING

As I said last night in a question addressed to my colleague, the agricultural life and the agricultural welfare of the State of Wyoming are dependent entirely upon water. Our welfare depends upon our having control of the water and putting it upon the land. The Senator from Vermont cited a case in which it was purposed to build a dam which would flood a certain amount of land which was occupied by a small number of people. If water is taken away from us in Wyoming the result will be not merely to flood the land upon which the reservoir is built but to make a desert out of all the surrounding land, and keep it in a desert condition for all time. Also, under the arbitrary power granted in this bill, it will be possible to flood large areas of land already in cultivation.

As I understand this proposed law, if the Federal Government desired to build a dam for flood control in the Yellowstone National Park and raise the level of the Yellowstone Lake and destroy the scenic beauty of that national and recreational ground, it would be possible to do so. In

the past, as everybody knows, there have been efforts to do that very thing.

There are other areas in our State where, if flood-control dams were built, lands now in cultivation would be flooded—lands which are necessary to our own welfare in our own State. I cannot conceive why Congress should be willing to inflict such damage upon the State of Wyoming for the benefit of lower States.

FLOOD CONTROL PROGRAM SHOULD PERMIT USE OF WATER FOR IRRIGATION

Mr. President, some provision should be made in the proposed statute to safeguard that situation. I would be perfectly willing to see this measure die now and let it come up 6 months later, when a provision could be adopted to the effect that when flood-control dams are built opportunity shall be afforded in connection with them to use water for reclamation and irrigation purposes in the arid States. With such a provision contained in it there would be no objection to this proposed legislation.

In the building of dams in the West, when power is produced in connection with reclamation, it is generally the rule to have two dams—a dam for power and a dam downstream for the accumulation of water used in generating power at the upper dam. If a dam is operating for power the water is running out of the dam day by day and not in particular seasons of the year when needed for reclamation. So we have diversion dams further down to hold the water that flows out of the power dam, and that water is placed on the land. If we could have legislation which would require, as I said a moment ago, that flood-control dams be so constructed as to permit, nevertheless, the use of the water for irrigation, it would serve flood-control purposes just as well as it would without such a provision in it. For that reason I am bound to vote against the conference report.

Mr. President, I wish to say just one or two other things that have not much pertinency, perhaps, but which refer to what has just been been said by another Senator.

The Senator from Nebraska [Mr. BURKE] referred a while ago to proposals from some source in reference to building a National-State highway. A National-State highway has to do with interstate commerce; and I think that the observation made was not well taken, and that we have abundant power to condemn land for a transcontinental National-State highway, and to do it without the consent of the States. But the States' jurisdiction, civil and criminal, would continue over the land taken.

Another observation made was with reference to Mr. Jefferson. I admire Mr. Jefferson as much as does anyone, but Mr. Jefferson lived over a hundred years ago, in an era when entirely different economic conditions prevailed, and when conditions of life were different from those we have today. I am not so much interested, though I have endeavored for many years to become interested, in Jefferson's views and the views of other men who have long since been dead; I am compelled to be more interested in the economic life and welfare of the generation that is living in the United States today. I cannot get away from that view.

BILL SHOULD PROTECT WESTERN FARMERS AND IRRIGATORS

A further suggestion was made a moment ago, that we are increasing the powers of the Government and that we are setting up bureaus and all that sort of thing here in Washington. The extent of the increasing powers of the Government and the extent of the consolidation is always caused by like practices in business. All we are doing is keeping up with modern business practices and economic life in this country. I do not think the Government or anybody in the city of Washington is to be criticized because of that situation.

In conclusion, I wish to say that I want Senators to realize just what this bill will mean to the arid and semiarid States of the West. I want them to realize just what they are doing to that section of the United States. I want them to ask themselves whether they think it is necessary to bring about such a situation as will inflict that sort of injury upon us in order to bring about the construction of these dams at this time and under the terms of the pending bill. I think a bill providing for the construction of flood-control dams can be brought forward in the next Congress which will serve the same purpose and be so worded as to protect the farmers and the irrigators and the agricultural population generally in the West. That will mean protecting us all, because all the rest of us live off the farmers, the stock raisers, and like producers.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. SCHWARTZ. I yield.

Mr. O'MAHONEY. Does not the Senator agree that the conferees in half an hour could write into the bill the same provision that now is in the act of June 22, 1936, and bring it back here and have it pass without objection?

Mr. SCHWARTZ. I think they could do that, and, if that were done, I think there would be no objection in this body to the adoption of the report.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Calloway, one of its reading clerks, announced that the House had passed without amendment the following joint resolutions of the Senate:

S. J. Res. 298. Joint resolution to create a joint congressional committee to investigate the adequacy and use of the phosphate resources of the United States; and

S. J. Res. 300. Joint resolution to create a temporary national economic committee.

The message also announced that the House had passed a bill (H. R. 10605) to authorize the appropriation of funds for the development of rotary-wing and other aircraft, in which it requested the concurrence of the Senate.

AUTHORIZATION OF FLOOD-CONTROL PROJECTS—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10618) entitled "An act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes."

Mr. GIBSON. Mr. President, in connection with the consideration of the pending conference report, and as throwing additional light on the question in controversy, I ask to have read at the desk a telegram from the Governor of South Dakota, which is addressed to the Senator from New York [Mr. COPELAND].

The PRESIDING OFFICER. Without objection, the clerk will read, as requested.

The legislative clerk read as follows:

PIERRE, S. DAK., *June 13, 1938.*

Senator ROYAL S. COPELAND,
Washington, D. C.:

South Dakota is opposed to Senate amendments to flood-control bill, which would give Federal Government title to water resources of States without their consent, and open way to Federal ownership and control to all natural resources. Understand these amendments are now in conference committee, and I urge you to use your influence against their adoption. Copies of this wire being furnished to Senators BULOW and HITCHCOCK.

LESLIE JENSEN, *Governor.*

Mr. WALSH. Mr. President, I know how anxious we all are to adjourn the present session and return to our homes. I would not trespass further upon the time of the Senate were it not for the fact that a very serious situation exists in the section of the country which, in part, I have the honor to represent. We have now experienced a delay of 2 years in the initiation of flood-control projects designed to prevent a repetition of the suffering, the losses, and the damages caused by the disastrous flood of a few years ago. So, if any apology is necessary for my taking the time of the Senate, let me state that I do so because of the importance of appropriate action to relieve the apprehensions of the people of the several States of New England who have experienced the dire and serious consequences of floods.

Mr. President, in order to understand this problem, it will be necessary to recite chronologically the steps that

have been taken that have led up to the far-reaching alterations in Federal flood-control policy embodied in the bill in the form it now comes to the Senate from the conference committee.

The first act of Congress dealing with a national policy of flood control was in 1936. The act then passed provided that the States should provide the rights-of-way, the easements, and the lands necessary for any flood-control project to be undertaken and constructed by the Federal Government at the cost of the Government. The act of 1936 made no distinction between levees and dikes and reservoirs or dams. There was a provision in the act that when two or more States were affected by proposed flood-control projects such States could enter into compacts with each other if they were willing to comply with the terms of that law.

After the enactment of that Federal statute, the States of Connecticut, Massachusetts, New Hampshire, and Vermont entered into a compact in conformity with section 4 of that law; and entered into the compact after consultation, as has been well said by the junior Senator from Connecticut [Mr. MALONEY], with the Secretary of War and the engineers of the War Department and with the approval of all the then existing Government agencies with which the States were required to confer. Thereafter the compact was signed and sealed and sent to the Congress, and Senators from these New England States jointly introduced it here for the requisite consent of the Congress, where it has been pending ever since.

In that compact, which is the bottom of the issue here today, at the request of the States of Vermont and New Hampshire, who derive no direct benefit whatever from flood-control dams and reservoirs in Massachusetts and Connecticut because the latter States are lower down the Connecticut and Merrimack Rivers, the two river flood-control projects involved in the New England compact, there was inserted in the compact language which reserved to the States all hydroelectric power, if any, generated upon the dams and reservoirs in question.

Provision was made in the compact for apportioning between the four States the expense and cost of acquiring the lands and easements and rights-of-way; and share to be borne by Vermont and New Hampshire, which were not going to be direct beneficiaries, was properly made comparatively small.

When these compacts came here approved by the Secretary of War and approved by every agency set up under the act of 1936, we find a protest launched through the Federal Power Commission, and insistence that the Federal Government be given the title to the reservoir lands and the lands under the dams in the areas wherever it was possible that hydroelectric power could be developed. It was insisted that the States, as a condition precedent to congressional ratification of the compact, must eliminate the reservation to themselves of power rights.

That was the beginning of all this trouble. The contested amendments to the present bill never would have been here, we never should have heard of them, except for the demand—and first it was veiled, and hidden, just as it is veiled and hidden in the present compromise bill—that the title to the land under the reservoirs and the title to the land under the dams be vested in the Federal Government.

Mr. ELLENDER. Mr. President, will the Senator yield for a question?

Mr. WALSH. I yield to the Senator from Louisiana.

Mr. ELLENDER. Is it not a fact that under the present law, after a project is undertaken and completed by the Federal Government, the State must maintain it?

Mr. WALSH. I think the Senator is correct.

Mr. ELLENDER. And the particular act which we are now considering provides that the title to land acquired shall vest in the Federal Government, and that the Federal Government must maintain all of the projects which it undertakes, to completion.

Mr. WALSH. There is no doubt that from the standpoint of a State which is willing to give up to the Federal Government its land and its rights-of-way and easements, this law is more generous to the State, because this latest proposal provides for a 100-percent grant or gift from the Federal Government. There is no doubt about that.

Mr. ELLENDER. But is not that the reason why it is necessary or advisable to put the title of the land in the Federal Government, since the Federal Government is to maintain all projects, such as reservoirs, dams, and so forth, after their completion? In other words, why should the States retain title, if the Federal Government is to have the responsibility of constructing and maintaining all projects?

Mr. WALSH. The vice of the present proposal is its compulsion; its taking away from the States of their lands and their water rights without their consent. If there had been any refusal anywhere, at any time, under the Flood Control Act on the part of any State on the upper part of a river to comply with the terms of this law, there might be some justification for the Federal Government's demanding the power of eminent domain which it demands in this bill; but there has been no such case as that. The whole thing developed when these States sought to reserve to themselves the hydroelectric power which it might be possible to generate, which it was remotely possible to generate, in New Hampshire and Vermont. Those States already have dams of their own construction or by their approval. They have built or authorized these dams. They have hydroelectric power on these rivers. They have controlled the water and latent power in these rivers through the years since the beginning of our Government. Now it is proposed that whatever further water power may be there of value and of importance to them shall pass over to the Federal Government without their consent or their being recompensed.

Mr. ELLENDER. But the Federal Government would have to pay for them; would it not?

Mr. WALSH. Yes; but, as I said last night—and I do not care to repeat now what I said then—a water power may be the only valuable asset which a State possesses. We have seen the value of water to the great Middle Western States in the field of irrigation. If water is valuable, and important to the States to control it, for purposes of irrigation, it may be of value for another State to control it for the purpose of generating power for its own inhabitants at a low rate, or as an income to help reduce its taxes.

In some States gold is its principal natural resource, its principal asset; in other States it may be oil; in other States timber, or specially rich and fertile agricultural lands.

I submit that the Federal Government is not entitled to deprive any State of its own natural resources, its own God-given assets, whether they be gold, oil, timber, or water power, the latter being the natural resource of these States.

If the present proposal is valid in law and in good conscience, then the Federal Government with equal propriety may proceed to take to itself all of the other natural resources of our country.

The trouble here is that without consent of a State, without permission of a State, without consultation with a State, the Federal Government reaches in its hand and says, "There is a water power there incident to flood control and we will do with it as we see fit," and proceeds to seize it and generate power, if any power can be developed, without the approval or consent of the State.

Mr. ELLENDER. Under the Federal Power Act, is it not necessary for a State or any political subdivision of a State, or anybody who desires to put in a dam for developing electric power, first to obtain permission from the Federal Government so to act? Is not that the law now? And, if so, what difference does it make whether or not the Federal Government takes title to and owns the land? Has not the Federal Government a decided measure of control under existing laws?

Mr. WALSH. It is quite true that under the Federal Water Power Act Federal permission must be obtained to construct a water-power dam on a navigable stream—but Federal permission is a very different thing from Federal control and operation of the project as is now proposed.

I have no quarrel with the submission to Congress by the Federal Government and the approval by Congress of any project which deals with power. Let me say here that in the case of 22 dams included in the proposed flood-control projects on the Connecticut and Merrimack Rivers, there is only the possibility of two dams being adaptable to power-development purposes; and for 2 years I personally have sought to have an adjustment made of the power possibilities with respect to these two dams. I asked the Federal authorities to call the Governors of these four New England States to sit down together and talk it over and see if some solution could not be found.

I know the Senator from Wisconsin [Mr. LA FOLLETTE] is suggesting that the Senator from Louisiana not ask me further questions, because he is anxious to have a vote on this matter, and so am I; and I shall not mind if the Senator does not ask me any more questions. I desire to finish my remarks.

Mr. ELLENDER. Will the Senator from Massachusetts permit me to place in the RECORD, in connection with my questions, certain extracts from the Federal Power Act which I have marked and will submit for the RECORD?

Mr. WALSH. They may be inserted in the RECORD following my brief speech.

Mr. ELLENDER. Very well. I ask unanimous consent to insert in the RECORD, following the speech of the Senator from Massachusetts, the extracts to which I have referred.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The matter referred to will be found at the end of Mr. WALSH'S speech.)

Mr. WALSH. I recited the 1936 act. I recited the drawing of the compact. I recited why ratification of the compact has been delayed here. I want to discuss now the measure we are now asked to approve.

The flood-control bill of this session as it was reported by the Senate Committee on Commerce made no change whatever in the fundamental policy, no change whatever in the declared national flood-control policy of the 1936 act, except to provide that the Federal Government in the case of flood-control projects that were dams and reservoirs would assume part of the cost of the land easements and rights-of-way, on the basis of 70 percent by the Federal Government and 30 percent by the States.

The amendment now in question, which was added to the bill in the Senate a few days ago and which has been approved in conference, proceeds to change the whole national policy in regard to flood control, and proceeds to place in the Federal Government the title to all dams and reservoirs and the control of all power that may be generated, without any permission or assent by the States, and in return the Federal Government pays 100 percent of the cost.

According to the Senator from New York, if power can be developed in any part of the Hudson River in New York State the Federal Government may come in and take possession of that power and dispose of it as it chooses, without regard to the rights or the opinions or the views of the citizens of the State of New York. The Federal Government, if this amendment becomes law, may even take control of river waters in localities which are entirely within the confines of one State and do not enter into the domain of any interstate relationship.

Is it the thought of the proponents of this new Federal policy whereby the Federal Government is to have exclusive control of every bit of water power everywhere that may hereafter be seized upon by the Federal Government under the cloak of flood control, that the States are not to be trusted in the administration and disposal of the hydroelectric power?

Is it this suspicion that perhaps somewhere some State, if control rests with the States, might be induced to part with its water power unwisely or with partiality to private power interests and that to foreclose such an eventuality the Federal Government must deprive all the States of all control?

This has not been openly avowed but I must confess that I find many indications that such is the motivation of the present plan for exclusive and peremptory Federal control.

Let me say first that in a democracy such as ours has been for 150 years and a union of States sovereign within the domain of their own affairs, the disposition by a State of its own water power is its own affair, so long as it does not infringe on any other State or impede the navigability of navigable streams. It is not the concern of the Federal Government whether the State disposes of its water power wisely or unwisely.

Let me say second that the day may come, and the possibility will always exist, that the Federal Government, in control of all the water power of the Nation, if such comes to pass, may itself deal with it unwisely.

If a sovereign State cannot be trusted, what greater trust can we have in the Federal Government?

Mr. VANDENBERG and Mr. COPELAND addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Massachusetts yield, and, if so, to whom?

Mr. WALSH. I yield first to the Senator from Michigan.

Mr. VANDENBERG. Mr. President, I think the Senator may well emphasize one point in this chronology. This amendment never came to the Commerce Committee for a single moment's consideration. The committee which for years has had jurisdiction of flood control, which spent weeks and weeks upon this problem, the committee which is primarily responsible for flood-control principles, never had a single moment's opportunity to discuss or consider this fundamental thing; and I venture the statement to the Senator that if it had had that opportunity, this situation never would have arisen.

Mr. WALSH. I appreciate the Senator's observation. I personally am chagrined that the amendment went through without more extensive consideration and debate in this Chamber.

Apparently it was taken up in the Senate in the absence of many Senators, and it did not have much discussion and was agreed to in a few minutes. The amendment was offered in connection with several other amendments offered by the same Senator, so that I and many other Senators from the eastern section of the country had no foreknowledge and scant opportunity of debating it. That is one reason why we do not think any apology is necessary for debating the subject at some length at this time.

Mr. COPELAND. Mr. President——

Mr. WALSH. I yield to the Senator from New York.

Mr. COPELAND. As a matter of fact, when the amendment was presented, as chairman of the committee I resisted it with all the energy I possessed. I saw its evil effects, and did what I could to defeat it.

When it came to the conference committee, I presided over the committee but made it clear that I would not sign the report if it contained this offensive amendment, which would destroy the last vestige of States' rights.

I wish to say to the Senator from Massachusetts that in New York State we have always resisted the development of the St. Lawrence River improvement. There will be developed there a tremendous amount of power. My State has taken the position that if that power is developed it will belong to the State of New York, not to the Federal Government. We are forced to contribute about $98,000,000, as I recall, as our share of the development of the St. Lawrence Canal, but always with the understanding on the part of those of us who were studying the matter that the power would be ours; but that will not be so if this amendment shall become law. The power which is developed in the State of New York by that improvement will be under the jurisdiction of the Federal Government; it will be used as the Federal Government desires to have it used.

Mr. WALSH. Under the Federal Water Power Act could not the Federal Power Commission proceed at once to investigate and study these projects, and build, under certain

conditions, after consultation with the States and other conditions, reservoirs and dams under the jurisdiction of the Federal Government?

Mr. COPELAND. There is no doubt of it.

Mr. WALSH. So that what we are doing is, under the name of flood control, giving away rights without the limitations or restrictions in the Federal Water Power Act. Is that correct?

Mr. COPELAND. That is correct.

Mr. WALSH. Let me read something to the Senator, and I want to get his opinion about a comment made by the State water commissioner of Connecticut, because, frankly, I do not understand it. Let me read two sentences which are somewhat involved:

Subsection (b) of section 22 of the Federal Power Act places upon the Federal Power Commission the duty of causing an immediate investigation of the proposed construction of such dams as we have under consideration—

Such as they had under consideration in New England—

and the act further states that, if the Commission finds that interstate or foreign commerce would not be affected by the construction of the dam, then "permission is hereby granted to construct such dam or other project works in such stream upon compliance with State laws."

That is the law, is it not? Is there any such condition in this bill?

Mr. COPELAND. There is not.

Mr. WALSH. Of course not. The real query I want to propound is about the question involved in the next statement of the distinguished commissioner of the State of Connecticut. He says:

However, unfortunate as it is for New England, the absence of power potentialities at a flood-control reservoir in New England, even though located on a nonnavigable stream not under the jurisdiction of the Federal Government, does not remove the opposition of the administration as represented by the Federal Power Commission. That Commission takes the position, and has so advised the representatives of the New England States, that if any Federal money is used in the construction of a flood-control reservoir, that reservoir automatically becomes a "Government dam" as defined in subsection (10), section 3, of the Federal Power Act, as amended.

That is the very section to which I referred a moment ago, reserving to the States the right. This is the sentence to which I want to call attention:

It therefore follows that if this position is sustained, the Federal Power Commission automatically assumes control over such a reservoir and, under the terms of the Federal Power Act, subsection (f), section 9, would be required to assess benefits to every user of water on the stream and to collect an annual charge therefor.

What does that language mean?

Mr. COPELAND. Exactly what it says.

Mr. WALSH. This is worse than I had assumed. This is the first time this phase of the question has been brought to my attention. Does the Senator mean to tell me that if this conference report shall be enacted into law the dams will all become Federal, the ownership become Federal, and the power become Federal, that the States will all have their rights taken from them, that the Federal Power Commission can assess benefits to every user of water on a stream, and collect an annual charge therefor?

Mr. COPELAND. The Senator states it exactly as it is.

Mr. WALSH. Without any knowledge or understanding on the part of the people? How can the Federal Government go into a State and, by taking dams and reservoirs and generating power, assess benefits to every user of water on a stream and collect an annual charge therefor?

Mr. COPELAND. I do not think it can. I hope the Supreme Court still has gumption enough to resist it.

Mr. WALSH. Can the Supreme Court stop it?

Mr. COPELAND. I do not know whether it can or not. But there is one thing I wish to say to the Senator. Let us take the State of Vermont as an example. The State of Vermont, as the Senator is well aware from his knowledge of it, is made up of ranges of mountains and beautiful valleys.

Mr. WALSH. Yes; which are assets not only for possible future power development but for tourist travel. It is a place where tourists go because of the beautiful Connecticut River, because of the mountains and valleys and trees and shrubbery. It is appropriately called the Green Mountain State.

Mr. COPELAND. More than that, the support the State has now in the way of taxes from farm lands in those beautiful valleys will be lost to the State. The Federal Power Commission can go into that State, dam up all those streams, flood and destroy the estates of persons where, through five or six generations, one family has had possession of the land, and can take out of taxation all this land and cause the tourist trade to be lost, as the Senator has said.

Mr. WALSH. When I was a young man and went to the legislature in Massachusetts, from an area where a stream of water was diverted and dammed and land taken—note this, it was more than 30 years ago—in order to supply water to the city of Boston, the terms of the legislative act required the city of Boston to pay the taxes for all time upon the lands that were seized. The landowners, of course, were paid, and those small towns are now receiving annually a tax on those lands. The tax was definitely fixed, so that it could not be increased by increased valuations to the city of Boston in the future. It is needless to say that there is no provision for the payment of the taxes in the present proposition.

Mr. COPELAND. Not at all. The Senator is well informed, of course, regarding the compact between the various New England States regarding the control of the waters up there. In the compact it was expressly stated that the power should be reserved to the States respectively. Am I not right about that?

Mr. WALSH. The compact reserves to the States any hydroelectric power which might be susceptible of development at the dams and reservoirs. No one has suggested that the prospective power in the case of these particular projects is of large amount. No plan has been brought forward by either the States or the Federal Government for the production of hydroelectric power as an incident to these projects. The Army engineers believe the cost of the development of hydroelectric power would be perhaps prohibitive. The power in this instance is entirely potential, and the question of its control entirely a matter of principle.

Mr. COPELAND. There is not a thing left. The Senator had hoped the compact would be agreed to by the Congress, but it was not, and now it does not make any difference about the compact; it is out of the window. When those dams and reservoirs are built the title will vest in the Federal Government, and the States of New England will have nothing to say whatever about the development of the power.

Mr. WALSH. This condition has been extended to Pennsylvania, and it will be extended to New York and to many other States.

Let me make an inquiry of the Senator. What a tragedy it is that this problem cannot be settled. What a pity that this matter cannot be settled, as it could be in 5 minutes, by letting all the dams and reservoirs that have no power involved in them come under the flood-control law, and when there are dams and reservoirs on which there may be developed hydroelectric power, let them come under the Federal Water Power Act. That would end the whole controversy.

Mr. LEWIS. Mr. President, will the Senator from Massachusetts permit me to make an inquiry of the Senator from New York?

Mr. WALSH. Certainly. First, however, I should like to ask to have printed in the RECORD the letter from the director of the State Water Commission of Connecticut, from which I have read.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

(In advancing the views set forth in this letter, the writer is expressing only his personal opinions.)

STATE WATER COMMISSION,
STATE OF CONNECTICUT,
HARTFORD, *June 7, 1938.*

Hon. DAVID I. WALSH,
United States Senate, Senate Office Building, Washington, D. C.

DEAR SIR: As a member of the Connecticut Flood Control Commission, I have been much interested in newspaper reports of the

plan you have recently outlined for securing early construction of flood-control reservoirs in New England. Through the courtesy of Mr. Dudley Harmon, of the New England Council, I have received a copy of the full text of your very clear analysis of the situation.

You suggest "that the officials of the States who signed the compact proceed to have the Secretary of War determine just what dams and reservoirs have hydroelectric possibilities. If he determines there are none, then it seems to me the flood-control problem is largely settled"; and again: "If, under this provision (sec. 3, Omnibus Flood Control Act of 1936), the Secretary of War decides that no hydroelectric power question is involved in the construction of dams and reservoirs, all the flood-control projects recommended by the Army engineers could be undertaken."

The authors of the compact had held the same view of this matter; that is, it was their belief that, in the absence of economically feasible power potentialities, the Federal Government would have no desire to take title to flood-control reservoir sites.

There are apparently two principal objections by the administration to the compacts as they now stand: (1) That the compacts violate the long-established power policy of the Federal Government; and (2) that the compacts did not provide that title to the reservoir sites shall be surrendered to the Federal Government.

As to the question of the Federal power policy and its violation by the compacts, it is difficult to understand what is referred to. The Federal Power Commission, which sets up this contention, has never, as far as the writer knows, explained in what way the Federal policy has been violated. Certainly anyone who has studied the Federal law even superficially will realize that the Federal Power Act was primarily an act to improve navigation and that power was a secondary consideration. Moreover, the Federal Power Commission is limited in its administration of this act to navigable waters and such tributaries as, if dammed, would have an effect on navigability of the waters concerned. Apparently the Federal Power Commission is now attempting to extend its control to include streams not now under Federal jurisdiction.

Yet while this controversy has been going on, the Federal Power Commission, in passing on a declaration of intention by the State of New Hampshire to construct a power dam on the Connecticut River at Pittsburg, has notified the State that, as the dam would not affect the navigable part of the river, the Federal Power Commission has no jurisdiction. There are some 63 private hydroelectric power companies in the Connecticut River watershed, and as far as I can learn all have been constructed without the necessity of securing a license from the Federal Power Commission.

The proposed flood-control reservoirs in the Connecticut River Valley are all located on intrastate, nonnavigable streams which are not now under the jurisdiction of the Central Government. The compacts, as you know, were written to provide only flood control, and in order to limit the authority of the commission set up by the compacts to flood control, it was specified that each State would retain such other rights as it now has over its streams, including future development of power. The Federal Power Commission now contends that it alone has authority over development of power on these nonnavigable New England streams. It is interesting to note that, as recently as April of this year, a Federal court in western Virginia, in the so-called Appalachian Electric Power case, held that the damming of a certain stream by the power company was not a matter which concerned the Federal Power Commission, inasmuch as it was a nonnavigable stream. The court decided that the company could go ahead and build its dam without any license from the Federal Power Commission.

The representatives of the New England States had thought that the action taken by the Federal Government in the case of the Tionesta and Crooked Creek flood-control reservoirs in Pennsylvania would serve to establish a precedent which would be applicable in the case of the New England reservoirs. These two particular reservoirs were a part of an authorized program of nine flood-control reservoirs to be constructed in Pennsylvania. As work was about to be begun on the two named Pennsylvania was notified that the project must be suspended until the State had delivered to the Federal Government title to the lands involved. This action Pennsylvania vigorously protested. Federal engineers were asked to determine whether or not there were power potentialities at these reservoir sites. Upon a negative report being made, the objection of the administration to the construction of the reservoirs was withdrawn and work proceeded without the surrender of title by Pennsylvania. It had seemed to us in New England that if that policy were a proper one for Pennsylvania, it might very properly and logically be applied to New England. Consequently, the Council of New England Governors addressed a letter to both the Secretary of War and to the Federal Power Commission asking to be advised if there were power potentialities at the New England sites. The Secretary of War replied by referring to Document 412, which contains such information on this question of power as the Corps of Engineers had at that time secured.

The Federal Power Commission, however, notified the Council of Governors that it had no data on this question of power potentialities except such as were contained in the reports published by the Army engineers. The letter further stated that the Congress had made no funds available to the Power Commission for securing information of this kind, and it was added that the local engineers of New England should be well advised as to power possibilities. At the same time that the Power Commission was notifying the New England Governors that it had no data as to power potentialities at the New England reservoir sites, it was publicly taking the position that approval of the compacts would violate the long-established power policy of the Federal Government.

Since that time, August 1937, the Engineer Corps of the Army has made a further report to the Secretary of War, which is published in Document 455. This document, which is further supported by statements made before the House Flood Control Committee on April 5, 1938, makes it clear that power exists at only 3 of the 20 proposed reservoir sites, and in these cases in negligible amounts. As far as the Secretary of War is concerned, therefore, he has made it perfectly clear that, to all intents and purposes, there are no power potentialities at the Connecticut River sites. The Federal Power Commission, however, admits that it has no information regarding power possibilities at the Connecticut River sites, but that it opposes approval of the compacts because some Federal policy not defined would be violated.

No later than Sunday of this week, Mr. Oswald Ryan, counsel for the Federal Power Commission, stated in a public address at Holyoke, Mass., that the Federal Power Commission has no interest in a purely flood-control reservoir if there is no power involved. If the Federal Power Commission would now carry out the intent of the Federal Power Act and determine to its satisfaction whether the proposed New England dams have or have not power potentialities, real progress in the solution of this question would be made. Subsection (b) of section 22 of the Federal Power Act places upon the Federal Power Commission the duty of causing an immediate investigation of the proposed construction of such dams as we have under consideration, and the act further states that, if the Commission finds that interstate or foreign commerce would not be affected by the construction of the dam, then permission is hereby granted to construct such dam or other project works in such stream upon compliance with State laws.

However, unfortunate as it is for New England, the absence of power potentialities at a flood-control reservoir in New England, even though located on a nonnavigable stream not under the jurisdiction of the Federal Government, does not remove the opposition of the administration as represented by the Federal Power Commission. That Commission takes the position, and has so advised the representatives of the New England States, that if any Federal money is used in the construction of a flood-control reservoir that reservoir automatically becomes a "Government dam" as defined in subsection (10), section 3, of the Federal Power Act as amended. It therefore follows that if this position is sustained the Federal Power Commission automatically assumes control over such a reservoir and under the terms of the Federal Power Act (subsec. (f), sec. 9) would be required to assess benefits to every user of water on the stream and to collect an annual charge therefor.

As to the question of title, as the Omnibus Flood Control Act itself is silent on this point, it becomes a matter of interpretation. The Attorney General and the Federal Power Commission both hold that the act by implication requires surrender of title to reservoir sites to the Federal Government. Precedent, on the other hand, indicates that the Congress had no such thought in mind in framing the act. This view of the matter is supported by the fact that the Flood Control Committee of the House and the Commerce Committee of the Senate have both approved the compacts as written. As the House committee took this stand after hearing, Chairman McNinch, of the Federal Power Commission, argued vigorously for surrender of title to sites by the benefited localities, it would seem, therefore, to be a fair inference that the Congress, as represented by these two committees, shared the view held by the Secretary of War, the various Governors, and the State legislatures concerned, viz, that the Congress did not intend in writing the Omnibus Flood Control Act to require surrender of title to reservoir sites.

I am in wholehearted agreement with those who hold that if this power question could be properly considered and disposed of there should be no obstacle in the way of approval of the compacts and of immediately proceeding with construction work. While the Secretary of War has, after an exhaustive study of this matter, arrived at the conclusion that power potentialities are nonexistent or negligible, no decision has yet been secured from the Federal Power Commission. It is possible that if the Congress saw fit to require that the Federal Power Commission should proceed in accordance with the Federal Power Act to determine whether or not construction of these dams would interfere with commerce between the States and foreign countries, the barrier to progress would be removed.

Very truly yours,

S. H. WADHAMS, *Director.*

Mr. LEWIS. Mr. President, I propound an inquiry to both the Senator from New York and the Senator from Massachusetts. If they are convinced that the States under any law now prevailing may have their property taken, or the property within their sovereign precincts taken, and still they must pay the expenses in the way of taxes, what will my able friend say to the proposition of turning over these powers to a foreign government, and yet provide that the American Government shall pay the expenses of the foreign undertaking? What does the Senator from New York say as to the right of the Federal Government to deal

with a foreign government in the form of a treaty of surrender by the United States to accomplish favors and benefits at expense of the United States.

Mr. COPELAND. Of course, it would be presumptuous in me to discuss a legal question with the eminent lawyer, the Senator from Illinois, but I cannot conceive it possible that the Federal Government, through an amendment inserted on the floor of the Senate without consideration by anyone, may take over the water power which now is vested in a State and which under the so-called Copeland Act, the act of 1936, was intended to be left in the States. But under the pending measure that is all out of the window; the Federal Government will have exclusive control over the matter of power and the distribution of any hydroelectric current which may be developed.

Mr. LEWIS. I am referring to the proposed St. Lawrence treaty, which, it is intimated, this Government is on the eve of offering to the Senate, and which would take over the power and control over water, and yet charge the expense of the construction to our Government.

Mr. COPELAND. Of course, when we get all through with it, the Federal Government will own the power.

Mr. WALSH. Let me conclude by asking the Senator another question. Is it not the conclusion of all this that when the Federal Government undertakes to use a dam or reservoir under the flood-control law for power purposes, all rights of the States are gone, they are not consulted, they are not considered, and they have nothing to say about it?

When the Federal Government, under Federal power law, proceeds to build dams and reservoirs in the States, there are certain requirements protecting the States. Is that not true?

Mr. COPELAND. That is correct. But under the amendment under consideration the last vestige of States' rights will be destroyed.

Mr. WALSH. There is no question about that. I protest the adoption of this conference report for the reason expressed.

(During the delivery of Mr. WALSH's speech, Mr. ELLENDER asked and obtained leave to have the following parts of the United States Code incorporated in the RECORD at the close of the speech:)

[From title 16, U. S. C.]

* * * * * * *

797. General powers of Commission: The Commission is hereby authorized and empowered—

Investigations and data; statements as to investment of licenses in projects; access to projects, maps, etc.: (a) To make investigations and to collect and record data concerning the utilization of the water resources of any region to be developed, the water-power industry and its relation to other industries and to interstate or foreign commerce, and concerning the location, capacity, development costs, and relation to markets of power sites, and whether the power from Government dams can be advantageously used by the United States for its public purposes, and what is a fair value of such power, to the extent the Commission may deem necessary or useful for the purposes of this chapter.

In order to aid the Commission in determining the net investment of a licensee in any project, the licensee shall, upon oath, within a reasonable period of time, to be fixed by the Commission, after the construction of the original project or any addition thereto or betterment thereof, file with the Commission, in such detail as the Commission may require, a statement in duplicate showing the actual legitimate cost of construction of such project, addition, or betterment, and the price paid for water rights, rights-of-way, lands, or interest in lands. The Commission shall deposit one of said statements with the Secretary of the Treasury. The licensee shall grant to the Commission or to its duly authorized agent or agents, at all reasonable times, free access to such project, addition, or betterment, and to all maps, profiles, contracts, reports of engineers, accounts, books, records, and all other papers and documents relating thereto.

Cooperation with executive departments; information and aid furnished Commission: (b) To cooperate with the executive departments and other agencies of State or National Governments in such investigations; and for such purpose the several Departments and agencies of the National Government are authorized and directed, upon the request of the Commission, to furnish such records, papers, and information in their possession as may be requested by the Commission, and temporarily to detail to the Commission such officers or experts as may be necessary in such investigations.

Publication of information, etc.; reports to Congress: (c) To make public from time to time the information secured hereunder, and to provide for the publication of its reports and investigations in such form and manner as may be best adapted for public information and use. The Commission, on or before the first Monday in December of each year, shall submit to Congress for the fiscal year preceding a classified report showing the permits and licenses issued under this chapter, and in each case the parties thereto, the terms prescribed, and the moneys received, if any, on account thereof.

Issue of licenses for construction, etc., of dams, conduits, reservoirs, etc: (d) To issue licenses to citizens of the United States, or to any association of such citizens, or to any corporation organized under the laws of the United States or any State thereof, or to any State, or municipality for the purpose of constructing, operating, and maintaining dams, water conduits, reservoirs, powerhouses, transmission lines, or other project works necessary or convenient for the development and improvement of navigation, and for the development, transmission, and utilization of power across, along, from, or in any of the navigable waters of the United States, or upon any part of the public lands and reservations of the United States (including the Territories), or for the purpose of utilizing the surplus water or water power from any Government dam, except as herein provided: *Provided*, That licenses shall be issued within any reservation only after a finding by the Commission that the license will not interfere or be inconsistent with the purpose for which such reservation was created or acquired, and shall be subject to and contain such conditions as the Secretary of the Department under whose supervision such reservation falls shall deem necessary for the adequate protection and utilization of such reservation:

Provided further, That after March 3, 1921, no permit, license, lease, or authorization for dams, conduits, reservoirs, powerhouses, transmission lines, or other works for storage or carriage of water, or for the development, transmission, or utilization of power, within the limits as constituted, March 3, 1921, of any national park or national monument shall be granted or made without specific authority of Congress:

Provided further, That no license affecting the navigable capacity of any navigable waters of the United States shall be issued until the plans of the dam or other structures affecting the navigation have been approved by the Chief of Engineers and the Secretary of War. Whenever the contemplated improvement is, in the judgment of the Commission, desirable and justified in the public interest for the purpose of improving or developing a waterway or waterways for the use or benefit of interstate or foreign commerce, a finding to that effect shall be made by the Commission and shall become a part of the records of the Commission: *Provided further*, That in case the Commission shall find that any Government dam may be advantageously used by the United States for public purposes in addition to navigation, no license therefor shall be issued until 2 years after it shall have reported to Congress the facts and conditions relating thereto, except that this provision shall not apply to any Government dam constructed prior to June 10, 1920: *And provided further*, That upon the filing of any application for a license which has not been preceded by a preliminary permit under subsection (e) of this section, notice shall be given and published as required by the proviso of said subsection.

Preliminary permits; notice of application: (e) To issue preliminary permits for the purpose of enabling applicants for a license hereunder to secure the data and to perform the acts required by section 802 of this chapter: *Provided, however*, That upon the filing of any application for a preliminary permit by any person, association, or corporation the Commission, before granting such application, shall at once give notice of such application in writing to any State or municipality likely to be interested in or affected by such application; and shall also publish notice of such application for 8 weeks in a daily or weekly newspaper published in the county or counties in which the project or any part thereof or the lands affected thereby are situated.

Rules and regulations for accounts of licensees; false entries in accounts or statements in reports; punishment: (f) To prescribe rules and regulations for the establishment of a system of accounts and for the maintenance thereof by licensees hereunder; to examine all books and accounts of such licensees at any time; to require them to submit at such time or times as the Commission may require statements and reports, including full information as to assets and liabilities, capitalization, net investment and reduction thereof, gross receipts, interest due and paid, depreciation and other reserves, cost of project, cost of maintenance and operation of the project, cost of renewals and replacements of the project works, and as to depreciation of the project works and as to production, transmission, use and sale of power, also to require any licensee to make adequate provision for currently determining said costs and other facts. All such statements and reports shall be made upon oath, unless otherwise specified, and in such form and on such blanks as the Commission may require. Any person who, for the pupose of deceiving, makes or causes to be made any false entry in the books or the accounts of such licensee, and any person who, for the purpose of deceiving, makes or causes to be made any false statement or report in response to a request or order or direction from the Commission for the statements and report herein referred to shall, upon conviction, be fined not more than $2,000 or imprisoned not more than 5 years, or both.

Hearings; depositions; witnesses; production of documentary evidence; administration of oaths; fees and mileage of wit-

nesses: (g) To hold hearings and to order testimony to be taken by deposition at any designated place in connection with the application for any permit or license, or the regulation of rates, service, or securities, or the making of any investigation, as provided in this chapter, and to require by subpena, signed by any member of the Commission, the attendance and testimony of witnesses, and the production of documentary evidence from any place in the United States, and in case of disobedience to a subpena the Commission may invoke the aid of any court of the United States in requiring the attendance and testimony of witnesses and the production of documentary evidence. Any member, expert, or examiner of the Commission may, when duly designated by the Commission for such purposes, administer oaths and affirmations, examine witnesses and receive evidence. Depositions may be taken before any person designated by the Commission or by its executive secretary and empowered to administer oaths, shall be reduced to writing by such person or under his direction, and subscribed by the deponent. Witnesses summoned before the Commission shall be paid the same fees and mileage that are paid witnesses in the courts of the United States, and witnesses whose depositions are taken and persons taking the same shall severally be entitled to the same fees as are paid for like services in the courts of the United States.

Necessary powers not enumerated; rules and regulations: (h) To perform any and all acts, to make such rules and regulations, and to issue such orders not inconsistent with this chapter as may be necessary and proper for the purpose of carrying out the provisions of this chapter (June 10, 1920, ch. 285, sec. 4, 41 Stat. 1065; Mar. 3, 1921, ch. 129, 41 Stat. 1253).

817. Projects not affecting navigable waters; necessity for Federal license: Any person, association, corporation, State, or municipality intending to construct a dam or other project works across, along, over, or in any stream or part thereof, other than those defined in this chapter as navigable waters, and over which Congress has jurisdiction under its authority to regulate commerce between foreign nations and among the several States, may in their discretion file declaration of such intention with the Commission, whereupon the Commission shall cause immediate investigation of such proposed construction to be made, and if upon investigation it shall find that the interests of interstate or foreign commerce would be affected by such proposed construction, such person, association, corporation, State, or municipality shall not proceed with such construction until it shall have applied for and shall have received a license under the provisions of this chapter. If the Commission shall not so find, and if no public lands or reservations are affected, permission is hereby granted to construct such dam or other project works in such stream upon compliance with State laws (June 10, 1920, ch. 235, sec. 23, 41 Stat. 1075).

Mr. BORAH. Mr. President, I wish to ask for information a question of the Senator from New York. I notice on the bottom of page 4 of the conference report the following:

> The Government of the United States acknowledges the right of the States of Oklahoma and Texas to continue to exercise all existing proprietary or other rights of supervision of and jurisdiction over the waters of all tributaries of Red River within their borders above Denison Dam site and above said dam, if and when constructed, in the same manner and to the same extent as is now or may hereafter be provided by the laws of said States, respectively, and all of said laws as they now exist or as same may be hereafter amended or enacted.

Why was that provision included?

Mr. COPELAND. I believe that is the Denison Dam amendment. I ask the Senator from Oklahoma [Mr. LEE] if that is correct?

Mr. LEE. That is correct.

Mr. COPELAND. That is the Denison Dam amendment.

Mr. BORAH. That provision preserves the rights of the two States in full, does it not?

Mr. COPELAND. I should say that that amendment was placed in the bill on the floor of the Senate, and I dare say it is due to an inadvertence that the omnibus amendment did not include that also. But I suppose because of the language, "regardless of other restrictions," and so forth, contained in the amendment of the Senator from Kentucky, that the Denison Dam will fall under the same penalty. But certain rights were expressly reserved in the Thomas-Lee amendment. I cannot tell what the significance of the amendment is, because it was not studied by the committee.

Mr. BORAH. Does not the amendment conflict with the theory of the other portions of the bill?

Mr. COPELAND. Absolutely. And, of course, last night I tried to get the Chair to rule that the amendment of the Senator from Kentucky should be disposed of on a point of order. The Chair did not rule just as I wanted him to rule. But there is a conflict there just as there is a conflict in the original language of the bill. A bill came from the House to the Senate which provided for a 70–30 distribution of cost, which contained a reservation with respect to the right to hold title to the land. The Barkley amendment, however, disposes of that, and the Chair last night held that the point of order did not lie against the amendment. However, I may say to the Senator from Idaho that the language referred to creates a conflict, exactly as there is a conflict in the original language of the bill.

Mr. BORAH. It seems to me that that language states a sound proposition.

Mr. COPELAND. Of course.

Mr. BORAH. And if it were a little broader I should be in favor of the whole thing.

Mr. COPELAND. That is, if it could be broadened to cover the entire country the Senator would be in favor of it?

Mr. BORAH. I would be. The amendment further provides:

> All such rights are hereby saved and reserved for and to the said States and the people and the municipalities thereof, and the impounding of any such waters for any and all beneficial uses by said States or under their authority may be as freely done after the passage hereof as the same may now be done.

It is clear from that language that it was contemplated that the States which are not covered by this language would be deprived of the very things which are there reserved.

Mr. COPELAND. The Senator is right.

Mr. OVERTON. That matter was taken up in the conference committee. The opinion of the conferees was that it was something like the old lady's axle grease—if it does not do any good it will not do any harm. [Laughter.] It was not necessary that such a provision should be inserted, because those rights are reserved anyway to the States. But the Senate had adopted the amendment, and the House conferees concurred in the amendment.

Mr. BORAH. I think the amendment states a perfectly sound proposition. I have no objection to the amendment. I am calling attention to the fact that it is in conflict with the whole theory of the other portion which we are discussing.

Mr. OVERTON. Whether the amendment was inserted or not, those rights would have been reserved to the States. And also with reference to any other project in this bill, there is no necessity for having any express provision to that effect.

Mr. MALONEY. Mr. President, I am not going to delay the Senate long, because earlier today I discussed the proposal now under consideration, and the particular part of it with which I am concerned from a special selfish interest has been discussed by the Senator from Massachusetts [Mr. WALSH].

I do not know what the consequences to flood control may be if the conference report shall be rejected. I have been hopeful that we could get a flood-control bill. I supposed when I rose just a moment ago that the majority leader was in the Chamber, and I had hope that he might acquiesce in a thought which I have, that would permit us to expedite consideration of the proposal, and probably erase the confusion and the objections. If the majority leader returns during the course of my very brief remarks, I shall submit my suggestion to him.

I wish briefly to refer to the inquiry of the Senator from Idaho [Mr. BORAH] concerning the amendment offered, I believe, by the Senator from Oklahoma, which appears on page 5 of the report, and refers to the States of Oklahoma and Texas. The Senator from Idaho said that he approved of the amendment, that he thought it was sound, and I presume that the conferees assumed that the amendment was sound. I am satisfied that the majority leader, and others who are especially concerned with respect to this proposal, believe that it is a sound amendment, and I believe it to be sound.

I should like to point out to the Senate that all we ask is the same identical amendment for the other 46 States of the Union. We believe that Oklahoma and Texas are entitled to this protection, but we also believe that New Hampshire and Vermont—States with which we in the New England States are more particularly concerned—should have the same protection under this conference report. If there is any Senator who disputes that contention, who has the slightest idea that the suggestion is unfair, I should like to have him now tell me or the Senate about it.

Mr. President, the majority leader [Mr. BARKLEY] has returned to the Chamber. If I may have his attention for a moment I shall respectfully submit a suggestion to him. I have a great admiration for him, and I know how much concerned he is with the conference report, how anxious he is to see it adopted, and how determined he is, from his viewpoint, that it be fair. I am wondering if he agrees with me. I should like to go back a moment to say that what I am suggesting is prompted by something which the Senator from Kentucky said last night. The Senator from Wyoming [Mr. O'MAHONEY] has suggested repeatedly that it was his hope that the bill would be recommitted to the conferees. I assume that the Senator from Wyoming is concerned with the flood-control bill, as we all are. If I remember correctly, he was advised by the majority leader, who offered the amendment which created the controversy, that there was no possibility of sending the bill back to conference; that it had to be voted up or down. Am I correct about that?

Mr. BARKLEY. The suggestion of the Senator from Wyoming was that the Senator from Louisiana and I agree—of course, it would have to be done by unanimous consent, and any Senator could object—but the suggestion was directed to the Senator from Louisiana and to me, that by unanimous consent the conference report be sent back to the committee. I suggested that I would not agree to that procedure, and I did not think the Senator from Louisiana would agree to it, and while I could not speak for any other Senators, that I could not agree that by unanimous consent the conference report be sent back to the committee. I do not see any reason, I will say to my friend from Connecticut, why this conference report should be recommitted to the committee.

The matter which is in dispute was presented in the Senate, not in a hurry, not in a rush, not in a jam. It was presented in the Senate after the committee had considered, and by a very narrow margin of one vote had declined to put in the bill the amendment offered by the Senator from Missouri, which I presented. The amendment was considered by the Senate. It was put in the bill. It was considered by the conferees of the House and the Senate. The conference report has been agreed to by the House. Other conference reports are voted upon as a whole. There is no reason why the report before us should not be voted upon as a whole.

Last night I suggested that so far as I was concerned—and I thought I spoke the sentiments of the Senator from Louisiana [Mr. OVERTON]—unless the Senate voted down the conference report, there was no way by which the bill could be sent back to conference. I still feel the same way about it. I myself cannot enter into an agreement, and I would not consent that the bill go back to conference, because, for many reasons, it is extremely doubtful whether there would be a conference report, and whether we should obtain any flood-control legislation at this session.

There is nothing unusual about the proposal. I appreciate the feeling of the Senators from New England. A compact has been entered into which has been on the calendar for a year or two and which has not been ratified. It has not been ratified for the very reason that it reserves to the locality the title to the property and the control of whatever power may be generated. That is the reason why the Senate has not ratified the compact among the States. Whether the Senate is right or wrong about that is not for me to say. However, there has been serious objection and there is serious objection to the ratification of the compact by Congress. Congress has not committed itself merely by authorizing the compact to be entered into. It did not commit itself to agree to whatever compact might be entered into. Because the compact contains provisions which are unsatisfactory to the Senate, it has not been ratified.

After the two Houses of Congress have given the consideration which has been given to the conference report and to flood-control legislation, I do not feel that the bill ought to be sent back to conference at this time, either by unanimous consent or by a vote of the Senate, because, in my judgment, such a course would jeopardize any flood-control legislation at this session.

Mr. MALONEY. Mr. President, in a few moments I shall submit in concrete form a unanimous-consent request. I have no desire to embarrass anyone, but I wish the issue to be clear-cut.

At this time I should like to take exception to the opinions and views of the majority leader insofar as the New England compact is concerned. He has said that because some power control is reserved therein, the Senate and the Congress have refused to ratify the compact. That statement is not entirely accurate.

The Senate has never had an opportunity to consider the compact, and I am firmly satisfied that if the compact should come before the Senate for fair debate and consideration, the Senate and the Congress would ratify the compact. Under our rules, there is a provision to the effect that an objection by one Senator may prevent consideration. I have no fault to find with a Senator who disagrees with the provision of our compact concerning power. However, I am very sorry the Senate did not have an opportunity to consider the compact and to vote upon it, because of its great importance to New England.

I should like to lay at rest one other ghost. This question is a burning issue in New England, Mr. President. The power companies are not involved. An effort has been made repeatedly by certain persons in New England to give the impression that the power right is reserved for the benefit of power interests. I should like to say parenthetically that I am sorry reference was made to power in the compact, because really no power is involved. However, an effort has been made to create the impression that the power right is reserved for the power interests. That is not true, and those who have read the compact know that it is not true. An effort is made in the compact to reserve the power rights, if there be any, to the States and to the people of New England—to all the people of New England.

I make the request for unanimous consent at this time because I believe every Senator desires to preserve and protect the rights of the States. I make it as well because I firmly believe that if the conferees feel as I think they feel about the protection of States' rights, they could agree upon the proposal in 10 minutes. I know it would have to go back to the House, but I think the conferees could bring it back to the House and obtain approval.

The suggestion for which I ask unanimous consent is that the bill be recommitted to the conferees with the instruction, if the Senate rules permit, that the conferees insert in the bill, in line 13, on page 4—if that is the proper place—or at such other place in the bill as may be technically proper, the words "subject to approval by the individual States." That is what the conferees did for Texas and Oklahoma.

Every Senator maintains that he desires to protect the rights of the States. The suggested procedure is very simple. The proposal can be acted upon by both Houses and the conferees within half an hour. The course suggested would not in any way suspend flood-control operations or activities.

We have heard discussion about Grand Coulee, Bonneville, and the T. V. A. Of course, the communities involved desired the procedure which was followed. They would not be hampered by any such language as is suggested. There was a desire for a yardstick, and cheap power, perhaps, through the creation of the great projects to which reference has been made. The language I have suggested would not impede those projects. It would give protection at the

moment to such States as New Hampshire and Vermont, and, as the Senator from Massachusetts [Mr. WALSH] has pointed out, it would give protection to all the other States at a later time. It would afford to other States the protection already given by the bill to Oklahoma and Texas.

I have no desire to participate in any delay; but I wish briefly to reiterate what I said this morning, because very few Senators were in the Chamber at that time.

I am fearful of what the bill by itself would do. Let me remind Senators that every time we have some such controversial proposal or bill before the Senate, we are told what the Congress did last year, the year before, or ten years ago. The Senators on the floor this morning, in the colloquy with the Senator from Wyoming [Mr. O'MAHONEY] and others, said, "We did this and that under bills passed a short time ago." Let me warn Senators that the argument made today in behalf of the bill will be used for a complete desecration of States' rights when Congress again convenes. We have been advised, with reference to one bill, that a very militant effort will be made to pass the so-called Harrison-Fletcher bill, providing contributions to the States for education. We have been told by the author of the bill, supported by the distinguished leader, that the Federal control of education would be objected to. However, the Senators who are now supporting the bill have pointed to the precedents of the past. We cannot, without very great difficulty, override those precedents. The power follows the purse. When an effort is made to reach out for Federal control of education in New England and other sections, the argument will be made on the floor of the Senate that the flood-control bill is a precedent.

Let me cite a hideous example of what is possible under the provisions of the bill. The Senator from Idaho pointed out one particular provision of the bill which exempts the States of Texas and Oklahoma. In other words, we would be legislating for all but those two States. I wonder if an effort might not be made later, when Federal control of education is sought, to write a bill excluding six States, or legislating for six States, or for one State. If it is possible to write a law for one section of the country and exempt another section of the country, let me now warn Senators that the day may come when a bill will be passed discriminating against certain sections of the country in the field of education, in the field of industry, or in some other important field.

I am not fearful of the changes we make. I am fearful of a change being made without giving the people an opportunity to be heard. As I pointed out this morning, the States still possess their sovereignty. However, I pointed out that they are approaching death.

Mr. President, every Senator knows that the sovereign States as such are marching to their graves under the system of centralization. We shall give our blessing to that procedure if we adopt the conference report as it is.

I do not want to stop flood control. I am as much concerned with the control of terrible floods as is any man in this Chamber, because my own neighborhood has felt the effect of floods. I do not know that the rejection of the conference report would prevent flood-control work. I seriously doubt that it would. However, I do not wish to take a chance. I want the flood-control bill to pass. That is why in a few moments I shall submit a unanimous-consent request to the Senate. I cannot see why any Senator, in fairness, knowing the very limited time which would be required for consideration in conference, should offer an objection.

Before I submit the unanimous-consent request let me emphasize a statement which I made this morning with reference to certain things pointed out by Senators who are concerned with the subject under consideration.

It has been said that no objection was made in connection with the Tennessee Valley Authority. I remember that controversy in the Seventy-third Congress. I voted for the T. V. A. However, when that bill went to conference, if my memory serves me correctly, a provision was inserted in the bill by southern Senators and Members of the House that a percentage of the gross income—not profit but gross income—of that project would be paid to certain Southern States. That was their way of preserving their State rights. It was a limited view, as I see it. They maintained that they were getting great, almost unlimited benefits, from the Tennessee Valley project, but they were not satisfied to surrender the properties and the land, because they maintained there was a loss of taxes and that they should have from the proceeds of the venture a percentage of the gross income.

In New England, Mr. President, we do not want any money; we do not ask any share of the profits. Do not let it be said that there has been no flood control during the past few years because the States cannot operate. We are ready to build our dams and reservoirs now. We have made provision to get the money under the direction of the Federal Government and the policy of the present administration.

Mr. OVERTON. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. DUFFY in the chair). Does the Senator from Connecticut yield to the Senator from Louisiana?

Mr. MALONEY. I yield.

Mr. OVERTON. This bill authorizes the construction of certain projects for flood-control purposes. The projects as authorized do not encompass their use for the development of power. They may be used for power, but before they can be used for power the projects authorized by the pending bill will have to be modified. There will have to be further authorization by Congress, further appropriations, before they can be utilized for power.

It is true that the bill contemplates, under certain circumstances, the installation of penstocks in the dams and reservoirs, but the installation of penstocks does not convert the reservoir into a power dam. Before a reservoir can be converted into a power dam the project must be modified and authorization therefor obtained from Congress. Therefore, Congress will have the opportunity to pass upon any one of these projects as to whether or not it shall be utilized for power, with the exception of one or two projects that are specifically authorized by this bill for power purposes, as, for instance, the Denison Dam in Texas on the Red River.

Mr. MALONEY. Mr. President, I am not concerned with power as such. I have no desire to burn incense to my liberalism, but I will not be labeled conservative. I voted for the power projects. I voted for the T. V. A.; I voted for the death-sentence provision of the Utilities Act; I believe in rigid regulation; I believe in public ownership if the people want it. I begged the Senator from Nebraska [Mr. NORRIS] to reconsider his decision not to run for election to the Senate upon the expiration of his last term. I am concerned with having men in the Senate who will do something about the power issue. That, however, is not really involved in this controversy. What is involved is a definite question of State rights that will be so terrifically far reaching, if we establish this precedent, that it cannot, in my opinion, be undone.

We are going through a terrible revolution in this country, Mr. President, but I think we will survive, because this is a stalwart Nation and ours are a sturdy people. If, however, the Congress of the United States, in a hurried manner and without careful thought, is going to establish such a precedent as is now proposed, the sin will be on us.

I am not going to delay the Senate longer; but I am going to point out a very simple and quick way by which we could adopt the conference report, get flood control, and not give power to the power interests but retain it in the people of the sovereign States. My way of doing that is to ask unanimous consent that this bill be recommitted to the conferees, with the request, or instructions, if that be permissible, that there be inserted in line 13 on page 4, after the name "United States", or at such other place as may be more appropriate in the bill, the words "subject to approval by the individual States."

Mr. LA FOLLETTE. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard to the unanimous-consent request proposed by the Senator from Connecticut.

Mr. WALSH. Mr. President, will the Senator from Connecticut yield for a question which I desire to ask the distinguished leader?

Mr. MALONEY. I yield.

Mr. WALSH. Mr. President, if the conference report were approved would the Senator from Kentucky be willing to lend his aid and assistance to having a joint resolution passed that would provide, in brief, that all projects that are solely flood control shall be placed under the flood-control law, but that in a flood-control area when projects involving the building of dams and reservoirs to generate hydroelectric power are constructed, such projects shall be under the Federal Power Commission?

Mr. BARKLEY. Mr. President, I do not feel like committing myself to a joint resolution until I see exactly what it is. I would not be willing, however, to aid in the passage of any joint resolution that would nullify the provisions of the conference report.

Mr. WALSH. It has been pointed out, perhaps in the absence of the Senator this morning—and it seems to me to be very vital—that in the case of a power project under the Flood Control Act the States are less protected and their rights less secure than under the Federal Power Act. That is the chief difference. It would not in any way interfere with the Federal Government's right to take property by eminent domain and build a power project, but in the doing of that the provisions of the Federal Power Act would apply, and to all other projects the Federal Flood Control Act would apply.

Mr. BARKLEY. In all these matters the difficulty is that we cannot now know what projects, either authorized in the pending bill or in any other bill, may contain power possibilities. I myself do not see the reason for the very earnest fears which I realize the Senator from Massachusetts and the Senator from Connecticut entertain with respect to the question of State rights.

I was brought up in a school of thought that believed in and advocated every possible protection of the States, and I still adhere to that theory. But we are now living in an age when commerce and communication and transportation and all the things that have united the country have made it necessary for us to modify, to some extent, the theory of the division of power and authority between the National Government and the States.

Mr. WALSH. I think we all realize that.

Mr. BARKLEY. The bill which is under consideration today involves one of the most vital questions in that realm of legislative action. We are only in the infancy of it; we are only at the beginning of it, and it is my belief that, whatever power possibilities reside in the navigable streams of the United States they are the property of the people, all the people, and that they cannot be circumscribed by geographical boundaries or metes and bounds as a tract of land would be surveyed.

Mr. WALSH. If the conference report shall be adopted, all our contentions, all our claims, all the State rights for which we have contended are gone; we will have to abide by the law. I put this proposition to the Senator: Here is a flood-control project on a river requiring several dams and reservoirs which are all, as everybody admits without dispute, purely flood-control projects. Two or three of them are possibly remote hydroelectric power projects. What can be the objection to having the possible power projects put under the Federal power law and the other solely flood-control projects remain under the present flood-control law?

Mr. BARKLEY. Mr. President, my answer to that is, because we cannot now foresee what projects contain power possibilities.

Mr. WALSH. Of course, there would have to be a decision made by the Federal Power Commission.

Mr. BARKLEY. The pending proposed law and any other law Congress passes is always subject to modification. There is no emergency that requires, it seems to me, the passage of a joint resolution in part to modify or repeal the bill on which we are about to vote, before Congress can meet again and pass probably another general law on the subject—if that is an answer to the Senator's question.

Mr. WALSH. I wish the Senator would give the suggestion serious consideration, because, whatever happens under this proposed law, however disappointed we may be and however disturbed we may be over the sacrifice of what we believe to be inherent State rights, at least, if hydroelectric power is to be developed, we ought not to add any different conditions other than those which are found in the present law.

Mr. BARKLEY. Of course I will give it serious consideration; I will give any proposal or suggestion of the Senator from Massachusetts, for whom I have the highest admiration and in whom I have the greatest confidence on any subject, my serious consideration.

Mr. WALSH. I thank the Senator.

Mr. BARKLEY. But I do not feel at this time like committing myself to the suggestion which the Senator has made.

Mr. WALSH. I can readily understand the Senator's position, and, perhaps, it is presumptuous to make at this time the suggestion on the floor, but it has been developed in the debate this morning—and it was somewhat of a revelation to many—that a power project on a flood-control stream takes away from the State rights that it has under the general power law.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. WALSH. I shall be happy to yield.

Mr. NORRIS. If the Senator will permit me, I should like to refer not only to what the Senator from Massachusetts himself has said, but also to what the Senator from Connecticut [Mr. MALONEY] has said. I did not hear all of the Senator's remarks, but I heard part of them; and I got the gist of what he is driving at and what the Senator from Massachusetts is driving at.

As I see the matter, Senators, there ought to be no disagreement about this subject. As the Senator from Louisiana [Mr. OVERTON] has so well said, with the exception of two or three instances in which power is ready for development, this bill does not provide for the development of power. Before power may be developed in the dams which are to be built under this bill, with the exceptions I have noted, additional legislation by Congress will be required.

The Senator from Connecticut referred specifically to what seems to me—although I may be wrong about it—to be a key to his objection; namely, that when we passed the T. V. A. Act we incorporated in it a provision, which is now in the law, providing for the payment of a certain percentage of the gross income after deducting governmental expenses, and so forth, which was in reality to be paid in lieu of taxes. The Senator said that provision was put in the bill in the House by southern Representatives, in conjunction with some Senators. The facts are, I should like to say to the Senator from Connecticut—and I think this statement applies also to what the Senator from Massachusetts has said—that that provision was in the bill when it was originally introduced in the Senate, the bill which was passed. It was not in a prior bill. A great many bills on the subject were introduced here; but I myself drew the bill, after consultation with a great many other Senators. Whether the particular provision to which the Senator refers is good or bad, I was its author. It was introduced as a part of the bill, and provided for payment of an income from gross receipts after deducting the use of power by the Government, and it applied to all the other dams which were to be constructed.

Mr. WALSH. Did it apply to the States where lands would be flooded?

Mr. NORRIS. Where dams were built.

Mr. WALSH. That was a highly commendable provision. Let me say to the Senator that in my own State—and I think the same policy is true in many parts of the country—it has now become a general policy, where ponds or streams

are dammed far away from large cities where the water is diverted to be utilized for drinking purposes, that every one of the acts requires the payment of taxes to the small communities whose lands are taken, and also, if hydroelectric power is developed, there is a right on the part of the community to have the first claim on as much of the power as it can use in its community.

Mr. NORRIS. I will say to the Senator that the provision, for instance, in connection with the construction of the Norris Dam in Tennessee, is that there shall be paid to the State of Tennessee 5 percent of the gross receipts from the sale of power. The same kind of provision applied to Wilson Dam, with the possibility of increasing it if building the Norris Dam increased the power which could be developed at Wilson Dam, more than 300 miles away; and that increase has now taken place. There has been a great increase. It was estimated that the power would be doubled, and I understand it has nearly reached that figure now, as well as the authorities can ascertain. The same provision applied also to all other dams that were to be constructed.

I believed in that theory. I am not one who believes that we ought to take away the taxing power and injure the States which have to collect money by taxes.

Mr. OVERTON. Mr. President, will the Senator yield right at that point?

Mr. WALSH. Everybody who knows the Senator from Nebraska would expect him to have that viewpoint.

Mr. NORRIS. I will say to the Senators that the law provides that when any State is aggrieved, and feels that the amount provided for is not sufficient, or is too much, complaint may be made before the Tennessee Valley Authority, and they are to have a hearing on the subject, and they may readjust the rates if in the future they find that the rates as they now exist are not fair.

Suppose we agree to this conference report, and then we come to the time when we decide that at some places power shall be developed. It seems to me that that is the time when we ought to incorporate in the bill a provision similar to the one we incorporated in the T. V. A. Act.

Mr. WALSH. The difficulty is that Vermont and New Hampshire, which themselves receive no benefit from the flood-control legislation, want it done now. They want their rights defined and I think they are entitled to it.

Mr. NORRIS. It seems to me the difficulty in those cases could be met, if a different provision of law should be required, by providing a different method. This provision applied to the Tennessee Valley Act. I think there has been no objection to it since it has been the law. It is working all right. If we have to modify that provision so as to do justice to all concerned, we ought to modify it when we provide for power. Perhaps we never shall do so. It may be that we shall never provide for it; and, in case we do not, there will not be any income from which to pay anything. I do not think there is any difficulty about that.

I desire to say, too, that if Senators will go back and look at the debates they will find this to be true: When, in the discussion of the bill, the 5-percent provision came up, very serious objection to its payment was made on the floor of the Senate by Senators who are now fighting the conference report. They objected.

They were conscientiously opposed to that method of dealing with the matter. It seemed to me for a while that there was danger that the provision might go out of the bill, although I then defended it on the floor of the Senate as best I could. It remained in the law. So far as I know, it has been perfectly satisfactory. It is open to the consideration of any complaint. It is not static. It may be changed if an injustice is being done. It seems to me that a provision of that kind in a law we should have to pass before we would get any power out of any of these projects ought to meet the objection which is made by the Senator from Massachusetts and by the Senator from Connecticut.

Mr. WALSH. The Senator's statement will be of much assistance if the conference report is adopted and future legislation is sought to protect the States.

Mr. NORRIS. I assure the Senators that if I am here when that kind of a bill is brought before the Senate, if it ever is, I shall be standing with the Senators to try to do justice to any locality or any State which otherwise would suffer an injustice if some compensation were not made. I do not want these power properties, if they are developed, to escape taxation, although we cannot put the payment in the form of taxation. The Senator understands that in the case of a Federal activity we should not like very well to say in the law that it should be subject to taxation.

Mr. WALSH. Of course not.

Mr. NORRIS. That would not do. Nobody would ask that.

Mr. WALSH. Of course not.

Mr. NORRIS. But those who were opposed to that kind of a provision argued at considerable length in this Chamber against putting it in; and, so far as I know, the serious objection which was then made to that provision was made by a Senator who is now in the Chamber, and who is opposed to the pending conference report.

Mr. WALSH. I trust it is not any of the Senators who have spoken in opposition to this conference report.

Mr. NORRIS. Oh, no; none that I have heard; and I find no fault with the Senator to whom I refer for objecting to that provision.

Mr. WALSH. I know the Senator does not.

Mr. NORRIS. That is all right. He has a perfect right to do it, and if he succeeds we shall have to abide by the law.

I should like to say to the Senator from Connecticut [Mr. MALONEY] that I think he has an admirable record. I desire to take this occasion to commend the Senator from Connecticut for what he has done and for what he has stood for in the past. I know that at this time he is honestly moved by a feeling which in my opinion is not justified on this occasion. I should not like to have enacted a joint resolution such as the Senator has suggested. We do not know how far it will be in the future until these dams will be constructed, until we shall decide where they shall be constructed. We do not know now which ones are to be utilized for power. Perhaps none of them will be; and the whole matter will be in the hands of Congress, to do with just as they please, when we come to the time when we authorize the generation of electric power from any of the dams which we are now about to build, if we adopt the conference report.

Mr. KING. Mr. President, the bill under consideration repeals important statutes and is an unwarranted attack upon the States. The Federal Government was formed by the States, which parted with some of their authority, in order that jurisdiction over a limited number of activities might be exercised by the National Government. The States were jealous of their power, and they guarded their sovereignty, and whatever grants were made were few in number and specific, and the General Government's authority was limited to the enumerated powers set forth in the Constitution.

The waters within the various States belonged to and were owned by them and their inhabitants. Under their sovereign authority, the streams could be utilized for irrigation, power, and, indeed, for all proper and legitimate purposes which find expression in democratic communities. The provisions of the bill under consideration are not hidden or subtle. They are open and brazen attacks upon the States and are in harmony with the growing demands of Federal bureaus and bureaucratic agencies in the Federal Government that States be reduced to unimportant factors, with their responsibilities and duties transferred to the National Government.

Under the interstate-commerce clause, which has limited implications, many of the bureaus and Federal agencies assume that they and the Federal Government have complete jurisdiction and plenary power over matters that belong exclusively to the States. They would rob the States of their control over their streams, and the utilization of the same, and deny to the inhabitants of the respective States the

right to appropriate waters for beneficial purposes. They would nullify the laws governing water rights, which particularly apply in the Western States, where development has resulted from the diversion of streams and the utilization of the same for agricultural, industrial, and power purposes.

The minority report submitted with the bill under consideration states that section 2 of the bill, which repeals section 3 of the act of June 22, 1936, is a dangerous proposal. Continuing, the report states:

> We believe it threatens every vestige of State control and State's rights. It changes a well-defined policy of cooperation; it has not been studied, and no hearings have been held. It aims at the destruction of the balance of power between the States and the National Government, a proposal which, in our opinion, is contrary to the Federal principle. As we see it, it is not a good thing for America. All local or regional problems should be handled by the States directly concerned, in cooperation with the Federal Government. * * * The amendment we regard as meaning the surrender to the Government of title to our national resources. It eliminates State participation in flood control.

In my opinion, the minority report does not overstate the situation, but, upon the contrary, does not sufficiently indicate the dangerous assault being made upon the States and the evil consequences which will inevitably ensue. The bill under consideration denies the sovereign power of the States and their authority to control their own domestic affairs. It is in harmony with the powerful movement to destroy State lines and to subject the States to the unrestrained authority of the Federal Government. Under its provisions the Federal Government may enter any State and take possession of its water resources; its streams and rivulets; deprive the States of their control over the same and likewise deprive owners of vested property rights therein. Under the guise of flood control it may seize property in one State not for the benefit of such State but ostensibly to benefit another State. It ignores the Constitution of the United States and, as I have indicated, treats the States as territory belonging to and under the absolute control of the Federal Government. It ignores, and indeed defies, State compacts which have been entered into for the benefit of such States, as well as their inhabitants; it prevents States from utilizing streams within their borders for the benefit of their own inhabitants and assumes jurisdiction over the waters within their streams as well as banks and beds of the streams and thus confiscates property not only belonging to individuals but to sovereign States.

The Senator from Massachusetts [Mr. WALSH] stated yesterday in substance that the "issue presented is one which goes to the vitals of State's rights and that the Federal Government had never proposed the taking of property absolutely necessary for dams to control floods without the consent of the State."

Governors from a number of States, upon learning of the provisions of the pending bill, wired protests against the same, declaring in substance that the provisions referred to would be an encroachment of Federal authority upon the rights of the States and give to the Federal Government title to water resources without the consent of the States.

The Constitution grants to the Federal Government authority over all places purchased by the consent of the legislature of the State in which the same shall be for the erection of forts, magazines, arsenals, dockyards, and other needful buildings. It does not grant authority to the Federal Government to take possession of the property of individuals and States under the guise of flood control without the consent of the States.

We are now asked to authorize the National Government to seize property within the States without their consent—property which is owned by the States and by their inhabitants. Undoubtedly there are districts within some States that will be benefited by the provisions of this measure. Under existing law such sections are required to make an important contribution to meet the costs incurred in flood control. They are now to be relieved of any contribution, and the entire costs are to be met by the Treasury of the United States. Without adequate hearings, as I have indicated, or proper consideration of the legal and moral questions involved, this bill is to be rushed through the Senate, notwithstanding the protests of Governors and the objections of representatives in Congress.

The Senator from Wyoming [Mr. O'MAHONEY] referred to the provisions of the Water Power Act of 1920, which declares that the act would not in any way affect or interfere with the laws of the various States relating to the control, appropriation, use, or distribution of water used in irrigation or for municipal or other uses, or any vested right acquired therein. A moment ago I referred to the fact that this bill not only interferes with the rights of States and denies their jurisdiction over matters essentially within the jurisdiction of the States, but also intereferes with vested rights. As I have indicated, the courts have recognized that there may be vested rights in the water flowing within the banks of streams. They have protected appropriators of waters from invasion, and have over and over again declared that property rights existed in water and in the channels by which it is conveyed to individuals and communities. A similar reservation, as I interpret it, exists in the act of 1936, but in the desire to increase the power of the Federal Government the provisions referred to are ignored and the doctrine is baldly declared that the Federal Government, without constitutional authority, may take over streams and build dams and destroy vested rights of States, individuals, and communities.

The paternalistic and, indeed, socialistic spirit which exists in many of the national organizations and bureaus is not content with the exercise of the authority granted to the Federal Government in the Constitution, but they are so greedy for power—political, industrial, and economic—that they would rob the States and the inhabitants of the States of their rights and convert the Republic into a huge national and bureaucratic machine to be utilized to prevent individual initiative and the development by individuals and groups of the resources of the country. The demands by the Federal Government of the exclusive control of streams and rivers prevents States and local communities from utilizing them for the welfare of the people within the same. The demand is made that not only the waters and the beds and banks of streams should be owned and controlled by the Federal Government, but also that all dams that may be erected shall be the property of the Federal Government. This attitude obviously prevents local communities, counties, States, and individuals from utilizing the natural resources to which they are entitled. It denies cities, counties, and States the right to build dams for the utilization of the waters within their borders or the construction of power plants, and to furnish power and electrical energy to municipalities and to States. The democratic principle of State rights is being destroyed, and the people are compelled to come on bended knees to the Federal Government to beg for the privilege of exercising their rights as individuals and as citizens of communities and States. So determined were the statesmen and patriots who drafted the Constitution of the United States to preserve and protect the States from the aggressions of the Federal Government, which was being created, that they specifically limited its powers, and when there was criticism that the limitations, though they were specific and clear, might be misunderstood, great Democratic leaders demanded that before the Constitution be ratified there should be a clear declaration that the powers not delegated to the United States by the Constitution nor prohibited by it to the States are reserved to the States respectively or to the people.

The Federal Government has no right to invade the States, to assert jurisdiction over their domain, to annex their territory, or despoil them of their rights. If the Federal Government desires land within a State for governmental purposes, it must obtain the consent of the States whose lands are to be taken and to make due compensation for the same; but the bill before us denies and defies constitutional limitations and seeks to confer arbitrary power and authority upon the Federal Government to acquire, in the name of the United States, title to all lands, easements, and rights-of-way nec-

essary for any dam, reservoir project, or channel improvements or channel rectification projects in flood control, and so forth. Under the guise of flood control, lands of individuals and States will be taken; the control of waters and streams and rivulets will be asserted and exercised by the National Government; State laws providing the method of acquiring the right to the use of water will be disregarded, and in many ways the rights of individuals, communities, and States will be taken from them.

It is clear that the bill under consideration utterly disregards the provisions of the act of 1936 to which I have referred and seeks to relieve communities receiving enormous benefits from the control of streams of the obligation to make any contribution to the costs incurred in securing such protection.

It is obvious that lands which were overflooded for many years—indeed, long before there were white settlers in what is the United States—are now to be drained and protected from flowing waters at the expense of the Federal Government; that individuals who have settled along and upon streams with full knowledge of the possibility and probability of high waters are demanding that they make no contribution whatever to the costs incurred in protecting lands which they have acquired or are attempting to acquire and compel the Federal Government to meet the entire costs incurred in reclaiming and protecting such lands. It is easily understood why there should be great earnestness in urging hundreds of millions of dollars in appropriations for such purposes, and it is easy to understand why some persons are anxious to surrender the rights and authority of sovereign States to exercise control over their own domain and jurisdiction over matters which are clearly within their sovereign authority.

The question involved is more than who shall pay the costs incident to so-called flood control, but the question is posed, What authority has the Federal Government to enter the States without their consent and take possession of lands and streams and rivulets and water and water rights? With the aggressions of the National Government and its assumption of duties and responsibilities belonging exclusively to States and their political subdivisions and individuals, the claim is now being made that the National Government alone has jurisdiction over streams, large and small, navigable and nonnavigable, and that it alone must deal with high waters and so-called floodwaters and exercise exclusive authority over means calculated to minimize dangers that may arise from high or flood waters; and there are those who contend that the Government shall undertake all tasks, anywhere and everywhere within the United States, without the consent of the States or the owners of the waters within the streams or the beds and banks of such streams of controlling the same and meeting all costs resulting from such control. The right of appropriation of water for beneficial use, recognized by the laws of many States, is to be disregarded; riparian rights are to be ignored; dams are to be erected whenever and wherever the National Government determines; and all this, as stated, may be done without the consent of individuals, communities, or States.

For many years it has been the practice, where lands were sought to be obtained by the Forest Service or the Secretary of Agriculture, to obtain consent of the States within which the lands were situated. In the act creating the national forest reserve it was provided that the Secretary of Agriculture, in the purchase of lands, may not take title until the legislature of the State in which the land lies shall have consented to the acquisition of such land by the United States for the purpose of preserving the navigability of navigable streams. We are now ignoring the principle embodied in the statute just referred to; and are, in effect, giving unlimited authority to the Secretary of War to seize lands under the guise of flood control, regardless of the views or wishes of the States in which such lands are situated.

The act creating the National Park Service provides in substance that the Secretary of the Interior, before he may obtain land for a national park, shall not acquire the land without the consent or approval of the State officials, boards, or agencies having jurisdiction over such land.

Concede the right of the Government to acquire land for navigable purposes; it cannot, it seems to me, be contended that the bill under consideration is seeking to obtain lands for navigable purposes or that it proposes to build dams for navigable purposes. Indeed, the record as presented, as I understand it, indicates a purpose to construct power plants; and under the guise of flood control, contemplates the construction of dams in order to develop electrical energy. It is generally conceded that the National Government is expending large sums for the construction of power plants and contemplates the expenditure of further very large sums to construct power plants where the question of navigation is not considered.

Certainly measures may not be constitutional which authorize the Federal Government to enter States and interfere with the streams therein—streams which are not navigable or where the interference therewith is not honestly based upon the thought of utilizing the streams to aid trade and commerce.

In the clase of *Fort Leavenworth Railroad Co.* v. *Lowe* (114 U. S. 531) it is declared that—

> The consent of the States to the purchase of lands within them for the special purposes named is, however, essential, under the Constitution, to transfer to the General Government, with the title, political jurisdiction and dominion. Where lands are acquired without such consent, the possession of the United States, unless political jurisdiction be ceded to them some other way, is simply that of an ordinary proprietor. The property in that case, unless used as a means to carry out the purposes of the Government, is subject to the legislative authority and control of the States equally with the property of private individuals.

I have called attention to the fact that many of the States have laws which control the streams within their borders and determine the uses to which they may be put, and the manner in which a usufruct may be obtained. This bill flouts the States and their laws, and proceeds upon the theory that the National Government is omnipotent, and that the States have no police powers or jurisdiction over the streams within their borders, or the right to determine the uses to which they may be put, or the desires and wishes of the people within the States.

In my opinion, the so-called interstate-commerce clause of the Constitution has not only been perverted but prostituted and utilized to extend the authority of the Federal Government into fields in which it is forbidden to enter. The bill under consideration is not a bill in the interest of navigation and has no valid foundation upon which to rest. Undoubtedly it is contended by the proponents of the bill that it is justified under the interstate-commerce clause of the Constitution.

All States possessed full power of local sovereignty, and could impose such rules and regulations as they saw fit, concerning the streams within their borders. They could abolish, as did many States in the West, the doctrine of riparian rights and adopt the doctrine of use—appropriation—accepting, as I have indicated, the rule which came from Mexico under the Treaty of Guadalupe Hidalgo.

I have referred to the rule which was in force in the territory acquired from Mexico, and to the fact that Congress apparently accepted that rule, and declared in the treaty referred to that—

> Legitimate titles to every description of property, personal and real, existing in the ceded territories are those which were legitimate titles under the Mexican law in California and New Mexico up to the 13th of May 1846 and in Texas up to the 2d of March 1836.

There were many citizens of Mexico living in the territory ceded to the United States, and they possessed large grants of land, together with rights in and to waterways and streams, of considerable magnitude. Under the treaty, they were entitled to enjoy, with respect to all such property, ample guaranties as to their rights, regardless of their citizenship.

Congress, as I have indicated, in 1866, passed an act which, in effect, abrogated the doctrine of riparian rights in some

States and Territories and recognized the doctrine of appropriation. The statute reads:

> Whenever, by priority of possession, rights to the use of water for mining, agricultural, manufacturing, or other purposes have vested and accrued, and the same are recognized and acknowledged by the local customs, laws, and the decisions of courts, the possessors and owners of such vested rights shall be maintained and protected in the same.

That is a broad statute, resting in part upon a treaty, as well as upon natural rights, and constituted a protection to the owners of water and water rights, whether upon navigable or nonnavigable streams, which could not be repealed or destroyed.

The Thirteen Original States were the owners of the streams within their respective borders, and it is my view that the States which were subsequently admitted into the Union were endowed with the same right and authority. The amendment in the bill before us, dealing with the States of Texas and Oklahoma, tends to support that view, because they are exempted from the provisions of this bill. Under the Treaty of Guadalupe Hidalgo, the vast domain ceded to the United States was taken subject to the laws, customs, and regulations which existed under Mexican control.

In this connection, may I remark that the mining laws and regulations which prevailed in Mexico were recognized by the Territories and States which were carved out of the territory ceded to the United States. In 1866 Congress passed an act recognizing the rules and regulations respecting mining operations and the acquisition of title to mining properties; also the right to divert waters and to construct canals upon and over the public domain. The States within the Mexican and other grants enacted laws based upon the rules, customs, and regulations existing in the granted territory at the time of the annexation. Within these States dams have been built by individuals, corporations, and municipalities, and the waters taken from scores, if not hundreds, of streams and applied to beneficial uses. The waters of these streams have been used not only for irrigation but in many instances have been utilized for power purposes and the operation of various industrial plants.

We heard the demand a year or two ago that the United States spend hundreds of millions of dollars for the construction of a canal in Canada. The contention was made that the Federal Government, under its treaty-making power or some inherent or undisclosed power, might enter into agreements with a foreign country, the result of which would be to seriously affect the rights of sovereign States.

Undoubtedly the measure before us denies States their sovereign authority; it denies to them the right to utilize resources within their own borders and to develop industries and commerce from which they would derive revenue. They are to be denied under this bill the authority to construct dams or power plants or to develop industries that would inure to their advantage as well as the advantage of their residents; and, of course, Federal agencies, anxious for more power, are hostile to the assertion by the States of their undoubted rights in utilizing the resources within their borders.

The Senator from Wyoming [Mr. O'MAHONEY] was correct when he stated in substance that the conference report before us gives the Federal Government—if having selected a site, whether for flood control or a power dam—the power to enter any State and take possession of land and condemn it without the consent of the State. And I recall in some of the interruptions that occurred during the debate to which I am alluding that reference was made to the psychological effect of the Federal Government taking jurisdiction over matters which belong to the States—the effect which it has upon the appetite of the National Government for its aggrandizement and the surrender of rights which belong to the States.

The National Government with respect to territory within the boundaries of States, belonging to States and to individuals, occupies a status no different from that possessed by individuals. The Constitution of the United States provides that Congress may exercise "authority over all places purchased by the consent of the legislature of the State in which the same shall be, for the erection of forts, magazines, arsenals, dockyards, and other needful buildings." Under this provision the General Government ought not and, some contend, cannot legally interpose objections to States entering into treaties for the purpose of controlling the streams within their boundaries. Certainly that is true of streams not navigable.

As I understand, the provision of the bill under consideration, which is meeting with most serious objection, is justified under the authority under the Constitution to control navigable streams. In my opinion this provision of the Constitution has been misinterpreted and perverted. It has been used in an oppressive and capricious way, and it is in this bill being used for the purpose of depriving States of their authority over waters and streams within their boundaries and in relieving local communities and States of the responsibility to solely, or in cooperation with the Federal Government, adopt measures in the interest of navigation. It is obvious that the measure before us is an unprecedented step looking to the assumption by the Federal Government of absolute control over streams, which in many instances should in part, if not wholly, be controlled by the States and local communities. But so powerful is becoming the Federal Government and so indifferent are many citizens to the duties resting upon the States to deal with local matters and State concerns that the measure under consideration is receiving support and is approved by some who encourage the Federal Government to enter the States and assume responsibilities which belong to them. It is noted, however, that this bill does not measure up to the provisions of the Constitution that require the "consent of the legislatures" for the acquisition. Undoubtedly, as indicated, those supporting this bill assume that whether streams are navigable or not, the Federal Government can take control over them and their tributaries, and acquire title to the beds of streams within the States.

Mr. President, it seems to me that an examination of the 1936 act and the measure before us now will reveal serious conflicts and demonstrate that the present bill seeks to engraft upon the former law not only unjust provisions but provisions which may not be defended from a constitutional standpoint. I appreciate, as I have indicated, that but little attention is being paid these days by many persons, including some in legislative and executive branches of the Government, to the letter and spirit of the Constitution and to the limitations which are imposed upon the Federal Government. Many people refer to the power which is exercised by executive authority in other countries, forgetting entirely that this Republic is not a unitary government but is dual in its nature and in its essence. Criticisms are frequently heard of the centralizing authority in Germany, in Italy, and in other countries, and the oppressive power exercised by those in authority; and yet many of our citizens are now referring to other nations, unitary in form, as examples for us to follow even when it comes to dealing with fundamental questions and those involving the rights of States and individuals.

Mr. President, in my opinion, some provisions of this bill are not only unconstitutional, but they lack that degree of morality which should prevail in legislation relating to the duties and responsibilities of the Federal Government and the States. The bill is a weapon to destroy the sovereignty of States, and to increase, illegally, the power of the National Government, whose authority is constantly being extended and the limitations upon which are being removed.

It was stated a few moments ago by the distinguished Senator from Massachusetts [Mr. WALSH] that the important amendment, which constitutes an important part of the bill before us, "changes the whole national policy in regard to flood control," and places in the Federal Government the title to all dams and reservoirs and the control of all power that may be generated, without any permission or

consent of the States. And in return, the Federal Government pays 100 percent of the cost.

I was greatly impressed by the statement made by the able Senator from Connecticut [Mr. MALONEY] who said only a few minutes ago:

> While the States still possess their sovereignty, I pointed out that they are approaching death.

He further said, as I recall, that—

> Senators know that the sovereign States as such are marching to their graves under the system of centralization. We shall give our blessing to that procedure if we adopt the conference report as it is.

Mr. President, the statements made by these able Senators, as well as the views expressed by the Senator from Wyoming [Mr. O'MAHONEY] and the Senator from Vermont [Mr. AUSTIN] are indicative of the growing evils of centralization, and are prophetic of the future of this Republic if the present recession of genuine democratic spirit is not arrested. In nearly every part of the world democracy is being challenged, and dictators and authoritarian states are seizing power and controlling the destinies of peoples and states.

Mr. President, a number of Senators who have spoken upon the bill have pointed out its defects—indeed, its dangerous provisions. I have indicated that it is an assault upon individuals and States, and an attack upon the foundation of the Republic. There seems to be an utter misconception of the form of our Government; and many public officials as well as many of our citizens ignore the fact that we have a dual form of government, and that the Federal Government is one of limited power. They are wholly indifferent to the limitations placed upon the Federal Government, and often point to other nations and the power which they assume—even nations that are autocratic; and they contend that we should adopt measures and policies by which they are guided. No republic can long exist without a clear conception of the limitations placed upon governmental authority. If the concept prevails that all power rests in the Government, then democracy cannot exist, and dictatorships, with all their evils, will prevail.

We are building up a powerful National Government whose activities transcend limitations placed upon it; it is assuming duties and responsibilities belonging to individuals; and many of our citizens, instead of looking with apprehension upon the growing power of the National Government, are urging a further extension of its authority. And the Communists within our borders, and the Socialists, and those who have no conception of our form of government, join in the loud acclaim for the further extension of the authority of the National Government. Those who are familiar with history, and those who know something about human nature, will appreciate the fact that the ambition for political and governmental authority is never satisfied; that the extension of its boundaries today only increases the demand for further horizons upon the morrow; and that, as a corollary of increased authority by governments, there is a constant demand for increased bureaus and personnel. There will soon be 2,000,000 people or more upon the pay rolls of the Federal Government and each agency that is formed produces further agencies. The fecundity of bureaucracy is not excelled even in the animal kingdom.

The Democratic Party has stood against Federal usurpation and the gravitational Federal forces which sought to draw individuals and States within its power. There are many persons today who contend that there has been a departure from sound democratic principles and that fine philosophy upon which the party rested in the days of Jefferson and for many decades thereafter. They contend that the policies of Jefferson are being forgotten and that States and communities and individuals are losing that spirit indispensable to the preservation of individual liberty and the maintenance of democratic principles. Great Democrats aided in founding the Republic, and in dark and perilous times the Democratic Party has defended democratic principles and aided in preserving the liberties of the people.

It was Madison and other Democrats who formulated important and priceless provisions found in the Constitution of the United States and developed the philosophy and theories of local self-government and individual liberty. I regret that there is being sacrificed some of the ideals and principles bequeathed by great Democrats and that the path of safety is being departed from.

There are those among us who point to the policies of nations without constitutions or the principles of liberty by which this Republic was founded. There are some among us who point to Russia with the absolute power of Stalin, and yet, as I was told when in Russia a number of years ago, the contention was made that it was a democracy. There are those among us who contend that the power of the National Government should be unlimited and that the National Government should engage in socialistic if not communistic activities. It is the view of some persons that a powerful government is desirable and that socialistic or communistic concepts should supersede those principles which are embodied in the Constitution of the United States.

Reference is made to Germany, and not a few in our country are preaching the Nazi philosophy which has developed one of the most despotic governments in existence, under which freedom of the press, of speech, and of religion is denied. Hundreds of thousands of German citizens, who have made important contributions to the growth and progress of the German nation, are being despoiled of their property, robbed of their liberty, and subjected to brutal treatment which finds parallel only in nations of darkness and tyranny. May I say that the treatment accorded the Jews by the Nazi Government, as well as its contempt of the rights of American citizens, would warrant the United States in withdrawing our diplomatic representatives from Berlin.

The same may be said of Japan, whose savage attacks upon China can find parallels only in primitive nations where no regard was had for human life. As Senators know, towns and cities and villages are being destroyed, and savage methods employed to kill and destroy men, women, and children who are far from the field of military operations. Japan's savage and ruthless warfare in China calls for the condemnation of all civilized people; indeed, for the execration of mankind.

We need not go to other nations for precedents to guide this Republic in its political and economic life. This Republic should repudiate the insidious efforts which are being made to change our form of government and to superimpose upon the American people the dangerous and deadly policies which are followed in many countries throughout the world. Unfortunately, there are many Americans who are challenging our form of government. There are Communists and Socialists who are striking at the foundations of the Republic and who are endeavoring to destroy the States as political units and bring the States and their political subdivisions within the exclusive authority of the National Government. In other words, they would strengthen the National Government and give to it unlimited authority and, under the pretense of having a democratic government, convert this Republic into a socialistic or oppressive bureaucratic state.

Mr. President, I regret that Washington has become the Mecca to which many caravans come, not all of which carry wise men. They seek to impose their views upon Congress with respect to this matter, to take away the rights of the States to control their own internal and inherent affairs, and to secure legislation which would give executive and administrative policies authority over the States, their political subdivisions, and the people themselves. Undoubtedly, many foolish and fantastic schemes are suggested. Measures and policies utterly at variance with constitutional government are proposed. Many persons desire the submergence of the States and the assumption by the Federal Government of important and inherent powers possessed by sovereign States and their political subdivisions.

I was interested in the statements made by the Senator from Massachusetts and other Senators from the New England States when they spoke about the authority of sovereign States.

I quoted a few moments ago from a statement made by the Senator from Massachusetts [Mr. WALSH] and the Senator from Connecticut [Mr. MALONEY]. These statements, as well as others which were made from time to time upon the floor of the Senate and elsewhere, should cause the American people to inquire as to the path which they and this Republic are following.

Mr. President, in the light of present conditions, can it be said that we possess the form of government contemplated by the fathers; are not the States being destroyed; are not millions of individuals accepting alien views and clamoring for vital changes in our political and economic life? As I have indicated, there are approximately 2,000,000 persons who are upon the pay rolls of the National Government, and the morale of many millions is being undermined by the false political doctrines which are being taught and the extension of the National Government into fields of private endeavor and control over areas which lie within the boundries of sovereign States.

Professions of devotion to democratic principles and to what some call progressive policies are loudly proclaimed by many who are seeking fundamental changes in the Constitution, as well as in the relation of the States to the Federal Government. The progressivism of some persons is embodied in a doctrine that the Federal Government shall create a multitude of agencies and bureaus to whom shall be committed vast political power. Many of these policies aim at strengthening the Federal Government and transferring to it powers belonging to the States and to individuals.

Many who profess great interest in social questions, education, and economic and industrial problems recommend only one formula, namely, that Congress shall enact more laws extending the jurisdiction and authority of the General Government and the creation of more powerful bureaus and agencies.

Thousands of volumes record the evils and injustices which have resulted and are now resulting from the concentration of governmental authority in the hands of a limited number of persons and in powerful executive organizations. Notwithstanding these lessons, which are open for our instruction, there are those among us who urge policies and measures paralleling, in part, at least, those which have contributed to oppression and the denial of individual liberty. There are too many Americans who are constructing crutches to put under the arms of individuals and too few who are expounding those enduring principles which guided our fathers when they established this Republic.

Our fathers were familiar with the pages of history and the false philosophy which had controlled individuals and governments. They determined to establish in the New World a government which would be devoted to liberty and to the establishment of a truly democratic Republic. They accepted the philosophy of Jefferson, which is comprehensive enough for all time. It is no exaggeration to say that it embodied the ideals of Christianity, which exalted individuals and declared the truth that the state is the servant and not the master of the people.

Mr. President, the spirit of democracy is not an evanescent thing; it may be submerged by crass materialism and brutal forces, but I hope it will survive.

The bill before us is a measure which deprives the States of authority. If the bill shall become law, Mr. President, it will take from the States some of their important functions and it will be a long step in the direction of state socialism and Federal control, not only of power but of lands and homes and property and business. Indeed, in every part of the land today it is claimed that Federal officials are interfering with individuals and legitimate business, projecting themselves into the activities of individuals, with a view of harassing them and affording the Government an excuse for laying its powerful hand upon them. Many people desire the Federal Government to take over the railroads, the important industries of the country, the mines, smelters, automobile industry, and many activities which have furnished employment to millions of people and are now ready and willing, if the heavy hand of the Government is not placed upon them, to increase their activities, expand their business, and furnish employment to millions of people who are now without positions.

Undoubtedly there has been, and is, a profound feeling of apprehension upon the part of thousands of persons engaged in various forms of business. That feeling exists among so-called small-business men, as well as upon the part of persons conducting large business enterprises. I have received communications from persons engaged in small business enterprises who aver that they intend to close down—indeed some have suspended operations—who have attributed their unfortunate condition to heavy taxes and fear as to what the policy of the Government was to be in respect of business concerns. Others complain of labor strikes and the uncertainty as to whether or not labor organizations will impose conditions which cannot be met. I am expressing no opinion as to the justice of these complaints. That there are uncertainties in industrial life among those who are called capitalists, as well as those who are within fields of labor, cannot be denied.

Many plants have closed their doors and hundreds of thousands, indeed, perhaps several millions, have lost their position during the past year. There are Socialists and Communists who have, as I am advised, lent encouragement to this unfortunate situation, and have urged that the Government should take over the factories and plants and all forms of industry. It is well known that in a number of countries where there have been industrial disturbances extreme radicals have seized upon the situation to engage in propaganda favorable to socialism or communism.

Mr. President, undoubtedly there is a growing disregard of our dual form of government. A distinguished Senator said to me a few days ago when I spoke about States' rights, "Oh, the States' rights theory is dead. There are no States' rights." His view was, I assume, that the National Government should control not only the Federal Government but also the States.

May I quote Jefferson? Many Democrats pay lip service to Jefferson, but disavow the letter and spirit of his great teachings—I was about to say his sublime teachings, which contributed so much to the establishment of our Republic. Jefferson said:

> • • • The support of the State governments in all their rights, as the most competent administrations for our domestic concerns and the surest bulwarks against antirepublican tendencies, I deem one of the essential principles of our Government, and consequently one which ought to shape its administration.

I may quote from Mr. Lincoln before I shall conclude. I remember that a statement made by him was almost a paraphrase of these views expressed by Jefferson in his first inaugural address. If we had the democracy, the republicanism, the Americanism found in the teachings of Jefferson and Lincoln, we would not be in the depression in which we find ourselves today.

Senators will recall the letter which Mr. Jefferson wrote in 1816, in which he asked and answered the question—

> What has destroyed the liberty and the rights of man in every government which has ever existed under the sun?

He answered his own question:

> The generalizing and concentrating all cares and powers into one body, no matter whether of the autocrats of Russia or France or the aristocrats of a Venetian senate.

Certainly there are manifestations in democratic government today which should admonish those who love liberty and justice to guard against those policies which, through concentration of power, have impaired, if not destroyed local governments and individual liberty. Jefferson and other great apostles of liberty have declared that good government is only secured by the distribution of powers; not by consolidation or concentration.

The problem now is to preserve the States against the sweeping and widening power of the Federal Government.

As I stated a moment ago, some Americans are contributing to the demolition of that great temple of justice and liberty established by the founders of this Republic.

Henry Clay declared that we must foster a strong and wholesome State pride. There is too little State pride left. People are running to Congress, to Washington for governmental favors. Mayors come to Washington by the score seeking gratuities and contributions when the States themselves and the local subdivisions should handle problems which they insist the Federal Government shall solve.

Efforts are being made to reduce the States to mere administrative departments, like those of France; and the people are taught to look to the Federal Government to assume responsibilities and duties of sovereign States and to become guardians of the people themselves. There is a weakening of that fine individualism which found expression in the pre-Revolutionary days of the Republic and for decades thereafter.

One columnist said the other day that individualism in this day was an anachronism.

Much of the so-called progressivism has for its object the aggrandizement of the Federal Government and the control by it of the States and the people.

Mr. President, there is real moral insufficiency in any theory of state which impresses upon its members the need of any consistent uniformity of outlook. Perhaps I am a rebel, but I do not believe in standardization, in uniformity. I believe in plurality, in the individuals working out their own salvation under the spirit and genius of democratic institutions, but not under a unitary system which crushes out individualism and destroys the rights of local communities and the States themselves.

Everywhere we find plurality. I know that this is not a satisfactory doctrine these days, and is favored by few, but I am pleading for individualism, for State rights, for local self-government, and when I leave the Senate I hope I will be able to say that I did not forget democracy or betray rights of States and individuals.

Germany points proudly to the complete absence of difference among her citizens. By the power of Hitler's pronunciamentos the people are made to think alike. They are made to think as he would have them think. They are compelled to submit to the unitary form of government, and he is the government.

Contempt is openly expressed in Germany for a country like the United States, where diversity of opinion—I was about to say exists—where diversity of opinion existed. In Germany today rights have been sacrificed to authority.

We prefer a country where the sovereignty is distributed, where the richness of the corporate lives is insurance against such sterility of outlook as we find in so many countries.

There can be no servility in a state which divides its effective governance. The necessity of balancing interests, the need for combining opinions, results in a wealth of political thought such as no state where the real authority is single can attain.

The price of liberty is exactly divergence of opinion on fundamental questions. The growth of national government, with the consequent strengthening of its sovereign character, leads to increasing centralization.

The problems which nations will have to solve is to make local life real. Local life requires revivification. An interest in local problems will have to be aroused, not less keen and vivid than the interest in national problems. Unfortunately, local life is being sacrificed to the absorptiveness of a central government, and thus the creativeness and independence of the people are being undermined, if not destroyed.

Mr. President, the creed of this new nationalism is illusory and deadly. Under it the Federal Government is to discharge the duties resting upon the States and local communities and is to take over, as provided by this bill, the streams, rivulets, and rivers within the various States.

In the West, the pioneers who laid the foundation of the great territory wrested from Mexico laid the foundations of Territories and States. The public lands belonged primarily to the Federal Government, but laws were soon passed under which title to public lands might be obtained by individuals. California, Wyoming, Utah, and other Western States announced a policy with reference to water, waterways, and their utilization, which has been written into constitutions and laws, under which Commonwealths have grown from small frontier dominions into powerful sovereign States.

We have recognized the right of the people to own and appropriate water. Only recently the Federal Government, pursuing the unwise, dangerous course announced in the bill, intruded into some litigation with a view—as I am advised—of having the courts declare, contrary to a multitude of decisions, that the Federal Government owns and controls the water within the Western States. If this view should prevail, the Federal Government would nullify the acts of various States and deprive millions of people of vested rights which they have acquired by virtue of appropriation and the use of water upon arid lands upon which they have erected cities, towns, and communities which have given to patriotic citizens of the United States a large measure of prosperity.

Let the Federal Government keep its hands off the States and not interfere with their sovereign rights. What business has the Federal Government to prevent ratification of a treaty among a number of New England States? Why should not the States be permitted to develop the water rights and electric energy within their respective borders and to determine what disposition shall be made of the power and of the use of the water? But, no; we are in the swirling waters of a great maelstrom, and all power must be taken from the States over lands which belong to them and to their citizens, and over the waters which flow within the States, and in many instances beyond the States.

The new nationalism which some demand is to bear the social and industrial burdens and activities discharged under democratic government by individuals and local communities. If we continue the policy the States will soon become mere shells out of which all life has departed. They will be vanishing shadows, reflecting merely the form of once puissant States. The great need of today is an awakening of the States to their duty to exercise all their rightful powers and functions under the Constitution. What is needed today is not mere doctrinaire theorizing about the rights of the States, but the prompt performance by the States of their duties, a recognition of their duties by the Federal Government, and the active and full use of the powers and functions which the States possess toward solving the political and economic questions which must be met.

The question now is not whether the States shall destroy the National Government, but whether the National Government shall be permitted to destroy the States. It was the fear that that question might some time arise—that is, that the Federal Government would become so powerful as to rob the States of their rights—which prompted Samuel Adams and John Hancock in Massachusetts, George Clinton in New York, and Patrick Henry in Virginia to withhold so long their assent to the ratification of the Constitution. They feared the ascendancy of the Federal Government and the elimination of the power, the rights, and the sovereignty of the States.

This Republic was believed by many to be a great experiment, and there are those who believe that failure will be the result of such experiment. It is a problem—and democracy is always called upon to meet and solve problems—to preserve individual liberty and local self-government, particularly among millions of people of different national origins and occupations.

With a homogeneous people, pursuing but few occupations, the difficulty of democracy in maintaining local self-government is not so great, but when there are millions of persons of different nationalities, with a great variety of occupations, the problem of maintaining democratic institutions is greatly increased.

Lovers of liberty throughout the world rested their hopes upon this experiment. Webster declared that it was the last hope of mankind and that it should be proclaimed—

That if the example of the people of America had become an argument against an experiment of free government, the knell of popular liberty would be sounded throughout the earth.

Political philosophers and historians have declared that democratic government is the most difficult to maintain. Maine, in his Ancient Law, declares that—

> Popular sovereignty is characterized by great fragility and that democracy, of all forms of government, is by far the most difficult—so difficult that it would tax to the utmost all the political sagacity and statesmanship in the world to keep it from misfortune. * * *

The responsibility resting upon the citizens of this Republic is greater than that which devolved upon any people in any age. If democracy fails, if it has those inherent weaknesses which portend its destruction, what hope has this or succeeding generations?

Professor Sumner, of Yale, once said that—

> Democracy has never yet been tried enough to know what it will do, but, with Jacobinism, communism, and social democracy lying in wait rof it on one side, and plutocracy on the other, its promise is not greater than that of the old forms. It remains to be proved that democracy possesses any stability and that it can guarantee rights.

Mr. President, that responsibility rests upon us. Is this great experiment to fail? Is democracy to be swept aside and engulfed in the centralizing forces that are manifesting themselves in all the world? It rests with the people of this Republic to prove the essential goodness and greatness and morality of democracy. The pathway to the uplands where justice reigns is steep and rugged:

> Does the road wind uphill all the way?
> Yes; to the very end;
> Will the day's journey take the whole long day?
> From morn to night, my friend.

That is the message and the mission before us, and the pathway which we are to pursue "from morn to night" until we reach the uplands, where there shall be genuine democracy.

There are those who perceive parallels between this Nation and nations which have perished. They point to the melancholy fate of various nations of the past and the causes of their downfall. Many historians agree that departures from justice and morality were the primary causes; that the aggressions of wealth, the exercise of unjust political authority, not infrequently were the proximate causes of national decadence and destruction. Democracy can survive only where there is devotion and character and a high sense of justice. Democracy is more than an institution—it is a moral, ethical, and spiritual force which must permeate individuals and guide their lives. It demands vigilance—constant and unremitting, and implacable opposition to every form of political usurpation and infringement of individual rights.

The struggle in liberal governments was not only to assert and defend individual rights against the aggressions of the government—and I emphasize this point—but against the assaults of majorities. Some people seem to think that the majority is always right; that it has a commission to do as it pleases; to crush minorities and prevent freedom of speech and liberty in all that the word implies.

Democratic governments must be concerned in the protection of the individual; and one of the dangers in democracies is the tendency of majorities to oppress the individual. John Stuart Mill, in his plea for liberty, expressed fear because of the tyranny of majorities, even in democracies, which he insisted was among the evils against which society is required to be on its guard.

It is asserted by many that our dual form of government is being imperiled. As I have indicated, it was not believed by political philosophers that there could be duality in government. They conceived only a unitary form of government, believing that sovereignty was indivisible they could not conceive that there could be an indestructible union of indestructible States, for which my friend the Senator from Wyoming [Mr. O'MAHONEY] was pleading yesterday, or that the functions appertaining to government could be divided, the national being clothed with limited authority, definite and certain, and charged with the performance of limited and specified duties, and the State or local sovereignty possessing complete authority essential to the execution of vital and important responsibilities placed upon it by the people themselves.

And yet in this bill we are taking away from the States control of millions of acres of land, their water rights, and streams, and rivers, and conferring unlimited power upon the Federal Government over property which belongs to individuals or to the States themselves.

One of the most important problems confronting the American people today is to prevent the absorption of the States by the Federal Government and to make local life real; to revivify the States, and to awaken the deadened spirit, so that it will lead to virile, intelligent, patriotic, and successful self-government. That is the responsibility resting upon the American people today, a responsibility, I regret to say, they are not discharging.

There must be an assertion of sovereignty by the States which will be more than anemic reflexes of the Federal Government. Individuals and States must derive their strength as plants from the soil. The nutrition that will give vitality—mental, intellectual, and political—must come from within the States and not from without.

If the States are compounded into a general mass; if they cease to be sovereign and supreme in their domestic concerns, then our form of government is destroyed. That there are forces at work undermining the States, weakening their authority and destroying their prestige, no one can deny.

Mr. President, it should be as treasonable to attack the sovereignty of the States as it would be to make war upon the Federal Government. Local self-government lies at the very foundation of a free country. It is one of the most precious of our heritages. Quoting from Woodrow Wilson, "it is the school in which independence and liberty were bred." This is not a question of bringing to life a dead States' rights doctrine; it is dealing with a fundamental question of political science.

The maintenance of the dual form of government, the integrity of local self-government, is a great question of political science and was recognized by Macaulay, Gladstone, Maine, and scores of eminent writers, as being the great contribution which has been made to political science and government by the founders of this Republic. But there are some who seem willing to throw away all that they gave to us.

Mr. President, the question of local self-government and the principle of the sovereignty of the States is not a dead issue, though many say so. It is one of the most vital problems in our body politic. If the Democratic Party fails; if it surrenders the rights of the States and abandons democratic principles, there will arise a party to carry the banner of liberty and of democracy handed down to us by the fathers.

The United States cover a vast territory, possessing every variety of soil and climate, and inhabited by millions of people, many of whom come from other lands. They have different physical environments and varied historical conditions. They have different customs, manners, and thoughts. While essentially one people along purely national lines, there are differences, as there should and must be if local government is to survive and individualism is to be preserved. Yet there are some who would standardize everything, regulate every form and activity of life, and accept the concepts of totalitarian states in order that all may be coerced into one view, into one group, into one class which thinks alike, acts alike, and is controlled by the heavy hand of a totalitarian state.

There are those who belong to the "cult of standardization," who seek uniformity of thought and outlook. I like differentiation. I should dislike to have every person agree with me; and I do not want to agree with everybody else. That was the thesis of Herbert Spencer in the great school of philosophy which he gave to the world—differentiation in thought, in customs, in government, so that in this differentiation there would be developed genius, and those fine

qualities of individualism which, after all, are essential to the maintenance of democratic institutions and which insure progress in all fields of life.

Those who belong to the "cult of standardization" would destroy individualism, local community spirit, and sovereign States, and govern the people by a strong centralized authority, functioning at the National Capital, but with its tentacles embracing every State and every community. What is needed today is a renaissance of the spirit of States' rights and local self-government, revolt against Federal usurpation, and a determination to resist the centralizing, centripetal forces which are drawing States within the swirling maelstrom of a powerful national government.

Mr. President, Great Britain pursued a wise course. She has decentralized, while we are weakening sovereign States and centralizing political power in the National Government. While we are undermining our dual form of government and building up a powerful unitary system, Great Britain, as I have stated, is promoting the spirit of local self-government; and as this process of decentralization has developed, the commonwealths of Great Britain have exhibited increased affection for the mother country and have been made stronger by the exercise of governmental authority with which they have been endowed. Who shall say that Great Britain is not stronger by reason of the stronger units of local self-government which she has developed? Canada, Australia, New Zealand, South Africa—they are bound by chains of affection to Great Britain. And by learning the art of democratic government—local self-government—they have made contribution to the democratic forces which exist in various parts of the world.

I should add that India has been given almost complete autonomy; and the Irish question, which for centuries has been a source of trouble, has been settled, and peace rests upon the new Republic of Ireland and the northern section which belongs to the British Commonwealth.

Mr. John M. Harlan, in one of his books, has stated:

> What can be said as to the very opposite tendency which in recent years has been permitted to go unchecked in this continental Republic, covering an area equal to that of Europe except Russia, and with a population soon probably to equal that of Great Britain, Ireland, France, and Germany combined?
>
> Fortunate from the very beginning in having separate State governments with clearly defined areas of activity, we have, since the Civil War and especially during the last 20 years, permitted the State governments to become weaker and weaker and our regard for their functions has become less and less. The time has come to reverse that process if along with a national authority strong enough to preserve, promote, and protect us in all our common interests we are to continue to enjoy local self-government.

Under the Constitution we are supposed to have an indestructible Union. The Constitution looks to an indestructible Union composed of indestructible States. Actual abolition of the States constitutionally is impossible. There are, however, forces in operation which seek to reduce the States, as I have stated, to administrative departments like those of France. An increasing tendency is apparent to regard the State as a mere geographical expression rather than as a sovereign State. We are threatened with a revival of federalism—federalism that is more extreme and radical than the leaders of the old Federalist Party ever countenanced. The argument proceeds on the assumption that the States are incompetent to perform their duties, and therefore the Federal Government must step in and assume responsibility for the control of their domestic affairs.

Mr. Burke, that great English philosopher and statesman, speaking of the Revolutionary fathers, commented upon their study of legal principles, which produced, as he said, acute and dexterous minds and gave them mental resources. He referred to their studies of the principles of government and to the fact that they anticipated evils and sought to guard against them. Have we those superb and valuable qualities, I inquire? As I have indicated, a powerful bureaucracy is being established in the United States with almost unlimited power. Nearly 2,000,000 individuals are clothed with Federal authority and constitute a part of the great bureaucracy under which we live. The activities of the Federal Government are being extended into almost every home in the land. Through numberless agencies, bureaus, departments, and instrumentalities it is exercising powers a portion of which it does not possess under the Constitution. Paternalism is growing; and, side by side with it, socialism strides with vigorous step, while bureaucracy marches with triumphant banners throughout the land. The melancholy picture is presented of many of the people shirking domestic and local responsibilities and contributing to the decline of the States by giving support to Federal aggressions and Federal bureaucratic government. The States are being devitalized and local self-government exhibits a depressing form of atrophy. Aggressions of the executive Departments of our Government, and their increasing power, much of which has not been granted under the Constitution, provoke no serious opposition or resentment among the people.

Unfortunately, as I stated a moment ago, the idea of uniformity of thought and conduct and standardization of the lives of the people has become a dogma and an obsession; and to accomplish this result Federal control over individual States is urged with increasing vigor though constitutional limitations upon the Federal Government are disregarded.

Standardization of thought is sought, as well as standardization of schools; and, as stated a few moments ago by the Senator from Connecticut [Mr. MALONEY], suggestions are made to have the National Government control education, control all internal affairs, provide all forms of insurance, control all persons under 18 years of age, perform the police functions of the States, enact criminal statutes covering substantially all offenses defined in criminal codes, furnish financial aid and assistance, together with technical advice not only to agriculturists but to those engaged in most business activities. The individuals, the homes, the local communities, and the States are to be the wards of the Federal Government, which, through bureaus and Federal agencies and hundreds of thousands of Federal employees, is to perform the duties of a benevolent despot or a benignant father.

The Government is to engage in private business, construct and operate a merchant marine, erect power plants, generate electrical energy and sell and distribute the same to the people, and supply money raised by taxation to industries or individuals that may not be prosperous.

A true Federal system provides a check both upon the Central Government and the people themselves. Are we forgetting that this was the contribution made by America to political science?

Democracy is more than a form of government; it is an ideal. Democracy required that the citizens feel a vital interest in their State governments. Democracy in government cannot remain a vital thing unless the individuality and autonomy of local governmental institutions are retained and in which the people can take an interest and have personal contact with the leaders and see the actual results of democracy. Without this Demos becomes distinterested, and a "democracy with a distinterested Demos is probably less fortunate than a despotism with a benevolent despot."

Centralization of authority is always followed by an oppressive bureaucracy. Scores of Federal organizations and bureaus have been created and more are being projected, and these will soon call for hundreds of thousands of additional Federal employees whose compensation will annually exceed $2,000,000,000. Bureaus promulgate numberless rules and regulations which have the force of penal statutes. No citizen may longer know the law because it is in part formulated by Federal bureaus and departmental officials, and not always in harmony with law or constitutional limitations. It has been said that this is no longer a government of law administered by the courts, but a government of bureaus and officeholders. We suffer from administrative law as well as legislative enactments. This movement enlarges national authority and diminishes local self-government and individual liberty.

I referred to Lincoln a few minutes ago. This is what he quoted from the Republican platform upon which he was elected:

> That the maintenance of the rights of the States, and especially the right of such State to order and control its own domestic institutions according to its own judgment exclusively, is essential to that balance of power on which the perfection and endurance of our political fabric depend.

I appeal to all Americans to accept the philosophy of Thomas Jefferson and the philosophy of Abraham Lincoln. Those two mighty monuments of intellectual and moral power should be our guide today, and we should prefer their leadership and their philosophy to some of the false views and "isms" which are permeating the land and insidiously attempting to modify constitutional government, if not to destroy it.

The increasing authority asserted by the Federal Government is revealed by an examination of the thousands of laws and regulations which have been enacted and promulgated during recent years. As I recall, more than 20,000 bills were introduced in the last session of Congress but, fortunately for the country, all were not enacted into law. Mr. Lincoln, in his second message to Congress, referred to the more than 5,000 Federal statutes and to their complexity, if not uncertainty, and urged that steps for the codification and rearrangement of the laws be taken. To codify and arrange the thousands of existing statutes and tens of thousands of rules and regulations and administrative proclamations which have the force of law would be a Herculean and almost never-ending task.

Much of the time of some persons in the Federal bureaus and Departments is devoted to devising new laws which it is expected Congress will promptly pass. Many of these measures increase the authority of the Federal Government and create new bureaus and organizations which call for an increased Federal personnel. The power of the Federal Government by many of these measures is augmented, and to that extent the authority of local self-government is diminished. In some instances, theorists and doctrinaires, and persons immature and inexperienced, formulate measures of great important and profound effect upon our social, political, and economic lives.

As stated, Congress is expected promptly to give its approval of these measures; and when this is not done criticism is often leveled against the legislative branch of the Government for failing to ratify such measures. And if, perchance, the courts hold them to be in contravention of the Constitution, then that body is criticized by bureau officials and Federal employees and others who would change our form of government.

Fortunate, indeed, it is that we have a written Constitution. It was drafted, as I have indicated, by men who knew the value of liberty under law and sought a form of government under which the creative genius of the people might find expression and the spirit of individualism might be developed and, at the same time, an enduring and stable government would be maintained. The Constitution contains the words "The people of the United States ordain and establish a Constitution for the United States." It was not a temporary instrument, but was a great fundamental law, ordained and established to meet not only the period in which it was drafted but succeeding generations. Those who laid the foundation of the Republic were not caught by the hysteria prevailing in Europe. They were seeking a government which would protect individual rights and preserve the liberties of all.

Many governments had been established and had perished, but the Constitution was regarded as an enduring monument, while it was based, as DeTocqueville stated, upon a novel theory. He declared that it was a "great discovery in modern political science." As I have stated, it provided a division of sovereignty, or, as has been stated, two sovereignties moving in the same orbit. Under this form of government the people remain citizens of their respective States in all matters reserved to them, and to the States, but they were citizens of the central government in matters relating only to powers delegated to the central authority.

The Constitution was the result of a searching investigation by patriots and men who possessed profound wisdom and knowledge of governments—their rise and fall. They framed a Constitution which contained provision for the maintenance and enforcement of restraints upon the Federal Government, in order to secure and protect individuals and the rights of the States. They provided an independent judiciary, through whose action the limitation of government itself—the rights reserved to the people, even as against the government—could be tested by rules laid down in the fundamental law.

It has been declared that the glory of our system of government was found by the establishment of three independent and coordinate branches which achieve that balance of power, which not only deprived any one branch of the opportunity for tyranny, but made impossible the rearing of the head of tyranny and injustice anywhere, and made this Nation of millions free, and yet restrained by these limitations which make men free. The marvelous arrangements of checks and counterchecks and distribution of power to secure such balance has made the Constitution the greatest instrument ever struck off by the brain and purpose of man. This balance can only be protected if we preserve unimpaired the full vigor and strength of each of the three supports and departments of the Government. To weaken or destroy either is to endanger the whole, and yet we have measures from time to time tending to impair the strength of one or more of these departments, and at the same time striking at the dual form of government which is essential to the maintenance of constitutional government, and the preservation of that balance of power among the departments of the Government.

But as indicated efforts are made to compound the Government into a protoplasmic mass. Under a bureaucratic system of centralized authority, liberty in a true sense is not possible. Liberty means that assurance that every man shall be protected in doing what he believes his duty against the influence of authority, custom, and opinion. Within the limits of the Constitution the National Government may perform a limited number of activities but it may go no further. The most certain test by which we judge whether a country is really free is the amount of security enjoyed by minorities. The proneness of man to seek unjust authority and to build up powerful governments prompted Jefferson to say:

> In questions of power, then, let no more be heard of confidence in man, but bind him down from mischief by the chains of the Constitution.

Unfortunately, there is too much constitutional illiteracy and this in part accounts for the complacency with which Americans view the compounding of the States into one powerful Federal Government.

Hilaire Belloc, in his book entitled "The House of Commons and Monarchy," declares that—

> Men eager for freedom and dignity of living in the individual rightly demand the separation of the various powers in sovereignty. They insist on an independent judiciary; on a legislature uncontrolled by the Executive. But men who are concerned rather with the strength of the State, and especially with its action abroad * * * rejoice to recognize a high and successful centralization of sovereignty, however masked or under whatever name.

Jefferson, upon another occasion, declared that—

> Every government degenerates when trusted to the rulers of the people alone.

He refers to agriculture, manufactures, commerce, and navigation and states that—

> The four pillars of our prosperity are the most thriving when left free to individual enterprise.

Under the Constitution our country has grown in dignity and in power. Its development and growth have been the result of the application of democratic principles and the outgrowth of the recognition of the independence of the individual and the inviolability of individual rights. It has

been free from arbitrary power and has recognized the individual as the unit and source of authority, and the States as possessing sovereign authority to control their local and domestic affairs. And yet there are those who seek to compound the States into a colloidal mass and to confer unlimited authority upon the National Government. Chief Justice Marshall, with his strong inclinations in behalf of the Federal Government, declared—

No political dreamer ever was wild enough to think of breaking down the lines which separate the States and of compounding the American people into one common mass.

I regret that that statement cannot now be made in the light of legislative declarations and the views and actions of the executive branches, agencies, and departments, and the attitude of some of our citizens.

I do not forget the words of Andrew Jackson, a great Democrat and American. He stated—

There have always been those who wish to enlarge the powers of the General Government. Its authority is sufficient for all the purposes for which it was created; these powers are enumerated and every attempt to exercise power beyond those limits should be firmly opposed. For one evil example will lead to other measures still more mischievous and if * * * supposed advantages or temporary circumstances shall ever be permitted to justify the assumption of a power not given by the Constitution, the General Government will before long absorb all the powers of legislation, and we will have one consolidated government. Every friend of our free institutions should always be prepared to maintain unimpaired and in full vigor the rights and sovereignty of the States.

And yet in the face of these challenging declarations there are those in our midst who would destroy the landmarks and erect upon the ruins of this Republic a powerful National Government whose authority is coextensive in all matters national and local with the boundaries of the Republic.

For nearly a century the Deseret News has been published by a religious organization, of which I am a member. For nearly 2 years it has carried at the head of its editorial columns the statement, "We stand for the Constitution of the United States with its three departments of government as therein set forth, each one fully independent in its own field." If this Republic is to endure, the letter and spirit of the Constitution must be preserved.

Mr. OVERTON. Mr. President, before a vote is taken upon the conference report I desire to comment for a few moments in reference to a few phases of the pending business which have been brought up for discussion in the course of the debate.

There has been quite a variety of opinions expressed as to the power of the Federal Government to acquire property in a State. The right of the Federal Government to condemn has been challenged in argument, and the right of the Federal Government to acquire property without the consent of the States has been questioned.

I desire to call the attention of the Senate to a decision rendered by the United States Supreme Court in the case of *Kohl et al.* v. *United States*, decided in the October term, 1875, and reported in Ninety-first United States Reports. Mr. Justice Strong delivered the opinion of the court. It was a case in which the United States was condemning property for post-office purposes, and its right to do so was challenged.

The Court stated:

It has not been seriously contended during the argument that the United States Government is without power to appropriate lands or other property within the States for its own uses and to enable it to perform its proper functions. Such an authority is essential to its independent existence and perpetuity. These cannot be preserved if the obstinacy of a private person, or if any other authority—

I call attention to that expression—

or if any other authority.

I repeat the beginning of the sentence.

These cannot be preserved if the obstinacy of a private person, or if any other authority, can prevent the acquisition of the means or instruments by which alone governmental functions can be performed. The powers vested by the Constitution in the General Government demand for their exercise the acquisition of lands in all the States. These are needed for forts, armories, and arsenals, for navy yards and lighthouses, for customhouses, post offices, and courthouses, and for other public purposes. If the right to acquire property for such uses may be made a barren right by the unwillingness of property holders to sell, or by the action of a State prohibiting the sale to the Federal Government—

I repeat—

or by the action of a State prohibiting the sale to the Federal Government, the constitutional grants of power may be rendered nugatory, and the Government is dependent for its practical existence upon the will of a State or upon that of a private citizen. This cannot be. No one doubts the existence in the State governments of the right of eminent domain—a right distinct from and paramount to the right of ultimate ownership. It grows out of the necessities of their being, not out of the tenure by which the lands are held. It may be exercised, though the lands are not held by grant from the Government, either mediately or immediately, and independent of the consideration whether they would escheat to the Government in case of a failure of heirs. The right is the offspring of political necessity; and it is inseparable from sovereignty, unless denied to it by its fundamental law.

Citing authorities.

The decision rendered in Kohl et al. against the United States, to which I just referred, was expressly reaffirmed by the Supreme Court of the United States, in the October term of last year, in the case of James against Dravo Contracting Co. The Court said, quoting from the decision:

The right of eminent domain inheres in the Federal Government by virtue of its sovereignty, and thus it may, regardless of the wishes either of the owners or of the States—

I repeat—

or of the States, acquire the lands which it needs within their borders.

Therefore, Mr. President, when the Federal Government has authority to do anything, it has the authority to acquire lands, easements, or rights if the acquisition of such lands, rights, or easements is necessary for the accomplishment of the authority which is vested in the Government. And if it has the right of acquisition it necessarily has the right of eminent domain, because the right of acquisition includes the right of eminent domain. And it can exercise that right whether or not the States consent to the exercise of that right.

There is an exception, and that is an exception which is pronounced by the Federal Constitution. That is, that when the United States undertakes to exercise jurisdiction within the borders of a State, as in the case of arsenals, forts, and docks, then the consent of the State must be obtained. The consent of the State is obtained on matters of jurisdiction where the Federal Government desires to exercise an exclusive, or some political, jurisdiction over property situated within the State. But the right of acquisition and of condemnation of any property necessary to carry into execution any authority vested in the Federal Government is not dependent upon the consent of the States. It must not be, for, as the Supreme Court well points out, if such assent be a necessary prerequisite the grant of power may be a brutum fulmen; it may be rendered nugatory by the adverse action of a State.

It has also been contended that this is a new, startling theory which the bill proposes, namely, that the Federal Government may acquire the title to lands embraced within the area of dams and reservoirs. That it is a departure from all precedent for the Federal Government to exercise the right of condemnation in respect to improvements in connection with our rivers and harbors, and for flood-control purposes.

Mr. President, a statute was enacted by the Congress in 1888. It was approved April 24, 1888. It is Public, No. 63. That statute vests the right of condemnation in the Secretary of War in reference to all river and harbor improvements. That statute has not been repealed. It is the law today. It is a short statute, and I shall read it:

Be it enacted, etc., That the Secretary of War may cause proceedings to be instituted in the name of the United States in any court having jurisdiction of such proceedings for the acquirement by

condemnation of any land, right-of-way, or material needed to enable him to maintain, operate, or prosecute works for the improvements of rivers and harbors for which provision has been made by law.

How sweeping is that authority vested in the Secretary of War to condemn. He can condemn in order to enable him not only to acquire but to maintain, to operate, to prosecute works for improvements of rivers and harbors.

I continue to quote from the statute, enacted in 1888, and still the law:

Such proceeding to be prosecuted in accordance with the laws relating to suits for the condemnation of property of the States wherein the proceedings may be instituted. *Provided, however,* That where the owner of such land, right-of-way, or materials shall fix the price for the same which in the opinion of the Secretary of War shall be reasonable, he may purchase the same at such price without further delay, and

Provided further, That the Secretary of War is hereby authorized to accept donations of land or material required for the maintenance or prosecution of such work.

This authority vested in the Secretary of War was, by statute enacted by Congress in 1917, extended to cover works of improvement relating to flood control. I refer to the act of March 1, 1917, Public, No. 367, Sixty-fourth Congress. In that act section 3 declares:

That all provisions of existing law relating to examination and surveys and to works—

I repeat—

and to works or improvements of rivers and harbors shall apply so far as applicable to examinations and surveys and to works or improvements relating to flood control.

Therefore, for years the Congress of the United States has authorized the condemnation of property for improvements of rivers and harbors, and for flood-control works. That is the law today. Therefore, when it is proposed in the bill that the Federal Government shall be vested with that power and shall acquire the title, we are not proposing any new legislation upon the subject.

One other observation. Objection has been made, principally by representatives from the New England States, against the adoption of the conference report, upon the ground that it will deprive the States of their jurisdiction in relation to the control of the waters for the generation of hydroelectric power.

Mr. AUSTIN. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. TRUMAN in the chair). Does the Senator from Louisiana yield to the Senator from Vermont?

Mr. OVERTON. I yield.

Mr. AUSTIN. I ask if the Senator applies his remark to anything I have said, as representing the State of Vermont? Does the Senator construe what I have said as relating to deprivation of control of hydroelectric power?

Mr. OVERTON. I do not recall any specific statement made by the Senator in that regard.

Mr. AUSTIN. I specifically stated that the projects in the State of Vermont did not in themselves involve hydroelectric power development; that, as a matter of fact, our position was hostile to hydroelectric power development on the Connecticut River, and that by our action to prevent the building of the dams we would prevent something far better than power, namely, the stabilization of the water flow of the Connecticut River, on which there are power projects and power institutions.

The Senator understands that the projects contained in the report of the engineers are on tributaries of the Connecticut River wholly within the State of Vermont or within the State of New Hampshire, and are remote from the outlets into the Connecticut River, an interstate river. They do not in themselves involve the production of hydroelectric power.

The much more fundamental concern that we had that the bill should not pass is a matter which relates to the Government itself, and the sentiment of the people. We have shown our disposition to aid the people of Connecticut and Massachusetts by a compact, under the terms of which we would cooperate in protecting them. We have shown them that we are willing to cooperate. The essential thing against which we are trying to guard the State is a trespass upon its rights and upon its land titles, and a seizure of its territory without its consent, for a purpose which is not within the power of Congress.

If I am not taking too much of the Senator's time, let me make this comment so that he may answer. I notice that he has referred to certain authorities, with the principle of which I am familiar. If the Senator will review what I said yesterday he will observe that I take exactly the same position. I said that I regarded the power of eminent domain as an incident of sovereignty. It does not require an act of Congress to give it. An act of Congress cannot give it. It is an incident of sovereignty which is limited by the authority of Congress; and when the Government undertakes to seize title to the land of a private person for a use which is not within the power of Congress under the Constitution, then the act of the Government is beyond the power of Congress. We object to the attempt to create a power which does not exist and which never has been given by the people to the Congress.

Mr. OVERTON. If I follow the able Senator from Vermont, he does not object to the bill upon the ground that the Federal Government may convert any of the dams and reservoirs which may be situated in his State into hydroelectric generating plants.

Mr. AUSTIN. I will say to the Senator that I should object to any such attempt; but that question is not involved.

Mr. OVERTON. It is not involved in the bill.

Mr. AUSTIN. No.

Mr. OVERTON. I understand the Senator's other objection to be that he is opposed to the Federal Government acquiring title to lands, or acquiring easements within the area of a dam or reservoir.

Mr. AUSTIN. I object to the Federal Government acquiring title to the soil of Vermont for a purpose not within the authority of Congress.

Mr. OVERTON. I undertook to answer that objection in the beginning of the debate. I went into it with fair fullness and stated the reasons which actuated the conferees in coming to the conclusion that the amendment adopted by the Senate should remain in the bill. Objection has been made, and I understand the Senator from Massachusetts, whom I do not see present in the Chamber, has made objection becouse power is involved in the bill.

The bill is for flood-control projects. None of the projects which are authorized, with one or two exceptions mentioned in the bill, is to be constructed for power purposes. The projects are to be constructed solely for flood-control purposes. If any of them should be subsequently converted into reservoirs for power purposes, such action would require an enabling act of the Congress, and then the Congress would have the opportunity to pass upon the question and to determine under what circumstances, with what restrictions, and what limitations the Federal Government should undertake to convert any of the dams into hydroelectric generating plants.

Furthermore, Mr. President, when projects are converted into power dams the Federal Government is unable to do anything with reference to the sale or distribution of power until there is an enabling act of the Congress. As I understand it, that situation occurred in the case of Boulder Dam. It was constructed, and the title vested in the United States Government, but the Government could not do anything with the power until an enabling act was passed by the Congress. I think that situation is true with reference to the Denison Dam, which is one of the power dams contained in the bill. Before the Secretary of War or any other representative of the Government can undertake to sell or otherwise dispose of the electric energy generated by the dam, it will be necessary for Congress to pass an act vesting such authority in some agency.

Therefore, Mr. President, to sum up my concluding observations on the bill, the bill is constitutional. Congress has the authority to provide for the exercise of eminent domain for river and harbor or flood control works and improvements, with or without the consent of any private owner, or with or without the consent of any State.

No hydroelectric power is involved in the bill, which is a flood-control bill. The question of power can arise only under subsequent acts of Congress.

TAKING PROFITS OUT OF WAR

Mr. BONE. Mr. President, on April 27 of this year the Veterans of Foreign Wars formally presented to the Congress of the United States a petition containing nearly 4,000,000 names of American citizens, asking that Congress enact legislation to keep America out of war. This great petition was presented in a ceremony on the east front of the Capitol. Upon that occasion the commander in chief of the Veterans of Foreign Wars, Mr. Scott P. Squyres, urged adoption of Senate bill 3912, introduced that day by 27 Senators, with the sponsorship of the Veterans of Foreign Wars.

Mr. President, as a part of my remarks on this occasion, I ask that there be printed in the RECORD an editorial by Barney Yanofsky, editor of Foreign Service, the official organ of the Veterans of Foreign Wars of the United States, in the June issue.

The PRESIDING OFFICER (Mr. DUFFY in the chair). Without objection the editorial will be printed in the RECORD.

The editorial is as follows:

EDITORIAL BY BARNEY YANOFSKY, EDITOR OF FOREIGN SERVICE, OFFICIAL ORGAN OF THE VETERANS OF FOREIGN WARS OF THE UNITED STATES, JUNE 1938

DEPROFITIZE WAR TO PAVE THE WAY TO PEACE

Just as the love of money has been denounced as the root of evil, the lure of profits is universally accepted as a basic cause of war. In recognition of this human weakness, on April 27, 1938, one of the most important bills ever submitted to the Congress of the United States was introduced in the Senate under the sponsorship of the Veterans of Foreign Wars of the United States. This bill, known as S. 3912, a proposed war-profits taxation measure—plus fulfillment of the National Defense Act—will do more to keep America out of war in the future than any other idea that has yet been conceived.

Proposing a plan that is startling in its simplicity, S. 3912 would make every individual not in uniform and every corporation contribute their wartime profits to the United States Government toward financing the costs of war while that war is in progress. On the basis of actual income, every citizen, as well as every business association, would pay their proportionate share of the expense of going to war through the medium of a definitely stipulated income-tax schedule that would become effective upon the declaration of war. Corporations would be required to pay as high as 83 percent of their profits to the Federal Government during the period of war, while individuals would have their income taxes boosted in proportion.

In a few words, S. 3912 simply declares there will be no more wartime profiteers in the United States.

S. 3912 is the Veterans of Foreign Wars answer to the widespread denunciation of pending so-called universal draft proposals—proposals which have been condemned as blueprints for a dictatorship in the United States.

In S. 3912 the V. F. W. spurns the revolutionary idea of placing all of the natural, industrial, commercial, and financial resources of the Nation under the control of one individual—the Chief Executive of the Nation, whoever he may be. In this bill the V. F. W. rejects the theory of Government confiscation of private property, even as a wartime measure. In S. 3912 the V. F. W. proposes to seize only excess profits, and not property.

Should S. 3912 become a law, it is doubtful if this country will ever have the opportunity of witnessing its actual operation. The overhanging threat that there will be no wartime-boom profits will be sufficient in itself as a deterrent to war. Self-seeking groups will never promote the propaganda which excites the clamor for war if they know beforehand Uncle Sam is prepared to take the profits they might otherwise enjoy.

Under S. 3912 the man who works in a munitions factory or in a shipyard—in time of war—will receive no more in proportion for his day's wages than the man who carries a gun. The little-business man as well as the big corporation will discover that profits will be kept at a normal level through the imposition of increased income taxes. Thus the motive for unwarranted price increases for ordinary commodities will be destroyed.

This bill will enable Uncle Sam to draft profits to finance a pay-as-we-fight program. Thus we can hope to avoid the aftermath of increased public debts which have heretofore been saddled upon future generations. Thus we can hope to avert years of economic depressions and widespread unemployment which inevitably follow in the wake of war and the disruption of world markets.

The suspicion that S. 3912 is only an idle dream of utopian dimensions is hardly confirmed by the fact that 27 Members of the United States Senate, representing Democrats, Republicans, Farmer-Laborites, and Progressives, were willing to be recognized as coauthors of this legislation at its very introduction.

With this auspicious beginning, and with no preliminary ballyhoo or fanfare of publicity, it certainly appears that a necessary majority in the Senate should not be difficult to obtain. There is every reason to believe that a majority in the House of Representatives would echo the sentiments of the Senate.

As far as the V. F. W. is concerned, the road ahead is clear. It remains the duty of this organization to acquaint the people of the country with the virtues of S. 3912 and what it will accomplish—not only as a practical peace measure but as a law that will give added strength to the National Defense Act in time of war and help make victory swift and certain.

Mr. BONE. I also ask that there be printed in the RECORD as a part of my remarks a statement by Millard W. Rice, legislative representative of the Veterans' of Foreign Wars, in the June issue of Foreign Service.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

S. 3912. A MEASURE TO OUTLAW PROFITEERING, BY MILLARD W. RICE, LEGISLATIVE REPRESENTATIVE OF THE VETERANS OF FOREIGN WARS, IN THE JUNE ISSUE OF FOREIGN SERVICE

On the same afternoon, April 27, 1938, Americanization Day, that the V. F. W. made its presentation to Congress of nearly 4,000,000 petitions to "Keep American Out of War" (described elsewhere herein), the V. F. W. sponsored bill S. 3912 (a bill to take the profit out of war by steeply graduated income and other taxes in order to provide for the national defense, promote peace, and for other purposes) was introduced in the Senate by 27 Senators—a greater number of joint authors than has ever appeared on any Senate bill, except the cancer clinic bill of 1 year ago, on which all of the 96 Senators appeared as authors.

It is a foregone conclusion that many other Senators would have been glad to join in as joint authors of this significant bill, if it had been feasible to contact more of them.

Those who did become joint authors of S. 3912 are Senators HOMER BONE, BENNETT CHAMP CLARK, GERALD NYE, JAMES P. POPE, ARTHUR VANDENBERG, MATTHEW NEELY, LYNN FRAZIER, ERNEST LUNDEEN, HENRIK SHIPSTEAD, ARTHUR CAPPER, ROBERT LA FOLLETTE, ROBERT REYNOLDS, WILLIAM BULOW, CARL A. HATCH, JOSH LEE, EDWIN C. JOHNSON of Colorado, PAT MCCARRAN, ROBERT BULKLEY, GEORGE BERRY, ELMER THOMAS of Oklahoma, JAMES E. MURRAY, WILLIAM SMATHERS, VIC DONAHEY, RUSH D. HOLT, GUY GILLETTE, H. H. SCHWARTZ, and JAMES H. HUGHES. These authors represent all four political parties in Congress and all shades of economic opinions.

The companion House bill, H. R. 9525, had previously been introduced with V. F. W. sponsorship, by a V. F. W. member, the Honorable MAURY MAVERICK, of Texas.

Before the Ways and Means Committee in the House (where all tax legislation must originate), and before the Finance Committee in the Senate, these companion bills now appear to be scheduled to die in such committees at the close of this session of Congress, without public hearings. It is possible, of course, that such public hearings might still be granted if there were a sufficiently widespread demand for copies of these bills and for hearings concerning same, by letters to their respective Congressmen, on the part of such interested citizens as might be adversely affected by the sacrifices which would inevitably accompany any unwarranted future war.

Rather voluminous in content, the provisions of this proposed legislation, to tax the profits out of war and thus to "pay as you fight," was originally drafted in the special Senate Committee on the Investigation of Munitions, about 3 years ago, by Treasury Department tax experts, economists, and others, as part of a war controls bill. Title I, dealing only with taxes, was lifted out of the six titles of such war controls bill, and introduced as S. 3912.

All questions concerning the control of prices, priorities, finance expansion, labor, conscription of industry, and drafting of manpower are left out of the bill. Authorization to control such matters is, we believe, adequately provided for in the National Defense Act.

The only honest and effective way to take the profit out of war is by steeply graduated personal and corporation taxes—not by any form of fascism, communism, state socialism, or any other regimentism, which it might be practically impossible to discontinue after the termination of war.

This bill is predicated on the policy that the only way by which to approximate an equalization of the profits and burdens of war is, by drastic taxation, to draft nearly all income during wartime, to pay for the expenses and sacrifices necessitated by war.

To do that, as to individuals there would be a normal tax of 10 percent on all incomes above personal exemption of $500 plus $500 for a spouse, plus $100 for each dependent, together with superimposed surtax rates graduated from 10 percent up to 93 percent on surtax net incomes in excess of $20,000.

As to corporations, there would be a tax of 15 percent on net incomes not in excess of 2 percent of their adjusted declared value, 25 percent on net incomes not in excess of 6 percent of their adjusted declared value, and 100 percent on net incomes in excess thereof.

This bill would honestly strive to accomplish what its title indicates—take the profit out of war.

Enactment of such legislation would give advance warning to all concerned that war would mean not only the sacrifice of the lives and bodies of young men but the sacrifices of nearly all profits above that needed to pay for living expenses. Why not? Might not such legislation effectively instill a spirit of actual neutrality in the minds of potential profiteers and p-a-y-trioteers? And knowing that none was to be permitted to profit from war, then, if war should nevertheless come, would not the youth and all ordinary citizens of our land much more enthusiastically respond to the Nation's need for a coordinated effective national defense?

Mr. BONE. I also ask that there be printed in the RECORD as a part of my remarks statements from a number of Senators, in the nature of a symposium, expressing the views of these Senators on Senate bill 3912. The Senators referred to are: The Senator from North Carolina [Mr. REYNOLDS], the Senator from Oklahoma [Mr. LEE], the Senator from Idaho [Mr. POPE], the Senator from Montana [Mr. MURRAY], the Senator from Washington [Mr. BONE], the Senator from Kansas [Mr. CAPPER], the Senator from Michigan [Mr. VANDENBERG], the Senator from Ohio [Mr. DONAHEY], the Senator from North Dakota [Mr. FRAZIER], and the Senator from West Virginia [Mr. HOLT].

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR ROBERT R. REYNOLDS, OF NORTH CAROLINA

For the past few years I have advocated a definite policy that I hope will keep America out of war. In Congress and out of Congress, by Nation-wide radio addresses and addresses before patriotic societies and organizations, I have warned the Nation against any foreign entanglements. I maintain that with the existing unemployment situation here in this country Uncle Sam has sufficient troubles of his own without attempting to meddle in the political affairs of other nations. If by the wave of a magic wand or some mystic power we could stop the frightful conflicts in Europe, thereby restoring peace into a war-torn world, then I say there would be few Americans who would not be willing, yes, gladly, to lend the helping hand.

I am a firm believer that a death blow would be delivered at least to propaganda that leads to war if the profits were taken out of war. If the time comes when this Nation must go to war, if the time ever arrives when our Nation must fight to defend itself from an invading enemy, then Uncle Sam should conscript money as well as men for war purposes. Let us draft the munition makers, as well as soldiers and sailors. Why permit a small clique of manufacturers of war implements to grow fabulously wealthy while millions of our youth forfeit their lives in defense of the Republic? Let the Government draft the owners of factories and their factories in the next war, and the next war will be long delayed in arriving.

Hence, to delay our program for defense might result in attack or invasion of our country. Despite the ravages of war in other parts, America must march on. America will march on, true to its principles and doctrines as set forth by the founding fathers. America must serve as a beacon light for the darkened countries. We must be prepared. Our democracy must survive. Our democracy will survive.

STATEMENT OF SENATOR JOSH LEE, JUNE 14, 1938

One of the final steps that would promote peace by removing the profits from war is the passage of tax laws that would take 100 percent of all war profits. War should be a burden to everyone. Then everyone would oppose war. In the feverish days of the war Americans bent every energy to win that war. It rather shocked our patriotism when we returned from France, where we had served for a dollar a day and a chance to die, and found that 22,000 millionaires had been made off of that war that cost us in blood and money.

We found that the war cost our Government $29,000,000,000. Do you know how much of that went to pay our soldiers, the men who faced death? Only 5 percent.

I was glad to join in sponsoring S. 3912, because it is not only an effective way of capturing all war profits but if enacted would probably be one of the strongest deterrents of war since it would serve notice to the country that the people of the United States intended to equitably distribute the burdens of war. The cost of war should properly be paid out of the profits of war.

STATEMENT OF JAMES P. POPE, OF IDAHO

Peace among nations cannot be obtained through panaceas; nor can the United States stay out of war by proclaiming neutrality. War arises from many causes. Economic factors, racial hatred, religious differences, and the whims of dictators have led to war. Each factor contributing to international conflict must be dealt with, just as the individual problems of a community must be solved before law and order can be obtained. The nature of man and his methods of action constitute a sufficiently high obstacle to peace, let alone permitting to exist a situation encouraging and inducive to war makers.

One of the greatest inducements to armed conflict, in my opinion, is the profit of war, and legislation to remove that destructive remuneration should be one of the first concerns of the Congress. War, perhaps, will occur after its profits are destroyed, but the chance would be tremendously lessened.

As a member of the special committee of the Senate which investigated the manufacture and sale of munitions and implements of war I was convinced that the vast profits of the munitions industry as well as wartime profiteering encourages some short-sighted persons to promote and encourage warfare. While the profit motive is, in many respects, admirable, that phase of it, at least, should be abolished completely and at once.

No just man is entitled to make a fortune from the wholesale slaughter of innocent women and children such as the world is now witnessing in Spain and China. No government can morally countenance the practice.

Those interests advocating war in the past would be much more peaceably inclined if they knew that they could make no money from international ventures in destruction. If a soldier is willing to risk his life for his country, industrialists should at least be willing to work for a reasonable—not exhorbitant—profit.

STATEMENT OF JAMES E. MURRAY ON WAR PROFITS BILL, S. 3912

During recent years it has become generally recognized that the greatest motive for war has been lust for profit. For this reason there has long been a need for national legislation that will effectively curb the profits attainable due to war. During the World War munitions manufacturers accumulated vast fortunes out of war profits—fortunes entirely without foundation but exacted at the expense of humanity. S. 3912 is a bill to take the profit out of war by placing a tax on those profits resulting from war. It is my opinion that the justification of such a tax cannot be questioned. It is only natural that such a meritorious bill has won the support of a vast number of our people. Just a few weeks ago a petition signed by 4,000,000 American citizens supporting this bill was presented to Congress. The bill has the support of the Veterans of Foreign Wars. Those veterans who have actually experienced the horrors of war. We all know that there is no profit in war for the millions of young men that must do the fighting, and certainly there is no justification for the huge profits that accrue to the munitions makers during wartime.

It can be safely said that war propaganda emanates from those that have much to gain in the event of war. Does it not follow that if there is nothing to be gained by war that agitation for war will materially cease?

One need only turn to the cold facts of the last war to find that profits play a major part in any war. It has been conceded by all competent students of the subject that the cost of the last war was 50 percent greater than it should have been.

It is difficult to conceive that anyone would claim that business enterprise should profit at the cost of human misery and even human lives. I am sure that every thoughtful American citizen will agree that this bill merits the full support of Congress as a step toward eliminating war. There can be no doubt but that the enactment of such legislation would do more to advance the cause of peace than any recent act of Congress.

STATEMENT BY SENATOR HOMER T. BONE ON S. 3912, JUNE 4, 1938

S. 3912 is a bill designed to take the profit out of war profiteering. The power of the Government to tax is brought to bear in this bill in such a way that the inordinate profits growing out of wartime activities are taken by the Government and used for the conduct of the war.

During the World War men accumulated great fortunes out of war profits. Such a thing would be utterly impossible if S. 3912 were enacted into law. The profits men made would be diverted into paying for the war instead of passing on to profiteers. The bill not only accomplishes this wholesome and patriotic purpose, but it likewise avoids autocratic Government controls provided in certain types of bills now pending, which have well been designated as "blueprints for fascism."

I do not believe that we cannot prosecute a war successfully unless war profiteers can make and keep millions in what is literally blood money. Certainly the boy in the trenches is as much entitled to get rich out of a war as the man who remains at home and supplies munitions or any other necessary commodity. But the boy in the trenches has no such thought. He serves without thought of money. I share the view of the V. F. W. that the proper way is to permit no man to enrich himself by war profits. I feel sure that when the significance and the high moral purposes of this bill become widely known to the people of America, it will be enacted into law. Four million citizens, in a petition to Congress, have already expressed themselves as determined to fight for these principles.

If the bill becomes law it is my judgment that it will tend greatly to stifle propaganda for war. The lust for war profits is a great force in certain quarters, and we are all familiar with the argument that a war would be a good thing because men could make a lot of money out of it. Such a view is immoral. If the

hopes of men who hold this view were realized, we might be plunged into war by carefully organized propaganda. I share in full measure the views of the most careful students of the subject that a new world war in which we participated might result in fascism if we won—communism if we lost—but in any event it would certainly result in the destruction of democracy in America.

The country should be grateful to the Veterans of Foreign Wars for the great service it is performing in organizing public opinion for this bill and these principles.

STATEMENT OF SENATOR CAPPER ON S. 3912

I am supporting 100 percent the provisions of S. 3912, a bill designed to take the profits out of war by levying steeply graduated income taxes on war profits. I believe such a law is justified, and that it is sound public policy for the Government to take over war profits for the purpose of prosecuting the war.

I am sincerely hopeful that by taking the profits out of war we will remove one of the incentives for war. All of us who went through the World War remember the inordinate profits that went to the munitions industry, and to other industries engaged in the sale of war necessities. We remember the "war millionaires," the fortunes that were made from the suffering and misery and destruction of life and property.

This measure has the backing of the Veterans of Foreign Wars. In fact, I believe it can be stated that the Veterans of Foreign Wars, as an organization, actually sponsored this piece of legislation. Other veterans' organizations are strongly in favor of the principles established in this legislation.

I wish we could proceed on the assumption that the United States would not be engaged in war again in our time. I sincerely hope that we will not be dragged into any war again. I am opposed to war. I shall do everything in my power to prevent our going to war except clearly in self-defense.

But I realize that we must face the future realistically. The time may come when we will have to wage war to protect ourselves and our own interests and people.

On the basis of realism, it is necessary that we be adequately prepared to wage a successful war, when it becomes necessary.

I also believe it is just as necessary that we prepare adequately in advance to take the profits out of war. To enact such legislation in wartime, when everything is subordinated toward winning the war, would be very difficult, perhaps impossible.

The time to enact this worth-while legislation, the time to take the profits out of war by making it plain that war profits will not go to merchants of death and other profiteers, is now, while we are at peace.

This bill, S. 3192, is based on perfectly sound principles. It is good legislation. I consider it necessary legislation. It is part of a program of adequate preparedness for war, and it has my wholehearted support.

STATEMENT BY SENATOR A. H. VANDENBERG ON S. 3912, JUNE 7, 1938

I deeply believe that S. 3912—or its equivalent—is practical patriotism and practical pacifism at one and the same time. If America finds entry into another war to be unavoidable—which God forbid!—this high war-profits tax law will prove to be one of our best soldiers, because it will produce large revenues at the moment of greatest need.

Furthermore, by seeking to have our "next war" fought substantially on a pay-as-you-go basis, we shall avoid a "war boom" and thus in turn we shall save ourselves from the tragedy of a post-war deflation. There are many other reasons—some of them far more important—why S. 3912 or its equivalent should become the law.

I particularly have in mind the inevitable fact that wars are highly profitable to many citizens and many interests. Thus there is bound to be a commercial impulse and a commercial motive which at least deaden our sense of resistance to entry into war in far too great a degree. If we demonetize war—if we take the dollar sign off our battle flags, if we make it plain that our national anthem shall never be played upon cash registers, I think we shall have made a profound contribution to peace and to the avoidance of needless war.

These have been my sentiments ever since I entered the Senate 10 years ago. More than ever, they are my sentiments today. I have always been glad to cooperate with veterans' organizations in this connection and in this quest. I was glad to serve on the first special commission which made the first recommendations to take the profits out of war. I was glad to serve on the subsequent munitions committee which sponsored the second great effort in this laudable direction. I am glad now to join in sponsoring S. 3912 as the third concerted effort toward this essential goal.

UNITED STATES SENATE,
COMMITTEE ON INTERSTATE COMMMERCE,
June 8, 1938.

I am supporting S. 3912 because the American people should profit by their past war experience, and I am in full accord with that old saying: "In time of peace prepare for war"; with the hope that we may never have another war.

VIC DONAHEY.

STATEMENT BY SENATOR LYNN J. FRAZIER ON S. 3912, JUNE 9, 1938

I am strongly of the opinion that taking the profit out of war will go a long way toward the prevention of war, and S. 3912 is a bill to carry out that purpose.

Past experience has proven that profiteering has been a decided stimulus for war and that the propaganda for war was largely spread by those who expected to make profit out of war.

Our Veterans of Foreign Wars are to be complimented upon their determined stand against war profiteering, and I wish them success and hope that they can create sentiment strong enough to enact S. 3912 and thus help to prevent war.

STATEMENT OF SENATOR HOLT ON SENATE BILL 3912

I hope that the United States of America will never again be in war. But, if for some reason, this country would become involved in conflict, let us stop profiteering in its conduct. That is the purpose of Senate bill 3912, introduced by a number of Members of the United States Senate. I am glad to be one of the sponsors.

History records the methods used by those who have reaped "blood money" at the expense of our people. We must devote ourselves to a cause that will prevent the repetition of such tactics. Profiteering in time of war must stop.

However, some legislation whose stated purpose is to take the profit out of war takes democracy out of America. Such legislation must not be passed. We can reach the profiteers without injuring the inalienable constitutional rights of citizens. Take the profit out of war but do it through such legislation as that sponsored by the Veterans of Foreign Wars. In that way the profiteers cannot amass their profits while the boys are fighting for democracy, and when the war is through our democracy will be here as a reward for their patriotism and loyalty.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, announced that the House had agreed to the amendments of the Senate to the bill (H. R. 9801) to provide for the retirement, rank, and pay of Chiefs of Naval Operations, Chiefs of Bureau of the Navy Department, the Judge Advocates General of the Navy, and the Major Generals Commandant of the Marine Corps.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9997) to regulate the distribution, promotion, and retirement of officers of the line of the Navy, and for other purposes.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 5. An act to prohibit the movement in interstate commerce of adulterated and misbranded food, drugs, devices, and cosmetics, and for other purposes;

H. R. 1531. An act extending the classified civil service to include postmasters of the first, second, and third classes, and for other purposes;

H. R. 1872. An act for the relief of Martin Bridges;

H. R. 1948. An act conferring jurisdiction upon the United States District Court for the District of Massachusetts to hear, determine, and render judgment upon the claims of certain property holders within the Old Harbor Village area of Boston, Mass.;

H. R. 2191. An act for the relief of Roberta Carr;

H. R. 2362. An act for the relief of Henry M. Hyer;

H. R. 2665. An act for the relief of W. D. Presley;

H. R. 3610. An act to adjust the salaries of rural letter carriers;

H. R. 5615. An act for the relief of the administrator of the estate of Capt. B. B. Barbee;

H. R. 5743. An act for the relief of Haffenreffer & Co., Inc.;

H. R. 6586. An act to regulate the transportation and sale of natural gas in interstate commerce, and for other purposes;

H. R. 6618. An act for the relief of Miriam Grant;

H. R. 6710. An act conferring jurisdiction upon the United States District Court for the Eastern District of Louisiana to hear, determine, and render judgment upon the claims of Anna Lee Hebert, Mrs. Nicholas Hebert, Mr. and Mrs. Dossie E. Morrell, Mr. and Mrs. C. B. McClure, and W. F. Cobb; and

H. R. 8046. An act to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto; and to repeal section 76 thereof and all acts and parts of acts inconsistent therewith.

PROMOTION, RETIREMENT, ETC., OF OFFICERS OF LINE OF THE NAVY

Mr. WALSH submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9997) to regulate the distribution, promotion, and retirement of officers of the line of the Navy, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 7, 17, 25, 27, 44, and 45.

That the House recede from its disagreement to the amendments of the Senate numbered 2, 3, 4, 5, 6, 8, 10, 11, 12, 13, 14, 15, 16, 18, 19, 20, 21, 22, 23, 24, 26, 28, 29, 30, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, and 46, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment as follows: In lieu of the figure inserted by said amendment insert the following: "5½"; and the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment as follows: In line 4 of said amendment, strike out the following words: "beyond doubt"; and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"(f) Captains, commanders, and lieutenant commanders promoted to those grades by reason of adjudgment as fitted for promotion but not recommended by the report of a selection board, as approved by the President, for retention on the active list shall be retired on the date they are so promoted with the retired pay of the grade from which so promoted: *Provided*, That such officers shall not be retired earlier than 6 months after the date of approval by the President of the report of the selection board in which they were adjudged fitted for promotion."

And the Senate agree to the same.

DAVID I. WALSH,
PETER G. GERRY,
FREDERICK HALE,
Managers on the part of the Senate.

CARL VINSON,
P. H. DREWRY,
MELVIN J. MAAS,
Managers on the part of the House.

The report was agreed to.

AUTHORIZATION OF FLOOD-CONTROL PROJECTS—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10618) entitled "An act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes."

The PRESIDING OFFICER (Mr. HATCH in the chair). The question is on agreeing to the conference report.

Mr. O'MAHONEY obtained the floor.

Mr. GIBSON. Mr. President——

Mr. O'MAHONEY. I yield to the Senator from Vermont.

Mr. GIBSON. Reference has been made several times to the compact among certain New England States in regard to flood control. I ask unanimous consent that the resolution covering the compact be printed at this point in the RECORD in connection with my remarks.

There being no objection the joint resolution (S. J. Res. 177) was ordered to be printed in the RECORD as follows:

Resolved, etc., That the consent of Congress is hereby given to an interstate compact relating to flood control in the Connecticut River Valley, negotiated and entered into under authority of section 4 of the Flood Control Act of 1936 (U. S. C., 1934 ed., Supp. II, title 33, sec. 701d) and ratified by the States of Connecticut, Massachusetts, New Hampshire, and Vermont, which compact reads as follows:

"ARTICLE I

"The principal purposes of this compact are:

"(a) To promote interstate comity among and between the signatory States;

"(b) To provide adequate storage capacity for impounding the waters of the Connecticut River and its tributaries, designed primarily for the protection of life and property from floods;

"(c) To provide a joint or common agency through which the signatory States, while promoting, protecting, and preserving to each the local interest and sovereignty of the respective signatory States, may more effectively cooperate in accomplishing the object of flood control in the basin of the Connecticut River and its tributaries, and, among other things:

"(1) To acquire by lease from the States signatory hereto, or some of them, all lands, easements, and rights-of-way necessary for the construction of the projects herein contemplated, without cost to the United States, except as provided in said act of Congress hereinbefore referred to;

"(2) To hold and save the United States free from damages due to the construction works;

"(3) To maintain and operate all the works herein contemplated after completion in accordance with regulations prescribed by the Secretary of War;

"(4) To accept from the signatory States hereto, and from any other source, contributions of moneys as hereinafter set forth for the purposes herein set forth, including without limiting the same, funds for the acquisition of lands, easements, and rights-of-way, for the payment of damages and for the operation and maintenance of said flood-control reservoirs, and the expenses incidental thereto and to the functions of the Connecticut River Valley Flood Control Commission hereinafter created.

"ARTICLE II

"There is hereby created 'The Connecticut River Valley Flood Control Commission,' hereinafter referred to as the Commission, which shall consist of 12 commissioners, 3 of whom shall be residents of the Commonwealth of Massachusetts; 3 of whom shall be residents of the State of Connecticut; 3 of whom shall be residents of the State of New Hampshire; and 3 of whom shall be residents of the State of Vermont.

"The members of said Commission shall be chosen by their respective States in such manner and for such term as may be fixed and determined from time to time by the law of each of said States respectively by which they are appointed. A commissioner may be removed or suspended from office as provided by the law of the State for which he shall be appointed; and any vacancy occurring in said Commission shall be filled in accordance with the laws of the State wherein such vacancy exists.

"A majority of the members from each State shall constitute a quorum for the transaction of business, the exercise of any powers or the performance of any duties, but no action of the Commission shall be binding unless at least two of the members from each State shall vote in favor thereof.

"The compensation of the members of said Commission shall be fixed, determined, and paid by the State which they respectively represent. All necessary expenses incurred in the performance of their duties shall be paid from the funds of said Commission.

"The Commission shall elect from its members a chairman, vice chairman, clerk, and treasurer. Such treasurer shall furnish to said Commission, at its expense, a bond with corporate surety, to be approved by said Commission, in such amount as said Commission may determine, conditioned for the faithful performance of his duties.

"The Commission shall adopt suitable bylaws, and shall make such rules and regulations as it may deem advisable governing the operation of flood-control projects, not inconsistent with the laws of the signatory States or laws of the United States, and any rules or regulations lawfully promulgated thereunder.

"The Commission shall make an annual report to the governor of each of the signatory States, setting forth in detail the operations and transactions conducted by it pursuant to this compact and any legislation thereunder, which said reports shall be submitted to the respective legislatures.

"The Commission shall keep a record of all its meetings and proceedings, contracts and accounts, and shall maintain a suitable office, where its maps, plans, documents, records, and accounts shall be kept, subject to public inspection at such times and under such regulations as the Commission shall determine.

"ARTICLE III

"The Commission shall constitute a body, both corporate and politic, with full power and authority—

"(1) To acquire by lease and to hold lands, easements, and rights-of-way for reservoirs herein contemplated, and for the use and enjoyment thereof;

"(2) To hold, maintain, and operate reservoirs, including appurtenances, for the purposes of flood control;

"(3) To receive funds and moneys from the signatory States or other sources, for the purpose of acquiring, operating, and maintaining such reservoirs as may hereafter be constructed within the basin of the Connecticut River under the terms of this compact, including, without limiting the same, funds for the acquisition of lands, easements, and rights-of-way, for the payment of damages and for the maintenance and operation of said reservoirs, and the expenses incidental thereto and to the functions of the commission;

"(4) To sue and be sued;

"(5) To have a seal and alter the same at pleasure;

"(6) To appoint and employ such agents and employees as may be required in the proper performance of the duties hereby committed to it, and to fix and determine their qualifications, duties, and compensation;

"(7) To enter into such contracts and agreements, and to do and perform any and all other acts, matters, and things as may be necessary and essential to the full and complete performance of the powers and duties hereby committed to and imposed upon it in connection with the construction, operation, and maintenance

of the system of reservoirs hereby or hereafter authorized and as may be incidental thereto; and

"(8) To have such additional powers and duties as may hereafter be delegated to or imposed upon it from time to time by the action of the legislature of any of said States, concurred in by the legislatures of the other States.

"The Commission shall be charged with the duty, and it is hereby authorized and empowered, to give such assurances, satisfactory to the Secretary of War as are required by section 3 of the act of Congress hereinbefore referred to.

"The Commission shall make, or cause to be made, such studies as it may deem necessary, in cooperation with the War Department, for the development of a comprehensive plan of flood control, as herein defined, and for the efficient management and regulation of said flood-control system, and from time to time shall make reports and recommendations in respect thereto to the signatory States.

"The Commission shall not pledge the credit of the signatory States, or any of them, nor shall it convey, encumber, or in any way undertake to alienate the lands, easements, and rights-of-way so leased to it, as hereinafter provided, or any part thereof, or any interest therein, except by and with the consent of the signatory States.

"ARTICLE IV

"There shall be established in the Connecticut River Basin as an initial plan of flood control 8 of the following 11 proposed reservoirs, to wit:

"(a) Three of the four following reservoirs in the State of Vermont:

"(1) At Victory on the Moose River, controlling a drainage area of approximately 66 square miles, and providing flood-control storage for approximately 7 inches of run-off over said drainage area, the dam at said reservoir to be constructed in such manner as to provide for flood control, and, in addition thereto, to be so designated and constructed as to provide for further development by increasing the storage capacity, the added storage to be used for water conservation or power development at the option of the State of Vermont.

"(2) At Union Village on the Ompompanoosuc River, controlling a drainage area of approximately 136 square miles, and providing flood-control storage for approximately 4½ inches of run-off over said drainage area, the dam at said reservoir to be constructed in such manner as to provide for flood control and also for a recreational lake, to be maintained during the summer months at a substantially constant minimum level, to be fixed by the Chief of Engineers of the United States Army, except when increased temporary storage is required for flood control.

"(3) At North Hartland on the Ottauquechee River, controlling a drainage area of approximately 222 square miles, and providing flood-control storage for approximately 4.1 inches of run-off over said drainage area, the dam at said reservoir to be for flood control purposes only.

"(4) At Groton Pond on the Wells River, controlling a drainage area of approximately 17.3 square miles, and providing flood-control storage for approximately 7 inches of run-off over said drainage area, and the dam at said reservoir to be constructed in such manner as to provide for flood control and also for a recreational lake, the level of the water to be maintained during the summer months at a substantially constant minimum level, to be fixed by the Chief of Engineers of the United States Army, except when increased temporary storage is required for flood control.

"(b) Three reservoirs in the State of New Hampshire as follows:

"(1) At Bethlehem Junction on the Ammonoosuc River, controlling a drainage area of approximately 90 square miles, and providing flood-control storage for approximately 6 inches of run-off over said drainage area, the dam at said reservoir to be constructed in such manner as to provide for flood control and also for a recreational lake to be maintained during the summer months at a substantially constant minimum level, to be fixed by the Chief of Engineers of the United States Army, except when increased temporary storage is required for flood control.

"(2) At Stocker Pond in the towns of Grantham and Springfield, controlling a drainage area of approximately 34.4 square miles, and providing flood-control storage for approximately 6 inches of run-off over said drainage area, the dam at said reservoir to be constructed for flood control, and in addition thereto to be so designed and constructed as to provide for further development by increasing the storage capacity, the added storage to be used for water conservation or power development, at the option of the State of New Hampshire.

"(3) At Surry Mountain on the Ashuelot River, controlling a drainage area of approximately 100 square miles, and providing flood-control storage for approximately 6 inches of run-off over said drainage area, the dam at said reservoir to be constructed in such manner as to provide for flood control, and in addition thereto to be so designed and constructed as to provide for further development by increasing the storage capacity, the added storage to be used for water conservation or power development, at the option of the State of New Hampshire.

"(c) Two of the four following reservoirs in the Commonwealth of Massachusetts:

"(1) At Knightville on the Westfield River, controlling a drainage area of approximately 164 square miles, and providing flood-control storage for approximately 4.5 inches of run-off over said drainage area, the dam at said reservoir to be constructed in such manner as to provide for flood control, and in addition thereto to be so designed and constructed as to provide for the further development by increasing the storage capacity, the added storage to be used for water conservation or power development, at the option of the Commonwealth of Massachusetts; or to be constructed in such manner as to provide for flood control and also for a recreational lake to be maintained during the summer months at a substantially constant minimum level, to be fixed by the Chief of Engineers of the United States Army, except when increased temporary storage is required for flood control, as said Commonwealth of Massachusetts may elect.

"(2) At Tully on the Tully Brook, a tributary of Millers River, controlling a drainage area of approximately 50 square miles, and providing flood-control storage for approximately 8 inches of run-off over said drainage area, the dam at said reservoir to be constructed in such manner as to provide for flood control, and in addition thereto to be so designed and constructed as to provide for further development by increasing the storage capacity, the added storage to be used for water conservation or power development, at the option of the Commonwealth of Massachusetts; or to be constructed in such manner as to provide for flood control and also for a recreational lake to be maintained during the summer months at a substantially constant minimum level, to be fixed by the Chief of Engineers of the United States Army, except when increased temporary storage is required for flood control, as said Commonwealth of Massachusetts may elect.

"(3) At Priest Pond on Priest Brook, a tributary of Millers River, controlling a drainage area of approximately 18.8 square miles, and providing flood-control storage for approximately 6 inches of run-off over said drainage area, the dam at said reservoir to be constructed in such manner as to provide for flood control, and in addition thereto to be so designed and constructed as to provide for further development by increasing the storage capacity, the added storage to be used for water conservation or power development, at the option of the Commonwealth of Massachusetts; or to be constructed in such manner as to provide for flood control, and also for a recreational lake to be maintained during the summer months, at a substantially constant minimum level, to be fixed by the Chief of Engineers of the United States Army, except when increased temporary storage is required for flood control, as said Commonwealth of Massachusetts may elect.

"(4) At Lower Naukeag on the Millers River, controlling a drainage area of approximately 19.7 square miles, and providing flood-control storage for approximately 5.1 inches of run-off over said drainage area, the dam at said reservoir to be constructed in such manner as to provide for flood control and also for a recreational lake, to be maintained during the summer months at a substantially constant minimum level, to be fixed by the Chief of Engineers of the United States Army, except when increased temporary storage is required for flood control.

"The type and general plans for the construction of the eight reservoirs herein provided to be constructed as an initial plan of flood control on the Connecticut River Basin are to be approved by the Connecticut River Valley Flood Control Commission, hereinbefore created, before any construction work thereon is begun or prosecuted.

"Insofar as any of the foregoing reservoirs may be constructed for the combined purpose of flood control and recreational facilities, none of the signatory States wherein such reservoirs are located shall be obligated to pay any additional cost of construction.

"ARTICLE V

"To the end that the Connecticut River Valley Flood Control Commission may give to the Secretary of War the assurances required under section 3 of the act of Congress hereinbefore referred to, and that the lands, easements, and rights-of-way necessary for the construction by the United States of the reservoirs and structures thereon, herein contemplated, may be provided, each State at the request of said commission shall proceed forthwith to acquire title to and possession of the lands, easements, and rights-of-way within its territorial limits, which are determined and designated by the commission for the construction of such reservoir or reservoirs.

"Such acquisition shall be by purchase or by the exercise of the right of eminent domain, as said commission may direct, and in the manner now or hereafter provided for by the laws of the States wherein such lands, easements, and rights-of-way are located. Title to such lands, easements, and rights-of-way shall be taken in the name of the State wherein the same are located. The cost of acquisition, as hereinafter defined, shall be borne by said commission and paid from and out of the funds contributed by the signatory States for such purpose, as hereinafter provided.

"Each State, upon notice from and at the sole expense of said commission, shall forthwith proceed to make, or cause to be made, such highway relocations, including the acquisition of all necessary rights-of-way therefor, and the construction of such relocated highway, as may become necessary therein because of the construction, operation, and maintenance of any reservoir or reservoirs for flood-control purposes: *Provided, however*, That due allowance shall be made on account of any improved type of construction of such relocated highway. The character, location, route, and construction of such relocated highways shall be determined by the State wherein such relocated highway is situated, or by its representatives.

"In like manner, such State, at the expense of the Commission, and upon its request, shall procure the relocation of any railroad, electric transmission, telephone or telegraph lines, or other public

utility structures, including new rights-of-way therefor as may be essential on account of the construction, operation, and maintenance of such reservoir for flood-control purposes.

"ARTICLE VI

"The Commission shall have the States in which such reservoirs are located free and harmless from all loss, cost, damage, or expense in connection with the control, operation, and maintenance of such reservoir or reservoirs, except as hereinafter provided in articles IX and XI.

"The Commission or the War Department in the construction and maintenance of such reservoir or reservoirs shall cause the area which may be flowed thereby when full, to be cleared of buildings and all such trees, brush, and underbrush as from time to time may be damaged or killed by such flowage; shall cause borrow pits or banks, other excavations or unused accumulations of material and debris, to be leveled, graded, masked, removed, or otherwise disposed of in such a way as to leave no holes or other unsightly conditions therein; and shall cause all water pockets to be properly drained and the premises affected by such flowage to be landscaped in such manner as may reasonably preserve the natural condition of such premises before such construction, except as the same necessarily may be changed thereby.

"The lands, easements, and rights-of-way leased shall be exempt from all taxation but the said Commission shall make payments on or before the first day of October of each year to each town in which such lands, easements, and rights-of-way, respectively, are located, of a sum equal to the taxes which would have been assessed against the said lands, easements, and rights-of-way in such town if the same had been included in the list of taxable property for such year, at the assessed valuation of the same as determined for the tax year 1936: *Provided, however,* That no payments shall be made or required hereunder on account of reimbursement for loss of taxes on any structure which may be erected on such premises in connection with the construction or use of said project, or on account of any railroad or other public utility which may be relocated under the terms of this compact, and which is included in the list of taxable property in said town when relocated.

"When said lands, easements, and rights-of-way essential to the construction of any dam or reservoir shall have been acquired as hereinbefore provided, the State wherein the same are located, shall make, execute, and deliver to said Commission a good and sufficient lease of the same, to include the structures thereon when completed and accepted by the State, except as hereinafter provided, upon the terms and conditions following, to wit:

"(a) The said Commission shall save the State in which said reservoirs are respectively located, free and harmless from all loss, cost, damage, or expense in connection with the control, operation, and maintenance of said reservoir or reservoirs except as hereinafter provided in articles IX and XI.

"(b) In the construction and maintenance of such reservoir or reservoirs, the area which may be flowed thereby, when full, shall be cleared of buildings and of such trees, brush, and underbrush, as from time to time may be damaged or killed by such flowage; borrow pits or banks, other excavations, or unused accumulations of material and debris, shall be leveled, graded, masked, removed, or otherwise disposed of in such a way as to leave no holes or other unsightly conditions therein; all water pockets shall be properly drained; and the premises affected by such flowage shall be landscaped in such manner as may reasonably preserve the natural condition of such premises before such construction, except as the same necessarily may be changed thereby.

"(c) The lands, easements, and rights-of-way hereby leased shall be exempt from all taxation; but the said Commission shall make payments on or before the 1st day of October of each year to each town in which such lands, easements, and rights-of-way, respectively, are located, of a sum equal to the taxes which would have been assessed against the said lands, easements, and rights-of-way in such town if the same had been included in the list of taxable property for such year, at the assessed valuation of the same as determined for the tax year 1936. *Provided, however,* That no payment shall be made or required hereinunder on account of reimbursement for loss of taxes on any structure which may be erected on such premises in connection with the construction or use of said project; or on account of any railroad or other public utility which may be relocated under the terms of this agreement, and which thereafter is included in the list of taxable property in said town when relocated.

"(d) The lands, easements, and rights-of-way herein described, are leased and demised solely for the purpose of flood control, and for no other purpose, and the said lessor hereby excepts from this lease and reserves unto itself all benefit or advantage of water conservation, power storage, or power development, that may be inherent in such reservoir site, with the right, at such time as it may determine, and upon compliance with the requirements of the United States respecting the adjustment and payment of any added construction cost by reason of the type of construction adapted for that purpose, and the assumption and payment of the cost of acquiring any additional lands, easements, and rights-of-way necessitated by such additional development, and the full preservation of the principal purpose of flood control, to develop the same in such manner and for such purpose as may be essential to the full beneficial use thereof.

"(e) The term of said lease shall be for the period of 999 years, subject only to be defeated by a breach of the terms or the conditions in this article set forth.

"ARTICLE VII

"The cost of acquisition of lands, easements, and rights-of-way, as used or referred to herein, shall be deemed to include the cost of:

"(1) The purchase or condemnation of lands, easements, and rights-of-way of every kind and nature required or essential in the construction, development, operation, and maintenance of such reservoirs as an effective agency for flood control, and including, among other things, camp sites, borrow banks or pits, rock ledges, gravel deposits and rights-of-way thereto in the vicinity of the dam necessary for the construction and maintenance thereof. Such camps are to be removed and the sites thoroughly cleaned up at no cost to the States or Commission before being relinquished by the United States upon the completion of the construction work;

"(2) The reconstruction, relocation, or elevation of public highways, including bridges or other structures;

"(3) The reconstruction or relocation of public service utilities, including railroads and the alteration of bridges and structures thereon, whether publicly or privately owned;

"(4) The reconstruction or relocation of telegraph, telephone, or electric light or power distribution and transmission lines, pipe lines, aqueducts, water or gas mains; and

"(5) Any other damages, expenses or costs that may be necessitated or incurred in procuring and providing the sites necessary for the construction of the reservoirs herein contemplated, including the cost and expense of acquiring such lands, easements, and rights-of-way and procuring the reconstruction or relocation of the highways, bridges, railroads, telephone, telegraph and electric lines, pipes, aqueducts, and mains above mentioned, or the rights-of-way for the same, or any other similar expenditures.

"ARTICLE VIII

"The rights to be acquired and exercised by the Commission are solely for flood-control purposes, and each of the respective signatory States wherein any reservoir may be situated, reserves respectively unto itself all benefit or advantage of water conservation, power storage, or power development that may be inherent in such reservoir site.

"In the event any signatory State may wish to preserve to itself the value of such site for the purposes aforesaid, it may, through an appropriate agency of the State, so notify the United States, through its War Department, before any construction work is commenced hereunder for flood-control purposes, so that the design and construction of the dam at such site may be developed in such manner as to provide for further development as a storage reservoir for the conservation of water, enhancement of stream flow, or power development.

"*Provided, however,* That nothing herein contained shall be deemed to prevent any such State, at its option, at any time hereafter, by itself or through such agency as it may designate, from developing any such reservoir or reservoirs for use for water conservation, power storage, or power development, in order that it may avail itself of the full beneficial use and enjoyment of the rights herein reserved. In such event, such State shall pay or provide for the payment of all costs or expenses necessary for such further development, including adaptation of any existing dam and works to such purpose, in accordance with plans approved by the Secretary of War, and at all times fully preserve the primary purpose of flood control.

"The terms and conditions under which any such signatory State shall make available the rights of water conservation, power storage, or power development herein reserved shall be determined by separate agreement or arrangement between such State and the United States; and the type and general plans for the construction of such of the reservoirs as are herein contemplated to provide for such further development shall be approved by some agency of such State, for that purpose duly authorized, before any construction thereon is begun or prosecuted.

"ARTICLE IX

"In order that an adequate fund may be established and created from which payments for the acquisition of lands, easements, and rights-of-way may be made, the signatory States become bound and each hereby obligates itself to pay to the Commission, the proportion of the cost of acquisition of lands, easements, and rights-of-way respectively set forth below, and subject to the limitations hereinafter provided, as follows:

"(1) The Commonwealth of Massachusetts 50 percent thereof.

"(2) The State of Connecticut 40 percent thereof.

"(3) The State of New Hampshire 5 percent thereof.

"(4) The State of Vermont 5 percent thereof.

"Provided, however, that it is the understanding, intent, and purposes of the parties hereto, that the cost of acquisition of lands, easements, and rights-of-way for eight reservoirs, provided for herein, shall not exceed the sum of $2,700,000 and that the drainage area of the Connecticut River Basin to be controlled thereby shall be approximately $7\frac{61}{100}$ percent thereof; and it is expressly provided that the maximum amount to which each of the signatory States shall be bound or obligated for cost of acquisition of lands, easements, and rights-of-way on account of said eight reservoirs shall not exceed the respective proportions hereinbefore set forth of said sum of $2,700,000.

"The fiscal year shall be deemed to begin on July 1 and end on June 30. Payment by the signatory States of the cost of acquisition shall be made as and when requested by the Commisison on

or after July 1, 1937; provided that not more than one-half of said sum of $2,700,000 shall be required to be paid in any fiscal year after said date.

"ARTICLE X

"In the execution of the initial plan of eight reservoirs herein contemplated said Commission, with the approval of the Secretary of War, shall determine the order in which the construction work of the same shall be commenced and prosecuted, except that it is hereby declared to be the intent and purpose of the signatory States that construction work shall be first begun on one reservoir project located in the Commonwealth of Massachusetts and upon one reservoir project located respectively in each of the States of New Hampshire and Vermont before further construction work is begun on any other reservoir.

"The initial plan for the construction of eight reservoirs herein mentioned and provided for is part of a long-range comprehensive program for flood control on the Connecticut River and its tributaries, the object and purpose of the signatory States being to enlarge and expand such flood-control projects to an ultimate control, including the reservoirs hereinabove mentioned of approximately 21 percent of the drainage area thereof, at a total maximum cost to the signatory States, including the cost herein specified, of not to exceed $10,575,000; and the contributions by the respective signatory States, in the proportions hereinbefore set forth, shall not in any event exceed the total amount above stated.

"In the further development of such comprehensive program, said Commission shall determine from time to time the site, character, location, and extent of such additional reservoirs, subject to the approval of the legislature of the State in which the same may be located.

"ARTICLE XI

"Each of the signatory States shall annually contribute and pay to the Commission the respective proportions of the expense of operation and maintenance of the flood-control reservoirs hereafter constructed under the terms of this agreement, as follows:

"The Commonwealth of Massachusetts, 50 percent thereof;

"The State of Connecticut, 40 percent thereof;

"The State of New Hampshire, 5 percent thereof;

"The State of Vermont, 5 percent thereof;

and each of said States shall make adequate provision for compliance on its part with the provisions of this article, and the same shall be made available as and when required upon the requisition of the Commission.

"As a part of the expense of operation and maintenance of said reservoirs, the Commission shall assume and pay to the respective towns entitled thereto the cost of reimbursement for loss of taxes, as set forth and required in subparagraph (c) in article VI hereof, and shall pay all costs incident to or damages resulting from the operation and maintenance of such flood-control reservoirs, and shall save the United States free and harmless on account thereof, and shall pay all other costs or expenses which may be necessary in the operation and maintenance thereof, including the expenses of the members of said Commission hereinbefore provided to be paid out of the funds of said Commission.

"ARTICLE XII

"Each of the signatory States hereby releases and discharges the others of and from all damages, which may be claimed to result from the obstruction, detention, impounding, storage, release, or diversion of the waters of said Connecticut River and its tributaries, insofar as the same may be in any way affected by the construction, operation, or maintenance of the reservoirs herein contemplated.

"ARTICLE XIII

"This compact shall become operative and effective when approved by the legislatures of each of the signatory States and by the Congress of the United States. Notice of approval shall be given by the Governor of each State to the Governors of the other States and to the President of the United States, and the President of the United States is requested to give notice to the Governors of each of the signatory States of its approval by the Congress of the United States."

SEC. 2. The right to alter, amend, or repeal the provisions of section 1 is hereby expressly reserved.

Mr. O'MAHONEY. Mr. President, I send to the desk a telegram which has just been received by the distinguished junior Senator from Connecticut [Mr. MALONEY] from the Democratic Governor of Connecticut, and ask that that telegram, together with another telegram from Connecticut, also addressed to the junior Senator from Connecticut, be read by the clerk.

Mr. GERRY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Berry	Bulow	Clark
Andrews	Bilbo	Burke	Connally
Ashurst	Bone	Byrd	Copeland
Austin	Borah	Byrnes	Davis
Bailey	Brown, Mich.	Capper	Dieterich
Bankhead	Brown, N. H.	Caraway	Donahey
Barkley	Bulkley	Chavez	Duffy
Ellender	Hitchcock	McNary	Russell
Frazier	Holt	Maloney	Schwartz
George	Hughes	Miller	Schwellenbach
Gerry	Johnson, Calif.	Minton	Sheppard
Gibson	Johnson, Colo.	Murray	Shipstead
Gillette	King	Neely	Thomas, Utah
Glass	La Follette	Norris	Townsend
Green	Lee	O'Mahoney	Truman
Guffey	Lewis	Overton	Tydings
Hale	Lodge	Pepper	Vandenberg
Harrison	Logan	Pittman	Wagner
Hatch	Lonergan	Pope	Walsh
Hayden	Lundeen	Radcliffe	Wheeler
Herring	McGill	Reames	
Hill	McKellar	Reynolds	

The PRESIDING OFFICER. Eighty-six Senators have answered to their names. A quorum is present.

The question is on agreeing to the conference report.

Mr. O'MAHONEY. I hope the clerk will be good enough now to read the telegrams.

The PRESIDING OFFICER. Without objection, the clerk will read as requested.

The legislative clerk read as follows:

HARTFORD, CONN., *June 15, 1938.*

Hon. FRANCIS T. MALONEY,
United States Senate:

Congratulations on the heroic stand you are taking today on the preservation of the rights of the States.

GOV. WILBUR L. CROSS.

HARTFORD, CONN., *June 15, 1938.*

Senator FRANCIS T. MALONEY,
Senate Office Building:

Hartford Times informed us of splendid speech you made on floor of Senate. Governor Cross just sent you wire commending vigorous and heroic position you have taken in preservation of State rights. State compact commission joins with Governor in expressing to you our deep thanks and appreciation.

CHARLES J. MCLAUGHLIN.

PROTECTION TO THE STATES

Mr. O'MAHONEY. Mr. President, may I not now say to the Members of the Senate who have been summoned here by a quorum call that my purpose in raising this question has not been motivated by any desire to defeat this conference report or to delay the adjournment of Congress? I am as willing as is any other Member, since such seems to be the program, that the session shall close, although I recognize that there are many subjects of supreme national importance which remain unsolved and which the Congress might solve if it were to remain in session. But my purpose is not delay. My purpose is to make a serious appeal to Members of this body not to endanger the sovereignty of the States with respect to the matter that is now before the Senate.

Mr. President, it strikes me as being a most pitiful circumstance that Members of the Senate of the United States are seriously considering today passing a bill which will withdraw from the States the protection of the provisions of the act of June 22, 1936, which were intended to preserve the sovereignty of the individual States in the face of the rapidly accelerating movement toward Federal consolidation.

Let me make it clear that I am one of those who believe in the most complete exercise of the Federal authority. I am, for example, one of those who believe that the power of Congress to regulate commerce among the States, granted by section 8 of article I of the Constitution is a complete and plenary power, authorizing the Congress to regulate even those matters which are wholly intrastate if to do so is necessary in order to carry out the fundamental power of regulation of commerce.

My good friend the Senator from Louisiana [Mr. OVERTON] has quoted the Kohl case and other cases to sustain the point of view that the Federal Government has the power of eminent domain. The Senator from Vermont [Mr. AUSTIN] is quite correct in his contention that there is no dispute in that regard. We all agree that the Federal Government has the right of eminent domain whenever necessary to carry out the powers which are granted to the Congress by the Constitution. What the Senator from Louisiana is overlooking is that flood control is not among the specifically enumerated powers of the Congress. The right of the Federal Government to deal with matters of flood control is an implied

power, derived from the general theory, the accepted theory, the principle, I may say, that Congress has complete power over navigable waters.

By legislation enacted from time to time, we have been extending the power to control navigable waters to include, by implication, flood control. Because there was a doubt of the extent to which that implication could be carried, the Congress deemed it necessary to pass the various laws to which the Senator has referred, granting the power of eminent domain under rivers and harbors activities.

That subject is not involved here. My contention is that we are now specifically repealing the provision of the act of 1936 to the effect that the Federal Government may not acquire land within the boundaries of one State for the benefit of another State without the consent of the State within which the land is acquired.

THE ISSUE HAS NOT BEEN MET

No Senator yet has uttered a single word upon the floor of the Senate to defend that repeal. I ask the Senators of the United States, I ask this body, to sustain that fundamental principle of State sovereignty that no State shall be permitted to risk the loss of complete jurisdiction of its lands and waters. Let no Member of this body go back to his people and say that by his vote he reduced the States of the dignity of counties. Are we here representing sovereign, independent States, or are we representing mere dependencies of the Federal power?

The senior Senator from Idaho has called attention to the fact that there is an amendment in this bill which grants a specific exemption to two States with respect to one river and one dam—the States of Oklahoma and Texas. Let me read that provision from page 5 of the conference report:

> The Government of the United States acknowledges the right of the States of Oklahoma and Texas to continue to exercise all existing proprietary or other rights of supervision of and jurisdiction over the waters of all tributaries of Red River within their borders above Denison Dam site.

FORTY-SIX STATES DISREGARDED

Is it not as plain as plain can be that this declaration, that the Government of the United States recognizes and acknowledges the right of the States of Oklahoma and Texas to jurisdiction over the waters of the Red River, is a declaration that without such exemption that jurisdiction would have been impaired? It is against the sacrifice of that jurisdiction that I am today appealing to the Members of the United States Senate. Why should there be an exception for 2 States and the other 46 have their jurisdiction placed in jeopardy?

I am appealing to the Members of this body on behalf of the Rocky Mountain States, wherein prevails the doctrine of "use" with respect to water, not the doctrine of riparian rights; and I am saying to my colleagues upon this floor that if they vote for the conference report in the form in which it has been presented to us they are saying to the States of the arid West, "You are to be reduced from the status of sovereign States to that of mere satrapies of the Federal Government, dependent for your progress, not upon the efforts and energies of your own people, but upon the favors of Washington.

Mr. President, I hope the Senate will reject the conference report, and in expressing that hope I say, without the slightest doubt of the correctness of the statement, that this conference report can be corrected within a half hour and a bill passed that will serve every proper purpose.

SEVERAL SENATORS. Vote!

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. VANDENBERG, Mr. WALSH, Mr. O'MAHONEY, and others asked for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. VANDENBERG (when his name was called). On this question I am paired with the senior Senator from Indiana [Mr. VAN NUYS]. I transfer that pair to the junior Senator from Maine [Mr. WHITE], and will vote. I vote "nay."

The roll call was concluded.

Mr. HALE. My colleague [Mr. WHITE] is necessarily absent. If present and voting on this question, he would vote "nay."

Mr. BARKLEY. The junior Senator from Pennsylvania [Mr. GUFFEY] and the Senator from Florida [Mr. ANDREWS] are unavoidably detained on official business. If present, they would vote "yea."

Mr. FRAZIER. My colleague [Mr. NYE] is absent. If present and voting, he would vote "yea."

Mr. AUSTIN. I announce that the Senator from New Hampshire [Mr. BRIDGES] is paired with the Senator from California [Mr. MCADOO]. If present, the Senator from New Hampshire would vote "nay" on this question, and the Senator from California would vote "yea."

Mr. LEWIS. The Senator from California [Mr. MCADOO], the Senator from New Jersey [Mr. SMATHERS], the Senator from Oklahoma [Mr. THOMAS], and the Senator from Indiana [Mr. VAN NUYS] are detained on important public business. I am advised that if present and voting, these Senators would vote "yea."

The Senator from West Virginia [Mr. HOLT] and the Senator from New Jersey [Mr. MILTON] are unavoidably detained.

The Senator from South Carolina [Mr. SMITH] and the Senator from Nevada [Mr. MCCARRAN] are detained in their respective States on public business.

The result was announced—yeas 51, nays 32, as follows:

YEAS—51

Adams	Dieterich	Lewis	Pittman
Bankhead	Ellender	Logan	Pope
Barkley	Frazier	Lundeen	Radcliffe
Bilbo	Green	McGill	Reames
Bone	Harrison	McKellar	Reynolds
Brown, Mich.	Hayden	McNary	Russell
Brown, N. H.	Herring	Miller	Schwellenbach
Bulkley	Hill	Minton	Sheppard
Byrnes	Hitchcock	Murray	Shipstead
Capper	Hughes	Neely	Truman
Caraway	Johnson, Colo.	Norris	Wagner
Clark	La Follette	Overton	Wheeler
Connally	Lee	Pepper	

NAYS—32

Ashurst	Chavez	Gillette	Maloney
Austin	Copeland	Glass	O'Mahoney
Bailey	Davis	Hale	Schwartz
Berry	Donahey	Hatch	Thomas, Utah
Borah	Duffy	Johnson, Calif.	Townsend
Bulow	George	King	Tydings
Burke	Gerry	Lodge	Vandenberg
Byrd	Gibson	Lonergan	Walsh

NOT VOTING—13

Andrews	McAdoo	Nye	Thomas, Okla.
Bridges	McCarran	Smathers	Van Nuys
Guffey	Milton	Smith	White
Holt			

So the conference report was agreed to.

JAMES J. HOGAN

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 2505) for the relief of James J. Hogan, which were, on page 1, line 5, to strike out all after "Treasury" down to and including "Corps" in line 6, and insert "not otherwise appropriated"; on page 1, line 7, to strike out all after "of" down to and including "be" in line 8 and insert "$380"; and on page 1, line 9, to strike out "for damages sustained by the said James J. Hogan."

Mr. BARKLEY. On behalf of the Senator from New Jersey [Mr. SMATHERS], I move that the Senate concur in the amendments of the House.

The motion was agreed to.

OSAGE INDIANS OF OKLAHOMA

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 4036) relating to the tribal and individual affairs of the Osage

Indians of Oklahoma, which was to strike out all after the enacting clause and insert:

That hereafter the Secretary of the Interior shall cause to be paid to each adult member of the Osage Tribe of Indians not having a certificate of competency his or her pro rata share, either as a member of the tribe or heir or devisee of a deceased member, of the interest on trust funds, the bonus received from the sale of oil or gas leases, and the royalties therefrom received during each fiscal quarter, not to exceed $1,000 per quarter; and if such adult member has a legal guardian, his current income not to exceed $1,000 per quarter may be paid to such legal guardian in the discretion of the Secretary of the Interior: *Provided*, That when an adult restricted Indian has surplus funds in excess of $10,000 there shall be paid such Indian sufficient funds from his accumulated surplus in addition to his current income to aggregate $1,000 quarterly; but in the event of any adult restricted Indian has surplus funds of less than $10,000, such Indian shall receive quarterly only his current income not to exceed $1,000 per quarter: *Provided further*, That the Secretary of the Interior is hereby authorized to and may in his discretion pay out of any money heretofore accrued or hereafter accruing to the credit of any person of Osage Indian blood who does not have a certificate of competency or who is one-half or more Osage Indian blood, all of said person's taxes of every kind and character, for which said person is now or hereafter may be liable, before paying to or for such person any funds as required by law: *And provided further*, That upon application and consent of any restricted Osage Indian the Secretary of the Interior may cause payment to be made of additional funds from the accumulated surplus to the credit of any Osage Indian under such rules and regulations as he may prescribe. Rentals due such adult members from their lands and their minor children's lands and all income from such adults' investments, including interest on deposits to their credit, shall be paid to them in addition to the current allowances above provided.

Whenever minor members of the Osage Tribe of Indians have funds or property subject to the control or supervision of the Secretary of the Interior, the said Secretary may in his discretion pay or cause to be paid to the parents, legal guardian, or any person, school, or institution having actual custody of such minors, such amounts out of the income or funds of the said minors as he deems necessary, and when such a minor is 18 years of age or over, the Secretary of the Interior may in his discretion cause disbursement of funds for support and maintenance or other specific purposes to be made direct to such minor.

SEC. 2. There is authorized to be appropriated from funds on deposit to the credit of the Osage Tribe of Indians not to exceed $10,000 annually to pay per diems to, and traveling expenses of, the members of the Osage Tribal Council in making necessary trips to the city of Washington and other places in connection with Osage tribal affairs. Expenditures from appropriations made pursuant to this authorization shall be in accordance with rules and regulations to be prescribed by the Secretary of the Interior.

SEC. 3. That section 1 of the act of Congress of March 2, 1929 (45 Stat. L. 1478), relating to the Osage Indians of Oklahoma, be, and the same is hereby, amended to read as follows:

"That all that part of the act of June 28, 1906 (34 Stat. L. 539), entitled 'An act for the division of the lands and funds of the Osage Indians in Oklahoma, and for other purposes,' which reserves to the Osage Tribe the oil, gas, coal, or other minerals, covered by the lands for the selection and division of which provision is made in that act is hereby amended so that the oil, gas, coal, or other minerals, covered by said lands are reserved to the Osage Tribe, until the 8th day of April, 1983, unless otherwise provided by act of Congress, and all royalties and bonuses arising therefrom shall belong to the Osage Tribe of Indians, and shall be disbursed to members of the Osage Tribe or their heirs or assigns as now provided by law, after reserving such amounts as are now or may hereafter be authorized by Congress for specific purposes.

"The lands, moneys, and other properties now or hereafter held in trust or under the supervision of the United States for the Osage Tribe of Indians, the members thereof, or their heirs and assigns, shall continue subject to such trusts and supervision until January 1, 1984, unless otherwise provided by act of Congress.

"The Secretary of the Interior and the Osage Tribal Council are hereby authorized and directed to offer for lease for oil, gas, and other mining purposes any unleased portion of said land in such quantities and at such times as may be deemed for the best interest of the Osage Tribe of Indians: *Provided*, That not less than 25,000 acres shall be offered for lease for oil- and gas-mining purposes during any one year: *Provided further*, That as to all lands hereafter leased, the regulations governing same and the leases issued thereon shall contain appropriate provisions for the conservation of the natural gas for its economic use, to the end that the highest percentage of ultimate recovery of both oil and gas may be secured: *Provided, however*, That nothing herein contained shall be construed as affecting any valid existing lease for oil or gas or other minerals, but all such leases shall continue as long as gas, oil, or other minerals are found in paying quantities.

"Homestead allotments of Osage Indians not having a certificate of competency shall remain exempt from taxation while the title remains in the original allottee of one-half or more of Osage Indian blood and in his unallotted heirs or devisees of one-half or more of Osage Indian blood until January 1, 1984: *Provided*, That the tax-exempt land of any such Indian allottee, heir, or devisee shall not at any time exceed 160 acres."

Mr. CHAVEZ. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

WILLIAM R. KELLOGG—CONFERENCE REPORT

Mr. BAILEY submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 371) entitled "An act for the relief of William R. Kellogg" having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendments of the House, and agree to the same.

M. M. LOGAN,
ARTHUR CAPPER,
JOSIAH W. BAILEY,
Managers on the part of the Senate.

AMBROSE J. KENNEDY,
ROBERT RAMSPECK,
FRANK CARLSON,
Managers on the part of the House.

The report was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Chaffee, one of its reading clerks, announced that the House had passed without amendment the following bills of the Senate:

S. 1294. An act to amend the act entitled "An act to authorize the President to provide housing for war needs," approved May 16, 1918, as amended;

S. 2163. An act to authorize the deposit and investment of Indian funds;

S. 3337. An act to amend section 2 of the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1919, and for other purposes," approved July 1, 1918, to increase the authorized percentage of privates, first-class, in the Marine Corps from 25 to 40 percent of the whole number of privates;

S. 3548. An act to amend section 9 of the Civil Service Retirement Act, approved May 29, 1930, as amended;

S. 3774. An act to authorize cooperation between the United States and the State of New York in the protection of the public interest and welfare inherent in certain forest lands in said State through provision for the acquisition and management of said lands;

S. 4007. An act authorizing the county of Lawrence, Ky., to construct, maintain, and operate a free highway bridge across the Big Sandy River at or near Louisa, Ky.;

S. 4011. An act to extend the time for completing the construction of a bridge across the Mississippi River at or near a point between Cherokee and Osage Streets, St. Louis, Mo.;

S. 4069. An act to authorize the Secretary of War to lend certain property to the reunion committee of the United Confederate Veterans to be used at their annual encampment to be held at Columbia, S. C., from August 30 to September 2, 1938;

S. 4070. An act to authorize the attendance of the Marine Band at the United Confederate Veterans' 1938 Reunion at Columbia, S. C., from August 30 to September 2, 1938, both dates inclusive; and

S. 4132. An act limiting the hours of labor of certain officers and seamen on certain vessels navigating the Great Lakes and adjacent waters.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 10024) to establish the Olympic National Park, in the State of Washington, and for other purposes, asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. DEROUEN, Mr. ROBERTSON, Mr. HILL,

Mr. ENGLEBRIGHT, and Mr. CRAWFORD were appointed managers on the part of the House at the conference.

The message further announced that the House had insisted upon its amendments to Senate amendments numbered 72, 74, 75, and 76 to the joint resolution (H. J. Res. 679) making appropriations for work relief, relief, and otherwise to increase employment by providing loans and grants for public-works projects, disagreed to by the Senate; agreed to the further conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. TAYLOR of Colorado; Mr. WOODRUM, Mr. BOYLAN of New York; Mr. CANNON of Missouri; Mr. LUDLOW, Mr. SNYDER of Pennsylvania, Mr. TABER, Mr. BACON, and Mr. WIGGLESWORTH were appointed managers on the part of the House at the further conference.

The message also announced that the House had severally agreed to the amendments of the Senate to each of the following bills and joint resolution of the House:

H. R. 3162. An act conferring jurisdiction upon the United States Court of Claims to hear, examine, adjudicate, and render judgment on any and all claims which the Uncompahgre (Tabegauche), Uintah (Uinta), and White River (Yampa and Grand River) Bands of the Ute Indians may have against the United States, and for other purposes;

H. R. 4571. An act for the relief of the widow and children of James Patrick Mahar;

H. R. 5379. An act for the relief of Mrs. B. E. Hennigan and her dependent minor children;

H. R. 5690. An act to amend the Longshoremen's and Harbor Workers' Compensation Act;

H. R. 7844. An act to amend the act of Congress entitled "An act to establish an Alaska Game Commission, to protect game animals, land fur-bearing animals, and birds in Alaska, and for other purposes," approved January 13, 1925, as amended; and

H. J. Res. 699. Joint resolution to amend sections 101, 102, 103, 104, and 859 of the Revised Statutes of the United States relating to congressional investigations.

The message further announced that the House had agreed to the amendment of the Senate to the bill (H. R. 10432) to amend an act approved June 14, 1906 (34 Stat. 263), entitled "An act to prevent aliens from fishing in the waters of Alaska."

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 1995) to add certain lands on the island of Hawaii to the Hawaii National Park, and for other purposes.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 9721) authorizing the disbursement of funds appropriated for compensation of help for care of material, animals, armament, and equipment in the hands of the National Guard of the several States, Territories, and the District of Columbia, and for other purposes.

The message also announced that the House had passed a bill (H. R. 10846) to create the office of the Librarian Emeritus of the Library of Congress, in which it requested the concurrence of the Senate.

The message further announced that the House insisted upon its amendments to the bill (S. 662) for the relief of Jeanne Rich, a minor, agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. KENNEDY of Maryland, Mr. EBERHARTER, and Mr. CASE of South Dakota were appointed conferees on the part of the House.

The message also announced that the House had agreed to a concurrent resolution (H. Con. Res. 66), in which it requested the concurrence of the Senate, as follows:

Resolved by the House of Representatives (the Senate concurring), That, notwithstanding any recesses of the Senate or House of Representatives or the adjournment of the third session of the Seventy-fifth Congress, the President of the Senate and the Speaker of the House of Representatives be, and they are hereby, authorized to sign any enrolled bills or joint resolutions duly passed by the two Houses and which have been examined by the Committee on Enrolled Bills of each House and found truly enrolled.

SECOND DEFICIENCY APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 10851) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1938, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1938, and June 30, 1939, and for other purposes.

The VICE PRESIDENT. When the Senate began the consideration of the conference report on the flood-control bill, the Senator from Colorado [Mr. ADAMS] had the floor in connection with the deficiency bill, which was taken up by consent of the Senator from Washington [Mr. SCHWELLENBACH], the unfinished business having been temporarily laid aside.

The Chair now recognizes the Senator from Colorado [Mr. ADAMS].

Mr. ADAMS. Mr. President, I offer an amendment to carry out the provisions of an act passed by Congress, and supported by the Budget.

The VICE PRESIDENT. The amendment offered by the Senator from Colorado will be stated.

The CHIEF CLERK. On page 13, after line 7, it is proposed to insert:

ZONING COMMISSION

For salaries and expenses necessary for the administration of the act entitled "An act providing for the zoning of the District of Columbia and the regulation of the location, height, bulk, and uses of buildings and other structures and of the uses of land in the District of Columbia, and for other purposes," approved June —, 1938, fiscal year 1939, $5,690.

The amendment was agreed to.

Mr. RUSSELL. Mr. President, it has been brought to my attention that there is some conflict between the language of the bill as it passed the House on page 88, commencing with line 13, and the Senate amendment adopted yesterday providing for the refund of taxes paid by producers of cotton, tobacco, and potatoes. I therefore move to amend by striking out the language beginning with the word "provided" on line 13, page 88, down to and including the word "refund" on line 25.

The VICE PRESIDENT. The clerk will state the amendment.

The CHIEF CLERK. On page 88, line 13, after the numerals "1937", it is proposed to strike out the following:

Provided, That hereafter no refund shall be allowed of any amount paid or collected as tax under the aforesaid Cotton Act of April 21, 1934, as amended, and Tobacco Act of June 28, 1934, as amended, unless the person who paid such tax shall establish to the satisfaction of the Commissioner of Internal Revenue (a) that he bore the burden of the amount of tax for which refund is claimed, and did not shift it to any other person or (b) if he shifted the burden of such tax to any other person, that he has repaid the tax to the person who bore the burden of the tax, or unless he files with the Commissioner written consent of the person who bore the burden of tax to the allowance of the refund.

The amendment was agreed to.

Mr. BULKLEY. I offer an amendment which I send to the desk.

The VICE PRESIDENT. The clerk will state the amendment.

The CHIEF CLERK. It is proposed to insert at the proper place the following:

To carry out the provisions of the joint resolution (H. J. Res. 620) entitled "Joint resolution for the observance of the celebration of the one hundred and twenty-fifth anniversary of the Battle of Lake Erie", fiscal year 1939, $25,000, to be immediately available.

Mr. BULKLEY. Mr. President, this is to carry out the provisions of a joint resolution which has now passed both branches of Congress, and passed the Senate only night before last.

Mr. BYRNES. No estimate has been made?

Mr. BULKLEY. I do not know about that, but the joint resolution passed the Senate only night before last.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. SHEPPARD. Mr. President, I offer an amendment which I send to the desk.

The VICE PRESIDENT. The clerk will state the amendment.

The CHIEF CLERK. It is proposed to insert at the proper place the following:

Army Medical Library and Museum Building, District of Columbia, as authorized by the act entitled "An act to authorize the Secretary of War to proceed with the construction of certain public works in connection with the War Department in the District of Columbia, $1,250,000.

Mr. SHEPPARD. Mr. President, Congress has passed a law authorizing the construction of this building at a cost of $3,750,000. Last Monday the President transmitted a Budget estimate in which he concurred, and recommended the appropriation of that amount. However, I do not ask for that amount at this time, having ascertained that a substantial start can be made on the building for $1,250,000. I ask the chairman of the committee if he will not agree to accept the amendment.

Mr. ADAMS. Mr. President, I have no right to agree to accept the amendment, but, so far as I am concerned, I think it would be all right to have it adopted and taken to conference, in view of the fact that there is a Budget estimate.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. POPE. Mr. President, I desire to have printed in the RECORD a proposed amendment for an appropriation of $4,000 for the operation and maintenance of a fish hatchery in Shoshone County, Idaho. The proposed amendment is as follows, on page 92, line 2, strike out the period and insert a semicolon and the following:

and not to exceed $4,000 for the operation and maintenance of a fish hatchery in Shoshone County, Idaho, to be donated to the United States by the Shoshone County Sportsmen's Association, of Wallace, county of Shoshone, Idaho.

A most unusual situation exists. The association proposing the amendment raised in the town of Shoshone $25,000 to build and equip this fish hatchery, raising the money from various sources, by 25-cent contributions in the high school, and from others in the town, and offered to donate the hatchery to the Federal Government in the event the Federal Government would appropriate $4,000 for the maintenance and operation of the hatchery.

I have a letter from the Bureau of Fisheries in which it is stated this is a most unusual situation. They recommend very strongly that this action be taken. However, there is no existing law, I have no Budget estimate, and the chairman of the subcommittee having the bill in charge tells me that he feels he would have to object on the ground that it would be legislation. I serve notice, however, that I shall pursue this matter, and next year expect to obtain the necessary appropriation. Therefore I shall not tender the amendment to the Senate, but I desire to have printed a letter from the secretary of the association in Shoshone County in connection with my amendment.

The VICE PRESIDENT. Is there objection?

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

SHOSHONE COUNTY SPORTSMEN'S ASSOCIATION,
Wallace, Idaho, March 7, 1938.

Hon. JAMES P. POPE,
Senate Office Building, Washington, D. C.

DEAR SENATOR POPE: The Shoshone County Sportsmen's Association, Inc., wishes to make an unusual request of you. We would like to have the United States Bureau of Fisheries budget bill amended so that an appropriation of $4,000 additional funds will be available for the sole use of maintaining and operating a fish hatchery in Shoshone County. We of the association are raising a fund of $25,000 to pay for the erection and outfitting of this hatchery. All we ask is that the Federal Government pay for the maintenance. The hatchery will be deeded to the Federal Government upon such assurance that it will be maintained. Usually sportsmen's and civic groups ask for the Government to foot the entire bill. We feel differently, that we should show our interest by financial support of such a project, then call upon the Federal Government to go the rest of the way. We have already purchased and paid in full for 90 acres of ground adjoining the present Shoshone County Park. The site for the hatchery has been approved by Hon. Fred J. Foster, regional director of the United States Bureau of Fisheries, Seattle; David L. Maclay, junior biologist of the United States Forest Service, Mr. Russell, superintendent of the Federal Hatchery of Hagerman, Idaho.

We have had all of the land surveyed and crews are now working there clearing the site. Also on the site is a 7-room house, barns, running water, garage, etc. (all paid for) which can be used for the convenience of the hatchery workers. The fish hatchery site will only require about 5 acres, the balance to be deeded to the United States Forest Service for the purpose of enlarging the Shoshone County Park thereby increasing its present size seven or eight times.

We are now assured of the successful completion of the drive for funds. Two thousand people have already chipped in sums varying 25 cents to $500 apiece. The high-school students of Mullan voted an assessment of 25 cents apiece; the Wallace high school and faculty gave $57; many miners, office workers, etc., voted the amount of 1 day's wage check. And the money is constantly coming in. Within the next 30 days we will have a sufficient amount to undertake the final construction of the hatchery and rearing ponds. The water supply is ample. We had a complete survey of the county made by Russell and Maclay before the site was agreed upon. Their report was unanimously adopted by the association and the program started to raise the funds. To date we have not asked the mining companies to contribute, but we know that the balance of the fund will be paid for by them. However, the contributions have come from so many different sources (from the C. I. O., local chambers of commerce, barbers' unions, Masonic, Elk, Eagles Lodges, women's clubs, Boy Scouts, etc.) that we know that the project will be successful. We have about $10,000 cash raised now, with promises and guarantees of the balance. That is why I have not written before, because I wanted to be sure that the funds would be forthcoming first.

I'm sure that the proposal of increasing the budget appropriation of the United States Bureau of Fisheries by the amount of $4,000 annually to maintain a hatchery bought and paid for by the sportsmen and hundreds of individuals of the community will meet the approval of your colleagues. Already this Congress has done more for the fish and game interests of the country than any or all of the previous Congresses as shown last session by the unanimous vote on the allocation of taxes derived from guns and shells to the United States Biological Survey.

I will send you a list later of the various donors showing the individual amounts subscribed just as soon as it is completed. Also any further information you may desire. The Bureau also has on file a short report by Hon. Fred J. Foster.

The 2,000 members of Shoshone County Sportsmen's Association Inc. (Idaho's largest sportsmen's association), hope that you will accede to their request. We're making a sporting gesture to the Federal Government and we hope that they accept it as showing our good faith in asking for the appropriation.

With best personal wishes to you and the office force.

Respectfully,

DAN MCGRATH, *Secretary.*

Mr. GREEN. Mr. President, I desire to offer an amendment.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. On page 10, line 24, after the figures "$500,000" it is proposed to insert the words "to become available when the design and site are approved by the Committee of Fine Arts."

Mr. ADAMS. Mr. President, I should like to have the Senator from Rhode Island explain just what the consequence of the adoption of the amendment would be, and the purpose of the amendment.

Mr. GREEN. Mr. President, this is an amendment of the provision for a Thomas Jefferson memorial. It would not prevent the erection of a suitable memorial, and it would not affect the amount to be made available for construction. The amendment merely provides that the site and design shall first be approved by the Commission of Fine Arts.

It is extraordinary that there is now such a universal demand for a suitable memorial to Thomas Jefferson; it is a disgrace to this Nation, in my opinion, that for 150 years no appropriate memorial has been erected to him in this capital city. But it would be very unfortunate if, after waiting 150 years, a design or site were approved and work on the

memorial begun when there is such widespread dissatisfaction with the design and selected site as is the case at present.

The statement is made that this design and site have been approved by the Commission of Fine Arts. If that is the case, the adoption of the amendment would have no effect whatever. If, however, that is not the case, it seems to me that that is the very purpose for which the Commission of Fine Arts was created. The language of the act creating the Commission does not make it obligatory to follow its advice, but it does make it obligatory to ask for its advice. The amendment provides that the advice shall be taken, and it seems to me that in the matter of a great memorial such as this it is proper to require the advice of the Commission of Fine Arts to be taken.

If I may use an illustration, an alternative site has been suggested, on the opposite shore of the Potomac, in direct line with the Capitol, the Washington Monument, and the Lincoln Memorial, so that in one straight line would be the Capitol and memorials to those three great Americans, Washington, Lincoln, and Jefferson. The site would be in his own State of Virginia. From it a statute of him would look down upon the capital city, the symbol of the Nation which he helped to create. A design might be chosen which would be not merely a monument to a dead statesman, but a memorial to a great living spirit. I think of Jefferson as a living spirit, still inspiring the people of this great nation, and not as a dead statesman, whose work was done, and whom we should merely commemorate.

For the reasons I have stated it seems to me the amendment is proper.

Mr. KING. Mr. President, I have listened with interest to the statement made by the Senator from Rhode Island [Mr. GREEN]. In my opinion, there is an almost universal demand in the United States for the erection of a suitable memorial commemorating the great achievements of Thomas Jefferson. I think it is conceded that next to Washington he was the outstanding figure in that period which laid the foundations of democratic government.

Jefferson was a great political prophet, and a statesman whose fame will live so long as people love liberty and strive for justice and free government. No monument will do justice to his lofty character and his undying glory. He breathed into charters and statutes the spirit of liberty and justice, and he left behind him a fame which entitles him to the gratitude of all generations. He lighted the fires of liberty, and inspired his contemporaries not only in this but in other lands to struggle to throw off the chains of oppression and to establish democratic governments in which the fullness of liberty might be enjoyed.

The American people, on each recurring anniversary of the promulgation of the Declaration of Independence, meet and read that immortal document and renew their faith in the ideals and concepts to which Jefferson gave life, and pledge anew their devotion to the Constitution of the United States and the principles of liberty and justice.

As I have indicated, the American people believe that the genius of sculptors and artists should be invoked in order that a suitable memorial might be erected to his name. It is not to the credit of our country that so many years have passed without a suitable monument to Jefferson having been erected in the Capital of this Republic. Unfortunately, while his greatness has been recognized by the American people, they have not been sufficiently earnest and loyal to his name, as a result of which many decades have passed without a suitable monument being erected commemorating his life and his great achievements. He symbolizes the spirit of liberty, of justice, of freedom of speech, and of religion, and those lofty ideals which are essential to the reign of the highest form of civilization. He is a true representative of the ideals which establish and maintain liberty and glorify the life of truly great nations. Too long we have awaited for a monument to Jefferson.

Differences of opinion have arisen between groups and individuals, which have delayed the erection of a suitable monument to his name. There have been differences of opinion as to a suitable site upon which the monument was to be erected, and as to the character and form of the monument itself. These differences of opinion have prevented the execution of a duty which rests upon the American people.

Reference was made by the Senator from Rhode Island [Mr. GREEN] to some of the differences of opinion and the obstacles which have delayed the realization of the objective which was sought.

Commissions have been created which had to do with the selection of a suitable site and the preparation of a suitable monument. As indicated there has not been complete harmony among varicus members of committees. The commission appointed to select a site had some differences of opinion but 2 or 3 years ago when a site was selected within the Tidal Basin there was considerable public opposition to the same. There was also some criticism of the type of the memorial. The contention was made by some that it was a mausoleum lacking in spirit and life such as would be in harmony with the spirit and ideals of Jefferson. The Fine Arts Commission, of which Dr. Moore was president, declined to approve of the site and as I recall the memorial, contention was made that the site would affect the beauty of the Tidal Basin, and destroy some of the beautiful trees which were so attractive and unique.

The Park and Planning Commission, of which I happen to be a member, was not satisfied with the site or form of the mausoleum. Further studies have been given to the subject since then, and, as I understand, an agreement has been reached by members of the Commission charged with the duty of selecting the site and providing for the erection of a memorial, and pursuant to such agreement, the measure before us was presented to the House, and a few days ago approved by that body. It is now before the Senate for action.

Frankness compels me to say that I am not entirely satisfied with the site selected or the form of the memorial. Mr. Gilmore, the head of the Fine Arts Commission, who succeeded Dr. Moore upon the latter's resignation, has not approved of the plan embodied in the bill under consideration. The Fine Arts Commission has some responsibility in connection with the approval of the form of the memorial to be erected. The Commission created by statute may decline to accept the views of the Fine Arts Commission. I regret that there is not unanimity between the Fine Arts Commission and the Thomas Jefferson Memorial Commission. While I regret the delay, I cannot help but believe that a further examination of the matter would contribute to a satisfactory solution of the same.

The amendment offered by the Senator from Rhode Island certainly merits our consideration. Indeed I believe that with certain questions still controversial—questions relating to the design of the memorial and the site and the approaches thereto—there should be a reexamination of the matter involved in order that objections voiced from various sources may be further considered with a view to a harmonious adjustment of all differences.

I might add that I have a copy of a letter from Dr. Moore, who for so many years was Chairman of the Fine Arts Commission, expressing disapproval of the memorial plan. I have also received many communications from residents of the District of Columbia, and several from persons residing in nearby States, in which they request that further consideration be given this matter.

I had hoped that all controversies might be settled and that a plan would be presented and adopted that would meet the approval of all.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Rhode Island [Mr. GREEN].

Mr. GLASS. Mr. President, this controversy has extended over a period of 4 or 5 years. The Congress of the United States, at the suggestion of the President of the United States, and upon a report of the Bureau of the Budget, ordered the erection of this memorial to Thomas Jefferson.

A memorial commission was appointed, composed of three Members of the House of Representatives, three Members of the United States Senate, three members appointed by the President who are lineal descendants of Thomas Jefferson, and three members appointed by the Thomas Jefferson Memorial Fund, which purchased his home at Monticello.

Twenty-four meetings were held by the Commission appointed by Congress. I may say incidentally that it was a perfectly nonpartisan Commission, one of the Senate Members being the distinguished minority leader of the Senate [Mr. McNARY], the other two Senators being my friend the Senator from Connecticut [Mr. LONERGAN], and the distinguished Senator from Utah [Mr. THOMAS].

It has been stated in the Senate that Mr. Moore, the chairman of the Fine Arts Commission, was opposed to this proposition. As a matter of fact, the record shows that he was heartily in favor of both the site and of the plan. The architect was the greatest architect of this era, if not the greatest architect this country ever produced, John Russell Pope. He was appointed by Mr. Moore, the chairman of the Commission.

At this point I shall quote the testimony of the chairman of the Thomas Jefferson Memorial Commission, Representative BOYLAN, before the House committee:

> The plan that we have to submit to the committee this morning is one that has been approved by the Commission and by the President; and the President is whole-heartedly, whole-souled for it and has recommended to the Bureau of the Budget that they present a request for an initial appropriation to commence the work.

The total cost authorized was $3,000,000. This appropriation carries but $500,000 of the amount authorized.

The Senator from Utah [Mr. THOMAS], a member of the committee, said:

> I think no one in this day and age can depreciate in the least the value of monuments in reflecting the belief of the American people in democracy. * * *
>
> The type of monument and the place for the monument were subjects that our Commission has considered carefully during the last 3 or 4 years.
>
> There has been no lack of difference of opinion, but we have come to a unanimous understanding in the decision which we have now made. And we come before you asking in a united way that you give consideration to our decision and recognize the propriety of starting at once to carry out the authorization that has been made by Congress.

It is stated that the Fine Arts Commission as now composed is opposed to this monument and to the site. That comes from the fact that Mr. Moore, who was one of the most distinguished men ever to occupy a place on the Fine Arts Commission, resigned; and the New York landscape architect who has succeeded him wants to figure in the picture. Therefore he and some new members of the Commission are undertaking to reverse the action previously taken.

The matter was elaborately discussed in the House of Representatives, and by a vote of 2 to 1 the present design, and the site presented by this Commission, were agreed to.

I do not want to delay the Senate, because I have no idea the Senate is going to subscribe to this suggestion. The alternative proposal of the new Chairman of the Fine Arts Commission was to construct a monument, the estimated cost of which was $14,000,000, as compared to this modest cost of $3,000,000 for the design and the site unanimously agreed upon by the Commission.

I may suggest that with greater propriety one of the senatorial members of the Commission might resist this proposition. I have particularly in mind the distinguished Senator from Utah [Mr. THOMAS], whose cultural accomplishments, I think, would compare very favorably with those of the present Chairman of the Fine Arts Commission, who wants us to build a $14,000,000 monument to Thomas Jefferson.

Mr. President, I think it is an unutterable shame that 150 years should have elapsed without a memorial being erected in the Capital of the Nation to the man who wrote the Declaration of Independence, the very foundation of our national existence.

The proposal to permit the new Fine Arts Commission, the chairman of which has changed his attitude, to determine whether the memorial shall be built means that nothing will be done, because Congress is not going to appropriate $14,000,000 for a monument to anybody at this time.

Therefore, I hope the amendment of the Senator from Rhode Island [Mr. GREEN] will not be adopted.

Mr. THOMAS of Utah. Mr. President, let me say one word in confirmation of what the Senator from Virginia has said.

Our Commission has been meeting for a number of years, and I think I have attended every meeting the Commission has held. A difference of opinion has been expressed in the Commission, both as to the site and as to the form of the monument. The only difference which exists today is a difference as to the form of the monument. The Fine Arts Commission is favorable to the present site, and we have received estimates showing us that our misgivings with respect to the other site which had been selected do not hold for the present site.

The Commission was set up by an act of Congress. The appropriation was authorized by an act of Congress. The Commission has acted in conformity with the spirit of all the planning groups for the city of Washington; and the only real controversy in the whole question is the present controversy over whether the idea of one man that we should have a monument without a top, rather than a monument with a top, should prevail. So far as the Commission is concerned, there is no opposition to the site. There is only an artist's opposition to the form of the monument.

When we consider that the form which the Commission has decided upon is a form in harmony with what Jefferson himself thought to be the very height of beauty in architecture; when we consider that Jefferson is in reality the father of American architecture; and when we remember that Jefferson used this type of design, copied from the Roman Pantheon, not only in his own home, but also for the buildings of the University of Virginia, we find that the design which has been accepted is so completely in harmony with the Jeffersonian principles of architecture, and so in keeping with what would have been his wishes, that it is difficult to understand why anyone should oppose the project.

The opposition arises from the fact that in 1921 a plan was decided upon for the extension of the monumental part of the city of Washington. In that plan it was decided that the monument should be on or near the site which has been selected, but that the monument should be of an open nature, without a top, leaving a view of the Potomac River.

The present monument will in no way cut off the view of the Potomac, because the design of the monument is open all around, and any one will be able to see through it when it is completed. The opposition to the building of the monument, to the site, and to the design is in no sense comparable to the opposition which was displayed at the time the Lincoln Memorial was built. If those of us who look at the Lincoln Memorial today will realize that there were persons who opposed the site, opposed the design, and opposed everything about it, we can see that those who are recommending building the monument in the place selected, and with the type of building selected, will probably receive the approval of future generations.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Rhode Island [Mr. GREEN].

The amendment was rejected.

Mr. COPELAND. Mr. President, I am reoffering an amendment which I offered last night. In the hours which passed in the evening I found that Senators did not know what I was trying to accomplish by my amendment, which involves only $3,600.

There are four messengers, Mr. Madden and three others, who carry the manuscript for the CONGRESSIONAL RECORD to Senators for revision, and finally to the Printing Office. I have talked with more than a majority of the Members of the Senate, and Senators have told me that they did not understand the amendment, and in the confusion did not vote as they would have liked to vote. Now that the opportunity offers, I hope we may give the matter renewed consideration.

Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDENT pro tempore. The amendment offered by the Senator from New York will be stated.

The CHIEF CLERK. It is proposed to insert in the bill, at the proper place, the following:

For payment to William Madden, Preston L. George, William S. Houston, and John Nalley, messengers on night duty during the third session of the Seventy-fifth Congress, $900 each, in all $3,600, to be paid from the appropriation for printing and binding for Congress for the fiscal year 1939.

Mr. COPELAND. Mr. President, this amount has been paid for 21 years. The men have been expecting the money. It is part of their budget. I know that a sufficient number of Senators are interested in these old men to vote the money.

Mr. BYRNES. Mr. President, last evening, when the amendment was offered, the Senator from Colorado [Mr. ADAMS] explained the situation.

The Appropriations Committee would like to please all the employees of the Senate. It is a very disagreeable duty to decline to grant an increase of compensation to everyone who works around the Senate and with whom we come in contact.

The fact is that the men who are assigned to the duties described by the Senator from New York are employees of the Government Printing Office. They are classified. They have certain duties to perform. There are many other men who are civil-service employees and who have the same classification, but who have never been fortunate enough to be assigned to that duty. They have never been given the privilege of coming to the Senate to be of help to the Senate.

Although the men involved are assigned to the Capitol, they are on the rolls of the Government Printing Office. They perform the duty of taking the manuscript for the CONGRESSIONAL RECORD to Senators who wish to revise their remarks. There are other men in the same classification who have worked for the same number of years, and who feel that they are entitled to the same consideration at the hands of the Congress. They feel that if the two or three men who are selected for this duty, which is regarded as a privilege by all the others, are to be given an increase of $900, which is $75 a month, all employees in the same classification should have the same increase in salary, or $75 a month.

The committee was impressed with the thought that we could not select four men, merely because they are assigned to the Capitol and come in contact with Senators, and because they meet us as we leave the Chamber and ask us to give them more money, and give them $75 a month more than other employees in the same classification.

Mr. GERRY. Mr. President, will the Senator yield?

Mr. BYRNES. I yield.

Mr. GERRY. Have these men received this money for 21 years?

Mr. BYRNES. It is not my understanding that all of them have received it. As I understand it, there is one man who has received it for a number of years.

Mr. GERRY. One man has received it for 21 years?

Mr. BYRNES. I do not know for how many years the one man has received it.

Mr. MCKELLAR. Mr. Madden has received it for 21 years. He has been an exceedingly faithful employee, and it seems to me that in every way he is deserving of some consideration at the hands of the Senate.

Mr. BYRNES. I do not think any of these men, who are on the rolls of the Government Printing Office and are assigned to the Capitol for this service during the sessions of Congress, ought to receive $75 a month more than other men who have been in the service for the same length of time. If they are to receive it, we might as well wipe out the Classification Act. The only excuse for paying it is that the men serve the Senators by taking manuscript to their homes.

The PRESIDENT pro tempore. The question is on the amendment offered by the Senator from New York.

Mr. BYRNES. Mr. President, on this question I ask for a division.

The Senate divided.

The PRESIDENT pro tempore. The Chair is informed that on the division the vote is a tie. The Chair casts his vote in favor of the amendment, and the amendment is agreed to.

Mr. BULKLEY. Mr. President, I offer an amendment to the pending bill.

The PRESIDENT pro tempore. The amendment will be stated.

The CHIEF CLERK. On page 8, after line 17, it is proposed to insert the following:

NORTHWEST TERRITORY CELEBRATION COMMISSION

For an additional amount for the expenses of participation of the Government of the United States in the Northwest Territory Celebration Commission, in accordance with Public Resolution No. 101, approved May 31, 1938, fiscal year 1938, $15,000, to remain available until April 15, 1939.

Mr. BULKLEY. Mr. President, this item is supported by a Budget estimate. I trust the Senator from Colorado will accept the amendment.

Mr. ADAMS. Is that the amendment which was submitted awhile ago?

Mr. BULKLEY. No; this is an amendment providing a small appropriation for the Northwest Territory Celebration Commission.

Mr. ADAMS. Did not the Senator present a similar amendment?

Mr. BULKLEY. It was similar, but it was a different amendment. The amendment now offered is not for the same purpose as the other one.

Mr. ADAMS. It proposes to appropriate $15,000.

Mr. BULKLEY. The other proposed an appropriation of $25,000.

Mr. ADAMS. The Senator is coming down.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Ohio [Mr. BULKLEY].

The amendment was agreed to.

Mr. ANDREWS. Mr. President, I offer the amendment which I send to the desk.

The PRESIDENT pro tempore. The amendment will be stated.

The CHIEF CLERK. On page 31, line 14, after the word "expenses", it is proposed to insert the following:

For protecting the sponge fisheries, including employment of inspectors, watchmen, and temporary assistants, hire of boats, rental of office and storage, care of seized sponges and other property, travel, and all other expenses necessary to carry out the provisions of the act of August 15, 1914 (U. S. C., title 16, sec. 781–785), to regulate the sponge fisheries, $5,000.

Mr. ANDREWS. Mr. President, this amendment is authorized under an act of August 15, 1914. About 3 years ago, when the Government cut salaries, even those of Members of Congress, and undertook to reduce the expenditures of the Government, somehow or other provision for this particular service was not carried in the appropriation bill.

It has to do with the sponge industry, and I will make a brief statement which I think will convince the Senate that this service should be restored and salaries be paid to those who are conducting this service.

For a period of approximately 20 years there was stationed at Tarpon Springs, Fla., a representative of the Bureau of Fisheries employed to work with the sponge industry in that locality. The duties of the representative of the Bureau of Fisheries were to inspect the sponges as they were brought in to the docks and enforce the Federal regulation that no sponges smaller than 5½ inches be allowed to enter.

In addition, the inspector worked with the fishermen in helping to develop new sponge beds, but in particular was charged with the legal enforcement of Federal regulations regarding the sizes of the sponges.

About 3 years ago, under the economy program, this position was discontinued, and, since that time, I am informed that millions of sponges have been bootlegged and sold in this country, demoralizing the market to a large extent. There are something like 150 vessels engaged in the sponge fisheries at Tarpon Springs, which has the largest sponge industry on the continent, and furnishes employment to thousands of people.

At the present time there is no effective method of protecting the Federal Government in the purchase of sponges from various distributors. Sponges run in several sizes or types, and contracts are usually made for the types needed by the Procurement Division in Washington and shipped by various wholesalers throughout the country who, in turn, buy them in large lots from the sponge companies in Tarpon Springs.

In my opinion, there is ample need and justification for the reestablishment of this position. I have taken it up with the Commissioner of Fisheries, who is of the same opinion, and states that he will be glad to reestablish the position in the event that funds are made available. As a matter of fact, the position is already established by law, and all that is lacking is a small amount of $5,000 to carry out the law.

As the Senators know, a large portion of the sponges obtained at Tarpon Springs are used by the Navy Department, the War Department, and other departments of the Government in Washington for purposes for which nothing else can well be used.

I am asking the Senate to reestablish the position so that this great industry may be taken care of under the supervision of the United States Government. The amount asked for is small, and I most earnestly request that my amendment be accepted.

Mr. ADAMS. Mr. President, may I ask the Senator how long ago was this service discontinued?

Mr. ANDREWS. About 3 years ago.

Mr. ADAMS. And it has not been operating since then?

Mr. ANDREWS. It has not. We have been trying to have it put into operation, but something has always happened to block our efforts.

Mr. ADAMS. Am I correct in understanding the Senator to say that this service was authorized by an act of 1914—24 years ago?

Mr. ANDREWS. That is correct.

Mr. ADAMS. What is the form of that authorization?

Mr. ANDREWS. It is to carry out the provisions of the act of August 15, 1914.

Mr. ADAMS. That is the clause in the Senator's amendment.

Mr. ANDREWS. No, that is the law under which the service was authorized and under which it was carried on from that time until discontinued.

Mr. ADAMS. There is no Budget estimate for it, is there?

Mr. ANDREWS. There is no more Budget estimate for it than there is a Budget estimate, I suppose, for any other clerk or employee who has been accidentally left off the pay rolls.

Mr. ADAMS. This involves the reestablishment of a department or service of the Government, and there is no Budget estimate for it. It seems to me it should have been submitted to the Bureau of the Budget. Therefore, I hope the amendment will not be adopted.

Mr. ANDREWS. Mr. President, I hope the amendment will be adopted. It is authorized by a statute; it concerns an important industry, and it will only cost $5,000. Certainly we can afford to take care of such an important industry by appropriating that small amount of money.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Florida.

Mr. ANDREWS. I ask for a division.

On a division, the amendment was rejected.

Mr. JOHNSON of Colorado. Mr. President, I offer an amendment.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 81, after line 21, it is proposed to insert the following:

Educational orders: For placing educational orders to familiarize private manufacturing establishments with the production of munitions of war of special or technical design, noncommercial in character, as provided in House bill 6246, $2,000,000.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Colorado [Mr. JOHNSON.]

Mr. JOHNSON of Colorado. Mr. President, a few days ago the House and Senate, by a bill which was passed, authorized an expenditure for "educational orders." The amendment provides for an appropriation to take care of that authorization.

Sometime ago, during the course of the debate in the Senate, the senior Senator from Maryland [Mr. TYDINGS], who is not only a statesman but was a courageous soldier as well, told of a very significant experience he had while in the Army. He said when he joined the Army he happened to be placed in a machine gun division. No machine guns were available for the use of the organization to which the Senator was attached, and so they had to practice with machine guns made of wood. When they reached France and went into the trenches they were finally equipped with French machine guns with which they were not familiar. Naturally, of course, such a condition does not make for efficiency.

In America we have the wealth, we have the manpower, we have the battleships, we have provided for all such things; but we have not sufficient guns, we have not sufficient munitions. Our arsenals, according to the War Department, can only furnish 10 percent of the needed munitions for an army which would be required in a major conflict.

The appropriation proposed by the amendment would enable the War Department to let out contracts to private industries, industrial establishments, for the making of guns and munitions, so that industry would learn how to make these articles, and, in case of war, our Army could be equipped with munitions and implements of war. That is the purpose and objective of the amendment.

Mr. KING. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. KING. Was not an appropriation made adequate to carry out the purpose indicated by the Senator? It seems to me that it is very proper that the War Department should take necessary steps to prepare equipment essential for every activity in war, but with a very large appropriation, more than $550,000,000 for the War Department and practically $2,000,000,000 for the Navy Department, in my judgment, sufficient money has been appropriated to achieve the object the Senator has in mind.

Mr. JOHNSON of Colorado. The War Department, I may say to the Senator, has been trying since the World War to have an authorization of this kind so that they could engage private industry to accept these educational orders, but for years Congress refused to grant them permission. It was granted just the other day in an authorization bill after the War Department appropriation bill had been passed. There is no appropriation in the appropriation bill for the Army for this purpose and the War Department has no funds with which to enter upon this work.

As I have said, the War Department has been trying to get this measure through since the close of the World War, and The Assistant Secretary of War, Col. Louis Johnson, has worked, and his department has worked, for the passage of this authorization. They are very much interested in this appropriation. I hope the amendment will be agreed to.

Mr. HILL. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. HILL. The distinguished and able Senator from Utah [Mr. KING] referred to the appropriations for the War and Navy Departments. It is a fact, is it not, that no money that has heretofore been appropriated may under the law be used for the purpose for which the Senator's amendment would make an appropriation. Is not that true?

Mr. JOHNSON of Colorado. That is correct, because the authorization has only recently been provided by Congress.

Mr. HILL. The authorization bill was unanimously reported by the Senate Committee on Military Affairs, and was passed by this body by unanimous consent. It was unanimously reported by the House Committee on Military Affairs, and passed the House of Representatives by unanimous consent. This deficiency bill is the first appropriation bill to come before this body or before the Congress since the passage of the authorization bill. In other words, this is the first opportunity Congress has had to appropriate or make available any money for these purposes. Is not that true?

Mr. JOHNSON of Colorado. That is a true statement.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Colorado [Mr. JOHNSON].

The amendment was agreed to.

Mr. LONERGAN. Mr. President, I offer the amendment which I send to the desk.

The PRESIDENT pro tempore. The amendment offered by the Senator from Connecticut will be stated.

The CHIEF CLERK. It it proposed to insert, at the proper place in the bill, the following:

For the purpose of paying to the respective persons the respective amounts found by the Court of Claims to be the value of work performed by them, respectively, in excess of 8 hours in each calendar day while employed as engineers, firemen, laborers, and mechanics in the care of public buildings of the United States, elsewhere than in the District of Columbia, as set forth in the following Senate documents, $94,456.20:

(1) Senate documents of the Sixty-first Congress, first session, Nos. 93 and 95;

(2) Senate documents of the Sixty-first Congress, second session, Nos. 234, 236, 263, 264, 265, 313, 262, 260, 232, 231, 243, 311, 230, 228, 239, 251, 308, 267, 312, 257, 233, 249, 250, 253, 259, 269, 235, 229, 237, 255, 266, 309, 310, 268, 238, 252, and 261; and

(3) Senate documents of the Sixty-second Congress, second session, Nos. 535, 532, 524, 527, 528, 534, 541, 500, 521, 515, 517, 533, 519, 506, 537, 512, 498, 538, 525, 504, 503, 507, 501, 530, 543, 539, 499, 523, 497, 505, 536, 514, 540, 516, 529, 546, 509, 518, 544, 508, 545, 513, 520, 531, 547, 526, 542, and 502.

Such respective amounts shall be disbursed by the Secretary of the Treasury and each such payment is to be in full satisfaction of, and receipt of same shall operate in each case as a full and final release and discharge of, their said respective claims for compensation for extra hours of work above the legal day of 8 hours.

Mr. LONERGAN. Mr. President, yesterday I filed a motion that this amendment be considered under suspension of the rule. I now move that the rule be suspended for the purpose of making the amendment in order.

The PRESIDENT pro tempore. The Senator from Connecticut yesterday gave notice of a motion to suspend the rule so that the amendment now offered would not be subject to a point of order.

Mr. ADAMS. Mr. President, I think the Senate should understand the situation before voting on the motion to suspend the rule. In other words, in the absence of a motion to suspend the rule the amendment would be subject to a point of order under subsection 5 of rule XVI, to the effect that private claims may not be received except under the conditions specified in the rule, and that the amendment must specify the terms of the existing law or treaty stipulation, which must be cited on the face of the amendment. It seems to me that if we suspend the rule for the purpose of permitting private claims to be offered as amendments to the appropriation bill, we shall simply be disregarding the rule established for a very good purpose, for the purpose of protecting appropriation bills from private claims.

Mr. LONERGAN. Mr. President, the purpose of this amendment is to effect the payment of findings of the Court of Claims totaling $94,456.20 for extra labor above the legal day of 8 hours performed by laborers and mechanics in public buildings of the United States.

These findings are of the same class as those for laborers and mechanics in navy yards and shore stations paid in the last Congress—Private Act 349 and Private Resolution 7, Seventy-fourth Congress. The navy-yard bill came before the Education and Labor Committee while the Senator from Massachusetts [Mr. WALSH] was chairman. It was approved and passed. A bill was later introduced to provide for the same consideration by Congress for the custodial employees so as to include the remaining findings of the Court of Claims for overtime beyond the legal 8-hour day. However, because of other important legislation before that committee, no action was taken on the bill, S. 3724, which was referred to a subcommittee of the Senate Committee on Education and Labor composed of the Senator from Louisiana [Mr. ELLENDER], the Senator from Massachusetts [Mr. WALSH], and the Senator from Wisconsin [Mr. LA FOLLETTE].

The American Federation of Labor submitted a very strong endorsement of the bill; and in view of the rush of events of the past few days, which have prevented action on it, I was asked to offer the amendment to the deficiency bill.

The obligation of the Government to pay these findings of the Court of Claims is fully set forth in Senate Document 984, Sixty-second Congress, third session, entitled "Statement Relating to Claims for Extra Pay of Mechanics and Laborers in Public Buildings." I have here pages 10 to 12 of that document, following which is a tabulated statement, arranged by States, of the findings of the court, which also appears in the same Senate document. An up-to-date résumé of the history of this legislation will be found in the CONGRESSIONAL RECORD of July 23, 1937, at pages 9769–9772.

Senators will be interested in the fact that 24 States have claimants under this bill.

I ask unanimous consent to have printed in the RECORD, as part of my remarks, the matter to which I have referred.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

There are 87 cases reported by the Court of Claims wherein the court has made a finding for the value of time in excess of 8 hours per day of laborers and mechanics, and other persons performing manual labor, in the public buildings under the Treasury Department. That is, findings are for certain amounts which the court has held are the value, computed at the rate of the regular compensation, for time in excess of 8 hours per day.

THE 8-HOUR LAW OF AUGUST 1, 1892

These claims are based on the 8-hour law of August 1, 1892, which prescribes in mandatory terms that "the service and employment of all laborers and mechanics who are now, or may hereafter be, employed by the Government of the United States * * * is hereby limited and restricted to 8 hours in any 1 calendar day, etc."

Within a few weeks after the passage of this law the Attorney General delivered an opinion, the correctness of which has never been questioned, holding that it applied not merely to laborers and mechanics employed in the construction of public works, but that it applied to all laborers and mechanics employed anywhere by the Government of the United States; that the language of the section referring to the "public works" was a limitation referable only to contractors and subcontractors employing manual labor.

Twenty-five Opinions, Attorney General (465): "The act of August 1, 1892 (27 Stat. 340), applies to 'all laborers and mechanics' that come within its description. It therefore includes persons who are paid by the month or year, as well as those who are paid by the day, if they are laborers and mechanics."

Twenty-five Opinions, Attorney General (445): "If Congress had intended to limit the hours of labor of laborers and mechanics employed by the Government anywhere, or by contractors on all of the public works of the Government of the United States wherever they were undertaken, it would be difficult to find more apt words to accomplish that purpose than those which are used in this act."

DESCRIPTION OF CLAIMANTS

The employees of the Treasury Department on whose behalf the pending claims are made are employed as engineers, firemen, laborers, and several as "firemen-laborers," and "watchmen-firemen." They are persons whose duties require them to render manual labor. They are, therefore, the persons for whose benefit the act of August 1, 1892, provided that their service of employment should be limited to 8 hours. It will be noted that the

language of this act is of itself a restriction which must be read into any contract of employment of manual labor by the Government, and the executive officers of the United States have no power or right to disregard the statute.

There is presented in connection with this memorandum a tabulated statement of the 87 cases, showing with respect to each the name and residence of the claimant, the character of the work, the hours per day, annual salary, the amount allowed by the Court of Claims for extra hours, and the Senate document number in which the report of the Court of Claims is to be found. An examination of these reports as tabulated in this manner shows conclusively the discrimination which has existed to the detriment of the present claimants. This does not, however, show the full extent of this discrimination, because the comparison can only be made between men who are all working extra time, and it must be realized that 95 percent of similar employees work only 8 hours, and receive the same salary as do these claimants.

The record shows that the persons employed as laborers and mechanics in this service were paid as follows: Engineers, $900 per annum; firemen, $720 per annum; laborers, $540 per annum; watchmen-firemen, from $600 to $720 per annum; watchmen-laborers, $600 per annum. The testimony we have referred to herein shows that these salaries were fixed without any knowledge of how much work would be assigned to any one man, or how many hours he would have to work, so that the men who worked more than the 8 hours received no greater pay than those who worked 8 hours or less.

ENGINEERS

There are eight claims of engineers among the cases reported by the Court of Claims. Every one of these engineers received $900 per annum.

One engineer employed at Rochester, N. Y., worked 9½ hours daily.

Three engineers employed at Columbus, Ohio, worked 10 hours daily.

One engineer employed at Cleveland, Ohio, worked 11 hours daily.

One engineer employed at Troy, N. Y., worked 11 hours daily.

One engineer employed at Toledo, Ohio, worked 12 hours daily.

One engineer employed at Peoria, Ill., worked 13 hours daily.

The fact that each one of these men received $900 per annum, that they worked from 1½ to 5 hours longer than the general force of engineers, and that they received the same salary that the others received shows that there has been a discrimination against these claimants. As between the eight claimants, one engineer employed at Rochester worked 9½ hours, while others employed at Cleveland, Troy, New York, Toledo, and Peoria, worked from 11 to 13 hours for the same compensation. This establishes the fact that the statement made by the Court of Claims that the claimants were paid "what their work was worth" means only that they were paid according to the grade of their employment, and not that the amount of work they would have to do was considered.

The character of the testimony in these cases is illustrated by that of Robert Tobin, engineer at Troy, N. Y., which is attached hereto.

FIREMEN

Among these 87 cases there are 11 firemen. The records of the Treasury Department show that the regular rate for firemen throughout the service is $720 per annum, although there are some instances in which men at small buildings have been paid less. This is probably because the duties of the firemen at these buildings are largely those of a laborer at other buildings.

Of the 11 firemen, 10 received $720 per annum and 1 received $600 per annum. Of the 10 firemen who received $720 per annum, 5 worked 12 hours per day. This occurred at La Fayette, Ind.; Portland, Maine; Hartford, Conn.; Des Moines, Iowa; and Newark, N. J. Four worked 11 hours per day at Portsmouth, Ohio; Cleveland, Ohio; Utica, N. Y.; and Quincy, Ill. One at Newark, N. J., worked different hours between 8 and 13.

LABORERS

There were 50 laborers among the claimants, 46 of whom received $540 per annum, and 4 received between $500 and $660. The 1 laborer who received $660 worked only 9 hours per day, while 14 laborers who worked 12 hours per day received $540. The others worked from 9½ to 11½ hours per day.

A comparison of these cases, therefore, without reference to the 95 percent of the men in this service who worked 8 hours per day, shows that the discrimination existed as is claimed, and that the finding of the Court of Claims in paragraph 2 and that these men were paid what the work was worth has no reference whatever to the quantity of the work, but merely as to the quality, and that some men who did twice as much work as others, working 12 and 14 hours per day, received no greater compensation than those who worked 8 hours and less.

A tabulated statement, arranged by States, referred to by the American Federation of Labor, which shows the sums due each individual under provisions of the proposed amendment follows:

ALABAMA

1. Joseph A. Decatur, Mobile (S. Doc. 535, 62d Cong., 2d sess.)	$2,644.50

ARKANSAS

2. Peter Jarrett, Texarkana (S. Doc. 234, 61st Cong., 2d sess.)	1,462.35
3. Perry McCarty, Texarkana (S. Doc. 532, 62d Cong., 2d sess.)	65.97

CALIFORNIA

4. John D. Cash, Stockton (S. Doc. 236, 61st Cong., 2d sess.)	$91.31
5. Joseph A. Workings, Stockton (S. Doc. 263, 61st Cong., 2d sess.)	165.20

CONNECTICUT

6. William F. Burns, Hartford (S. Doc. 528, 62d Cong., 2d sess.)	932.25
7. Fred H. Collins, Hartford (S. Doc. 541, 62d Cong., 2d sess.)	300.65
8. John J. O'Neil, Hartford (S. Doc. 527, 62d Cong., 2d sess.)	4,950.00
9. Archie E. Galpin, Bridgeport (S. Doc. 265, 61st Cong., 2d sess.)	109.50
10. James B. Garrison, Bridgeport (S. Doc. 264, 61st Cong., 2d sess.)	218.81
11. William G. Goven, Hartford (S. Doc. 534, 62d Cong., 2d sess.)	1,576.00
12. Joseph M. Mohr, Hartford (S. Doc. 524, 62d Cong., 2d sess.)	1,088.50
13. Erwin R. Wadhams, Torrington (S. Doc. 313, 61st Cong., 2d sess.)	391.16

FLORIDA

14. Forest Crocket, Jacksonville (S. Doc. 521, 62d Cong., 2d sess.)	230.06
15. Nelson F. English, Key West (S. Doc. 515, 61st Cong., 2d sess.)	124.50
16. John W. Graham, Jacksonville (S. Doc. 500, 62d Cong., 2d sess.)	168.85
17. Albert A. Lewis, Key West (S. Doc. 262, 61st Cong., 2d sess.)	735.00
18. Dennis Kelly, Key West (S. Doc. 517, 62d Cong., 2d sess.)	918.00
19. Joseph M. Taylor, Key West (S. Doc. 533, 62d Cong., 2d sess.)	2,300.50

GEORGIA

20. Moses Molette, Brunswick (S. Doc. 519, 62d Cong., 2d sess.)	628.03

ILLINOIS

21. Lemuel Gay, Quincy (S. Doc. 506, 62d Cong., 2d sess.)	363.75
22. Silas S. Myers, Joliet (S. Doc. 537, 62d Cong., 2d sess.)	391.79
23. John O'Neil, Peoria (S. Doc. 260, 61st Cong., 2d sess.)	1,181.25
24. Emmett W. Smith, Aurora (S. Doc. 512, 62d Cong., 2d sess.)	2,093.58

INDIANA

25. Timothy C. Harrington, La Fayette (S. Doc. 232, 61st Cong., 2d sess.)	684.66

IOWA

26. John Browne, Des Moines (S. Doc. 498, 62d Cong., 2d sess.)	1,427.28
27. Joseph O. Drennen, Des Moines (S. Doc. 231, 61st Cong., 2d sess.)	3,382.25
28. John Jordan, Des Moines (S. Doc. 538, 62d Cong., 2d sess.)	159.37
29. Edward B. Murphy, Des Moines (S. Doc. 243, 61st Cong., 2d sess.)	187.87
30. William Halloran, Des Moines (S. Doc. 95, 61st Cong., 1st sess.)	1,218.00

KANSAS

31. William M. Terrill, Topeka (S. Doc. 525, 62d Cong., 2d sess.)	609.16

MAINE

32. David D. Hannegan, Portland (S. Doc. 504, 62d Cong., 2d sess.)	1,405.00
33. James E. Rogers, Bangor (S. Doc. 507, 62d Cong., 2d sess.)	1,105.83
34. Llewellyn K. Webber, Bangor (S. Doc. 503, 62d Cong., 2d sess.)	1,862.91

MASSACHUSETTS

35. Wilson B. Scribner, Lynn (S. Doc. 501, 62d Cong., 2d sess.)	1,900.45

MICHIGAN

36. Harry E. Drake, Jackson (S. Doc. 530, 62d Cong., 2d sess.)	2,294.40
37. Willis E. Stimson, Kalamazoo (S. Doc. 543, 62d Cong., 2d sess.)	2,522.50

MISSOURI

38. Erbin P. Higgins, Sedalia (S. Doc. 539, 62d Cong., 2d sess.)	772.08

NEBRASKA

39. Wilson Byerly, Norfolk (S. Doc. 311, 61st Cong., 2d sess.)	205.50
40. Jacob Renner, Lincoln (S. Doc. 499, 62d Cong., 2d sess.)	2,514.00
41. John J. Rodgers, Blair (S. Doc. 230, 61st Cong., 2d sess.)	992.79

NEW HAMPSHIRE

42. Henry C. Mace, Concord (S. Doc. 523, 62d Cong., 2d sess.) ---------- $461.45

NEW JERSEY

43. Silas A. Bryant, Newark (S. Doc. 228, 61st Cong., 2d sess.) ---------- 599.06
44. George Jacobus, Newark (S. Doc. 505, 62d Cong., 2d sess.) ---------- 1,596.75
45. Wm. G. Jell, Newark (S. Doc. 239, 61st Cong., 2d sess.) ---------- 1,418.00
46. Fergus McCarthy, Newark (S. Doc. 497, 62d Cong., 2d sess.) ---------- 438.75
47. Conrad Wagner, Newark (S. Doc. 251, 61st Cong., 2d sess.) ---------- 295.31
48. Andrew J. Meade, Hoboken (S. Doc. 93, 61st Cong., 1st sess.) ---------- 1,147.18

NEW YORK

49. Daniel P. Dulhane, Rochester (S. Doc. 308, 61st Cong., 2d sess.) ---------- 2,078.75
50. Joseph C. Leddy, Utica (S. Doc. 312, 61st Cong., 2d sess.) ---------- 191.25
51. Ezra T. Marney, Ogdensburg (S. Doc. 540, 62d Cong., 2d sess.) ---------- 1,956.66
52. George Miller, Utica (S. Doc. 267, 61st Cong., 2d sess.) ---------- 767.06
53. Stephen A. Smith, Utica (S. Doc. 536, 62d Cong., 2d sess.) ---------- 259.50
54. Abram Epstein, Ogdensburg (S. Doc. 514, 62d Cong., 2d sess.) ---------- 1,242.50
55. Robert Tobin, Troy (S. Doc. 257, 61st Cong., 2d sess.) ---------- 2,131.56

OHIO

56. John Brodie, Columbus (S. Doc. 249, 61st Cong., 2d sess.) ---------- 659.20
57. Leslie E. Drake, Toledo (S. Doc. 235, 61st Cong., 2d sess.) ---------- 848.75
58. Stephen A. Ingles, Portsmouth (S. Doc. 516, 62d Cong., 2d sess.) ---------- 556.25
59. Rudolph L. Johns, Cleveland (S. Doc. 229, 61st Cong., 2d sess.) ---------- 532.25
60. Theodore Kipp, Dayton (S. Doc. 310, 61st Cong., 2d sess.) ---------- 540.00
61. Wm. K. Krautman, Columbus (S. Doc. 250, 61st Cong., 2d sess.) ---------- 669.77
62. Joseph Kuehne, Cleveland (S. Doc. 255, 61st Cong., 2d sess.) ---------- 2,496.56
63. Charles H. McCann, Columbus (S. Doc. 259, 61st Cong., 2d sess.) ---------- 213.58
64. Thomas Murnane, Columbus (S. Doc. 253, 61st Cong., 2d sess.) ---------- 122.17
65. Ignace Rosinski, Cleveland (S. Doc. 237, 61st Cong., 2d sess.) ---------- 807.18
66. David Scurry, Columbus (S. Doc. 233, 61st Cong., 2d sess.) ---------- 533.40
67. Fred Sinclair, Columbus (S. Doc. 269, 61st Cong., 2d sess.) ---------- 386.25
68. Joseph Sledz, Cleveland (S. Doc. 266, 61st Cong., 2d sess.) ---------- 720.69
69. Alonzo Thirlkill, Dayton (S. Doc. 309, 61st Cong., 2d sess.) ---------- 775.31

PENNSYLVANIA

70. James Downing, Altoona (S. Doc. 529, 62d Cong., 2d sess.) ---------- 382.59
71. Adam Hoke, Harrisburg (S. Doc. 268, 61st Cong., 2d sess.) ---------- 1,151.62
72. Wm. T. Jordon, York (S. Doc. 238, 61st Cong., 2d sess.) ---------- 583.50
73. Wm. H. Witta, York (S. Doc. 546, 62d Cong., 2d sess.) ---------- 2,145.00

SOUTH CAROLINA

74. James Butler, Columbia (S. Doc. 252, 61st Cong., 2d sess.) ---------- 1,041.96
75. John Pinckney, Columbia (S. Doc. 518, 62d Cong., 2d sess.) ---------- 871.92
76. Louis Prior, Columbia (S. Doc. 509, 62d Cong., 2d sess.) ---------- 4,310.66

TEXAS

77. Frank Boddeker, Galveston (S. Doc. 261, 61st Cong., 2d sess.) ---------- 1,956.62
78. Sandy Hester, Galveston (S. Doc. 544, 62d Cong., 2d sess.) ---------- 2,273.33
79. George King, Austin (S. Doc. 508, 62d Cong., 2d sess.) ---------- 351.18
80. Thomas Thompson, Waco (S. Doc. 545, 62d Cong., 2d sess.) ---------- 1,169.53
81. Ambrose B. Williams, Beaumont (S. Doc. 513, 62d Cong., 2d sess.) ---------- 736.50
82. Sidney B. Williams, Beaumont (S. Doc. 520, 62d Cong., 2d sess.) ---------- 593.78

VIRGINIA

83. Charles R. Carter, Richmond (S. Doc. 547, 62d Cong., 2d sess.) ---------- $219.80
84. William H. Parker, Norfolk (S. Doc. 526, 62d Cong., 2d sess.) ---------- 1,147.87
85. William G. Singleton, Richmond (S. Doc. 531, 62d Cong., 2d sess.) ---------- 2,050.56
86. Alfred Strange, Lynchburg (S. Doc. 542, 62d Cong., 2d sess.) ---------- 647.29

WISCONSIN

87. Olaf Swanson, Ashland (S. Doc. 502, 62d Cong., 2d sess.) ---------- 2,001.00

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Connecticut [Mr. LONERGAN] to suspend the rule so that the amendment offered by him will not be subject to a point of order. [Putting the question]: Evidently two-thirds of the Senators present have not voted in the affirmative; so the Senate declines to suspend the rule and the amendment is not in order.

The bill is still before the Senate and open to amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

Mr. ADAMS. I move that the Senate insist on its amendments, request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the President pro tempore appointed Mr. ADAMS, Mr. GLASS, Mr. MCKELLAR, Mr. HAYDEN, Mr. BYRNES, Mr. HALE, and Mr. TOWNSEND conferees on the part of the Senate.

MESSAGE FROM THE PRESIDENT—APPROVAL OF BILLS AND JOINT RESOLUTIONS

A message in writing from the President of the United States was communicated to the Senate, by Mr. Latta, one of his secretaries, who also announced that the President had approved and signed the following acts and joint resolutions:

On June 13, 1938:

S. 3373. An act to provide for holding terms of the district court of the United States at Hutchinson, Kans.; and

S. J. Res. 289. Joint resolution to provide that the United States extend an invitation to the governments of the American Republics, members of the Pan American Union, to hold the Eighth American Scientific Congress in the United States in 1940 on the occasion of the fiftieth anniversary of the founding of the Pan American Union; to invite these governments to participate in the proposed Congress; and to authorize an appropriation for the expenses thereof.

On June 14, 1938:

S. 593. An act for the relief of the estate of W. K. Hyer;

S. 1694. An act authorizing the Secretary of War to convey to the town of Montgomery, W. Va., a certain tract of land;

S. 1878. An act for the relief of Mary Way;

S. 2417. An act for the relief of Samuel L. Dwyer;

S. 2474. An act to provide a uniform method for examinations for promotion of warrant officers;

S. 2643. An act for the relief of Mr. and Mrs. James Crawford;

S. 2798. An act for the relief of Edith Jennings and Patsy Ruth Jennings, a minor;

S. 2802. An act for the relief of Carl Orr, a minor;

S. 2985. An act for the relief of John F. Fahey, United States Marine Corps, retired;

S. 3056. An act for the relief of Dorothy Anne Walker, a minor;

S. 3095. An act authorizing the Secretary of War to grant to the Coos County Court of Coquille, Oreg., and the State

of Oregon an easement with respect to certain lands for highway purposes;

S. 3102. An act for the relief of the estate of Raquel Franco;

S. 3126. An act authorizing the Secretary of War to convey a certain parcel of land in Tillamook County, Oreg., to the State of Oregon to be used for highway purposes;

S. 3147. An act for the relief of Mr. and Mrs. S. A. Felsenthal, Mr. and Mrs. Sam Friedlander, and Mrs. Gus Levy;

S. 3223. An act for the relief of the dependents of the late Lt. Robert E. Van Meter, United States Navy;

S. 3242. An act to aid in providing a permanent mooring for the battleship *Oregon;*

S. 3365. An act for the relief of Joseph D. Schoolfield;

S. 3543. An act authorizing the Comptroller General of the United States to settle and adjust the claim of Earle Lindsey;

S. 3882. An act amending the act authorizing the collection and publication of cotton statistics by requiring a record to be kept of bales ginned by counties; and

S. J. Res. 247. Joint resolution authorizing William Bowie, captain (retired), United States Coast and Geodetic Survey, Department of Commerce, to accept and wear decoration of the Order of Orange Nassau, bestowed by the Government of the Netherlands.

INSURANCE OF TAXICABS IN THE DISTRICT

Mr. TYDINGS. Mr. President, in the case of House bill 7084, the District of Columbia taxicab bill, the papers are now on the desk of the Speaker of the House. In order to expedite the passage of the bill and to break the impasse, I ask unanimous consent that the Senate reconsider its request for a conference with the House; and if the request is agreed to I shall ask for the return of the papers from the House to the Senate, in the hope that in that way I may secure action on the bill before final adjournment.

The PRESIDENT pro tempore. There is another matter pending.

Mr. TYDINGS. I ask unanimous consent that what I have stated be done. I think it will not take more than a moment.

Mr. SCHWELLENBACH. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator from Washington will state the parliamentary inquiry.

Mr. SCHWELLENBACH. Will granting the request of the Senator from Maryland take away the position which my motion now occupies?

The PRESIDENT pro tempore. It will not, by unanimous consent.

Mr. SCHWELLENBACH. Very well.

The PRESIDENT pro tempore. Without objection, the request of the Senator from Maryland is granted.

Mr. TYDINGS. I now ask unanimous consent that the Senate request the House to return to the Senate House bill 7084, and the papers in connection therewith.

The PRESIDENT pro tempore. Without objection, it is so ordered.

UNEMPLOYMENT INSURANCE SYSTEM FOR RAILROAD EMPLOYEES

Mr. WHEELER. Mr. President——

Mr. SCHWELLENBACH. I yield to the Senator from Montana.

Mr. WHEELER. I ask that the pending matter be temporarily laid aside, and that the Senate proceed to consider Senate bill 3772, and that House bill 10127, which is identical with Senate bill 3772, be substituted for the Senate bill.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Montana?

Mr. SCHWELLENBACH. Mr. President, I talked to the Senator from Montana yesterday about this matter. This piece of legislation is very desirable and important; and, if it may be taken up without my motion losing its position, I am anxious that the request of the Senator from Montana be granted.

The PRESIDENT pro tempore. The Senator will lose no rights in the matter.

Is there objection to the request of the Senator from Montana?

There being no objection, the Senate proceeded to consider the bill (S. 3772) to regulate interstate commerce by establishing an unemployment insurance system for individuals employed by certain employers engaged in interstate commerce, and for other purposes, which had been reported from the Committee on Interstate Commerce, with an amendment.

Mr. WHEELER. I ask unanimous consent that House bill 10127, which is identical with the Senate bill, and which has passed the House by an overwhelming vote, be substituted for the Senate bill.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The Senate proceeded to consider the bill (H. R. 10127) to regulate interstate commerce by establishing an unemployment insurance system for individuals employed by certain employers engaged in interstate commerce, and for other purposes.

Mr. TYDINGS. Mr. President, I ask the Senator whether this is the bill taking railroad employees out from under the Social Security Act and placing them under the Railroad Retirement Board.

Mr. WHEELER. It is.

Mr. TYDINGS. Is this the bill which reduces the amounts of the contributions and increases the benefits?

Mr. WHEELER. It is.

Mr. TYDINGS. Then I hope the bill will pass.

Mr. ASHURST. Mr. President——

Mr. WHEELER. I yield to the Senator from Arizona.

Mr. ASHURST. I should like to inquire of the able Senator in charge of the bill, Is there anything in connection with this bill relating to the so-called long-and-short haul?

Mr. WHEELER. There is not.

Mr. ASHURST. I thank the Senator. I take the Senator's word for it.

RESOLUTIONS FROM COMMITTEE TO AUDIT AND CONTROL THE CONTINGENT EXPENSES OF THE SENATE

Mr. BYRNES. Mr. President, will the Senator from Montana yield?

Mr. WHEELER. I yield to the Senator from South Carolina.

Mr. BYRNES. I ask unanimous consent for the consideration at this time of a few resolutions from the Committee to Audit and Control the Contingent Expenses of the Senate. I shall be able to be on the floor for only a short time, having to go to the meeting of a conference committee, and I wish to have the resolutions considered at this time. I will explain them.

Mr. WHEELER. I yield for that purpose.

Mr. McNARY. Mr. President, let the resolutions be read before the request is acted upon.

Mr. BYRNES. In answer to the request of the Senator from Oregon, let me say that the resolutions are not controversial. A number of resolutions have been reported by the Committee to Audit and Control the Contingent Expenses of the Senate and are on the calendar. Two of the resolutions presented at this time are made necessary by reason of the fact that in the deficiency bill which has just been passed by the Senate, two positions under the Senate were abolished; and the committee determined to take care of the situation therein presented by resolutions from the Committee to Audit and Control the Contingent Expenses of the Senate, which carry those positions only until the next legislative bill may be considered by the Congress. One of the other resolutions is simply to continue the employment of an employee of the

press gallery. Another is to authorize the employment of a stenographer by the Committee on the Library, of which the Senator from Kentucky [Mr. BARKLEY] is chairman, the committee never having secured the necessary authority, and having a bill pending. The Unemployment Committee also has two bills outstanding which are included in the other resolution.

Mr. WAGNER. Mr. President, I should like to inquire of the Senator from South Carolina whether in the meeting today his committee considered the resolution offered by me to study the subject of health insurance.

Mr. BYRNES. No, Mr. President; the committee did not have a meeting today. It has had no meeting since Monday morning, and the resolutions I am now reporting are noncontroversial resolutions, solely as to employees of the Senate, the resolutions made necessary by reason of the abolishing of certain positions in the deficiency bill.

Mr. WAGNER. I did not think the resolution which I asked the committee to consider was controversial.

Mr. BYRNES. Unfortunately, it was.

The VICE PRESIDENT. The Senator from South Carolina has asked unanimous consent for the consideration of some legislative business.

HEARINGS BEFORE COMMITTEE ON THE LIBRARY

Mr. BYRNES, from the Committee to Audit and Control the Contingent Expenses of the Senate, to which was referred the resolution (S. Res. 292) (submitted by Mr. BARKLEY on the 9th instant), reported it without amendment, and it was considered by unanimous consent and agreed to, as follows:

Resolved, That the Committee on the Library, or any subcommittee thereof, hereby is authorized during the Seventy-fifth Congress to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had in connection with any subject which may be before said committee, the expense thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during the sessions or recesses of the Senate.

SPECIAL COMMITTEE TO INVESTIGATE UNEMPLOYMENT AND RELIEF—LIMIT OF EXPENDITURES

Mr. BYRNES. From the Committee to Audit and Control the Contingent Expenses of the Senate I report back favorably, with an amendment, Senate Resolution 289, and I ask unanimous consent for its present consideration.

There being no objection, the Senate proceeded to consider the resolution.

The amendment was, in line 6, before the word "in", to strike out "$5,000" and insert "$2,000."

The amendment was agreed to.

The resolution as amended was agreed to, as follows:

Resolved, That the special committee appointed by the Vice President pursuant to S. Res. 36, agreed to June 10, 1937, to study, survey, and investigate the problems of unemployment and relief in the United States, hereby is authorized to expend from the contingent fund of the Senate $2,000 in addition to the amounts heretofore authorized to be expended for such purposes.

ADDITIONAL MESSENGER FOR SERVICE TO PRESS CORRESPONDENTS

Mr. BYRNES, from the Committee to Audit and Control the Contingent Expenses of the Senate, reported a resolution (S. Res. 300) which was considered by unanimous consent and agreed to, as follows:

Resolved, That the Sergeant at Arms hereby is authorized to continue until January 2, 1939, the employment of an additional messenger for service to press correspondents, to be paid from the contingent fund of the Senate at the rate of $1,440 per annum, as authorized by Resolution No. 236, Seventy-fourth Congress, agreed to February 20, 1936.

PRESS RELATIONS OFFICER

Mr. BYRNES, from the Committee to Audit and Control the Contingent Expenses of the Senate, reported a resolution (S. Res. 301) which was considered by unanimous consent and agreed to, as follows:

Resolved, That, effective July 1, 1938, there is hereby created the office of press relations officer who shall be appointed by the Secretary of the Senate, and shall be paid out of the contingent fund of the Senate at the rate of $2,140 per annum during the fiscal year ending June 30, 1939.

TEMPORARY ASSISTANT CLERK, COMMITTEE ON FOREIGN RELATIONS

Mr. BYRNES, from the Committee to Audit and Control the Contingent Expenses of the Senate, reported a resolution (S. Res. 302), which was considered by unanimous consent and agreed to, as follows:

Resolved, That the Committee on Foreign Relations is hereby authorized to employ, during the fiscal year ending June 30, 1939, an assistant clerk to be paid out of the contingent fund of the Senate at the rate of $2,880 per annum, and $500 additional so long as the position is held by the present incumbent of the office of assistant clerk to be abolished on July 1, 1938.

INVESTIGATION OF WORKS PROGRESS ADMINISTRATION

Mr. KING. Mr. President, if I may have the attention of the Senator from South Carolina, I should like to say that sometime ago I offered Senate Resolution 284 for the purpose of obtaining the necessary funds for the investigation of the Works Progress Administration. That resolution was referred to the Senator's committee. What disposition has been made of it?

Mr. BYRNES. Mr. President, the Committee to Audit and Control the Contingent Expenses of the Senate has before it the resolution offered by the Senator from Maryland [Mr. TYDINGS], and the committee determined to strike out all after the resolving clause and to provide for an investigation of every expenditure by every Department, agency, or instrumentality of the United States Government, and every department, agency, or instrumentality of State governments for the purpose of influencing votes in any election in which a Senator of the United States was to be elected. After the committee had reported the resolution it postponed indefinitely action upon the resolution of the Senator from Utah.

Mr. KING. Was the resolution which was finally adopted different from the resolution which resulted in the appointment of the senior Senator from Texas [Mr. SHEPPARD] to investigate expenses in senatorial elections? Obviously this is vastly different from that.

Mr. BYRNES. The opinion of the Senator from South Carolina was that under the Barkley resolution the committee had the power to investigate any such expenditures. The resolution offered by the Senator from Kentucky was identical with the resolution reported by the Committee to Audit and Control the Contingent Expenses of the Senate 2 years ago.

The construction placed upon it then was that it gave to the committee the power to investigate any expenditure, and it provides in addition that they may investigate any promise of patronage, any use of public funds of any kind whatsoever. Notwithstanding that statement, doubt was expressed by Members of the Senate and, according to the press, by certain members of the committee, as to whether or not the committee did have that power. The resolution of the Senator from Maryland as amended will leave no doubt that the committee has that power. The committee was given $10,000 in addition to the $30,000 which had previously been provided, so that if the resolution now on the calendar is adopted, there will be authorized an expenditure of $40,000, to be spent by the committee heretofore appointed by the Vice President, and that committee will have the power to investigate any expenditure by any Department, agency, or instrumentality of either the Federal Government or a State government.

Mr. KING. Mr. President, will the resolution which was reported and the committee which has been named have authority to investigate, first, the extent to which officials of such administration have engaged directly or indirectly in political activities?

Mr. BYRNES. According to my construction, yes; or any other officials.

Mr. KING. And the extent to which the funds available for such administration have been used or administered on a political basis or with a view to aiding candidates for public office or to securing legislation, local or national?

Mr. BYRNES. It would depend entirely on what is meant by "political basis." I would not care to pass a judicial opinion on that, but as to the other statement, whether funds are used to influence elections, yes.

Mr. KING. Would it include an investigation to ascertain the extent to which persons on the relief rolls or those seeking relief have been intimidated, coerced, or influenced by those in authority in the various States or elsewhere in such administration with a view to obtaining their political support for such candidates or for the adoption or rejection of policies or legislation.

Mr. BYRNES. Nothing as to legislation would be affected at all by the resolution. As to the use of money to employ any person to intimidate or coerce an employee, I think it would apply, in an election.

Mr. KING. Would it cover an investigation to ascertain the total number of all officers and employees of such administration, including officers and employees of State and local agencies, any part of whose compensation is received from money appropriated or allocated for the use of such administration, if the salary is more than $3,000?

Mr. BYRNES. No, Mr. President, it would not. That information can be secured from the hearings of the House and Senate Committees on Appropriations. It is now in print.

Mr. KING. Did the committee have before it when it drew the resolution which has been reported, the resolution to which I have referred, and was it intended to incorporate the important provisions to which I have called attention?

Mr. BYRNES. No, Mr. President, it was not, because included in it there are many provisions to which no consideration was given, such as the last one referred to. When the Senator appeared before the committee I called his attention to the fact that if he desired to know the number of W. P. A. employees, that information could be found in the hearings of the House and Senate committees. The resolution is intended to do exactly what it says, that and no more. I know the Senator is better able to interpret the language than I am. I call it to his attention. I am willing to answer any question he may ask, but his own decision would be more influential with him than mine.

UNEMPLOYMENT INSURANCE SYSTEM FOR RAILROAD EMPLOYEES

The Senate resumed the consideration of the bill (H. R. 10127) to regulate interstate commerce by establishing an unemployment insurance system for individuals employed by certain employers engaged in interstate commerce, and for other purposes.

Mr. GEORGE. Mr. President, I desire to ask the Senator from Montana whether House bill 10127 is the same as Senate bill 3772, the bill introduced by the Senator from Montana and the junior Senator from New York?

Mr. WHEELER. It is.

Mr. GEORGE. They are identically the same?

Mr. WHEELER. The House bill is identically the same bill as the Senate bill to which the Senator refers; it was passed by the House by an overwhelming vote, and was reported unanimously by the Committee on Interstate Commerce of the Senate.

Mr. GEORGE. The bill is a lengthy one. I have had opportunity to read Senate bill 3772 and I favor that bill, and if the other bill is identical, I shall favor it, of course.

Mr. WHEELER. It is identical in every detail.

Mr. GEORGE. Very well.

Mr. WHEELER. Mr. President, the bill before us, House bill 10127, is a bill the principles of which were recommended by Federal Coordinator Eastman a few years ago. It was also recommended by the President's Commission on Economic Security. It is a bill which does not cost the railroads an additional 5-cent piece, and it does not cost the Government of the United States anything at all. As a matter of fact, it will save the railroads, according to the figures which we have, anywhere from three to six million dollars.

The bill provides that the Railroad Retirement Board shall administer the unemployment insurance system, instead of having a system applicable to railroads administered by the several States.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. BARKLEY. If I understand the situation, railroads had had for a long time a retirement system of their own. Congress enacted a separate retirement system for that industry just as this bill proposes a separate unemployment-insurance system for it.

Mr. WHEELER. That is correct.

Mr. BARKLEY. The railroads are now paying the unemployment-insurance tax which is required of all employers under the Social Security Act and the State unemployment-insurance laws.

Mr. WHEELER. Yes.

Mr. BARKLEY. The bill takes unemployment insurance with respect to the railroad industry out from the State systems, sets up a separate system for railroads and places the administration of it in the Railroad Retirement Board, which now administers the Railroad Retirement Act.

Mr. WHEELER. That is correct.

Mr. BARKLEY. And the Senator's belief is that the enactment of the proposed legislation will not only not cost the Government anything, but by taking them from under the existing State laws there may actually be a saving?

Mr. WHEELER. That is correct.

Mr. BARKLEY. And as compared to what the railroads now pay under the Social Security Act and the State laws, this bill will work a saving in taxes of some $1,200,000.

Mr. WHEELER. That is correct.

Mr. BARKLEY. In other words, it puts the unemployment insurance of railroad employees on the same basis as their pension or retirement compensation, for which Congress has heretofore provided?

Mr. WHEELER. That is correct.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. CLARK. The Senator from Kentucky, my colleague on the Committee on Finance, and the Senator from Montana [Mr. WHEELER] will recall that at the time of the passage of the Social Security Act it was in the contemplation of all concerned, and so stated in all the discussion, that such a measure as this should be passed at the earliest practicable date. It was never intended for the railroad employees to be under the Social Security Act.

Mr. LEWIS. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. LEWIS. The statement made by the Senator from Missouri is absolutely correct. Since that understanding has there been objection on the part of the employees?

Mr. WHEELER. The employers put in some formal figures, but frankly, it seemed to me that there was not any justified opposition to the measure. They preferred to have the matter continued until the fall.

Mr. LEWIS. They simply made some suggestions.

Mr. WHEELER. Simply made some suggestions. But the bill, in my judgment, is a sound bill, and it will save money for the railroads in the long run. In some States at the present time they have to pay at least 3 percent upon their entire pay rolls, and in other States they have to pay more than that. Under this bill they will pay 3 percent on the pay rolls up to $300 per month per employee. They have to make reports to the different States. Under this measure they will only have to make one report—and that to the Retirement Board. As a matter of fact they now have to make most of the reports under the Retirement Act which they would have to make under this bill to the Retirement Board, so the enactment of this bill should save the railroads considerable money, by subjecting them to the supervision of only one board instead of the commissions of the several States.

Mr. LEWIS. Conceding that, will the able Senator tell what advantage there will be to the employees?

Mr. WHEELER. The advantage to the employees is that it gives more benefits to the lower-paid employees than are given under the present laws. It does not give as much advantage to the higher-paid employees as many States give. But the higher-paid employees in the railroad service are willing to waive their rights to receive the greater benefits

in order that the men who receive the lowest wages may receive greater advantages. I think that that is one of the very best features of the measure.

Some statements were made that we were seeking to pay the employees $140 a month. As a matter of fact the maximum that can be paid in any one year to an employee who is unemployed is $240. That would be to the higher-paid employees. The maximum to the lower-paid worker is $140 in any one year.

I hope the bill will pass.

Mr. WAGNER. Mr. President, as a matter of fact, under this bill the railroad companies will pay a smaller tax than under the present system.

Mr. WHEELER. I think that is true.

Mr. WAGNER. Under the present system the entire pay roll is levied upon at the rate of 3 percent.

Mr. WHEELER. That is correct.

Mr. WAGNER. Under the pending measure the tax is limited to the pay rolls of those receiving $3,600 per year or less.

Mr. WHEELER. That is correct.

Mr. WAGNER. The railroads will save a million and a half dollars to $2,000,000 in that particular. It is estimated that at least $2,000,000 more will be saved in the way of simplified administration, in that the system will be a national one.

Mr. WHEELER. That is correct.

Mr. LEWIS. Mr. President, does the Senator from Montana feel that the position of lower-paid men would be improved?

Mr. WHEELER. Yes. They are the ones who should be benefited. I think it was very generous on the part of the higher-paid men that they should concede that the men who are lower paid should receive a greater advantage under the measure.

Mr. McNARY. Mr. President, the chairman of the committee has given the bill thorough study. I concur in his views. I hope the measure will be passed without further delay.

The VICE PRESIDENT. The question is on the third reading and passage of the bill.

The bill (H. R. 10127) was ordered to a third reading, and read the third time, and passed.

The VICE PRESIDENT. Without objection, Senate bill 3772 will be indefinitely postponed.

JOHN F. FITZGERALD—VETO MESSAGE (S. DOC. NO. 221)

The VICE PRESIDENT laid before the Senate a message from the President of the United States, which was read, and, with the accompanying bill, referred to the Committee on Claims and ordered to be printed, as follows:

To the Senate:

I return herewith, without my approval, Senate bill No. 2051, entitled "An act for the relief of John F. Fitzgerald."

This bill proposes to authorize and direct payment to John F. Fitzgerald, of Brattleboro, Vt., of the sum of $150 which he had previously paid to the Government in compromise of a claim asserted against him and against a surety company, arising in connection with the enforcement of the National Prohibition Act.

It appears that while the eighteenth amendment was in effect, Fitzgerald gave a bond for $1,000, with himself as principal and a surety company as surety, to secure compliance with the terms of a permit issued to him under the National Prohibition Act for the sale of alcohol for medicinal purposes. The Government subsequently asserted a claim against him and against the surety company because of certain violations of the permit. He submitted an offer to compromise both claims for the sum of $150. This offer was accepted.

About 6 weeks before the acceptance of the offer, the Supreme Court, in the case of *United States* v. *Constantine* (296 U. S. 287) held that additional taxes such as were involved in the claim against Fitzgerald were in fact penalties and fell with the repeal of the eighteenth amendment. The proposed refund to Fitzgerald appears to be based upon this ruling. This would overlook the fact, however, that the Supreme Court likewise held, in *United States* v. *Mack* (295 U. S. 480) that causes of action on bonds given in connection with the enforcement of the National Prohibition Act did not become null and void, but continued in effect, after repeal, if they had vested prior to that time.

In this instance, the compromise, which was offered by Fitzgerald voluntarily, of his own motion, settled the claims on the bond, as well as the other claims asserted against him. The potential liability on the bond was in the sum of $1,000.

In view of the foregoing considerations, no reason appears why the amount of $150 thus paid by Fitzgerald in compromise of these various claims, including the claim on the bond, should be refunded to him.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 15, 1938.*

HOUSE BILL REFERRED

The bill (H. R. 10846) to create the office of the Librarian Emeritus of the Library of Congress was read twice by its title and referred to the Committee on the Library.

PRINTING OF PRAYERS OFFERED BY REV. JAMES SHERA MONTGOMERY

The VICE PRESIDENT laid before the Senate House Concurrent Resolution 65, which was read, as follows:

Resolved by the House of Representatives (the Senate concurring), That 2,500 copies of the prayers offered by the Reverend James Shera Montgomery, chaplain of the House of Representatives, at the opening of the daily sessions of the House during the Seventy-fourth and Seventy-fifth Congresses, be printed and bound for the use of the House of Representatives.

Mr. HAYDEN. I move that the Senate concur in the concurrent resolution.

The motion was agreed to.

OLYMPIC NATIONAL PARK, WASH.

The VICE PRESIDENT laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 10024) to establish the Olympic National Park, in the State of Washington, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. ADAMS. I move that the Senate insist upon its amendments, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. ADAMS, Mr. PITTMAN, Mr. HATCH, Mr. O'MAHONEY, and Mr. BORAH conferees on the part of the Senate.

WILLIAM HENRY JOHNSTON, JR.

Mr. THOMAS of Utah. I ask unanimous consent for the immediate consideration of House bill 9888.

The VICE PRESIDENT. The clerk will report the bill by its title.

The LEGISLATIVE CLERK. House bill 9888, for the relief of William Henry Johnston, Jr., a minor.

The VICE PRESIDENT. Is there objection to the present consideration of the bill? There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the legal guardian of William Henry Johnston, Jr., of Salt Lake City, Utah, a minor, the sum of $3,500, in full satisfaction of all claims against the United States for the death of the father of said minor, William Henry Johnston, who was killed on April 29, 1937, by a cave-in occurring in a trench which deceased was engaged in digging under direction of prison officials while an inmate of the United States Penitentiary, McNeil Island, Wash.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any

sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

LIBRARIAN EMERITUS OF THE LIBRARY OF CONGRESS

Mr. BARKLEY. Mr. President, from the Committee on the Library, I report back favorably without amendment House bill 10846, and ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 10846) to create the office of the Librarian Emeritus of the Library of Congress was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That upon separation from the service, by resignation or otherwise, on or after July 1, after the approval of this act, Herbert Putnam, the present Librarian of Congress, who has served in that office for 39 years, shall become Librarian Emeritus, with such duties as the President of the United States may prescribe, and the President of the United States shall thereupon appoint his successor, by and with the advice and consent of the Senate. The said Herbert Putnam shall receive as Librarian Emeritus compensation at the rate of $5,000 per annum. Such salary shall be paid in equal monthly installments by the disbursing officer of the Library of Congress, and such sums as may be necessary to make such payments are hereby authorized to be appropriated.

BOARD OF REGENTS OF THE SMITHSONIAN INSTITUTION

Mr. BARKLEY. From the Committee on the Library I report back favorably, without amendment, the joint resolution (H. J. Res. 712) providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution of the class other than Members of Congress, and I ask unanimous consent for its immediate consideration.

There being no objection, the joint resolution was considered, ordered to a third reading, read the third time, and passed, as follows:

Resolved, etc., That the vacancy in the Board of Regents of the Smithsonian Institution, of the class other than Members of Congress, caused by the death of Augustus P. Loring, be filled by the appointment of Arthur H. Compton, a citizen of Illinois, for the statutory term of 6 years.

Mr. BARKLEY. From the Committee on the Library I report back favorably, without amendment, the joint resolution (H. J. Res. 711) providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution of the class other than Members of Congress, and I ask unanimous consent for its present consideration.

There being no objection, the joint resolution was considered, ordered to a third reading, read the third time, and passed, as follows:

Resolved, etc., That the vacancy in the Board of Regents of the Smithsonian Institution, of the class other than Members of Congress, caused by the expiration of the term of R. Walton Moore, June 29, 1938, be filled by the appointment of R. Walton Moore, a citizen of Virginia, to succeed himself, for the statutory term of 6 years.

INVITATION TO FOREIGN GOVERNMENTS TO PARTICIPATE IN THE THIRD INTERNATIONAL CONGRESS FOR MICROBIOLOGY

Mr. PITTMAN. Mr. President, I ask unanimous consent for the present consideration of House Joint Resolution 702. I ask that it be read by its title first.

The VICE PRESIDENT. The resolution will be read by its title.

The LEGISLATIVE CLERK. House Joint Resolution 702, to provide that the United States extend to foreign governments invitations to participate in the Third International Congress for Microbiology to be held in the United States during the calendar year 1939, and to authorize an appropriation to assist in meeting the expenses of the session.

Mr. PITTMAN. Mr. President, the measure carries no appropriation. It simply provides for the invitations.

The VICE PRESIDENT. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution, which had been reported from the Committee on Foreign Relations with an amendment.

The amendment was to strike out section 2, as follows:

SEC. 2. The sum of $10,000, or so much thereof as may be necessary, is hereby authorized to be appropriated for the expenses of organizing, holding, and publishing the proceedings of the Third International Congress for Microbiology, including expenditures for personal services in the District of Columbia and elsewhere without regard to the Classification Act of 1923, as amended, communication services, stenographic and other services by contract if deemed necessary without regard to section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5); travel expenses, local transportation, hire of motor-propelled passenger-carrying vehicles, rent in the District of Columbia and elsewhere, printing and binding, entertainment, official cards, purchase of newspapers and periodicals, necessary books and documents, stationery, membership badges, such expenses as may be actually and necessarily incurred by the Government of the United States by reason of observance of appropriate courtesies in connection therewith, and such other expenses as may be authorized by the Secretary of State.

The amendment was agreed to.

The joint resolution was ordered to a third reading, read the third time, and passed, as follows:

Resolved, etc., That the President is hereby authorized and requested to invite foreign governments to participate in the Third International Congress for Microbiology, to be held in New York, N. Y., September 2 to 9, inclusive, 1939, under the auspices of the International Association of Microbiologists.

SUBCONTRACTORS ON PUBLIC BUILDING PROJECTS

Mr. CONNALLY. Mr. President, some days ago the Senate passed House bill 146 on the call of the calendar. The Senator from Utah [Mr. KING] moved to reconsider the vote by which the bill was passed. I now desire to call up the motion to reconsider and dispose of it.

The VICE PRESIDENT. The Senator from Texas calls up the motion for reconsideration of House bill 146, to require contractors on public-building projects to name their subcontractors, materialmen, and supply men, and for other purposes.

Mr. KING. Mr. President, the bill before us has some rather remarkable features, and it is believed by many persons and by some officials of the Government that it will prove injurious instead of beneficial—injurious not only to contractors and subcontractors, but to the Government of the United States. The bill, it is claimed, contains features that interfere with the rights of contractors in their dealings with the Government, and with private persons; and, also, will not only accomplish no good but will result in increased cost to the Government and prove injurious to persons engaged in the construction of public buildings within the limits just referred to.

At the outset, may I say that my information is that the principal Departments of the Government which would be affected by this legislation are unanimously opposed to its enactment.

The bill passed the House on March 24, 1937, and it was reported to the Senate on April 15, 1938. It was referred to the Committee on Public Buildings and Grounds and reported by that committee to the Senate on April 15, 1938. It passed the Senate on June 7, 1938. It was returned to the Senate on the 8th of June, and a motion to reconsider was entered and the motion to reconsider is now before the Senate.

Mr. President, I was not advised of the nature of the bill until it had passed the Senate. From information that came to me from Departments the same day, or the following day, I entered a motion to reconsider the bill. I examined the hearings before the House, and the facts there presented led me to believe that the bill lacked merit and should be further considered by the Senate before approval was given to the same.

A number of communications were submitted to the House by officials of the Government having to do with public buildings and who know more about the difficulties and problems and proceedings in connection with the letting of

contracts for public buildings than perhaps any other persons. As I am advised, they did not seek this legislation and had made no representations which would justify the introduction of a measure such as the one under consideration. So far as I can learn, the situation was not such as to warrant a drastic measure as the one before us, which it was claimed by the Government officials would result in confusion, and, indeed, a loss to the Government, and be of no benefit whatever to contractors or subcontractors.

I desire to call attention to a letter written to the chairman of the Senate committee under date of April 26, 1937, by Hon. Wayne C. Taylor, Acting Secretary of the Treasury.

As Senators know, Secretary Taylor has much to do with the letting of contracts by the Government for public buildings and the repair of public buildings. It is well known that hundreds of Federal buildings have been constructed during the past few years, and hundreds more will be erected during this and the coming year. Hundreds of millions of dollars will be expended during this and the next year or two for the construction of post offices, courthouses, and various types of public buildings required for Federal purposes. The Acting Secretary of the Treasury has had much to do with contracts for public buildings, and is familiar with the processes employed in entering into contracts, and is familiar with methods and character of subcontractors and the relations between contractors and the subcontractors. His letter indicates that the situation does not call for a measure such as the one under consideration. His letter I send to the desk and ask that it may be read by the clerk.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the clerk will read the letter.

The legislative clerk read as follows:

TREASURY DEPARTMENT,
Washington, April 22, 1937.

Hon. TOM CONNALLY,
Chairman, Committee on Public Buildings and Grounds,
United States Senate, Washington, D. C.

MY DEAR MR. CHAIRMAN: Reference is made to your letter of March 3, 1937, requesting an expression of the views of the Treasury Department with reference to bill H. R. 146, to require contractors on public-building projects to name their subcontractors, materialmen, and supplymen, and for other purposes.

The bill, which it is noted has passed the House of Representatives, is intended to remedy two conditions—so-called "bid shopping" and difficulties of subcontractors and materialmen in obtaining prompt payment of sums due to them.

The existence of these conditions in the present system of contracting is recognized. However, for the reasons hereinafter stated, it is my opinion that the enactment of the subject bill would have no corrective tendency.

There will first be discussed the provisions of the bill which apparently are intended to correct the evils of "bid shopping." The portion of the bill dealing therewith requires bidders to file with their bids a "statement containing the names and addresses of the subcontractors, materialmen, and supplymen whose services the bidder intends to utilize in the performance of the work." It requires a provision in contracts for "withholding from, or payment by, the contractor of such penalties as may be fixed in the contract for failure to utilize" those named in the statement in the performance of the work; and provides that "sums assessed or paid as penalties for such failure may be remitted or refunded" in case it is shown to the satisfaction of the head of the governmental contracting agency that the substitution was justified by reason of the inability or unwillingness of the one designated in the statement to furnish the materials or supplies or properly to perform the work.

This places a heavy burden upon contracting officers. No formula or guide of any sort is set forth in the bill for the determination of the amount of penalties to be specified in contracts. Undoubtedly they would vary greatly among the several Departments as, in the very nature of the subject matter, the amount of the penalty would of necessity be determined arbitrarily—there being no relation between the amount of the penalty and the performance of the work under the contract.

The imposition of penalties, prior to a determination of guilt, is harsh treatment of a contractor. A large number of contractors are doing Government work with a rather limited capital. They rely, to a large extent, for their funds to meet payment of current obligations upon the progress payments made to them pursuant to the contract. Thus the imposition of the penalties (on the basis of a complaint which may or may not be warranted in a particular case) will definitely tend to defeat the other major purpose of the bill, namely, the prompt payment of subcontractors, etc.

The bill is further unfair to a general contractor, in that frequently his bid is, in good faith, based upon his own estimate (without sub-bids) for a particular class of work subsequently subcontracted. The bill would appear to be difficult, if not impossible of enforcement, in that the determination of its violation would depend upon the intention of the contractor. It would be impossible for the contracting officer to determine with any degree of assurance whether or not the general contractor, at the time of filing his bid, intended to subcontract particular portions of the work which he later decided to do. Thus a method of evasion probably would be open to those not desiring to attempt, in good faith, to comply with the provisions of the bill—the very group which it is designed to curb.

In the absence of a law of general application to contractors with well-organized regulatory groups, such as was the case under the provisions of the National Industrial Recovery Act, it is believed that the evils of the "bid shopping" practice can be corrected only by the development of a higher ethical standard by the subcontractors and materialmen who are injured. It may be of interest, however, in this connection, to note that the Procurement Division, by administrative action, requires that general contractors perform 25 percent of the work with their own forces, thus tending to eliminate the broker-contractor. It is understood that the Public Works Administration later adopted this specification requirement.

Despite the fact that it seems apparent to me that the enactment of the bill will not effect its high purpose, it is clear that it will add greatly to the burden and expense of Government construction. If a fair effort is to be made to arrive at the true facts in connection with the assessment or remission of the penalties provided by the bill, a large additional staff of Government investigators would be required at considerable expense; and even the higher-principled general contractors might well hesitate to make reasonable bids for Government work in view of the uncertainty which would necessarily prevail as to the administration of the provisions of the act by the various departments.

The portion of the bill which deals with the nonpayment of obligations by general contractors provides that contracts shall contain provisions "for withholding from, or payment by, the contractor of such penalties as may be fixed in the contract * * * for failure to pay such subcontractors, materialmen, and supplymen (in proportion to the amounts due them, respectively, in relation to the amount due the contractor on any payment date), as the contractor is paid by the United States."

In addition to the comments set forth above with reference to the provisions of the bill dealing with "bid shopping," which are also largely applicable to this phase of the bill, the following is suggested:

Great hardships are frequently imposed as the result of the failure of general contractors and subcontractors to apply payments received to the payment of subcontractors and materialmen, whose work is included in that paid for by the Government. For this reason the Department recommended the enactment of the act approved August 24, 1935 (49 Stat. 793), among other things requiring a payment bond, upon which suit may be instituted by an unpaid subcontractor, workman, or materialman at the expiration of 90 days after the date on which the last of the work was performed or material furnished for which claim is made. This statute has been enacted for so short a time that its full effect cannot yet be determined. However, it undoubtedly is a fact that the expense of collection by suit under the act places a contractor and his surety in an extremely favorable position to chisel in the payment of smaller obligations.

The subject bill, however, does not, in my opinion, appear to provide a remedy and has many objectionable features. No provision is made for the payment to subcontractors, etc., of the amounts assessed as penalties. The general contractor might be assessed a penalty thereunder because of nonpayment of an amount which the contracting officer determined to be a just claim, which subsequently was found not to be due by a court of competent jurisdiction. As previously suggested, the imposition of the penalty, if in substantial amount, would impair the contractor's ability to meet just claims.

It is further suggested:

(1) That there is no occasion to restrict the discretion of contracting officers as to the length of time a project should be on the market for bids, as is proposed by the requirement in the bill that bidders submit their bids within 60 days after the date of the invitation. The evils sought to be remedied arise after, not before, the award of the contract.

(2) Upon an examination after award of a subbid on file it might be found unsatisfactory to the contracting officer, for example, in that the material described, such as marble, granite, or limestone, is not in compliance with the specifications. Yet it would undoubtedly be urged that the award indicated an approval by the Government of the subbid. To investigate prior to award, requiring submission of samples, etc., would result in lengthy delays and endless confusion.

(3) There is apparent to me no logical reason for limiting the application of the bill to public-building contracts. If it be desirable as to them, it would seem equally desirable that its provisions be made generally applicable to public-works contracts of the Government.

It is requested, in the event hearings are held on the measure, that representatives of the Treasury Department be afforded an opportunity to amplify the above statements.

The enactment of the legislation proposed by H. R. 146 is in conflict with the program of the President.

Very truly yours,

WAYNE C. TAYLOR,
Acting Secretary of the Treasury.

Mr. KING. The Acting Secretary presents valid reasons in opposition to the bill, and answers, as it seems to me, arguments alleged in support of the bill. May I quote from the letter. He states that "for the reasons hereinafter stated, it is my opinion that the enactment of the bill would have no corrective tendency." The Secretary discusses the so-called bid shopping and, as I understand his letter, effectually meets the complaint that the so-called bid shopping has proven injurious. He states that "there is no occasion to restrict the discretion of contracting officers as to the length of time a project should be on the market for bids," and contends that "the evils sought to be remedied arise after, not before the award of the contract." He further states that it is apparent to him that no logical reason exists for limiting the application of the bill to public building contracts, but contends that if it is desirable as to them it would seem equally desirable that its provisions be made generally applicable to public works contracts of the Government. He concludes that the enactment of the measure "is in conflict with the program of the President."

Senators will perceive that the last statement of the Acting Secretary is a clear declaration that the bill is against the President's program.

I have before me a letter written by Hon. Harry H. Woodring, Secretary of War, to which I call attention. It reads as follows:

WAR DEPARTMENT,
Washington, April 27, 1937.

Hon. TOM CONNALLY,
Chairman, Committee on Public Buildings and Grounds,
United States Senate.

DEAR SENATOR CONNALLY: Careful consideration has been given to the bill H. R. 146, an act to require contractors on public-building projects to name their subcontractors, materialmen, and supply men, and for other purposes, which was passed by the House of Representatives on March 24, 1937, and has been referred to your committee.

The bill confers no discretion upon contracting officers with respect to accepting or rejecting bids based on the character, qualifications, or capacity of the subcontractors, materialmen, and supply men named by the bidder in his bid. The requirement that bidders shall submit in advance the names of subcontractors, materialmen, and supply men presents great difficulties not only to contracting officers of the Government but to the bidder. Conceivably upon payment of a consideration therefor a bidder could in advance enter into a tentative contract with such persons, which would be effective in the event of the Government contract was awarded to him; but this would unquestionably delay his submission of a bid, increase his costs, and consequently the price to the Government and would probably also tend to decrease the number of bidders on any particular project.

Many general contractors, however, are competent, and do estimate the costs of material and labor entering into construction work without first obtaining commitments from subcontractors and materialmen, preferring to negotiate for their requirements after receiving award of the prime contract.

It has recently been demonstrated that as business conditions have improved it has become increasingly difficult to secure proper proposals for Federal construction work, prospective bidders frankly stating that due to the numerous restrictions they prefer private to Government work. Any additional restrictions placed on bidders will certainly not improve conditions, and will result in higher costs to the Government. The bill also appears to be designed for the additional purpose of preventing contractors from bargaining with subcontractors and materialmen after general contracts for public works have been awarded. While it may be desirable to prevent excessive bargaining during periods of depression as an emergency measure, it is the opinion of this Department that during periods of normal business the enactment of the proposed bill would not generally be to the advantage of the public.

It should also be borne in mind that in the last analysis the Government in securing competitive bids is bargaining with contractors and it is only fair that the Government in turn should afford contractors an opportunity to bargain with materialmen and subcontractors. The time allowed contractors to secure prices and prepare proposals is usually only sufficient to permit them to make estimates of costs, and is entirely too short to permit a canvass of the entire field of manufacturers and subcontractors and to enter into tentative contractual relationships with them before submitting bids.

It will also be seen that if the proposed legislation is enacted many difficulties and controversies may be expected. Every contract is based on a specification, and if a bid is accepted based on the furnishing of definite makes of materials and equipment the acceptance of such a bid would practically obligate the Government to accept the products of the manufacturers stated therein. To illustrate difficulties which may be encountered, an assumption will be made that bids are requested for a refrigerating plant costing approximately $100,000 and that a certain kind of equipment valued at approximately $600 is required therein. It will be further assumed that a bid of $10,000 lower than all others was received, and that such low bid was accompanied by the name of a manufacturer of that kind of equipment referred to above which was known to be of inferior quality and not suitable for the purpose intended. It is evident in such event serious difficulties would arise if the bid were rejected merely because of a minor item not being acceptable, or if the bid was accepted and the contractor subsequently required to furnish other equipment without extra cost.

It is apprehended that the acceptance of a bid accompanied by a list of subcontractors and materialmen from whom the bidder proposes to obtain his materials may be impliedly an acceptance of that manufacturer's or materialman's product and establish privity between said contractor and the Government, a status which heretofore has been carefully avoided.

The acceptance of the bidder's bid, accompanied by such list would tend to vitiate the specifications if for any reason the subcontractor's product and the specifications were in conflict and might be used as a basis for claim against the Government.

It is the further opinion of this Department that it is immaterial whether general contractors bargain with materialmen before or after bids are publicly received and opened, and it is believed that the enactment of the proposed bill would not achieve the results desired. In this connection it is desired to point out that a contractor's proposal is made up of four general items, namely, work to be performed by subcontractors, materials to be purchased, and a general item covering overhead, profit, insurance, contingencies, etc. It may be seen that even though a general contractor did receive prices from materialmen and subcontractors his records might easily be made to show, by adjusting the many items, that he used none of the prices obtained in making up his estimate upon which his bid was based. It is the belief of this Department that if the bill in question is enacted that bidders will not furnish the name of materialmen and subcontractors and will be able to prove by their records that they did not use any prices obtained prior to the award of the general contracts. As there is nothing in the bill to prevent such action, and as stated above, many contractors are qualified to prepare estimates without assistance from outside sources, the object of the proposed legislation will not be obtained.

A general contractor in submitting a bid for construction work involving in many instances the expenditure of from $5,000 to $500,000 or more would be obliged not only to include the names of those subcontractors responsible for the principal subdivisions of the work, such as excavation, masonry work, carpenter work, steel erection, roofing, plastering, electrical, painting, and many others, in the list accompanying his bid, but also the name of every firm or individual from whom he expects to obtain the material used by him in performance of that part of the contract which he may perform with his own forces, provided the cost of such material exceeds $500. This part of the contract might involve many hundreds of items and as many materialmen.

To illustrate, there follows a list of probable or possible subcontracts involved in the construction of either an average, medium size, or large building dealing directly with the general contractor, whereas in case the contractor himself performs any one or a number of the subdivisions of the usual contract as listed hereunder, each one of said subdivisions listed which the general contractor may undertake, may be expanded in number to include three or four materialmen:

1. Excavator.
2. Foundations for special conditions.
3. Concrete work.
4. Masonry—brick, tile, gypsum, etc.
5. Cut stone.
6. Cast stone.
7. Plumbing.
8. Heating.
9. Air conditioning or ventilating.
10. Electric wiring outside.
11. Electric wiring inside.
12. Electric fixtures.
13. Rough carpentry.
14. Finish carpentry.
15. Millwork.
16. Window sash.
17. Window shades.
18. Window screens.
19. Venetian blinds.
20. Weatherstripping.
21. Structural steel.
22. Rough iron.
23. Ornamental metal.
24. Rough hardware.
25. Finished hardware.
26. Lathing.
27. Plastering.
28. Acoustical installations.
29. Roofing.

30. Waterproofing and/or dampproofing.
31. Sheet-metal work.
32. Painting and decorating.
33. Glazing.
34. Marble, tile, terrazzo, etc., flooring.
35. Linoleum.
36. Special floors (asphalt, tile, etc.).
37. Special equipment kitchens, etc.
38. Elevator or dumb-waiter installation.
39. Landscaping, grading, etc.

The specifications require a contractor to submit samples of the material which he proposes to use, which samples, if the contractor is obligated to a subcontractor already named and impliedly accepted by the Government, must be submitted and approved prior to award of the contract. Under existing conditions, the contractor submits samples only prior to their actual need and if the product of one manufacturer is not acceptable, it is the contractor's responsibility to obtain material that will answer specification requirements.

The confusion and difficulties involved in the receipt of bids for any construction project under the provisions of said act, can best be exemplified by the following example, viz:

If it be assumed that there are 10 general contractors each submitting bids based on bids received from subcontractors and each submitting samples of not over 30 materials for approval, there will be a total of approximately 300 samples to be passed upon. When it is considered that prior to final approval of materials it may be necessary to submit the samples to the United States Bureau of Standards for test, some conception of the volume of work and the difficulties anticipated may be had.

Also, in order to satisfy himself that the materialmen whose names he expects to submit are able to furnish articles complying with specification requirements, a bidder, before submitting his bid should receive prior approval of the various construction materials entering into the completed project. In view of the limited facilities available to contracting officers for determining the suitability of such materials, and the limited time available due to the tendency of materialmen to delay submission of quotations until within a day or two of the time scheduled for the opening of the bids for the prime contract, it should readily be seen that the passage of this act will make it practically impossible to secure adequate competition for the work projected.

The firms or persons named by the general contractor as subcontractors must necessarily, in order to carry out the purpose of the act, name the materialmen from whom they expect to obtain the material for their part of the work. The general contractor in all fairness should not alone bear the onus of the charge of unfair practice. Thus it will be seen that the list of subcontractors to be furnished would be formidable and involve much additional work by administrative offices of the Government thereby increasing the cost for which the Government receives no return.

The Government, through its purchasing officers, in procuring supplies and materials for general use, is required to advertise its needs and to award the contract to the lowest bidder, unless, however, the desired commodity can be obtained in the open market for less than the lowest bid, in which event purchase in the open market in manner common among businessmen is authorized. A contractor bidding for construction work should not be restricted in the conduct of his business to a greater extent than the Government itself practices in the conduct of its business.

It will be noted that the bill as originally presented to the House provided that contracts in excess of $5,000 in amount shall be awarded only to bidders whose bids are submitted within 30 days after date of the invitation for bids, and are accompanied by a statement containing the names and addresses of the subcontractors, materialmen, and supplymen whose services the bidder intends to utilize in the performance of the work, etc. This provision was changed so that the bill as finally passed by the House provided that 60 days should be allowed bidders for the submission of bids instead of 30 days as originally written. The 30 days mentioned hereinabove was too short a time from the bidders' standpoint, whereas 60 days from the date the work is first advertised imposes a hardship on the Government because of the delay in the actual starting of work, to not less than 90 days and in some cases, particularly where administrative examination and comparison of bids require also the examination and approval of samples submitted, a much longer time.

In many cases of construction work it is absolutely essential to commence work at the earliest possible date and to that end invitations for bids frequently require that bids be submitted in less than 30 days. It is foreseen that in the event H. R. 146 is enacted into law construction work of the Government will be subject to unconscionable delay.

The general contractor is required to furnish a performance bond for the protection of the Government and a payment bond for the protection of labor and materialmen, therefore, it would be logical to assume that in view of the conditions imposed on him by H. R. 146, that the general contractor would require subcontractors and materialmen to also furnish a performance bond for his protection so that the ideal would be attained and no risk of loss incurred by the general contractor, incidentally increasing the cost of the work beyond all reason.

It should be noted in this respect that the provisions of the standard form of Government construction contract provide that if the contractor or any subcontractor fails to pay the rate of wages stipulated in the advertised specification for the work to be paid to laborers and mechanics employed at the site of the work, the general contractor is held liable for the difference between the wages actually received by the workman and the wages he should have received, and the contract further provides for the action to be taken by the contracting officer to effect compliance with said provision. Actual cases are known where a general contractor has paid wages twice due to actions of a subcontractor.

A recent act of Congress (Public, No. 321, 74th Cong., approved Aug. 24, 1935) requires the contractor to furnish a payment bond to insure all subcontractors and materialmen payment for materials and labor supplied to the work. If a subcontractor receives payments due him and fails to pay workmen or materialmen from whom he obtained the materials used by him under his subcontract, the general contractor is responsible for the payment to the workmen for wages and to materialmen for material, all of which he may have previously paid the subcontractor.

In conclusion, it is the opinion of the War Department that the proposed bill if enacted into law will serve no useful purpose, will create confusion and delay in processing needed construction work, and also increase the cost of said work to an extent not measurable at this time, therefore, it is recommended that the bill be not enacted into law.

This proposed legislation was submitted to the Bureau of the Budget which advises that there would be no objection to the submission of the proposed unfavorable report to Congress.

Sincerely yours,

HARRY H. WOODRING,
Secretary of War.

It will be observed that the Secretary declares that any additional restrictions placed on bidders will certainly not improve conditions and will result in higher costs to the Government. He adds that the bill appears to be designed for the purpose of preventing contractors from bargaining with subcontractors and materialmen after general contracts for public works have been awarded, and adds that while it may be desirable to prevent excessive bargaining during periods of depression as an emergency measure, it is the opinion of this Department that during periods of normal business the enactment of the proposed bill would not generally be to the advantage of the public. He adds that it should be borne in mind that in the last analysis the Government, in securing competitive bids, is bargaining with contractors, and it is only fair that the Government, in turn, should afford contractors an opportunity to bargain with materialmen and subcontractors. He refers to the fact that time allowed contractors to secure prices and prepare proposals is usually only sufficient to permit them to make estimates of costs, and it is entirely too short to permit a canvass of the entire field of manufacturers and subcontractors and to enter into tentative contractual relationships with them before submitting bids. He adds that the acceptance of the bidder's bid, accompanied by such list, would tend to vitiate the specifications if for any reason the subcontractor's product and the specifications were in conflict and might be used as a basis for claim against the Government.

I call attention to the statement made by Secretary Woodring that by a recent act of Congress contractors are required to furnish a payment bond to insure all subcontractors and materialmen payment for materials and labor supplied for their work. This meets one of the objections which I understand has been urged, that the subcontractors were placed at a disadvantage in the matter of payment. Secretary Woodring states:

> It is the opinion of the War Department that the proposed bill, if enacted into law, will serve no useful purpose, will create confusion, and delay in processing needed construction work, and also increase the cost of said work to an extent immeasurable at this time. Therefore, it is recommended that the bill be not enacted into law.

The Secretary adds that the proposed legislation was submitted to the Bureau of the Budget, which in effect approves of an unfavorable report upon the bill.

Mr. President, I call attention to the statement of Mr. Horatio Hackett, who as we all know, was a very efficient administrator in the office of the P. W. A. In his statement concerning the bill he states:

> The enactment of H. R. 146 would substantially increase the amounts of bid for construction work, and would delay performance of such work for the following reasons.

He submits five specific reasons as to why the bill should not be enacted. I shall not take the time of the Senate to

read them, but in my opinion they support and strengthen the views of the Secretary of War, and the Assistant Secretary of the Treasury, Taylor.

I might add that so far as wages are concerned they are protected under existing law, including the Davis prevailing-wage law, and by the Miller Act, which provides a separate bond running for the protection of subcontractors and labor. Thus one of the reasons assigned for the bill is found to be without merit.

Mr. President, I have presented the views of the Government officials, so far as they have been brought to my attention, who were charged with the responsibility of providing Federal buildings authorized by law. They know about the problems involved, and with such knowledge they unqualifiedly declare against the enactment of this measure. Their desire for the public good and for the welfare of the Government may not be overlooked or discounted. I, therefore, respectfully ask that the motion to reconsider be adopted, to be followed by a vote in opposition to the passage of the bill.

The House passed the bill more than a year ago. Within a week after the bill was introduced, limited hearings were held by the House committee. None were held before the Senate committee, so far as I can ascertain.

Mr. CONNALLY. I beg the Senator's pardon; the Senator from Massachusetts [Mr. WALSH] held a hearing.

Mr. WALSH. A subcommittee of the Committee on Education and Labor held a hearing.

Mr. CONNALLY. I have sent for a copy of it.

Mr. WALSH. Mr. President, will the Senator from Utah yield?

Mr. KING. Yes.

Mr. WALSH. The distinguished and conservative and brilliant Republican Senator from Vermont [Mr. AUSTIN] joined in recommending the passage of this legislation.

Mr. KING. That would be very much in its favor; but having read the testimony before the House committee, having read the letters from Mr. Woodring and Mr. Taylor in which they state in substance that the bill is against the President's policy, and point out the lack of necessity for its enactment, I am constrained to believe that the Senator from Vermont has made a mistake.

Mr. WALSH. Mr. President——

Mr. KING. I yield to the Senator from Massachusetts.

Mr. WALSH. Has my dear friend from Utah read the evidence about the common practice of a chief contractor asking subcontractors the amounts of money he should include in his bid for their parts of the work, and, after making his bid and getting his contract, going around to other subcontractors and asking them to do the subcontract job for a smaller figure? Will you take a little off this estimate? Will you take a little less for the plumbing, a little less for the carpenter work, a little less for the plastering, and so forth? It has led to serious injury to many reputable subcontractors?

Mr. KING. Mr. President, Secretary of War Woodring is a new dealer. Mr. Taylor is a new dealer. Mr. Hackett is a new dealer. These persons are, it is claimed, carrying out the policies of the New Deal. They are, it is alleged, interested in the welfare of the workingmen; and they unite in disapproving this bill and claim that if enacted it would prove injurious to the Government. They do not want the measure enacted, and say in conclusion that it is against the President's policy.

I am not on the committee which reported the bill. I know nothing about the questions involved other than the testimony which I read, taken by the House committee, and statements made to me by persons fully acquainted with the effects which would follow the enactment of the bill into law.

Mr. WALSH. Mr. President, the views of the Senator from Utah are always entitled to careful consideration. They are based upon sound thinking and conscientious convictions; but I should like to say to the Senator from Utah that it is natural for administrative officers, who seek to spend as little money as possible on contracts made by them, to invite and encourage means to obtain the lowest prices.

Mr. KING. Mr. President, I do not agree with the statement just made by my friend. I believe that the Federal officials who have been interested in the construction of public buildings, whether for the Works Progress Administration, the P. W. A., or the Treasury Department, have been fair in their treatment of contractors and subcontractors. They have tried to live up to the spirit of what is denominated the "New Deal" in their relations with labor and all persons who contracted with the Government for the erection of public buildings.

Mr. WALSH. I am pleased to see the distinguished Senator from Utah advocating a New Deal policy.

Mr. KING. I am sure that Assistant Secretary of the Treasury Taylor and Secretary of War Woodring and Mr. Hackett and Secretary Ickes, who will have more to do with the operations under this bill, if it becomes law, than any other persons, desire an honest and efficient administration, and I am sure they have been generous in dealing with contractors and subcontractors. They declare that the enactment of this bill would be disadvantageous to the Government, and of no benefit to the subcontractors, therefore they are opposed to it.

I have no interest in the matter. I made the motion to reconsider only because my attention was directed to the matter by a reading of the communications of the Secretary of War and Assistant Secretary Taylor of the Treasury. I have confidence in Mr. Hackett and in Secretary Ickes. I believe that these officials who have to do with Government construction and who have to account for every dollar that is spent by them, would recommend the best plan for contracts. Mr. Taylor says this bill is wrong, and that he is opposed to it. I prefer the testimony of these gentlemen to the statements of some other persons.

Mr. WALSH. Mr. President, I do not wish to prolong the discussion with a Senator who occupies a position in this body which I respect so highly as that of the Senator from Utah. I think it would be very unfortunate if we did not have in the Senate a man with the critical approach and the conscientious convictions of the distinguished Senator from Utah in the discussion of these measures. I desire to have the Senator know that I have profound respect for his attitude on all these public questions, and I sometimes wish I had as much ability and as exacting a conscience as he has in the analysis of public questions.

Mr. KING. I thank the Senator very much.

Mr. WALSH. I should like to ask the Senator a question. When a contractor submits a bid for the construction of a public building, what is the objection to his naming the subcontractors who will supply the plumbing, who will supply the lumber, who will do the masonry work, who will do the bricklaying, and who will do the other subcontract operations? What can be the objection to having the man who makes the bid give the names of these persons to the governmental agency, so that they may pass upon their standing and reputation as efficient, capable, and honest subcontractors?

Mr. KING. The objections are clearly set forth. The officials to whom I have referred say that because of the uncertainties accompanying strikes and the rise and fall in commodities, in brick and in cement, and so forth, it is impossible for the honest contractor to submit a statement in advance. It is understood that in some sections, particularly in large cities—I do not wish to point out any of them—that there are organizations of subcontractors who have a "cinch," to use the common expression, upon the contracting business, and I understand that some of their activities have been the subject of investigation by Government officials.

It is found that in some sections of the country—I will not indicate which ones I refer to—the subcontractors have organizations, and many of them make it impossible for the smaller contractor, the man without large capital, to bid, and they are thus driven out of business. They conspire for

the purpose of bringing about this elimination of independent contractors and subcontractors.

Mr. WALSH. Unfortunately, in every group in human society there are elements who take advantage of others, and employ the agencies of selfishness and greed to such an extent as to perform their functions contrary to the general welfare. Every law we pass here dealing with business is to punish those few who violate ethical and honorable business principles. We pass laws to limit speed, not because everybody violates speed restrictions, but because a few do so. This bill is for the purpose of preventing a limited number of subcontractors who are chiselers from limiting and restricting the opportunities for honest business achievement by reputable businessmen.

Mr. KING. The testimony of the officials to whom I have referred shows that they take just the opposite view. They say that the disadvantages will be very great if the plan which the bill seeks to put into effect is carried out.

I yield the floor.

WILLIAM G. LOY

Mr. CONNALLY obtained the floor.

Mr. McKELLAR. Mr. President, will the Senator from Texas yield to me? I am obliged to go to a conference on the relief joint resolution, and I desire to present two matters, which will take about half a minute.

Mr. CONNALLY. I yield.

Mr. McKELLAR. As in executive session, I ask unanimous consent for the reconsideration of the vote by which the nomination of William G. Loy to be postmaster at Newport, Pa., was rejected, and that his nomination be confirmed.

The PRESIDENT pro tempore. Without objection, the vote is reconsidered; and, without objection, the nomination is confirmed.

LOCAL DELIVERY RATE ON CERTAIN FIRST-CLASS MAIL MATTER

Mr. McKELLAR submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2716) to provide for the local delivery rate on certain first-class mail matter, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment to the text of the bill.

That the Senate recede from its amendment to the title.

KENNETH McKELLAR,
CARL HAYDEN,
LYNN J. FRAZIER,
Managers on the part of the Senate.

HARRY L. HAINES,
HENRY C. LUCKEY,
N. M. MASON,
PAUL W. SHAFER,
Managers on the part of the House.

The report was agreed to.

ORDER OF BUSINESS

Mr. COPELAND. Mr. President, will the Senator yield to me for just a moment?

Mr. CONNALLY. For what purpose?

Mr. COPELAND. I desire to make a request for the consideration of a few House bills.

Mr. CONNALLY. Very well.

Mr. COPELAND. I ask the attention of the Senator from Kentucky [Mr. BARKLEY] for a moment. There are on the calendar a number of House bills which have been considered by Senate committees.

Mr. BARKLEY. Mr. President, I will say to the Senator that it is my purpose to ask tomorrow that the calendar be called for the consideration of bills not objected to, beginning where we left off at the last call, which would include bills which have been reported since that call.

Mr. COPELAND. What time tomorrow will that be done?

Mr. BARKLEY. We are going to recess pretty soon, I hope, to meet at 12 o'clock tomorrow. I have no way of knowing exactly at what hour we shall be able to call the calendar, but unless conference reports are ready for consideration I think we shall do so very soon after we convene.

Mr. COPELAND. I thank the Senator.

SUBCONTRACTORS ON PUBLIC-BUILDING PROJECTS

The Senate resumed the consideration of the motion of Mr. KING to reconsider the vote by which the Senate passed House bill 146, to require contractors on public-building projects to name their subcontractors, materialmen, and supply men, and for other purposes.

Mr. CONNALLY. Mr. President, I hope the Senate will not vote to reconsider this bill. That is the quickest and most expeditious manner in which to dispose of the bill, because if we reconsider it we may be here all night talking on the bill. I hope we shall not be.

The bill under discussion is House bill 146. It passed the House, came to the Senate, and was thoroughly considered by the Committee on Public Buildings and Grounds. A subcommittee was appointed of which the distinguished Senator from Massachusetts [Mr. WALSH] was chairman. The hearings, I understand, have been printed, and they have been available.

It is true that some of the departments, particularly the Procurement Division, do not want the bill enacted, for the simple reason that they do not want to be bothered with dealing with subcontractors. They want to deal with one contractor, and it is easier to deal with one man than with all the subcontractors. The purpose of the bill, however, is this:

A man bids on the construction of a Government building. Before he submits his bid he goes around and gets estimates from the plumber and the plasterer and the wallpaper man and the floorman and all the different subcontractors. They submit estimates, and he compiles them and makes his estimate and bid on that basis. Then, as soon as he gets his contract, he goes around and puts pressure on these men. He has not actually contracted with them. He has merely obtained little tentative estimates from them. He says, "I want to deal with you, but you will have to cut the estimate you gave me, because I can have the work done by Bill Jones for a thousand dollars less."

Mr. BARKLEY. Mr. President, will the Senator yield to me?

Mr. CONNALLY. I yield.

Mr. BARKLEY. Did I correctly understand the Senator to say that the contractors on public buildings secure estimates from subcontractors before they make their own bids on the Government work?

Mr. CONNALLY. Exactly.

Mr. BARKLEY. On the basis of those estimates, the contractors then submit their bids?

Mr. CONNALLY. They do.

Mr. BARKLEY. And if the contractors are awarded the contracts, not having any contracts with the subcontractors, they then negotiate with them or coerce them into accepting lower figures than those they use as the bases of their estimates?

Mr. CONNALLY. Exactly.

Mr. BARKLEY. And unless the subcontractor agrees to accept a lower figure, the contractor is at liberty to go elsewhere and get somebody else to do the work. Is that the fact?

Mr. CONNALLY. Exactly. That is the gist of the bill. The contractor says, "It is true you made this estimate; but times have changed and conditions have changed, and I cannot pay that amount now. You will either have to come down in your figures or you will lose the contract." Well, if the subcontractor can come down, he comes down, because he wants the job.

Mr. WALSH. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. WALSH. Let me add that after the contractor gets the estimates he underbids them, with the object of afterward going to some subcontractor who will help him make good on the bid he has made.

Mr. CONNALLY. Exactly. If it is necessary to do so to get the contract, he will shave all of the estimates a little when he makes his bid, and then go back to the subcontractors and coerce them to come down still further.

Mr. BARKLEY. What does the bill do to prevent that?

Mr. CONNALLY. The bill requires the contractor, when he submits his bid, to submit a list of his subcontracts.

Mr. BARKLEY. In other words, it undertakes to hold him to the moral obligation he has entered into in order to get the estimates?

Mr. CONNALLY. Exactly.

Mr. BARKLEY. I hope the vote by which the Senator's bill was passed will not be reconsidered.

Mr. WALSH. Mr. President, what is the name of the practice in the trade? It has a particular name.

Mr. OVERTON. It is called "bid peddling."

Mr. CONNALLY. That is correct. The bill has been thoroughly considered, it passed the House and passed the Senate. The Senator from Utah, it is true, made a motion to reconsider. I have high respect for the motives of the Senator from Utah and his great learning and great zeal and great ability, but I am rather inclined to think that in this instance his interest is misdirected.

Mr. KING. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. KING. As I stated at the outset, my attention was directed to this matter by officials. Their testimony was brought to my attention, and I felt that the Senate ought to understand their views before acting on the bill; and I did what the Senator from Texas would have done if he had been requested to bring the matter to the attention of the Senate. I moved to reconsider the vote, and having read their statements, in which one of them said the bill was against the President's policy, I confess I espoused the President's cause in this matter with a good deal of earnestness.

Mr. CONNALLY. I have no quarrel with the Senator from Utah. He illumines whatever he touches, he is a man of great zeal and ability and industry, and great personal charm. I enjoy my association with him on the Committee on Finance and on the Committee on the Judiciary; but the Senator did read these letters from some of the subordinates in the Departments. These matters were considered thoroughly by the subcommittee of which the Senator from Massachusetts was chairman, and the committee considered all the matters.

So far as some subordinate in the Department saying that it is against the President's policy is concerned, the President can veto the bill if it is contrary to his policy, and I would rather have an expression from the President as to his policy than of some assistant secretary in a department, who I am sure does not know anything about whether the President approves the bill or whether he does not. That is a sort of touch of death put on things by subordinates who do not want them passed, the statement that they are not in conformity with the President's financial policy.

I hope the Senate will vote down the motion to reconsider.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Utah to reconsider the vote by which the bill was passed.

The motion was rejected.

ORDER OF BUSINESS

Mr. PEPPER. Mr. President, I realize the desire of the Senator from Kentucky that we proceed as rapidly as possible, but I wonder if he would be good enough to permit the present consideration of Senate resolution 296, which I am sure will require nothing more than a vote. If discussion were required I would not ask for the consideration of the resolution.

Mr. BARKLEY. Mr. President, the Senate will be in session tomorrow; we have quite an executive calendar, and Senators want to have a recess taken at an early hour, and I do not think we ought to take up any other legislative matters.

Mr. PEPPER. Very well.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORTS OF COMMITTEES

Mr. HARRISON, from the Committee on Finance, reported favorably the nomination of Assistant Surgeon Marion B. Noyes, to be passed assistant surgeon in the United States Public Health Service, to rank as such from July 1, 1938.

Mr. HUGHES, from the Committee on the Judiciary, reported favorably the following nominations:

William Clark, of New Jersey, to be judge of the United States Circuit Court of Appeals for the Third Circuit, vice J. Whitaker Thompson, retired; and

Albert Branson Maris, of Pennsylvania, to be judge of the United States Circuit Court of Appeals for the Third Circuit, to fill an existing vacancy.

Mr. CONNALLY, from the Committee on the Judiciary, reported favorably the following nominations:

Douglas W. McGregor, of Texas, to be United States attorney for the southern district of Texas; and

Edward A. Conger, of New York, to be United States district judge for the southern district of New York.

Mr. KING, from the Committee on the Judiciary, reported favorably the following nominations:

John A. Matthewman to be fifth judge of the first circuit, circuit courts, Territory of Hawaii; and

Bolitha J. Laws, of Washington, D. C., to be an associate justice of the District Court of the United States for the District of Columbia.

Mr. PITTMAN, from the Committee on Foreign Relations, reported favorably, without reservation, Executive B, Seventy-fourth Congress, second session, a general treaty between the United States of America and the Republic of Panama, signed at Washington on March 2, 1936, and submitted a report (Exec. Rept. No. 17) thereon.

He also, from the same committee, reported favorably, without reservation, the following conventions and submitted reports thereon:

Executive C, Seventy-fourth Congress, second session, a convention between the United States of America and the Republic of Panama, for the regulation of radio communications in the Republic of Panama and the Canal Zone, signed at Washington, on March 2, 1936 (Exec. Rept. No. 18);

Executive D, Seventy-fourth Congress, second session, a convention between the United States of America and the Republic of Panama, providing for the transfer to Panama of two naval radio stations, signed at Washington on March 2, 1936 (Exec. Rept. No. 19); and

Executive E, Seventy-fourth Congress, second session, a convention between the United States of America and the Republic of Panama, with regard to the construction of a transisthmian highway between the cities of Panama and Colon, signed at Washington on March 2, 1936 (Exec. Rept. No. 20).

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

He also, from the same committee, reported adversely the nominations of several postmasters.

The PRESIDING OFFICER (Mr. DUFFY in the chair). The reports will be placed on the Executive Calendar.

If there be no further reports of committees, the clerk will state the nominations on the calendar.

THE JUDICIARY

The legislative clerk read the nomination of Francis J. W. Ford to be United States district judge for the district of Massachusetts.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

THE JUDICIARY

Mr. ASHURST. Mr. President, several nominations in the judiciary were made yesterday and the Senate Committee on the Judiciary, through its subcommittees, considered them and reported today. I ask that the nominations be considered, and that the various chairmen of the subcommittees present the matters.

Mr. BURKE. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BURKE. In regard to the nominations from the Committee on the Judiciary, will it not be necessary for them to go on the calendar and be brought up for the first time tomorrow?

The PRESIDING OFFICER. Unless unanimous consent were granted they would be required to lie over for 1 day. The Chair assumed that the Senator from Arizona was asking unanimous consent that action be taken at this time.

Mr. ASHURST. I intended to.

Mr. BURKE. What I am asking is whether they can appear on the calendar now so that they will not lie over from this day until tomorrow, or whether they must appear first on the calendar tomorrow.

The PRESIDING OFFICER. They are reported today and they will be on the printed calendar tomorrow.

Mr. BARKLEY. I understood the Senator from Arizona to ask unanimous consent that the nominations reported today, but not on the calendar, be considered now.

Mr. BURKE. I object to that.

FEDERAL HOUSING ADMINISTRATOR

The legislative clerk read the nomination of Stewart McDonald, of Missouri, to be Federal Housing Administrator.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. DAVIS. Mr. President, I received a telegram from some colored citizens making certain requests in regard to the nomination of Mr. McDonald. As a result I conferred with Mr. McDonald, and he assured me that he had always been fair, and that his endeavor always had been to do what was right by all people with whom he came in contact, irrespective of race, color, or creed. I found him to be a very excellent man, and I am sure that those who communicated with me will find no ground for criticism when they consider Mr. McDonald's record. I ask that the telegram be printed in the RECORD at this point.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

WASHINGTON, D. C., *June 15, 1938.*

Senator J. J. DAVIS,
Senate Office Building:

Mr. Stewart McDonald's name comes up for confirmation by the Senate. Has done an excellent job as administrator of the F. H. A. However, his division of the Government has consistently refused Negroes adequate participation in its program. The National Technical Association, composed of graduate engineers, architects, and technicians, wish assurance from Mr. McDonald that if reappointed he will see that qualified Negroes are given employment as architects, engineers, and technicians.

NATIONAL TECHNICAL ASSOCIATION, WASHINGTON CHAPTER,
L. K. DOWNING, *President.*

Mr. CLARK. Mr. President, I ask unanimous consent that the President be notified of the confirmation of Mr. McDonald.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the President will be notified.

COLLECTOR OF INTERNAL REVENUE

The legislative clerk read the nomination of James H. Latchum, of Milford, Del., to be collector for the district of Delaware.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

REGISTER OF LAND OFFICE

The legislative clerk read the nomination of Loraine Rollins, to be register of the land office at Evanston, Wyo.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

FEDERAL EMERGENCY ADMINISTRATION OF PUBLIC WORKS

The legislative clerk read the nomination of Kenneth A. Godwin, of California, to be regional director, region 6.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

THE JUDICIARY

The legislative clerk read the nomination of Leon McCord, of Alabama, to be United States circuit judge for the fifth circuit.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Samuel B. Kemp, of Hawaii, to be associate justice of the Supreme Court, Territory of Hawaii.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

CIRCUIT COURT, TERRITORY OF HAWAII

The legislative clerk read the nominations of Harold E. Stafford, James Wesley Thompson, Delbert E. Metzger, and Carrick H. Buck, all of Hawaii, to be judges of the Circuit Court of the Territory of Hawaii.

The PRESIDING OFFICER. Without objection, the nominations are confirmed.

UNITED STATES ATTORNEY

The legislative clerk read the nomination of J. Saxton Daniel, of Georgia, to be United States attorney for the southern district of Georgia.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

DIPLOMATIC AND FOREIGN SERVICE

The legislative clerk read the nomination of Frederick A. Sterling, of Texas, to be Envoy Extraordinary and Minister Plenipotentiary of America to Sweden.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. PITTMAN. I ask unanimous consent that the President be notified of this confirmation.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the President will be notified.

FEDERAL POWER COMMISSION

The legislative clerk read the nomination of Basil Manly to be a member of the Federal Power Commission.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. LA FOLLETTE. Mr. President, I ask unanimous consent that the President be notified of the confirmation of Mr. Manly's nomination.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the President will be notified.

IN THE NAVY

The legislative clerk proceeded to read sundry nominations in the Navy.

Mr. WALSH. I ask unanimous consent that the nominations in the Navy be confirmed en bloc.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the nominations are confirmed en bloc.

IN THE MARINE CORPS

The legislative clerk proceeded to read sundry nominations in the Marine Corps.

Mr. WALSH. I ask unanimous consent that the nominations in the Marine Corps be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

POSTMASTERS

Mr. McKELLAR. Mr. President, as Senators know, on the last day of the session a great deal of confusion arises with regard to the appointment of postmasters. I ask unanimous consent, as in executive session, that the nominations of

postmasters which have been signed by the various Senators, and which have been reported by the committee, be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations of the postmasters referred to are confirmed en bloc.

Mr. McKELLAR. I ask unanimous consent that the President be notified of the confirmation of the nominations to which I have referred, and the confirmation of the nominations which have previously been confirmed.

The PRESIDING OFFICER. Without objection, the President will be notified.

Mr. McKELLAR. I now ask unanimous consent that the nominations of postmasters which have been reported adversely today be rejected.

The PRESIDING OFFICER. Without objection, the nominations of postmasters reported adversely are rejected.

NORTH AMERICAN REGIONAL BROADCASTING AGREEMENT

Mr. PITTMAN. Mr. President, I ask that the Senate proceed to the consideration of Executive H.

The Senate, as in Committee of the Whole, proceeded to consider Executive H (75th Cong., 3d sess.), a North American regional broadcasting agreement between the United States of America, Canada, Cuba, Mexico, the Dominican Republic, and Haiti, signed at Habana on December 13, 1937, which was read the second time as follows:

HABANA, *December 10, 1937.*

NORTH AMERICAN REGIONAL BROADCASTING AGREEMENT

concluded among the following Governments:

Canada,
Cuba,
Dominican Republic,
Haiti,
Mexico,
United States of America.

The undersigned, plenipotentiaries of the Governments listed above, having met in conference at Habana, Cuba, have, in common agreement and subject to ratification, concluded the following Agreement.

PURPOSE AND SCOPE OF THIS AGREEMENT

1. Purpose of Agreement: The purpose of this Agreement is to regulate and establish principles covering the use of the standard broadcast band in the North American Region so that each country may make the most effective use thereof with the minimum technical interference between broadcast stations.

2. North American Region: The North American Region (hereinafter referred to as "Region") for the purpose of this Agreement shall be deemed to include and to consist of the following countries: Canada, Cuba, Dominican Republic, Haiti, Mexico, Newfoundland, and United States of America.

3. Standard broadcast band: The standard broadcast band shall be deemed to be the band of frequencies extending from 550 to 1600 kc, both inclusive, both 550 kc and 1600 kc being the carrier frequencies of broadcasting channels as hereinafter defined. The Governments agree, subject to the provisions of Article 7 of the General Radio Regulations annexed to the International Telecommunications Convention, Madrid, 1932, that this band of frequencies shall be allocated exclusively to broadcastng in the Region.

4. Sovereign right to use channels: The sovereign right of all countries, parties to this Agreement, to the use of every channel in the standard broadcast band is recognized. The Governments recognize, however, that until technical developments reach a state permitting the elimination of radio interference of international character, a regional arrangement between them is necessary in order to promote standardization and to minimize interference.

5. Regional character of Agreement: The Governments recognize that this Agreement, and each provision thereof, is a regional arrangement within the meaning of, and authorized by the International Telecommunications Convention and the General Radio Regulations annexed thereto.

II. TECHNICAL

A. DEFINITIONS

1. Broadcast station: A station the emissions of which are primarily intended to be received by the general public.

2. Broadcast channels—550 to 1600 kc: A broadcast channel is a band of frequencies ten (10) kc in width, with the carrier frequency at the center. Channels shall be designated by their assigned carrier frequencies. Carrier frequencies assigned to broadcast stations shall begin at 550 kc and be in successive steps of 10 kc. No intermediate frequency shall be assigned as the carrier frequency of any broadcast station.

3. Service areas:

(a) Primary service area: The primary service area of a broadcast station is the area in which the ground wave is not subject to objectionable interference or objectionable fading.

(b) Secondary service area: The secondary service area of a broadcast station is the area served by the sky wave and not subject to objectionable interference. The signal is subject to intermittent variations in intensity.

4. Dominant stations: A "dominant" station is a Class I station, as hereinafter defined, operating on a clear channel.

5. Secondary station: A "secondary" station is any station except a Class I station operating on a clear channel.

6. Objectionable interference: Objectionable interference is the degree of interference produced when, at a specified boundary or field intensity contour with respect to the desired station, the field intensity of an undesired station (or the root-mean-square value of field intensities of two or more stations on the same frequency) exceeds for ten (10) percent or more of the time the values hereinafter set forth in this Agreement.

7. Power: The power of a radio transmitter is the power supplied to the antenna. The power in the antenna of a modulated-wave transmitter shall be expressed in two numbers, one indicating the power of the carrier frequency supplied to the antenna, and the other the actual maximum percentage of modulation.

8. Spurious radiation: A spurious radiation from a transmitter is any radiation outside the frequency band of emission normal for the type of transmission employed, including any harmonic modulation products, key clicks, parasitic oscillations and other transient effects.

9. English, French and Spanish equivalent: It is agreed that, as used in this Agreement, the French and Spanish words below set forth are respectively the equivalent of, and mean the same as, the English terms opposite which they appear:

English	French	Spanish
Clear channel	Frequence libre	Canal despejado.
Objectionable interference	Brouillage nuisible	Interferencia objetable.

B. CLASSES OF CHANNELS AND ALLOCATION THEREOF

1. Three classes: The 106 channels in the standard broadcast band are divided into 3 principal classes: clear, regional, and local.

2. Clear channel: A clear channel is one on which the dominant station or stations render service over wide areas and which are cleared of objectionable interference, within their primary-service areas and over all or a substantial portion of their secondary-service areas.

3. Regional channel: A regional channel is one on which several stations may operate with powers not in excess of 5 kw. The primary service area of a station operating on any such channel may be limited, as a consequence of interference, to a given field intensity contour.

4. Local channel: A local channel is one on which several stations may operate with powers not in excess of 250 watts. The primary service area of a station operating on any such channel may be limited, as a consequence of interference, to a given field intensity contour.

5. Number of channels of each class: The number of channels of each class shall be as follows:

Clear channels	59
Regional channels	41
Local channels	6
	106

6. Allocation of specific channels to each class: The channels are allocated to the several classes as follows:

Clear channels: The following channels are designated as clear channels: 640, 650, 660, 670, 680, 690, 700, 710, 720, 730, 740, 750, 760, 770, 780, 800, 810, 820, 830, 840, 850, 860, 870, 880, 890, 900, 940, 990, 1000, 1010, 1020, 1030, 1040, 1050, 1060, 1070, 1080, 1090, 1100, 1110, 1120, 1130, 1140, 1160, 1170, 1180, 1190, 1200, 1210, 1220, 1500, 1510, 1520, 1530, 1540, 1550, 1560, 1570, and 1580.

Regional channels: The following channels are designated as regional channels: 550, 560, 570, 580, 590, 600, 610, 620, 630, 790, 910, 920, 930, 950, 960, 970, 980, 1150, 1250, 1260, 1270, 1280, 1290, 1300, 1310, 1320, 1330, 1350, 1360, 1370, 1380, 1390 1410, 1420, 1430, 1440, 1460, 1470, 1480, 1590, 1600.

Local channels: The following channels are designated as local channels: 1230, 1240, 1340, 1400, 1450, and 1490 kc.

7. Use of regional and local channels by countries: All countries may use all regional and all local channels, subject to the power limitations and standards for prevention of objectionable interference set forth in this Agreement.

8. Priority of use of clear channels by countries:

(a) The clear channels are assigned for priority of use by Class I and II stations in the several countries in accordance with the table set forth in Appendix I.

(b) Each such channel shall be used in a manner conforming to the best engineering practice with due regard to the service to be rendered by the dominant stations operating thereon, as set forth elsewhere in this Agreement. If, for one year within the term of this Agreement, a country fails to make any use of a clear channel assigned to it, the channel shall be considered open for use by the

other countries, parties to this Agreement, pursuant to such arrangement as may be agreed upon by their respective administrations and without any necessity for revision of this Agreement.

(c) No country to which a clear channel has been thus assigned shall permit, or agree to permit, any other country to use such channel in a manner not in conformity with this Agreement without first giving sixty days[1] advance notice of its intention so to do to all other countries, parties to this Agreement. If during this period of sixty days[1] any other country shall present objections to such proposed use of the channel, the country to which the clear channel has been assigned shall not permit, or agree to permit, such proposed use until the difference presented by the objection has been amicably resolved.

(d) If within the period of this Agreement the country to which a clear channel has been assigned shall have made use of the channel but not in the manner above prescribed or not to the extent required by the provisions of this Agreement, such country shall be considered as having relinquished that portion of the rights which it has not used and at the expiration of this Agreement the other countries party thereto shall have the right, if they see fit, to withdraw the unused privileges from such country and to reassign them to any or all of the other interested countries.

C. CLASSES OF STATIONS AND USE OF THE SEVERAL CLASSES OF CHANNELS

1. Classes of stations: Broadcast stations are divided into four principal classes, to be designated Class I, Class II, Class III, and Class IV, respectively.

2. Definitions of classes: The four classes of broadcast stations are defined as follows:

Class I: A dominant station operating on a clear channel and designed to render primary and secondary service over an extended area and at relatively long distances. Class I stations are subdivided into two classes:

Class I–A: A Class I station which operates with power of 50 kw or more and which has its primary service area, within the limits of the country in which the station is located, free from objectionable interference from other stations on the same and adjacent channels, and its secondary service area, within the same limits, free from objectionable interference from stations on the same channel, in accordance with the engineering standards hereinafter set forth.

Class I–B: A Class I station which operates with power of not less than 10 kw or more than 50 kw and which has its primary service area free from objectionable interference from other stations on the same and adjacent channels and its secondary service area free from objectionable interference from stations on the same channel, in accordance with the engineering standards hereinafter set forth.

(a) When two Class I–B stations on the same channel are separated by a distance of 2,800 miles or more, neither station shall be required to install a directional antenna.

(b) When two Class I–B stations on the same channel are separated by a distance of more than 1,800 miles and less than 2,800 miles, it will, in the absence of proof to the contrary, be assumed that each station is free of objectionable interference caused by the other and neither shall be required to install directional antennas or take other precautions to avoid such interference. In case the existence of objectionable interference is proved, the governments concerned will consult with each other regarding the desirability and practicality of installation of directional antennas or the taking of other precautions to eliminate the interference and will determine by special arrangement the measures, if any, to be taken.

(c) When two Class I–B stations on the same channel are separated by a distance less than 1,800 miles, it will, in the absence of proof to the contrary, be assumed that the installation of directional antennas or the taking of other precautions to avoid interference is necessary, and the governments concerned will consult with each other and will take such measures as may be agreed upon between them to the end that the objectionable interference may be reduced or eliminated.

Class II: A "secondary" station which operates on a clear channel and is designed to render service over a primary service area which, depending on geographical location and power used, may be relatively large, but which is limited by and subject to such interference as may be received from Class I stations. A station of this class shall operate with power of not less than 0.25 kw or more than 50 kw. Whenever necessary a Class II station shall use a directional antenna or other means to avoid interference, in accordance with the engineering standards hereinafter set forth, with Class I stations and with other Class II stations.

Class III: A station which operates on a regional channel and is designed to render service primarily to a metropolitan district and the rural area contained therein and contiguous thereto. Class III stations are subdivided into two classes:

Class III–A: A Class III station which operates with power not less than one kilowatt or more than five kilowatts and the service area of which is subject to interference in accordance with the engineering standards hereinafter set forth.

Class III–B: A Class III station which operates with a power not less than 0.5 kw or more than 1 kw night and 5 kw daytime and the service area of which is subject to interference in accord with the engineering standards hereinafter set forth.

[1] Calendar days.

Class IV: A station using a local channel and designed to render service primarily to a city or town and the suburban and rural areas contiguous thereto. The power of a station of this class shall not be less than 0.1 kw or more than 0.25 kw and its service area is subject to interference in accord with the engineering standards hereinafter set forth.

3. Change of class: If a station or stations in Class III–B located in any country can, through the use of directional antennas or otherwise, so reduce the interference caused or received by such station or stations to the field contour to which interference to stations in Class III–A is allowed, such station or stations shall automatically be classified and included in Class III–A and shall thereafter be so recognized and treated by the administrations of all countries within the Region.

4. Use of clear channels:

(a) In principle and subject only to the exception hereinafter set forth, Class I stations shall be assigned only to clear channels.

(b) Class II stations may be assigned to clear channels only on condition that objectionable interference will not be caused to any Class I stations. Where any country has priority of use of a clear channel for any Class I–A station, no other country shall assign any Class II station to that channel for nighttime operation (from sunset to sunrise at the location of the Class II station) unless such Class II station is located not less than 650 miles from the nearest border of the country in which the Class I–A station is located; provided, however, that where an assignment for a Class II station is specifically stated in appendix I, such assignment shall be deemed as authorized under the limitations therein set forth.

5. Use of regional channels:

(a) In general only Class III–A and Class III–B stations shall be assigned to regional channels.

(b) On condition that interference be not caused to any Class III–A or Class III–B station, and subject to such interference as may be received from Class III–A or Class III–B stations, Class IV stations may be assigned to regional channels.

(c) Because of their geographical location with respect to the North American continent, special consideration will be given to the use by Cuba, the Dominican Republic, Haiti, and Newfoundland of stations of Classes I and II assigned to certain regional channels under certain conditions, with respect to power and precautions to avoid objectionable interference as set forth in Appendix VII.

6. Use of local channels: Only Class IV stations shall be assigned to local channels.

D. SERVICE AND INTERFERENCE

1. Satisfactory signal: It is recognized that, in the absence of interference from other stations and in regions where the natural electrical noise level is not abnormally high, a signal of 100 microvolts per meter constitutes a usable signal in rural and sparsely settled areas but that, because of the higher electrical noise levels in more thickly populated communities, greater field intensities (ranging as high as 25 millivolts or more in cities) are necessary to render satisfactory service. It is further recognized that it is not possible to accord protection to stations from objectionable interference over the entire areas over which their signals are or may be above the electrical noise level, particularly at night, and that it is necessary to specify boundaries or contours at or within which stations are protected from objectionable interference from other stations.

2. Areas protected from objectionable interference: The boundaries or contours at and within which the several classes of stations shall be protected from objectionable interference are as set forth in Appendix II. No station, however, need be protected from objectionable interference at any point outside the boundaries of the country in which such station is located.

With respect to the root-mean-square values of interfering field intensities referred to herein, it shall be understood to apply in determining the interference between existing stations and no station thereafter assigned the channel shall increase the root-mean-square value of the interfering field intensity above the maxima specified in the attached tables.

3. Objectionable interference on the same channel: Objectionable interference shall be deemed to exist to a station when, at the boundary or field intensity contour specified in Appendix II with respect to the class to which the station belongs, the field intensity of an interfering station (or the root-mean-square value of the field intensities of two or more interfering stations) operating on the same channel, exceeds for ten (10) percent or more of the time the value of the permissible interfering signal set forth opposite such class in Appendix II.

4. Interference to dominant clear channel stations: A station shall be considered as not capable of causing objectionable interference to a Class I clear channel station on the same frequency when it is separated from the dominant clear channel station by a difference of 70 degrees or more of longitude.

5. Objectionable interference on adjacent channels: It is recognized, in principle, that objectionable interference may be caused to a desired station when, at or within the specified contours of a desired station, the field intensity of the ground wave of an undesired station operating on an adjacent channel (or the root-mean-square value of the field intensities of two or more such undesired stations operating on the same adjacent channel) exceeds a value determined by the following ratio:

Separation between channels:	*Minimum permissible ratio of desired to undesired signals*
10 kc	1 to 0.5
20 kc	1 to 10
30 kc	1 to 50

For convenient reference, the maximum permissible values of interfering signals on such adjacent channels at specified contours are set forth in Appendix III, table I.

6. Application of standards to existing stations:

(a) For the purpose of estimating objectionable interference, all stations (other than those of Class II) shall be assumed to use the maximum power permitted to their respective classes. In this connection, the power of Class I–A stations shall be considered to be 50 kw or the actual power, if higher.

(b) After this agreement has been placed in operation a station thereafter assigned a channel already assigned to other stations shall not be considered as preventing existing stations from increasing their power to the maximum allowed their class, even though such power increase may limit the newly assigned station to a field intensity contour of higher value than that permitted its class.

7. Frequency stability: The operating frequency of each broadcast station shall be maintained to within 50 cycles of the assigned frequency until January 1, 1939, and thereafter the frequency of each new station or each station where a new transmitter is installed shall be maintained within 20 cycles of the assigned frequency, and after January 1, 1942, the frequency of all stations shall be maintained within 20 cycles of the assigned frequency.

8. Spurious radiation: The governments shall endeavor to reduce and, if possible, eliminate spurious radiations from broadcast stations. Such radiations shall be reduced in all cases until they are not of sufficient intensity to cause interference outside the frequency band required for the type of emission employed. With respect to type A–3 emissions (radio-telephony) the transmitter should not be modulated in excess of its modulation capability to the extent that interfering spurious radiations occur, and, with respect to amplitude modulation, the operating percentage of modulation should not be less than seventy-five (75) percent on peaks of frequent recurrence. Means should be employed to insure that the transmitter is not modulated in excess of its modulation capability.

E. DETERMINATION OF PRESENCE OF OBJECTIONABLE INTERFERENCE

1. Antenna performance: For the purpose of calculating the presence and the degree of objectionable interference, stations of the several classes shall be assumed to produce effective field, corrected for absorption, for one kilowatt of input power to the antenna, as follows:

Class of station	At 1 mile	At 1 kilometer
I	225 mv/m	362 mv/m.
II and III	175 mv/m	282 mv/m.
IV	150 mv/m	241 mv/m.

In case a directional antenna is employed, the interfering signal of a broadcasting station will vary in different directions. To determine the interference in any direction, in the absence of actual interference measurements, the horizontal and vertical field intensity patterns of the directional antenna must be calculated and by comparing the appropriate vectors in the horizontal or vertical pattern with that of a nondirectional with the same effective field, the interfering signal toward any other station can be expressed in terms of kilowatts. This rating in kilowatts shall be applied in the use of mileage separation tables or in computing distances from the propagation curves or tables.

2. Power: The power of a station shall, for the purposes of notifications required by this Agreement, be determined in one of the following manners:

(a) By taking the product of the square of the antenna current and the antenna resistance (antenna input power).

(b) By determination of the station's effective field intensity, corrected for absorption, by making sufficient field intensity measurements on at least eight radials as nearly equally spaced as practicable and by relating the field intensity thus determined to the effective field intensity of a station having the antenna efficiency stipulated above for its class.

3. Methods of determining the presence of objectionable interference—General: The existence or absence of objectionable interference from stations on the same or adjacent channels shall be determined by one of the following methods:

(a) By actual measurements obtained in the method hereinafter prescribed;

or, with the mutual consent of the countries concerned:

(b) By reference to the propagation curves in Appendixes IV and V, or

(c) By reference to the distance tables set forth in Appendix VI.

4. Actual proof of existence or absence of objectionable interference: The existence or absence of objectionable interference may be proved by field intensity measurements or recordings made with suitable apparatus, duly calibrated, by Government engineers or other engineers as may be mutually acceptable to the Governments concerned. Such field intensity measurements shall be made in the manner and for the periods of time mutually agreed upon by the Governments concerned.

The contracting Governments agree to facilitate the making of the measurements by requiring the stations involved to remain silent or operate in the manner deemed necessary, and at such times as not to interrupt regular schedules.

5. Proof basd on propagation curves and distance tables:

(a) Sky wave curves: In computing the distance to the 50 per cent sky wave field intensity contour of a Class I station of a given power, and also in computing the 10 percent sky wave field intensity of an alleged interfering station, of any class and given power, at a specified distance, use may be made of the appropriate graphs set forth in Appendix V, entitled "Average Sky Wave Field Intensity Corresponding to the Second Hour after Sunset in the Recording Station, 100 Millivolt per Meter at One Mile (161 at one kilometer)."

(b) Ground wave curves: The distance to any specified ground wave field intensity contour may be determined from appropriate ground wave curves plotted for the frequency under consideration and the conductivity and dielectric constant of the earth between the station and desired contour. The frequency and the conductivity of the earth must be considered in every case and where the distance is great, due allowance must be made for loss due to curvature of the earth. A family of curves is necessary for this purpose. A graph for a conductivity of 10^{-13} is set forth in Appendix IV, entitled "Ground Wave Field Intensity vs. Distance for One Kilowatt Radiated From Short Antenna." Three frequencies in the standard broadcast band are given. For other frequencies and soil conditions (conductivity and dielectric constant) other curves are required. A conductivity of 10^{-13} is considered average and is used throughout in determining the ground wave value for computing the mileage separation tables.

(c) Distance tables: Table I shows the required day separation in miles between broadcast stations on the same channel. Table II gives the required distance in miles from the boundary of a country in which a Class I–A station is located for the daytime operation of a Class II station on the same channel in another country. Table III gives the required separation in miles between broadcast stations on adjacent channels during both daytime and nighttime. Table IV gives the required night separation in miles between broadcast stations operating on the same channel. The assumed conditions of operation are given in Appendix VI.

The tables are based upon the use of nondirectional antennas but, in case a directional antenna is employed at a particular station, it will be necessary to consider the radiation distribution of the directional antenna involved and to modify the mileage separation accordingly. The night separation tables for stations on the same frequency are computed from the skywave curve given in Appendix V. These curves are based on extensive measurements of the skywave produced by broadcasting stations and shall be considered as accurate in all cases unless proof to the contrary is available as set out in Section E 4. The mileage separation tables for the same channel during daytime and for adjacent channels day and night are computed from the groundwave curve in Appendix IV. Tables apply only in case the frequency is 1,000 kc and the assumed soil conductivity and dielectric constant prevail. Since these values vary in every case the tables for daytime and adjacent channel separation cannot be used except as a general guide. In any case under consideration an estimate of the mileage separation required may be made from the operating frequency and known or assumed soil conditions. To determine the interference accurately, measurements must be made in accordance with Section E 4 on the frequency under consideration or on another frequency and from the curves the values may be determined for the desired frequency.

F. MISCELLANEOUS

1. Engineering standards: The engineering standards set forth in this Agreement are subject to revision when justified by technical advances in the art, with the mutual consent of the governments parties to this Agreement.

III. NOTIFICATION AND EFFECT THEREOF

1. Initial notification: Each Government shall, as soon as possible after ratification of this Agreement, and in any event not later than 180 days prior to the effective date thereof, transmit to the other Governments

(a) A complete list of all broadcast stations actually in operation in its country in the standard broadcast band both as of the date of the signing of this Agreement and as of the date of transmitting said list, showing with respect to each station its call signal, location, frequency, power, and antenna characteristics, together with all changes authorized to be made with respect to said stations on or before the effective date of this Agreement, and the classification claimed for each such station.

(b) A complete list of all changes authorized to be made with respect to said stations after the effective date of this Agreement, the dates on or before which such changes are to be consummated, and the classification claimed for each such station under this Agreement when the proposed change has been consummated.

(c) A complete list of all new broadcast stations authorized but not yet in operation, showing with respect to each such station its call signal, location, frequency, power and antenna characteristics, the date on or before which each such station shall commence operation, and the classification claimed for it under the Agreement.

(d) The Governments agree that prior to the effective date of this Agreement, they will, so far as possible, resolve all conflicts that may arise between them as a result of the foregoing initial listings, and that, notwithstanding some such conflicts may remain unresolved, they will cooperate to the end that there be no delay in putting the provisions of this Agreement into full force and effect on that date.

(e) In resolving conflicts in the use of clear channels, and in the listing of Class I and Class II stations, the provisions of this Agreement and particularly of Appendix I shall be controlling. In resolving conflicts in the use of regional and local channels, and in the listing of Class III and Class IV stations, priority of use shall be recognized in each country with respect to stations which at the time of signing of this Agreement are in actual operation, which in substance conform to the definitions of said classes as set forth in this Agreement, and with respect to which no substantial change is made or proposed; a change of frequency in order to conform to the designation of channels in this Agreement shall not be deemed a substantial change.

2. Subsequent notifications: After the effective date of this Agreement and throughout the period during which it shall remain in effect, each Government shall promptly notify the other Governments by registered letter of all further changes in existing broadcast stations and of all further new broadcast stations, together with similar information with regard to each such change or new station, and the proposed date on which each such change is to go into effect and on which each such new station is to actually commence operation.

3. Effect of notification: Each Government may, within 30 days of receiving notification of any proposed change in the assignment of an existing station or of the authorization of a new station in another country, notify the Government of the latter country of any objection it may have thereto under the terms of this Agreement.

4. Conflict between notifications: To be valid, notifications of changes in the assignments of existing stations, or of authorizations of new stations must be such that the assignments proposed therein are in accordance with this Agreement and are such as not to involve objectionable interference to existing stations in other countries, assigned and operating in accordance with this Agreement. As between two or more notifications of changes or authorizations of new stations proceeding from different countries, after the effective date of this Agreement, priority in the date of mailing of notification shall govern.

5. Cessation of effect: (a) A notification of a proposed change in the assignment of an existing station or of an authorization of a new station shall cease to have any force and effect if, within one year of the date thereof, such change shall not have been actually consummated or such new station shall not have actually commenced continuous operation.

(b) In special cases in which circumstances beyond the control of the Administration concerned have prevented the completion of the change or the construction of the new station, the term of the original notification may be extended for a period of six months.

6. Bern Bureau: The foregoing notifications shall be made independently of and in addition to those which, under current practice, are sent to the Bureau of the International Telecommunications Union.

IV. Arbitration

In case of disagreement between two or more contracting Governments concerning the execution of this Agreement and dispute, if it is not settled through diplomatic channels, shall be submitted to arbitration at the request of one of the Governments in disagreement. Unless the parties in disagreement agree to adopt a procedure already established by treaties concluded between them for the settlement of international disputes, the procedure shall be that provided for in Article 15 of the International Telecommunications Convention of Madrid, 1932.

V. Ratification, Execution, and Denunciation

1. Ratification.—To be valid this Agreement must be ratified by Canada, Cuba, Mexico and the United States of America.

If and when three of said four countries shall have ratified and the fourth shall, through unavoidable circumstances, have been unable to ratify but shall have signified to those countries that have ratified, its readiness, pending ratification and as an administrative measure, to put the provisions of this Agreement (including the contents of Appendix I) into effect in whole or in part, then such country, together with those countries which shall have ratified, may, by administrative agreement between them, fix a definite date on which they shall give effect to such provisions, which date shall preferably be one year from the date of such administrative agreement.

The ratifications must be deposited, as soon as possible, through diplomatic channels, in the archives of the Government of Cuba. This same Government shall, through diplomatic channels, notify the other signatory Governments of the ratifications as soon as they are received.

2. Effect of ratification: This Agreement shall be valid only as between such countries as shall have ratified it.

3. Execution: The contracting Governments undertake to apply the provisions of this Agreement, and to take the steps necessary to enforce said provisions upon the private operating agencies recognized or authorized by them to establish and operate broadcast stations within their respective countries.

4. Denunciation: Each contracting Government shall have the right to denounce this Agreement by a notification addressed, through diplomatic channels, to the Government of Cuba, and announced by that Government, through diplomatic channels, to all the other contracting Governments. This denunciation shall take effect at the expiration of the period of one year from the date on which the notification was received by the Government of Cuba. This effect shall apply only to the author of the denunciation. This Agreement shall remain in force for the other contracting Governments but only as between such Governments.

VI. Effective Date and Term of the Agreement

1. Except for the provisions of Section 1 of Part III, Section 1 of Part V, and paragraph 3 of Table VI of Appendix I annexed hereto (which provisions shall go into effect immediately upon this Agreement becoming valid), this Agreement shall become effective one year after the date it shall have been ratified by the fourth of those Governments whose ratification is requisite to the validity of this Agreement. The Governments will cooperate to the end that, wherever possible, the provisions of this Agreement shall be carried out in advance of said effective date.

2. This Agreement shall remain in effect for a period of five years after said effective date.

VII. Adherence

This Agreement shall be open to adherence in the name of Newfoundland.

In witness whereof the respective plenipotentiaries have signed the Agreement in triplicate, one copy in English, one in Spanish, and one copy in French, each of which shall remain deposited in the archives of the Government of Cuba and a copy of each of which shall be forwarded to each Government.

Done at Habana, Cuba, on December 13th, 1937.

CANADA:
Laurent Beaudry.
C. P. Edwards.

CUBA:
Wifredo Albanés y Peña.
Andrés Asensio y Carrasco.
Nicolás González de Mendoza y de la Torre.
Alfonso Hernández Catá y Galt.

DOMINICAN REPUBLIC:
Roberto Despradel.
Máximo Lovatón P.

HAITI:
Justin Barau.

MEXICO:
Ignacio Galindo.
Salvador Tayabas.
Fernando Sánchez Ayala.
Rubén Fuentes.

UNITED STATES OF AMERICA:
T. A. M. Craven.

Attachments:
Appendix I. Priority of use of clear channels for Class I and II stations.
Appendix II. Protected service and interference.
Appendix III. Adjacent channel interference.
Appendix IV. Ground wave graphs.
Appendix V. Sky wave graphs.
Appendix VI. Mileage separation tables.
Appendix VII. Engineering requirements for use of regional channels by Class II stations.

Mr. KING. Mr. President, would this treaty interdict the transmission by Nazis in Brazil or Mexico of their doctrines into the United States without supervision?

Mr. PITTMAN. It would have no effect on that situation whatever. A very able analysis of this treaty by the Senator from Maine [Mr. WHITE] is attached to the report. He was appointed a subcommittee because of his peculiar knowledge of this subject, and he is just back from an international radio convention. I do not wish to go into the whole subject, but he analyzed the treaty, and he states that the chief advantage of the treaty is that it recognizes the frequencies which have been adopted by the United States. It is only through such recognition that we can prevent having conflicts with foreign countries.

It also provides for a regular permanent commission through which information to each country with regard to the laws passed in the respective countries may become known to the other countries. Those are the chief advantages of the treaty.

The PRESIDING OFFICER. The agreement is before the Senate and open to amendment. If there be no amendment to be proposed, the agreement will be reported to the Senate.

The agreement was reported to the Senate without amendment.

The PRESIDING OFFICER. The resolution of ratification will be read.

The legislative clerk read as follows:

Resolved (*two-thirds of the Senators present concurring therein*), That the Senate advise and consent to the ratification of Executive H, Seventy-fifth Congress, third session, a North American regional broadcasting agreement between the United States, Canada, Cuba, Mexico, the Dominican Republic, and Haiti, signed at Habana on December 13, 1937.

The PRESIDING OFFICER. The question is on agreeing to the resolution of ratification. [Putting the question.] Two-thirds of the Senators present concurring therein, the resolution is agreed to, and the agreement is ratified.

INTER-AMERICAN RADIO COMMUNICATIONS CONVENTION

Mr. PITTMAN. Mr. President, I ask that Executive I be laid before the Senate.

The Senate, as in Committee of the Whole, proceeded to consider Executive I (75th Cong., 3d sess.), an Inter-American Radio Communications Convention between the United States of America, Brazil, Canada, Colombia, Cuba, Chile, the Dominican Republic, Guatemala, Haiti, Mexico, Nicaragua, Panama, Peru, Uruguay, and Venezuela, signed at Habana on December 13, 1937, which was read the second time, as follows:

INTER-AMERICAN RADIOCOMMUNICATIONS CONVENTION

concluded at Havana, on December 13th, 1937, among the Governments of the States named below:

Brazil	Guatemala
Canada	Haiti
Colombia	Mexico
Cuba	Nicaragua
Chile	Panama
Dominican Republic	Peru
United States of America	Uruguay and Venezuela

The governments named above, recognizing the benefits of cooperation and mutual understanding resulting from the exchange of views with respect to radiocommunications, have designated the undersigned plenipotentiaries to the first Inter-American Radio Conference, held in the City of Havana, Republic of Cuba, who by common consent and subject to ratification, have concluded the following Convention, in conformity with the provisions of the International Telecommunications Convention of Madrid, 1932.

PART ONE. CONFERENCES

ARTICLE 1. OBJECTIVE

The contracting governments agree to meet periodically in conferences of plenipotentiaries for the purpose of resolving by common understanding such problems as may arise in the field of radiocommunications in the American continent.

ARTICLE 2. COMPOSITION OF THE CONFERENCES

The conferences shall be composed, as provided in the Internal Regulations of the Inter-American Radio Conferences, (Annex 1 of this Convention), of the delegates of all the Governments of the American Continent which agree to attend.

Representatives of institutions and organizations associated with radiocommunications, of enterprises or groups of enterprises and bodies or persons engaged in the operation of radio services may also attend, as observers, provided they are authorized by their respective Governments.

ARTICLE 3. VOTING

(A) Only one vote shall be had in the Conferences by each State that meets the following qualifications:

I. a permanent population;
II. a defined territory;
III. government;
IV. capacity to enter into relations with the other States.

(B) Countries or territories not possessing these qualifications may have voice but no vote in the conferences; but agreements resulting from the conferences shall be open for their adherence through the medium of their respective home governments.

ARTICLE 4. PLACE AND DATE OF CONFERENCES

The conferences shall be held at intervals not greater than three years. The country and the date at which each conference is to meet shall be fixed by the preceding conference. However, the date scheduled for a meeting may be advanced or postponed by the organizing government at the request of five or more participating governments.

The government of the country in which the conference is scheduled to be held, hereafter referred to as the organizing government, shall fix the place and the final date of the meeting and shall send out the invitations for attendance through the customary diplomatic channels, at least six months in advance.

ARTICLE 5. INTERNAL REGULATIONS FOR CONFERENCES

This convention has annexed Internal Regulations for the Inter-American Radio Conference (Annex 1) which establish the procedure to be followed at the meeting and which may be amended only by the affirmative vote of two-thirds of the states participating at the Conference in question.

PART TWO. INTER-AMERICAN RADIO OFFICE (O. I. R.)

ARTICLE 6. OBJECT

The contracting governments agree:

(A) To establish the Inter-American Radio Office (O. I. R.), as an Inter-American organization of a consultative character which shall centralize and facilitate, among the administrations of the American countries, the interchange and circulation of information relative to radiocommunications in all their aspects, and collaborate in the organization of the conferences mentioned in Part One of this convention; and

(B) 1. To communicate at the proper time to the Inter-American Radio Office all provisions of internal and international radio legislation and the regulations in force in their territories, and such amendments as may be introduced in these provisions; as well as statistical, technical, and administrative reports relative thereto; and

2. Specifically, to transmit to the OIR every six months an official list of the frequencies assigned by them to all broadcasting stations and to notify monthly all changes and additions thereto.

Such notification shall be made in accordance with the procedure adopted in the current General Radio Regulations annexed to the International Telecommunication Convention and shall also include:

(*a*) Power actually in use.
(*b*) Maximum contemplated power.
(*c*) Hours of transmission.

The required notifications referred to shall be made in all cases, independently of the usual notification sent to the Bureau of the International Telecommunication Union.

ARTICLE 7. FUNCTIONS

The Inter-American Radio Office shall be charged with:

(A) the preparatory work of conferences and the work resulting from their decisions;

(B) providing in accord with the organizing government concerned, the Secretariat of the conferences;

(C) the issuance of such publications as may be established by conferences;

(D) the publication and circulation of technical information other than that resulting from conferences, including the exchange of data relating to the accuracy and stability of frequencies, to interference or other disturbances observed in the territories of the contracting countries, and such other studies as may be carried on, such as the propagation of waves, the general characteristics of antennas, etc.; also the exchange of documents of a legal nature, treaties and general information designed for a better understanding and raising of the standards of radiocommunications in the American continent;

(E) the submission of an annual report of its work, which shall be communicated to all contracting governments;

(F) the performance of such other duties as may pertain to it or be assigned to it by the conferences.

ARTICLE 8. MAINTENANCE OF THE OFFICE

(A) The general expenses of the Inter-American Radio Office shall not exceed the sum of Twenty Five Thousand Dollars ($25,000.00) currency of the United States of America, per annum.

(B) In order to defray these expenses each of the American governments agrees to contribute in proportion to a certain number of units corresponding to the category to which it belongs, as provided in the Internal Regulations of the O. I. R. For this purpose six categories are established with the units assigned to each as shown below:

Categories:	I	II	III	IV	V	VI
Units:	25	20	15	10	5	3

(C) The general expenses will not include the expenses incidental to the work of conferences, which shall be borne by the organizing government.

(D) The funds required for the Office shall be payable half yearly in advance by the governments forming part of the Inter-American Radio Office. If any country is in arrears of payment the government of the country in which the Office is located shall advance amounts as required. The sums thus advanced must be reimbursed by the debtor governments as soon as possible and at the latest at the expiration of the fourth month following the date on which payments are due.

ARTICLE 9. SEAT AND SUPERVISION OF THE OFFICE

(A) The seat of the Inter-American Radio Office and appointment of Director will form a subject of the Agenda for each conference.

(B) The Government of the country where the Office has its seat shall exercise general supervision over its organization, budget, and finances and make the necessary advances of funds.

(C) The accounts of the Inter-American Radio Office shall be submitted by the Government where the Office is located to the next succeeding conference for approval.

(D) The Office is placed initially under the auspices of the Government of Cuba. Its headquarters shall be in the city of Havana.

ARTICLE 10. INTERNAL REGULATIONS FOR O. I. R.

This Convention has annexed Internal Regulations of the Inter-American Radio Office (Annex 2), which provide the details for

the internal administration of this organization and which may be amended only by the affirmative vote of two-thirds of the States represented at a conference.

PART THREE. SPECIAL PROVISIONS

ARTICLE 11. GENERAL PRINCIPLES

(A) The contracting Governments recognize the sovereign right of all nations to the use of every radio broadcasting channel.

(B) The American Governments, upon the sole condition that no intereference will be caused to the services of another country, may assign any frequency and any type of wave to any radio station under their authority.

(C) Nevertheless, the Governments recognize that, until technical development reaches a state that permits the elimination of radio interference of international character, regional arrangements are essential in order to promote standardization and to minimize such interference.

(D) For the solution of those problems which, because of special propagation characteristics and interference conditions of radio transmission in the various geographical zones require special provisions, the contracting Governments agree to divide the American continent into three regions, designated as the northern zone, the central zone, and the southern zone (Annex 3).

ARTICLE 12. BILATERAL AGREEMENTS

The contracting governments whenever they shall deem it desirable within the scope of this convention shall negotiate bilateral agreements concerning the operation of radiotelegraph stations as between their respective nations in order to facilitate direct communication.

ARTICLE 13. FREQUENCY MEASURING STATIONS

The contracting governments agree to establish frequency measuring stations as soon as possible.

ARTICLE 14. EXCHANGE OF INFORMATION

The contracting governments which have not undertaken to communicate data relating to radiocommunications to an Inter-American centralizing office, shall interchange with all the other American governments the data referred to in Article 6, paragraph B (2), of this Convention.

ARTICLE 15. SAFETY OF LIFE AT SEA AND IN THE AIR

The contracting Governments shall take appropriate measures to ensure the maintenance of an adequate radio service, operated or licensed by the Government for the safety of navigation by sea and air.

ARTICLE 16. OBLIGATION OF ALL COMMERCIAL AIRCRAFT TO CARRY RADIO EQUIPMENT

The contracting Governments agree that:

(A) All aircraft when operating on International scheduled services and carrying passengers shall compulsorily be provided with radio apparatus, both sending and receiving, which must be in efficient operating condition and in charge of properly licensed operators; and

(B) Aircraft used for the transportation of passengers on international scheduled services making journeys over the sea beyond seventy five kilometers from any coast, shall be able to transmit and receive on the frequency of 500 kc/s. for the purpose of establishing emergency communication with stations in the marine radio service.

ARTICLE 17. ESTABLISHMENT OF AERONAUTICAL RADIO STATIONS

The contracting Governments agree independently or in accord with neighbouring countries to take the steps necessary to establish a sufficient number of regional stations, operated or licensed by the Government, to furnish meteorological and safety information necessary for air traffic and aircraft guidance.

ARTICLE 18. EMERGENCY COMMUNICATIONS

Subject to the internal regulations of each country, any radio transmitting station, may, during a period of emergency in which normal communication facilities are disrupted as a result of hurricane, flood, earthquake, or similar disaster, carry on emergency communication with points other than those normally authorized.

ARTICLE 19. CULTURAL BROADCASTING

The contracting governments shall take the necessary measures in order to facilitate and promote the retransmission and exchange of international cultural, educational, and historical programs of the countries of the American continent by their respective broadcasting stations.

ARTICLE 20. PRESS TRANSMISSIONS TO MULTIPLE DESTINATIONS

The contracting Governments agree that:

(A) The respective governments shall encourage the rapid and economical transmission, dissemination and interchange of news and information among the nations of America;

(B) Informative publications and news agencies be granted the use and enjoyment of the advantages of press radio communications to multiple destinations, these being offered at minimum prices, for which the tariffs may be based on units of time devoted to the transmission, or other means similarly economical;

(C) The low rates and other advantages, deriving from the principles established in the foregoing paragraphs of this article be enjoyed by all regularly constituted news and information agencies, newspapers and other periodicals, broadcast stations, news reels, news by printer services, bulletin boards, and any other proper means which may be developed;

(D) Encouragement should be given to the use and development of devices and methods designed to prevent unauthorized interception of press radio multiple address transmissions.

ARTICLE 21. RETRANSMISSIONS

The contracting governments shall take appropriate measures to ensure that no program transmitted by a broadcasting station may be retransmitted or rebroadcast, in whole or in part, by any other station without the previous authorization of the station of origin.

The rebroadcasting station shall announce at suitable periods during the retransmission the nature of the broadcast, the location and the official call letters, or other identification of the station of origin.

ARTICLE 22. CLANDESTINE STATIONS

The contracting Governments agree to give mutual support in discovering and suppressing clandestine transmitting stations whenever this becomes necessary.

PART FOUR. GENERAL PROVISIONS

ARTICLE 23. ENTRY INTO FORCE OF THE CONVENTION AND RATIFICATION

(A) The present Convention shall be ratified by the contracting States in conformity with their respective constitutional procedures.

(B) Parts One, Three, and Four of the present Convention shall come into force on the first day of July, 1938, if at that date two ratifications or final adherences have been deposited with the government of the country where the conference was held. If two ratifications or final adherences have not been deposited on that date those Parts of the Convention shall come into force thirty days after the second ratification or adherence has been deposited.

(C) In order that Part Two of this Convention shall come into force, it will be necessary that the ratifications or final adherences deposited by the American governments shall represent, when added together, more than one-half of the contributory units established for the maintenance of the Inter-American Radio Office (O. I. R.), in accordance with Article 8, paragraph B, of this Convention, as classified in the Internal Regulations of the O. I. R. (Annex 2, article 7).

(D) The depository government shall notify, as soon as possible, the ratifications and adherences which are received to all the governments of the States of the American Continent.

ARTICLE 24. ADHERENCES

This Convention shall be open to adherence by all non-signatory American countries.

ARTICLE 25. DIVISIBILITY OF CONVENTION

The ratifications or adherences to the present Convention may refer to the totality thereof or to two or more of its parts; provided that, in every case Parts One and Four (Conferences and General Provisions) be ratified or adhered to.

ARTICLE 26. REPORTS OF RATIFICATIONS AND ADHERENCES

On June 1, 1938, and subsequently at intervals of six months, the depository government shall request those governments of the Americas which may not have ratified or adhered to this Convention, to report regarding such ratification or adherence. These reports shall be communicated to all the other governments of the American Continent.

ARTICLE 27. DENUNCIATION

(A) This Convention may be denounced in its entirety, or Parts Two and Three separately, by notice addressed to the depository government. This notice shall become effective one year after date of receipt thereof, and shall be effective only for the Government denouncing.

(B) The depository government shall notify all the governments of the States of the Americas of the denunciations received.

ARTICLE 28. LANGUAGES

The present Convention has been drafted in Spanish, English, Portuguese, and French, all of which shall be authentic.

ARTICLE 29. SPECIAL AGREEMENTS

The contracting governments reserve for themselves the right to make special or regional agreements which do not concern the governments in general. These agreements, however, must be within the limits of this Convention and the Regulations annexed thereto so far as concerns the interference which may result from such agreements with the services of the other countries.

ARTICLE 30. CODIFICATION

At future conferences all provisions of this Convention remaining unchanged shall be included with the new provisions that may be adopted.

ARTICLE 31. ARBITRATION

(A) In case of disagreement between two or more contracting governments concerning the execution of the present Convention, the dispute, if it is not settled through diplomatic channels, shall be submitted to arbitration at the request of one of the governments in disagreement.

(B) Unless the parties in disagreement agree to adopt a procedure already established by bilateral or multilateral treaties concluded among them for the settlement of international disputes or the procedure provided for in Paragraph (G) of this article, arbitrators shall be appointed in the following manner:

(C) (1) The parties shall decide, by mutual agreement, whether the arbitration is to be entrusted to individuals or to govern-

ments; failing an agreement on this matter, governments shall be resorted to.

(2) In case the arbitration is to be entrusted to individuals the arbitrators must not be of the same nationality as any one of the parties concerned in the dispute.

(3) In case the arbitration is to be entrusted to governments, the latter must be chosen from among the parties adhering to the agreement, the application of which caused the dispute.

(D) The party appealing to arbitration shall be considered as the plaintiff. This party shall designate an arbitrator and notify the opposing party thereof. The defendant must then appoint a second arbitrator, within two months after the receipt of plaintiff's notification.

(E) If more than two parties are involved, each group of plaintiffs or of defendants shall appoint an arbitrator, observing the same procedure as in Paragraph (D).

(F) The two arbitrators thus appointed shall agree in designating an umpire who, if the arbitrators are individuals and not governments, must not be of the same nationality as either of them or either of the parties involved. Failing an agreement of the arbitrators as to the choice of the umpire, each arbitrator shall propose an umpire in no way concerned in the dispute.

Lots shall then be drawn between the umpires proposed. The representative of an American government, not interested in the dispute, selected by the two arbitrators, will draw the lots.

(G) Finally, the parties in dispute shall have the right to have their disagreement settled by a single arbitrator. In this case, either they shall agree on the choice of the arbitrator, or the latter shall be designated in conformity with the method indicated in Paragraph (F).

(H) The arbitrators shall be free to decide on the procedure to be followed.

(I) Each party shall bear the expenses it shall have incurred in the investigation of the dispute. The cost of the arbitration shall be apportioned equally among the parties involved.

In witness whereof, the respective delegates have signed copies of this instrument, one each in Spanish, English, Portuguese and French, to be deposited in the archives of the Government of Cuba, which shall forward an authenticated copy thereof in each language to the other contracting Governments.

Done in the city of Havana, Republic of Cuba, on the 13th day of December, 1937.

RESERVATIONS OF BRAZIL

The Government of the United States of Brazil has authorized the Chief of its Delegation to the First Inter-American Radio Conference to sign "ad-referendum" the International Agreements just adopted by the Conference, under the reservation that the Government of Brazil will only ratify same, in case their provisions are not in conflict with the South American Agreement of Rio Janeiro and its Internal Regulations, nor with any other International Commitments already entered into by the Brazilian Government.

HAVANA, *December 13th 1937.*

BRAZIL:
The Brazilian Delegate signs "Ad-Referendum" with the reservations as stated above.
José Roberto de Macedo-Soares.

CANADA:
Laurent Beaudry.
C. P. Edwards.

COLOMBIA:
Jorge Soto del Corral.
Ricardo Gutiérrez Lee y Rivero.

CUBA:
Wifredo Albanés y Peña.
Andrés Asensio y Carrasco.
Nicolás González de Mendoza y de la Torre.
Alfonso Hernández Catá y Galt.

CHILE:
Emilio Edwards Bello.

DOMINICAN REPUBLIC:
Roberto Despradel.
Máximo Lovatón P.

UNITED STATES OF AMERICA:
T. A. M. Craven.

GUATEMALA:
Arturo Cóbar L.

HAITI:
Justin Barau.

MEXICO:
Ignacio Galindo.
Salvador Tayabas.
Fernando Sánchez Ayala.
Rubén Fuentes.

NICARAGUA:
Guillermo Arguedas.

PANAMA:
Ernesto B. Fábrega.

PERU:
Carlos A. Tudela.

URUGUAY:
César Gorri.

VENEZUELA:
Alberto Smith.

Mr. PITTMAN. Again, Mr. President, I wish to say that there is a report from the Senator from Maine [Mr. WHITE] attached to the report. He made a very careful analysis of the treaty and reported to the full committee, the full committee considered the treaty, and unanimously reported it. It has practically the same purpose as the other. It is an effort to prevent blanketing by superpower plants.

Mr. KING. What is the life of these treaties?

Mr. PITTMAN. They may be denounced at any time on one year's notice.

The PRESIDING OFFICER. The convention is before the Senate and open to amendment. If there be no amendment to be proposed, the convention will be reported to the Senate.

The convention was reported to the Senate without amendment.

The PRESIDING OFFICER. The resolution of ratification will be read.

The legislative clerk read as follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of Executive I, Seventy-fifth Congress, third session, an Inter-American Radio Communications Convention between the United States of America, Brazil, Canada, Colombia, Cuba, Chile, the Dominican Republic, Guatemala, Haiti, Mexico, Nicaragua, Panama, Peru, Uruguay, and Venezuela, signed at Habana on December 13, 1937.

The PRESIDING OFFICER. The question is on agreeing to the resolution of ratification. [Putting the question.] Two-thirds of the Senators present concurring therein, the resolution is agreed to, and the convention is ratified.

RECESS

The Senate resumed legislative session.

Mr. BARKLEY. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 30 minutes p. m.) the Senate took a recess until tomorrow, Thursday, June 16, 1938, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 15 (legislative day of June 7), 1938

DIPLOMATIC AND FOREIGN SERVICE

Frederick A. Sterling to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to Sweden.

FEDERAL POWER COMMISSION

Basil Manly to be a member of the Federal Power Commission.

FEDERAL HOUSING ADMINISTRATOR

Stewart McDonald to be Federal Housing Administrator for term of 4 years from June 30, 1938.

COLLECTOR OF INTERNAL REVENUE

James H. Latchum to be collector of internal revenue for the district of Delaware.

REGISTER OF LAND OFFICE

Loraine Rollins to be register of the land office at Evanston, Wyo.

FEDERAL EMERGENCY ADMINISTRATION OF PUBLIC WORKS

Kenneth A. Godwin to be regional director, region 6, of the Federal Emergency Administration of Public Works.

UNITED STATES DISTRICT JUDGE

Francis J. W. Ford to be judge of the United States District Court for the District of Massachusetts.

UNITED STATES CIRCUIT JUDGE

Leon McCord to be United States circuit judge, fifth circuit.

SUPREME COURT, TERRITORY OF HAWAII

Samuel B. Kemp to be an associate justice of the Supreme Court, Territory of Hawaii.

CIRCUIT COURTS, TERRITORY OF HAWAII

Harold E. Stafford to be third judge of the first circuit, circuit courts, Territory of Hawaii.

James Wesley Thompson to be judge of the third circuit, circuit courts, Territory of Hawaii.

Delbert E. Metzger to be judge of the fourth circuit, circuit courts, Territory of Hawaii.

Carrick H. Buck to be judge of the fifth circuit, circuit courts, Territory of Hawaii.

UNITED STATES ATTORNEY

J. Saxton Daniel of Georgia to be United States attorney for the southern district of Georgia.

PROMOTIONS IN THE NAVY

TO BE LIEUTENANT COMMANDERS

Herbert S. Duckworth
Harold E. Parker
William L. Freseman

TO BE LIEUTENANTS

Samuel P. Weller, Jr.
Edward Brumby
Edward E. Colestock
Edward N. Little

TO BE LIEUTENANTS (JUNIOR GRADE)

John M. Lee
James L. P. McCallum
Robert S. Burdick
Howard Z. Senif
Thomas F. Sharp
Cyrus C. Cole
Richard B. Lynch
Thomas S. Baskett
Roscoe F. Dillen, Jr.
Mason B. Freeman
William C. Abhau
Dewitt A. Harrell
William F. Petrovic
Ben W. Sarver, Jr.
Jesse B. Gay, Jr.
Ralph M. Metcalf
John N. Shaffer
Blake B. Booth
Clement E. Langlois
Edward H. Schutt
Evan T. Shepard
Anthony Talerico, Jr.
Walter A. Moore, Jr.
Grover S. Higginbotham
Noel A. M. Gayler
John R. Lewis
Kenneth L. Veth
William P. Gruner, Jr.
John W. Thomas
Clinton A. Neyman, Jr.
Donald N. Clay
John H. Maurer
John W. McCormick
J. C. Gillespie Wilson
John J. Baranowski
James R. North
Robert S. Mandelkorn
John D. Gerwick
Stephen W. Carpenter
Kenneth West
Omar N. Spain, Jr.
James M. Wolfe, Jr.
Melvin E. Radcliffe
John S. Fletcher
Keats E. Montross
David Nash
Raymond M. Parrish
Frederic W. Brooks
Chester A. Briggs
James W. Thomson
William T. Powell, Jr.
Eugene B. Fluckey
Vincent A. Sweeney
John H. Brandt
Thomas H. Henry
John S. Barleon, Jr.
Norman D. Gage
Harold J. Islev-Petersen
Frank E. Sellers, Jr.
William B. Wideman
Oliver D. Finnigan, Jr.
Eli T. Reich
Louis E. Schmidt, Jr.
John J. Foote
John J. Flachsenhar
Vincent A. Sisler, Jr.
Henry C. Tipton
Roy C. Klinker
William C. Thompson, Jr.
Sherwood H. Dodge
George E. Davis, Jr.
Edgar S. Keats
Frank McE. Smith.
Ross E. Freeman
Bruce P. Ross
John O. Curtis
Christian L. Ewald
Marion F. Ramirez de Arellano
John A. Heath
Alton E. Paddock
Russell H. Smith
Samuel F. Spencer
Matthew S. Schmidling
Arthur M. Purdy
Fenelon A. Brock
Joseph H. Wesson
Jefferson D. Parker
Jack M. Seymour
Philip F. Hauck
Robert E. Riera
John F. Murdock
Elbert M. Stever
George L. Conkey
Gordon E. Schecter
Frank K. B. Wheeler
Victor M. Gadrow
Franklin G. Hess
Carleton R. Kear, Jr.
Thomas D. McGrath
Warren J. Bettens
Frank B. Herold
Frederick M. Stiesberg
Nevett B. Atkins
Walter F. Henry
Charles B. Langston
Ted A. Hilger
John H. Cotten
Ralph J. Baum
Lloyd A. Smith
Thomas D. Shriver
George A. Crawford
Robert H. Prickett
Grafton B. Campbell
Briscoe Chipman
Maurice F. Fitzgerald
Thomas R. Mackie
Arthur V. Ely
Walter J. East, Jr.
William S. Guest
Eugene A. Barham
George Philip, Jr.
Robert W. Jackson
Samuel Nixdorff
John B. Crosby
Francis M. Gambacorta
William J. Germershausen, Jr.
Alan McL. Nibbs
Dwight L. Moody
Walker A. Settle, Jr.
Marshall H. Austin
Marcus R. Peppard, Jr.
Robert A. Phillips
Harold W. McDonald
Stanley W. Lipski
Frederick R. Matthews
James H. Brown
Everett H. Steinmetz
Robert Van R. Bassett, Jr.
Henry L. Muller
Manning M. Kimmel
John T. Probasco
William H. Hazzard
George H. Cairnes
Charles L. Harris, Jr.
LeRoy T. Taylor
Wilson R. Bartlett
Mark Eslick, Jr.
Ralph L. Ramey
Stephen H. Gimber
Turner F. Caldwell, Jr.
Carter B. Jennings
Bladen D. Claggett
Harrison P. McIntire
Richard E. Babb
Edwin H. Headland, Jr.
James S. Clark
Charles W. Consolvo
French Wampler, Jr.
Leonard J. Baird
Gerald L. Christie
John S. C. Gabbert
Nicholas G. Doukas
Ronald K. Irving
Wilson G. Reifenrath
Horace C. Laird, Jr.
William Swab, Jr.
Edward D. Robertson
John W. Payne, Jr.
Allan C. Edmands
Richard H. Burns
Joseph E. Dougherty
Doyen Klein
Cecil E. Blount
Girard L. McEntee, Jr.
John N. Ferguson, Jr.
James F. Fitzpatrick, Jr.
George S. Lambert
George T. Baker
Arnold H. Newcomb
John G. Downing
Richard M. Farrell
Edward W. Bridewell
Robert M. Hinckley, Jr.
William T. Samuels
Hubert B. Harden
Don W. Wulzen
Joe R. Penland
Sibley L. Ward, Jr.

TO BE COMMANDERS

John G. Farrell
Elbert C. Rogers

TO BE LIEUTENANT COMMANDER

Lowe H. Bibby

TO BE CHIEF MACHINIST

Nuel E. Blythe

TO BE CHIEF PAY CLERKS

Clark Dunn
Joseph H. Lillis

MARINE CORPS

Harry Schmidt to be colonel.
Miles R. Thacher to be colonel.
Maurice C. Gregory to be lieutenant colonel.
Andrew E. Creesy to be lieutenant colonel.
Ralph D. Leach to be major.
George W. McHenry to be major.
William L. McKittrick to be major.
Stanley E. Ridderhof to be major.
Morris L. Shively to be major.
Wayne H. Adams to be captain.
John H. Cook, Jr., to be captain.
Edward H. Forney, Jr., to be captain.
John A. White to be captain.
Edward J. Dillon to be captain.
Harold I. Larson to be captain.

POSTMASTERS

ALABAMA

Charles W. Sarver, Athens.
Elias B. Reid, Cherokee.

Bessie S. Combs, Fairfax.
Kate B. Patterson, Falkville.
J. Thomas Martin, Jacksonville.
Lawrence F. Howell, Moulton.
Olis O. Goode, Rogersville.
James A. Anderson, University.

ARKANSAS

Simpson A. Kemp, Hot Springs National Park.
William G. Jones, Cotton Plant.

CALIFORNIA

Frances L. Williams, Fall Brook.
Marvin S. Wick, Hermosa Beach.
William R. McKinnon, Livermore.
Minnie B. Pharr, Scotia.
Charles E. Conner, Torrance.
Louis J. McNeill, Tuolumne.

CONNECTICUT

Thomas H. Hillery, Hazardville.

DELAWARE

Daniel G. Conant, Rehoboth Beach.

FLORIDA

Kirby D. Rooks, Bonifay.
Eva R. Vaughn, Century.
LeRoy E. Diggans, Delray Beach.
Emma A. Laird, Greenville.
Julia E. Seabloom, Ormond Beach.
Leslie D. Reagin, Sarasota.
William P. McKeown, Sneads.
Cornelia Higgins, Warrington.

GEORGIA

Jennie I. Ingram, Townsend.

ILLINOIS

Jerry J. Zeman, Fox River Grove.
Amelia K. Fink, Frankfort.
DeCourcy Lloyd, Glencoe.
Porter J. Campbell, Hardin.
George W. Collins, Lombard.
John V. Barr, Mazon.
Clarence M. Stevens, Pecatonica.
Leon J. Walsh, South Beloit.
Rose S. Zalman, Stewardson.
Joseph Donald Cotter, Stockton.
Samuel T. Duncan, Tamaroa.
Hubert W. Darby, Tampico.
Oliver M. Colwell, Toulon.
George L. Hausmann, Vandalia.

INDIANA

Alva Davis, Arcadia.
Mary Williams, Attica.
Willis E. Payne, Borden.
Lawrence M. Welsh, Brownstown.
Alpha T. McKnight, Cicero.
Frank Ellett, Coatesville.
Ervin Sell, Columbia City.
Daniel V. Clem, Covington.
William G. Thomas, Frankfort.
Ellis B. Cates, Greentown.
Maurice L. Cory, Kingman.
Homer Stephens, La Fontaine.
Edwin W. Hanley, Michigan City.
Clarence C. Robertson, Nashville.
Dean I. Lauver, New Carlisle.
Ora Stiver, New Paris.
Lyman Thomas, Pennville.
William E. Etcheson, Roachdale.
Rose K. Hubers, Saint Meinrad.
Harvey W. Doering, Wakarusa.

IOWA

Margaret Audra Pearson, Ainsworth.
Auzman H. Blackmore, Alden.
Harry A. Northup, Audubon.
Opal V. Ocheltree, Bayard.
George P. Killinger, Carson.
Price G. Thompson, Casey.
Vern D. Freeman, Clarence.
Lawrence J. Roth, Fairfield.
Herman J. Schroeder, Fort Madison.
Edna M. McCabe, Hillsboro.
Herman L. Walker, Kalona.
Russell E. Whipple, Lehigh.
Michael R. Griebel, Lone Tree.
Alice A. Higgins, Orient.
Elmer D. Bradley, Missouri Valley.
Bert McKinley, Morning Sun.
Joe Goodman, Osceola.
James G. Floerchinger, Oxford.
Oscar C. Watts, Pisgah.
Amelia Sondag, Portsmouth.
Joseph P. Quinn, Riverside.
Lucy E. Newville, Titonka.
John F. Taylor, Villisca.
Paul Max Clark, Woodbine.

KANSAS

Carey Olson, Bazine.
Albert F. Cassell, Beverly.
Vaclav Sajner, Bison.
Gertrude R. Seitz, Bunkerhill.
William H. Danenbarger, Concordia.
Rosa B. Blaine, Copeland.
Cyrus H. Wadsworth, Cottonwood Falls.
Henry J. Kuckelman, Everest.
Rosa J. Munger, Hanover.
Ivan R. Mort, Hill City.
Lafranier M. Herrington, Kanopolis.
Arthur G. Long, Kingman.
Nellie F. Walsh, Mayetta.
Otis S. Lambeth, Moran.
Perry S. Kozel, Morrowville.
James J. Owen, St. John.
George F. Riley, Soldier.
Harry F. Geistfeld, Washington.
J. Raymond E. Simmons, Wellsville.
Ernest B. Hedge, Whiting.

KENTUCKY

Lou E. Holder, Calhoun.
Richard W. Wilson, Elizabethtown.
Willis Conley, Garrett.
Ralph E. Vaughn, Greensburg.
John A. Van Pelt, Kenvir.
Marie C. Hagan, New Haven.
Amelia B. Samuels, Lebanon Junction.
Joseph C. Pell, Lewisport.
John H. Mitchell, Salem.
Theophilus B. Terry, Sonora.
Homer B. Burks, Upton.

LOUISIANA

Victor E. Green, De Ridder.
Harry Preaus, Farmerville.
Clarence H. Bonin, Gueydan.

MAINE

Anna M. McLaughlin, Dryden.
Carroll A. Matthieu, Farmington.
Irenee Cyr, Fort Kent.
Sumner A. Fickett, Millbridge.
Howard H. Herrick, Rangeley.
Hildred M. Rider, Rockport.
Mary C. Thorpe, Sabattus.
Wesley E. Spear, Warren.

MARYLAND

John M. Pearce, Monkton.

MINNESOTA

James M. Brennan, Hinckley.
Arnold R. Krogh, Spring Grove.

MISSISSIPPI

William A. Pepper, Belzoni.
David W. Colbert, Columbia.
Woodward M. Herring, Inverness.
Beula P. Herrington, Mount Olive.
Virginia B. Duckworth, Prentiss.
Allen A. Edwards, Richton.
Henry Boswell, Sanatorium.
Robert E. L. McLain, Shelby.

MISSOURI

Owen W. Anglum, Ash Grove.
Charles C. Oliver, Bloomfield.
Robert E. Chaffin, Breckenridge.
Otis D. Kirkman, Cabool.
Cecil G. McDaniel, Cainsville.
Henry E. Roper, Bernie.
Mrs. Pearl Herndon, Blackburn.
Samuel B. McCollum, Bucklin.
John M. Warren, Cardwell.
Harrison R. Porter, Conway.
Mrs. Eliza Belle Lile, Cowgill.
Floyd L. Decker, Crocker.
Wilbur S. Scott, Deepwater.
Richard W. Marsden, De Soto.
Ora G. Moore, Eagleville.
Parker G. Wingo, Ellsinore.
Anvil A. Lewis, Eminence.
Sam B. Shackleford, Ewing.
William H. Titus, Excelsior Springs.
Rolla S. Cozean, Farmington.
Mrs. Birdie W. Brown, Forest City.
Robert Ray Kier, Grant City.
Miss Opal C. Ray, Gilman City.
Fred J. Yeomans, Hopkins.
Harrison S. Welch, Higbee.
C. O. Raine, Jr., Hayti.
Miss Charline Finley Gardner, Hardin.
Fred E. Ream, Green Ridge.
James P. Moore, Liberal.
Walter Manley, Liberty.
Benjamin R. Treasure, McFall.
Roswell P. Lane, Naylor.
John M. Moss, Nevada.
Walter E. Duncan, Newburg.
Andrew Earl Duley, Newtown.
Elisha Otis Bryeans, Oran.
Donald H. Sosey, Palmyra.
Eugene J. Echterling, Parnell.
Harold F. Hopkins, Polo.
Verne H. Gracey, Reeds Spring.
Fred H. Kurs, Savannah.
Orlo H. Bond, Sheridan.
John C. Hains, Slater.
Ernest C. Buehler, South St. Joseph.
Emmett S. Stewart, Sturgeon.
Flora E. Scott, Summersville.
Emmett R. Burrows, Van Buren.
Frederick L. Stafford, Windsor.
James E. Ferguson, Williamsville.

MONTANA

Ethel E. James, Broadus.
Engene T. Kirchner, Circle.
Roy W. Dorwin, Flaxville.
Charles A. Westphal, Forsyth.
Cleola Ralston, Glacier Park.
Joseph P. Sternhagen, Glasgow.
Joseph M. Astle, Hardin.
Henry C. Wilcox, Joliet.
Ethel C. Hockman, Kevin.
Marie D. Laramy, Malta.
Leanore K. C. Roderick, Outlook.
Peter J. Herbst, Plevna.
Lawrence H. Tooley, Red Lodge.
Rudolph P. Petersen, Rudyard.
Albert W. Schammel, Scobey.
Lucy B. Cullen, Wibaux.
Sarah C. Brady, Wilsall.
Ella V. Millsap, Winnett.
David R. Bowen, Worden.

NEBRASKA

Bert Winters, Broadwater.
Edith E. Fahrlander, Brule.
Harry R. Boesen, Cairo.
Curtis B. Benger, Callaway.
James B. Gordon, Cedar Rapids.
Arthur L. Willis, Central City.
Clair Grimes, Chambers.
William A. Horstman, Creighton.
Don Dey Ermand, Dalton.
Daniel F. Sheehan, Emerson.
John H. Holden, Gordon.
Henry T. Dunn, Harrison.
George H. Looschen, Hooper.
James C. Nelson, Mason City.
Mary Walsh Morrow, Merna.
Marie Weekes, Norfolk.
Almira R. Boblits, Oconto.
Frank D. Strope, Orchard.
Matthew T. Liewer, Osmond.
Cordes E. Walker, Page.
Martin Sorenson, Plainview.
William M. Goding, Potter.
Bert S. Amos, Sargent.
John J. Burns, Scotia.
Beth Clary, Seneca.
Josh B. Keene, Sumner.
John B. Karn, Stapleton.
Charles O. Kocina, Verdigre.
Wilhelm C. Peters, Wausa.

NEVADA

Edward D. Gladding, Virginia City.
Ralph H. Burdick, Tonopah.

NEW JERSEY

Rose B. Sokolowski, Alpha.
Ernest F. Rohn, Arlington.
Hiram S. McKeen, Avalon.
Frank Tilton, Avon by the Sea.
William L. Scheuerman, Basking Ridge.
John P. Euler, Belford.
Jane Jolliffe, Bernardsville.
Louis J. Bowlby, Bound Brook.
Richard P. Hughes, Burlington.
Edward W. Walker, Cranbury.
Philip L. Fellinger, East Orange.
Ethel H. McDonald, Englishtown.
Herbert E. Poulson, Far Hills.
William H. Thompson, Farmingdale.
Thomas R. Boyle, Florence.
Joseph A. Aloia, Garfield.
John F. Dugan, Garwood.
Louis C. Parker, Gloucester City.
John Netterman, Island Heights.
Thomas F. Curtis, Lakehurst.
James A. Cleary, Lambertville.
Benjamin J. Haulboskey, Leonardo.
John D. Bunn, Long Valley.
Patrick J. Whelan, Manville.
Edward J. Wagner, Marlton.
Raphael C. Devlin, Matawan.
Agnes Despreaux, Middletown.
Frank Martin, Midland Park.
John A. Wheeler, Monmouth Beach.
George M. Gibson, Moorestown.
James D. McErlane, Morris Plains.
Jeremiah B. Beaston, Mount Ephraim.
Katherine A. Cooney, Pedricktown.

Robert W. Kidd, Penns Grove.
John J. Quinn, Perth Amboy.
Mary B. Naughton, Port Monmouth.
Mervil E. Haas, Riverton.
Smith Kennedy, Roseland.
James E. Porter, Jr., Rumson.
Kathryn B. Donohue, Saddle River.
Joseph S. Sickler, Salem.
Jane L. Garland, Sea Bright.
Joseph S. Devlin, Sea Girt.
Allen J. Thomas, Scotch Plains.
Michael A. Carroll, South Bound Brook.
Thomas H. Hall, Vineland.
May W. Veitch, Wenonah.
Patrick J. Shott, Wildwood.
Clara Katz, Woodbine.

NEW MEXICO

Ray S. Soladay, Carlsbad.
Hezekiah Hall, Magdalena.
Beatrice C. Melton, Mountainair.
Aurora B. Pacheco, Old Albuquerque.

NEW YORK

Kenneth W. Hagadorn, Almond.
Mayme Meegan, Altmar.
William A. Gardner, Amsterdam.
James D. Cheesman, Andover.
W. Edward Sweetman, Ardsley on Hudson.
Charles Kaiser, Armonk.
Gerald Aldrich, Bemus Point.
Lyda H. Armstrong, Berlin.
Luke E. Burns, Black River.
Lillian O'Connor, Briarcliff Manor.
Francis J. Sinnott, Brooklyn.
Mildred E. Brown, Bliss.
John A. Holland, Brushton.
DeVerne A. Lewis, Canastota.
Thomas M. Townsend, Carmel.
Benjamin B. Tooker, Center Moriches.
Oscar D. Ayres, Central Valley.
Gerald S. Sweet, Chazy.
Vincent L. Keenan, Churchville.
H. Mae Nolan, Clark Mills.
Michael G. Gaffney, Clinton.
Frank Brancato, Clinton Corners.
Wentworth S. Colwell, Cold Spring.
Corliss R. Pitkin, Corinth.
Joseph C. Miller, Croton Falls.
Earl P. Talley, East Rochester.
George W. Sheahan, Elmira.
Jennie W. Jewell, Fishkill.
John J. McClory, Franklinville.
Henry A. Dye, Forestville.
Austin W. Stitt, Frewsburg.
James D. George, Gardiner.
Flora A. M. Humes, Great Bend.
Lloyd C. Vunk, Hagaman.
Anna G. Pendergast, Hall.
Agnes H. Mead, Hannibal.
Raymond C. Nellis, Hastings.
Joseph N. Peck, Honeyoye Falls.
Lawrence J. McNeil, Inlet.
Elloy R. Ganey, Jamestown.
James T. McConnell, Jamesville.
Albert J. Griffiths, Keuka Park.
Frank L. Egger, Larchmont.
John P. Young, Liverpool.
Benjamin R. Gerow, Liberty.
Gustav I. Gehweiler, Lake Ronkonkoma.
John W. Clark, Mahopac.
Andrew E. Ryan, Manchester.
William F. Agnew, Mayfield.
Milton S. Smith, Mayville.
Richard P. Stanton, Millbrook.
Zoa I. Van Gorder, Minetto.
Clayton C. Young, Moira.
Isidore Smith, Mountain Dale.
Thomas A. Banta, Newfane.
Frank J. Baltzel, Newark.
Roy Blanchard, Oneida.
Chester A. Miller, Oneonta.
Clarence A. Chamberlain, Orangeburg.
D. L. Palmer, Otego.
Francis P. Reilly, Penn Yan.
Elmer R. Chaffer, Point Pleasant.
Robert J. Henry, Port Ewen.
John J. Cassidy, Port Jefferson.
Hugo Kreitzberg, Port Jefferson Station.
Ruth E. Perrin, Potsdam.
Charles I. Lavery, Poughkeepsie.
Francis M. Daly, Pulaski.
Howard M. Curtis, Richfield Springs.
Herbert Zahorik, Roscoe.
Bertha E. Damon, Rushford.
Claude A. Bierman, St. Johnsville.
Morgan A. Lynk, Sharon Springs.
Harold E. Morrell, South New Berlin.
William J. Griffin, Jr., Starlake.
Jacob C. Kopperger, Stottville.
Frank Kilcoin, Swan Lake.
John H. Burke, Tarrytown.
John T. Clark, Tuxedo Park.
Frank B. Mead, Victor.
James D. Desmond, Waddington.
Chauncey H. McLean, Wallkill.
Fenton J. Taylor, Warsaw.
Edward D. Guyder, Weedsport.
Charles H. Widrick, Whitesboro.
Jeremiah F. Healy, Williamstown.
Frank M. Campbell, Wilson.
Mary Gallagher, Witherbee.
Nora B. King, Woodbourne.
John F. Maher, Woodridge.
Charles E. Meyers, Wurtsboro.
Charles R. Frank, Yorkville.

NORTH CAROLINA

William M. Jefferson, Belmont.
Wiley G. Hartzog, Boone.
Clarence H. Rosebro, Cleveland.
Annie C. Burns, Lawndale.
John V. Highfill, Mayodan.
William Samuel Somers, Reidsville.
Roy Prillaman, Stoneville.

NORTH DAKOTA

J. Benus Kinneberg, Leeds.
Suzanna A. Preszler, Medina.
Robert A. McLean, Niagara.

OHIO

Emmert H. Crim, Cleves.
Jessie K. Dilworth, Cortland.
Perry L. Heintz, Jackson Center.
Lois Black, McDonald.
Neile Stinebaugh, Republic.
Charles R. Gampher, Jr., Rossford.
Edward H. Richner, Twinsburg.
Charles M. Hogan, Wellston.

OKLAHOMA

Priscilla P. Edgar, Langston.
Sylvia M. Grace, Laverne.
Dennis F. Almack, Moore.

OREGON

Louis C. Bliem, Dufur.
J. Dayton McLucas, Hood River.
Madge Fortune Cook, Newport.
William A. Parsons, Waldport.

PENNSYLVANIA

James F. O'Brien, Allison Park.
Jesse C. Yoders, Clarksville.
Daniel J. Frantz, Jr., Coal Center.
Herman L. Levy, Daisytown.
James Nevant, Farrell.
Charles T. Bonner, Glen Riddle.
James O. Bergantz, Huntingdon.
Cornelius McCullough, Lansdowne.
Joseph C. Clark, Natrona.
William G. Loy, Newport.
Ralph B. Mushler, Norwood Station.
Dora Cowen, Roscoe.
James W. Casey, Rouseville.
Archer L. Laws, Sayre.
William D. McIntire, Stoneboro.
G. Frank Zerbe, Valley View.
Chester L. Boal, West Middlesex.
Francis G. Ackley, Wyalusing.

RHODE ISLAND

William H. Follett, Howard.
Elton L. Clark, North Scituate.

SOUTH CAROLINA

Joseph H. Chitty, Denmark.
William T. Hemingway, Hemingway.
Gertrude Parrish, Mullins.

SOUTH DAKOTA

William J. Nolan, Buffalo Gap.
Mattie E. Smith, Burke.
Gustave I. Honsey, Hecla.
S. Pearl Hutchinson, Hurley.
Charles H. Page, McLaughlin.
Harry Dettman, Mission.
William B. Boe, Presho.
Anna F. Dillon, Whitewood.
George M. Bailey, Winner.

TENNESSEE

Binnie H. Kinser, Alcoa.
Bernard R. Duncan, Linden.
Mary A. B. Dunn, Maryville.
Robert L. Oakes, New Tazewell.

TEXAS

Hunter H. McWilliams, Atlanta.
Joseph Y. Fraser, Colorado.
Rubye Alice Wilson, Elsa.
Grace L. McKay, Madisonville.
Lon M. Peeples, Milano.
Herbert W. Meurer, Muenster.
Marvin G. Prewitt, Ralls.
Kirby L. Scudder, Slaton.

UTAH

Wallace H. Sorensen, Richfield.

VERMONT

Gertrude L. Cutler, Cambridge.
Walter H. Beckwith, Chelsea.
Mabel M. Hemenway, Jeffersonville.
Laura L. Veyette, Quechee.
Cecelia S. Joslyn, South Hero.

VIRGINIA

Clarence H. Drinkard, Bristol.
Sidney H. Barnett, Bluefield.
Charley D. Lay, Coeburn.
Reginald B. Turner, East Falls Church.
Clarence M. Sale, Falls Church.
Mary F. Cunningham, Fort Myer.
Augustus W. Aston, Meadowview.
Arthur Gartrell, Middleburg.
David E. Bumpass, Jr., Mineral.
Solon Baach, Pocahontas.
Eugene P. Whitman, Pulaski.
Frank T. Witten, Tazewell.
Margaret M. Fulton, Wise.

WASHINGTON

George D. Magee, Aberdeen.
Warren H. Perrigo, Arlington.
Frank O. Keith, Battle Ground.
Vaughan Brown, Bellingham.
John E. Martin, Buckley.
Joseph F. Lavigne, Cusick.
W. Kenneth Kingman, Chelan.
Alex Huse, Cheney.
Joshua J. Peak, Davenport.
Floyd D. Tatman, Kalama.
Thomas H. Van Noy, Kelso.
Emma C. Cloke, Langley.
David P. Cunningham, North Bend.
Ralph H. Mitchell, Omak.
Walter C. Ketterman, Opportunity.
Ed J. Claiborne, Ridgefield.
Walter H. Gihring, Rockford.
Arthur H. Gerl, Wilbur.
Paul Rhodius, Sedro Woolley.
Jeane R. French, Skamokawa.
Donald S. Farver, Tonasket.
Connie C. Wall, Winlock.
Louis O. Cochrane, Yelm.

WEST VIRGINIA

Mrs. Maurice Raymond Walker, Bramwell.
Wilson P. Barlow, Buckhannon.
Clark E. Heckert, Cairo.
John C. Blanton, Freeman.
Clarence L. Perkins, Gassaway.
Carl Hinton, Hinton.
John L. Dunn, Kermit.
Williard I. Gulley, McComas.
Della A. Kelly, Montgomery.
Bess M. Gwinn, Thurmond.

WISCONSIN

Vernon A. Martin, Amherst.
Edwin Foley, Clinton.
Marie Gunn Dunham, Cumberland.
Ethel E. Welch, Gleason.
Roy E. Lawler, Gordon.
Gregory C. Flatley, Oconto Falls.
William Murray, Prescott.
Arthur Stein, St. Francis.
Wallace J. Milsap, Shawano.
Charles M. Dunn, Taylor.
Arnold A. Conklin, Vesper.
Roy D. Fahland, Webster.
James E. O'Leary, Wilton.

WYOMING

William H. Watson, Dubois.

REJECTIONS

Executive nominations rejected by the Senate June 15 (legislative day of June 7), 1938

POSTMASTERS

FLORIDA

Ira C. Williams to be postmaster at Dania, in the State of Florida.

Sidney E. Livingston to be postmaster at Homestead, in the State of Florida.

John W. Barrs to be postmaster at South Miami, in the State of Florida.

LOUISIANA

Charles E. Hearne to be postmaster at Chatham, in the State of Louisiana.

HOUSE OF REPRESENTATIVES

WEDNESDAY, JUNE 15, 1938

(Legislative day of Tuesday, June 14, 1938)

AFTER RECESS

The recess having expired the House was called to order by the Speaker at 12 o'clock noon.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Latta, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On June 11, 1938:

H. R. 9995. An act making appropriations for the Military Establishment for the fiscal year ending June 30, 1939, and for other purposes; and

H. R. 10291. An act making appropriations for the fiscal year ending June 30, 1939, for civil functions administered by the War Department, and for other purposes.

On June 13, 1938:

H. R. 8794. An act to provide for holding terms of the District Court of the United States for the Eastern District of Virginia at Newport News, Va.; and

H. R. 9468. An act to amend the act of May 13, 1936, providing for terms of the United States district court at Wilkes-Barre, Pa.

On June 14, 1938:

H. R. 9287. An act to authorize the Cairo Bridge Commission, or the successors of said commission, to acquire by purchase, and to improve, maintain, and operate a toll bridge across the Mississippi River at or near Cairo, Ill.;

H. R. 9371. An act authorizing the grant of a patent for certain lands in New Mexico to Mitt Taylor;

H. R. 9404. An act to provide for the establishment of a commissary or vending stand in the Washington Asylum and Jail;

H. R. 9975. An act to extend the times for commencing and completing the construction of a bridge over Lake Sabine at or near Port Arthur, Tex.;

H. R. 9983. An act authorizing the city of Greenville, Miss., and Washington County, Miss., singly or jointly, to construct, maintain, and operate a toll bridge across the Mississippi River from a point at or near the city of Greenville, Washington County, Miss., to a point at or near Lake Village, Chicot County, Ark.;

H. R. 10075. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Brownville, Nebr.;

H. R. 10275. An act to extend the times for commencing and completing the construction of a bridge and causeway across the water between the mainland, at or near Cedar Point and Dauphin Island, Ala.;

H. R. 10297. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Rulo, Nebr.; and

H. R. 10611. An act to extend the times for commencing and completing the construction of a bridge across the Coosa River at or near Gilberts Ferry in Etowah County, Ala.

On June 15, 1938:

H. R. 9933. An act to authorize the United States Golden Gate International Exposition Commission to produce and sell certain articles, and for other purposes;

H. R. 10455. An act to authorize the Secretary of War to proceed with the construction of certain public works in connection with the War Department in the District of Columbia; and

H. R. 10737. An act to authorize the Secretary of War to grant rights-of-way for highway purposes and necessary storm sewer and drainage ditches incident thereto upon and across Kelly Field, a military reservation in the State of Texas; to authorize an appropriation for construction of the road, storm sewer, drainage ditches, and necessary fence lines.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. St. Claire, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H. R. 733. An act for the relief of George E. Titter;

H. R. 736. An act for the relief of Mallery Toy; and

H. R. 10785. An act to amend the Perishable Agricultural Commodities Act, 1930, as amended.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1043) entitled "An act for the relief of A. C. Williams."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10594) entitled "An act to provide for the creation, organization, administration, and maintenance of a Naval Reserve and a Marine Corps Reserve."

The message also announced that the Senate had adopted the following orders:

Ordered, That the Secretary be directed to inform the House of Representatives that the Chair has appointed Mr. McADOO, Mr. SMITH, Mr. BANKHEAD, Mr. POPE, and Mr. MCNARY members on the part of the Senate of the Joint Committee on Forestry, established under Senate Concurrent Resolution No. 31, agreed to on June 14, 1938.

Ordered, That the Secretary be directed to inform the House of Representatives that the Chair has appointed Mr. VAN NUYS and Mr. MINTON members on the part of the Senate of the joint committee to attend the one hundredth anniversary of the birth of the late John Hay.

Ordered, That the action of the Senate disagreeing to the amendment of the House of Representatives to the bill (S. 1478) conferring jurisdiction on the Court of Claims to hear and determine the claims of the Choctaw Indians of the State of Mississippi and requesting a conference with the House on the disagreeing votes of the two Houses, be rescinded, and that the Senate agree to said amendment to said bill.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H. J. Res. 679) entitled "Joint resolution making appropriations for work relief, relief, and otherwise to increase employment by providing loans and grants for public-works projects."

The message also announced that the Senate disagrees to the amendments of the House to the amendments of the Senate Nos. 72, 74, 75, and 76 to the foregoing joint resolution, further insists upon said amendments disagreed to by the House; asks a further conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. ADAMS, Mr. MCKELLAR, Mr. HAYDEN, Mr. BYRNES, Mr. HALE, and Mr. TOWNSEND to be the conferees on the part of the Senate.

SENATE BILLS REFERRED

Bills and a joint resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 3238. An act to provide for recording of deeds of trusts and mortgages secured on real estate in the District of Columbia, and for the releasing thereof, and for other purposes; to the Committee on the District of Columbia.

S. 3387. An act for the relief of Hubert J. Cuncannan; to the Committee on Claims.

S. 3403. An act for the relief of Leonard Graboski; to the Committee on Claims.

S. 3502. An act to protect producers, manufacturers, and consumers from the unrevealed presence of substitutes and mixtures in spun, woven, or knitted or felted fabrics, and in garments or articles of apparel or other articles made therefrom, and for other purposes; to the Committee on Interstate and Foreign Commerce.

S. 3635. An act to encourage travel to and within the United States, and for other purposes; to the Committee on Interstate and Foreign Commerce.

S. 3816. An act authorizing the naturalization of Olaf Nordman; to the Committee on Immigration and Naturalization;

S. 3957. An act for the relief of James Thow, Charles Thow, and David Thow; to the Committee on Claims.

S. 4009. An act to reimburse the Eastern and Western Cherokees for funds erroneously charged against them, and for other purposes; to the Committee on Indian Affairs.

S. 4077. An act to change the name of "Pickwick Landing Dam" to "McKellar Dam"; to the Committee on Military Affairs.

S. 4087. An act to provide for the payment of compensation to the widow of William R. Ramsey, Jr., who was killed in the performance of his duty as a special agent of the Federal Bureau of Investigation; to the Committee on Claims.

S. 4162. An act making inapplicable certain reversionary provisions in the act of March 4, 1923 (42 Stat. 1450), and a certain deed executed by the Secretary of War, in the matter of a lease to be entered into by the United States for the use of a part of the former Fort Armistead Military Reservation for air-navigation purposes; to the Committee on Military Affairs.

S. J. Res. 295. Joint resolution to authorize sales and exchanges by the State of Wisconsin, notwithstanding certain provisions in the act of August 22, 1912 (37 Stat. 324); to the Committee on the Public Lands.

EXTENSION OF REMARKS

Mr. ECKERT. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an article on the sales tax by Jockson Ralston.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. PLUMLEY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein certain letters and various editorial comments, a speech which I made at the dedication of the Northfield, Vt., post office, and some remarks made by the postmaster at Northfield.

The SPEAKER. Is there objection to the request of the gentleman from Vermont?

There was no objection.

DISTRIBUTION, PROMOTION, AND RETIREMENT OF OFFICERS OF THE LINE OF THE NAVY

Mr. VINSON of Georgia. Mr. Speaker, I call up the conference report on the bill (H. R. 9997) to regulate distribution, promotion, and retirement of officers of the line of the Navy, and for other purposes.

The Clerk read the title of the bill.

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent that the statement may be read in lieu of the report.

There being no objection, the Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9997) to regulate the distribution, promotion, and retirement of officers of the line of the Navy, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 7, 17, 25, 27, 44, and 45.

That the House recede from its disagreement to the amendments of the Senate numbered 2, 3, 4, 5, 6, 8, 10, 11, 12, 13, 14, 15, 16, 18, 19, 20, 21, 22, 23, 24, 26, 28, 29, 30, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, and 46, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment as follows: In lieu of the figure inserted by said amendment insert the following: "5½"; and the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment, as follows: In line 4 of said amendment, strike out the following words: "beyond doubt"; and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following:

"(f) Captains, commanders, and lieutenant commanders promoted to those grades by reason of adjudgment as fitted for promotion but not recommended by the report of a selection board, as approved by the President, for retention on the active list shall be retired on the date they are so promoted with the retired pay of the grade from which so promoted: *Provided*, That such officers shall not be retired earlier than six months after the date of approval by the President of the report of the selection board in which they were adjudged fitted for promotion."

And the Senate agree to the same.

CARL VINSON,
P. H. DREWRY,
MELVIN J. MAAS,
Managers on the part of the House.

DAVID I. WALSH,
PETER G. GERRY,
FREDERICK HALE,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9997) to regulate the distribution, promotion, and retirement of officers of the line of the Navy, and for other purposes, submit the following statement in explanation of the effect on the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

On amendment No. 1: Relating to the authorized number of commissioned officers on the active list of the line of the Navy. Provides that commissioned officer personnel shall be 5½ percent of the total authorized enlisted strength of the active list, instead of 6 percent as proposed by the House and 5 percent as proposed by the Senate. The following gives the number of officers authorized under the several suggested proposals:

Authorized under existing law, 6,531.
House proposal (6 percent), 8,249.
Senate proposal (5 percent), 6,874.
Conference agreement (5½ percent), 7,562.

On amendment No. 3: Inserts Senate language, the effect of which will be to avoid temporary delays in promotion of some 300 junior lieutenants now already selected and awaiting vacancies in the lieutenant's grade.

On amendment No. 4: Approves Senate language applying to boards for selection of officers of the line. The language adopted will avoid any possible application of the selection board provision to staff corps officers.

On amendment No. 5: Inserts, as proposed by the Senate, the provision to eliminate from consideration by the selection board, the medical records of officers.

On amendment No. 6: Inserts the language of the Senate providing that the Secretary of the Navy, as directed by the President, shall designate the percentage of officers adjudged fitted for promotion which should, for the immediate needs of the Navy, be retained on active duty.

On amendment No. 7: Strikes out the proposal of the Senate that commanders may not be considered and recommended as adjudged fitted for promotion.

On amendment No. 8: Inserts the language of the Senate which provides for the board recommending for retention on active duty the number of officers equal to the percentage furnished to the board by the Secretary of the Navy as provided in section 8 of the bill.

On amendment No. 9: Inserts the language of the Senate which requires the selection board to report the names of officers of less than 21 years' service, among those eligible for selection, who have failed to perform their duties satisfactorily in their present grades, and eliminates the words "beyond doubt" from the amendment.

On amendments Nos. 11 and 13: Inserts the word "comparative" in each instance, as proposed by the Senate.

On amendment No. 15: Strikes out, as proposed by the Senate, the provision requiring the selection board to submit a confidential statement of the reasons for its action with respect to each officer passed upon.

On amendment No. 17: Strikes out the language of the Senate which restricted promotion to those officers who have been adjudged fitted for promotion and retained on active duty.

On amendment No. 18: Inserts the language of the Senate providing that priority in assignment to duty shall be given to officers selected as best fitted for promotion.

On amendment No. 19: Inserts the language of the Senate excluding lieutenant commanders and lieutenants from the officers who will be retired if neither selected as best fitted, nor adjudged as fitted for promotion.

On amendment No. 20: Eliminates language of the House which is covered in other sections of the bill.

On amendments Nos. 21, 22, and 23: Inserts Senate language the effect of which is to extend the discharge of officers not placed upon the promotion list to apply to those in the grades of lieutenant commander and lieutenant, with 2 years' pay on discharge.

On amendment No. 24: Inserts the proposal of the Senate providing that lieutenant commanders and lieutenants appointed in accordance with the act of March 3, 1901, as amended, may revert to warrant rank if not selected.

On amendments Nos. 25 and 27: Restores the language of the House allowing continuance on active duty of captains promoted from commander, after adjudgment as fitted, to a period of 30 years' total commissioned service.

On amendment No. 26: Inserts language proposed by the Senate which restricts continuance of "fitted" officers on active duty to those recommended by selection board therefor.

On amendment No. 28: Strikes out the language proposed by the House providing that "fitted" officers may be retained on active duty for a period not to exceed 5 years beyond the date when they would normally retire.

On amendment No. 29: Provides that officers may not voluntarily retire until after 20 years' commissioned service as provided by the Senate instead of 15 years as provided by the House.

On amendment No. 30: Repeals the existing authority for line officers not graduates of the Naval Academy to retire at any time on their own application; as proposed by the Senate.

On amendment No. 31: Modifies the amendment of the Senate placing officers adjudged fitted for promotion but not recommended for retention on the retired list, so as to provide that such officers shall be promoted to the next higher grade before retirement but not receive the pay of such higher grade, and also, such officers may not be retired before the expiration of 6 months after the approval of the selection board's report to the President.

On amendment No. 32: Inserts language, as proposed by the Senate, which provides for the discharge of officers reported by the selection board as unsatisfactorily performing their duties.

On amendment No. 35: Qualifies House language, as proposed by the Senate, to permit officers failing on their professional examinations to be retired if they have over 20 years' service.

On amendment No. 37: Inserts the language of the Senate completing application of guaranty against premature retirement to officers now in the several grades.

On amendment No. 39: Inserts the language of the Senate permitting officers now in the respective lower grades to retain the privilege of continued service and retirement guaranteed to them under existing law.

On amendment No. 40: Reinserts, as proposed by the Senate, in a more appropriate place, language contained in section 12 (b) of the House bill, to grant promotion on retirement to wartime officers.

On amendment No. 42: Strikes out the language of the House, thereby providing the extension of the special promotion on retirement for heroism, authorized in this subsection, to officers retired for any cause.

On amendment No. 44: Eliminates Senate language proposing that officers may be retired with the highest rank they held at any time on the active list.

On amendment No. 45: Eliminates Senate language proposing to limit elimination of rear admirals to those over 60 years of age.

On amendment No. 46: Strikes the language of the House and inserts, as proposed by the Senate, language providing for (1) cancelation of authority for payment of 1 year's pay on revocation of probationary commission; (2) for revocation of commission of officers lacking in aptitude for the naval service; and (3) for denying commissions to Naval Academy graduates so lacking in aptitude.

On amendments Nos. 2, 10, 12, 14, 16, 33, 34, 36, 38, 41, and 43: The foregoing amendments correct section numbers or typographical errors, as proposed by the Senate.

CARL VINSON,
P. H. DREWRY,
MELVIN J. MAAS,
Managers on the part of the House.

Mr. VINSON of Georgia. Mr. Speaker, I will briefly state to the House the results of the conference. As the House will recall, this is a personnel bill dealing with the question of selection.

The line of the Navy was fixed by the House bill at 6 percent of the authorized enlisted strength, by the Senate it was fixed at 5 percent, and we agreed to 5½ percent.

The other matter in which the House would be interested relates to officers who are fitted but not retained and go out. They will go out with the rank, but not the pay.

The only departure from the law today of much importance to the House is that officers who are not promoted and who go out, instead of going on the retired list will be paid off with 2 years' pay if they are lieutenant commanders, and 1 year's pay if they are lieutenants.

I am frank to say to the House that this will bring about a considerable saving. Officers hereafter will not go on the retired list who are not retained in the service, either as the best fitted or a fitted officer. They will be paid a lump sum and go out of the Navy, and this means a considerable reduction in the constantly increasing amount for retired pay.

Mr. Speaker, if there are no questions, I yield 5 minutes to the gentleman from Alabama [Mr. HOBBS].

Mr. HOBBS. Mr. Speaker, "the mountain labored and brought forth a mouse."

This Naval Affairs Committee of ours has diligently, efficiently, and faithfully tried to do something about this iniquitous promotion system which is killing both the morale and the manhood of our naval-officer personnel, but the small hierarchy that runs the Navy has demonstrated again that it is absolutely supreme and in perfect control of this, as well as every other, situation affecting it.

For 16 years we were cursed with what they called the "plucking" system, and when the nausea created thereby became so acute and continuous that the Nation could no longer stand it, this hierarchy of admirals that run things, this admirals' club, allowed Congress to go through the motions of reform; but the net result of that reform was merely to change the name of the rotten system from "plucking" to "selection." Believe it or not, that was all. They still do exactly what they have done all the time. They promote whomsoever they please; they reject for promotion whomsoever they please.

We are partially to blame because we feed into the pyramid of officer personnel of the Navy approximately 500 new officers a year, and kick out over half of them, whether efficient or not, no matter how good, without any rhyme or reason, but the necessity which we ourselves create. We invest of the taxpayers' money from $24,000 to $35,000 apiece in these men, and before they reach the prime of their efficiency, in the heyday of their physical and mental lives, we kick them out. These splendid boys who come out of the Naval Academy at Annapolis come not out to climb the ladder but to walk the plank, inevitably.

Mr. VINSON of Georgia. Mr. Speaker, will the gentleman yield?

Mr. HOBBS. I am glad to yield to the learned and distinguished chairman of the Naval Affairs Committee.

Mr. VINSON of Georgia. Assuming, for the sake of argument, that all the gentleman says is correct, he will recognize the fact, will he not, that this bill as it stands, while not exactly what we all wanted, is a great improvement over the present situation?

Mr. HOBBS. Thanks to you and your committee, it is a slight improvement; and you have accomplished a wonderful feat in being able to change a comma or so in the bill that the Navy hierarchy wrote. But we were not even able to change the system's name this time. [Laughter.]

Mr. VINSON of Georgia. Let me say to the gentleman that the trouble is not lodged in the Navy Department. We have had full cooperation, but the gentleman from Alabama must bear in mind that another body has a voice over legislation as well as ourselves.

Mr. HOBBS. I realize that, sir, but without reference to that other body, where they may be dominated even more than we are, all of us are under the thumb of the hierarchy absolutely, and this conference report is proof of it.

Mr. HAINES. Mr. Speaker, will the gentleman yield?

Mr. HOBBS. I gladly yield to the able and genial gentleman from Pennsylvania.

Mr. HAINES. Do I understand the gentleman to say that in the selection for promotion of officers of the Navy no consideration is given to the qualifications or the merits of the applicants?

Mr. HOBBS. Oh, it is supposed to be; but I do say this—that the history of these selection boards shows that friendships are more valuable there than merit. The better "boot-licker" you are the more certain you are to be promoted in this man's navy, and that is killing the morale and the manhood of the splendid officer personnel of our Navy. Not only is that true, but the cruel injustice of the system is actually killing men. I am not exaggerating. I am measuring my words. There are instances of red-blooded, two-fisted men who have died of broken hearts solely because they were unjustly passed over. The hierarchy smiles and says they should be men enough to "take it."

They were strong, healthy, heroic men who could take anything but this. They were as good officers as any who were promoted. But their hearts were in the Navy; they knew they richly deserved promotion; and when they were thrown out it not only destroyed their careers, ruined their lives, but also broke their hearts. Some such are still living, though their hearts are broken. They are "game." Never a whimper. But they are carrying a soul done to death by the dagger of an unjust judgment. They are dying because the only thing they cared to live for is gone, and with it went the will to live.

The cynic will call this "sob stuff." But I know it to be stark truth.

The President of the United States in presenting the diplomas to the graduating class at Annapolis the other day, was quoted in the press as advising those young men who are investing their lives in the service of the Nation, to become "well rounded." While he may not have had any such thought in mind, I could but think how wonderfully apt that advice was in view of the certainty—unless we change the naval promotion system—that, no matter how good they are, no matter how well they do their every duty, more than half of them are doomed to enforced retirement before they reach the peak of their efficiency. In the prime of life, when years of faithful service have added their enriching experience, when the money of American taxpayers has been poured into their training to the amount of $24,000 to $35,000 each, at least half of those picked, and educated, and trained, and experienced, and fit officers must be kicked out of the Navy.

Why? Because we insist upon putting in twice as many as we can use. The base of the pyramid of naval officer personnel is too broad and its top is too narrow.

The obvious remedy is to narrow the base and broaden the top. The base should be narrowed permanently. The top should be broadened temporarily until we have given every deserving, fit officer an honest chance to go to the top on his merit. Within a few years the narrower base will have produced its effect, and automatically the top will narrow itself and the pyramid will resume its normal shape.

In the meanwhile, however, we must restore to the officers of our Navy the opportunity to rise in their chosen profession without being "yes men." An efficient fighting force cannot be officered by sycophants. The best "boot lickers" may make good officers, but they would make better ones if such a contemptible accomplishment were not so indispensable to their promotion. Sycophancy, which they call "greasing," is a disease which is killing the morale and manhood of those who stay in, and wrecking the souls of those kicked out.

This disease can be cured. A permanent board of retired admirals, sitting as long as may be necessary each year, studying in detail the records of every officer, the efficiency reports, and their backgrounds, would be an infinitely better board for recommending promotions than the boards of active officers which, in spite of honest effort, have so signally failed. Active officers are necessarily embroiled in service politics. Inevitably, they will be influenced by friendships growing out of close association. Retired admirals would assuredly know the need of the Navy of the best possible officers, but they would not know the men, whose lives their decisions would make or break, so intimately as active officers do. Even if a permanent promotion board might be as susceptible to the influence of personal friendships as former boards have been, the personal friends of the members of a permanent board would all soon be promoted, but new boards each have a new crop of friends. So, granting that this evil would have the same play in the deliberations of a permanent board—which is, to say the least, doubtful—the permanent board would minimize the evil.

Another curative agency would be to require the promotion board to make a written report of its reasons for selecting or rejecting each officer for promotion. Such a requirement would give the members of the board a check upon themselves. Many a man has been promoted who would not have been if it had been necessary to write out the reasons. The reverse is equally true—many have been rejected when no reason could have been assigned.

Another real help would be to give every man who feels aggrieved by any decision, the right of appeal. We freely give the right of appeal to murderers and rapists; why not to innocent and admirable American naval officers? Their lives are at stake also. They now have no real right of review.

Another symptom of the disease from which our Navy suffers is the prejudice of the "Admirals Club" against the admission of specialists to their Olympus!

No officer who hopes to reach the top chooses an assignment to specialist duty. If ordered thereto because of peculiar fitness, they struggle to get back to sea so that they may have a fair and equal chance of promotion. The constant changes entailed make for mediocrity. If an officer is peculiarly fitted for the performance of duty in any specialty, and if he performs creditably therein, he should be kept there. Experience is the best teacher. He would grow better all the time. Efficiency demands his retention. Justice demands his promotion on merit.

He should not be denied top rank because he has not been at sea, no matter how exclusive the admirals wish to make their "club."

This conference report gives us a bill which will "pick up" a few "passed overs." It is a cruel joke as a revision of the promotion system, but it is better than nothing, and that is the "Hobson's choice" that our masters have given us. But with at least nine-tenths of the Navy privately hating the system—though their heads being in the lion's mouth, none dare pull his whiskers—and a sense of fair play still strong in our Nation and in Congress, there will be another day. [Applause.]

[Here the gavel fell.]

Mr. VINSON of Georgia. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

RETIREMENT AND RANK OF CERTAIN CHIEFS, NAVY DEPARTMENT

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 9801) to provide for the retirement, rank, and pay of Chiefs of Naval Operations, Chiefs of Bureaus of the Navy Department, the Judge Advocates General of the Navy, and the Major Generals Commandant of the Marine Corps, with Senate amendments thereto, and concur in the Senate amendments.

The SPEAKER. The Clerk will report the Senate amendments.

The Clerk read the Senate amendments, as follows:

Page 2, lines 1 and 2, strike out "or as head of a staff department of the Marine Corps."

Page 2, lines 8 and 9, strike out "or as head of a staff department of the Marine Corps."

The SPEAKER. The question is on agreeing to the Senate amendments.

The Senate amendments were agreed to.

CONSTRUCTION OF CERTAIN PUBLIC WORKS, NAVY

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 2338) to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes, which I send to the desk.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Navy is hereby authorized to proceed with the construction of the following-named public works projects:

Navy Yard, Pearl Harbor, Hawaii: Purchase of land, at a cost not to exceed $165,000.

Submarine base, New London, Conn.: Submarine training-school building and accessories, in substantial accord with Bureau of Yards and Docks Drawing Au-7, approved April 27, 1937; barracks building and accessories, in substantial accord with Bureau of Yards and Docks Drawing Au-8, approved April 27, 1937.

Fleet air base, Coco Solo, Canal Zone: Quarters and accessories for officers, in substantial accord with Bureau of Yards and Docks Drawing Au-10, approved April 27, 1937.

Fleet air base, Pearl Harbor, Hawaii: Final assembly shop building and accessories, in substantial accord with Bureau of Yards and Docks Drawing Au-9, approved April 27, 1937.

Naval radio and direction-finder stations: Annapolis, Md., additional facilities, including buildings and accessories, and purchase of land at a cost not to exceed $125,000, in substantial accord with Bureau of Yards and Docks Drawing Au-1, approved April 27, 1937; Mare Island, Calif., master receiving and control station, including buildings and accessories, and purchase of land at a cost not to exceed $264,000, in substantial accord with Bureau of Yards and Docks Drawing Au-4, approved April 27, 1937; high-frequency transmitting station, including buildings and accessories, in substantial accord with Bureau of Yards and Docks Drawing Au-5, approved April 27, 1937; Oahu, Hawaii, radio receiving station, including buildings and accessories, and purchase of land at a cost not to exceed $36,000, in substantial accord with Bureau of Yards and Docks Drawing Au-3, approved April 27, 1937; general improvement of radio facilities, including buildings and accessories, at a cost not to exceed $85,000.

Naval Supply Depot, San Diego, Calif.: Storage buildings and accessories, in substantial accord with Bureau of Yards and Docks Drawings Au-6a, and Au-6b, approved April 27, 1937.

Marine Barracks, Parris Island, S. C.: Four barracks buildings at main station, in substantial accord with Bureau of Yards and Docks Drawing Au-11, approved April 27, 1937; barracks building and accessories, rifle range, in substantial accord with Bureau of Yards and Docks Drawing Au-12, approved April 27, 1937; barracks building and accessories, receiving station, in substantial accord with Bureau of Yards and Docks Drawing Au-13, approved April 27, 1937.

Navy Yard, Puget Sound, Wash.: Acquisition of private rights in building No. 138, $6,057.

SEC. 2. There is authorized to be appropriated, out of any money in the Treasury of the United States not otherwise appropriated, such sums as may be necessary to effectuate the purposes of this act.

The SPEAKER. Is there objection?

Mr. RICH. Mr. Speaker, I reserve the right to object. What are these public works?

Mr. VINSON of Georgia. Mr. Speaker, it will include the navy yard at Pearl Harbor, $165,000; a submarine base at New London, Conn., improvements there, $200,000; and others. They are all enumerated in the bill. They amount to some $3,000,000. This bill has been passed by the Senate and it has been unanimously reported by the committee and is recommended by the Budget.

Mr. RICH. Is this money that has already been appropriated?

Mr. VINSON of Georgia. No; this is an authorization bill. The money must later on be appropriated by the Committee on Appropriations.

Mr. RICH. Is the gentleman going to come back and ask for additional money?

Mr. VINSON of Georgia. At the next session of Congress they will come in here, whenever the Budget or the Department recommends it, and ask that this authorization be complied with by an appropriation.

Mr. RICH. Does the gentleman think the next Congress will be as liberal in its appropriations as this one?

Mr. VINSON of Georgia. I hope if it is national defense they will exercise the same wide discretion that they have in the past. I shall want to offer an amendment to this, and I want to notify the committee and the House of that fact. It is an amendment that would involve some $28,000,000 worth of authorization, which is recommended by the Budget, and which has been passed by the committee unanimously. It is in the form of a House bill. If the House permits the Senate bill to be considered, I shall offer this as an amendment; but if the House is not inclined to accept the amendment, then I shall take the Senate bill.

Mr. RICH. I am asking for the reason that the gentleman's side promised a balanced Budget, and has for several years. You are now running over by a billion and a half dollars, and you are coming in now and asking for greater appropriations for the preparation of war. You talk war and prepare for war. Why do you not talk peace?

Mr. VINSON of Georgia. If the gentleman will go along with us, this will do more to maintain peace than anything else that you can do.

Mr. FISH. Mr. Speaker, I reserve the right to object. I am not opposing these items for national defense, but it seems to me the gentleman is completely mistaken when he says this is doing more for the good of America than anything else. I think before we adjourn, if we could agree to loan some money to the railroads to keep them going, it might be much more a problem to solve than that of national defense.

Mr. WOODRUM. Mr. Speaker, I reserve the right to object to ask the gentleman something about the $28,000,000 that he says he proposes to put in the bill in the way of an amendment.

Mr. VINSON of Georgia. It includes the Navy Yard at Mare Island, $175,000; the Navy Yard at Pearl Harbor, $8,000,000; the Puget Sound Yard, $250,000; the Guam station, $75,000; a destroyer base at San Diego, $240,000; training station at Norfolk, Va., $450,000; proving ground at Dahlgren, $100,000; navy matériel depot, $1,000,000; air station in Alaska, $5,000,000; fleet harbor at Coco Solo, $2,000,000. They are all enumerated in the bill and recommended by the Budget.

Mr. WOODRUM. Is this an authorization for all of that?

Mr. VINSON of Georgia. Yes.

Mr. WOODRUM. What has the Budget got to do with recommending authorizations?

Mr. VINSON of Georgia. Under the rules no department can present a bill for the recommendation without sending it to the Budget.

Mr. WOODRUM. Is it intended to make any effort to get an appropriation?

Mr. VINSON of Georgia. Not at this session, but in the next session there will be.

The SPEAKER. Is there objection?

Mr. TABER. Mr. Speaker, reserving the right to object, are these items all required in connection with the authorized billion-dollar program?

Mr. VINSON of Georgia. I may say to the gentleman from New York that the expansion of a great many of these yards is absolutely essential to carry out the program that will mean the complete building of all the ships now authorized.

Mr. TABER. With reference to this last bill that was passed, the billion-dollar bill, passed a couple of months ago, that carries with it power to construct all facilities. If that authority is carried in that bill, then no additional bill is required. If that authority is not carried in that bill and we are going to authorize $28,000,000, we ought to take it up in a regular way under a rule, not by unanimous consent, or go into the Committee of the Whole to consider it. I would be willing to have it taken up in the Committee of the Whole, but I am not willing to have it passed by unanimous consent; it is too big.

Mr. VINSON of Georgia. This is a bill that has passed the Senate and was reported out by the House committee. It involves $3,000,000. Would the gentleman oppose the consent request to consider the Senate bill if I withhold my amendment and not offer it?

Mr. TABER. The gentleman will not offer the amendment?

Mr. VINSON of Georgia. If there is objection to the amendment, of course, I will not offer it.

Mr. TABER. What is the item in the Senate bill that costs $3,000,000?

Mr. VINSON of Georgia. It is not one particular item but for several items. The first is the navy yard at Pearl Harbor.

Mr. TABER. That is $165,000.

Mr. VINSON of Georgia. That is right.

Mr. MAAS. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. MAAS. I hope the gentleman will not object to the offering of this amendment under the consent request, because funds have been set aside out of the large appropriation act which can be made available for this. Otherwise,

we shall have to come in next year and get authorization and appropriations, and this money will be used up some way, anyway. Much of this can be done with present appropriations if the gentleman permits it to be passed at this session.

Mr. TABER. I stated that I would not object to the Senate bill being passed under unanimous consent without the amendment the gentleman from Georgia wanted to offer. If he insists on offering that amendment, then I shall object to its being passed under consent.

Mr. VINSON of Georgia. New London has $212,000.

Mr. TABER. What amount is set aside for Coco Solo?

The total amount of the Senate bill is $3,992,057. It has passed the Senate and is on the Speaker's desk. I hope the gentleman will not object. I can see the gentleman's viewpoint.

Mr. TABER. I would be willing to let this one go through but without any amendment being offered. If the amendment is to be offered I shall insist on going into the Committee of the Whole.

Mr. VINSON of Georgia. In view of the gentleman's statement I will not offer the amendment.

The SPEAKER. The Chair hears no objection under the agreement arrived at.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Navy is hereby authorized to proceed with the construction of the following-named public works projects:

Navy Yard, Pearl Harbor, Hawaii: Purchase of land, at a cost not to exceed $165,000.

Submarine base, New London, Conn.: Submarine training-school building and accessories, in substantial accord with Bureau of Yards and Docks Drawing Au–7, approved April 27, 1937; barracks building and accessories, in substantial accord with Bureau of Yards and Docks Drawing Au–8, approved April 27, 1937.

Fleet air base, Coco Solo, Canal Zone: Quarters and accessories for officers, in substantial accord with Bureau of Yards and Docks Drawing Au–10, approved April 27, 1937.

Fleet air base, Pearl Harbor, Hawaii: Final assembly shop building and accessories, in substantial accord with Bureau of Yards and Docks Drawing Au–9, approved April 27, 1937.

Naval radio and direction-finder stations: Annapolis, Md., additional facilities, including buildings and accessories, and purchase of land at a cost not to exceed $125,000, in substantial accord with Bureau of Yards and Docks Drawing Au–1, approved April 27, 1937; Mare Island, Calif., master receiving and control station, including buildings and accessories, and purchase of land at a cost not to exceed $264,000, in substantial accord with Bureau of Yards and Docks Drawing Au–4, approved April 27, 1937; high-frequency transmitting station, including buildings and accessories, in substantial accord with Bureau of Yards and Docks Drawing Au–5, approved April 27, 1937; Oahu, Hawaii, radio receiving station, including buildings and accessories, and purchase of land at a cost not to exceed $36,000, in substantial accord with Bureau of Yards and Docks Drawing Au–3, approved April 27, 1937; general improvement of radio facilities, including buildings and accessories, at a cost not to exceed $85,000.

Naval Supply Depot, San Diego, Calif.: Storage buildings and accessories, in substantial accord with Bureau of Yards and Docks Drawings Au–6, and Au–6b, approved April 27, 1937.

Marine Barracks, Parris Island, S. C.: Four barracks buildings at main station, in substantial accord with Bureau of Yards and Docks Drawing Au–11 approved April 27, 1937; barracks building and accessories rifle range in substantial accord with Bureau of Yards and Docks Drawing Au–12, approved April 27, 1937; barracks building and accessories, receiving station, in substantial accord with Bureau of Yards and Docks Drawing Au–13, approved April 27, 1937.

Navy Yard, Puget Sound, Wash.: Acquisition of private rights in building No. 138, $6,057.

SEC. 2. There is authorized to be appropriated, out of any money in the Treasury of the United States not otherwise appropriated, such sums as may be necessary to effectuate the purposes of this act.

With the following committee amendment:

Page 3, beginning in line 8, strike out down to and including line 16.

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

INCREASE IN PRIVATES, FIRST-CLASS, MARINE CORPS

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 3337) to amend section 2 of the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1919, and for other purposes," approved July 1, 1918, to increase the authorized percentage of privates, first-class, in the Marine Corps from 25 to 40 percent of the whole number of privates.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 2 of the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1919, and for other purposes," approved July 1, 1918 (40 Stat. 714; title 34, U. S. C., sec. 681c), is hereby amended by striking out the words "twenty-five" appearing in lines 6 and 7 of the said section and substituting therefor the word "forty".

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WORK RELIEF AND PUBLIC-BUILDINGS BILL

Mr. WOODRUM. Mr. Speaker, I ask unanimous consent to take from the Speaker's table House Joint Resolution 679, making appropriations for work relief, relief, and otherwise to increase employment by providing loans and grants for public-works projects, further insist on the House amendments to the Senate amendments, and agree to the conference asked by the Senate.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from Virginia? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. TAYLOR of Colorado, WOODRUM, BOYLAN of New York, CANNON of Missouri, LUDLOW, SNYDER of Pennsylvania, TABER, BACON, and WIGGLESWORTH.

OLYMPIC NATIONAL PARK

Mr. DEROUEN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 10024) to establish the Olympic National Park, in the State of Washington, and for other purposes, with Senate amendments, and concur in the Senate amendments.

Mr. SNELL. Mr. Speaker, I think the gentleman should make a short statement about this bill.

Mr. DEROUEN. Mr. Speaker, this bill was passed by the House and embraced 898,292 acres. This bill has been considered by the House for some 2 years. We always met with difficulty as to the area to be included in the park. The House passed the bill the other day carrying 898,292 acres and the Senate reduced it to about 600,000 acres. That is the main point of contention.

Mr. SNELL. That is the only change there is in the bill?

Mr. DEROUEN. No. There is another change. The Senate also provided that the President may by Executive order, after consulting with the Secretary of the Interior, the Secretary of Agriculture, and the Governor of the State of Washington, add additional areas from the public domain to that area.

Mr. SNELL. Is that not rather a large power we are giving the President? We have never given power to the President to add acreage to national parks by Executive order. It has always been done by an act of Congress, so far as I know.

Mr. WALLGREN. Will the gentleman yield?

Mr. DEROUEN. I yield to the gentleman from Washington.

Mr. WALLGREN. I may say to the gentleman that at the present time the Department of Agriculture has withdrawn many acres in the primitive or reclamation areas. It is believed those areas, having been withdrawn, should no longer remain under the jurisdiction of the Department of Agriculture. When it came to the matter of determining the exact boundaries——

Mr. SNELL. The gentleman misunderstands my position. I am not interested in that, but I am interested in this

fact: We have always determined the boundaries of national parks by the Congress. I am opposed to giving the President carte blanche authority to change these borders to suit his desire.

Mr. WALLGREN. That is only done after consulting the Governor of the State.

Mr. SNELL. That is all right to consult with the Secretary of the Interior, but he is a part of the administration. I am opposed to giving this power to any administration. What is the use of giving the President the power to do every single thing on God's earth? Have you fellows no responsibility yourselves?

Mr. DEROUEN. Let me make this statement: It is true——

Mr. SNELL. I know it is true.

Mr. DEROUEN. I want to make the statement that I believe will clarify the situation and convince the gentleman this is necessary at the present time. The Public Lands Committee, both majority and minority, are of the opinion that a larger area should be embraced in that park. This is the only area of virgin timber left in the United States. If we are going to conserve these resources it is the duty of the Congress to do that.

Mr. SNELL. That is all right. I will join with the gentleman if he says it is the duty of the Congress to do something. I will do my part, but I am absolutely opposed to giving this power to the President and I shall not agree to a unanimous-consent request to do it. The gentleman spoke to me in the hall this morning and told me this just changed the number of acres. I said, "Go ahead." But the principal part the gentleman did not mention at all.

Mr. DEROUEN. I was going to read the whole amendment, and had mailed your office a copy of the bill and thought you had read the bill.

Mr. SNELL. But you did not.

Mr. DEROUEN. I was going to explain the whole amendment and have it read, which is the usual custom.

Mr. SNELL. Mr. Speaker, I object.

EXTENSION OF REMARKS

Mr. FLANNAGAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a statement prepared by the Department of Agriculture covering the farm situation in the State of Virginia.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

CARE OF MATERIAL IN THE HANDS OF THE NATIONAL GUARD

Mr. MAY. Mr. Speaker, I call up the conference report on the bill (H. R. 9721) authorizing the disbursement of funds appropriated for compensation of help for care of material, animals, armament, and equipment in the hands of the National Guard of the several States, Territories, and the District of Columbia, and for other purposes.

The Clerk read the title of the conference report.

The Clerk read the conference report.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9721) authorizing the disbursement of funds appropriated for compensation of help for care of material, animals, armament, and equipment in the hands of the National Guard of the several States, Territories, and the District of Columbia, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate, and agree to the same.

A. J. MAY,
R. EWING THOMASON,
DOW W. HARTER,
W. G. ANDREWS,
L. C. ARENDS,
Managers on the part of the House.

ED. C. JOHNSON,
ERNEST LUNDEEN,
H. C. LODGE, Jr.,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 9721) authorizing the disbursement of funds appropriated for compensation of help for care of material, animals, armament, and equipment in the hands of the National Guard of the several States, Territories, and the District of Columbia, and for other purposes, as passed by the House contained in brief the following proposals pertaining to the National Guard:

1. To authorize moneys hereafter appropriated for compensation of help for care of materials, animals, armament, and equipment of the Federal Government in the custody of the National Guard, to be disbursed for the hire of caretakers for such property, not only when they are performing their normal duties as caretakers, but also when employed on clerical duties incidental to their duties as caretakers.

2. To authorize the using of moneys appropriated for compensation of help for care of material, animals, armaments, and equipment of the Federal Government in the custody of the National Guard and is supplemental to moneys appropriated by the several States for the support of the National Guard paying such caretakers.

3. To authorize the utilization of the services of such caretakers on duties other than those of caretaking and clerical duties incidental thereto, if such additional duties do not interfere with the complete performance of their caretaking and incidental clerical duties.

4. To ratify and validate in such amounts only as approved by the Secretary of War certain payments previously made for the hire of the caretakers which would stand disallowed on the date of the enactment of this bill, or would thereafter be disallowed by the Comptroller General, but for the enactment of this measure, reserving to the Government all existing rights to collect from personnel concerned, any amounts determined by the Secretary of War to be due the United States.

5. That not more than 10 percent of all moneys so appropriated by Congress may be allotted by the Secretary of War under such regulations as he may prescribe for the employment exclusively of clerks to assist the United States property and disbursing officer in the performance of their official duties.

The Senate in passing H. R. 9721, struck out the following provision: "*Provided further*, That not more than 10 percent of all moneys so appropriated by Congress may be allotted by the Secretary of War under such regulations as he may prescribe for the employment exclusively of clerks to assist the United States property and disbursing officer in the performance of their official duties."

The other four proposals contained in the bill were accepted by the Senate in the form passed by the House.

It was the opinion of the conferees that the passage of H. R. 9721, containing the first four above proposals would give the National Guard a substantial piece of legislation and that they would prefer to see how the proposals above would operate in practice before considering further the proposal permitting not more than 10 percent of all moneys so appropriated by Congress may be allotted by the Secretary of War for the employment exclusively of clerks to assist the United States property and disbursing officers in the performance of their official duties.

It is also the opinion of the conferees that should the National Guard feel that the proposal deleted from the bill in the Senate is absolutely necessary, they can come back to Congress at some future time and ask that legislation be passed along this line.

A. J. MAY,
R. EWING THOMASON,
DOW W. HARTER,
W. G. ANDREWS,
L. C. ARENDS,
Managers on the part of the House.

Mr. TABER. Mr. Speaker, I reserve a point of order on the conference report.

The SPEAKER. For the benefit of the Chair, will the gentleman kindly state his point of order?

Mr. TABER. The statement on the part of the managers indicates that this proposition involves the use for one purpose of money appropriated for another purpose. This means that this is an appropriation. Paragraphs 1 and 2 both are evidently an appropriation. It seems to me it is very bad tactics for the House to get into the practice of appropriating money for one purpose and using it for another purpose without having it covered by regular hearings in an appropriation bill from year to year. Under the Constitution, appropriations for the Military Establishment must be made for a particular period.

The SPEAKER. Will the gentleman from New York kindly point out any language indicating that this money will as a matter of fact be a direct appropriation in terms?

Mr. TABER. Yes, Mr. Speaker [reading]—

To authorize moneys hereinafter appropriated for compensation of help, for care of materials—

And so forth—

to be disbursed for the hire of caretakers for such property.

That is an appropriation for one purpose of funds that were appropriated for another purpose.

The SPEAKER. The Chair cannot agree with the point of order raised by the gentleman from New York. The language clearly states that it is merely an authorization for subsequent action of the Congress and is not an appropriation. Therefore, the Chair overrules the point of order.

Mr. SNELL. Mr. Speaker, will the gentleman from Kentucky tell us what this conference report involves?

Mr. MAY. Mr. Speaker, the House bill originally provided for the disbursement of funds for the caretaking of Army property in the hands of the National Guard in the several States and in the District of Columbia. The bill provided for five different items. The Senate agreed to all of the items except the last one, which provided that not more than 10 percent of the moneys provided might be expended under the direction of the Secretary of War for the hire of clerks incidentally engaged in the caretaking of property and doing other work around the National Guard posts.

Mr. SNELL. That 10 percent is allowed by law at the present time?

Mr. MAY. Yes.

Mr. SNELL. That is what I thought.

Mr. MAY. However, the Senate insisted that the 10 percent should be conserved, and the House conferees agreed to it. This saves about $275,000 for the Government.

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

APPOINTMENT OF COMMISSIONS AND COMMITTEES AFTER ADJOURNMENT OF CONGRESS

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent that notwithstanding the adjournment of the third session of the Seventy-fifth Congress the Speaker may be authorized to appoint commissions and committees authorized by law or by the House.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

SIGNING OF ENROLLED BILLS OR JOINT RESOLUTIONS

Mr. RAYBURN. Mr. Speaker, I offer a concurrent resolution.

The Clerk read the concurrent resolution, as follows:

House Concurrent Resolution 66

Resolved by the House of Representatives (the Senate concurring), That, notwithstanding any recesses of the Senate or House of Representatives or the adjournment of the third session of the Seventy-fifth Congress, the President of the Senate and the Speaker of the House of Representatives be, and they are hereby, authorized to sign any enrolled bills or joint resolutions duly passed by the two Houses and which have been examined by the Committee on Enrolled Bills of each House and found truly enrolled.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

FOREST LANDS IN THE STATE OF NEW YORK

Mr. MERRITT. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 3774) to authorize cooperation between the United States and the State of New York in the protection of the public interest and welfare inherent in certain forest lands in said State through provision for the acquisition and management of said lands.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of Agriculture be, and he is hereby, authorized and directed to acquire by purchase or otherwise the following-described lands now in private ownership in Herkimer and Hamilton Counties, State of New York, to wit: Part or all of townships Nos. 1, 2, 6, and 7, Moose River tract, and part or all of townships Nos. 1 and 7, John Brown's tract, at prices found by him to be fair and reasonable, the total cost not to exceed $3,000,000, which amount is hereby appropriated from any funds in the Treasury not otherwise appropriated and shall continue available until expended, but no payment for lands shall be made until the titles thereto have been found satisfactory and approved by the Secretary of Agriculture and are vested in the United States.

SEC. 2. That upon the vesting in the United States of title to part or all of the lands described in section 1 hereof, the Secretary of Agriculture be, and he is hereby, authorized and directed to enter into a cooperative agreement with the State of New York, through its duly authorized representatives, for the subsequent development, protection, administration, and management of said acquired lands by the Conservation Department of the State of New York and at the expense of said State, which agreement clearly shall define and prescribe the objectives, principles, and conditions by which the management of said lands thereafter shall be governed; shall specifically provide that the acquired lands shall be forever kept as wild forest lands; that such lands shall not be leased, sold, or exchanged nor be taken by any corporation, public or private, other than the State of New York, nor shall the timber thereon be sold, removed, or destroyed: *Provided, however*, That this section shall not prevent the use of any part of such lands for the construction and maintenance of reservoirs for municipal water supply, for the canals of the State and to regulate the flow of streams, to the same extent as if said lands were a part of the New York State forest preserve.

SEC. 3. Whoever violates any of the provisions of this act, or of the regulations promulgated by the Secretary of Agriculture pursuant thereto, shall, upon conviction thereof, be subject to a fine of not more than $500 or to imprisonment for not more than 1 year, or both.

SEC. 4. That if the State of New York shall formally advise the Secretary of Agriculture of its desire to acquire title to any or all of the lands purchased by the United States under the provisions of this Act, the said Secretary shall determine the total expenditures made by the United States in the acquisition of said lands, and, upon payment by the State of New York of the amount so determined into the Treasury of the United States, the said Secretary of Agriculture thereupon shall convey to the said State all rights, titles, and interests held by the United States in said lands.

SEC. 5. That to facilitate the enforcement and execution by officers and employees of the State of New York of the rules and regulations of the Secretary of Agriculture in relation to the lands acquired under the provisions of this act under the cooperative agreement authorized by section 2 hereof, the said Secretary be, and he is hereby, authorized, so far as may be in the public interest, to appoint said officers or employees of the State of New York as officers or agents of the United States Department of Agriculture, without additional compensation.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. RICH. Reserving the right to object, Mr. Speaker, does this bill provide for the acquisition of land? If so, we would like to know to what the bill refers.

Mr. MERRITT. This will be a temporary condition until such time as the State of New York will be in position to take over these lands. This procedure has been agreed to by the Department of Agriculture and the Conservation Commission of the State of New York.

Mr. RICH. Is the Federal Government taking over these lands?

Mr. MERRITT. Temporarily only.

Mr. RICH. Why should the Federal Government take them over?

Mr. MERRITT. Right now New York State owns many thousands of acres of land. In order to get the rest of this land, since the State is not in a position to pay for it right now, it has made a deal with the Department of Agriculture that if the Department should see its way clear, and it has stated it does, it will take over this acreage until such time as the State is ready to take it over.

Mr. RICH. Does the gentleman mean the Federal Government is now going to buy these lands for the State of New York?

Mr. MERRITT. It is not going to buy the lands. The Federal Government is going to lend the State the money, so to speak, for the time being.

Mr. RICH. The Federal Government is going to lend the State of New York money? I never heard of anything so ridiculous in my life. Where is the Federal Government going to get any money to lend?

Mr. MERRITT. I believe the Government has it.

Mr. RICH. New York is a large State. Why does not New York borrow its own money?

Mr. SNELL. Mr. Speaker, will the gentleman yield?

Mr. RICH. I yield to the gentleman from New York.

Mr. SNELL. I believe I may perhaps inform the gentleman.

Mr. RICH. Someone will have to.

Mr. SNELL. We will try, that is all we can do. The gentleman knows the Federal Government buys forest lands in every State in the Union. The Federal Government proposes to buy some land up in our State. This is in entire accord with the conservation policy of the State. They have even gone so far as to tell the State of New York that if eventually the State wants to take over this land and pay the Federal Government what it costs, with interest, they will make such a contract with the State. At this time the Federal Government is not lending the money to the State of New York, but buying the land for itself, in the same way it is buying land in every other State of the Union.

Mr. RICH. Has it been the practice of the Government in any other State for the Government to go out and buy land with the express purpose of turning it over to the State?

Mr. SNELL. This does not say that that is the express purpose. They may, eventually, if the State of New York wants to buy the land and pay the cost with interest turn it over to the State, and that is a better contract than the Government has with any State of the Union.

Mr. RICH. Why does the Federal Government want to go into the State of New York and buy land there?

Mr. SNELL. Why does the Government want to buy land in any State of the Union?

Mr. RICH. I do not want them to buy any land in any State of the Union.

Mr. SNELL. But that is the policy of the Conservation Bureau of the United States, and has been its policy for years, and I, personally, and the great majority of the Members of this House, have always upheld such a conservation policy.

Mr. RICH. Well, I want to say here that I cannot see any reason for the Federal Government going into any State and buying land with the express purpose of turning it over to that State.

Mr. SNELL. The bill simply gives them the right eventually to do that if they desire.

Mr. RICH. If the State of New York wants to acquire this land, they should go out and buy it.

Mr. SNELL. But it has been the policy of the Government here in Washington to buy such land in every State of the Union.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDMENT OF LONGSHOREMEN'S AND HARBOR WORKERS' COMPENSATION ACT

Mr. HEALEY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 5690) to amend the Longshoremen's and Harbor Workers' Compensation Act, with Senate amendments and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 10, line 15, strike out "subdivision (b)" and insert "subdivisions (b) and (e)."

Page 10, line 16, strike out "it is" and insert "are."

Page 10, after line 21, insert:

"(e) Any amount recovered by such employer on account of such assignment, whether or not as the result of a compromise, shall be distributed as follows:

"(1) The employer shall retain an amount equal to—

"(A) the expenses incurred by him in respect to such proceedings or compromise (including a reasonable attorney's fee as determined by the deputy commissioner);

"(B) the cost of all benefits actually furnished by him to the employee under section 7;

"(C) all amounts paid as compensation;

"(D) the present value of all amounts thereafter payable as compensation, such present value to be computed in accordance with a schedule prepared by the Commission, and the present value of the cost of all benefits thereafter to be furnished under section 7, to be estimated by the Deputy Commissioner, and the amounts so computed and estimated to be retained by the employer as a trust fund to pay such compensation and the cost of such benefits as they become due, and to pay any sum finally remaining in excess thereof to the person entitled to compensation or to the representative; and

"(2) The employer shall pay any excess to the person entitled to compensation or to the representative."

Page 10, after line 21, insert:

"SEC. 13. That section 33 of said act be, and it is hereby, further amended by adding thereto the following new subdivision:

"'(i) Where the employer is insured and the insurance carrier has assumed the payment of the compensation, the insurance carrier shall be subrogated to all the rights of the employer under this section.'"

Page 10, line 22, strike out "13", and insert "14."

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

RETIREMENT FROM CONGRESS OF CERTAIN MEMBERS FROM NORTH CAROLINA

Mr. WARREN. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. WARREN. Mr. Speaker, with the closing of the Seventy-fifth Congress the House will lose three of its ablest and strongest Members in the retirement of FRANK W. HANCOCK, WALTER LAMBETH, and WILLIAM B. UMSTEAD. The North Carolina delegation, as well as our State, keenly feel the loss of these three outstanding men. All of them quickly rose to prominence in the House, and their character, personality, and ability endeared them to the membership. Each distinguished himself in the role of legislator, HANCOCK in banking legislation, LAMBETH in our foreign relations, and UMSTEAD in appropriations by his masterly handling of the naval appropriation bill.

All of them could have probably stayed here indefinitely from their districts. One sought other political service and the two voluntarily retired. They are all young men, and they go forth richly endowed with a record of patriotic service to their State and Nation.

I express not only the sentiments of the North Carolina delegation, but I know I voice the feelings of the entire House when I say to them their departure leaves a void here that will be hard to fill, and that they leave carrying with them our affection and best wishes. [Applause.]

EXTENSION OF REMARKS

Mr. COOPER. Mr. Speaker, I ask unanimous consent that the gentleman from North Carolina [Mr. DOUGHTON] may have permission to extend his remarks in the RECORD and include certain correspondence from the State Department and other data relating thereto.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

NATIONAL FLOOD PREVENTION WEEK

Mr. GRAY of Pennsylvania. Mr. Speaker, I ask unanimous consent for the immediate consideration of the joint resolution (H. J. Res. 707) requesting the President of the United States to proclaim the week of May 31, 1939, National Flood Prevention Week.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the joint resolution as follows:

House Joint Resolution 707

Whereas the present administration has been first to recognize that disastrous floods are calamities requiring national action and cooperation to prevent their recurrence in the future: Therefore be it

Resolved, etc., That the Honorable Franklin D. Roosevelt, President of the United States, be, and he is hereby, requested to proclaim the week of May 31, 1939, National Flood Prevention Week in the

United States of America, and to ask the cooperation, interest, and aid of all the people in the work of flood prevention.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ELIZABETH VRESH, FREDERICK VRESH, AND SYLVIA VRESH BRONOWITZ

Mr. DEMUTH. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 6820) for the relief of Elizabeth Vresh (Yalga Vres), her son Frederick Vresh, and her daughter Sylvia Vresh Bronowitz.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

Mr. SNELL. Mr. Speaker, reserving the right to object, is this a House bill with Senate amendments?

Mr. DEMUTH. No; this is a bill that was on the Private Calendar and when I was away it was objected to by mistake. The objectors on both sides have agreed that it be passed. It is a hardship case.

The SPEAKER. Is their objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the bill as follows:

Be it enacted, etc., That the Secretary of Labor is directed to cancel forthwith the outstanding warrant of arrest, order of deportation, warrant of deportation, and bond, if any, in the case of the aliens Elizabeth Vresh (Yalga Vres), her son Frederick Vresh, and her daughter Sylvia Vresh Bronowitz, and is directed not to issue any further such warrants or orders in the case of such aliens, insofar as such future warrants or orders are based on the unlawful entry of such aliens into the United States prior to the enactment of this act, or on perjury or false statements in connection with such entry into the United States, or with any application heretofore made for a reentry permit or extension thereof. The said Frederick Vresh was 12 years of age and the said Sylvia Vresh Bronowitz was 13 years of age at the time of entry. Both are now married to native-born American citizens and each have two children. Deportation warrants were never executed in these cases inasmuch as the Department of Labor has regarded them as so-called hardship cases. Hereafter, for the purposes of the immigration and naturalization laws, such aliens shall be considered to have been, at Buffalo, N. Y., on May 20, 1924, lawfully admitted to the United States for permanent residence.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CIVIL SERVICE RETIREMENT ACT

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent for the present consideration of Senate 3525, to amend an act entitled "An act to extend the benefits of the Civil Service Retirement Act of May 29, 1930, as amended, to certain employees in the legislative and judicial branches of the Government," approved July 13, 1937.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That (a) the last sentence of the first paragraph of section 2 of the act entitled "An act to extend the benefits of the Civil Service Retirement Act of May 29, 1930, as amended, to certain employees in the legislative and judicial branches of the Government," approved July 13, 1937, is amended (1) by striking out "sixth" and inserting in lieu thereof "second", and (2) by striking out the period at the end of such sentence and inserting in lieu of such period a colon and the following: "*Provided, however*, That any such employee whose salary or any part thereof is paid by the disbursing officer of the Senate and who has become totally disabled for useful and efficient service within the meaning of section 6 of such act of May 29, 1930, shall come under the provisions of such act of May 29, 1930, immediately upon the giving of such notice."

(b) The second paragraph of section 2 of such act of July 13, 1937, is amended (1) by striking out "fifteen" where it first appears in such paragraph and inserting in lieu thereof "seven", and (2) by striking out the following: ": *Provided further*, That should any such employee who shall have served for a total period of not less than 5 years become totally disabled for useful and efficient service, within the meaning of section 6 of such act of May 29, 1930, before completing 15 years of service, he shall be entitled to the benefits provided by such section 6, upon deposit of the amount required to be deposited under the preceding proviso."

With the following committee amendments:

Page 2, line 11, strike out the word "where" and insert the word "wherever" in lieu thereof.

Page 2, line 11, strike out the word "first."

Page 2, line 12, after the word "seven" change the comma to a period and strike all the language thereafter.

The amendments were agreed to; and the bill as amended was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SALARIES OF RECESS APPOINTEES TO JUDICIAL OFFICE

Mr. O'BRIEN of Michigan. Mr. Speaker, I ask unanimous consent for the present consideration of House Joint Resolution 715, which I send to the desk and ask to have read.

The Clerk read as follows:

Resolved, etc., That the provisions of section 1761 of the Revised Statutes shall not apply to any circuit judge, district judge, or associate justice appointed pursuant to the provisions of the act entitled "An act to provide for the appointment of additional judges for certain United States district courts, circuit courts of appeals, and certain courts of the United States for the District of Columbia", approved May 31, 1938 (Public, No. 555, 75th Cong.).

The SPEAKER. Is there objection?

Mr. MICHENER. Mr. Speaker, I reserve the right to object. What is this resolution?

Mr. O'BRIEN of Michigan. This resolution has been approved by the Committee on the Judiciary. It makes possible the payment of salaries to such judges as may receive recess appointments. It takes away the prohibition of existing law in regard to recess appointees to Federal judgeships in pursuance of the act of May 31, providing for the 20 additional judgeships in the United States courts. Under existing law, section 1761, Revised Statutes, where a vacancy occurs during the session of Congress, a recess appointee cannot draw his salary until and unless the Senate confirms him. All this resolution does is to permit a recess appointee to one of the Federal judgeships to receive his compensation from the time he begins to serve and pending consideration of his nomination by the Senate. We have been informed that due to the impending adjournment of Congress, the President will not have time to send to the Senate for consideration nominations to all the Federal judgeships provided in the act of May 31.

Mr. CHANDLER. Mr. Speaker, will the gentleman yield?

Mr. O'BRIEN of Michigan. Yes.

Mr. CHANDLER. As I understand the bill, it does not make an absolute change in existing law. It simply provides that the judges appointed under the act recently passed will not be covered by the existing law, which otherwise remains in effect?

Mr. O'BRIEN of Michigan. It merely removes the prohibition of existing law from recess appointees, to the newly created Federal judgeships.

Mr. MICHENER. Mr. Speaker, I reserve the right to object. What the resolution does is this. The law contemplates that no person shall assume the office of Federal judge unless he has been nominated by the President and confirmed by the Senate. The law is such that if the President does make recess appointments of that kind, there is no assurance that the appointee will receive pay until he has been confirmed by the Senate. However, such appointments have been made. The contingency to which the gentleman refers never has happened. Several weeks ago Congress passed this bill providing for 20 additional judgeships, as an emergency matter, to take care of conditions as they are. Weeks have gone by, appointments have not been made as I predicted at the time. It does seem to me that the Congress should not make it easy for the President to defer appointments until after the Congress adjourns, and then make appointments and place men in judicial positions who possibly would not be placed in those positions if the Constitution had been followed and the Senate given the right of confirmation. If these judges were so necessary, why have several weeks passed since the law was enacted without the President making nominations to the office? I know of no reason why we should change the law now. If the President appoints the proper judge, as has been done in the past, and if the judge serves and is confirmed, he will receive his pay. This is establishing a precedent. It is something new.

Mr. O'BRIEN of Michigan. The gentleman probably is aware that there is a precedent for this type of legislation.

Mr. MICHENER. Where is it?

Mr. O'BRIEN of Michigan. In the creation of the Board of Tax Appeals. The original members appointed to that Board were exempted from the application of this particular statute.

Mr. MICHENER. Yes. That was an emergency matter, and they were appointed at once. The Congress authorized them, and adjourned immediately, as I remember. But we did not pass that legislation as we passed the judgeship bill. That has been pending here for weeks with every opportunity to appoint, and because they cannot settle some political differences as to who shall be appointed judges, this resolution is presented.

[The regular order was demanded.]

The SPEAKER. Is there objection?

Mr. BACON. I object.

Mr. O'BRIEN of Michigan. Mr. Speaker, I move to suspend the rules and pass the bill.

The SPEAKER. The Chair cannot recognize the gentleman for that purpose at this time.

UTE INDIANS

Mr. ROGERS of Oklahoma. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3162) entitled "An act conferring jurisdiction upon the United States Court of Claims to hear, examine, adjudicate, and render judgment on any and all claims which the Uncompahgre (Tabegauche), Uintah (Uinta), and White River (Yampa and Grand River) Bands of the Ute Indians may have against the United States, and for other purposes."

The Clerk read the title of the bill.

Mr. SNELL. Reserving the right to object, will the gentleman explain this bill?

Mr. ROGERS of Oklahoma. These are Senate amendments. The bill as passed by the House did not protect some lands in Colorado. This was not called to our attention until after the bill passed the House. The Senators from Colorado discovered there were certain lands in that State that should be protected to prevent certain lands reverting to the Indians.

There are several bands of Ute Indians. Several were named in the House bill. The Senate amended the bill to take in all the Ute Indians.

Mr. SNELL. Is that all there is to the bill?

Mr. ROGERS of Oklahoma. There is another provision that the court in applying the act shall have the full power of a court of equity both with respect to claims asserted and defenses interposed. This would protect, of course, the claimant and also the Government.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. ROGERS of Oklahoma. I yield.

Mr. RICH. With reference to these lands in Colorado, if by the bill it was intended to give back certain lands to the Indians why exempt those in Colorado?

Mr. ROGERS of Oklahoma. Mr. Speaker, I yield to the gentleman from Colorado to answer the question.

Mr. LEWIS of Colorado. There is some uncertainty as to the effect of the Howard Act (act of June 18, 1934, 48 Stat. 984). I am advised that the Interior Department and the Indian Bureau both favor the Senate amendments to this bill. I may say that the lands affected by the Senate amendments are all in western Colorado, in the congressional district of Mr. EDWARD T. TAYLOR. He is unable to be here today and asked me to look after it for him.

Mr. RICH. The only thing I have in mind is why, if we are giving the land back to the Indians, we should reserve them. Why not give them back?

Mr. LEWIS of Colorado. Really this is merely a clarifying amendment, because section 3 of the Howard Act of June 18, 1934 (48 Stat. 984) is not, in the opinion of the Colorado delegation, properly subject to the interpretation which some have placed upon it. Certainly it was not the intention of the Congress to turn back to the Ute Indians lands long settled by citizens of Colorado. Nevertheless, it is now manifest that the language of the Howard Act is ambiguous. It should be clarified. That is what the Senate amendment to H. R. 3162 does. The Colorado delegation earnestly request that the Senate amendment be adopted.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The Clerk read the Senate amendments, as follows:

Page 1, strike out all after line 5 down to and including "bands" in line 8, and insert "which the Ute Indians or any tribe or band."

Page 4, line 3, after "limitation", insert "In the determination of the validity of any claim asserted or defense interposed hereunder, the court shall have the full power and authority of a court of equity."

Page 5, line 10, after "resources", insert ", anything in any other acts of Congress to the contrary notwithstanding, no lands in Colorado north of and including range 35 formerly owned or claimed by the Ute Indians or any band thereof shall be restored to tribal ownership under the provisions of section 3 of the act of June 18, 1934 (48 Stat. 984), and said lands to the extent that they have not been disposed of by the United States are hereby declared to be the absolute property of the United States: *Provided*, That there is hereby added to the existing Southern Ute Indian Reservation in tribal ownership of the vacant, undisposed of ceded lands within the following-described boundaries:

"Beginning at a point on the western boundary line of the State of Colorado, being the northwest corner of the existing Southern Ute Indian Reservation; thence north to the township line separating townships 34 and 35 north, range 20 west; thence east along said township line to the southwest corner of section 35, township 35 north, range 19 west; thence north to the northwest corner of section 2, township 35 north, range 19 west; thence east to the northeast corner of section 1, township 35 north, range 18 west; thence north to the northwest corner of section 31, township 36 north, range 17 west; thence east to the northeast corner of section 35, township 36 north, range 17 west; thence south to the north boundary of the existing Southern Ute Indian Reservation; thence west along the north boundary of the said reservation to the west line of section 9, township 34 north, range 17 west; thence north to the northwest corner of section 21, township 35 north, range 17 west; thence west to the southwest corner of section 17, township 35 north, range 17 west; thence south to the southeast corner of the northeast quarter of the northeast quarter of section 19, township 35 north, range 17 west; thence west to the southwest corner of the northeast quarter of the northwest quarter of said section 19; thence north to the north line of said section 19; thence west to the southwest corner of section 17, township 35 north, range 18 west; thence south to the north boundary of the Southern Ute Indian Reservation in section 7, township 34 north, range 18, all west of the New Mexico principal meridian; thence west along the said north boundary to the point of beginning: *Provided further*, That any orders restoring or attempting to restore to tribal ownership any portion of the lands in Colorado north of range 35 are hereby rescinded and annulled."

The Senate amendments were agreed to.

A motion to reconsider was laid on the table.

The title was amended so as to read: "An act conferring jurisdiction upon the United States Court of Claims to hear, examine, adjudicate, and render judgment on any and all claims which the Ute Indians or any tribe or band thereof may have against the United States, and for other purposes."

INDIAN TRIBAL FUNDS

Mr. ROGERS of Oklahoma. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 2163) to authorize the deposit and investment of Indian funds.

The Clerk read the title of the bill.

Mr. SNELL. Mr. Speaker, reserving the right to object, I think the gentleman ought to make a brief statement so we shall know something about the bill.

Mr. ROGERS of Oklahoma. This bill was on the Consent Calendar. The gentleman from Michigan [Mr. WOLCOTT] objected because he did not understand what the bill provided. The Assistant Commissioner of Indian Affairs, Mr. Zimmerman, has gone over the bill with the gentleman from Michigan who now says it is perfectly satisfactory.

At the present time the Indians have certain moneys which cannot be deposited or invested in securities but can be invested only in Government bonds. This bill provides that they may be invested in other securities of the Government.

Mr. SNELL. The gentleman says that the gentleman from Michigan [Mr. WOLCOTT] has withdrawn his objection and is satisfied?

Mr. ROGERS of Oklahoma. He is satisfied and has withdrawn his objection.

Mr. RICH. Did the Indian Bureau approve the bill?

Mr. ROGERS of Oklahoma. The Indian Bureau has approved the bill and is anxious to have it passed.

I may say also that the bill provides that the moneys of the Five Civilized Tribes and of the Osage Indians in Oklahoma shall be deposited in certain banks outside of Oklahoma because the Secretary of the Interior feels that suitable banks are not always available in Oklahoma.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized in his discretion, and under such rules and regulations as he may prescribe, to withdraw from the United States Treasury and to deposit in banks to be selected by him the common or community funds of any Indian tribe which are, or may hereafter be, held in trust by the United States and on which the United States is not obligated by law to pay interest at higher rates than can be procured from the banks. The said Secretary is also authorized, under such rules and regulations as he may prescribe, to deposit in banks to be selected by him the funds held in trust by the United States for the benefit of individual Indians: *Provided*, That no individual Indian money shall be deposited in any bank until the bank shall have agreed to pay interest thereon at a reasonable rate, subject, however, to the regulations of the Board of Governors of the Federal Reserve System in the case of member banks, and of the Board of Directors of the Federal Deposit Insurance Corporation in the case of insured nonmember banks, except that the payment of interest may be waived in the discretion of the Secretary of the Interior on any deposit which is payable on demand: *Provided further*, That no tribal or individual Indian money shall be deposited in any bank until the bank shall have furnished an acceptable bond or pledged collateral security therefor in the form of any public-debt obligations of the United States and any bonds, notes, or other obligations which are unconditionally guaranteed as to both interest and principal by the United States, except that no such bond or collateral shall be required to be furnished by any such bank which is entitled to the benefits of section 12B of the Federal Reserve Act, with respect to any deposits of such tribal or individual funds to the extent that such deposits are insured under such section: *Provided, however*, That nothing contained in this act, or in section 12B of the Federal Reserve Act, shall operate to deprive any Indian having unrestricted funds on deposit in any such bank of the full protection afforded by section 12B of said Federal Reserve Act, irrespective of any interest such Indian may have in any restricted Indian funds on deposit in the same bank to the credit of a disbursing agent of the United States. For the purpose of said acts, said unrestricted funds shall constitute a separate and distinct basis for an insurance claim: *Provided further*, That the Secretary of the Interior, if he deems it advisable and for the best interest of the Indians, may invest the trust funds of any tribe or individual Indian in any public-debt obligations of the United States and in any bonds, notes, or other obligations which are unconditionally guaranteed as to both interest and principal by the United States: *And provided further*, That the foregoing shall apply to the funds of the Osage Tribe of Indians, and the individual members thereof, only with respect to the deposit of such funds in banks.

SEC. 2. Section 28 of the act of May 25, 1918, entitled "An act making appropriations for the current and contingent expenses of the Bureau of Indian Affairs, for fulfilling treaty stipulations with various Indian tribes, and for other purposes, for the fiscal year ending June 30, 1919", and all other acts or parts of acts inconsistent herewith, are hereby repealed.

SEC. 3. Nothing contained in this act shall be construed as affecting the provisions of the Federal Reserve Act or regulations issued thereunder relating to the payment of interest on deposits.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

STATE OF THE VATICAN CITY

The SPEAKER pro tempore (Mr. RAYBURN). The Chair recognizes the gentleman from Texas [Mr. SUMNERS].

Mr. SUMNERS of Texas. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 2811) to amend the Judicial Code by adding thereto a new section, to be numbered 659 (1), relating to the certification, authentication, and use in evidence of documents of record or on file in public offices in the State of Vatican City, with amendments.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That a new section is hereby added to the Judicial Code, to be numbered 695 (1) and to read as follows:

"SEC. 695. (1) Until the United States shall have a consular officer resident in the State of Vatican City, a copy of any document of record or on file in a public office of said State of Vatican City, certified by the lawful custodian of such document, may be authenticated, as provided in section 695 (e) of the Judicial Code, by a consular officer of the United States resident in the city of Rome, Kingdom of Italy, and such document or record shall, when so certified and authenticated, be admissible in evidence in any court of the United States."

Mr. SUMNERS of Texas. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SUMNERS of Texas: Strike out all after the enacting clause and insert the following:

"That the act entitled 'An act relating to the admissibility in evidence of certain writings and records made in the regular course of business,' approved June 20, 1936, is amended by adding, after section 6 thereof, the following new section:

"'SEC. 6. (a) Until the United States shall have a consular officer resident in the State of the Vatican City, a copy of any document of record or on file in a public office of said State of the Vatican City, certified by the lawful custodian of such document, may be authenticated, as provided in section 6 of this act, by a consular officer of the United States resident in the city of Rome, Kingdom of Italy, and such document of record shall, when so certified, be admissible in evidence in any court of the United States.'"

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "An act to amend the act of June 20, 1936, so as to provide for the certification, authentication, and use in evidence of documents of record or on file in public offices in the State of the Vatican City."

REGULATION OF OVER-THE-COUNTER MARKETS

Mr. EICHER. Mr. Speaker, I move to suspend the rules and pass the bill (S. 3255) to provide for the establishment of a mechanism of regulation among over-the-counter brokers and dealers operating in interstate and foreign commerce or through the mails, to prevent acts and practices inconsistent with just and equitable principles of trade, and for other purposes, as amended.

The Clerk read the title of the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Securities Exchange Act of 1934, as amended, is amended by inserting after section 15 thereof the following new section:

"SEC. 15A. (a) Any association of brokers or dealers may be registered with the Commission as a national securities association pursuant to subsection (b), or as an affiliated securities association pursuant to subsection (d), under the terms and conditions hereinafter provided in this section, by filing with the Commission a registration statement in such form as the Commission may prescribe, setting forth the information, and accompanied by the documents, below specified:

"(1) Such data as to its organization, membership, and rules of procedure, and such other information as the Commission may by rules and regulations require as necessary or appropriate in the public interest or for the protection of investors; and

"(2) Copies of its constitution, charter, or articles of incorporation or association, with all amendments thereto, and of its existing bylaws, and of any rules or instruments corresponding to the foregoing, whatever the name, hereinafter in this title collectively referred to as the 'rules of the association.'

Such registration shall not be construed as a waiver by such association or any member thereof of any constitutional right or of any right to contest the validity of any rule or regulation of the Commission under this title.

"(b) An applicant association shall not be registered as a national securities association unless it appears to the Commission that—

"(1) by reason of the number of its members, the scope of their transactions, and the geographical distribution of its members such association will be able to comply with the provisions of this title and the rules and regulations thereunder and to carry out the purposes of this section;

"(2) such association is so organized and is of such a character as to be able to comply with the provisions of this title and

the rules and regulations thereunder, and to carry out the purposes of this section;

"(3) the rules of the association provide that any broker or dealer who makes use of the mails or of any means or instrumentality of interstate commerce to effect any transaction in, or to induce the purchase or sale of, any security otherwise than on a national securities exchange, may become a member of such association, except such as are excluded pursuant to paragraph (4) of this subsection: *Provided*, That the rules of the association may restrict membership in such association on such specified geographical basis, or on such specified basis relating to the type of business done by its members, or on such other specified and appropriate basis, as appears to the Commission to be necessary or appropriate in the public interest or for the protection of investors and to carry out the purpose of this section;

"(4) the rules of the association provide that, except with the approval or at the direction of the Commission in cases in which the Commission finds it appropriate in the public interest so to approve or direct, no broker or dealer shall be admitted to or continued in membership in such association, if (1) such broker or dealer, whether prior or subsequent to becoming such, or (2) any partner, officer, director, or branch manager of such broker or dealer (or any person occupying a similar status or performing similar functions), or any person directly or indirectly controlling or controlled by such broker or dealer, whether prior or subsequent to becoming such, (A) has been and is suspended or expelled from a registered securities association (whether national or affiliated) or from a national securities exchange, for violation of any rule of such association or exchange which prohibits any act or transaction constituting conduct inconsistent with just and equitable principles of trade, or requires any act the omission of which constitutes conduct inconsistent with just and equitable principles of trade, or (B) is subject to an order of the Commission denying or revoking his registration pursuant to section 15 of this title, or expelling or suspending him from membership in a registered securities association or a national securities exchange, or (C) by his conduct while employed by, acting for, or directly or indirectly controlling or controlled by, a broker or dealer, was a cause of any suspension, expulsion, or order of the character described in clause (A) or (B) which is in effect with respect to such broker or dealer;

"(5) the rules of the association assure a fair representation of its members in the adoption of any rule of the association or amendment thereto, the selection of its officers and directors, and in all other phases of the administration of its affairs;

"(6) the rules of the association provide for the equitable allocation of dues among its members, to defray reasonable expenses of administration;

"(7) the rules of the association are designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to provide safeguards against unreasonable profits or unreasonable rates of commissions or other charges, and, in general to protect investors and the public interest, and to remove impediments to and perfect the mechanism of a free and open market; and are not designed to permit unfair discrimination between customers, or issuers, or brokers or dealers, to fix minimum profits to impose any schedule of prices, or to impose any schedule or fix minimum rates of commissions, allowances, discounts, or other charges;

"(8) the rules of the association provide that its members shall be appropriately disciplined, by expulsion, suspension, fine, censure, or any other fitting penalty, for any violation of its rules;

"(9) the rules of the association provide a fair and orderly procedure with respect to the disciplining of members and the denial of membership to any broker or dealer seeking membership therein. In any proceeding to determine whether any member shall be disciplined, such rules shall require that specific charges be brought; that such member shall be notified of, and be given an opportunity to defend against, such charges; that a record shall be kept; and that the determination shall include (A) a statement setting forth any act or practice in which such member may be found to have engaged, or which such member may be found to have omitted, (B) a statement setting forth the specific rule or rules of the association of which any such act or practice, or omission to act, is deemed to be in violation, (C) a statement whether the acts or practices prohibited by such rule or rules, or the omission of any act required thereby, are deemed to constitute conduct inconsistent with just and equitable principles of trade, and (D) a statement setting forth the penalty imposed. In any proceeding to determine whether a broker or dealer shall be denied membership, such rules shall provide that the broker or dealer shall be notified of, and be given an opportunity to be heard upon, the specific grounds for denial which are under consideration; that a record shall be kept; and that the determination shall set forth the specific grounds upon which the denial is based; and

"(10) the requirements of subsection (c), insofar as these may be applicable, are satisfied.

"(c) The Commission may permit or require the rules of an association applying for registration pursuant to subsection (b), to provide for the admission of an association registered as an affiliated securities association pursuant to subsection (d), to participation in said applicant association as an affiliate thereof, under terms permitting such powers and responsibilities to such affiliate, and under such other appropriate terms and conditions, as may be provided by the rules of said applicant association, if such rules appear to the Commission to be necessary or appropriate in the public interest or for the protection of investors and to carry out the purposes of this section. The duties and powers of the Commission with respect to any national securities association or any affiliated securities association shall in no way be limited by reason of any such affiliation.

"(d) An applicant association shall not be registered as an affiliated securities association unless it appears to the Commission that—

"(1) such association, notwithstanding that it does not satisfy the requirements set forth in paragraph (1) of subsection (b), will, forthwith upon the registration thereof, be admitted to affiliation with an association registered as a national securities association pursuant to said subsection (b), in the manner and under the terms and conditions provided by the rules of said national securities association in accordance with subsection (c); and

"(2) such association and its rules satisfy the requirements set forth in paragraphs (2) to (9), inclusive, of subsection (b); except that in the case of any such association any restrictions upon membership therein of the type authorized by paragraph (3) of subsection (b) shall not be less stringent than in the case of the national securities association with which such association is to be affiliated.

"(e) Upon the filing of an application for registration pursuant to subsection (b) or subsection (d), the Commission shall by order grant such registration if the requirements of this section are satisfied. If, after appropriate notice and opportunity for hearing, it appears to the Commission that any requirement of this section is not satisfied, the Commission shall by order deny such registration. If any association granted registration as an affiliated securities association pursuant to subsection (d) shall fail to be admitted promptly thereafter to affiliation with a registered national securities association, the Commission shall revoke the registration of such affiliated securities association.

"(f) A registered securities association (whether national or affiliated) may, upon such reasonable notice as the Commission may deem necessary in the public interest or for the protection of investors, withdraw from registration by filing with the Commission a written notice of withdrawal in such form as the Commission may by rules and regulations prescribe. Upon the withdrawal of a national securities association from registration, the registration of any association affiliated therewith shall automatically terminate.

"(g) If any registered securities association (whether national or affiliated) shall take any disciplinary action against any member thereof, or shall deny admission to any broker or dealer seeking membership therein, such action shall be subject to review by the Commission, on its own motion, or upon application by any person aggrieved thereby filed within 60 days after such action has been taken or within such longer period as the Commission may determine. Application to the Commission for review, or the institution of review by the Commission on its own motion, shall operate as a stay of such action until an order is issued upon such review pursuant to subsection (h).

"(h) (1) In a proceeding to review disciplinary action taken by a registered securities association against a member thereof, if the Commission, after appropriate notice and opportunity for hearing, upon consideration of the record before the association and such other evidence as it may deem relevant, shall (A) find that such member has engaged in such acts or practices, or has omitted such act, as the association has found him to have engaged in or omitted, and (B) shall determine that such acts or practices, or omission to act, are in violation of such rules of the association as have been designated in the determination of the association, the Commission shall by order dismiss the proceeding, unless it appears to the Commission that such action should be modified in accordance with paragraph (2) of this subsection. The Commission shall likewise determine whether the acts or practices prohibited, or the omission of any act required, by any such rule constitute conduct inconsistent with just and equitable principles of trade, and shall so declare. If it appears to the Commission that the evidence does not warrant the finding required in clause (A), or if the Commission shall determine that such acts or practices as are found to have been engaged in are not prohibited by the designated rule or rules of the association, or that such act as is found to have been omitted is not required by such designated rule or rules, the Commission shall by order set aside the action of the association.

"(2) If, after appropriate notice and opportunity for hearing, the Commission finds that any penalty imposed upon a member is excessive or oppressive, having due regard to the public interest, the Commission shall by order cancel, reduce, or require the remission of such penalty.

"(3) In any proceeding to review the denial of membership in a registered securities association, if the Commission, after appropriate notice and hearing, and upon consideration of the record before the association and such other evidence as it may deem relevant, shall determine that the specific grounds on which such denial is based exist in fact and are valid under this section, the Commission shall by order dismiss the proceeding; otherwise, the Commission shall by order set aside the action of the association and require it to admit the applicant broker or dealer to membership therein.

"(i) (1) The rules of a registered securities association may provide that no member thereof shall deal with any nonmember broker or dealer (as defined in paragraph (2) of this subsection) except at the same prices, for the same commissions or fees, and on the same terms and conditions as are by such member accorded to the general public.

"(2) For the purposes of this subsection, the term 'nonmember broker or dealer' shall include any broker or dealer who makes use of the mails or of any means or instrumentality of interstate commerce to effect any transaction in, or to induce the purchase or sale of, any security otherwise than on a national securities exchange, who is not a member of any registered securities association, except a broker or dealer who deals exclusively in commercial paper, bankers' acceptances, or commercial bills.

"(3) Nothing in this subsection shall be so construed or applied as to prevent any member of a registered securities association from granting to any other member of any registered securities association any dealer's discount, allowance, commission, or special terms.

"(j) Every registered securities association shall file with the Commission in accordance with such rules and regulations as the Commission may prescribe as necessary or appropriate in the public interest or for the protection of investors, copies of any changes in or additions to the rules of the association, and such other information and documents as the Commission may require to keep current or to supplement the registration statement and documents filed pursuant to subsection (a). Any change in or addition to the rules of a registered securities association shall take effect upon the thirtieth day after the filing of a copy thereof with the Commission, or upon such earlier date as the Commission may determine, unless the Commission shall enter an order disapproving such change or addition; and the Commission shall enter such an order unless such change or addition appears to the Commission to be consistent with the requirements of subsection (b) and subsection (d).

"(k) (1) The Commission is authorized by order to abrogate any rule of a registered securities association, if after appropriate notice and opportunity for hearing, it appears to the Commission that such abrogation is necessary or appropriate to assure fair dealing by the members of such association, to assure a fair representation of its members in the administration of its affairs or otherwise to protect investors or effectuate the purposes of this title.

"(2) The Commission may in writing request any registered securities association to adopt any specified alteration of or supplement to its rules with respect to any of the matters hereinafter enumerated. If such association fails to adopt such alteration or supplement within a reasonable time, the Commission is authorized by order to alter or supplement the rules of such association in the manner theretofore requested if, after appropriate notice and opportunity for hearing, it appears to the Commission that such alteration or supplement is necessary or appropriate in the public interest or for the protection of investors or to effectuate the purposes of this section, with respect to: (1) The basis for, and procedure in connection with, the denial of membership or the disciplining of members; (2) the method for adoption of any change in or addition to the rules of the association; (3) the method of choosing officers and directors; and (4) affiliation between registered securities associations.

"(l) The Commission is authorized, if such action appears to it to be necessary or appropriate in the public interest or for the protection of investors or to carry out the purposes of this section—

"(1) after appropriate notice and opportunity for hearing, by order to suspend for a period not exceeding 12 months or to revoke the registration of a registered securities association, if the Commission finds that such association has violated any provision of this title or any rule or regulation thereunder, or has failed to enforce compliance with its own rules, or has engaged in any other activity tending to defeat the purposes of this section;

"(2) after appropriate notice and opportunity for hearing, by order to suspend for a period not exceeding 12 months or to expel from a registered securities association any member thereof who, the Commission finds, (A) has violated any provision of this title or any rule or regulation thereunder, or has effected any transaction for any other person who, he had reason to believe, was violating with respect to such transaction any provision of this title or any rule or regulation thereunder, or (B) has willfully violated any provision of the Securities Act of 1933, as amended, or of any rule or regulation thereunder, or has effected any transaction for any other person who, he had reason to believe, was willfully violating with respect to such transaction any provision of such act or rule or regulation;

"(3) after appropriate notice and opportunity for hearing, by order to remove from office any officer or director of a registered securities association who, the Commission finds, has willfully failed to enforce the rules of the association, or has willfully abused his authority.

"(m) Nothing in this section shall be construed to apply with respect to any transaction by a broker or dealer in any exempted security.

"(n) If any provision of this section is in conflict with any provision of any law of the United States in force on the date this section takes effect, the provision of this section shall prevail."

SEC. 2. Subsection (c) of section 15 of such act, as amended, is amended to read as follows:

"(c) (1) No broker or dealer shall make use of the mails or of any means or instrumentality of interstate commerce to effect any transaction in, or to induce the purchase or sale of, any security (other than commercial paper, bankers' acceptances, or commercial bills) otherwise than on a national securities exchange, by means of any manipulative, deceptive, or other fraudulent device or contrivance. The Commission shall, for the purposes of this subsection, by rules and regulations define such devices or contrivances as are manipulative, deceptive, or otherwise fraudulent.

"(2) No broker or dealer shall make use of the mails or of any means or instrumentality of interstate commerce to effect any transaction in, or to induce or attempt to induce the purchase or sale of, any security (other than an exempted security or commercial paper, bankers' acceptances, or commercial bills) otherwise than on a national securities exchange, in connection with which such broker or dealer engages in any fraudulent, deceptive, or manipulative act or practice, or makes any fictitious quotation. The Commission shall, for the purposes of this paragraph, by rules and regulations define, and prescribe means reasonably designed to prevent, such acts and practices as are fraudulent, deceptive, or manipulative and such quotations as are fictitious.

"(3) No broker or dealer shall make use of the mails or of any means or instrumentality of interstate commerce to effect any transaction in, or to induce or attempt to induce the purchase or sale of, any security (other than an exempted security or commercial paper, bankers' acceptances, or commercial bills) otherwise than on a national securities exchange, in contravention of such rules and regulations as the Commission may prescribe as necessary or appropriate in the public interest or for the protection of investors to provide safeguards with respect to the financial responsibility of brokers and dealers."

SEC. 3. Subsection (b) of section 29 of such act is amended by inserting before the period at the end thereof a colon and the following: "*Provided*, (A) That no contract shall be void by reason of this subsection because of any violation of any rule or regulation prescribed pursuant to paragraph (2) or (3) of subsection (c) of section 15 of this title, and (B) that no contract shall be deemed to be void by reason of this subsection in any action maintained in reliance upon this subsection, by any person to or for whom any broker or dealer sells, or from or for whom any broker or dealer purchases, a security in violation of any rule or regulation prescribed pursuant to paragraph (1) of subsection (c) of section 15 of this title, unless such action is brought within 1 year after the discovery that such sale or purchase involves such violation and within 3 years after such violation."

SEC. 4. Section 32 of such act, as amended, is amended by adding at the end thereof the following new subsection:

"(c) The provisions of this section shall not apply in the case of any violation of any rule or regulation prescribed pursuant to paragraph (3) of subsection (c) of section 15 of this title, except a violation which consists of making, or causing to be made, any statement in any report or document required to be filed under any such rule or regulation, which statement was at the time and in the light of the circumstances under which it was made false or misleading with respect to any material fact."

SEC. 5. Subsection (a) of section 17 of such act, as amended, is amended by inserting immediately after the words "every broker or dealer who transacts a business in securities through the medium of any such member," the words "every registered securities association."

The SPEAKER pro tempore (Mr. RAYBURN). Is a second demanded? [After a pause.] No second being demanded, the question is on the motion of the gentleman that the rules be suspended and the Senate bill as amended be passed.

Two-thirds having voted in favor thereof, the rules were suspended, and the bill was passed.

A motion to reconsider was laid on the table.

REUNION COMMITTEE OF THE UNITED CONFEDERATE VETERANS

Mr. FULMER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 4069) to authorize the Secretary of War to lend certain property to the Reunion Committee of the United Confederate Veterans to be used at their annual encampment to be held at Columbia, S. C., from August 30 to September 2, 1938.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War is hereby authorized to lend, at his discretion, to the Reunion Committee of the United Confederate Veterans, for use at the United Confederate Veterans' encampment, to be held at Columbia, S. C., from August 30 to September 2, 1938, both dates inclusive, such tents, cots, blankets, comforters, pillows, pillowcases, sheets, hospital and first-aid equipment, mess kits, and other property of a similar character as may be required by such committee for use in connection with such encampment: *Provided*, That no expense shall be caused the United States Government by the delivery and return of said property, the same to be delivered from the nearest

quartermaster depot at such time prior to the holding of said encampment as may be agreed upon by the Secretary of War and the Confederate Reunion Committee: *Provided further*, That the Secretary of War, before delivery of such property, shall take from said Reunion Committee of the United Confederate Veterans a good and sufficient bond for the safe return of said property in good order and condition, and the whole without expense to the United States.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARINE BAND AT COLUMBIA, S. C.

Mr. FULMER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 4070) to authorize the attendance of the Marine Band at the United Confederate Veterans' 1938 reunion at Columbia, S. C., from August 30 to September 2, 1938, both dates inclusive.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, is this a new departure from what we have been doing?

Mr. FULMER. No, we passed a bill the other day sending the band to Iowa for the Grand Army of the Republic reunion, and this is an identical bill for the United Confederate soldiers.

Mr. MARTIN of Massachusetts. Have we been sending Marine Bands to any place except the G. A. R. conventions?

Mr. FULMER. Yes.

Mr. TABER. The Senate has this included in the deficiency appropriation bill.

Mr. FULMER. That is my understanding. These bills were passed several days ago by the Senate.

Mr. KNUTSON. The gentleman has no confidence in the Senate.

Mr. FULMER. We passed, as stated, the other day a bill for the same purpose.

Mr. MARTIN of Massachusetts. The gentleman had so much confidence he got the appropriation first.

Mr. FISH. Mr. Speaker, reserving the right to object, just what does this bill do?

Mr. FULMER. This bill is identical with a bill passed the other day to send the Marine Band to the Union soldiers encampment out in Iowa. The Confederate soldiers will have their annual encampment in September of this year.

Mr. FISH. Whereabouts will they hold it?

Mr. FULMER. In Columbia, S. C.

Mr. FISH. We are sending the Marine Band down there for the benefit of the Confederate soldiers?

Mr. FULMER. That is exactly right.

Mr. FISH. Mr. Speaker, I attended a Memorial Day service in Philadelphia, and up there they have a monument to 180 Confederate dead given by the Government of the United States. At that memorial service 40 young boys chosen by the American Legion decorated the graves of those Confederate soldiers with flowers. I want the gentleman, as the champion or representative of the Confederates and the South in this matter, to know what the Northerners are doing. They are decorating the graves of these Confederate soldiers who died in prison in the North. Not only that but the United States Government gave the monument. Yet in this House there are those who object to the erection of a monument to Gen. Robert E. Lee in the cemetery at Arlington.

Mr. FULMER. May I say to the gentleman I certainly appreciate the fine feeling on the part of the northern people toward the few remaining soldiers of the South. I cannot understand why objection should be made to the erection of a monument to General Lee to whom the gentleman has just referred. Lee was not only a soldier of merit and character but a statesman and a gentleman of the highest type.

Mr. FISH. I do not believe any veteran of the Union Army or any veteran of the Spanish-American War or any veteran of the World War would object to the passage of a bill providing for the erection of a monument to Gen. Robert E. Lee at Arlington, and it is not a veteran of any of these wars who has objected. The time has come to put aside sectional animosities and bigotry and join in honoring the lofty character of the heroic leader of a lost cause who is beloved in the South and admired and honored throughout the Nation. I shall renew my efforts, if reelected, to have an equestrian statute of Robert E. Lee erected at Arlington, Va., in front of his old home.

Mr. FULMER. I appreciate the statement of the gentleman very much.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That the President is authorized to permit the band of the United States Marine Corps to attend and give concerts at the United Confederate Veterans' reunion to be held at Columbia, S. C., from August 30 to September 2, 1938, both dates inclusive.

SEC. 2. For the purpose of defraying the expenses of such band in attending and giving concerts at such reunion there is authorized to be appropriated the sum of $4,000 or so much thereof as may be necessary, to carry out the provisions of this Act: *Provided*, That in addition to transportation and Pullman accommodations the leaders and members of the Marine Band be allowed not to exceed $5 per day each for actual living expenses while on this duty, and that the payment of such expenses shall be in addition to the pay and allowances to which they would be entitled while serving at their permanent station.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JEANNE RICH

Mr. KENNEDY of Maryland. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (S. 662) for the relief of Jeanne Rich, a minor, with House amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Maryland? [After a pause.] The Chair hears none, and appoints the following conferees: Mr. KENNEDY of Maryland, Mr. EBERHARTER, and Mr. CASE of South Dakota.

MRS. B. E. HENNIGAN

Mr. KENNEDY of Maryland. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 5379) for the relief of Mrs. B. E. Hennigan and her dependent minor children, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 7, strike out "amended by sundry acts, including the" and insert "extended and limited by the."

Page 1, line 10, after "extend", insert "from February 15, 1935."

Page 1, line 10, strike out "acts" and insert "Act."

Page 1, line 11, after "her", insert "then."

Page 2, line 6, after "*Provided*", insert "That said compensation, when awarded, together with that now being received by claimants under the act of June 22, 1936 (49 Stat. 1608), shall not exceed the maximum compensation allowable for death under the said act of June 22, 1936: *Provided further*."

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, what is the effect of these amendments?

Mr. KENNEDY of Maryland. These are simply clarifying amendments that the House committee had adopted. It was intended that they should be put in the bill in the House, but they were inserted in the bill in the Senate. We are simply agreeing to our own amendments now. This changes the situation in no way.

Mr. RICH. Reserving the right to object, may I say to the gentleman that a statement ought to be made in connection

with all the private bills that come in here that the committee represented by the gentleman from California [Mr. COSTELLO], and others, has approved the bills, so the Members of the House may know the committee has passed on them.

Mr. KENNEDY of Maryland. The mere fact that this bill has passed the House is evidence that they have approved it. These are simply correcting amendments that should have been placed in the bill in the House. They were placed in the bill in the Senate at the House's request.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

AMENDMENT OF THE NATURALIZATION ACT OF JUNE 29, 1906, AS AMENDED

Mr. BLOOM. Mr. Speaker, I ask unanimous consent for the present consideration of the joint resolution (H. J. Res. 681) to amend the Naturalization Act of June 29, 1906 (34 Stat. 596), as amended.

The Clerk read the title of the joint resolution.

The Clerk read the joint resolution, as follows:

Resolved, etc., That the second paragraph of the fourth subdivision of section 4 of the Naturalization Act of June 29, 1906 (U. S. C., title 8, sec. 382), as amended by section 1 of the act of June 25, 1936 (49 Stat. 1925), is amended to read as follows:

"Absence from the United States for a continuous period of more than 6 months and less than 1 year during the period for which continuous residence is required for admission to citizenship, immediately preceding the date of filing the petition for naturalization, or during the period between the date of filing the petition, and the date of final hearing, shall be presumed to break the continuity of such residence, but such presumption may be overcome by the presentation to the naturalization court of satisfactory evidence that such individual had a reasonable cause for not returning to the United States during such absence. Absence from the United States for a continuous period of 1 year or more during the period for which continuous residence is required for admission to citizenship immediately preceding the date of filing the petition for naturalization or during the period between the date of filing the petition and the date of final hearing, shall break the continuity of such residence, except, that in the case of an alien—

who has been lawfully admitted into the United States for permanent residence,

who has resided in the United States for at least 1 year thereafter,

who has made a declaration of intention to become a citizen of the United States and who thereafter has been sent abroad as an employee of or under contract with the Government of the United States, or who thereafter proceeded abroad as an employee or representative of, or under contract with an American institution of research recognized as such by the Secretary of Labor, or as an employee of a firm or corporation engaged solely or principally in the development of foreign trade and commerce of the United States, or a subsidiary thereof, or any such alien who has proceeded abroad temporarily and has within a period of 1 year of his departure from the United States become an employee or representative of, or who is under contract with such an American institution of research, or has become an employee of such an American firm or corporation, no such absence shall break the continuity of residence in the United States if—

"(1) Prior to the beginning of such absence, or prior to the beginning of such employment, contract, or representation on behalf of an American institution of research or an American firm or corporation as aforesaid, such alien has established to the satisfaction of the Secretary of Labor that his absence for such period is to be on behalf of such government or for the purpose of carrying on scientific research on behalf of such institution, or to be engaged in the development of such foreign trade and commerce, or whose residence abroad is necessary to the protection of the property rights abroad of such firm or corporation; and

"(2) Such alien proves to the satisfaction of the court that his absence from the United States for such period has been for such purpose.

"An alien who has been lawfully admitted into the United States for permanent residence, and who is the wife or husband of an alien or a citizen of the United States so engaged abroad within one of the above-mentioned categories, shall be considered as residing in the United States for the purpose of naturalization notwithstanding any absence from the United States.

"This amendment shall not affect cases of aliens who prior to the date of its enactment have established to the satisfaction of the Secretary of Labor, pursuant to an act entitled 'An act to amend the naturalization laws in respect of residence requirements, and for other purposes,' approved June 25, 1936, that absence from the United States was to be or had been for the purpose of carrying on activities described therein."

Mr. BLOOM. Mr. Speaker, this joint resolution has been offered as perfecting legislation to correct certain abuses now possible under existing law. First, it is designed to restrict the scope of operation of present law in relation to the naturalization of aliens who are absent from the United States for extended periods by reason of the nature of their employment; and, second, it provides for the naturalization of aliens who are married to citizens of the United States employed abroad.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. BLOOM. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. Is it the intention of the gentleman or of the committee to call up the bill which has for its purpose solving the problem of citizenship of people who were born in the United States but whose parents may have moved to Canada while they were minors? This problem arises when these people come back to the United States.

Mr. BLOOM. That matter is under the jurisdiction of the Committee on Immigration and Naturalization. I am not on that committee. This is a joint resolution that was sent to the committee by the State Department and the Labor Department. The measure has a unanimous report from the committee.

Mr. CASE of South Dakota. Will the gentleman permit the gentleman from New York to answer my question?

Mr. BLOOM. Yes. I yield to the gentleman from New York.

Mr. DICKSTEIN. The President a few days ago sent down a message on the question of nationality in connection with which my committee is trying to get recognition for a resolution to give the committee a chance to sit after the adjournment of this session of Congress for the purpose of studying this 1,900-page report.

Mr. CASE of South Dakota. Has not the gentleman such a bill already on the calendar?

Mr. DICKSTEIN. We have, but there were a number of objections to it. We are going to study the whole question of expatriation, and repatriation, and nationality.

Mr. BLOOM. Mr. Speaker, I should like to explain this bill further. The present law permits a person who is employed abroad by a United States concern or the United States Government to get a visa to come to this country. As soon as he gets into this country he may file his declaration of intention to become a citizen of the United States, return to Europe immediately, and never come back here again. At the end of 5 years he becomes a citizen. The State Department and the Labor Department are trying to correct this abuse, so this bill provides that such persons must remain in this country for 1 year after they come over here as immigrants before they are permitted to go back to work abroad for the Government or any American concern, which they have a right to do today. They must stay here for 1 year before they can go back and have the continuity of their time run for the 5 years. Under the present law they get their visa, come to this country, make their declarations to become citizens, and go right back. The only purpose of this bill is to correct that situation.

Mr. SCHULTE. Mr. Speaker, will the gentleman yield?

Mr. BLOOM. I yield to the gentleman from Indiana.

Mr. SCHULTE. The gentleman knows there has been a great deal of testimony offered before the Committee on Immigration and Naturalization to the effect that such people have come into this country on one boat and gone back on another, simply filing a declaration and not being in the country over 48 hours.

Mr. BLOOM. That is the case exactly.

Mr. SCHULTE. The purpose of this bill is to tighten up the law in that respect.

Mr. FISH. Reserving the right to object, Mr. Speaker, why did you not make the bill much stronger? Why should

people come into this country and stay here 1 year, spend the other 4 years in some foreign land, and then become citizens of the United States?

Mr. BLOOM. Let me explain to the gentleman that some of these people are today in the employ of the United States abroad.

Mr. FISH. The gentleman did not say that.

Mr. BLOOM. I beg your pardon; I did make that statement.

Mr. FISH. The gentleman said in the employ of the United States or in the employ of some citizen of the United States.

Mr. BLOOM. It may be either one.

Mr. FISH. I am not concerned about the employees of the United States, but I am concerned about the subterfuge where a man may come over here and remain 1 year and go back in the employ of an American firm and stay there for 4 years and become a citizen.

Mr. BLOOM. No; I did not say that.

Mr. FISH. Let us get this straight. What are the facts?

Mr. BLOOM. The facts are as I have explained them, and I thought the gentleman understood that. If a messenger boy or a person in the employ of any consulate abroad can get a visa to come into this country now, he can come here, make his declaration of intention to become a citizen, and go right back, and at the end of 5 years he will be an American citizen, or he can be in the employ of some firm that is doing business abroad and do the same thing.

Mr. FISH. That is exactly what I said. He can be in the employ of an American firm doing business abroad.

Mr. BLOOM. Yes.

Mr. FISH. That is a loophole so extensive that anybody can come over here for 1 year, get a job, and stay over there for 4 years, and become a citizen of the United States, according to your own language.

Mr. BLOOM. According to the law today they can do that.

Mr. FISH. I know that.

Mr. BLOOM. And this is to correct that situation.

Mr. FISH. Why not make it a sensible law if you are going to amend it at all and go the whole way and make it impossible for anybody to become a citizen without staying here for 5 years unless he is in the employ of the United States?

Mr. BLOOM. They can do that now.

Mr. FISH. I know that, but if you are going to amend the law why not make it a real law?

Mr. BLOOM. This is to amend the present law.

Mr. TABER. Mr. Speaker, reserving the right to object, would not the gentleman accept an amendment to put these people on the same status as other people and require them to reside here for 5 years?

Mr. FISH. Unless in the employ of the United States.

Mr. TABER. No; even if they are in the employ of the United States. I do not see why employees of the United States should not come under the same rule as other people.

Mr. FISH. Why not accept that as a compromise?

Mr. BLOOM. If the gentleman is going to insist on that, he is going to destroy the possibility of getting people, scientists or anyone else, to go abroad for American firms or to go on scientific expeditions or even to try to sell our goods abroad. What we are trying to do is to amend the law by requiring them to stay here at least 1 year.

Mr. TABER. Why not make them stay here 5 years, like other people?

Mr. BLOOM. You would then destroy all possibility of people being employed by American firms abroad. This is what we have been trying to do for years.

Mr. MASON. Mr. Speaker, will the gentleman yield?

Mr. BLOOM. Yes.

Mr. MASON. This bill does tighten up the present loose law, does it not?

Mr. BLOOM. It does.

Mr. FISH. The gentleman from New York states he will agree to offer an amendment making it 3 years. Will not the gentleman accept that?

Mr. BLOOM. No; I think that would defeat the purpose of the bill.

Mr. MASON. We would rather have the present law remain in force.

Mr. TABER. Would not the gentleman agree to make it 3 years?

Mr. BLOOM. No; we would rather allow the present law to remain in force. We are trying to correct this abuse, but if you ask for an amendment like that the present law will remain and we will be in the same position in which we are now.

Mr. SCHULTE. Mr. Speaker, will the gentleman yield?

Mr. BLOOM. I yield to the gentleman.

Mr. SCHULTE. This bill has the approval of the State Department and the Labor Department?

Mr. BLOOM. I will read you what the State Department has said about it.

Mr. SCHULTE. I know they appeared before our committee and were very much in sympathy with a bill of this character.

Mr. BLOOM. I would like to read this:

At the hearings on this resolution representatives of both the State Department and the Labor Department appeared and made statements regarding the resolution. It appears to this committee that legislation should be enacted, and it is a matter of urgent consideration. There was no opposition to the resolution at the hearing and therefore it was unanimously reported.

If you do not pass this resolution now, you are going to allow the law to remain as it is and any one of these men working for the Government or working for some American firm can come into this country on a visa, file his declaration of intention, and go right back on the next boat and become a citizen after 5 years.

I would like to ask the gentleman from Ohio [Mr. JENKINS], who spoke to the State Department with reference to this bill, to explain the matter to you.

Mr. DICKSTEIN. Mr. Speaker, will the gentleman yield to me?

Mr. BLOOM. I yield to the gentleman.

Mr. DICKSTEIN. Mr. Speaker this joint resolution exempts a limited number of aliens from compliance with the 6 months continuous residence in the United States immediately prior to the filing of a petition for naturalization. The classes of aliens coming under this resolution are only two: Aliens and wives of Government officials in the service of the United States Government, and the second class or category are those who represent foreign American interests in the business of foreign governments, and it affects only a handful of people. The only ones it will help out are some of those consuls who have wives who cannot become citizens at all, and certain merchants in trade, professors of colleges who are researching in behalf of the Government. It does not affect more than a couple of hundred.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Resolved, etc., That the second paragraph of the fourth subdivision of section 4 of the Naturalization Act of June 29, 1906 (U. S. C., title 8, sec. 382), as amended by section 1 of the act of June 25, 1936 (49 Stat. 1925), is amended to read as follows:

"Absence from the United States for a continuous period of more than 6 months and less than 1 year during the period for which continuous residence is required for admission to citizenship, immediately preceding the date of filing the petition for naturalization, or during the period between the date of filing the petition, and the date of final hearing, shall be presumed to break the continuity of such residence, but such presumption may be overcome by the presentation to the naturalization court of satisfactory evidence that such individual had a reasonable cause for not returning to the United States during such absence. Absence from the United States for a continuous period of 1 year or more during the period for which continuous residence is required for admission to citizenship immediately preceding the date of filing the petition for naturalization or during the period between the date of filing the petition and the date of final hearing, shall break the continuity of such residence, except, that in the case of an alien—

who has been lawfully admitted into the United States for permanent residence,

who has resided in the United States for a least 1 year thereafter,

who has made a declaration of intention to become a citizen of the United States, and who thereafter has been sent abroad as an employee of or under contract with the Government of the United States, or who thereafter proceeded abroad as an employee or representative of, or under contract with an American institution of research recognized as such by the Secretary of Labor, or as an employee of a firm or corporation engaged solely or principally in the development of foreign trade and commerce of the United States, or a subsidiary thereof, or any such alien who has proceeded abroad temporarily and has within a period of 1 year of his departure from the United States become an employee or representative of, or who is under contract with such an American institution of research, or has become an employee of such an American firm or corporation, no such absence shall break the continuity of residence in the United States if—

"(1) Prior to the beginning of such absence, or prior to the beginning of such employment, contract, or representation on behalf of an American institution of research or an American firm or corporation as aforesaid, such alien has established to the satisfaction of the Secretary of Labor that his absence for such period is to be on behalf of such government or for the purpose of carrying on scientific research on behalf of such institution, or to be engaged in the development of such foreign trade and commerce, or whose residence abroad is necessary to the protection of the property rights abroad of such firm or corporation; and

"(2) Such alien proves to the satisfaction of the court that his absence from the United States for such period has been for such purpose.

"An alien who has been lawfully admitted into the United States for permanent residence, and who is the wife or husband of an alien or a citizen of the United States so engaged abroad within one of the above-mentioned categories, shall be considered as residing in the United States for the purpose of naturalization notwithstanding any absence from the United States.

"This amendment shall not affect cases of aliens who prior to the date of its enactment have established to the satisfaction of the Secretary of Labor, pursuant to an act entitled 'An act to amend the naturalization laws in respect of residence requirements, and for other purposes', approved June 25, 1936, that absence from the United States was to be or had been for the purpose of carrying on activities described therein."

With the following committee amendments:

Page 2, line 21, after the words "United States", insert "who shall be deemed an eligible alien for the purposes of this paragraph."

Page 3, line 3, strike out "solely or principally."

Page 3, line 6, strike out the word "alien" and insert "eligible alien as before defined."

Page 3, line 21, after the word "engaged", insert "solely or principally."

Page 4, line 6, strike out the words "an alien or."

The committee amendments were agreed to.

Mr. TABER. Mr. Speaker, I offer the following amendment, which I send to the desk:

Amendment offered by Mr. TABER: Page 2, line 19, strike out the word "one" and insert the word "five."

Mr. TABER. Mr. Speaker, this amendment will put these people who come over here on the same status as others who apply for citizenship. They will have to have a residence in the United States for 5 years. It is true that the act needs amending, according to the statement of the gentleman from New York [Mr. BLOOM], because now they can obtain citizenship under the rulings without any residence at all. Certainly no one should be permitted to go away from the United States and be gone 4 years out of the 5 of their required residence, and then obtain citizenship.

Mr. HOLMES. Mr. Speaker, will the gentleman yield?

Mr. TABER. Yes.

Mr. HOLMES. Of course they can apply for their first papers after being a resident of the United States for 3 years.

Mr. TABER. Certainly.

Mr. DICKSTEIN. Mr. Speaker, I rise in opposition to the amendment. The bill as written was requested by the Department of State. It has been endorsed by the Department of Labor. It has been studied for almost 2 or 3 years. They came before the committee and practically used the identical language now in the bill. To change the bill with any amendment will destroy the effect and purpose of the legislation. In the first, place, it affects only a few people. It is a limited class of people who are actually in the employ of the Government of the United States.

Mr. RAMSPECK. Mr. Speaker, will the gentleman yield?

Mr. DICKSTEIN. Yes.

Mr. RAMSPECK. Does the bill without the Taber amendment give a different right to the employees of the Government who live in foreign countries?

Mr. DICKSTEIN. They have to comply with all of the immigration laws except the continuous residence of 5 years in the United States, which is humanly impossible. You could not run the Government with foreign consuls appointed in Washington who have wives who happen to be aliens, who would have to be separated from their wives during the period of 5 long years when the wife would have to stay here to establish citizenship.

Mr. RAMSPECK. Does the proposed bill give a right to an alien who never lived in the United States?

Mr. DICKSTEIN. No. They have to comply with all of the regulations. This applies only to aliens and wives in the Government service whose duties prevent them physically from residing continuously for 5 years in the United States.

Mr. RAMSPECK. It does not permit the Government to employ an alien in some foreign country and then give him a privileged status?

Mr. DICKSTEIN. No. The second group of people who may be affected is a limited number of people connected with our medical schools and colleges, who are sent abroad for research work in medical science, who are there representing the Government of the United States. It is impossible for this man to become a citizen, and yet he has been in the United States for almost 20 or 30 years; and every time he seeks to become a citizen the question comes up, Have you continuously resided in the United States for 5 years? I think after a study of the whole question, and with the approval of the Government, and because it affects only a limited number, that the bill should be permitted to be passed; and I believe that any amendment added to the bill such as that proposed by the gentleman from New York would kill the bill. We might as well have no bill at all.

Mr. COLMER. How many people would be affected?

Mr. DICKSTEIN. Maybe a few hundred, and they are of valuable service to the United States.

Mr. COLMER. Less than 500?

Mr. DICKSTEIN. Oh, much less.

Mr. BLOOM. And they are all over there now.

Mr. DICKSTEIN. Yes; and the Government needs them to carry on Government business.

Mr. BLOOM. They are mostly scientists, are they not?

Mr. DICKSTEIN. Yes.

The SPEAKER. The question is on the amendment offered by the gentleman from New York.

The amendment was rejected.

The bill as amended was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

EXTENSION OF REMARKS

Mr. BLOOM. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to insert therein an article by Captain Bradley on the preservation of films.

The SPEAKER. Without objection it is so ordered.

There was no objection.

LIBRARIAN EMERITUS OF THE LIBRARY OF CONGRESS

Mr. KELLER. Mr. Speaker, I ask unanimous consent for the immediate consideration of H. R. 10846, to create the office of the Librarian Emeritus of the Library of Congress.

Mr. SNELL. Mr. Speaker, reserving the right to object, do I understand that the provisions of this bill at the present time are entirely satisfactory to the present Librarian?

Mr. KELLER. Entirely.

Mr. SNELL. It is agreeable all the way through?

Mr. KELLER. Absolutely.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That upon separation from the service, by resignation or otherwise, on or after July 1, after the approval

of this act, Herbert Putnam, the present Librarian of Congress, who has served in that office for 39 years, shall become Librarian Emeritus, with such duties as the President of the United States may prescribe, and the President of the United States shall thereupon appoint his successor, by and with the advice and consent of the Senate. The said Herbert Putnam shall receive as Librarian Emeritus compensation at the rate of $5,000 per annum. Such salary shall be paid in equal monthly installments by the disbursing officer of the Library of Congress, and such sums as may be necessary to make such payments are hereby authorized to be appropriated.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HELEN M. JOHNSON

Mr. BEITER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4571) for the relief of the widow and children of James Patrick Mahar, with a Senate amendment, and concur in the Senate amendment.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert:

"That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Wilber National Bank, of Oneonta, N. Y., administrator of the estate of James Patrick Mahar, late of the city of Oneonta, Otsego County, N. Y., deceased, the sum of $5,000, in full satisfaction of any and all claims of the estate of James Patrick Mahar for the United States Government life-insurance benefits under policy No. K-812772, the same to be distributed among the heirs-at-law and next of kin of the said James Patrick Mahar, a deceased soldier, according to the statute of descent and distribution of the State of New York."

The Senate amendments were agreed to.

A motion to reconsider was laid on the table.

The title was amended so as to read: "An act for the relief of the widow and children of James Patrick Mahar."

LINCOLN GARDENS, NEW BRUNSWICK, N. J.

Mr. SUTPHIN. Mr. Speaker, I ask unanimous consent for the immediate consideration of S. 1294, to amend the act entitled "An act to authorize the President to provide housing for war needs," approved May 16, 1918, as amended.

Mr. TABER. Mr. Speaker, reserving the right to object, will the gentleman explain this bill?

Mr. SUTPHIN. In 1918 the Government acquired a tract of land in the city of New Brunswick, N. J., on which it erected 200 homes, which were sold to munitions workers at about $4,000 each. The Government sold these properties under a false promise. They guaranteed them free of all taxes and assessments. The city was called upon to supply educational facilities, fire and police protection, and various other things. The city naturally expected to be paid for it. The city levied taxes on these properties. Those who had paid in full are paying taxes today, but the 122 who have not paid in full are not paying any taxes. These homes have been appraised at approximately $200,000 at the present time by the Senate committee which went to New Brunswick and held hearings there.

The city has tax liens on this property of $385,000 at the present time. The city has carried their claim to the right to levy taxes clear through the Supreme Court of New Jersey, which court upheld their right. They, of course, are entitled to taxes for the service which they are rendering.

This bill permits those property owners who have not paid to borrow money from the R. F. C., the mortgages to be insured by the F. H. A. The city will then be placed in a position where it can collect taxes that they are not collecting at the present time.

Mr. TABER. There is no claim for back taxes on the Federal Government?

Mr. SUTPHIN. There is no claim against the Government, but against the property owners. This bill permits the owners to borrow the money to pay a tax compromise.

Mr. HANCOCK of New York. This permits the city of New Brunswick, N. J., to collect $70,000 where their actual claim is $385,000.

Mr. SUTPHIN. Yes.

Mr. HANCOCK of New York. The home owners will receive good title.

Mr. SUTPHIN. Yes.

Mr. HANCOCK of New York. And the Federal Government will be relieved of the obligation to refund the entire amount that has been paid in on these properties.

Mr. SUTPHIN. That is true.

Mr. HANCOCK of New York. So it is a fair compromise.

Mr. SUTPHIN. It is very fair, I think.

Mr. HANCOCK of New York. It is fair to the home owners and to the city of New Brunswick. It is brought about as a result of the efforts of a special Senate committee.

Mr. SUTPHIN. Yes; of a special Senate committee consisting of Senators BURKE, BROWN of Michigan, and ELLENDER, who went up there and held hearings in the matter.

Mr. SNELL. I agree with my colleague, the gentleman from New York. I think a compromise has been worked out that is fair to all concerned. It is a very good compromise of a bad situation.

Mr. SUTPHIN. I thank the gentleman for his contribution.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act entitled "An act to authorize the President to provide housing for war needs," approved May 16, 1918, as amended, is hereby amended by adding at the end thereof the following new sections:

"SEC. 9. The United States Housing Corporation (hereinafter referred to as the 'Corporation') is authorized and directed to accept from any person holding an existing contract for the property in the Lincoln Gardens project, New Brunswick, N. J., a full release of any right or interest any such person may have acquired by reason of any such contract. Upon tender of release by any such person and acceptance by said Corporation, such contract shall become null and void and of no further force or effect, and shall be considered as a forfeiture of any right or interest any person may have acquired under or by reason of such contract.

"SEC. 10. Upon any such tender, acceptance, and forfeiture, the Corporation shall sell to such person the property covered by such forfeited contract for an amount equal to the sum of (a) 15 percent of the original contract price of such property, (b) any sum which was due the Corporation under such contract and unpaid on the date of such forfeiture, and (c) the value of any other valid liens (but not tax liens) against such property existing on the date of such sale. Such sale shall be made upon the terms and conditions set forth in section 11 hereof, and the purchaser shall have the option to elect whether to pay the purchase price in cash or partly in cash, or to have the payment of the same in whole or in part secured by the mortgage referred to in section 11.

"SEC. 11. Upon the sale of such property as provided in section 10, the Corporation shall, notwithstanding any alleged tax liens against such property, execute and deliver to the purchaser a warranty deed for such property, free and clear of all encumbrances to the date of such sale. The United States, upon conveyance, shall retain a first lien for any unpaid portion of the purchase price. To secure such lien the purchaser shall execute and deliver a first mortgage to the Corporation for any unpaid portion (or all) of the purchase price. The amount of such mortgage may be increased, as may be determined by the Secretary of the Treasury and the Reconstruction Finance Corporation pursuant to the rules and regulations adopted under the provision of section 13 (b) hereof, but the face amount of any such mortgage shall not exceed 50 percent of the original contract price at which the property was first sold by the United States. Such first mortgages shall be executed upon a form approved by the Federal Housing Administrator for use in the State of New Jersey, shall bear interest at a rate not to exceed 5 percent per annum, and shall contain such further terms and conditions as may be necessary to make them legally eligible for insurance under title 2 of the National Housing Act as amended: *Provided*, That at the option of the purchaser such mortgages may be made to mature in not to exceed 15 years. The Corporation is hereby authorized and directed to apply for such insurance.

"SEC. 12. (a) The Reconstruction Finance Corporation is hereby authorized to purchase from the United States Housing Corporation, at their face value, such of the aforesaid mortgages as in the opinion of the Board of Directors of Reconstruction Finance Corporation constitute full and adequate security for the indebtedness

secured thereby, and to sell or otherwise dispose of any such mortgages so purchased for such price and upon such terms as it may determine.

"(b) Any such mortgages not purchased by Reconstruction Finance Corporation may be sold by the United States Housing Corporation pursuant to rules and regulations adopted under the provisions of section 13 (b) hereof.

"(c) The funds received by the United States Housing Corporation from the sales provided for in sections 10 and 13 hereof, from any collections on mortgages executed and delivered pursuant to section 11 hereof, and from any sales of such mortgages authorized by said section 11, shall be used to clear any liens described in clause (c) of section 10, and to pay any special expenses incurred by the United States Housing Corporation in carrying out the provisions of this act, including title expenses, recordation costs, and any expenses of the application to Federal Housing Administrator for insurance pursuant to section 11 hereof, and the remainder may, in the discretion of the Secretary of the Treasury and the Reconstruction Finance Corporation and pursuant to the rules and regulations promulgated under section 13 (b) hereof, be paid to the city of New Brunswick, N. J., for municipal and school service rendered to the Lincoln Gardens area and the residents thereof prior to the date of the sale of such property as provided in section 10.

"SEC. 13. (a) Anyone who fails or refuses to execute a release to the Corporation as provided in section 9 hereof, for any reasons whatsoever, within 90 days after the date such section takes effect, shall be ineligible to receive the benefits of sections 9 to 11, inclusive, of this act, and the Corporation shall cause such proceedings to be instituted as may be appropriate to enforce the rights of the United States, and if necessary, to divest anyone of any interest which may have been acquired in any property in the Lincoln Gardens project, and sell the property so recovered at public or private sale. The Corporation may, however, in its discretion, extend such time for a further period of not to exceed 90 days.

"(b) The Corporation, with the approval of the Secretary of the Treasury and the Reconstruction Finance Corporation, shall have power to make such rules and regulations as may be deemed advisable in carrying out the provisions of sections 9 to 13, inclusive, of this act and settling any pending litigation with respect to any property involved."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HOURS OF LABOR OF CERTAIN OFFICERS AND SEAMEN NAVIGATING THE GREAT LAKES

Mr. BLAND. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 4132) limiting the hours of labor of certain officers and seamen on certain vessels navigating the Great Lakes and adjacent waters.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 2 of the act of March 4, 1915, as amended (U. S. C., 1934 ed., Supp. III, title 46, sec. 673), is amended by adding after the first sentence thereof the following: "No licensed officer or seaman in the deck or engine department of any tug documented under the laws of the United States (except boats or vessels used exclusively for fishing purposes (navigating the Great Lakes, harbors of the Great Lakes, and connecting and tributary waters between Gary, Ind.; Duluth, Minn.; Niagara Falls, N. Y.; and Ogdensburg, N. Y., shall be required or permitted to work more than 8 hours in 1 day except in case of extraordinary emergency affecting the safety of the vessel and/or life or property.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill was laid on the table.

PROHIBITION OF USE OF COMMUNICATION FACILITIES FOR CRIMINAL PURPOSES

Mr. QUINN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 3756) to prohibit the use of communication facilities for criminal purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Communications Act of 1934, approved June 19, 1934 (48 Stat. 1064; U. S. C., 1934 ed., title 47, secs. 151 and the following), as amended, is hereby further amended by adding at the end thereof the following section:

"SEC. 610. Any person who uses any of the communication facilities enumerated in this act in committing, or in attempting to commit, a felony as defined by section 335 of the Criminal Code of the United States, as amended (U. S. C., title 18, sec. 541), shall, upon conviction thereof, be punished for such use by a fine of not more than $10,000 or by imprisonment of not more than 2 years, or both."

SEC. 2. Section 605 of the Communications Act of 1934 is hereby amended by changing the period at the end thereof to a colon and adding thereafter the following: "*Provided further*, That if the head of any executive department or independent establishment of the United States reasonably believes that a violation of any criminal law of the United States, the enforcement of which is under his supervision, may have occurred, may be occurring, or may be about to occur, through a gang, confederacy, or group of two or more persons, and he makes certification accordingly, the provisions of this section shall not apply to the investigation, detection, or prevention of such violation, or of any violation of any criminal law of the United States discovered in the course of such investigation, detection, or prevention; a copy of such certificate, under the seal of the Department or establishment concerned, shall be prima facie evidence of the existence of the conditions making this section inapplicable; and any evidence of a violation of any criminal law of the United States obtained under the authority of this proviso may be used against any person in aid of any prosecution for such violation."

With the following committee amendment:

Page 2, line 23, after the word "violation", insert the following: "Any officer or agent or other person who intercepts any communication by radio or wire without having first secured from the head of his Department or establishment authority so to do, as herein prescribed, or any officer, agent, or other person who uses or divulges the contents of any intercepted communication otherwise than as herein prescribed, shall, upon conviction thereof, be punished by a fine of not more than $10,000 or by imprisonment for a term of not more than 2 years, or both."

Mr. SNELL. Mr. Speaker, I rise in opposition to the committee amendment.

What committee does this bill come from?

Mr. QUINN. From the Committee on Interstate and Foreign Commerce.

Mr. SNELL. It has the unanimous report of that committee?

Mr. QUINN. Yes.

Mr. FISH. Will the gentleman make an explanation to the House as to the reason for this bill, what the law is at the present time, and what this will accomplish?

Mr. QUINN. Mr. Speaker, it is the purpose of this bill to authorize Federal law-enforcement officers to intercept wire and radio communications of so-called gangsters and racketeers within limitations which will protect the right of privacy of law-abiding citizens. Such officers will then have at their disposal a much-needed and practical method of combating organized crime.

The bill is drafted as an amendment to the Communications Act of 1934, section 605 of which forbids interception by any person and the divulging of any information obtained in that manner. The enactment of this legislation is made necessary by the decision of the Supreme Court of the United States on December 20, 1937, in the case of *Nardone v. United States* (U. S. 1937; 58 Sup. Ct. 275), holding that section 605 applies to Federal law-enforcement officers and to the use of information obtained by such officers through the medium of interception of communications. Prior to this decision it was not generally believed that section 605 applied to such officers.

The first section of the bill provides punishment for the use of the radio, telephone, or telegraph, in committing or in attempting to commit a felony as defined by section 335 of the Criminal Code of the United States. That section defines a felony as an offense which may be punished by death or by imprisonment for a term exceeding 1 year. The present Communications Act does not contain such a provision.

Section 2 of the bill authorizes interception of radio and wire communications only when certain conditions exist. Thus, authority to intercept communications is restricted to crimes committed through a "gang, confederacy, or group of two or more persons." In addition to authorizing such activity only in connection with the detection of violations of Federal criminal laws by gangsters and racketeers, the bill is carefully framed in order to protect the right of privacy of law-abiding citizens. This is accomplished by the pro-

vision which authorizes interception only where the head of the particular Department or establishment concerned "reasonably believes" that a criminal law has been or is being violated, and he makes certification to that effect. The action of the head of such Department or establishment would, of course, be subject to court review, for example, in a criminal case, on a motion by the defendant to suppress the evidence, the court will determine whether a reasonable belief on the part of such head was justified by the facts and circumstances of the particular case.

In addition, the bill authorizes the use of intercepted evidence, secured in accordance with its provisions, in aid of prosecutions for violations of any criminal law of the United States. Thus, where interception discloses the commission of crimes, other than those under investigation, and by persons other than the named suspects, the evidence obtained will be available for use in prosecutions for such crimes.

The enactment of this bill is desired and recommended by all Departments and independent establishments of the Federal Government engaged in law-enforcement activity. In addition, the bill is not in conflict with the program of the President.

Mr. FISH. Is this a House bill or Senate bill?

Mr. QUINN. It is a Senate bill.

Mr. FISH. It has already passed the Senate?

Mr. QUINN. Yes.

Mr. FISH. Does the gentleman know whether there is much opposition to the bill?

Mr. QUINN. I understand there is none.

Mr. FISH. It is a very fundamental proposition the gentleman is bringing before the House at the eleventh hour. There has been no debate at all except the statement made by the gentleman.

Mr. O'CONNOR of New York. Will the gentleman yield?

Mr. QUINN. I yield to the gentleman from New York.

Mr. O'CONNOR of New York. It is so fundamental that it is one of the leading issues in the New York State constitutional convention, which is considering wire tapping and the use of information so obtained in any court. There are two schools of thought, the Federal school which prohibits it, and in some States they permit it. Mr. Justice Holmes had something to say about this dirty work, I think he called it, or dirty business. The Federal courts have almost invariably prohibited the use of evidence obtained by wire tapping. I do not know of a greater fundamental question that involves the liberties of our citizens. The gentleman says this may be done.

[Here the gavel fell.]

Mr. FISH. Mr. Speaker, I ask unanimous consent that the time of the gentleman from Pennsylvania [Mr. QUINN] may be extended 5 additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. O'CONNOR of New York. As I say, there is gathered in the State of New York now 168 of the leading citizens, including lawyers and judges, who are working on this problem. Editorials have been written on it. As I said, there are two schools of thought. The New York Times yesterday had an editorial to the effect a provision like this should not pass.

The gentleman stated that the head of a Department could authorize this wire tapping. The suggestion in New York, as made by the strong advocates of a similar bill is, there should be a court order in every instance; but the other school says that even with a court order wire tapping should not be permitted because it is an interference. I am not talking about gangsters nor am I defending gangsters. The head of a Department may determine that a distinguished citizen is about to commit a crime and tap his wires. I do not think a big question like this ought to be passed at this stage of the Congress.

Mr. FISH. May I ask a few more questions? Does this apply only to police officers in certain Departments of the Government?

Mr. QUINN. Yes. That is my interpretation of it.

Mr. FISH. How extensive is it? What police officers are covered? The investigating bureau of the Department of Justice?

Mr. QUINN. The investigating bureaus of the Government.

Mr. FISH. Only the investigating bureau of the Department of Justice, or does it apply to all investigating bureaus?

Mr. QUINN. That would be my impression of it.

Mr. FISH. This is so fundamental and so important that I should like to know how extensive it is. If this applies just to Edgar Hoover's investigating bureau that might be one thing. This practice may be necessary in kidnaping and other cases. However, if this practice is going to be extended all over the Government and the executive departments or anyone else allowed to use wire tapping for any purposes they desire, then I shall be opposed to the proposition. I should like a clear explanation of this matter.

Mr. QUINN. I yield to my chairman to make an explanation.

Mr. LEA. I have not the text of the bill in my hand, but I believe if the gentleman will refer to the text he will find it applies to the Departments of the Government charged with the responsibility of enforcement of the law, and to them only.

Mr. O'CONNOR of New York. These Departments all enforce their own laws. The W. P. A. has an investigating bureau.

Mr. FISH. Mr. Ickes has a very famous, or infamous, investigating bureau.

Mr. LEA. They are not included. This applies only to the agencies charged with enforcement of the law. The investigating agencies are not included.

Mr. FISH. There seems to be a little dispute as to whether this applies to investigating bureaus or just those which have power to enforce the law. May I ask the gentleman if this would apply to Mr. Ickes' investigation of Members of Congress?

Mr. QUINN. No; it would not apply to that at all.

Mr. FISH. Only to police officers?

Mr. QUINN. Exactly; who are engaged in enforcement of the law.

The SPEAKER. The question is on the committee amendment.

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill was laid on the table.

TAXICAB INSURANCE, DISTRICT OF COLUMBIA

Mr. NICHOLS. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 7084) to provide that all cabs for hire in the District of Columbia be compelled to carry insurance for the protection of passengers, and for other purposes, with Senate amendments thereto, insist on the disagreement to the Senate amendments, and agree to the further conference asked by the Senate.

Mr. O'MALLEY. I object, Mr. Speaker.

THE RELIEF PROBLEM

Mr. TABER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. TABER. Mr. Speaker, I have made a rather detailed study of the relief problem and its operations over the last 5 years, indicating the manner in which continuously nearly 20 percent of our problem is becoming steadily dependent upon the Federal Government.

The number of households and persons benefiting by relief and the number of unemployed for March in each of the 6 years that the New Deal has been in power are graphically shown in the following table:

March	Households	Persons	Unemployed
1933	5,463,000	21,479,000	15,652,887
1934	7,169,000	26,495,000	12,420,405
1935	6,630,000	23,492,000	11,233,026
1936	6,229,000	21,243,000	10,482,496
1937	6,015,000	18,846,000	8,603,894
1938	6,544,000	20,112,000	[1] 13,000,000

[1] Testimony before Senate Committee on Relief and Unemployment.

Source: House hearings, Emergency Relief Appropriation Act (1938), table 22, pp. 73-74. Unemployment figures 1933-37, American Federation of Labor estimates, American Federationist, January 1936 and May 1938.

The above table was taken from the hearings of the House Appropriations Committee on page 76 in connection with the Emergency Relief Appropriation Act of 1938. It showed a total of 6,544,000, including 1,785,000 for Social Security items. In addition to the 1,785,000 cases are the unemployment-insurance cases. The number of checks issued in March for unemployment insurance was 4,500,000 and that means approximately 900,000 a week, so that the total for March 1938 should be 7,400,000 instead of 6,544,000. This appears on page 273 of the same hearings.

Of the households benefiting by relief in March 1938, 2,000,000 were on general relief, 2,442,000 were represented by workers on W. P. A. projects, 297,000 by enrollment in the C. C. C., 126,000 by grants from the Farm Security Administration, 476,000 by National Youth Administration student aid or projects, 1,785,000 were recipients of Social-Security aids, while the remainder were on other forms of Federal-work employment.

We thus see that after an over-all Federal expenditure during 6 years, amounting to $39,180,900,000 (including fiscal year 1938 to June 2) the number of households and persons in receipt of public assistance is greater than any year since 1935 and is actually greater than 1933. When we add to this the fact that Mr. Hopkins in recent testimony before the House Appropriations Committee looks for an average of 2,800,000 workers on W. P. A. projects during the next 7 months and a probable peak of over 3,000,000 as against 2,442,000 in March 1938, it may well be that the number of those receiving relief benefits will shortly reach an all-time high.

It may well be worth while to reiterate that this situation exists after expenditures which—except to students of astronomy—are almost incomprehensible in their magnitude. The total, to repeat, is $39,180,900,000—a sum $11,000,000,000 greater than the Government spent in the first 128 years of its existence. It is over $10,000 for each minute since the Roosevelt administration came into office—and this includes Sundays and holidays. If a present of $5,000 were given to each of the 7,800,000 inhabitants of Illinois, the total would just about equal the administration's 6-year spending record.

EXPENDITURES FOR RELIEF

Of this tremendous total approximately $17,000,000,000, or 44 percent, has been spent by the major relief and recovery agencies of the New Deal. This, be it said, does not include the money loaned by such relief organizations as the Home Owners' Loan Corporation, the Commodity Credit Corporation, the Federal Housing Administration and the like, whose loaning operations have reached a total of over $12,000,000,000, the sum of United States war loans to the Allies in the World War. By fiscal years the expenditures for relief (exclusive of public works) run as follows: 1933, $405,044,000; 1934, $1,657,904,000; 1935, $2,497,386,000; 1936, $3,202,942,000; 1937, $3,107,416,000; and 1938 (to April 1), $1,664,071,000. During this same period the Public Works Administration spent $3,016,702,000 by fiscal years as follows: 1934, $622,499,000; 1935, $941,972,000; 1936, $705,916,000; 1937, $501,716,000; 1938, $244,599,000. These cover grants only and do not include loans.

Of the various relief organizations, by far the two most important in point of expenditures and the number of persons to whom relief was granted were the Federal Emergency Relief Administration and its successor, the Works Progress Administration. The expenditures of these two organizations, the former from May 23, 1933, to December 31, 1935, at which latter date it virtually ceased operations, and the latter for the fiscal years 1936, 1937, and 1938 to April 1 are herewith given by States on a sheet attached. Under F. E. R. A. the number of persons granted relief averaged over 4,250,000 and at times went over the 5,000,000 mark; with respect to workers on W. P. A. projects a table attached gives a break-down of these by States for certain selected periods, indicating an average of around 2,000,000 so employed. This average is considerably smaller than the F. E. R. A. average but is due to the fact that, whereas the F. E. R. A. supplied grants to States both for "employables" and "unemployables," the latter receive no benefits under W. P. A. and are supported by State and local funds.

The expenditures as given in the table include administrative expenditures. These for the F. E. R. A., during the course of its life, May 1933 to December 31, 1935, were approximately $400,000,000, or nearly 11 percent of its total disbursements. The cost of administration varied widely in different States, being lowest in Massachusetts with 5.6 percent and highest in South Carolina with slightly under 19 percent. Under the W. P. A. administrative expenditures are claimed to be as follows:

Fiscal year	Total	Administrative	Percent of total
1936	$1,305,802,580	$64,562,870	4.9
1937	1,809,069,167	66,844,280	3.5
1938 (to April)	998,308,680	36,075,810	3.6
Cumulative	4,203,180,427	167,482,960	4.0

Source: Senate hearings, Emergency Relief Appropriation Act, 1938, table A, p. 120.

It will be noted that W. P. A. administrative expenditures are much lower than the inordinately high overhead chargeable under F. E. R. A. However, so far as can be ascertained, the W. P. A. costs for administration do not include project supervisory personnel nor other administrative expenses relating directly to work on individual projects. That these are large is well known.

Relief costs per person on relief have increased tremendously since the inauguration of Federal relief. Under the F. E. R. A. they started at $15.15 per person per month. These increased to approximately $33.66 or $400 per year by the close of F. E. R. A., it being a fixed policy of the Administrator of relief to raise relief standards. With the inauguration of work relief under W. P. A. the cost per person jumped enormously, reaching $82 per month, or about $984 a year, of which the Federal Government contributes $63.50. It is a ruinously expensive system, particularly as the relief worker gets only about 61 cents out of each dollar expended, the other 39 cents going to materials, equipment, supervision, and the like. This $984 is an average for the country as a whole, the variations being very wide in different States, being dependent largely on the wage paid to the worker on relief, this being based on the prevailing wage in the particular region in which he works.

The gross inequities surrounding Federal grants to States for all relief purposes are better portrayed when the per capita amount of such expenditures is shown. These are given on an attached table, together with the taxpaying ability of the States in question. The figure for the country as a whole is $115.18, but by individual States the amount varies from a low of $61.11 in Connecticut to a high of $637.62 in Nevada. In the same way, the contributions of the States to Federal relief projects within their borders varies widely. For the fiscal year 1938, these State and local contributions, known as sponsors' contributions, averaged 22.8 percent as against 9.5 percent in 1936 and 14.4 percent in 1937. The following table shows how widely these vary between States,

being as low as 12.5 percent in Delaware and 45.6 percent in Tennessee.

Sponsors' expenditures as percent of total expenditures on Works Progress Administration projects, by States, July 1937 through February 1938—Percent of total

United States	22.8
Alabama	25.9
Arizona	33.0
Arkansas	26.0
California	18.3
Colorado	21.1
Connecticut	30.9
Delaware	12.5
District of Columbia	13.4
Florida	25.7
Georgia	19.7
Idaho	35.8
Illinois	22.7
Indiana	24.6
Iowa	32.7
Kansas	29.4
Kentucky	26.7
Louisiana	31.9
Maine	23.6
Maryland	29.3
Massachusetts	20.2
Michigan	29.0
Minnesota	29.7
Mississippi	39.6
Missouri	21.8
Montana	18.4
Nebraska	30.7
Nevada	36.6
New Hampshire	30.2
New Jersey	25.5
New Mexico	24.3
New York City	[1] 9.5
New York (excluding New York City)	29.5
North Carolina	30.1
North Dakota	26.8
Ohio	19.6
Oklahoma	35.2
Oregon	20.2
Pennsylvania	17.7
Rhode Island	20.7
South Carolina	25.4
South Dakota	23.0
Tennessee	45.6
Texas	34.9
Utah	30.2
Vermont	30.4
Virginia	27.3
Washington	15.7
West Virginia	23.9
Wisconsin	21.9
Wyoming	36.7

[1] An agreement has been reached with New York City whereby the sponsors' share of the total cost averages 23 percent.

It may be added that State and local contributions under the W. P. A. have been less than under F. E. R. A. These latter average 39 percent in 1933, 28 percent in 1934, and 26 percent in 1935.

THE EFFECT OF RELIEF ON VOTING TRENDS

It is a well-known fact that the expenditure of relief funds has had, and will continue to have, a profound effect on voting trends. Thus the poll of the American Institute of Public Opinion, as given in the Washington Post of May 20, 1938, showed that 80 percent of those on relief had voted for Roosevelt as against 57 percent who had not received relief benefits in any form. A more detailed analysis of the situation—as given by Mr. David Lawrence in "Who were the 11,000,000"—contains the following data indicating that the amount of relief expended pays ample dividends in votes received. Thus in 176 cities where relief benefits were lower than average Roosevelt received 62 percent of the combined Republican and Democratic vote. On the other hand, in 121 cities with higher than average relief benefits he received 68 percent of the vote and in 38 of these latter 121 cities in which relief payments were very high—over $10,000,000 per city—the Roosevelt vote was nearly 71 percent of the total. It may be added that in these 38 cities the Roosevelt plurality was over 75 percent of his plurality in all 297 cities, and in 9 cities—New York, Chicago, Philadelphia, Boston, St. Louis, Los Angeles, Detroit, Milwaukee, and Cleveland—his plurality was over half his plurality in the entire 297 cities. The plurality in these 9 cities was sufficient to swing 223 electoral votes to Mr. Roosevelt and these cities were in the counties receiving the greatest amount of relief money of any in the United States.

Two other examples may prove instructive. In 20 counties of Pennsylvania, 19 of which received higher benefits than any in the State, a Roosevelt plurality was returned of 677,000, while the other 48 combined went Republican by 13,500, and of these 20 counties, 4 counties which together received more than 50 percent of the Federal relief money spent in Pennsylvania gave Roosevelt a plurality of about 453,000. The 20 counties cited above went Republican by 35,000 and the 4 counties went Republican by 19,000 in 1932, but that was before relief money appeared on the scene. Even in rock-ribbed Republican Vermont relief brought some interesting voting changes. Thus, the three counties in which relief payments were highest switched from a Republican majority of 2,617 in 1932 to a Democratic majority of 1,674 in 1936, seven counties in which relief payments were average remained Republican, but by a reduced plurality, while the other four counties with low relief payments increased a 1932 Republican plurality of 2,986 to 4,886 in 1936.

The conclusion is that the return in votes is roughly proportional to the amount of Federal relief benefits bestowed, and it shows how an adept concentration of relief money based on politics rather than need can win elections.

THE DEVELOPMENT OF FEDERAL RELIEF

Prior to the present administration, American tradition had regarded relief as primarily a local problem. As the world-wide depression deepened, however, with a great increase of unemployed just at a time when the revenue-raising possibilities of State and local governments were being seriously impaired, it was felt that the Federal Government must under certain terms and conditions bear its share. The Republican platform of 1932, in recognition of the situation, had proclaimed as a Republican policy that while it was opposed to the Federal Government "entering directly into the field of private charity and direct relief to the individual," it endorsed loans to States for relief. And as a proof that this was no empty promise it passed the Emergency Relief and Construction Act under which R. F. C. loans for relief up to $300,000,000 were made on adequate security to States and local governments. These loans were changed to grants by a Democratic Congress in June 1934.

In spite of an apparent agreement with Republican declarations on relief in the 1932 Democratic platform, the Roosevelt administration at once entered into the business of direct Federal relief by means of grants to States. On May 12, 1933, the Federal Emergency Relief Administration was created and was supplied with $500,000,000 by R. F. C. Later appropriations on February 15, 1934, June 19, 1934, and April 8, 1935, allocated an additional $2,523,530,000 to this organization.

Under F. E. R. A. the basic responsibility for the administration of relief rested with the States, the F. E. R. A. being simply a cooperating agent in supplying grants in aid and seeing that the funds so granted were properly administered and spent. To be sure, it favored the vastly more expensive work relief as against direct relief and fostered this idea to the point of embarking on a short-lived works program of its own. This was known as the civil-works program instituted in November 1933 because of the failure of the public-works program to get started, and supplying employment both to relief and nonrelief labor. This program terminated in April 1934, leaving to the States a heritage of ill-conceived and badly executed projects. In general, except for this brief interlude, the States were left to decide what form of relief they desired to undertake.

By April 1935 the conception of work relief with both the dispensing of funds and their administration strongly centralized in and controlled from Washington was inaugurated. Early in that month—April 8—the President, prefacing his request with the statement that "the Federal Government must and shall quit the business of relief," called for the inauguration of a gigantic Federal works program, entailing

an expenditure of more than $4,000,000,000. Its advocates claimed that it would take care of all relief needs and furthermore, stimulate purchasing power to such an extent that the wheels would be set in motion for the gradual absorption into private industry of those on relief.

Under authority of this act the President created the Works Progress Administration, which not only replaced the F. E. R. A., but became responsible for the allocation of the funds appropriated under the act (the Emergency Relief Appropriation Act of 1935) not only to existing Government agencies but to a number of new ones created under the act—a few of which were the Resettlement Administration, National Youth Administration, Rural Electrification Administration, Prison Industries Reorganization Board, and the like.

The W. P. A. represents a strongly centralized and at the same time far-flung bureaucracy, consisting in Washington chiefly of former F. E. R. A. employees, but with an administrator and staff in each State responsible to Washington. Its administrative staff numbers nearly 25,000, and this does not include a host of supervisory nonrelief employees connected with individual projects. These projects are recommended by States and local communities who put up part of the cost but which are approved, carried out, and largely paid for directly by the Government. Up to September 1937, 158,000 of these had been placed in operation embracing practically every type of human activity, both manual and white collar. The relief workers on these, certified by the local authorities, but approved by the W. P. A. before they could be employed, came from every walk of life, including, besides ordinary labor, such professions as actors, lawyers, sextons, saxophone players, bootblacks, practical nurses, and the like. To fit such diverse occupations into projects the utility of which was based largely on the amount of labor which could be employed, would tax keener minds than existed in W. P. A. Many projects with no economically valid excuse came into being and were carried out with the waste and inefficiency attendant on made work. The term "boondoggle" came into being to describe these. Much has been said of the virtues of work relief as a means of retaining the self-respect of those on relief, but as much can be said on the other side relating to the impairment of morale from "made" work on hopelessly overstaffed projects. This is not meant to infer that the Republican Party opposes the idea of work relief as such, but under its proposal to hand back the administration of relief to the States under bi-partisan boards, it believes the States should be left free to choose the type of relief which best suits their needs.

The vastly increased cost of work relief over direct relief and the expenditures of the W. P. A. have already been stressed. These expenditures were based on an initial appropriation of $1,401,539,385 allotted to W. P. A. under the E. R. A. Act of 1935, $2,214,000,000 allotted under two subsequent acts (June 1936 and February 1937), which taken together constitute the E. R. A. Act of 1936, $1,500,000,000 allotted under the E. R. A. Act of 1937 passed in June of that year, a supplemental $250,000,000 appropriation passed in February 1938, and $1,425,000,000 to be allotted under the present "pump priming" bill. This represents nearly $6,000,000,000, or an average of about $3,000,000,000 a year since W. P. A. has been in existence.

DEFECTS OF THE RELIEF SYSTEM

Even accepting the premise that Federal work relief is economically and socially desirable, there are a number of vital defects in the present working of the Federal relief system. These were admirably summarized in the recent minority report of the House Committee on Appropriations (Rept. No. 2317) in which constructive suggestions were made for their elimination. These defects cannot be too strongly emphasized. They are:

First. The grant by Congress, at the request of the President, of huge lump sums to be spent by him and his subordinates virtually in their own discretion. It is true that Congress has specified that certain sums should be spent on certain types of work relief, but the standards set are so indefinite as to be almost meaningless. In short, Congress has abdicated control of the purse strings and placed in the hands of the President an unrivalled weapon with which to punish his foes and reward his friends through the withholding or granting of these funds. Such Executive domination was never contemplated in the Constitution.

Second. The control of relief is completely partisan from top to bottom. No civil-service tests are required for employment in W. P. A. or any other relief organization and the W. P. A. organizations within the States are definitely under the political control of Senators and other officials expressing allegiance to the party in power. Furthermore, the Administrator of W. P. A. is actively entering into politics through endorsement of a specific candidate over others in the Iowa Democratic primary and in this stand he has been upheld not only by the President but inferentially by the Senate which has refused to pass bills outlawing political activity on the part of any official of a relief organization. (See later.)

Third. There are gross inequities, as has already been noted, in the distribution of relief funds among the States. This is because the President and Administrator of relief and their supporters in Congress have always resisted any attempt to set up a competent yardstick under which Federal funds shall be allotted to the States. Under the first relief measure of May 1933 there were matching provisions by which a State had to contribute a certain amount of relief funds, but this was speedily dropped. As the situation stands today, it is not legally necessary for a State to put up a single dollar to receive millions in Federal relief money. To be sure, in practice they do, but the amount is determined by a multitude of considerations almost impossible of application, the most important of which, in the words of Mr. Hopkins, is "a meeting of minds" as a result of conference with State and local officials. This "meeting of minds," it may be added, is arrived at through political bargaining and hence the system puts a premium on politics rather than need.

As a byproduct of these defects the three following liabilities of our Federal relief system should be emphasized:

First. The vested interest of politicians in relief. It is a continuing source of patronage to them; and relief funds help to continue them in office if they are properly subservient, otherwise such funds are used against them.

Second. The vested interest of States and local communities in relief. "Let the W. P. A. do it" is an evermore recurrent slogan when necessary local improvements have to be undertaken, of a character which used to and should be paid for by the communities themselves. It enables them to lower their own taxes at the expense of the taxpayers of the Nation as a whole.

Third. The vested interest of the reliefers in relief. This is really an indictment of the whole concept of work relief. It gives people easy jobs at relatively decent wages for the work performed. And, whereas the whole point of any adequately managed relief system is to make it as temporary as possible, its social-worker concepts have brought those under relief to the view that it is practically a permanent career. Relief should be adequate while the need exists, but under our system a rapidly growing army of Government dependents is being created, which, through its union—the Workers' Alliance—is agitating, not for changes in the system which will bring them into closer touch with the private labor market, but for bigger and better relief benefits. This, be it added, is not directed against the many thousand conscientious relief workers who try to give value received and use all their initiative in seeking nonrelief employment.

OTHER RELIEF ORGANIZATIONS

While the W. P. A., as previously noted, was the keystone in the relief arch, there were several organizations devoted largely to relief which should be briefly mentioned. These are:

First. National Youth Administration: This was created under authority of the E. R. A. Act of 1935, and it is de-

signed to provide part-time employment for needy persons attending schools and colleges and work for those between 18 and 24 not in school or college. It does this through grants to educational institutions and to the States, these latter being on the same vague standards as in the case of W. P. A. As a matter of fact, the National Youth Administration, while nominally a separate organization, is really a part of the W. P. A., except that the State N. Y. A. organizations function separately from W. P. A. The N. Y. A. has spent about $160,000,000 and was aiding 309,000 students and 145,000 nonstudents as of January 1938, the former of which were paid an average of $6.45 a month, and the latter $15.90 a month.

A valid criticism of N. Y. A. is excessive paternalism as expressed in its training centers, of which there are now 150. There the needy youths of the land are gathered together and learn trades, with subsistence supplied in exchange for large New Deal doses of propaganda.

Second. Resettlement Administration—Farm Security Administration: This organization—also a creation under the E. R. A. Act of 1935—was transferred to the Department of Agriculture on January 1, 1937, and its name changed to the Farm Security Administration. During the course of its existence, however, under the leadership of R. G. Tugwell, it was the most visionary and fantastic spending agency of all the New Deal galaxy. Three out of its four major activities—namely, the suburban Greenbelt projects, the rural resettlement projects, of which Arthurdale is a conspicuous example, and its purchase of millions of acres of land unfit for use and their conversion to other uses—do not really come under the head of emergency relief activities at all. Nearly $200,000,000 of the taxpayers' money was spent on these activities before they were discontinued, perhaps temporarily.

The one activity of this organization which has a definite emergency relief character is its loans and grants to indigent farmers. Between July 1, 1935, and March 30, 1938, loans of $189,000,000 were made to 624,000 borrowers, of which about $49,000,000 have been paid back, these being secured by liens on the farmers' crops, equipment, and so on. In this same period, subsistence grants totaling $66,000,000 were made to 525,000 farm families.

The trouble with this program is that the loans being basically unsound from an economic viewpoint, costly and paternalistic supervision is necessary for their collection. The loans themselves are conditional on "sound farm and home management plans" worked out under the direction of the Farm Security Administration and in consequence rehabilitation supervisors move from farm to farm telling the farmer what crops to raise, the acreage to be set aside for livestock, what fruits and foods to be canned, and so on. At one time there were nearly 15,000 persons on the Farm Security Administration pay roll and there are now about 10,000, bringing administrative costs up to 15 percent of its total expenditures.

Third. Federal Emergency Conservation work: This is the Civilian Conservation Corps and is the earliest form of direct Federal relief activity, authorization of the creation of the camps having been made on March 31, 1933. The camps are limited to men between 17 and 28 capable of working, whose families are on relief. They receive $30 per month, $25 of which is allotted to their families, and their work is confined to trail making, forest conservation, flood control, and the like. The number of camps has varied widely but is now about 2,100—at least 1 in each State—and the enrolled strength about 300,000. About $2,000,000,000 has so far been spent by the C. C. C., most of this sum coming from the various emergency relief appropriation acts, though it is now regarded as a permanent, rather than an emergency, function and hence is supported by specific appropriations. Recently Congress extended the life of the C. C. C. to June 1940.

The main criticism against the C. C. C. is that it is by far the most expensive form of relief in a relief system which has not spared expense in other directions. The cost is between $1,200 and $1,300 per man per year. While extravagant claims are made as to the part these camps play in fitting men for jobs, there is equal reason to believe that the period of dependence on Government bounty deadens initiative and promotes the idea that they should continue to be supported by the Federal Government.

Fourth. Other organizations: There are a number of other organizations in the relief picture which should come in for passing mention. Among them are the Social Security Board, which is in essence a long-time relief plan and should ultimately cut down emergency relief. Attack can be made on the inadequacies of its unemployment compensation provisions and the huge reserves being created by high payroll taxes, these reserves being used in part for current Government expenses. The Public Works Administration too, while it started out as a recovery rather than a relief agency, being expected to create much indirect employment through its heavy purchases of materials, failed signally in that respect and was later forced to employ relief labor. Its expenditures too, were later made out of emergency relief funds.

COMPARISON WITH OTHER COUNTRIES

As previously stated the Roosevelt administration has spent over $38,000,000,000 between March 4, 1933, and March 4, 1938, nearly half of which has gone directly for relief and recovery, and in this period has incurred a deficit of just over $17,000,000,000. In 1932, the year marking the low point of the world depression, the industrial production index stood at 63.9 percent of the 1929 level. As of March 1938 the index stands at 66.4 percent of the 1929 level—a meager 2.5 percent gain, and unemployment, which averaged 13,182,000 in 1932 as against 1,864,000 in 1929 stood at 11,231,700 in March 1938—a reduction of less than 2,000,000. This means that approximately 21 percent of those gainfully employed in industry are out of jobs.

Let us take the situation now in Canada and the United Kingdom:

In Canada, the index of industrial production in 1932 stood at 58.1 percent of the 1929 level or 5.8 points below that in the United States. As of March 1938 it stands at 86.5 percent of the 1929 level, or 20 points higher than in this country. And whereas in 1932, Canadian unemployed were about 28 percent of the total gainfully employed, today they are only about 9.6 percent of the total employed in industry. To achieve these remarkable recovery results the Canadian Government had to unbalance its budget, but the deficit over a period of nearly 6 years is only $655,000,000.

In England, the index of industrial production in 1932 stood at 83.5 percent of the 1929 level or about 20 points above the industrial production level in the United States. For the last quarter of 1937 the level of industrial production was 27 percent above the 1929 level, and though it has dropped somewhat since then it is still materially higher than in 1929. At the same time, the percent of unemployed among gainful workers dropped from 22.1 percent in 1932 to 13.2 percent in February 1938. These results have been achieved at the expense of an aggregate deficit of about £32,000,000 over 6 years, over one-third of which was incurred by payments to sinking funds for debt retirement. It may be added that in 3 of the 6 years in question receipts exceeded expenditures.

That Canada and the United Kingdom were able to win such a large measure of recovery and show such comparatively small deficits in doing so, merely illustrates that recovery can be achieved when governments aid business instead of competing with it and conniving at its destruction, support a well ordered tax system instead of a punitive one, and strive for the Nation's welfare instead of undermining constitutional forms of government.

POLITICS IN RELIEF

The effect of relief money on voting trends has already been described. That political manipulation in connection with relief is widespread has been established by the minority report on the Emergency Relief Appropriation Act of 1938, which cites the large increase in relief rolls in the months

immediately preceding national elections. And even more direct proof that the W. P. A. is 100 percent in politics is contained in Mr. Hopkins' intrusion into the Iowa primary with what has now been shown to be the active support of the President. This action of Mr. Hopkins and inferentially of any of his subordinates anywhere has been also approved by the Senate, which on three separate occasions under administration pressure refused to support amendments to the relief pump-priming bill, which would have taken relief out of politics. (CONGRESSIONAL RECORD, June 2, 1938, p. 8000.)

Of these, the first was the amendment offered by Senator HATCH (Democrat), of New Mexico. It provided that no employee of the Federal Government receiving compensation under the pending bill should take part in any political campaign or attempt to influence elections. The penalty provided was dismissal from office.

This amendment was defeated by a vote of 40–37, all Republicans who voted at all, voting for it. Administration Senators in general were against the amendment, the administration floor leader, Senator BARKLEY (Democrat), of Kentucky, leading the opposition. In the course of his remarks he said:

We ought to concede to every American, high or low, whatever office he holds—whether it is a political or any other sort of office; whether it is an elective or an appointive office—the same right which we exercise in our capacity, either as Senators or as citizens of the United States. (CONGRESSIONAL RECORD, June 2, 1938, p. 7997.)

And in supporting Senator BARKLEY's position, Senator CHAVEZ (Democrat), of New Mexico, declared:

If we adopt the pending amendment, the result will be to hurt a Senator such as the Senator from Kentucky. The Senate can do so if it desires. However, I still believe in politics * * *. (CONGRESSIONAL RECORD, June 2, 1938, p. 7976.)

Senator MURRAY (Democrat), of Montana, declared:

It seems to me that we are unduly excited over the alleged political activities of the Works Progress Administration. (CONGRESSIONAL RECORD, June 2, 1938, p. 8000.)

An attempt to reconsider the vote on the Hatch amendment was defeated 33–32, all Republicans who voted voting "aye." (CONGRESSIONAL RECORD, June 3, 1938, p. 8147.)

An amendment to the pending bill was also offered by Senator AUSTIN (Republican), of Vermont. This was much more drastic and sweeping than the amendment of Senator HATCH, for it not only listed a large number of specific acts, such as interference or coercion of individuals in their right to vote, encouraging membership in a political party, taking any active part in an election, and so forth, but provided imprisonment for 3 years or a $5,000 fine for violation of any of the act's provisions. (CONGRESSIONAL RECORD, June 3, 1938, p. 8135.)

This amendment was defeated by a vote of 33–35. It was unanimously supported by the Republicans. (CONGRESSIONAL RECORD, June 3, 1938, p. 8140.)

Senator MCNARY (Republican), of Oregon, and Senate minority leader, characterized the action of the Democratic controlled Senate as a great mistake and said the Republicans had found a major issue for the fall elections.

Federal Emergency Relief Administration expenditures, by States, May 23, 1933, to Dec. 31, 1935; and Works Progress Administration expenditures, fiscal years 1936, 1937, and 1938 to Apr. 1

State	Federal Emergency Relief Administration, May 23, 1933, to Dec. 31, 1935	Works Progress Administration		
		1936	1937	1938 to Apr. 1
Alabama	$50,447,000	$14,554,000	$18,851,000	$9,695,000
Arizona	17,721,000	4,984,000	6,732,000	4,027,000
Arkansas	46,041,000	11,823,000	16,541,000	8,749,000
California	163,794,000	72,805,000	103,346,000	52,685,000
Colorado	40,470,000	17,115,000	21,321,000	10,876,000
Connecticut	25,652,000	13,990,000	19,386,000	11,486,000
Delaware	2,405,000	1,452,000	1,735,000	1,036,000
District of Columbia	16,993,000	4,895,000	9,273,000	4,067,000
Florida	48,802,000	12,783,000	17,097,000	11,116,000
Georgia	52,346,000	15,721,000	20,608,000	10,561,000
Idaho	15,432,000	4,674,000	5,722,000	3,512,000
Illinois	$211,236,000	$83,862,000	$130,643,000	$70,880,000
Indiana	52,296,000	41,783,000	53,715,000	29,077,000
Iowa	25,953,000	11,976,000	18,521,000	10,295,000
Kansas	43,327,000	15,820,000	27,889,000	13,519,000
Kentucky	56,386,000	14,463,000	26,748,000	15,534,000
Louisiana	50,014,000	16,531,000	22,118,000	12,382,000
Maine	13,673,000	4,481,000	6,581,000	2,599,000
Maryland	35,667,000	9,122,000	12,570,000	5,358,000
Massachusetts	122,209,000	54,997,000	93,316,000	47,778,000
Michigan	116,237,000	45,212,000	59,824,000	32,761,000
Minnesota	74,946,000	31,201,000	43,513,000	24,459,000
Mississippi	34,776,000	9,541,000	15,517,000	7,876,000
Missouri	70,997,000	31,906,000	54,838,000	27,800,000
Montana	25,658,000	7,436,000	12,929,000	7,476,000
Nebraska	29,241,000	9,348,000	16,637,000	10,870,000
Nevada	5,481,000	1,133,000	1,627,000	1,030,000
New Hampshire	6,672,000	3,387,000	6,250,000	3,176,000
New Jersey	93,235,000	46,126,000	75,867,000	43,151,000
New Mexico	19,838,000	5,268,000	7,573,000	4,023,000
New York	399,631,000	258,182,000	321,432,000	157,605,000
North Carolina	39,898,000	11,200,000	14,620,000	8,094,000
North Dakota	34,560,000	5,102,000	16,267,000	6,406,000
Ohio	173,039,000	89,857,000	120,643,000	64,480,000
Oklahoma	46,140,000	22,793,000	34,648,000	15,932,000
Oregon	21,227,000	9,048,000	13,621,000	7,933,000
Pennsylvania	298,023,000	130,509,000	214,565,000	110,400,000
Rhode Island	7,425,000	6,702,000	8,765,000	6,271,000
South Carolina	37,065,000	8,860,000	13,762,000	7,657,000
South Dakota	43,584,000	5,763,000	19,284,000	7,647,000
Tennessee	57,793,000	13,851,000	18,845,000	8,445,000
Texas	98,460,000	29,808,000	39,465,000	20,967,000
Utah	20,708,000	6,527,000	7,718,000	4,602,000
Vermont	3,935,000	2,014,000	2,577,000	1,565,000
Virginia	26,302,000	10,733,000	13,332,000	7,617,000
Washington	38,708,000	17,143,000	25,136,000	16,530,000
West Virginia	45,871,000	19,237,000	28,581,000	14,276,000
Wisconsin	77,037,000	32,088,000	47,043,000	24,902,000
Wyoming	9,613,000	2,545,000	3,176,000	1,476,000
Central office administration expense		5,448,000	7,460,000	5,536,000
Total	3,006,966,000	1,305,803,000	1,898,069,000	996,335,000

Source: For Federal Emergency Relief Administration figures, table 23, pp. 168–169, House hearings, first deficiency appropriation bill, 1936; for Works Progress Administration figures, table 8, pp. 16, 17, House hearings, Emergency Relief Appropriation Act, 1938.

Employment on Works Progress Administration projects, by States, by certain selected periods

State	Week ending—					
	Dec. 28, 1935	June 27, 1936	Sept. 26, 1936	June 26, 1937	Dec. 25, 1937	Apr. 30, 1938
Grand total	2,740,070	2,255,898	2,481,516	1,821,151	1,629,271	2,583,364
Continental United States	2,740,070	2,255,898	2,476,966	1,817,480	1,626,753	2,581,334
Alabama	48,821	32,398	31,197	20,668	24,896	40,159
Arizona	11,672	9,332	9,408	7,682	7,038	9,493
Arkansas	41,775	29,945	31,279	23,653	21,057	35,787
California	125,787	110,548	105,594	98,605	73,385	94,688
Colorado	40,365	28,328	28,641	19,837	19,052	28,359
Connecticut	27,466	22,508	19,944	17,364	16,890	22,268
Delaware	2,996	2,344	2,006	1,931	1,985	3,282
District of Columbia	6,915	7,546	7,260	6,523	5,956	7,998
Florida	35,428	27,124	27,592	25,356	24,140	33,006
Georgia	53,434	33,881	36,344	23,761	25,755	42,963
Idaho	10,645	6,380	5,956	4,700	7,599	10,991
Illinois	172,880	155,680	167,937	132,188	108,413	206,355
Indiana	80,279	68,287	67,467	54,143	45,441	93,087
Iowa	26,372	19,408	28,472	19,642	18,425	33,490
Kansas	42,680	30,402	47,899	30,704	26,953	36,232
Kentucky	60,685	45,911	54,539	41,321	39,652	55,986
Louisiana	50,722	36,510	34,698	26,145	24,360	31,607
Maine	10,054	7,971	7,468	3,048	4,441	7,897
Maryland	18,568	14,606	13,404	10,760	9,883	12,286
Massachusetts	113,968	104,557	100,026	79,583	70,728	107,047
Michigan	90,463	75,771	77,346	50,514	46,756	146,704
Minnesota	57,600	44,805	53,740	37,999	36,717	60,776
Mississippi	32,149	26,651	27,708	17,892	20,191	31,616
Missouri	82,422	66,602	95,637	64,656	51,539	92,350
Montana	14,114	10,489	20,791	9,387	13,542	19,489
Nebraska	20,461	14,512	24,961	19,058	19,916	28,951
Nevada	2,385	2,188	1,678	1,441	1,786	2,378
New Hampshire	7,081	7,607	9,276	5,926	5,707	8,449
New Jersey	92,457	79,811	78,899	67,396	57,943	91,161

Employment on Works Progress Administration projects, by States, by certain selected periods—Continued

State	Week ending—					
	Dec. 28, 1935	June 27, 1936	Sept. 26, 1936	June 26, 1937	Dec. 25, 1937	Apr. 30 1938
Continental United States—Con.						
New Mexico	11,291	7,899	9,934	8,244	6,391	10,022
New York City	240,208	205,490	199,918	177,204	137,724	159,217
New York (excluding New York City)	141,722	101,698	101,922	66,939	52,446	84,672
North Carolina	38,298	27,984	29,280	22,670	22,366	33,768
North Dakota	11,674	8,399	42,708	11,943	12,805	13,439
Ohio	173,170	152,850	148,406	99,000	91,694	230,637
Oklahoma	86,962	55,596	82,093	48,651	46,171	62,651
Oregon	20,067	14,469	13,448	13,205	12,136	16,913
Pennsylvania	232,375	235,047	249,437	179,738	158,982	227,635
Rhode Island	16,348	10,888	10,577	11,414	13,150	13,728
South Carolina	32,530	25,470	24,920	19,572	19,080	32,429
South Dakota	16,060	9,400	54,110	13,784	16,054	15,279
Tennessee	45,390	36,505	35,175	23,342	21,327	32,139
Texas	83,608	79,385	77,319	68,213	55,200	80,937
Utah	14,997	10,080	9,480	7,511	7,388	10,736
Vermont	4,927	4,400	3,990	2,907	3,401	5,090
Virginia	39,948	27,180	27,142	19,284	18,204	23,101
Washington	32,205	25,948	27,180	25,508	31,741	45,362
West Virginia	51,445	43,457	42,579	32,059	28,806	42,932
Wisconsin	61,021	48,862	66,062	42,063	38,855	71,206
Wyoming	5,180	2,780	4,099	2,365	2,621	4,586
Alaska				13		
Hawaii			4,550	3,658	2,518	2,030

Source: Hearings before Senate Appropriations Committee on Work Relief and Public Works Appropriation Act of 1938, table 5, pp. 114–115.

Per capita Federal expenditures for all forms of relief with the States, July 1, 1933, to June 30, 1937, and the rank in per capita taxpaying ability of the States

States	Total relief per capita	Rank in per capita taxpaying ability (1930)
Alabama	$123.77	47
Arizona	305.58	20
Arkansas	126.90	45
California	113.36	7
Colorado	178.90	21
Connecticut	61.11	6
Delaware	100.77	1
District of Columbia		4
Florida	120.90	35
Georgia	103.70	46
Idaho	258.94	26
Illinois	110.68	10
Indiana	93.96	31
Iowa	143.30	12
Kansas	176.77	22
Kentucky	70.41	43
Louisiana	108.30	44
Maine	76.64	32
Maryland	79.63	23
Massachusetts	94.65	9
Michigan	89.52	15
Minnesota	138.08	24
Mississippi	121.55	49
Missouri	98.52	28
Montana	433.95	13
Nebraska	205.21	17
Nevada	637.62	2
New Hampshire	83.73	30
New Jersey	77.64	5
New Mexico	277.72	39
New York	117.25	3
North Carolina	75.37	42
North Dakota	309.20	34
Ohio	104.40	18
Oklahoma	124.18	37
Oregon	172.25	14
Pennsylvania	88.59	19
Rhode Island	63.58	11
South Carolina	110.29	48
South Dakota	318.20	27
Tennessee	111.06	41
Texas	119.98	38
Utah	196.14	29
Vermont	122.98	36
Virginia	67.89	40
Washington	163.99	16
West Virginia	101.07	33
Wisconsin	118.63	25
Wyoming	330.64	8
United States total	115.18	

Sources: CONGRESSIONAL RECORD, May 26, 1938, for relief expenditures per capita and Index of the Taxpaying Ability of State and Local Governments, by Mabel Newcomer, for the taxpaying ability of the States.

Mr. Speaker, I ask unanimous consent to extend and revise my remarks in the RECORD and include therein some tables I have prepared. In connection with this request, I may say I am advised that the total cost of printing this extension will be about $90 more than the amount permitted. I ask unanimous consent that, notwithstanding the extra cost, the tables may be printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

HORRORS OF MODERN WARFARE

Mr. TAYLOR of Tennessee. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. TAYLOR of Tennessee. Mr. Speaker, with the world rocked by wars, and threats and rumors of war, we in the United States are indeed fortunate in our geographical location, removed as we are from the seat of these major disturbances. While wars in the past have been characterized by great brutality, they pale into insignificance in this respect when compared with the atrocity with which wars in the Orient and in Europe are now being prosecuted.

For many years the world has been comforted with the thought that war had been relieved of some of its horrors for civilian populations by agreement among nations that wholesale looting, rapine, and slaughter would not be practiced in captured cities and among unarmed people. This thought has arisen in the belief that moral sentiment and force had taken from war some of its inhuman brutality and that military operations no longer made unarmed men, women, and children the victims of indiscriminate butchery.

Yet in 3 years the world has seen nations that have come under the mailed fist of dictatorship, which must be military in order to be successful, going back to the complete savagery of ancient times and hurling mass death upon great cities and great numbers of civilian men, women, and children. It is warfare made more brutal and more savage by the use of weapons created by the art and craft of modern science and modern civilization.

War as it exists in China today and as it has existed in other parts of the world for 3 years is a reversion to unbridled savagery. Modern science and modern invention have added to its fury and brutality. Today war spreads before us the ruthless barbarism of 50 centuries ago, with a perverted use of those things which our civilization has invented for the benefit of mankind, for the prolongation of human life and for the enlargement of human happiness.

Within the period of a week the great and prosperous city of Canton, with its dense population of unarmed men, women, and children, was changed into an open grave by sudden death hurled from the sky. A great city was reduced to a shambles, and a page in cruelty and savagery written into the history of our own time and age that rivals and even exceeds the most revolting deeds in warfare back to the very beginning of the human race.

The sacking and destruction of Carthage and the burning of ancient Troy were examples of barbarism at its worst. But the armies of those times did not possess airplanes, machine guns, and high explosives. Terrible as was war in those early ages, it affords small comparison to the horror and complete savagery of the warfare that spreads over the plains of China in our own day.

Dictatorships over nations as we know them today are accomplished and maintained only through the medium of vast military organization. The mass of the people of the nation are reduced to a state of helplessness through the menace of the armed force among them. The formula is the same, whether it be the red shirts of Russia, the black shirts of Italy, the brown shirts of Germany, or the yellow shirts of Japan, pouring over China and seeking the enslavement of its people after enslaving the Japanese people.

These dictatorships do not even consider that it is necessary that they should formally declare war before launching upon a campaign of invasion and in savagery in another nation. The same thing was true of armed hordes in ancient times in their invasions of other countries.

The military "tactics" which these dictatorships use may be "modern," but the methods and the means which they use are as old as written history.

Today millions of innocent, unarmed, and defenseless men, women, and children in China are cast into the utmost depths of human misery and suffering. The dead remain unburied, the wounded unattended; helpless children cry at the side of parents whose ears can no longer hear their cries, and whose hands can no longer meet their wants. Starvation, disease, and plague face millions of people whose only offense is that they inhabit a portion of the earth upon which has fallen the heel of military absolutism with the utmost savagery that the world has known in its long history.

The cry of China today rings in the ears of the moral forces of the whole world. It is a cry that is a challenge to our civilization. It is a warning to the world, and to the moral strength of the world, that the warfare of ruthless bombings, with frightful consequences to everyone in the path, cannot go on unchecked and our civilization survive. Either the new savagery of war must be checked or the world must return to the brutality and barbarism of centuries ago.

Modern invention has placed at the disposal of nations the means of inflicting mass death and human suffering on a greater scale than the world has ever known before. Had these means been available as agencies of warfare 2,000 or 3,000 years ago, it is entirely possible that many of the races on the earth today would have been wholly destroyed and that civilization as we know it today would never have existed.

The American people have heeded the cry of distress and misery among the people of China and are opening a generous purse to those needs. But as a people we cannot stop merely with the giving of dollars to relieve starvation, suffering and disease. As a great and powerful nation, and as a leader among nations, we must register our abhorrence of the crime against the men, women, and children of China in the most unmistakable terms. Americans should take the lead in mobilizing and crystalizing the moral sentiment of the world to the end that a return of such savagery and brutality will not be tolerated. Upon no other premise is there safety for the world, or can the peace of the world or the happiness of free peoples be assured.

Those nations which today lead in the reversion to barbarism plead only one defense—economic necessity. Where is the moral or economic justification to hurl death upon helpless people and destruction upon peaceful cities merely to serve the ends of "economic necessity?" What necessity is it that demands the world should go backward for 50 centuries, and throw aside every gain that has been made by the people who have lived in those centuries?

Mere "economic necessity" is no defense. Every man who steals or swindles or robs might plead the same defense. Every nation might set up that same specious plea as a defense for the most flagrant violation of international law. Private property rights, the rights of nations, and the liberties of all of the people disappear and come to naught if such a claim is recognized. Economic necessity is a puerile and contemptible excuse.

Japan finds no defender throughout the world today for her deeds in China unless it be among the dictator-ridden nations. There can be no defense for the outrageous and brutal crimes of her armed forces against the people of China. By the mere excuse of economic need and only economic need she stands condemned by every moral concept, and by the whole moral force, of a civilization that has been conceived as a bulwark against a return to the savagery which the world witnessed in those long past ages of which scarcely a trace remains today.

With every deed of savagery and cruelty in China, Japan puts herself further beyond the pale of civilization and brands her name with the stain of relentless and inhuman brutality. [Applause.]

COURT DECISIONS ON CONSTITUTIONALITY OF ACTS OF CONGRESS

Mr. GUYER. Mr. Speaker, I ask unanimous consent to address the House for one-half minute.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. GUYER. Mr. Speaker, in the first session of the Seventy-fourth Congress, August 16, 1935, I delivered a speech on the floor of the House relative to the power and authority of the Supreme Court of the United States to pronounce an act of Congress null and void. In that address I endeavored to make it clear that it was so understood both by those who framed the Constitution and by the State constitutional conventions convened to ratify or reject the Constitution.

That address was intended as an answer to those who repeatedly in the Seventy-fourth Congress have asserted on the floor that no such power existed in the Constitution either express or implied. My address was necessarily a very brief and sketchy statement of a subject that merited more extended discussion and more thorough detail. Since that time those matters have engaged my attention as a member of the Committee on the Judiciary of the House. I have been led to a more complete review of the matters merely touched upon in the address referred to. I wish now to point out with ample authority that it was not only understood and intended that the United States Supreme Court has and should have the power and authority to pass upon the legality or constitutionality of acts of Congress, but Federal and State judiciary have followed that policy consistently for nearly 150 years, and as an example I shall show with ample authority that the Supreme Court of Kansas, through all its political mutations, has followed that policy through its 75 years of statehood.

That not only the Federal judiciary but also the State courts down to the justice of the peace are bound by the Constitution as declared by Justice Kingman (1 Kan. 125), which I quote herein. Kansas always had a number of great judges. Among the earlier ones I would name Justices Kingman, Valentine, Brewer, Martin, Allen, Doster, and Johnston. "Without the shadow of turning," the Supreme Court of Kansas has held steadfastly to the supremacy of the Constitution. This will be of special interest to Kansas lawyers.

In this discussion I shall recall the history of congressional legislation relative to the judiciary and the eminence of authority by which it was written at the inception and launching of the Government under the new Constitution, as well as a simple consideration of the nature of the Constitution as the very essence and life of our Nation.

What is the Constitution?

The Constitution of the United States is an agreement among the people of the United States of America to be and remain a nation for the uses and purposes and in the manner stated in that document.

The Constitution constitutes our Nation. Without its operative force and effect, the United States would not be "an indestructible Union composed of indestructible States," but instead 48 separate and distinct State governments, each without honor abroad or union at home.

Without a National Constitution, our insular possessions, our Panama Canal, would become the sport and prey of warfare, both domestic and foreign.

Without a National Constitution upheld according to its letter and its spirit, we might again, as feared by Webster in his immortal reply to Hayne, be converted into States "discordant, dissevered, and belligerent," into a land "rent with civil feuds or drenched, it may be, in fraternal blood."

May I illustrate my meaning by a reference to the case of *Kansas* v. *Colorado* (206 U. S. 46)? The State of Kansas complained that the State of Colorado was depriving the

inhabitants of Kansas of the waters of the Arkansas River flowing through both of the States named. Absent a constitution, such a claim might have involved these two States in war, for if we did not have a National Constitution and these two States did not amicably agree upon the use of the waters of the Arkansas River, a civil war between them would have been the only method of settling the controversy. But, as permitted by the Constitution, Kansas sued Colorado in the Supreme Court of the United States in order to protect the inhabitants of Kansas in the use of the waters of the river named. Evidence was taken, arguments of counsel were heard, and the case decided by the Court. The contending States nevertheless continued to live in peace and harmony with each other. Their fraternal intercourse was not interrupted.

The instance cited is but one of innumerable others of like nature which are found scattered through the reports of the Supreme Court, now some 300 in number.

How was the Constitution framed?

The people of the Thirteen States then comprising the United States of America convened through their representatives at Philadelphia in 1787. They agreed:

(a) As a nation the people, acting through the President and the Congress, should have the power to do certain things.

(b) The things the people did not agree to do through the President and the Congress the people might do through their Governors and their legislatures, with this exception:

Certain things could not be done either by the States or by the Nation.

The Supreme Court of the United States of America was set up as an umpire or a referee to determine a case of dispute, whether or not Congress and the President played the game according to the rules prescribed for them by the Constitution.

The people of the United States, in their respective districts, in electing a Representative in Congress, do not make of him an unlimited administrator of their affairs or a general guardian of their welfare. The Constitution in effect is a special letter of instructions, a written power of attorney, to a Representative in Congress. In effect the people say to him through their Constitution, "Thus far we are willing to be governed by you and the President, but no further. Should you as a Congressman transgress the boundary of your authority, you are like a squatter who plants on land he neither owns nor has rented. He sows in vain. What you as a Congressman try to do outside of your authority is but 'sounding brass or a tinkling cymbal.'"

And the people also say in effect to the Representative in Congress, "We are not willing that you shall be a judge in your own case and decide for yourself what you may or may not do. The Supreme Court of the United States is that judge." The people agree with the great thinker, Montesquieu, whose philosophy permeates our Constitution:

> When the legislative and the executive powers are united in the same person or the same body of magistrates, there can be no liberty, because apprehensions may arise lest the same monarch or senate should enact tyrannical laws, to execute them in a tyrannical manner. Again, there is no liberty of the judiciary power if it be not separated from the legislative and executive. Were it joined with the legislative, the life and the liberty of the subject would be exposed to arbitrary control, for the judge would be the legislator. Were it joined to the executive power, the judge might behave with violence and oppression. There would be an end of everything, were the same man or the same body, whether of nobles or of the people, to exercise these three powers—that of enacting laws, that of executing the public resolutions, and of trying the causes of individuals (98 Fed. 348, 349).

The quotation just made is also found in the reports of the Supreme Court of Kansas (61 Kans. 812).

The Constitution of Kansas, it has been ruled, "has carefully kept separate the executive, legislative, and judicial, to the end that it may be a government of laws and not of men" (61 Kans. 813).

And so the letter of instruction we carry, the power of attorney granted us, is the Constitution of the United States, as interpreted not by Congress in its own favor but by the Supreme Court as an impartial arbiter.

Each of us in Congress have taken an oath to support that Constitution. Hence we are bound thereby.

This charter of our liberty provides (art. VI):

> This Constitution, and the laws of the United States which shall be made in pursuance thereof * * * shall be the supreme law of the land.

The phrase, "the laws of the United States which shall be made in pursuance thereof" is all important. The laws of the United States now in force (exclusive of those passed in 1936), cover 2,500 pages. The Constitution of the United States is found in the Revised Statutes of Kansas in every law office and every courthouse in that State, and covers seven pages of print, double column. It can be read in 20 minutes. A lifetime may be devoted to an understanding of it. It is not of itself a code of law complete in itself. The Constitution requires laws to make it work. But before these laws can be valid, they must "have been made in pursuance of the Constitution," for unless so made, the are not law.

Let us for a moment, if we can, forget everything ever said by anyone about the Constitution. Suppose we read the words just quoted as if we were seeing them for the first time. First we are told that the Constitution shall be the supreme law of the land. Could anything be plainer? If the Constitution is to be the supreme law of the land, how is it possible for any other law to be of the same force? How can two things each in conflict with the other be deemed supreme?

Let us take a step further. As already explained, the Constitution is not a complete code of laws; it deals in general principles only. Much legislation has been enacted, more is projected, to place the Constitution on an operative basis, in other words to make it work.

Let us see about the legislation authorized by the Constitution. Two and two always make four and not some other number. Such is the underlying principle of mathematics. In like manner, there cannot be two laws on the same subject at the same time. Hence a law not made in pursuance of the Constitution cannot be the supreme law of the land.

Certainly if the Constitution, as itself declares, is the supreme law of the land, it must be the supreme law of the courtroom. We think of a courtroom as a place of justice, as a place where law is present and not absent. Judges are required by the fundamental law to take an oath to support the Constitution. A judge may not support, uphold the Constitution, and at the same time disregard its provisions, for "so thought our great Master when He said to His disciples, 'If you love Me, keep My commandments'" (12 Wall. 681).

There has never been any variableness or shadow of turning in the opinions of the Supreme Court of Kansas as to the proposition that a court will not enforce, nor permit to be enforced, a legislative act not made pursuant to the applicable constitution. As early as 1862 Judge Kingman, speaking for the court, decided:

> The constitution is law—the fundamental law—and must be taken into consideration by a justice of the peace as any other tribunal. Where two laws apparently conflict, it is the duty of all courts to construe them. If the conflict is irreconcilable, they must decide which is to prevail, and the Constitution is not an exception to this rule of construction (1 Kans. 125).

In *State, ex rel.*, v. *School Fund* (4 Kans. 261, 267) the Supreme Court of Kansas declared:

> If an act of the legislature prescribes a rule of action not authorized by the limitations imposed by the fundamental law of the State (the constitution), it cannot become a law, and the courts cannot so regard it. Courts are bound by the law. But one of two incidentally conflicting rules can be observed, and if one of such rules be found in the constitution and the other in the act of the legislature, we are to follow the fundamental law, and must necessarily hold the act of the legislature void.

In *Leavenworth County* v. *Miller* (7 Kans. 479) Judge Valentine, speaking for himself and for Judge Kingman, said of an act challenged in that case:

> The question then resolves itself into this: Was the passage of said act legislative power? If it was, the act, of course, is constitutional; but if not, the act is certainly unconstitutional (7 Kans. 500).

Judges Valentine and Kingman in that case upheld as valid the legislation involved therein. Judge Brewer was of a contrary opinion—Seventh Kansas, at page 549—but all of these three judges agreed a court had the power to consider the constitutionality of a legislative act.

In *Re Dumford* (7 Kans. App. 89, 91) the court referred to the constitution as "a law," and continued:

> The law so drafted by the people is a restraint upon the power of the legislative, and is of higher authority than any act that could be by them adopted. Hence, if a conflict occurs between the act of the legislative and this primary law, the act of the legislative must give way.

Let us turn to our own bill of rights as found in the Constitution of Kansas. Let us read section 5:

> The right of trial by jury shall be inviolate.

The Supreme Court of Kansas has declared that this section limits "the power of the legislature and no act of that body can be sustained which conflicts" therewith—Thirty-first Kansas, at page 665. In another case the supreme court said of the right of trial by jury:

> * * * No legislative act can abridge or impair that right (13 Kans. 33).

Judge Frank Doster, in *State* v. *Simons* (61 Kans. 752), decided a man could not be convicted of a crime by a jury of less than 12 men.

Re Kellam (55 Kans. 700) Judge Johnston decided that a statute of Kansas permitting a police officer to make an arrest without a warrant, upon suspicion, for a misdemeanor not committed in the presence of the officer was unconstitutional. Judge David Martin and Judge Stephen H. Allen concurred in that opinion.

In speaking of Judge Doster, Judge Allen, and Judge Martin, great judges all, it is helpful to be reminded that their presence on the Supreme Court of Kansas was the result of a revolution of political thought in that State. They were apostles of protest against an existing order. They were not members of the dominant party. But when elected judges, their legal understanding prompted an upholding of the Constitution as the supreme law of the land.

The Supreme Court of Kansas, in the exercise of its power to enforce the provisions of the National and State Constitutions, has prevented the impairment of the obligation of a contract (85 Kans. 720 and 77 Kans. 665), declared void an act of the legislature which in effect decided a case before it was heard in court (80 Kans. 176); held invalid on constitutional grounds an act of the legislature which sought to compel a railroad to haul the National Guard of the State at a rate lower than the rate open to the public (84 Kans. 264); enforced the constitution of Kansas, as amended in 1906, preventing the general assembly of that State from passing a local or special law (77 Kans. 665); held invalid an act of the legislature giving property owners the power to decide whether or not proceedings shall be initiated to reduce in size the boundaries of a city (68 Kans. 37); held invalid a statute which attempted to limit the right of one who had been libeled to recover damages (68 Kans. 670); declared void a statute which required a license of a nonresident peddler not exacted of a resident engaged in like occupation (66 Kans. 329); held unconstitutional a statute which attempted to limit the right of an employer to discharge an employee for any reason he deemed sufficient (69 Kans. 297); held invalid an act of the legislature imposing on district courts a nonjudicial duty, that of sitting as a board of tax equalization (70 Kans. 287); held invalid an act to limit in its operation to corporations employing 10 or more persons on the ground that such legislation constituted special or class legislation (61 Kans. 146); held invalid an act of the legislature requiring railroads to issue passes to shippers of stock, a privilege not accorded to other shippers (61 Kans. 439); passed on the validity of a statute extending the period of redemption in case of the foreclosure of a mortgage executed prior to the enactment of such extension (55 Kans. 490); held invalid a fire tax on the property of railroads, it appearing that in the benefit derived therefrom, the railroad did not share (60 Kans. 826); held invalid a statute attempting to fix rates on railroads through the medium of a body held to be a court (61 Kans. 806), hence not able to discharge legislative duty, that of fixing rates; held invalid the power given a notary public to commit to jail a witness who refused to answer (54 Kans. 1); held invalid a law which provided a convict escaped from the penitentiary on being recaptured should be compelled to start anew in serving his sentence (53 Kans. 679); held invalid an act of the legislature which provided that a recital of a bill of lading should be conclusively true (64 Kans. 802); held invalid a law requiring county commissioners to discharge an obligation arising under a void law (62 Kans. 832); prevented a county from selling a part of a square conveyed to it for the purpose of a courthouse, although an act of the legislature purported to give such right (9 Kans. 453); held void a statute authorizing the issuing of bonds by a township and devoting the proceeds to private use (23 Kans. 745); and held invalid an act of the legislature affecting the constitutional jurisdiction of the supreme court (30 Kans. 661).

The time at my command does not permit a more extended review of the numerous cases in which the Supreme Court of Kansas has exercised its inherent jurisdiction to consider, from a constitutional point of view, the validity of a legislative enactment. Nor have I undertaken to mention the large number of cases in which the validity of such enactments have been upheld by that court.

It is not feasible to mention by name the several judges who participated in the cases hereinbefore cited. Brewer, Johnston, Horton, Burch, Valentine, and Kingman are among those whom Kansas has given to the ages in the realm of jurisprudence. So far as I know, no one who served in any judicial capacity in the Sunflower State ever doubted his jurisdiction, his right, his duty to say which is the higher law, the Constitution or the statute, and in case of conflict between the two, decide which is to prevail. No lawyer in Kansas publicly has ever claimed in court, or out of it, a statute passed in derogation of the Constitution was valid. A universal concensus of opinion leads to the conclusion, a law not measured by the yardstick of the Constitution is not a law.

And the people of Kansas have endorsed the views which their judges have entertained, are entertaining, with respect to their duty under the Constitution to uphold and support it by disregarding statutes not made pursuant thereto, either by successively reelecting their judges to office as such or by receiving them, on their retirement from the bench, as honored members of the community, in their private capacity, becoming their clients and relying on their judgment with respect to the affairs of everyday life, as men learned in the law.

Let us now turn to the framers of the Constitution, judge them by the fruits of their endeavors to make of us a nation, to found a government "of the people, by the people, and for the people" which "shall not perish from the earth."

The charge is frequently made that the founders of our legal institutions did not intend that judges should be governed by the Constitution; that they believed that there should be a vacuum or an air pocket in which that immortal document was to be silent, and that in our holy of holies, before the judgment seat, the Constitution was to be discarded and become, as it were, but a mute reminder of a citizenship which it is claimed did not always hit on all cylinders at once, and wherein we were out of gear in climbing the hills of disagreement common to human experience and in the days of our greatest need were to be without hope in the world.

At this point, it is interesting to record that those who exhaust their vocabulary in criticizing the judges of the Supreme Court of the United States for discharging their sworn judicial duty in determining the constitutionality of statutes, are careful not to include their local judges in their denunciations. But if the Supreme Court of the United States has no jurisdiction to apply the Constitution, if for that tribunal, of all others, that immortal document is to be for

all practicable purposes, a sealed book, it follows that every State judge, to and including the humblest magistrate, is likewise impotent to uphold the instrument they have sworn to support.

I have pointed out that the Constitution itself proclaims that the Constitution and the laws made in pursuance thereof are the supreme laws of the land and that judges, by their official oath, were charged with the duty of supporting its tenets and its principle.

What did the first Congress of the United States think on these things? The following men, selected as members of the Constitutional Convention, were thereafter elected Members of the First Congress: Abraham Baldwin, Richard Bassett, Pierce Butler, Daniel Carroll, George Clymer, Oliver Ellsworth, William Few, Thomas Fitzsimons, Elbridge Gerry, Rufus King, John Langdon, James Madison, Robert Morris, William Patterson, Roger Sherman, Caleb Strong, and Hugh Williamson.

In addition to the names just mentioned Charles Carroll of Carrollton and Richard Henry Lee, both signers of the Declaration of Independence; Fisher Ames, one of the great men of the Revolution; Philip Schuyler, an officer under Washington in the Revolutionary War, were also Members of the First Congress of the United States of America. So was James Monroe.

Of the Members of that Congress, James Madison perhaps was the best informed man then in America as to the historical details of the Constitutional Convention, having kept a journal or notes of its proceedings. He later became Secretary of State under Thomas Jefferson and then President of the United States. James Monroe also became President. Oliver Ellsworth became Chief Justice and William Patterson an Associate Justice of the United States.

The Constitution provides (art. III, sec. 1):

> The judicial power of the United States shall be vested in one Supreme Court and in such inferior courts as the Congress may from time to time ordain and establish * * *.

Article III, section 2:

> The judicial power shall extend to all cases, in law or in equity, arising under this Constitution * * *.

As to the appellate jurisdiction of the Supreme Court, the Constitution provides (art. III, sec. 2), as to cases not within its original jurisdiction:

> In all the other cases before mentioned, the Supreme Court shall have appellate jurisdiction, both as to law and fact, with such exceptions and under such regulations as the Congress shall make.

The original jurisdiction of the Supreme Court of the United States refers to cases which may have their origin in that Court by being instituted therein. For instance, the suit of *Kansas* v. *Colorado* (206 U. S. 46), involving the waters of the Arkansas River, was started in the Supreme Court of the United States.

The appellate jurisdiction of the Supreme Court of the United States refers to cases which reach that Court by appeal, after first having been heard in the highest court of a State in which a decision of the case could have been heard or first having been heard in a district court or a circuit court of appeals of the United States.

Accordingly, it became necessary for the First Congress of the United States to establish courts inferior to the Supreme Court and to prescribe the jurisdiction of such courts and the appellate jurisdiction of the Supreme Court of the United States. That Congress passed a Judiciary Act which was approved September 24, 1789—Washington, President. That act provided—

> That a final judgment or decree in any suit, in the highest court of law or equity of a State in which a decision in the suit could be had, where is drawn in question the validity of a treaty or statute of, or an authority exercised under, the United States, and the decision is against their validity; or where there is drawn in question the validity of, or an authority exercised under, any State, on the grounds of their being repugnant to the Constitution, treaties, or laws of the United States, and the decision is in favor of such validity; or where is drawn in question the construction of any clause of the Constitution, or of a treaty, or statute of, or commission held under the United States, and the decision is against the title, right, privileges, or exemption specially set up or claimed by either party under such clause of the said Constitution, treaty, statute, or commission, may be reexamined and reversed or affirmed in the Supreme Court of the United States upon writ of error * * *. (2 Laws of the United States (1789–1815), p. 65.)

Here is a distinct recognition by Congress—

(a) Of the right of the highest court of a State, in which a decision in the case could be had, to decide a question arising under the Constitution of the United States;

(b) Of the right of the Supreme Court of the United States on a writ of error to a State court to affirm or reverse the decision of the State court in a case arising under the Constitution of the United States.

Edmund Randolph, a member of the Constitutional Convention, was Attorney General in Washington's Cabinet. Mr. Randolph was a man of such outstanding ability that he was able, in advance of the Constitutional Convention, to draft and later to present to the Convention a proposed constitution in all its details. Washington presided over the Constitutional Convention. Alexander Hamilton, Secretary of the Treasury in Washington's Cabinet, had been a member of the Convention. Thomas Jefferson, Secretary of State in Washington's Cabinet, is the author of the Declaration of Independence.

The First Congress requested Mr. Randolph as Attorney General to review the plan it had adopted for our judicial system as a Nation. Mr. Randolph, who as already stated, was a member of the Constitutional Convention, in intimate association with Washington and Hamilton, also members of the Convention, and with Jefferson, under date of December 27, 1790 (American State Papers, Miscellaneous, p. 21), presented to the First Congress his report on the judiciary system of the United States. He referred to the order of the House of Representatives requiring the report to be made as prescribing "a task of no common difficulty." He stated that he had been "called upon to revise a plan approved by legislative wisdom"—act of September 24, 1789. The report of Mr. Randolph covers 15 large pages of small print. He said, among other things:

> The courts of the United States demand an organization of which we have no opposite example in the history of our foreign jurisprudence.

Mr. Randolph pointed out that under the act of September 24, 1789, hereinbefore noted—

> It appears that a writ of error may issue from the Supreme Court to a final judgment or decree rendered in any suit by the highest State court of law or equity in the nine following cases:
> Where is drawn in question:
> 1. The validity of a treaty of the United States.
> 2. Or of a statute of the United States.
> 3. Or of an authority exercised under the United States, and the decision is against their validity.
> Or where is drawn in question:
> 1. The validity of a statute of any State on the ground of being repugnant to the Constitution, treaties, or laws of the United States.
> 2. Or of an authority exercised under any State upon like grounds and the decision is in favor of their validity.
> Or where is drawn in question:
> 1. The construction of any clause of the Constitution of the United States.
> 2. Or of a treaty of the United States.
> 3. Or of a statute of the United States.
> 4. Or of a commission held under the United States, and the decision is against the title, right, privilege, or exemption, specially set up or claimed by either party under such clause of the said Constitution, treaty, statute, or commission.

Of these several instances Mr. Randolph observed:

> That the avenue to the Federal courts ought, in these instances, to be unobstructed, is manifest.

So it was the framers of the Constitution who did participate in enacting the statutory details of the appellate jurisdiction of the Supreme Court of the United States.

The original National Judiciary Act (September 24, 1789, 2 L. U. S., 1789–1815, p. 59, sec. 8) required the Justices of the Supreme Court to take an oath to administer justice "agreeably to the Constitution and laws of the United States."

I repeat again what I said on this floor on August 16, 1935:

For nearly a century and a half the Federal courts have passed upon the constitutionality of acts of Congress, and it may be said both to the credit of the Congress and the courts that in all that period of time the Supreme Court has declared less than 100 laws unconstitutional. So long as the courts regard their oath of office to support and uphold the Constitution, the jurisdiction and powers of these courts should not be limited except by the Constitution. As long as they remain as they are we will be a free people, and under the protection of these courts the immortal rights of the individual will be sheltered and enshrined.

EXTENSION OF REMARKS

Mr. BACON. Mr. Speaker, I ask unanimous consent to include in an extension of my remarks a letter written by Prof. Leo Wolman, of Columbia University.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

PAYMENT OF THE WAR DEBTS

Mr. FISH. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FISH. Mr. Speaker, today, June 15, is the due date for the payment of the war debts. The American people are still carrying this burden of $12,000,000,000. Great Britain, France, Italy, and the other nations which owe this vast sum of money are spending billions today on armaments and increasing their navies and their armies. They are building huge battleships, tanks, and innumerable airplanes, yet they are not paying us a penny on the war debts.

Just before President-elect Roosevelt took office he refused to cooperate with President Hoover in the settlement of the war debts. He made the statement he proposed to solve that problem in his own way, and said that would be the first objective of his administration. Five years have gone by and he has not made any effective effort to keep his promise to the American people, neither has he recovered a single penny of the war debts, except from little, honest Finland. I rise on this occasion, June 15, the due date of the payment on the war debts, to ask what this administration proposes to do to carry out its promises and pledges to collect these debts. Apparently President Roosevelt has gone fast asleep and does not even dream of debt payments. If he would only have a dream that he was Andrew Jackson and show the same energy and spirit that "Old Hickory" did in collection of the French spoliation claims it would be a happy and fortunate day for America. However, it is probably too much to ask President Franklin "Deficit" Roosevelt to emulate President Jackson, who stood like a rock on the Constitution and would not compromise with nullification.

[Here the gavel fell.]

UNITED STATES DISTRICT COURTS, WEST VIRGINIA

Mr. DIES. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 3684) to provide for the holding of terms of the District Courts of the United States for West Virginia at Fairmont and Beckley.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. KEE. I object to the consideration of the bill, Mr. Speaker.

AMENDMENT OF STATUTES RELATING TO CONGRESSIONAL INVESTIGATIONS

Mr. TOWEY. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the joint resolution (H. J. Res. 699) to amend sections 101, 102, 103, and 104 of the Revised Statutes of the United States relating to congressional investigations, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 3, strike out "and 104" and insert "104, and 859."
Page 1, line 7, after "committee", insert "established by a joint or concurrent resolution."
Page 2, line 4, after "committee", insert "established by a joint or concurrent resolution."
Page 2, line 15, after "committee", insert "established by a joint or concurrent resolution."
Page 2, line 24, after "committee", insert "established by a joint or concurrent resolution."
Page 3, after line 11, insert:
"SEC. 859. No testimony given by a witness before either House, or before any committee of either House, or before any joint committee established by a joint or concurrent resolution of the two Houses of Congress, shall be used as evidence in any criminal proceedings against him in any court, except in a prosecution for perjury committed in giving such testimony. But an official paper or record produced by him is not within the said privilege."
Page 3, after line 11, insert:
"Any Member of either House of Congress may administer oaths to witnesses in any matter depending in either House of Congress of which he is a Member, or any committee thereof."
Amend the title so as to read: "Joint resolution to amend sections 101, 102, 103, 104, and 859 of the Revised Statutes of the United States relating to congressional investigations."

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. St. Claire, one of its clerks, announced that the Senate insists upon its amendments to the bill (H. R. 10024) entitled "An act to establish the Olympic National Park, in the State of Washington, and for other purposes," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. ADAMS, Mr. PITTMAN, Mr. HATCH, Mr. O'MAHONEY, and Mr. BORAH, to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the reports of the committees of conference on the disagreeing votes of the two Houses on the amendments to the Senate to the following bills:

H. R. 9997. An act to regulate the distribution, promotion, and retirement of officers of the line of the Navy, and for other purposes; and

H. R. 10618. An act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes.

The message also announced that the Senate had adopted the following order:

Ordered, That the Secretary be directed to request the House of Representatives to return to the Senate the engrossed bill (H. R. 7084) to provide that all cabs for hire in the District of Columbia be compelled to carry insurance for the protection of passengers, and for other purposes, together with all accompanying papers.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 371) entitled "An act for the relief of William R. Kellogg."

EXTENSION OF REMARKS

Mr. HART. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include an article from the Hudson Dispatch of June 30, 1938.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. SACKS. Mr. Speaker, I ask unanimous consent to proceed for one-half minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. SACKS. Mr. Speaker, with the adoption of this conference report by the House and Senate, friends of labor bring to a close a bitter battle which has been relentlessly waged over a period of 2 years in behalf of millions of men and women engaged in industry, particularly that large body of men and women so employed who are not organized and are without the help of any collective bargaining agency

to speak for them, many of whom are being paid as low as $3 a week and working as long as 60 hours a week.

In supporting this legislation from the beginning to the end, I have kept my pledge to the voters of my district in my campaign for Congress when I told them that I would support legislation for the eradication of child labor and for shorter hours and higher wages in industry.

I supported the bill which came before the House for consideration in the first session of this Congress. I signed the petition to discharge the Committee on Rules from further consideration of that bill when that committee refused to report it to the House, and it was a source of much regret to me when the opponents of this humanitarian legislation were able to bring to their support, even in spite of the urgent wishes of our great President, a sufficient number of votes to have the bill returned to the Committee on Labor for further consideration and there to die a natural death for the remainder of that session.

When it was again brought to life in the present session through the insistence of the President that this was legislation which must be passed, and a new bill reported out of the Labor Committee, it was my pleasure to be among the first to sign the petition to discharge the Rules Committee when again the opponents of the bill on that committee were sufficient in number to refuse to report out a rule for the consideration of the bill.

The proposition now before us represents a compromise between the bill passed by the Senate and the bill passed by the House. I am frank to say that it does not fully satisfy me, but it is the best proposition that we can hope to get through this Congress.

Personally, I would much prefer that we could have passed the original bill known as the Connery bill. That was a measure which would have completely liberated men, women, and children from the sweatshops of America. The bill which was passed by the House in the last session more nearly met with my views on the subject than this measure, for it called for a minimum wage of 40 cents per hour, and a maximum workweek of 40 hours, without any time delay and without any differentials between the North and the South, the East or the West, placing all industry on an equal footing with no geographical or industrial advantages.

The Norton bill, which was passed by the House on May 24, placed a floor under the wage scale for the first year at 25 cents an hour, during the second year 30 cents an hour, during the third year 35 cents an hour, and thereafter 40 cents an hour. The ceiling on hours was placed at 44 hours during the first year, 42 hours during the second year, and 40 hours thereafter.

The conference report which we are now considering places an absolute floor of 25 cents an hour during the first year, 30 cents an hour during the second year, reaching 40 cents an hour after the seventh year.

The child-labor provision is excellent and it should forever do away with the curse of child labor in interstate commerce.

The measure does not in any way affect intrastate or purely local or State business; it covers only interstate commerce, that is, business which is interstate in character.

The enactment of this legislation is of vital interest to the city of Philadelphia and the hundreds of thousands of men and women workers who live there. It should in a large measure, if not completely, put a stop to the migration of industry from Philadelphia to the cheaper labor markets of the South as evidenced in the removal of some 58 mills manufacturing full-fashioned hosiery which closed their plants in Philadelphia and moved South since 1929, where they were able to hire employees at from 30 to 40 percent less than the wage scale in Philadelphia and work them without any limitation on hours.

This legislation should also do much toward taking up a wide slack in unemployment, for with the shortening of the workweek there should be a need for additional employees to keep up production to meet demand.

Mr. Speaker, although this conference report which will soon be translated into the law of the land does not do all that the real friends of labor would like to see accomplished, it is a step forward and in the right direction. It will set the wheels in motion and in future Congresses we can perfect its weak or bad features so that ultimately we will have on our statute books a law that will bring a new and brighter day to those millions of patriotic and loyal citizens, men and women who, day in and day out, toil in the industries to make America a better place in which to live. Surely they who thus labor are worthy of their hire; more than that they are entitled to better pay and shorter hours that they, too, along with their employers, may enjoy some of the better things of life.

AMENDMENT OF SECTION 9 OF THE CIVIL SERVICE RETIREMENT ACT

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 3548) to amend section 9 of the Civil Service Retirement Act, approved May 29, 1930, as amended.

The Clerk read the title of the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 9 of the Civil Service Retirement Act, approved May 29, 1930, is amended by striking out that portion of the section following the phrase "as provided in section 12 (a) hereof," and inserting in lieu thereof the following: "*Provided*, That failure to make such deposit shall not deprive the employee of credit for any past service rendered prior to August 1, 1920, to which he or she would otherwise be entitled: *And provided further*, That, notwithstanding the failure of an employee to make such deposit, credit shall be allowed for the service rendered, but the annuity of such employee shall be reduced by the amount such deposit would purchase if made, unless the employee shall elect to eliminate such service entirely from credit under this act."

Mr. SNELL and Mr. FADDIS reserved the right to object.

Mr. SNELL. Mr. Speaker, reserving the right to object, what is this bill?

Mr. RAMSPECK. Mr. Speaker, this is a bill to amend the Retirement Act so as to provide that when any group of Federal employees not covered by the act are brought under it, if they fail to pay up for the back service they will not be penalized by the loss of the Government's part of the annuity for that prior service. It applies particularly to our own employees in the legislative branch of the Government, some of whom have been here for 25 or more years, and some of whom advise me they are not able to make the payment for the back service. Here is the situation that results: If employee A is able to pay and has been here 25 years, and he pays in, he gets credit for 25 years of service, and if he retires after 30 years of service he gets the benefit of the Government's part for that 25 years of service, which would be $750 per year. If employee B, coming into the service at exactly the same time, finds himself unable to pay for the back 25 years of service he is denied that $750 a year. It seems to me a discrimination.

This does not relieve any employee of the obligation and necessity of making payment of 3½ percent of his salary each month after he comes under the act, but it simply provides that if he cannot pay up for the back service, he gets the Government part and the only thing he loses is what his own money would buy. There is no discrimination against the man who does pay, but it is equality to the man who does not.

Mr. SNELL. Of course, when you start to do this you begin to break down the original principle that we adopted when we first passed the Retirement Act, which was to place these men, and really force them to save a certain amount of money in order to take care of themselves when they came to retirement age rather than put them on an old-age pension or any other basis. It was for the purpose of forcing, to a certain extent, these people to help provide for taking care of themselves.

Mr. RAMSPECK. May I say to the gentleman from New York that what he states is unquestionably true as to the original act passed in 1920, but in 1930 my predecessor on the committee, the man who perhaps knew more about

retirement legislation than anybody I have ever served with, the late Congressman Lehlbach, rewrote the Retirement Act, and he put it on an entirely different basis. They separated the Government part of the annuity from what the employee bought, and that is what has brought about this situation. At that time, of course, it was perfectly fair, and it is fair now to the employees who have always been under the act, but this does not destroy the thing the gentleman has in mind, in my judgment, for this reason. It does not relieve any employee who may be under the act now or who comes under it in the future from making the payments the gentleman has in mind, saving his own money, from the date he comes under the act.

Mr. SNELL. Then it will not affect in any way anybody except the few who are under the act at the present time?

Mr. RAMSPECK. That is correct.

Mr. SNELL. But the man who had not paid his back assessment or did not come under the act, could come under it when he got ready to pay?

Mr. RAMSPECK. No; they have to come under the act whenever the act says so. The legislative employees were brought under the act last year and they have had to pay the 3½ percent since then, but they cannot get paid for this back service unless they pay up for the 25 years or more they have been here.

Mr. SNELL. And they are the only ones that this affects?

Mr. RAMSPECK. They are the only ones; yes.

Mr. SNELL. I would not want to do anything to start to break down the general retirement act.

Mr. RAMSPECK. I agree with the gentleman.

Mr. SNELL. The principle is good and I believe one that should be maintained. I would not want to agree to anything that even started to tear down that general policy.

Mr. RAMSPECK. I agree with the gentleman, and so thoroughly do I agree with him that when we had this matter up last year the Senate wanted to provide a straight pension for the legislative employees and I refused to have it considered by the House Civil Service Committee.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. RAMSPECK. I yield.

Mrs. ROGERS of Massachusetts. The Civil Service Commission is approving this and, of course, they are very unwilling to have anything that would not be uniform or would break down the principle involved.

Mr. RAMSPECK. Yes; it is approved by the Budget and by the Civil Service Commission.

Mr. FISH. Mr. Speaker, will the gentleman yield?

Mr. RAMSPECK. I yield.

Mr. FISH. Is it not a fact that this is primarily for the benefit of the legislative employees?

Mr. RAMSPECK. That is the only group I know of that it will affect at the present time.

Mr. FISH. I do not see that there is any objection to that.

Mr. SNELL. I have no objection to it.

The SPEAKER. Is there objection?

There was no objection.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PER DIEM EMPLOYEES

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent for the present consideration of House Joint Resolution 551, which I send to the desk and ask to have read.

The Clerk read as follows:

Resolved, etc., That employees of the United States Government and of the Government of the District of Columbia in the District of Columbia and in the field service of the executive departments and independent establishments who were excused from duty on December 24, 1937, by the Executive order of December 6, 1937, shall receive compensation for December 24, 1937, any law or regulation to the contrary notwithstanding.

With the following committee amendment:

Strike out all after the enacting clause and insert:

"That hereafter whenever regular employees of the Federal Government whose compensation is fixed at a rate per day, per hour, or on a piece-work basis are relieved or prevented from working solely because of the occurrence of a holiday such as New Year's Day, Washington's Birthday, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day, Christmas Day, or any other day declared a holiday by Federal statute or Executive order, or any day on which the departments and establishments of the Government are closed by Executive order, they shall receive the same pay for such days as for other days on which an ordinary day's work is performed.

"SEC. 2. The joint resolution of January 6, 1885 (U. S. C., title 5, sec. 86), and all other laws inconsistent or in conflict with the provisions of this act are hereby repealed to the extent of such inconsistency or conflict."

The SPEAKER. Is there objection?

Mr. O'MALLEY. Mr. Speaker, I reserve the right to object. What does this cover?

Mr. RAMSPECK. This covers the lowest-paid group of employees in the Government service. It is those who work on a per diem basis. For instance, last Christmas Eve the President excused all Government employees from rendering any service. His Executive order, of course, applied to every employee in the Government service. Those who are working on a monthly salary got their pay for Christmas Eve, but those who work on a per diem were forced to take the day off, and they lost the day's pay. This is simply to correct that situation.

Mr. O'MALLEY. This gives them their back pay?

Mr. RAMSPECK. No; it is not retroactive. It provides that when regular employees are excused by Executive order, by reason of a holiday, these per diem employees will get paid just as the monthly employees get paid.

Mr. COLLINS. Mr. Speaker, I reserve the right to object. It is my understanding that per diem employees in the District get about 122 holidays per year. Will this add any more holidays?

Mr. RAMSPECK. No; it does not add any more holidays. It just covers the regular holidays, which are recited in the resolution. This resolution was drafted by the Bureau of the Budget and approved by the Civil Service Commission.

Mr. COLLINS. That does not help matters. I am wondering how many extra holidays this insures per diem employees?

Mr. RAMSPECK. It is the same ones that are now listed.

Mr. COLLINS. Does it give 25 days' sick leave also?

Mr. RAMSPECK. This has nothing to do with the question of sick leave.

Mr. COLLINS. And how much annual leave will it allow?

Mr. RAMSPECK. This has nothing to do with annual leave.

Mr. COLLINS. What does it have to do with?

Mr. RAMSPECK. It covers only those cases where the President by Executive order excuses employees from a day's work. It gives the same right to per diem employees as to the regular monthly employees.

Mr. COLLINS. It deals only with Executive orders?

Mr. RAMSPECK. Let me read from the resolution:

That hereafter whenever regular employees of the Federal Government whose compensation is fixed at a rate per day, per hour, or on a piece-work basis are relieved or prevented from working solely because of the occurrence of a holiday such as New Year's Day, Washington's Birthday, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day, Christmas Day, or any other day declared a holiday by Federal statute or Executive order, or any day on which the departments and establishments of the Government are closed by Executive order, they shall receive the same pay for such days as for other days on which an ordinary day's work is performed.

Mrs. ROGERS of Massachusetts. This simply prevents an unintentional discrimination.

Mr. RAMSPECK. That is correct. The per diem employees are unintentionally discriminated against.

Mr. HAINES. And does this take care of the charwomen and charmen of the Postal Service?

Mr. RAMSPECK. If they are per diem employees; yes.

The SPEAKER. Is there objection to the request of the gentleman from Georgia for the present consideration of the joint resolution?

There was no objection.

The committee amendment was agreed to; and the House joint resolution as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

EXTENSION OF REMARKS

Mr. FISH. Mr. Speaker, I ask unanimous consent to extend my remarks by printing a radio address delivered by myself.

The SPEAKER. Is there objection?

There was no objection.

Mr. PLUMLEY. Mr. Speaker, I ask unanimous consent to extend my remarks by including an article by Dr. John LeClair, of the College of the City of New York, respecting America's Course in the Far East.

The SPEAKER. Is there objection?

There was no objection.

ORDER OF BUSINESS

Mr. SNELL. Mr. Speaker, will the Chair inform us something in respect to the program for today? I make this request because I have just been informed by the majority leader that we are going to the consideration of the Consent and Private Calendars.

The SPEAKER. That will not be immediately. The Chair proposes to recognize the gentleman from Louisiana [Mr. DEROUEN] for a conference report, and the Delegate from Alaska, and others on certain matters.

Mr. SNELL. Is it the purpose to go on with the consideration of the rules on the Speaker's desk right away?

The SPEAKER. Not immediately. There are some routine matters to be attended to.

Mr. DIES. There are some more rules.

The SPEAKER. Yes; there are some more rules.

Mr. DIES. There is one on the Mexican Claims Commission.

The SPEAKER. The gentleman is correct, and we expect to take it up.

EXTENSION OF REMARKS

Mr. LUCAS. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include therein certain statistical data on the agricultural situation in the State of Illinois.

The SPEAKER. Without objection it is so ordered.

There was no objection.

Mr. CREAL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD, and to insert therein two brief letters.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

TERCENTENARY CELEBRATION OF COLONIZING OF DELAWARE

The SPEAKER. The Chair recognizes the gentleman from Massachusetts to make an announcement.

Mr. HOLMES. Mr. Speaker, on June 27, in the city of Wilmington, Del., will take place the celebration of the three-hundredth anniversary of the first colonization of the Delaware Valley. The President of the United States, and the United States-Delaware Valley Tercentenary Commission will participate in that official opening.

I ask unanimous consent to extend my remarks at this point in the RECORD, and to include therein a brief history of the settlement of the Delaware Valley, and of the foundation of Pennsylvania and to include also the programs of the celebrations at Wilmington, Del., and Philadelphia, Pa.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The matter referred to follows:

DELAWARE TERCENTENARY BULLETIN

April 1937

THE TERCENTENARY CELEBRATION

In June 1938 the three-hundredth anniversary of the first permanent settlement in Delaware by the Swedes in 1638 will occur. In its celebration the State of Delaware will be joined by the United States Government, the Kingdom of Sweden, the States of Pennsylvania, New Jersey, Minnesota, Michigan, Illinois, and others, and the Swedish-American population generally. To enlist the interest of our people by informing them of the historical background of the celebration and of the plans for it now being made this bulletin is issued. It will be followed by others as these plans are further developed.

THE HISTORIC EVENT

The first permanent settlement of Europeans in the State of Delaware and in the entire Delaware River Valley was begun in March 1638 by an expedition sent out from Sweden by the New Sweden Co. It fitted out two ships *Kalmar Nykel* (*Key of Kalmar*) and *Vogel Grip* (*Bird Griffin*) and loaded them with a cargo of trade goods for the Indians—cloth, axes, knives, mirrors, beads, etc. The Swedish Government provided muskets and ammunition. Twenty-three soldiers under command of Capt. Mans Nilsson Kling constituted the force of the expedition and the prospective colonists. Peter Minuit was in general command and Hendrick Huygen was commissary for the new colony.

In November 1637 the ships sailed from Gothenburg, Sweden. Delayed by storms, it was not until the middle of March 1638 that they landed on the bank of Minquas Kill (Christiana River) at a point within the present limits of the city of Wilmington, where a ledge of rock afforded a natural wharf.

Close beside the Rocks, they built Fort Christina, so called after the then reigning queen of Sweden. It was made of earth and wooden palisades in the form of a square, with acute-angled bastions projecting at its four corners. Within were two log houses for the garrison and its supplies. The ships soon sailed away, leaving the little colony of 23 soldiers, Captain Kling and Commissary Huygen to hold the fort.

It is not proposed here to relate how this little group carried on, trading with the Indians for furs and food and cultivating the soil, nor to tell of their difficulties and hardships. It is sufficient now to say that they did carry on, that they were reenforced by successive new expeditions until, by the year 1654, the population of New Sweden numbered 368 persons. Its settled territory then stretched from below Sandhook (New Castle), where Fort Casimir had been built by the Dutch in 1651, captured by the Swedes in 1653 and renamed Fort Trefaldighct (Trinity), up the River on its western shore, past Tinicum Island, where the Governor of the colony, Johan Printz, had established the seat of government in Fort New Gothenburg, to another fort on the Schuylkill. It included also the eastern shore, where Fort Elfsborg had been built. Behind Fort Christina in 1654 the first village established and called Christinahamn. Forty-five years later the church now called Old Swedes was built close by this village.

This, then, was the origin of the State of Delaware and in 1938 will occur its three-hundredth birthday. To plan and carry out a celebration of this important event, in a manner commensurate with its importance, the Delaware Tercentenary Commission has been established under authority of a joint resolution of the two houses of the State legislature.

DELAWARE TERCENTENARY COMMISSION

The Delaware Tercentenary Commission consists of 60 members, the Governor of Delaware, the mayor of Wilmington and the mayor of New Castle ex officio, 37 others appointed by the Governor, 10 by the President pro tempore of the Senate, and 10 by the Speaker of the House.

This commission was organized at Dover on March 15, 1937, electing its officers, including an executive committee of 23 members.

At a meeting of the executive committee on March 19, its officers were chosen and rules for the conduct of its affairs were adopted.

The magnitude of the work involved makes it necessary that the larger part of its functions be delegated to subcommittees composed of persons able to deal with special subjects. They are being and will be selected not only from the membership of the commission, but from all the citizens of Delaware. A few have already been set up and others will be appointed as the work develops.

THE FIRST STATE COMMISSION

In 1935 the Delaware Legislature authorized the appointment of the Delaware Swedish Tercentenary Commission, to prepare plans for the celebration in 1938. The members of this commission were Col. George A. Elliott, president; Judge John P. Nields, vice president; Dr. George H. Ryden, general secretary; Miss Anna T. Lincoln, recording secretary; Mrs. Alfred V. du Pont, treasurer; Mayor Walter W. Bacon, Philip D. Laird, Edward R. Mack, Judge Richard S. Rodney, Harris Samonisky and Christopher L. Ward.

Working without funds for expenses, except such as were supplied by its members, this commission did much valuable ground work and developed tentative plans.

One important matter was not only planned but executed, that is to say, the authorization by the United States Congress of a commemorative half-dollar coin, the story of which is told on another page.

To this first Commission the present one is greatly indebted for the work it did.

THE COMMEMORATIVE COIN

In March 1936 the Congress authorized the coinage of 25,000 silver half-dollars of special design commemorative of the landing of the Swedes in Delaware. It was provided that the Delaware Swedish Tercentenary Commission could purchase these coins at their face value and sell them at a premium, the net proceeds to be used to defray the expenses of the celebration.

In a competition for the design for the coins, 40 were submitted. In consultation with Dr. R. Tait McKenzie and Mr. Joseph Sinnock, two professional sculptors not in the competition, the design submitted by Carl L. Schmitz of New York City was selected, he receiving a prize of $500.

A price of $1.75, including postage, was fixed and Equitable Trust Co. of Wilmington, was named as agent for their sale and distribution upon generous terms agreed to by it, namely that it should be paid nothing for its services, but merely reimbursed for the necessary expense incurred.

Subscriptions, paid in advance, began at once to come in from all over the United States. Up to this time about 15,000 have been sold and paid for and the demand from outside the State is still very active, yet comparatively few have yet been bought in Delaware. Such issues are usually oversubscribed and then the coins are held for sale by dealers at substantial premiums, some of them as high as $4 or $5 each. Delawareans should, before the issue is exhausted, wake up to the fact that the coins are interesting souvenirs, likely to become valuable in the future. They are on sale at all the banks in the State or may be had by writing Equitable Trust Co., the order to be accompanied by payment of the price, $1.75 postpaid.

THE ROCKS

The focus of the entire celebration of the tercentenary is The Rocks, the first landing place, the site of the first fort and the first village. Closely adjacent stands the Old Swedes Church, the oldest Protestant church still in use in America. The Rocks, then, are the birthplace of civilization in Delaware and the whole Delaware River Valley. They are located in Wilmington, on the shore of the Christiana River, between Fourth and Seventh Streets, on the property of the Wilson Line Steamboat Co.

Their historic importance has unfortunately been recognized by but few people of Delaware in the past centuries. Surrounded, as they are, by small unsightly buildings of various character, mostly built of wood or corrugated iron, they have a wretched aspect of shameful neglect. But now, on the eve of the tercentenary, Delaware has awakened to their sentimental and historical significance.

The legislature has unanimously passed and the Governor has willingly signed an act authorizing and directing the State highway department, on behalf of the State, to acquire, improve, and maintain The Rocks and a sufficient area around them as a State park. Thus Delaware will redeem itself from the disgrace of its long neglect of its birthplace.

SWEDEN'S PARTICIPATION

Under the auspices of the Swedish Government, the New Sweden Commission has been appointed to direct the participation of their country in the tercentenary celebrations in America. It is composed of outstanding citizens in every line of Swedish activity. Industry, art, education, literature, science, politics, shipping, and commerce are represented by their most important leaders. Sigfrid Edstrom, chairman of the board of the Swedish General Electric Co., is the chairman of the commission, and Count Folke Bernadotte, nephew of the King, is the vice chairman. This commission is actively at work on projects of great interest and importance, some of which are as follows:

The monument: A monument of black Swedish granite 20 feet high has been designed by Carl Milles, the world-famous Swedish sculptor, to be presented by the people of Sweden to the people of America and to be erected at The Rocks in Wilmington, the State of Delaware to be the custodian of this gift on behalf of the American people.

Its cost will be about $50,000, and this sum is being raised by popular subscription in Sweden. An intensive drive is afoot to secure even a penny or two from everyone no matter how poor, so that the gift may truly come from the great body of the people.

The art exhibit: A collection of objects of art, such as has never before been gotten together even in Sweden, representing Swedish products in the decorative arts over the last 300 years, is being assembled. It will include paintings, sculptures, furniture, textiles, silverware, and glassware. It will come to America in the fall of this year and will be exhibited in a number of American cities.

The Delaware Commission is arranging for its exhibit in Wilmington. It is expected that it may be here during the month of June 1938, on display in the gallery of the Wilmington Fine Arts Society. The commission hopes that the new art center may be completed by that time and opened with this extremely important exhibit.

The historical exhibit: A collection of books, manuscripts, documents, pictures, maps, Indian relics, and other objects of great historical interest and value is being prepared for exhibition in the American Swedish Historical Museum in Philadelphia. The Delaware Commission is in correspondence with the Swedish Commission in an effort to have this collection shown in Wilmington prior to its display in Philadelphia.

Commemorative coins and stamps: A specially designed commemorative coin, either a 2- or 4-krona piece, will be minted in Sweden for sale there and here, in like manner as Delaware commemorative half dollar is now being sold. These coins will in due course be on sale in Wilmington and other Delaware cities.

Commemorative Swedish stamps in different denominations are to be printed.

There are other activities of the Swedish Commission which will be described in future bulletins.

PARTICIPATION OF OTHER STATES

Pennsylvania is naturally greatly interested in the tercentenary. Although the first settlement within its territory, at Tinicum Island, was not made until 1643, it regards the Delaware settlement of 1638 as the beginnings of its civilization.

A State commission has been organized and will arrange for an appropriate celebration in Philadelphia. The Swedish Colonial Society of Philadelphia is actively preparing to collaborate in the matter. New Jersey is to become similarly active.

Many other States, especially those which have a considerable number of citizens of Swedish birth or descent, are to have State commissions to represent their people and take part in the Delaware celebration. These include Maine, Massachusetts, New York, Minnesota, and Illinois, among others.

THE OFFICIAL PARTICIPATION OF THE UNITED STATES OF AMERICA

The Congress has authorized the creation of the United States Delaware Valley Tercentenary Commission, consisting of 15 members. The membership of this Commission is as follows:

Senator Joseph P. Guffey, of Pennsylvania, chairman.

Senator John G. Townsend, Jr., of Delaware, vice chairman.

Senators A. Harry Moore, of New Jersey; James J. Davis, of Pennsylvania; W. Warren Barbour, of New Jersey.

Representatives Patrick J. Boland, of Pennsylvania; Harry L. Haines, of Pennsylvania; Francis E. Walter, of Pennsylvania; Pehr G. Holmes, of Massachusetts; J. George Stewart, of Delaware.

Other members: Alexander B. Geary, Chester, Pa.; Judge Richard S. Rodney, New Castle, Del.; Harris Samonisky, Wilmington, Del.; Carl F. Scheidt, Norristown, Pa.; Christopher L. Ward, Wilmington, Del.

The duties of this Commission are to cooperate with the representatives of the States of Delaware and Pennsylvania in the appropriate observance of the tercentenary and to extend appropriate courtesies to the representatives of the Government of Sweden.

By the same resolution the President of the United States was authorized to extend to the Government of Sweden an invitation to unite with the Government and people of the United States in a fitting and appropriate observance of this three hundredth anniversary. This invitation has been extended and accepted, with resulting activities in Sweden as herein indicated.

DELAWARE TERCENTENARY COMMISSION

Executive office: 828 Delaware Trust Building, Wilmington, Del.; telephone, 2-5310.

Officers of the Commission: Honorary president, Richard C. McMullen, Governor of Delaware; honorary vice president, C. Douglass Buck; president, Thomas F. Bayard; vice presidents, John Biggs, Jr., Harry L. Cannon, Edward W. Cooch, James H. Hughes, Hugh M. Morris, John P. Nields, Henry Ridgely, John G. Townsend, Jr., Josiah O. Wolcott; recording secretary, Anna T. Lincoln; treasurer, Elwyn Evans.

Executive committee: Christopher L. Ward, chairman; Richard C. McMullen, Thomas F. Bayard, Walter W. Bacon, Charles E. Klingmeyer, C. Douglass Buck, G. Layton Grier, Edgar L. Haynes, Robert H. Richards, Richard S. Rodney, Harris Samonisky, William du Pont, Charles M. Curtis, George A. Elliott, Elwyn Evans, John R. Fader, W. A. Simonton, Sarah Tammany, Mary Wilson Thompson, Josiah O. Wolcott, J. Wallace Woodford; George H. Ryden, corresponding secretary; Eleanor Betts Warner, recording secretary.

Other members of the Commission: Rev. Robert Bell, Frank Collins, Rt. Rev. Philip Cook, Lammot du Pont, Pierre S. du Pont, William T. Eliason, Rev. Elliot Field, Thomas C. Frame, W. W. Harrington, George D. Hill, Chauncey P. Holcomb, J. Rogers Holcomb, Walter Hullihen, John P. Hyatt, Rev. P. W. Huntington, Rev. B. M. Johns, Rev. Martin A. Larson, Edward R. Mack, James B. McManus, Harold W. T. Purnell, Henry Clay Reed, Harold L. Springer, Samuel M. Stouffer, Julia Hays Tallman, Rabbi Henry Tavel, G. Marshall Townsend, J. E. W. Wallin, John Pilling Wright, and Most Rev. E. J. FitzMaurice.

DELAWARE TERCENTENARY BULLETIN

June 1938

PROGRAM OF TERCENTENARY CELEBRATION

WILMINGTON, DEL.

JUNE 26-27, 1938

(All hours indicated are according to Eastern Daylight Saving Time. This program is subject to change if necessary)

Sunday, June 26

3 p. m. Old Swedes Church: All Swedish interdenominational services, conducted by Rev. Julius Lincoln, D. D. (Admission only by invitation of the committee in charge.)

7:30 p. m. Rodney Square: Music by 198th Coast Artillery Band.

Monday, June 27

9:30 a. m. Fort Christina Park: Music by United States Marine Band, the Guards Military Band of Sweden, and a Swedish male chorus. (Because of limited space, admission to the park for this concert and the following ceremony will be by ticket only.)

10 a. m. Fort Christina Park: Invocation by Rt. Rev. Edvard Rodhe, Bishop of Lund, Sweden.

Ceremony of presentation by the Crown Prince of Sweden to President Roosevelt of the monument given by the people of Sweden to the people of the United States; acceptance by the President and delivery to Governor McMullen of Delaware; acceptance by Governor McMullen; presentation of medal to the

President by Dr. E. Rudolf W. Holsti, Minister of Foreign Affairs of the Republic of Finland; presentation of medal to the President by Hon. Thomas F. Bayard, president of Delaware Tercentenary Commission. (These speeches will be broadcast to Rodney Square and to the people of the United States and abroad.)

11:30 a. m. Old Swedes Church: Religious ceremony, Rt. Rev. Edvard Rodhe, D. T., Bishop of Lund, Rt. Rev. Henry St. George Tucker, D. D., presiding bishop of the Protestant Episcopal Church, and Rev. P. O. Bersell, D. D., president of Augustana Synod, participating. (Admission to this service will be limited to the official delegations from Sweden and Finland and the tourists from Sweden.)

12 m. Rodney Square: Concert by American Union of Swedish Singers.

12:30 p. m. Delaware State Armory: Luncheon for the tourists from Sweden.

1 p. m. Hotel du Pont: Luncheon for official delegations from Sweden and Finland and invited guests.

1:30 p. m. Rodney Square: Music by United States Marine Band, the Guards Military Band of Sweden, and a Swedish Male Chorus.

3 p. m. Rodney Square: Addresses by the Crown Prince of Sweden; Hon. Cordell Hull, Secretary of State of the United States; and Dr. E. Rudolf W. Holsti, Minister of Foreign Affairs of the Republic of Finland.

3:45 p. m. Rodney Square: Parade of floats depicting the history of Delaware and its present-day industrial importance arrives at and passes reviewing stand in front of City and County Building.

7 p. m. Longwood: Lawn party for official delegations from Sweden and Finland, tourists from Sweden, and invited guests.

7:30 p. m. Rodney Square: Music by United States Marine Band.

ROUTE OF PARADE

Parade forms Fourth Street, east of Pine, and marches along Fourth to French, down French to Second, up Second to Market, up Market to Ninth, down Ninth to King, up King to Twelfth, up Twelfth to Market, down Market to Eleventh, up Eleventh to Delaware Avenue, out Delaware Avenue to Van Buren, down Van Buren to Ninth, down Ninth to West. At this point the marching groups disband, the floats will proceed down Ninth to Buttonwood, the place where they were built.

PROGRAM OF PARADE

Platoon of State and city police.
Chief marshal, Maj. Clarence M. Dillon, his aides and orderlies.
American, Swedish, and Finnish colors, with color guard.
Band.
Marching group 1: Leni Lenape Indians.
Float 1: Indian village, 1609.
Marching group 2: Henry Hudson and Dutch sailors.
Float 2: Ship *Half Moon* in which Hudson discovered Delaware Bay, 1609.
Marching group 3: Swedish sailors.
Float 3: First landing of Swedish settlers from ship *Kalmar Nyckel*, March 1638.
Marching group 4: Swedish colonists.
Float 4: Building Fort Christina, 1638.
Band.
Marching group 5: Swedish and Finnish settlers.
Float 5: Arrival of Gov. Johan Printz and Rev. John Campanius, 1643.
Marching group 6: Dutch soldiers.
Float 6: Building of Fort Casimir by the Dutch, 1651.
Marching group 7: Swedish and Finnish settlers.
Float 7: Evart Pietersen, first Swedish schoolmaster, 1658.
Marching group 8: Dutch soldiers.
Float 8: Swedish Governor Rising surrenders Fort Christina to Dutch Governor Stuyvesant, 1655.
Marching group 9: English soldiers.
Float 9: English troops in Fort Casimir, 1664.
Band.
Marching group 10: Townspeople of New Castle.
Float 10: William Penn takes possession of Delaware Counties, 1682.
Marching group 11: Townspeople of Wilmington.
Float 11: Building Old Swedes Church, 1698.
Marching group 12: Pilots and sailors of Lewes.
Float 12: Building Henlopen Lighthouse, 1725.
Float 13: Mason and Dixon surveying west boundary of Delaware, 1763.
Marching group 13: Colonel Haslet's First Delaware Regiment, 1776.
Float 14: General Washington's headquarters in Wilmington, 1777.
Marching group 14: Townspeople of Dover.
Float 15: Announcement of ratification of Federal Constitution at Dover, 1787.
Marching group 15: American sailors.
Float 16: Commodore Macdonough and Commodore Jacob Jones. Delaware heroes of the War of 1812.
Band.
Marching group 16: Delaware soldiers of Civil War.
Float 17: Delaware soldiers in camp, 1861.
Marching group 17: Delaware soldiers of Spanish-American War, 1898.
Float 18: Delaware agriculture.
Marching group 18: Delaware soldiers of World War, 1917.
Float 19: Delaware horticulture.
Band.
Marching group 19: Delaware school children.
Float 20: Delaware schools.
Floats depicting Delaware industries.
Band.
Float: Delaware past, present, and future.
Platoon of State and city police.

THE BRIEF HISTORY OF THE COLONIZATION OF NEW SWEDEN, THEREBY ESTABLISHING THE FOUNDATION OF PENNSYLVANIA

FOREWORD

The rewriting of early Pennsylvania history is the task confronting the Pennsylvania Three Hundredth Anniversary Commission charged with commemorating the arrival of the first permament white settlers of the Commonwealth under the flag of Sweden. For generations the tale of William Penn and the "founding" of Pennsylvania told and retold, now makes it difficult for the average Pennsylvanian to realize that his Commonwealth had a prior civilization.

It is a task primarily of education to convince people that a permanent settlement was effected upon soil later to become a part of the colony of Penn no less than 43 years prior to the promulgation of the Penn charter in 1681. It is important equally to recognize that a colonial governor functioned upon the soil of present-day Pennsylvania no less than 38 years prior to the same date.

This booklet, therefore, has been prepared in the hope that it will provide correct historical data upon which to base a study of the genuine colonial beginnings of Pennsylvania in history classes. It also furnishes material for talks by competent persons in school assemblies and other programs. It can be read as a source of background information for the proper understanding of all programs and activities centering about "Forefathers' Day." It also may well be added to any library to provide a larger understanding of the colonial origins of our great Commonwealth.

The significance of Pennsylvania's 300th anniversary is such as to justify its widespread observance in the schools. Where better could the task of education associated with this anniversary be undertaken?

The principal objective of all programs should be the emphasizing of the story of the founding and development of New Sweden, with particular emphasis upon Tinicum and Gov. Johan Printz. This story should be related to the later and better-known history of Pennsylvania following the arrival of William Penn. The all important fact, however, is that this colony had grown from the beginnings in 1638, and that the center of its government was fixed within Pennsylvania.

The 300th Anniversary Commission has no desire to dictate to the schools any particular program for recognition of Forefathers' Day. It is believed that each local unit will best be able to work out its own program. It is felt, however, that every school should undertake some project in the way of recognizing this important Pennsylvania anniversary.

For Forefathers' Day itself, a program including talks, presentation of the pageant and such other activities as commend themselves to the school authorities is suggested. Where possible, it would be pleasant and profitable to invite parents. In some cases, it may be satisfactory for the schools to cooperate with local historical, patrotic, or civic organizations in such a program. This, however, should be determined locally.

Whatever is done, the commission bespeaks cooperation in doing it well and in making a permanent contribution to Pennsylvania history. In advance, it extends thanks for your recognition of this significant Pennsylvania Forefathers' Day, April 8, 1938.

LESTER K. ADE.
FRANK W. MELVIN.

PENNSYLVANIA BEGINNINGS IN THE COLONY OF NEW SWEDEN

(By Sylvester K. Stevens, historian, Pennsylvania Historical Commission)

Contrary to popular opinion, the first colonizers of Pennsylvania were not the English but Dutch, Finns, and Swedes under the auspices of the New Sweden Co. As early as 1624 Sweden dreamed of founding a colonial empire. Under the great King Gustavus Adolphus, Sweden was becoming one of the powerful new national states of northern Europe, and religious, political, and commercial motives for colonial development appeared. In 1630, however, Gustavus Adolphus attempted to rescue the Protestant Reformation from defeat by participating in the famous Thirty Years' War. He was killed at the Battle of Lutzen, November 6, 1632.

Swedish ambitions realized

The final realization of the ambition for colonial expansion was a result of the energies and ambitions of an age of developing commercial enterprise. William Usselinx, Dutch founder of the great Dutch West Indies Co. that began colonization of New York, Peter Minuit, French-Wallon, associated with the same enterprise, Samuel Blommaert, prominent Dutch merchant, and Axel Oxenstierna, shrewd Swedish chancellor of the youthful Queen Christina, must be credited with driving forward the project for colonization.

Early in 1637 Dutch and Swedish capitalists agreed upon the organization of the New Sweden Co., which was chartered by the Swedish Crown, and proceeded with plans for a colonial expedition. Two vessels, the *Kalmar Nyckel* and the *Fogel Grip* left Gothenburg, Sweden, about November 25, 1637, bound for the New World. (Governor Earle and members of the Pennsylvania Anniversary Commission went to Sweden last November to commemorate the three hundredth anniversary sailing of Minuit and Pennsylvania's first colonists from Gothenburg. An official Swedish-Finnish delegation will repay the Governor's visit at Philadelphia next June 28–29, when Governor Printz Park, on Tinicum Island, will be dedicated.) Ammunition and considerable cash was provided by the Crown. Cargoes consisted of several thousand yards of cloth; several hundred axes, hatchets, and adzes; several hundred knives, tobacco pipes, mirrors, and trinkets for the Indian trade. Spades, hoes, and other implements were included for the colonists. Probably half the sailors were Hollanders and the remainder Swedes. The soldiers and settlers were mostly Swedish.

Early New Sweden

This hardy band of pioneers, the first permanent white settlers of later Pennsylvania, landed April 8, 1638, at the site of present-day Wilmington, Del., within the limits of the later English colony established by William Penn. The commander of the expedition, famed Peter Minuit, immediately conferred with Indians for the purchase of lands. (It was Minuit who, in 1614, purchased the island of Manhattan (present-day New York) from the Indians for the Dutch for $24. He at that time was director of a Dutch trading company.) Five Indian sachems soon came to the cabin of Minuit aboard the *Kalmar Nyckel*, and for merchandise, ceded lands to the Swedes. This land extended from Wilmington on the south to the present day League Island Navy Yard on the north. The Delaware River marked the eastern boundary and "where the sun set" was the western limit. Thus there began upon Pennsylvania colonial soil the unique practice, for North America, of attempting to deal in some honesty and justice with the Indian inhabitants. The Swedes antedated by nearly half a century a policy usually associated with the name of William Penn.

Following the land purchase, Minuit and his staff went ashore, raised the coat of arms of Sweden, and formally designated the new territory of New Sweden.

On a cape about 2 miles from the original landing the expedition erected a fort, in May 1638, named Fort Christina. Having provided for the maintenance and safety of the garrison, Minuit left the expedition to shift for itself. He soon went cruising in the West Indies and was lost there in a hurricane.

The arrival of the second band of colonists occurred in April 1640 with new settlers, supplies, additional soldiers, domestic animals, and a minister of the gospel. Further land purchases were made. By 1641 the settlement numbered some 20 families, about 60 persons. They were primarily traders and farmers, and contemporary accounts indicate the presence of small gardens and farms by this date.

In October 1641 the *Kalmar Nyckel* returned with the *Charitas*. Additional farmers and artisans were provided, together with many more domestic animals. New cabins of logs were constructed around the fort and trading center, while grain and tobacco were under cultivation and a mill erected about this time. Rev. Reorus Torkillus, who had arrived in 1640, was conducting church services. About 1642 a meeting house was erected.

Johan Printz and Tinicum

Following the second expedition of 1640, the New Sweden Co. was brought entirely under Swedish control, the Royal Government and Swedish capitalists assuming full control by purchasing all Dutch rights. It was decided to reinvigorate the colony and Johan Printz was elected as Governor of New Sweden.

One of the most interesting characters in American colonial history, Printz had served with distinction in the armies of Sweden for 15 years. He received his new appointment in July 1642, and was knighted. August 15, his instructions as Governor were signed and preparations for a new colonizing expedition put under way. Many of these newest emigrants were Finns from the northern and central provinces, and all of sturdy stock. From Gothenburg in November 1642 they departed in the *Fama* and the *Swan*. They arrived in March 1643.

The doughty Governor soon changed the center of Swedish power on the Delaware. By August 1643, there had been completed on Tinicum Island, at present-day Essington, Pa., a few miles south of Philadelphia, Fort New Gothenburg, "made of hemlock beams, laid one upon the other" and armed with "four small copper cannon." Printz likewise erected there a combined residence and government building, which became the first capital established by the Swedish Government in the New World. This capital and capitol building were upon the soil of the present Commonwealth of Pennsylvania and became thereby the first political government of Pennsylvania. Tinicum was the first capital of the Commonwealth and Johan Printz its first Governor.

Swedish religious, Indian policy

The principles of religious toleration and just treatment of the Indians are associated inseparably with the colonial development of Pennsylvania. Unfortunately, the impression has grown that William Penn originated both. It has already been pointed out that Peter Minuit, acting upon orders from the New Sweden Co., began the practice of fair dealing with the aborigines. The continuance of this policy, based upon instructions from the Crown, was a duty of Governor Printz at Tinicum.

The instruction prepared for the Governor in 1642 admonished: "The wild nations bordering upon all other sides, the Governor shall know how to treat with all humanity and respect (and see to it) that no violence or wrong be done to them."

He was further instructed "to do them no wrong and to sell and exchange such things for other things which are found among them and which they themselves have no use for."

Organized religion was brought to Pennsylvania by the Swedes. The first translation of the catechism into the Indian tongue, made by Rev. John Campanius, and missionary enterprise with the Indians were further religious contributions of the Swedes. Most basic of all, perhaps, was the principle of religious tolerance.

"Above all things, the governor shall endeavor to see to it that God the most high be paid * * * a true and befitting worship and proper honor, laud, and praise, therefore take all good care that divine service be zealously performed according to the true ceremonies of the Swedish Church * * *," read the Instruction. It went on to emphasize, however: "But so far as relates to the Holland colonists * * * the governor shall not disturb them in the exercise of the reformed religion." For that age Sweden was granting unusual privileges to those of dissenting faith.

Economic life of New Sweden

The Swedish settlements were first designed mainly for economic advantage. Sweden itself was anxious to forward opportunities for the disposal of its products, and the colonial production of such articles as would strengthen its own national economy. Trade with the Indians was carried forward from the beginning. Merchandise from Sweden was exchanged for furs, which in turn were disposed of on the European market. Vigorous competition of the English and Dutch made difficult, however, large profits for the company from this source.

The most important phase of New Sweden's economic life was agriculture. Beginnings of such a development were under way prior to Governor Printz's coming, but flourished anew after his arrival. The governor had been instructed to "urge and arrange about agriculture and the cultivation of the land, setting and urging the people thereto with zeal and energy. * * *" It was also impressed upon him that he should "pay good and close attention to the cultivation of tobacco so that he can send over a good quantity on all ships coming hither." Improvement in the breeding of livestock was also charged. Larger utilization of forests, development of the fisheries and (strangely enough) the possible cultivation of silkworms were included in the Instruction of 1642 as worthy objects of attention.

Governor Printz followed his orders with zeal, and it is a matter of record that colonial agriculture flourished after 1643. New lands were cleared and slow plodding oxen broke the soil with the crude plows of the time in and about Tinicum. More land was devoted to tobacco production, as there existed a growing market for the commodity in Sweden. At Upland, present Chester, there was a plantation employing 12 men. Cattle, pigs, and horses were raised, as were sheep and goats. Orchards and cultivated fields ceased to be a rarity on the Deleware long before the coming of William Penn.

New Sweden's life, however, did not center alone around agricultural pursuits. Even prior to the centering of the capital at Tinicum, crude milling enterprise was under way. Under Printz a variety of manufactures began. As early as 1643–44 boat building began near Fort Christina. Barrel, tub, and cask making was begun about the same time, and blacksmiths were engaged in the production of implements for home and farm. Brickyards, flour and grist mills were centers of Swedish enterprise prior to the extinction of the independence of the colony in 1655. The first machinery in Pennsylvania, now the greatest industrial State in the Nation, was started by Printz when he built and operated a grist mill on Cobb's Creek. It was operated by water power.

Social life and institutions

The original social life and institutions of Pennsylvania began at Tinicum. The earliest dwellings, according to authorities, were mere huts not greatly different from the Indian wigwam. Printz had these replaced with log cabins familiar to the American frontier. These structures were common to northern Sweden and Finland, from which a majority of pioneer Pennsylvanians came. These cabins usually contained a stone fireplace, dirt floor, and rough hewn home furnishings, besides a spinning wheel.

Dress and customs were inevitably simple, for the majority of pioneers were possessed of little wealth. While cloth and shoes were imported from Europe, difficulty in securing commodities for exchange early led to the manufacture of articles common to frontier life.

Food consisted mainly of meat from the forest and fish from the river, while Swedish farmers provided peas, beans, turnips, and similar vegetables. The erection of grist mills made possible the preparation of coarse flour from corn and wheat.

The pioneers at Tinicum launched the beginnings of social institutions in Pennsylvania. Not only did they erect the first churches and conduct the first religious services but the first organ for church music south of Boston was to be found upon the Delaware.

Intellectual accomplishments of no mean order were also observed. The first maps and geography of the section on any accurate basis were provided by the Swedes; the first astronomical

and weather observations in North America are credited to them. Botanical studies were a further contribution to early Pennsylvania science. Pioneers in the establishment of law and justice in Pennsylvania were the settlers of Tinicum.

The first crude educational beginnings of the Commonwealth must be traced to New Sweden. Organized education in the modern sense did not exist in Sweden itself at this time, and its equivalent was in the hands of the church. Thus one finds that Governor Printz was enjoined that "all persons, especially the young, be well instructed in the articles of their Christian faith * * *." Education, therefore, was carried on in the home and church, not in the schoolroom.

The passing of New Sweden

New Sweden's great era in history ended about 1649. From then until capture of the colony by the Dutch in 1655 it was in a process of decline from neglect by the mother country and Dutch pressure.

Distractions of war and some administrative disorganization led the home government to ignore the oft-repeated pleas of Printz for assistance. By 1652 Printz reported the Indian trade lost, and that poor crops and lack of supplies had brought settlers to hard times, while the Dutch were about to become masters of the entire region. In the autumn of 1653 Printz departed to present the cause of the colony at Stockholm. There followed an effort to revive the colony with a final colonial expedition which arrived in May 1654, under John Rising.

In 1655 the doughty governor of New Amsterdam, Peter Stuyvesant, decided to establish Dutch claims on the Delaware. Unable to resist, the Swedes fell prey to superior forces. Sweden was never able to recover its colonial empire. New Sweden remained under Dutch control until, in turn, the Dutch possessions were captured by the English.

Dutch control of New Sweden interfered little with development of the Swedish civilization and people. By 1681, when the Penn grant was confirmed by the English King, it is estimated that at least 400 original colonists and their descendants were living within present-day Pennsylvania. Pennsylvania civilization was at that time predominantly Swedish.

Penn himself recognized the sturdy qualities of the pioneer Swedes and borrowed from them heavily in building the foundations of his own colony, many of the early councilors, statesmen, and judges of the early Penn regime being Swedes. It is obvious that Penn's success in promoting friendship with the Indians rested upon foundations already created by Swedish precedent. In similar fashion, the principle of religious tolerance under Penn took root upon soil already inoculated, as it were, by the benevolence of Sweden.

It is but natural that the Swedish population was later overshadowed by the dominant English strain. This, however, should not lead to a neglect of the contributions of the colony of New Sweden to the beginnings of colonial Pennsylvania. The foundations of Pennsylvania were established as truly at Tinicum as were those of Virginia and Massachusetts at Jamestown and Plymouth.

Nearly half a century of important history must be added to the story of the rise of the Commonwealth. Swedish Indian and religious policies deserve increased attention in the study of colonial times. The economic, political, and social life of New Sweden should no longer be neglected.

1638—1938

PENNSYLVANIA THREE HUNDREDTH ANNIVERSARY COMMISSION PROGRAM

The Commonwealth of Pennsylvania welcomes the distinguished delegations from Sweden and Finland.

Official Swedish delegation:

His Royal Highness Crown Prince Gustaf Adolf of Sweden.

Her Royal Highness Crown Princess Louise Alexandra of Sweden.

His Royal Highness Prince Bertil.

Royal suite: Mr. Nils Rudeback, Master of the Household of H. R. H. the Crown Prince of Sweden; Miss Brita Steuch, Lady in waiting to H. R. H. the Crown Princess of Sweden; Lt. Col. Gunnar Ekeroth, Aide-de-camp to H. R. H. the Crown Prince of Sweden; Count Nils Fersen Gyldenstolpe, Chamberlain to H. R. H. the Crown Prince of Sweden; Mr. Gunnar Hagglof, Chief of Section of the Ministry for Foreign Affairs, Private Secretary to H. R. H. the Crown Prince of Sweden; Dr. H. Ernberg, Physician to H. R. H. the Crown Prince of Sweden; Mr. Nils Erik Millar, Secretary of the Household of H. R. H. the Crown Prince of Sweden; Lt. Col. W. C. Crane, United States Army, aide-de-camp especially assigned.

THE ROYAL NEW SWEDEN TERCENTENARY COMMISSION

The Royal New Sweden Tercentenary Commission: Mr. J. Sigfrid Edstrom, Chairman; Count Folke Bernadotte of Wisborg, Vice Chairman.

Representatives of the Cabinet: Mr. Karl S. Lenvinson, cabinet Minister without portfolio; Dr. Arthur Engberg, Minister of Public Worship and Education.

The Parliament: Mr. Johan Nilsson, speaker of the First Chamber of the Riksdag, Governor of Kristianstadstän Province; Mr. August Sävström, speaker of the Second Chamber of the Riksdag.

National defense: Lt.-Gen. Olöf Thornell, Chief of the General Staff of the Army of Sweden.

Higher administration: Mr. Karl Schlyter, president of the Court of Appeals for Skåne and Blekinge, former Minister of Justice; Mr. Herman Eriksson, president of the Royal Board of Trade; Mr. Bernhard Eriksson, Governor of Dalarne Province, former Minister of the Navy; Dr. Sigurd Curman, Custodian of the Antiquities of the Realm.

The church: The Right Reverend Edvard Rodhe, D. D., Bishop of Lund representing Archibishop of Uppsala; the Right Reverend Gustaf Ljunggren, D. D., Bishop of Skara titular successor Diocesan of Pennsylvania's Swedish Colonial Churches.

The Royal New Sweden Tercentary Commission: Mrs. Rickard Sandler; Mr. Fritz Henriksson, chief of the press department of the Ministry of Foreign Affairs; Maj. Herbert Jacobsson; Mr. Olof H. Lamm, former consul general at New York; Mr. Josef Sachs, vice chairman of the Chamber of Commerce of Stockholm; Mr. Axel Wenner-Gren; Mr. Gustaf Geger, recording secretary of the Royal New Sweden Tercentenary Commission; Mr. Thorsten Hansson, secretary to the delegation; Mr. Hans C. Kreuger, secretary to the delegation; Mr. Erik Scharping, secretary to the delegation; Capt. Stellan Wulff, secretary to the delegation.

City of Stockholm: Mr. Johan-Olov Johansson, chairman of the city council of Stockholm.

City of Gothenburg: Mr. Ernst Jungen, chairman of the city council of Göteborg.

Cooperatives: Mr. Albin Johansson, president of the Kooperativa Förbundet (cooperative federation); Mr. Axel Gjöres, editor, member of the board of directors of the cooperative federation.

Descendant of Governor Printz: Mr. Gunnar Fant, mayor of the city of Stockholm.

Education and science: Dr. Östen Undén, chancelor for the universities, former Minister for Foreign Affairs; Dr. Hanna Rydh, archeologist; Dr. Sigfrid Hansson, president of the royal social board; Dr. Knut Emil Lundmark, professor of astronomy; Mr. Yngve Hugo, lecturer, the Swedish Broadcasting Co.

Engineering: Mr. Oscar Falkman.

Industry and trade: Mr. Bo von Stockenström, former Minister of Agriculture; Mr. Axel Jonsson, president of the Swedish-American Line; Mr. Arvid Oberg, farmer.

Labor: Mr. Ove Olsson, factory workingman.

Methodist Church: Mr. C. A. Safwenberg.

National Association for the Preservation of Swedish Culture Abroad: Mr. Vilhelm Lundström, chairman of executive committee; Mr. K. A. Hjorth, secretary.

Newspapermen accompanying the delegation: Mr. K. E. Beckman, Tidningarnas Telegrambyrå; Mr. Hjalmar Bengtsson; Mr. Hugo Björk, Stockholms-Tidningen; Mr. Emil Forsberg, Nya Lidköpings Tidningen; Mr. Carl Mangård, Vestmanlands Läns Tidning; Mr. Lannart Nyström, radio announcer of the Swedish Broadcasting Co.; Mr. Karl Sandels, photographer; Mr. Sven Sandstedt, Svenska Dagbladet; Mr. Eskil Sundström, Nya Dagligt Allehanda.

Press: Commander Sten Dehlgren, editor of Dagens Nyheter, chairman of the Editors' Club.

Social work: Miss Kerstin Hesselgren, member of the Second Chamber of the Riksdag.

Tour director: Col. Oscar N. Solbert, United States Army, tour director in the United States for Their Royal Highnesses the Crown Prince, Crown Princess, and Prince Bertil.

Vasa Order: Mr. G. H. Nordquist.

Representing the Swedish Legation at Washington: Hon. Wollmar Filip Boström, Envoy Extraordinary and Minister Plenipotentiary of Sweden to the United States of America, and Mrs. Boström; Counselor and Mrs. Folke Wennerberg; Commercial Counselor Harry Eriksson; Attaché Erland Kleen.

The Swedish consul general in New York and Mrs. Martin Kastengren.

The Swedish vice consul in Philadelphia and Mrs. Maurice Hogeland.

Official Finnish delegation: Dr. E. Rudolf W. Holsti, Minister of Foreign Affairs of Finland; Hon. Eero Jarnefelt, Minister from Finland to the United States; Mr. Vaino P. Hakkila, speaker of the Parliament of Finland; Mr. Mauno Pekkala, member of the Parliament; Mr. Artturi Leinonen, member of the Parliament; Mr. Vihtori Vesterinen, member of the Parliament; Miss Kyllikki Pohjala, member of the Parliament; Mr. Amos V. Anderson, editor; Dr. Theoig Sigfrid S. S. Sirenius; Fr. Sigurd von Numers, secretary of the Legation of Finland at Washington.

WELCOME ALSO TO THE UNOFFICIAL DELEGATION

From Sweden: Mrs. G. R. J. Akerman, Countess Folke Bernadotte of Wisborg; Mrs. Sten Dehlgren; Mrs. Randall Edstrom; Mrs. Herman Eriksson; Mrs. Oscar Falkman; Miss Inga Falkman; Mrs. Yngve Hugo; Mrs. Herbert Jacobsson; Mrs. Johan-Olov Johansson; Miss Kerstin Johansson; Miss Ulla Johansson; Miss Ragnhild Jonsson; Mrs. Ernest Jungen; Mrs. Olof H. Lamm; Mrs. Gustaf Ljunggren; Mrs. L. Edstrom Nystromer; Mrs. Arvid Oberg; Mrs. Edvard Rodne; Mrs. August Savstrom; Mrs. Karl Schlyter; Mrs. Folke Wennerberg; Mrs. Axel Wenner-Gren.

From Finland: Mme. Eero Jarnefelt; Mme. E. Rudolf W. Holsti; Mme. Sigurd von Numers.

Program approved as of June 1, 1938, subject to revision

OFFICIAL PROGRAM OF PENNSYLVANIA THREE HUNDREDTH ANNIVERSARY COMMISSION, FOR JUNE 28–29

Visit to Philadelphia of Their Royal Highnesses Crown Prince Gustaf Adolf and Crown Princess Louise, of Sweden, and other members of the Royal New Sweden Tercentenary Commission, and of the Finnish Tercentenary Commission.

NOTE.—In the following program the Royal New Sweden Tercentenary Commission and the Finnish Tercentenary Commission will be referred to jointly as "The Official Delegations."

The times indicated below are eastern daylight saving time and must be strictly observed. In all instances, attendance is desired at least 10 minutes before time noted. Where affairs designated are held indoors, entrances positively will be closed 5 minutes prior to the time stated. The same rules will be applied insofar as possible to outdoor affairs. The cooperation of all Americans is particularly requested so that our distinguished guests from abroad may be received with every courtesy and that this necessarily full schedule be successfully executed.

June 28

8:30 a. m. Yacht squadron of Pennsylvania Three Hundredth Anniversary Commission meets M. S. *Kungsholm* in Delaware River, off Essington, to escort the official delegations to Philadelphia Navy Yard.

9 a. m. Swedish and Finnish organizations form at navy-yard entrance to welcome official delegations as they leave navy yard. They will form lines on Broad Street and on Pattison Avenue, through which our distinguished visitors and escorts will pass. This parade sponsored by the Swedish American Tercentenary Association.

10 a. m. Land at Philadelphia Navy Yard for reception to the official delegations at navy yard by Gov. George H. Earle, Commonwealth officials, and the Pennsylvania Three Hundredth Anniversary Commission. Leave 11:05.

11:15 a. m. At American Swedish Historical Museum, Nineteenth Street and Pattison Avenue, for dedication of the museum, with Royal New Sweden Tercentenary Commission and American Swedish Historical Foundation cooperating. Also for opening of the New Sweden historical exhibition lent by Swedish Government and museums. Announcement of results of Swedish-American tercentenary campaign for museum endowment, and dedication of Fredrika Bremer memorial room by Her Royal Highness the Crown Princess of Sweden. Descendants present portraits of Printz and wife to museum. Leave 12:30.

12:45 p. m. Their Royal Highnesses the Crown Prince and Princess arrive at home of Mrs. George H. Earle, Sr., Nineteenth Street and Rittenhouse Square. Leave 1:20.

(From this time until 7:15 p. m. dress is informal.)

12:45 p. m. Members of official delegations go to Penn Athletic Club for relaxation and refreshment or proceed to hotels to don informal dress.

1 p. m. At American Swedish Historical Museum. Luncheon to Swedish visitors by the Pennsylvania Three Hundredth Anniversary Commission.

1:30 p. m. At Penn Athletic Club. Luncheon to official delegations tendered by the Swedish Colonial Society and the Historical Society of Pennsylvania. Leave 2:45.

2 p. m. Swedish lawn festival on the grounds of American Swedish Historical Museum. A continuous program of Swedish folk dancing, singing, etc., will be presented by Swedish-American societies. The royal party will return to the museum grounds to be present at part of the festival.

2:55 p. m. Her Royal Highness the Crown Princess returns to home of Mrs. Earle, Sr. Leaves 4:30.

2:55. His Royal Highness the Crown Prince and the official delegations call upon the mayor of Philadelphia at city hall. City of Stockholm presents two flags to city of Philadelphia. Leave 3:10.

3:35 p. m. His Royal Highness the Crown Prince or His Royal Highness, Prince Bertil, arrives at Gloria Dei (Old Sweden) Church, Swanson Street and Delaware Avenue, where the Bishop of Lund will deliver address with choir in attendance. Leave 3:50.

3:30 p. m. Finnish Tercentenary Commission accompanied by Governor Earle visits Temple University for conferring of degrees. Leave, 3:50.

4:10 p. m. His Royal Highness the Crown Prince and the Bishop of Lund arrive at American Swedish Historical Museum.

4:15 p. m. Governor Earle and Mrs. Earle escort Her Royal Highness Crown Princess Louise to American Swedish Historical Museum.

4:45 p. m. Their Royal Highnesses the Crown Prince and Princess and the official delegations at American Swedish Historical Museum for reception tendered by Swedish American Tercentenary Association. Leave 5:30.

5:15 p. m. His Royal Highness the Crown Prince or His Royal Highness, Prince Bertil, arrives at Christ Church, Upper Merion, Pa., where the Bishop of Skara will deliver address with choir in attendance. Leave 5:45.

5:45 p. m. Their Royal Highnesses the Crown Prince and Princess arrive at home of Mrs. Earle, Sr. Leave 7:05. (Dress formal with members of Army and Navy wearing respective evening dress uniforms. Official delegates are requested to observe punctuality. Other guests of the Commonwealth must be punctual to secure admission.)

7:15 p. m. Crown Prince arrives at Convention Hall to greet gathering for religious services at which the Bishop of Lund will preside. Leave, 7:40.

8 p. m. State banquet tendered by the Commonwealth of Pennsylvania to the official delegations at Benjamin Franklin Hotel. Royal New Sweden Tercentenary Commission presents commemorative silver bowl to Commonwealth.

9:45 p. m. Leave Benjamin Franklin Hotel for Schuylkill Navy regatta, fireworks display, and illuminated watercraft review.

10 p. m. At Schuylkill Navy regatta. Their Royal Highnesses the Crown Prince and Crown Princess later to be escorted to the home of Mrs. Earle, Sr. Other members of the official delegations to be escorted to respective hotels.

If inclement weather causes postponement of Schuylkill Navy regatta the events scheduled will be held on June 29 at the times indicated on the program for June 28.

June 29

(Dress informal until 6:30 p. m.)

9:30 a. m. Dedication of Governor Printz Park, at Tinicum Island, Essington, with official delegations in attendance as park is officially presented to the Commonwealth of Pennsylvania by the Swedish Colonial Society. Governor Earle will formally accept park on behalf of Commonwealth. His Royal Highness the Crown Prince will make a brief address, after which excavations on the island and colonial relics in the museum of the Corinthian Yacht Club will be viewed. Leave 10:30.

10:35 a. m. Official delegations pass house of John Morton, signer of Declaration of Independence.

11 a. m. His Royal Highness the Crown Prince and Foreign Minister Holsti call on mayor of Chester at city hall, Chester, Pa., as other members of official delegations proceed to Crozer Park, Chester, Pa., for dedication of monument presented by people of Finland. Leave 11:15.

11:20 a. m. Dedication of monument presented by people of Finland to people of the United States and of Pennsylvania at Crozer Park, Chester, Pa., as a memorial to the Finns who established the settlement Finland, which later merged into Upland, and name changed to Chester. Addresses by Foreign Minister E. Rudolf W. Holsti, Mr. Vaijo P. Hakkila, speaker of Parliament of Finland, and Hon. Emil Hurja. Acceptances by Hon. Robert H. Jackson, Solicitor General of the United States, for the United States, by Governor Earle for Pennsylvania, and by Mayor Ward for Chester. Leave 11:50.

Finish lawn festival at Crozer Park: A continuous program of Finnish folk dancing, singing, etc., will be presented by Finnish-American societies during the day.

12:15 p. m. The official delegations visit St. James' Church, Kingsessing. Address by the Bishop of Skara with choir in attendance. Leave 12:30.

12:45 p. m. Their Royal Highnesses the Crown Prince and Crown Princess arrive at home of Mrs. Earle, Sr., where First Troop, Philadelphia City Cavalry, and Governor's Troop, Pennsylvania National Guard, report as military escort. Leave 1:05.

1:20 p. m. Their Royal Highnesses the Crown Prince and Crown Princess and official delegations escorted by Cavalry troops to the Philadelphia Museum of Art as guests of the Pennsylvania Three Hundredth Anniversary Commission. Their Royal Highnesses the Crown Prince and Crown Princess, Foreign Minister Holsti and suites, and members of Pennsylvania Three Hundredth Anniversary Commission, with museum board are served luncheon. Other official commissioners and Swedish visitors participate in buffet luncheon as guests of the Commonwealth. Concludes 2:20.

2:25 p. m. His Royal Highness the Crown Prince opens exhibition of Swedish art and Hesselius exhibition. Leave 3:20 p. m.

3:30 p. m. Their Royal Highnesses the Crown Prince and Crown Princess and official delegations, escorted by Cavalry troops, arrive at University of Pennsylvania to be received by guard of honor composed of Boy and Girl Scouts at garden entrance to Archeological Museum.

3:45 p. m. Official delegations visit Archeological Museum for conferring of degrees by University of Pennsylvania.

4:15 p. m. Reception and tea at the Archeological Museum, University of Pennsylvania, for the official delegations, tendered by the Pennsylvania Three Hundredth Anniversary Commission, the Swedish Colonial Society, the Pennsylvania Federation of Historical Societies, the Pennsylvania Society of Colonial Dames of America, the Colonial Dames of America (Chapter II), the Society of Colonial Wars in the Commonwealth of Pennsylvania. Leave 5:45 p. m.

6 p. m. Their Royal Highnesses the Crown Prince and Crown Princess, escorted by Cavalry troops, arrive at home of Mrs. Earle, Sr., where guard of honor is dismissed. Ensuing period can be used for relaxation or an optional visit and swim at the Penn Athletic Club. Leave 6:45 p. m. (Dress formal, white or black tie.)

6:50 p. m. Official delegates are free to dine with friends or to dine informally with Governor and Mrs. Earle and Pennsylvania Three Hundredth Anniversary Commission officials, at the Barclay, prior to visiting Convention Hall concert.

8:15 p. m. Concert at Convention Hall under joint sponsorship of the Swedish-American Tercentenary Association and the American Union of Swedish Singers, the Tercentenary Jubilee Chorus of Sweden, 65 male voices under the direction of Dr. Hugo Alven, and the chorus of 1,000 male voices of the American Union of Swedish Singers. The royal party and the official tercentenary commissions will attend. (If Schuylkill Navy regatta was postponed from June 28 to this night, the following schedule will apply:)

9:45 p. m. Leave Convention Hall for Schuylkill Navy regatta, fireworks display, and illuminated watercraft review.

10 p. m. At Schuylkill Navy regatta. Their Royal Highnesses the Crown Prince and Crown Princess later to be escorted to home of Mrs. Earle, Sr. Other members of the official delegations to be escorted to respective hotels.

PENNSYLVANIA THREE HUNDREDTH ANNIVERSARY COMMISSION

Honorary chairmen: Hon. Joseph F. Guffey, United States Senator; Hon. George H. Earle, Governor; Hon. John W. Kephart, chief justice of the supreme court.

Honorary vice chairmen: Hon. Harvey Huffman, president pro tempore of the senate; Hon. Thomas Kennedy, Lieutenant Governor; Hon. Roy E. Furman, speaker of the house of representatives.

Executive committee: Karl E. Lindgren, vice chairman; Frank Worthington Melvin, chairman; Nicholas Biddle.

Director: William Jewett.

Women's committee: Mme. Wollmar Filip Bostrom, Mrs. Emma Guffey Miller, honorary chairmen; Mrs. Joseph B. Hutchinson, Mrs. James Starr, co-chairmen; Sarah D. Lowrie, secretary.

Commissioners: Dr. Lester K. Ade, John Seymour Bioren, F. Travis Coxe, Mrs. Henry Brinton Coxe, Mrs. George H. Earle, Mrs. Herbert Goodrich, C. John Grafstrom, Mrs. Wilbur F. Harris, Branton H. Henderson, David A. Hillstrom, Hon. Maurice A. Hogeland, consul of Sweden, George R. Holstrom, Emil Hurja, Mrs. Joseph B. Hutchinson, E. Jackobson, Wilmer M. Jacoby, Dr. Amandus Johnson, John B. Kelly, Miss May Atherton Leach, William R. Lynett, A. T. Malmed, John A. McCarthy, Mrs. Alphonse A. Brunner, Hon. Norbert A. Considine, consul of Finland, Linwood D. McClure, Mrs. George S. Messersmith, Meredith Meyers, Otto Nystrom, Commander Frederick R. Payne, Rev. E. P. Pfatteicher, Howard Printz, Ormond Rambo, Jr., Mrs. Nicholas Roosevelt, Henry W. Shoemaker, C. Hale Sipe, Russell Spruance, Mrs. Anton Stark, Mrs. James Starr, J. Hale Steinman, Mrs. E. T. Stotesbury, Ralph Beaver Strassburger, Isaac C. Sutton, Marcel A. Viti, Alfred Wallgren, Samuel Price Wetherill.

EXTENSION OF REMARKS

Mr. LYNDON B. JOHNSON. Mr. Speaker, I ask unanimous consent to extend and revise my remarks and to include therein certain extraneous matter.

The SPEAKER. Without objection it is so ordered.

There was no objection.

OLYMPIC NATIONAL PARK, STATE OF WASHINGTON

Mr. DEROUEN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 10024) to establish the Olympic National Park, in the State of Washington, and for other purposes, with Senate amendments, disagree to the amendments and ask for a conference.

The SPEAKER pro tempore (Mr. WARREN). Is there objection to the request of the gentleman from Louisiana? [After a pause.] The Chair hears none. Without objection, the Chair appoints the following conferees: Messrs. DEROUEN, ROBERTSON, HILL, ENGLEBRIGHT, and CRAWFORD.

HAWAII NATIONAL PARK

Mr. DEROUEN. Mr. Speaker, I call up the conference report on the bill (H. R. 1995) to add certain lands on the island of Hawaii to the Hawaii National Park, and for other purposes.

The Clerk read the conference report.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 1995) to add certain lands on the island of Hawaii to the Hawaii National Park, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment numbered 2.

That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows:

Restore the matter proposed to be stricken out by the Senate amendment, omitting all after "year:", on page 10, line 11, of the House engrossed bill down to and including "vicinity:", in line 15; and the Senate agree to the same.

RENÉ L. DEROUEN,
J. W. ROBINSON,
HARRY L. ENGLEBRIGHT,
Managers on the part of the House.

ALVA B. ADAMS,
CARL A. HATCH,
JOSEPH C. O'MAHONEY,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses to the bill (H. R. 1995) to add certain lands on the island of Hawaii to the Hawaii National Park, and for other purposes, submit the following written statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

On amendment No. 1: This struck out all of section 3 of the House bill, which granted certain preferential rights to native Hawaiians within the proposed addition to the Hawaii National Park. The conference agreement restores all of this section, except the proviso extending a preference in employment.

On amendment No. 2: This changed a section number to correspond with the first Senate amendment, and the Senate recedes in view of the action of the conferees on the first amendment.

RENÉ L. DEROUEN,
J. W. ROBINSON,
HARRY L. ENGLEBRIGHT,
Managers on the part of the House.

The conference report was agreed to, and a motion to reconsider was laid on the table.

BRIDGE ACROSS THE BIG SANDY RIVER, LOUISA, KY.

Mr. CHAPMAN. Mr. Speaker, I ask unanimous consent for the present consideration of S. 4007, authorizing the county of Lawrence, Ky., to construct, maintain, and operate a free highway bridge across the Big Sandy River at or near Louisa, Ky.

Mr. SNELL. Mr. Speaker, reserving the right to object, is this the bridge about which there is so much controversy?

Mr. CHAPMAN. There is no controversy over it at all.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in order to facilitate interstate commerce, improve the postal service, and provide for military and other purposes, the county of Lawrence, Ky., be, and is hereby, authorized to construct, maintain, and operate a free highway bridge and approaches thereto across the Big Sandy River at a point suitable to the interests of navigation, at or near Louisa, Ky., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. There is hereby conferred upon the county of Lawrence, Ky., all such rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use real estate and other property needed for the location, construction, operation, and maintenance of such bridge and its approaches as are possessed by railroad corporations for railroad purposes or by bridge corporations for bridge purposes in the State in which real estate or other property is situated, upon making just compensation therefor, to be ascertained and paid according to the laws of such State, and the proceedings therefor shall be the same as in the condemnation or expropriation of property for public purposes in such State.

SEC. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE ACROSS MISSISSIPPI RIVER AT OR NEAR CHEROKEE AND OSAGE STREETS, ST. LOUIS, MO.

Mr. CHAPMAN. Mr. Speaker, I ask unanimous consent for the present consideration of S. 4011, to extend the time for completing the construction of a bridge across the Mississippi River at or near a point between Cherokee and Osage Streets, St. Louis, Mo.

Mr. SNELL. Mr. Speaker, reserving the right to object, what is the situation with respect to this bridge?

Mr. CHAPMAN. There is no controversy over it at all. It is just an extension for 3 years of the time within which the bridge may be completed.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the time for completing the construction of a bridge across the Mississippi River, at or near a point between Cherokee and Osage Streets, St. Louis, Mo., authorized to be built by H. C. Brenner Realty & Finance Corporation, its successors and assigns, by an act of Congress approved February 13, 1931, and revived and reenacted by an act of August 30, 1935, is hereby extended 3 years from August 30, 1938.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

KLAMATH TRIBE OF INDIANS

Mr. PIERCE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 3346)

authorizing the Secretary of the Interior to pay salaries and expenses of the chairman, secretary, and interpreter of the Klamath General Council, members of the Klamath Business Committee and other committees appointed by said Klamath General Council, and official delegates of the Klamath Tribe.

Mr. SNELL. Mr. Speaker, reserving the right to object, will the gentleman explain the bill.

Mr. PIERCE. This bill reduces the amount paid in these instances from $10,000 to $7,500. The money is paid out of tribal funds. This is in accordance with an agreement I have worked out with the gentleman from New York [Mr. TABER] and the gentleman from Vermont [Mr. PLUMLEY].

Mr. DIRKSEN. Mr. Speaker, reserving the right to object, is this the matter we struck out in the Appropriations Committee?

Mr. PIERCE. No; this has nothing to do with that.

Mr. DIRKSEN. Is this for the payment of attorneys in Washington, D. C., who render no service?

Mr. PIERCE. No; not at all.

Mr. DIRKSEN. I would like to refer to the gentleman from Kansas to make certain.

Mr. PIERCE. This is a per diem allowance for the agent here of the Klamath Tribe. They want to pay him out of their own money. They want to pay it out of their own money.

Mr. LAMBERTSON. You did get some consideration in the Appropriations Committee.

Mr. PIERCE. This is a Senate bill.

Mr. LAMBERTSON. The gentleman did get some consideration in the agricultural appropriation bill for these attorneys, did he not?

Mr. PIERCE. But that does not have anything to do with this.

Mr. LAMBERTSON. This is some more attorneys?

Mr. PIERCE. No. The gentleman from New York [Mr. TABER] knows all about this.

Mr. TABER. If the gentleman will yield, I may say frankly I think the bill is a bad precedent, because these Indians will spend all they have and then they will be a charge on the Government; but for the time being I have agreed with the gentleman not to object to the bill if the amount is reduced to $7,500 for a single year.

Mr. PIERCE. I shall offer an amendment to that effect.

Mr. PLUMLEY. I also agreed not to object.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior, or such official as may be designated by him, is hereby authorized beginning as of July 1, 1937, and until otherwise directed by Congress, to pay out of any unobligated tribal funds of the Klamath Indians in the Treasury of the United States the following salaries and expenses:

To the chairman, secretary, and interpreter of the Klamath General Council and members of the Klamath Business Committee or other committees appointed by the general council (except the Klamath Reimbursable Loan Fund Board), when engaged on business of the tribe, a salary of not to exceed $5 per day and a per diem of not to exceed $3 in lieu of subsistence and all other expenses; to such official delegates of the Klamath Tribe who may carry on the business of the tribe at the seat of government a salary of not to exceed $5 per day and a per diem of $5 in lieu of subsistence and all other expenses: *Provided*, That the rate of salary and per diem paid shall be fixed in advance by the general council of said tribe or by the business committee of the said tribe if authorized by said general council: *Provided further*, That the official delegates of the tribe carrying on said business at the seat of government shall also receive the usual railroad and sleeping-car transportation to and from the seat of government: *Provided further*, That the aforesaid salaries and expenses shall not exceed $10,000 per annum: *Provided further*, That the length of stay of the official delegates at the seat of government shall be determined by the Commissioner of Indian Affairs.

Mr. PIERCE. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PIERCE: Page 2, line 19, after the word "exceed", strike out "$10,000" and insert "$7,500."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THE ALASKA GAME COMMISSION

Mr. DIMOND. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 7844) to amend the act of Congress entitled "An act to establish an Alaska Game Commission, to protect game animals, land fur-bearing animals, and birds in Alaska, and for other purposes," approved January 13, 1925, as amended, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Alaska?

There was no objection.

The Clerk read the Senate amendments, as follows:

Page 2, after line 7, insert "Indian: Natives of one-half or more Indian blood."

Page 2, after line 7, insert "Eskimo: Natives of one-half or more Eskimo blood."

Page 4, strike out all after line 13 down to and including line 3, on page 6, and insert:

"SEC. 2. That section 3 of said act is amended by striking the period at the end of the first paragraph of said act, following the word 'alien', and inserting a colon in lieu thereof and after the colon the following: '*Provided*, That whenever the Secretary of Agriculture shall determine that the economic welfare and interests of native Indians or Eskimos, or the fur resources of Alaska, are threatened by the influx of trappers from without the Territory, he may, in his discretion and for such periods as he shall determine, require that citizens of the United States who are nonresidents of the Territory, and foreign-born persons and aliens within the meaning of this act, shall have resided in Alaska for a continuous period of 3 years instead of 1 year before being eligible to obtain resident trapping licenses under the provisions of the Alaska game law, as amended, and regulations issued pursuant thereto'."

Page 9, strike out lines 5 and 6, and insert:

"SEC. 5. That subdivision C, the first paragraph of subdivision H, and subdivision J, of section 11 of said act are amended as follows."

Page 9, line 15, strike out all after "of" down to and including "franchise", in line 18, and insert "native Indians and Eskimos."

Page 9, after line 24, insert:

"Subdivision H. Fur dealers, licenses, fees: No person shall buy or sell the skins of fur-bearing animals, or engage in, carry on, or be concerned in the business of buying, selling, or trading in the skins of fur-bearing animals protected by this act without first having procured a license as herein provided, but no license shall be required of native Indians or Eskimos, or of cooperative stores operated exclusively by and for native Indians or Eskimos, or of stores operated by missions exclusively for native Indians or Eskimos: *Provided*, That the stores exempted from procuring licenses as herein provided shall, on or before 30 days after the expiration of each license year as specified in this act, make a written statement to the Commission on a form prepared and furnished by it setting forth such material facts concerning the management and operation of such store as the Commission may by such form require and in addition thereto shall keep the records, make the reports, incur the penalties, and in all other respects be subject to the requirements of subdivision F of section 11 to the same extent as licensed fur dealers, or of a hunter or trapper selling the skins of such animals which he has lawfully taken, or of a person not engaged or employed in the business of trading in such skins to purchase them for his own use but not for sale."

Page 10, after line 13, insert:

"SEC. 6. That section 15 of said act is amended to read as follows:

"'SEC. 15. Penalties: That unless a different or other penalty or punishment is herein specifically prescribed, a person who violates any provision of this act, or who fails to perform any duty imposed by this act or any order or regulation adopted pursuant to this act, is guilty of misdemeanor and upon conviction thereof shall be fined not less than $25 nor more than $500 or be imprisoned not more than 6 months, or both; and, in addition thereto, any person convicted of a violation of any provision of this act who is the holder of any form of license issued thereunder shall thereupon forfeit said license and shall surrender it upon demand of any person authorized by the Commission to receive it, and upon a second conviction he shall not be entitled to, nor shall he be granted, a license of such form for a period of 1 year from date of such forfeiture, and upon a third or successive conviction, for a period of 5 years from the date of such forfeiture; and any cooperative store operated exclusively by and for native Indians or Eskimos, or any store operated by missions exclusively for native Indians or Eskimos, without a license as provided in this act, upon a second or third conviction for violation of this act, shall not be entitled to engage in the business of dealing in furs

for such time as the court before whom such conviction is had may decide: *Provided*, That such prohibition shall not be imposed for the first conviction, nor for a period in excess of 1 year from date of the second conviction, nor for a period in excess of 5 years from date of the third or any subsequent conviction; that all moneys from fines shall be transmitted by the clerk of the court to the executive officer to be disposed of as are other receipts of the Commission.

"That any licensed guide who shall fail or refuse to report promptly to the Commission any violation of this act of which he may have knowledge shall be guilty of a violation of this act, and, in addition thereto, shall have his license revoked and shall be ineligible to act as a licensed guide for a period of 5 years from the time of his conviction therefor, or of the establishment to the satisfaction of the Commission of definite proof of such offense.'"

The Senate amendments were concurred in.

PREVENTION OF ALIENS FROM FISHING IN THE WATERS OF ALASKA

Mr. DIMOND. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 10432) to amend an act approved June 14, 1906 (34 Stat. 263), entitled "An act to prevent aliens from fishing in the waters of Alaska," with Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The SPEAKER. Is there objection.

There was no objection.

The Clerk read the Senate amendment, as follows:

Page 2, line 18, after "fish" insert: ": *Provided further*, That any person owing allegiance to the United States shall not be considered an alien for the purposes of this act."

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. HARRINGTON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include certain data regarding the agricultural situation in Iowa.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

RELIEF OF CERTAIN ALIENS

Mr. SCHULTE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table House Joint Resolution 714 and its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

Mr. SNELL. Mr. Speaker, reserving the right to object, I would like to have the joint resolution explained.

Mr. SCHULTE. Mr. Speaker, this joint resolution stays the deportation of certain aliens who have had Members of Congress introduce bills for them. About 90 percent of these are hardship cases, and on account of the numerous bills that the Committee on Immigration and Naturalization have been considering, we have not had time to get to a great many of them. Some of these bills are on the Unanimous Consent Calendar, others appear in an omnibus bill, and others are pending before the committee. We have not had time to act on all of them. There are a great many of these cases that are extreme hardship cases in the event of deportation.

Mr. SNELL. I presume all of them are extreme cases, but I am opposed to letting up on the deportation of aliens who under our laws should be deported. I do not think the present Department of Labor has been anywhere near as active in carrying out this law as that Department should be. I am opposed to any bills that will in any way let up on the acts which we have already passed indicating what is the desire of Congress in these matters.

Mr. SCHULTE. I am in accord with the gentleman from New York, but there is no question in my mind but what there have been some injustices done. In these particular cases, I may say to the gentleman, it means in 90 percent of the cases the deportation will be an extreme hardship on the families of those people.

Mr. SNELL. Of course, any man might introduce a bill for various reasons to put off deportation of someone when as a matter of fact that individual should be deported under our laws.

Mr. SCHULTE. That is true.

Mr. SNELL. Just because of the fact a bill is introduced does not seem to me to be reason why we should suspend our deportation laws.

Mr. SCHULTE. I may say to the gentleman that in the event this resolution is defeated, it means a lot of innocent people are going to be sacrificed at the expense of those who should be sent back, and we are all in accord on that. As I said, 90 percent of the cases are extreme hardship cases, where we would be deporting the father or the mother of a family. And that is the same as death coming into the family.

Mr. SNELL. Of course, to a certain extent any deportation case is a hardship case, but I am absolutely opposed to letting up on the enforcement of these laws unless someone can justify it to me a little more definitely.

Mr. SCHULTE. I am in accord with the gentleman. I do not want to relax the rules or laws.

Mr. DICKSTEIN. If the gentleman will yield, I may say to the gentleman from New York that this bill affects only about 150 cases, bills concerning which have been reported out unanimously in omnibus bills. There are about eight or nine omnibus bills that the committee could not get a day for itself to have considered. Someone around here always found a way to dispense with Calendar Wednesday.

Mr. SNELL. All the gentleman had to do was object. The gentleman could have saved a day for the committee himself.

Mr. DICKSTEIN. We have been deprived of our day in court. The bills concerning these cases about which we are speaking, which affect only a limited number of people, have been unanimously reported. I am sure if the facts were presented to the House, these bills would pass the House unanimously.

Mr. SNELL. I am not going to let this bill go through on the last day in the closing hours of the Congress. The principle involved is very important.

Mr. SCHULTE. I may say to the gentleman we have turned down hundreds of cases that we thought were not justified.

Mr. TABER. Why do you not explain what the cases are, and why they should be given this treatment? That is what they have asked you to do.

Mr. LORD. Mr. Speaker, will the gentleman yield?

Mr. SCHULTE. I yield to the gentleman from New York.

Mr. LORD. Mr. Speaker, I have bills here involving two cases. I have worked as diligently as I could on them, but the committee has not been able to get the bills through in time for them to be acted on. One of the cases involves a young man whose father came to this country and was naturalized. The young man was advised by his parents to come to this country before he was 21, otherwise he would have to stay in Italy. He came to this country as a stowaway. His father became a citizen right away and the rest of the family was brought here. There are four or five other children in the family. This boy stayed with the family. Because of the fact he came in as a stowaway he is to be deported and taken away from the family. This incident happened more than 10 years ago. The man has been a good citizen. He has a job and has been thrifty. He has a two-family house he has nearly paid for. He has good recommendations from the best citizens in the city where he lives. This is a hardship case, and unless the pending matter can be taken care of, the man will be deported to Italy and will be taken away from his family.

Mr. SNELL. The gentleman admits that man is in this country illegally?

Mr. LORD. Yes; but he came in as a boy. There are extenuating circumstances.

Mr. SNELL. Every one of these cases has extenuating circumstances.

The SPEAKER pro tempore (Mr. WARREN). Is there objection to the present consideration of the joint resolution?

Mr. NICHOLS. I object, Mr. Speaker.

EXTENSION OF REMARKS

Mr. BRADLEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a radio address I delivered at Philadelphia on a program sponsored by the united businessmen of that city on wage and hour legislation and on W. P. A. employment in Philadelphia.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

UNITED STATES HOUSING AUTHORITY—THE CONFERENCE REPORT ON AMENDMENTS RECENTLY ACTED ON

Mr. McKEOUGH. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD at this point on the United States Housing Authority amendments just acted on in the conference report.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. McKEOUGH. Mr. Speaker, in the course of the debate on the amendments to the United States Housing Act several Congressmen have intimated that Mr. Straus, the Administrator, has not been carrying out the intention of Congress because the localities have been permitted to raise their 10-percent participation through the sale of part of their bonds on projects to local public or private agencies. As one who has followed this legislation from its very beginning I wish to state clearly for the RECORD that in the case of projects receiving annual contributions and a 90-percent loan, it has always been my understanding that local housing authorities would be permitted to raise the other 10 percent through the sale of part of their bonds issued to finance their projects to other purchasers. I have discussed this matter with many other members of the Banking and Currency Committee and of the House and find that, with very few exceptions, these members had the same understanding and intention as I did when considering and voting upon the original bill to create the United States Housing Authority.

I make this statement because I resent any implication that the Administrator of the United States Housing Authority has not been observing the spirit as well as the letter of this legislation. When the original bill was pending before the Banking and Currency Committee last year, a number of witnesses appeared and testified to the inability of the localities to supply 10 percent of the project cost as a subsidy. We were told that the localities could and would supply a much larger and more important subsidy in the form of annual contributions to match the Federal annual contribution. These annual contributions have been furnished in the form of tax exemption of the projects, with small payments in lieu of taxes in some cases. This form of local contribution is a vital and important one, contrary to the implication that several Congressmen have sought to convey.

I have voted for the adoption of the conference report because I want to see the United States Housing Authority have the additional funds which can be employed in the vital work of providing decent housing for those who are living in the slums. I want to say, however, that the failure to retain the Senate provision regarding the furnishing of the 10 percent may result in delays for which the Administrator of the United States Housing Authority should not be criticized. It will be necessary for the local housing authorities to continue to raise at least 10 percent of the project cost through the sale of part of their bonds on their projects to purchasers other than the United States Housing Authority and this is going to require negotiations which take time. The Administrator has told us at the hearings that the United States Housing Authority can continue to function without the 10-percent amendment and that the local housing authorities, by and large, will be able to sell their bonds to raise their 10 percent. Therefore, I have supported the conference agreement regarding the housing amendment even though it will make the job of the United States Housing Authority more difficult.

Mr. TABER. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore. Will the gentleman withhold the point of order for the purpose only of allowing requests for extensions of remarks?

Mr. TABER. Yes, Mr. Speaker; I withhold the point of order.

EXTENSION OF REMARKS

Mr. O'NEILL of New Jersey. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a letter from the President of the United States.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. O'NEILL of New Jersey. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a letter from Mr. Walter White.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. O'NEILL of New Jersey. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein letters from certain of my colleagues.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. PETERSON of Florida. Mr. Speaker, I ask unanimous consent to address the House for 1 minute in order to make an announcement for a colleague.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. PETERSON of Florida. Mr. Speaker, the gentleman from Florida [Mr. HENDRICKS] had hoped to be here yesterday to vote for the conference report on the wage and hour bill. The gentleman was unavoidably detained in the State by official business.

The SPEAKER pro tempore. The gentleman from New York makes the point of order a quorum is not present.

Mr. TABER. Mr. Speaker, I withhold the point of order so the gentleman from Mississippi may submit a unanimous-consent request.

VETERANS' ADMINISTRATION

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk for present consideration the bill (H. R. 10907) to provide for the vesting of title, and the disposition of personal property left or found upon premises used as Veterans' Administration facilities, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That personal property left by any decedent upon premises used as a Veterans' Administration facility, which premises are subject to the exclusive legislative jurisdiction of the United States and are within the exterior boundaries of any State, Territory, insular possession, or dependency of the United States, shall vest and be disposed of as provided herein subject to the limitations and exceptions as herein provided.

(a) If such person died leaving a last will and testament probated under the laws of the place of his domicile or under the laws of the State, Territory, insular possession, or dependency of the United States within the exterior boundaries of which such said premises or a part thereof may be, the personal property of such decedent situated upon such premises shall vest in the

person or persons entitled thereto under the provisions of said last will and testament.

(b) If such person died leaving any such property not disposed of by a last will and testament probated in accord with the provisions of this section such property shall vest in the persons entitled to take the same by inheritance under and upon the conditions provided by the laws of the decedent's domicile: *Provided*, That this subsection shall not apply to property to which the United States is entitled except where such title is divested out of the United States.

(c) Any officer or employee of the United States in possession of any such property may deliver same to the executor (or the administrator with will annexed) who shall have qualified in either jurisdiction as provided in (a) hereof; or if none such then to the domiciliary administrator or to any other qualified administrator who shall demand such property. When delivery shall have been made to any such executor or administrator in accordance herewith neither the United States nor any officer or employee thereof shall be liable therefor.

SEC. 2. Notwithstanding the provisions of section 1 of this act the Administrator of Veterans' Affairs is hereby authorized as hereinafter in this act provided and limited to dispose of the personal property of such decedent left or found upon such premises.

(a) If any veteran (admitted as a veteran), upon his last admission to, or during his last period of maintenance in, a Veterans' Administration facility shall have designated in writing a person (natural or corporate) to whom he desires his personal property situated upon such facility to be delivered, upon the death of such veteran the Administrator of Veterans' Affairs or employee of the Veterans' Administration authorized by him so to act, may transfer possession of such personal property to the person so designated. If there exists no person so designated by the veteran or if the one so designated declines to receive such property, or if he has failed to request such property within 90 days after the Veterans' Administration mails to such designate a notice of death and of the fact of such designation, a description of the property, and an estimate of transportation cost, which shall be paid by such designate if required under the regulations hereinafter mentioned, or if the Administrator declines to transfer possession to such designate, possession of such property may in the discretion of the Administrator of Veterans' Affairs, or his designated subordinate, be transferred to the following persons in the order and manner herein specified unless the parties otherwise agree as in this act provided, namely, executor or administrator, or, if no notice of appointment received, to the widow (or widower), child, grandchild, mother, father, grandmother, grandfather, brother, or sister of the veteran. In case two or more of those named above request the property, only one shall be entitled to possession thereof and in the order hereinbefore set forth, unless they otherwise agree in writing delivered to the Veterans' Administration. If claim be made by two or more such relatives having equal priorities, as hereinabove prescribed, or if there be conflicting claims the Administrator of Veterans' Affairs or his designated subordinate may in such case select the one to receive such possession, or may make delivery as may be agreed upon by those entitled, or may in his discretion withhold delivery from them and require the qualification of an administrator or executor of the veteran's estate and thereupon make delivery to such.

(b) If the property of any decedent is not so delivered or claimed and accepted the Administrator of Veterans' Affairs or the employee authorized by him may dispose of such property by public or private sale in accordance with the provisions of this act and regulations to be prescribed by the Administrator of Veterans' Affairs pursuant hereto.

(c) All sales authorized by this act shall be for cash upon delivery at the premises where sold and without warranty, express or implied. The proceeds of such sales after payment of any expenses incident thereto as may be prescribed by regulations, together with any other moneys left or found on a facility, not disposed of in accordance with this act, shall be credited to the general post fund, National Homes, Veterans' Administration, a trust fund provided for in Public Law No. 473, Seventy-third Congress, section 20 (45), June 26, 1934 (U. S. C., title 31, sec. 725s). In addition to the purposes for which the said fund may be used under the existing law, disbursements may be made therefrom as authorized by the Administrator of Veterans' Affairs by regulation or otherwise for the purpose of satisfying any legal liability incurred by any employee in administering the provisions of this act, including any expense incurred in connection therewith: *Provided*, That legal liability shall not exist when delivery or sale shall have been made in accordance with this act.

(d) If, notwithstanding such sale, a claim is filed with the Administrator of Veterans' Affairs, within 5 years after notice of sale as herein required, by or on behalf of any person or persons who if known would have been entitled to the property under section 1 or to possession thereof under section 2 of this act, the Administrator shall determine the person or persons entitled under the provisions of this act and may pay to such person or persons so entitled the proceeds of sale of such property, less expenses. Such payment shall be made out of the said trust fund, and in accord with the provisions of section 1 or 2 of this act: *Provided*, That persons under legal disability to sue in their own name may make claim for the proceeds of sale of such property at any time within 5 years after termination of such legal disability.

(e) Any such property, the sale of which is authorized under this act and which remains unsold, may be used, destroyed, or otherwise disposed of in accordance with regulations to be promulgated by the Administrator of Veterans' Affairs.

SEC. 3. All persons having or bringing personal property on the premises of a Veterans' Administration facility shall be given reasonable notice of the provisions of this act. In case of a mentally incompetent person, notice hereof shall be given the guardian or other person having custody or control of such person or, if none, to his nearest relative if known. The admission to or continued maintenance in such facility after reasonable notice of the provisions of this act shall constitute consent to the provisions hereof. The death of any person on any such facility or the leaving of property thereon shall be prima facie evidence of a valid agreement for the disposition of such property in accordance with the provisions of this act.

SEC. 4. Any other unclaimed property found on the premises under the control of the Veterans' Administration shall be stored by the officer in charge of such premises and may be sold, used, destroyed, or otherwise disposed of in accordance with regulations to be promulgated by the Administrator of Veterans' Affairs if the owner thereof fails to claim same within 90 days. If undisposed of the same may be reclaimed by the owner, his personal representative or next of kin, upon payment of reasonable storage charges to be prescribed by regulations. If sold, the net proceeds thereof shall be credited to said post fund to be expended as other assets of such fund: *Provided, however*, That the person who was entitled to such property, or his legal representative, or assignee, shall be paid the proceeds of sale thereof, less expenses if claim therefor be made within 5 years from the date of finding. If the owner shall have died intestate without creditors or next of kin surviving, such proceeds shall not be paid to his legal representative.

SEC. 5. Any unclaimed personal property as described in section 2 of this act of veterans who have heretofore died or who may hereafter die while maintained as such in a national home for disabled volunteer soldiers, or a United States Veterans' Bureau hospital, or a Veterans' Administration facility, and also any unclaimed property heretofore or hereafter found or situated in such home, hospital, facility, or supply depot may be sold, used, destroyed, or otherwise disposed of in accordance with this act, and subject to regulations promulgated by the Administrator of Veterans' Affairs pursuant hereto; and the net proceeds of sale thereof shall be credited and be subject to disbursement as in this act prescribed.

SEC. 6. At least 90 days prior to any sale pursuant to this act, written or printed notice thereof describing the property to be sold shall be mailed to the owner of the property or, if deceased, to his executor or administrator, or to the nearest kin, if any such appear by the records of the Veterans' Administration. If none such appears from said records, similar notice shall be posted at the facility where the death occurred or property shall have been found (if in existence) and at the place where such property is situated at the time of such notice, and also at the place where probate notices are posted in the county wherein the sale is to be had. The person posting such notice shall make an affidavit setting forth the time and place of such posting and attaching thereto a copy of such notice, and such affidavit shall be prima facie evidence of such posting and admissible in evidence as proof of the same.

SEC. 7. Upon receipt of a proper claim for such property under the provisions of this act the Administrator of Veterans' Affairs is hereby authorized, in his discretion and in accordance with regulations to be by him promulgated, to pay mailing or shipping charges not to exceed $10 in the case of each deceased veteran as hereinabove defined, such payments to be made from the appropriation for Salaries and Expenses, Veterans' Administration.

SEC. 8. Subject to the provisions of this act and to the extent necessary to effectuate the purposes of this act, there is hereby relinquished to the respective State, Territory, insular possession, or dependency of the United States such jurisdiction pertaining to the administration of estates of decedents as may have been ceded to the United States by said State, Territory, insular possession, or dependency of the United States respecting the Federal reservation on which is situated any Veterans' Administration facility while such facility is operated by the Veterans' Administration; such jurisdiction with respect to any such property on any such reservation to be to the same extent as if such premises had not been ceded to the United States: *Provided, however*, That nothing in this section shall be construed to deprive any said State, Territory, insular possession, or dependency of the United States of any jurisdiction which it now has nor to give any State, Territory, insular possession, or dependency of the United States authority over any Federal official as such on such premises or otherwise.

SEC. 9. The term "facility" or "Veterans' Administration facility" as used in this act shall mean those facilities over which the Veterans' Administration has direct and exclusive administrative jurisdiction, including hospitals or other facilities on property owned or leased by the United States while operated by the Veterans' Administration.

SEC. 10. The Administrator of Veterans' Affairs is authorized to promulgate such regulations, not inconsistent with this act, as may be appropriate to effectuate the provisions hereof. Decisions by the Administrator of Veterans' Affairs, or any person acting for him pursuant to specific or general delegated authority, under

the provisions of this act, shall not be reviewable administratively by any other officer of the United States.

SEC. 11. If any provision of this act, or the application thereof to any person or circumstance, is held invalid, the remainder of the act, and the application of such provision to other persons or circumstances, shall not be affected thereby.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. THURSTON. Mr. Speaker, I ask unanimous consent to extend my remarks and include therein an address delivered by Maj. Clifford Powell at the dedication of the armory in Council Bluffs, Iowa.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

CALL OF THE HOUSE

The SPEAKER pro tempore. The gentleman from New York has raised a constitutional question. Evidently there is no quorum present.

Mr. COOPER. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 120]

Andrews	Curley	Hildebrandt	Mitchell, Tenn.
Arends	Deen	Hoffman	Mosier, Ohio
Ashbrook	Dempsey	Hook	Murdock, Utah
Atkinson	Disney	Imhoff	O'Connor, Mont.
Binderup	Ditter	Jarman	O'Day
Boehne	Dockweiler	Jarrett	Reed, N. Y.
Boren	Doughton	Jenckes, Ind.	Rees, Kans.
Boyer	Douglas	Jenkins, Ohio	Ryan
Boylan, N. Y.	Drewry, Va.	Johnson, Okla.	Scrugham
Buckley, N. Y.	Driver	Kennedy, N. Y.	Secrest
Burdick	Eaton	Keogh	Simpson
Byrne	Farley	Kirwan	Smith, Okla.
Caldwell	Fernandez	Kopplemann	Stack
Cannon, Wis.	Fish	Lamneck	Steagall
Carter	Ford, Calif.	Lanham	Sumners, Tex.
Cartwright	Fries, Ill.	Larrabee	Sweeney
Casey, Mass.	Gasque	Lemke	Taylor, Colo.
Champion	Green	Lewis, Md.	Thomas, N. J.
Clark, Idaho	Greenwood	McAndrews	Tinkham
Coffee, Nebr.	Griswold	McClellan	Weaver
Cole, Md.	Hancock, N. C.	McGrath	Whelchel
Cole, N. Y.	Hartley	McGroarty	White, Idaho
Crosby	Hendricks	McLean	White, Ohio
Crowe	Hennings	McMillan	Wood

The SPEAKER. On this roll call 332 Members have answered to their names, a quorum.

Further proceedings under the call were dispensed with.

APPOINTMENT OF MEMBER TO COMMITTEES

Mr. CULLEN. Mr. Speaker, I offer a privileged resolution and move its adoption.

The Clerk read as follows:

House Resolution 536

Resolved, That JOE B. BATES, of Kentucky, be, and he is hereby, elected a member of the standing committees of the House of Representatives on the District of Columbia, Immigration and Naturalization, and World War Veterans' Legislation.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PENSIONS FOR DEPENDENTS OF CERTAIN DECEASED VETERANS

Mr. SMITH of Washington. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 8434) to provide pensions for dependents of deceased veterans who died as a result of the sinking of the U. S. S. *Maine*.

Mr. SNELL. Mr. Speaker, reserving the right to object, I would like to know what kind of pension bill this is and have some explanation of it.

Mr. SMITH of Washington. This is a very simple bill which has received a favorable report from the Bureau of the Budget and the Veterans' Administration. It primarily takes care of about 200 dependents, mainly widows of those men who lost their lives in the explosion of the battleship *Maine*, and those who served between the Civil War and the Spanish-American War.

Owing to the fact that the declaration of war was dated April 21, 1898, the dependents of those members who served prior to that date have received a much less pension than those who served subsequent to April 21, 1898. The *Maine* was exploded on February 15, 1898. These widows are now receiving $12 a month and if we pass this bill they will receive the same amount, ranging from $26 to $30 per month, depending upon their age, as the widows of men who served in the Regular Establishment subsequent to April 21, 1898. This is all the bill does.

Mr. SNELL. If we are to start that policy, will it not be necessary to follow this up by taking care of the widows of all of the men in the Regular service who have died?

Mr. SMITH of Washington. They are already taken care of, except that in this particular instance there is a discrimination on account of date of service. It certainly is very unjust that merely because these men did not enter the service prior to April 21, 1898, that their dependents should receive a considerably less sum than in the case of those who enlisted immediately subsequent to April 21, 1898, and the members of the Regular Establishment.

Mr. SNELL. I know that, but the Regular Establishment goes on forever.

Mr. SMITH of Washington. That is true, but there should be no discrimination, it seems to me.

Mr. SNELL. What is the rule at the present time with respect to the widow of a deceased member of the Regular Establishment of the Army or Navy? How much does one of those widows get?

Mr. SMITH of Washington. These widows are now getting $12 per month, but the widows of the members of the Regular Establishment receive from $26 to $30 per month.

Mr. SNELL. Why should we make an exception for these widows any more than any other widows?

Mr. SMITH of Washington. We are going to pay these widows the same amount that the widows of the members of the Regular Establishment receive, who served subsequent to April 21, 1898.

Mr. THURSTON. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Washington. I yield to the gentleman from Iowa.

Mr. THURSTON. In other words, this gratuity or allowance——

Mr. SNELL. That is what I think it is—a gratuity.

Mr. THURSTON. This gratuity or allowance would be made to wives of deceased men who lost their lives in line of service, whereas many widows are receiving pensions whose husbands died in peacetime, and they are getting two and a half times as much as these widows.

Mr. SMITH of Washington. The gentleman from Iowa is correct, but I do not consider it a gratuity, rather compensation arising from services rendered, and I hope there will be no objection to this bill, because it is a very just measure.

Mr. SNELL. I want to find out what policy you are adopting. It seems to me you are adopting a new policy with respect to pensions for widows of people in the regular service of the Army, and if you give this special class an increased pension you ought to give it to every widow whose husband died in the regular service of his country.

Mr. SMITH of Washington. It seems to me that does not necessarily follow at all; we are merely maintaining the present rate of payment provided for the Regular Establishment.

Mr. SNELL. If you start this policy, it will only be another session of Congress when another group of widows whose husbands die in the regular service will request the same consideration you are giving the widows in this special class.

Mr. IZAC. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Washington. I yield to the gentleman from California.

Mr. IZAC. I will say for the benefit of the gentleman from New York that this applies only to those dependents of men who died between the Civil War and the Spanish-American War. It does not apply to those who have died

since the Spanish-American War. Those people have been getting $12 a month and now they will get from $26 to $32 a month.

Mr. SNELL. What excuse are you going to offer to the widows whose husbands died after that period?

Mr. IZAC. There was no other sinking besides the sinking of the Maine, which occurred prior to the declaration of war.

Mr. SNELL. But there are a number of men who have died in the regular service.

Mr. IZAC. That is correct.

Mr. SNELL. What excuse are you going to give to the widow of one of those men who died in 1917 or 1921 for not giving her the same pension as a widow that you give to somebody whose husband died in the service before 1898?

Mr. IZAC. That is because it has always been the established policy of this country to wait until these people are about in their graves before we help them, anyway.

Mr. SNELL. I cannot agree with that statement.

Mr. SMITH of Washington. The average age of these widows is 72 years, and there are only about 300 cases prior to 1898 and about 250 Civil War veterans' dependents are favorably affected.

Mr. THURSTON. It is not retroactive.

Mr. SMITH of Washington. No; excepting as stated, taking care of these cases.

Mr. SNELL. Of course it is not, but it takes in everything from the Civil War up to 1898.

Mr. ROBSION of Kentucky. There is a distinction already, when we gave and are now giving to the Spanish War veterans $30 a month. There is already a distinction.

Mr. SMITH of Washington. Yes; and we have always had to fight for justice for the veterans of the Spanish-American War.

Mr. ROBSION of Kentucky. This simply gives to these widows whose husbands lost their lives on the *Maine* what you are giving to the regular Spanish War widows.

Mr. SMITH of Washington. That is all the bill will do.

Mr. ROBSION of Kentucky. And many of the Spanish War widows receiving $30 a month had husbands who had less than 90 days' service, and some of whom did not even go near the war.

Mr. SNELL. Of course, but there has always been a difference in the pension of widows and orphans of the Regular Establishment.

Mr. ROBSION of Kentucky. I do not think that it ought to exist.

Mr. SNELL. I do not say that it ought to exist.

Mr. ROBSION of Kentucky. That is the reason that I am for this bill, because it does give to these people that right. It ought to give it to all of them.

Mr. SNELL. If you are going to give it to all of them, well and good; but here you are establishing a new policy that will cost the Government millions and millions of dollars.

Mr. ROBSION of Kentucky. I am unwilling to deny it to these widows who are 72 years of age because somebody else does not get it.

Mr. SMITH of Washington. I agree with the gentleman. We are not establishing a new policy at all, merely providing equality of treatment.

Mr. SNELL. If you want to establish a new policy, all right. That is what you are doing.

Mr. SMITH of Washington. That is not what we are doing, in my opinion. The dependents of the members of the Regular Establishment are already receiving these benefits under existing law, and we extend the same benefits in these worthy cases. The total first year's cost is only $69,700, and the cost for subsequent years will be less, as the average age of the widows affected is 72 years and they are dying rapidly. Widows over 65 years of age will receive $30 per month, and those between 50 and 65 years, $26 per month, instead of the present inadequate pension of $12 per month, on which they cannot live. Rates of payments to other dependents are increased in the same ratio. This is sound, just, equalizing legislation, and I hope there will be no objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the surviving widow, child, or children, or dependent mother or father of any person who died from injury or disease incurred in the active military or naval service of the United States, where such injury or disease directly resulted from the sinking of the United States ship *Maine*, February 15, 1898, shall be entitled to receive pension at the monthly rates specified in paragraph IV, part I, Veterans Regulation No. 1 (a), as amended, subject to all the terms and conditions of the veterans' regulations promulgated pursuant to Public Law No. 2, Seventy-third Congress, and the administrative and penal provisions of Public Law No. 2, Seventy-third Congress, as amended: *Provided*, That if a person who is eligible for pension hereunder is also eligible under any other act, an election shall be made as to which benefit will be received.

With the following committee amendment:

Strike out all after the enacting clause and insert:

"That on and after the 1st day of the month following the month in which this act is enacted, persons entitled to pension under the provisions of the general pension law, for death resulting from service prior to April 21, 1898, shall be entitled to pension at the rates provided by paragraph III of Part II of Veterans' Regulation No. 1 (a), as amended: *Provided*, That this act shall not be so construed as to reduce any pension under any act, public or private."

The committee amendment was agreed to; and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

EXTENSION OF REMARKS

Mr. SCHULTE. Mr. Speaker, I ask unanimous consent to extend my remarks by placing in the RECORD an article from the newspaper Labor on farmers, and a report from the Federal Trade Commission.

The SPEAKER. Is there objection?

There was no objection.

Mr. SWOPE. Mr. Speaker, I ask unanimous consent to extend my remarks by including a speech made by the late Speaker Champ Clark in 1916.

The SPEAKER. Is there objection?

There was no objection.

Mr. McSWEENEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include a statement from the Department of Agriculture affecting Ohio.

The SPEAKER. Is there objection?

There was no objection.

Mr. CITRON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include a letter from the Secretary of State.

The SPEAKER. Is there objection?

There was no objection.

PERMITTING CITIZENS OF AMERICAN REPUBLICS TO RECEIVE INSTRUCTION IN SCHOOLS OF UNITED STATES

Mr. SHANLEY. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 4044) to authorize the President to permit citizens of the American Republics to receive instruction at professional educational institutions and schools maintained and administered by the Government of the United States or by Departments or agencies thereof, which I send to the desk and ask to have read.

The Clerk read as follows:

Be it enacted, etc., That the President be, and he hereby is, authorized, in his discretion and under such regulations as he may prescribe by Executive order, to permit citizens of the American republics to receive instruction, with or without charge therefor, at professional educational institutions and schools maintained and administered by the Government of the United States or by departments or agencies thereof: *Provided*, That such citizens shall agree to comply with all regulations for the government of the institutions and schools at which they may be under instruction and to exert every effort to accomplish successfully the courses of instruction prescribed: *And provided further*,

That the regulations prescribed by the President under the authority of this act shall contain provisions limiting the admission of citizens of the American republics to primary schools maintained and administered by the Government of the United States so that there will under no circumstances be any curtailment of the admission of citizens of the United States eligible to receive instruction therein and not more than one citizen of any American republic shall receive instruction at the same time in the United States Military Academy and not more than one in the United States Naval Academy.

The SPEAKER. Is there objection?

Mr. FISH. Mr. Speaker, will the gentleman please explain the bill?

Mr. SHANLEY. Gladly; this bill follows H. R. 10687 with one exception. It simply authorizes the President to permit citizens of the American republics to receive instruction at professional educational institutions and schools maintained and administered by our Government or our Departments. The exception is an amendment inserted by the Senate that—

Not more than one citizen of any American republic shall receive instruction at the same time in the United States Military Academy and not more than one in the United States Naval Academy.

It fulfills in the broadest sense the effort of the Department of State to fully cooperate with the American republics and is a practical example of the good-neighbor policy. War and Navy officials approve, as does the President.

Mr. DONDERO. Mr. Speaker, these young men will in no way receive a commission from the United States, so as to give them any official recognition?

Mr. SHANLEY. Absolutely not. But may I say that we offer them the chance to get here in America what other countries offer and have offered for decades.

Mr. DONDERO. They will simply be given a right to education?

Mr. SHANLEY. Yes.

Mr. DONDERO. This is highly necessary?

Mr. SHANLEY. That is the philosophy of the bill.

Mr. McFARLANE. Reserving the right to object, Mr. Speaker, will Americans be accorded the same privileges in those countries to whose representatives we extend this courtesy?

Mr. SHANLEY. I think that if we wish that reciprocal right or privilege we can get it for our citizens. May I say that this fulfills the high principles of all our inter-American conferences.

Mr. McFARLANE. This applies just to South America.

Mr. SHANLEY. No. To all American republics.

Mr. McFARLANE. How much money is it going to cost?

Mr. SHANLEY. This is an authorization bill alone.

Mr. BLOOM. Mr. Speaker, will the gentleman yield?

Mr. SHANLEY. I yield.

Mr. BLOOM. This is similar to what we have done heretofore, except that previously it has been done by general resolution.

Mr. SHANLEY. Yes. This is a blanket bill, so to speak.

Mr. MAVERICK. The gentleman said South America. He means Central America, does he not?

Mr. SHANLEY. Central America and South America.

Mr. MAVERICK. It would include Mexico and Central America as well?

Mr. SHANLEY. Yes.

Mr. MAVERICK. I think we ought to have an extension of this policy.

Mr. FISH. Mr. Speaker, will the gentleman yield?

Mr. SHANLEY. I yield.

Mr. FISH. Is not this part of our good-neighbor policy? Is not the idea behind this bill the very worthy one of promoting friendly relations by inviting Latin-American countries to send some of their youth to enter Annapolis and West Point at our expense in order that they may become imbued with our American principles of government and thereby combat fascism, nazi-ism, and communism?

Mr. SHANLEY. I think the gentleman with his usual felicity of expression has said it better than I did.

Mr. FISH. I do not admit that, but I want to go a little further and say to the gentleman that I do not propose to oppose this measure. I think in due course they will probably reciprocate and ask us to send representatives to their countries to be educated in their military and naval institutions.

I would like, however, to take this opportunity to make certain comments. I have pending a bill authorizing the President of the United States to appoint two Negroes to West Point each year. There are some 12,000,000 or 13,000,000 American Negroes. Does not the gentleman agree that it is about time that they received some representation, particularly if we give representation to foreign countries? I am sure the gentleman from Connecticut will support such a proposal. I just wanted to show the inconsistency of the present situation wherein we are inviting youth from foreign lands to come here at our expense to enter West Point and Annapolis, yet we are not willing to give our own American Negroes an opportunity to receive the same treatment and education. The fact is that in the last 50 years we have had just three Negro graduates from West Point and none from Annapolis.

Mr. SHANLEY. I agree. I hold civil-service examinations.

Mr. MAVERICK. The President can appoint 80 Negroes right now if he wants to.

Mr. DINGELL. Mr. Speaker, reserving the right to object, since the gentleman champions the cause of the Negro, I would like to ask the gentleman a direct question: How many Negroes has he appointed to West Point or Annapolis? Why has not the gentleman obtained passage of his bill during his many years of service under the administration of his own Republican Party? Is it because he desires to cast onus upon this administration?

Mr. FISH. It so happens that I have very few Negroes in my district, but I hold civil-service examinations to fill my appointments to both academies regardless of race, color, or creed and the highest to qualify gets the appointment.

Mr. DINGELL. I understand the gentleman. He is trying as usual to play politics with the feelings and aspirations of a great element of our people. He is making a political football of this.

Mr. FISH. No, I am not. I am only trying to point out an injustice done to some 12,000,000 Americans.

Mr. DINGELL. The gentleman is raising an extraneous issue which has no connection with the bill at all. He has not answered my question, and I ask again: How many Negroes has the gentleman appointed to West Point or Annapolis in his many years of service in Congress? If the gentleman holds civil-service examinations, that does not prevent him, as a champion of the Negro, from making an exception and naming a colored boy. Civil service is an easy way out to dodge the responsibility which rests upon the Congressman.

Mr. FISH. I ask the gentleman himself that very question.

Mr. DINGELL. I intend to appoint a Negro at an early date. I have tried to recognize the various elements in my district, and I will do so without hiding behind a civil-service examination.

Mr. FISH. It is about time the gentleman did, for he has a great many Negroes in his district.

Mr. DINGELL. How does the gentleman know how many Negroes I have? And what difference does it make, unless you reckon these appointments on the basis of political return. In the few short years that I have been here as compared to the many years the gentleman from New York spent in Congress, I have had but few opportunities based on available openings.

Mr. FISH. I have been in the gentleman's district, and all I am interested in is in securing fair representation for a very large and loyal element of our population.

Mr. KELLER. I would like to ask how many the Republican Party appointed.

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

VEHICULAR TUNNEL UNDER DELAWARE RIVER

Mr. WALTER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 10739) granting the consent of Congress to the State of New Jersey and the Commonwealth of Pennsylvania to enter into compacts or agreements with respect to constructing, maintaining, and operating a vehicular tunnel under the Delaware River.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

Mr. WALTER. Mr. Speaker, I ask unanimous consent to substitute a similar Senate bill, S. 4041.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That the consent of Congress is hereby given to the State of New Jersey, through the Gloucester County Tunnel Commission, and the Commonwealth of Pennsylvania, through the Delaware County (Pa.) Authority, to enter into compacts, agreements, or contracts providing for the construction, maintenance, and operation of a vehicular tunnel under the Delaware River between Gloucester County, in New Jersey, and Delaware County, in Pennsylvania, by either such commission or authority, or by both, acting jointly.

SEC. 2. The authority granted by this act shall be subject to all existing laws with respect to the issuance of permits for the construction of tunnels under navigable rivers.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A House bill (H. R. 10739) was laid on the table.

PERMISSION TO ADDRESS THE HOUSE

Mr. SABATH. Mr. Speaker, I ask unanimous consent to address the House for 3 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Illinois [Mr. SABATH]?

There was no objection.

Mr. SNELL. Mr. Speaker, reserving the right to object, the majority leader objects to Members speaking more than 1 minute.

Mr. SABATH. I may get through in 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. SABATH. Mr. Speaker, day before yesterday the chairman of a subcommittee of the Judiciary Committee, the gentleman from Tennessee [Mr. CHANDLER] reported a conference report on the Bankruptcy Act. I want to congratulate him upon his splendid work. This is needed legislation. I am thankful to him for the compliment which he paid to the select committee of which I was chairman.

I regret exceedingly that his bill did not contain all the provisions that were included in my bill passed by the House last session and which, for some reason, still is being held up in the Senate. It is needed legislation. Due to the fact that the appropriation of the select committee of which I was chairman was limited, I have been deprived of any aid or assistance in the last year finally to complete my final report. I am still working on it and will file it shortly. I hope each and every Member will obtain a copy of it as well as a summary of it. If you do I know you will derive a great deal of information which may be helpful in answering many queries from your constituents. I may say that, on the average, I receive two to three hundred letters a day about defaulted securities although this committee has been out of existence for over a year. Not wishing to annoy Members by referring to them letters that come from their own districts I answer them myself to the best of my ability.

WELFARE OF NATION INJURED

Between 1929 and 1938 there were over 10,000 protective committees throughout the Nation. Most of them still are operating, although security holders affected resent their domination. It is quite apparent that under the restrictions your committee had to work a complete study, and investigation on such an enormous scale was quite impossible. Your committee was able to cover no more than the surface of the subject. From even that limited study it is demonstrated that the economic welfare of the Nation has been injured seriously and that prevailing conditions must be rectified if people's faith in investments is to be revived.

The magnitude of the security disaster is so great, in money involved and in distress of millions of this Nation's thrifty families, that its consequences wholly never can be obliterated. I am convinced that it represents one of the greatest economic crimes of the century.

WORK AGAINST ENTRENCHED CLASS

Our work had to be prosecuted with limited money and personnel, at very discouraging odds against an adroit and financially entrenched and powerful class fighting for enrichment at other people's misery.

Every move we made to benefit distressed security holders was countered with innumerable forms of underhanded intimidation. Our representatives were threatened by mail, by telephone, and even by some judges. At times we had to use guards for protection against bodily injury. Indirect offers were made of bribes in return for suppression of investigation of certain persons and enterprises. Records were stolen from our files and our mail was tampered with. But our work continued without remission or favoritism.

Parsimony of the House Committee on Accounts restricted us to partial analyses in a great many instances. I had to beg assistance from many volunteer attorneys, certified accountants, and investigators without whose patriotic cooperation many of your committee's purposes would not have been accomplished. Instead of deserved gratitude they were criticized and in some instances intimidated by judges who sympathized with improprieties their work was exposing. Even on the floor of the House they were attacked unjustly for acts later subscribed to and vindicated by the courts. These workers gave months of their time without compensation and hereby, publicly, I acknowledge our debt to them.

With limited appropriations your committee operated 11 offices in key cities of the Nation for a period of almost 3 years.

MUCH INVESTIGATION IN PROGRESS

We had searching investigation in progress into many utility, industrial, investment-trust, and insurance-company failures, some of which have been dragging—and still are—through bankruptcy and chancery courts for years; and into other insolvencies that have been reorganized with juridical benediction in manner tantamount to confiscation from rightful creditors for benefit of sharpers.

Many of these investigations remain uncompleted because your committee's finances were cut off and its continuation became impracticable. That constituted a great victory for professional reorganizers, since it swept away all barriers to unhindered and unchecked resumption of pillage of billions of dollars in other people's defaulted securities. At this very moment these wolves continue in full bay of the lambs.

FORECLOSURES AND INSOLVENCIES NOT CLEARED UP

Contrary to widespread propaganda that foreclosures and insolvencies of 1929 to 1938 generally have cleared out of the courts, and that relief legislation is not needed, facts and figures you shall find in this report prove thousands upon thousands of estates still in litigation after years of pendency, and new ones still flowing in. And of those estates that have been reorganized you will find control generally perpetuated under guise of liquidating and voting trusts in

the selfsame conspirators who for years have been plundering them. The brazen paternalism of some of these economic buccaneers—not equaled even by robber barons of the Dark Ages—is best illustrated by one certain protective committee's set-up which ties up depositing security holders with an agreement that may not be terminated until 21 years after death of the survivor of the present usurpers. By diabolic cunning and juridical sanction control, about $900,000,000 of other people's money in defaulted securities of one house of issue directly and indirectly reverts back into its control through so-called reorganization.

Thousands upon thousands of equally amazing miscarriages of equity and justice could be cited. Is that not a warning of great economic danger to the future of the Nation? Does it not portend rise of a powerful and oppressive landlord class, within a few decades, that may threaten the very foundation of democracy?

4. MANY EXAMPLES NOT INCLUDED

I regret it is not possible in this report to include many additional examples with which to illustrate the loopholes in prevailing reorganization procedure and in other methods intended for protection of holders of defaulted securities where weaknesses of the law have become manifest by activities of groups which place their interests ahead of those they purport to protect. Some of the cases I would have liked cited to show defects and inadequacies of States and Federal statutes, and abuses to which investors have been subject, as developed by evidence elicited before this committee, are:

Philadelphia Co. for Guaranteeing Mortgages, Philadelphia, Pa.
Commonwealth Bond & Mortgage Co., New York.
Fiske Rubber & Tire Co., Boston, Mass.
Paramount-Publix Corporation, New York.
Amoskeag Mills, Manchester, N. H.
Prudence Co., New York.
G. L. Miller & Co., Atlanta, Ga.
Halsey Stuart & Co., Chicago and New York.
The Wardman Properties, Washington, D. C.
The Mayflower Hotel, Washington, D. C.
The Shoreham Hotel, Washington, D. C.
F. H. Smith & Co., Washington, D. C.
Swartzell, Rheem & Hensey Co., Washington, D. C.
Consolidated Textile Co., New York.
Bush Terminal Co., New York.
National Public Service Co., New York.
S. W. Straus & Co., Chicago.
Middle West Utilities Co., Chicago.
Chicago Title & Trust Co., Chicago.
Street Railway & Rapid Transit Reorganization, Chicago.
Utility Power & Light Co., Chicago.
Biltmore Hotel, Atlanta, Ga.

Surety and casualty companies which guaranteed mortgages of numerous title, mortgage, and other houses of issue, and which operated throughout the United States.

A CASE OF CONSPIRACY

This report proves that financiers, trust companies, mortgage companies, and guaranty companies often conspire with cunning promoters, crafty lawyers, venal appraisers, deceptive accountants, knavish architects, and other plotters to ensnare trusting victims; to bleed impaired estates they profess to conserve, to impose predatory dominion to perpetuate their stranglehold against the will of creditors; and finally to maneuver complete expropriation by artificial depression of values and use of pilfered income.

Much of this fraud would be rendered impossible were it not for some indolent and autocratic judges, both Federal and State, to whom people's property rights represent simple opportunism for enrichment of favored intimates. Judges of that character discredit law and order and should longer not be tolerated on the bench; they should be impeached.

LEADERS OF BAR GROW RICH

To safeguard their interests during insolvencies, widely scattered security holders require some method of organized representation. Protective committees properly could become that medium. But instead of serving those who trust them frequently they usurp unrestricted overlordship with dishonest and collusive designs. Generally, they are creatures of "eminent" lawyers leagued with "prominent" businessmen and furtive financiers to defraud security holders, instead of to protect them. Bar associations know of these conditions, but do nothing about them. Often it is leaders at the bar who grow rich from this perversion of equity, and it is they who engineer and encourage prevailing crimes of protective committees.

By their money power and unscrupulous cunning they capture high office in, and domination of, bar associations, and cow the mass of lesser lawyers who condemn this system, into submission by imperiling their business, intimidating their professional standing, and even by threats of disbarment in conspiracy with pusillanimous judges. If policy and administrative control of bar associations were assumed by the majority of decent lawyers such ruthless practitioners would be disbarred, and bankruptcy litigation would be carried on in the spirit and intent of justice and equity prescribed in existing statutes. A great mass of our people suffers unnecessary economic losses that run into billions of dollars because a racket among a small class of sharpers is tolerated without disciplinary intervention of constituted authority.

INCITE LITIGATION

Monopolies of many trust companies force themselves into control of most protective committees by distribution to a select class of influential lawyers and law firms of thousands of profitable foreclosure and insolvency cases. Jointly they incite litigation, hatch unnecessary lawsuits, and prolong proceedings in courts for the sake of "what is in it." They order judges to do their bidding, they plot receiverships and they control masters. They corrupt chancery justice by the largess they hand out through trusteeships, receiverships, and protective committees. In this underhanded work they are supported by financial institutions bent on selfish advantage over honest creditors.

We must put a stop to inordinate greed of economic sappers who set themselves up as especially fit to "protect" trusting investors only to deceive them. While engaged in pillage they divert from their guilt by calling security holders who do not trust them or who have courage to resist them at court "ignorant" and "chiselers." They cry "wolf, wolf," where there are none but themselves. They themselves are the supreme chiselers impelled to ruinous exploitation by their congenital greed.

These conditions prevail alike in real estate, industrial, utility, railroad, and quasi-governmental issues as well as in reorganizations of insurance companies.

LIFE INSURANCE COMPANIES

Millions of policyholders have been and are being cheated because of unfair compromises induced by divided authority among numerous State insurance departments. It is improbable that 10 or 20 insurance commissioners see eye to eye. Individual policyholders are unable, because of great technical involvements accurately to inform themselves and to analyze their companies, nor to contend for their rights, through expensive and protracted litigation; and insurance departments cannot regulate beyond their State boundaries. That opens great opportunity for outside schemers to insinuate themselves into impaired insurance companies and to conspire, wheedle, or browbeat themselves into control for self-interest against rights of policyholders.

The story of the Missouri State Life, Detroit Life, and many other insurance company reorganizations, definitely illustrates this racket. Even though some 30 years ago the Supreme Court of the United States declared insurance companies not subject to interstate regulation, their subsequent widespread growth and the methods evolved for expropriating them, when impaired, unquestionably call for national regulation. Split-up State control of interstate activities of insurance companies today is inadequate for protection of hosts of families whose welfare depends upon their honest administration and conservation.

District and State's attorneys know of these defilements of chancery and bankruptcy equity and justice. They should know what harm these cause our national economy and to the well-being of thrifty people; but due to absence of adequate law in some instances and indolence of some of these officers in other instances they do nothing about it. They fail effectively to suppress this nefarious system or to punish the guilty.

$3,000,000 RESTRICTION OBJECTIONABLE

Restriction of remedial legislation to issues of over $3,000,000 would be the most welcome victory for just those whose depredations against the economic welfare of the Nation ought to be suppressed. Numerically and in money value such large issues constitute a minority. In total of money and in number of citizens affected issues ranging down to $50,000, each are in preponderant majority. Without inclusion of these lesser issues, in regulatory legislation, exploitation of billions in securities in trouble and pauperization of a vast segment of the backbone of the Nation will continue unabated.

Between predatory trust companies, fraudulent financiers, scheming lawyers, servile judges, and truckling masters-in-chancery millions of our people are being swindled by a system that they cannot understand can endure under civilized law. This has been going on for so long, and with such injurious results, that savers of the Nation now are afraid to purchase securities. Consequently, billions of dollars lie idle in the banks, industry and commerce languish, new development and building almost is at a standstill, and unemployment remains undiminished. This Nation needs legislation that will assure our people against repetition of the crimes committed against them during the past 8 years; and if it is enacted there is little doubt they again will enter the investment market and materially help in breaking the backbone of the depression.

Laws for protection of holders of defaulted securities are common to most civilized nations. In England and Canada adequacy of such laws makes impossible the scandalous conditions surrounding foreclosures and bankruptcies prevailing here.

OTHER INVESTIGATIONS

There have been two investigations of this subject by the United States Senate; two by the House of Representatives; one by the Department of Justice, and numerous ones by State legislatures. Years have been spent on those studies. All of them concluded with recommendations for regulation of reorganizations by the Federal Government.

OTHER LAWS RESISTED

For protection of bank depositors we have provided the Federal Deposit Insurance Corporation. At the time this beneficial step was under consideration it was resisted strenuously, almost solidly, by the so-called financiers. But its operation has proved a veritable blessing to the thrifty of the Nation as well as to the banks.

For some measure of protection of purchasers of new security issues we have passed laws creating the Securities and Exchange Commission. Many people erroneously construe powers of that Commission to be greater than the law actually gives it and do not realize that that Commission does not approve or pass upon legitimacy or worth or value of new security issues, and that the Securities and Exchange Commission merely registers the statements of issuers of new securities. And that only when such filed statements subsequently show up to be untrue can the S. E. C. take positive action. Yet I admit that was a great step in the right direction and I hope that we can progressively strengthen existing laws to a point where the security market will present a more trustworthy outlet for our people's savings, and that that will help revitalize industry, commerce, and building, which in turn will bring about extensive reemployment.

The security acts also were opposed bitterly by financiers, and yet neither they, for the sake of their own welfare, nor the Nation ever would want to repeal them and go back to those "free" days of unregulated green-goods game.

HELP FOR HOLDERS OF DEFAULTED SECURITIES DELAYED

But for millions of our people who have been under imposed domination of greedy "protective" committees and at the selfish mercy of cunning lawyers during the most difficult times of the depression, between 1929 and 1938, we have delayed relief almost until it became too late.

I have been urging since 1935 to obtain legislation for the benefit of these sufferers. I have introduced five separate bills and in each instance was met with tremendous opposition coming from sources which wanted the door left open for continued impoverishment of these unfortunate and powerless people. Although the House passed my bill, H. R. 6963, during the last session its course has been arrested in the Senate to which it was favorably reported out by the Committee on the Judiciary with recommendation that it do pass. A few days ago the Chandler bill, H. R. 8046, being a general revision of the National Bankruptcy Act, was enacted into law. Because of the deep understanding of the subject by the author of this bill, and his wholehearted sympathy with the findings of the select committee of which I was chairman, he incorporated in it a great many of the objectives I have been striving for. Since my bill undoubtedly will die with this Congress, I am happy that the Chandler bill will afford a great deal of relief to holders of defaulted securities.

In my final report I am listing these betterments in bankruptcy and insolvency procedure and I am hopeful that by the time the next Congress convenes a great improvement for millions of investors will result, and that those inequities and injustices which were so common under the old bankruptcy act will be eradicated.

I wish to assure the House, and I believe the House will then be with me, that additional legislation will be urged in the next session of Congress to expand present laws to include all the recommendations of my previous bills. And I shall not cease in that effort until all those who prey on investors with securities in trouble are divested of their usurped power and domineering tyranny.

Mr. Speaker, a few days ago I received a letter addressed to the Speaker, which was referred to me for reply. I ask unanimous consent to include my reply to this letter.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The letter referred to follows:

JUNE 8, 1938.

LOUIS A. KOPPLE, M. D.,
2009 West North Avenue, Chicago, Ill.

MY DEAR DOCTOR: Your letter of May 25, addressed to the President, with copy to Speaker BANKHEAD of the House of Representatives, has been referred to me.

After reading your letter, I came to the conclusion that you are misled by the capitalistic press, because if industry had cooperated to the slightest degree with the administration instead of retarding its efforts, conditions would have been much better, and the thousands whom the Government is obliged to feed because of the inability of the States and counties to do so, would have been reduced more than half.

Please remember that this is a fight on the part of the special-vested interests under the direction of the Wall Street combinations who control most of the industries, banks, and railroads. They are opposed to any effort on the part of the President to help the wage earners or the real, small-business man. They want to control, they do not want any interference on the part of labor or the Government, they want to work labor 10 to 12 hours a day for wages upon which they cannot live, and they do not want the Government to interfere with their collusions, price fixing, and monopolistic control. They want a high tariff on the products they manufacture and they want free duty on materials they import. They want a big army, navy, air force, and the strengthening of our coast defenses, but they do not want to pay any portion of their profits as income taxes to meet the necessary expenditures. They want to unload that upon the masses.

I am enclosing a few speeches I recently made on this subject, and, as a Member who has served under seven Presidents and as an employer of labor, I am fairly well acquainted with conditions, and what is contained in the speeches which I have made I can verify as to every word.

You will find that the officers of corporations like General Motors, du Pont, Mellon, oil, steel, and hundreds of other industries,

who have made from fifty to three hundred millions in profits in 1937, are leaving no stone unturned through their controlled press, in endeavoring to mislead the American people the same as they have you.

Sincerely yours,

A. J. SABATH.

EXTENSION OF REMARKS

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD with reference to a copy of a Syllabus on Foreign Trade I introduced in the RECORD on June 7. In the syllabus it was indicated to the school children and teachers of New York that foreign-made goods were better than our own, and they were asked to look in the newspapers for advertisements of imported goods. I also ask to include in my remarks a letter written by Dr. Dye, of the Department of Commerce, explaining the extent of their participation in the preparation of this syllabus. Such information disseminated in the schools of this country is very unjust and very injurious to the goods made in this country.

The following letters speak for themselves, but, in the future, I believe the Department of Commerce should make sure that any syllabus is presented to them for inspection and approval if its name is to be used as coauthor. Praising foreign-made goods, and especially to the detriment of our own, is a very bad policy. Today the business of this country needs help as never before in all our history. If we are to put our jobless citizens back to work, certainly we must teach the children of America to buy American-made goods. This administration in furthering its reciprocal trade agreements has constantly hurt American-made goods in order to secure, at best, visionary trade with foreign countries. Its slogan seems to be "buy foreign" instead of "buy American."

DEPARTMENT OF COMMERCE,
BUREAU OF FOREIGN AND DOMESTIC COMMERCE,
Washington, June 14, 1938.

Hon. EDITH NOURSE ROGERS,
House of Representatives, Washington, D. C.

MY DEAR CONGRESSWOMAN: With further reference to your inquiry regarding the Syllabus on Foreign Trade, prepared by the New York National Foreign Trade Week Committee, I enclose copies of letters dated June 13 from Mr. George F. Bauer, chairman of the executive committee of the New York Foreign Trade Week Committee, and Mr. John F. Budd, vice chairman of the high-schools coordinating committee of the New York Foreign Trade Week Committee.

I should say in connection with these letters that Mr. Philip H. Berritt is commercial agent in the office of the Bureau of Foreign and Domestic Commerce in New York City, and his name is printed on the cover as a member of the high-school coordinating committee.

Yours very truly,

A. V. DYE, *Director.*

NEW YORK FOREIGN TRADE WEEK COMMITTEE,
New York, N. Y., June 13, 1938.

Re: Syllabus on Foreign Trade.

Mr. ALEXANDER V. DYE,
Director, Bureau of Foreign and Domestic Commerce,
Washington, D. C.

DEAR MR. DYE: It has been brought to my attention that there is some criticism in reference to our Syllabus on Foreign Trade and that the Bureau of Foreign and Domestic Commerce have been particularly questioned as to their responsibility in connection with the preparation of this compilation.

This syllabus was prepared entirely by the high-school coordinating committee of the New York National Foreign Trade Week Committee, and they alone assume full responsibility for its contents and its preparation.

Mr. Philip H. Berritt's name has been included on the first page as a member of the high schools' coordinating committee. This was done to show our appreciation for his cooperation as representing the Bureau of Foreign and Domestic Commerce in the furnishing of factual information only.

On the title page under the heading "With cooperation of the" we list the following three organizations: Bureau of Foreign and Domestic Commerce, Chamber of Commerce of the United States, and Port of New York Authority. These organizations cooperated with us in the furnishing of factual information only. They had nothing to do with the compilation of the syllabus, neither did they see a copy until after it had been printed. We felt that they should be mentioned in appreciation of the vast amount of data that they made available to us for this work.

The title page of this syllabus was prepared by me personally without the approval of the members of the high schools' coordinating committee. As a matter of fact, there was not time to go to such detail as we were anxious to get it printed and distributed.

In reference to the syllabus, may I say that it should not be considered as an accomplished treatise on foreign trade for the edification of experienced trade associations, banks, importers, exporters, etc., but instead is intended mainly for the guidance of high-school teachers in educating their pupils in the meaning of foreign trade and in bringing home to the students the important relationship of foreign trade and themselves. In this present form it is not intended as final, to be all inclusive, or to incorporate all aspects of foreign trade.

Since the National Government encourages foreign trade, and its national policy affects the development of the port of New York, I feel we have contributed something of value to the teachers and students in the preparation of this syllabus. Further, it should be remembered that as soon as these facts were presented in connection with the regular official course of their complete syllabi, it was reasonable to assume that at other times other phases of the subject would be discussed. It is hardly conceivable that well equipped, highly trained teachers who discuss the value of foreign trade with domestic production are likely to ignore any facts on the negative side.

Again let me express my regret that any misunderstanding arose over the responsibility for the syllabus and which may have caused your Bureau any embarrassment.

Very truly yours,

JOHN F. BUDD,
High Schools Coordinating Committee.

NEW YORK FOREIGN TRADE WEEK COMMITTEE,
NEW YORK CITY, *June 13, 1938.*

Dr. ALEXANDER V. DYE,
Director, Bureau of Foreign and Domestic Commerce,
Washington, D. C.

MY DEAR DR. DYE: Any fair-minded person will realize the need of bringing to the general public certain basic information on which it may be necessary to draw if a proper understanding of foreign trade is to be advanced. Such is the main purpose of National Foreign Trade Week in which something like 1,700 organizations have participated this year.

Under the circumstances, it was quite natural that there should develop the need for a summary of questions and answers of likely interest to teachers and pupils in our schools. Toward that end, the New York Foreign Trade Week Committee agreed to the preparation of a syllabus which would endeavor to explain some of the factors which enter into world commerce and with which future citizens of a metropolis such as New York ought to be familiar. The high schools coordinating committee was consequently formed and an effort made to provide a summary of topics that pertain to international commerce and to see to it that their presentation might be most interesting from the viewpoint of the average boy and girl in our high schools.

Quite naturally, there was a need for a great deal of factual material. The district office of the Bureau of Foreign and Domestic Commerce has been for years a source of this kind of information to all persons connected with foreign trade.

Under the circumstances, the high schools coordinating committee, through its vice chairman, Mr. John F. Budd, made frequent requests of Mr. Philip H. Berritt to supply factual material of the kind that he is customarily called upon to furnish and which could be worked up into the syllabus. It was not enough that the prosaic data provided by Mr. Berritt be incorporated in a syllabus. This material, rather, had to be adapted to school use by someone familiar with methods employed in instruction of pupils in our educational institutions. Someone had to be brought in with an entirely different background to that of Mr. Berritt, to take on this work. A man with a teacher's background offered to work out the text which finally appeared in the syllabus.

Under the circumstances, it is entirely misleading to assume that Mr. Berritt is the author of the syllabus whereas in reality he only furnished factual data of a kind which any American citizen has the privilege to ask of the Bureau of Foreign and Domestic Commerce. Neither was he connected with the high schools coordinating committee and his name simply appeared on this syllabus in our desire to express our appreciation to him for his aid in providing material which could be worked into the final draft of the syllabus.

Other persons have also been mentioned on the front page in recognition of their aid just as is frequently done by authors of any books who desire to express their gratitude for any help that may have been rendered to them.

It should surely not be assumed, however, that because of this routine and yet very much appreciated help was given by Mr. Berritt, it may be presumed that the syllabus is a document of the Bureau of Foreign and Domestic Commerce when it is in reality under the sole sponsorship of the High Schools Coordinating Committee for New York Foreign Trade Week Observance.

It may be well to add that a syllabus is not an inflexible document but one which is frequently varied by the teacher through the addition or deletion of material contained in it. Consequently, there is always the opportunity given for the presentation of any factors that any group may wish to present and which teachers are likely to welcome as providing an all-around picture of foreign trade.

It is sincerely hoped that you will freely use this letter in explanation of the syllabus whenever inquiries regarding it are directed to you.

Sincerely yours,

GEORGE F. BAUER,
Chairman, Executive Committee.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mr. GRAY of Indiana. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a statement on the economic condition of the country.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

BUREAU OF FINE ARTS

Mr. COX. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 526 and ask for its immediate consideration.

Mr. SNELL. Mr. Speaker, I make the point of order a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] One hundred and sixty-six Members are present—not a quorum.

Mr. COX. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 121]

Allen, Del.	Crowe	Hildebrandt	Reece, Tenn.
Allen, Ill.	Curley	Hoffman	Reed, N. Y.
Anderson, Mo.	Deen	Hook	Rutherford
Andresen, Minn.	Dempsey	Imhoff	Ryan
Andrews	Disney	Jarman	Schneider, Wis.
Arends	Ditter	Jarrett	Scrugham
Ashbrook	Dockweiler	Jenkins, Ohio	Secrest
Barry	Doughton	Kirwan	Smith, Okla.
Beiter	Douglas	Kramer	Stack
Bernard	Drewry, Va.	Lanham	Steagall
Boehne	Driver	Leavy	Sutphin
Boyer	Duncan	Lemke	Sweeney
Boylan, N. Y.	Dunn	Lucas	Taylor, Colo.
Bulwinkle	Eaton	McAndrews	Thomas, N. J.
Caldwell	Englebright	McGrath	Tinkham
Cannon, Wis.	Fernandez	McGroarty	Wearin
Cartwright	Ford, Calif.	McLean	Weaver
Casey, Mass.	Fries, Ill.	McMillan	West
Champion	Gasque	Maas	Whelchel
Chandler	Gingery	Mansfield	White, Idaho
Clark, Idaho	Green	May	White, Ohio
Clark, N. C.	Griswold	Mitchell, Tenn.	Whittington
Coffee, Nebr.	Hancock, N. C.	Mosier, Ohio	Withrow
Cole, Md.	Harlan	Murdock, Utah	Wood
Cole, N. Y.	Hartley	O'Connor, Mont.	
Connery	Hendricks	O'Day	
Crosby	Hennings	Plumley	

The SPEAKER pro tempore (Mr. HARTER in the chair). Three hundred and twenty-three Members have answered to their names, a quorum.

Further proceedings under the call were dispensed with.

EXTENSION OF REMARKS

Mr. MAGNUSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an editorial in this morning's Times about one of our colleagues in the House.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. PEARSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a short letter I have received from a friend.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

ADMINISTRATION'S POWER PROGRAM ONE OF GREATEST FORWARD MOVEMENTS OF MODERN TIMES—ACCOMPLISHMENTS OF PUBLIC POWER BLOC IN THE HOUSE—WATER POWER OF NATION SAVED FOR AMERICAN PEOPLE FOR ALL TIME TO COME

Mr. RANKIN. Mr. Speaker, the Senate has just agreed to the conference report on the flood-control bill, which carries my amendment, or the amendment which I have been sponsoring, and for which I am responsible, to have the Federal Government pay all the costs of the dams and reservoirs and retain title to them in perpetuity.

This means that we have at last saved the water power of this Nation for the American people for all time to come.

This is one of the greatest victories we have ever won in our struggle to conserve the country's natural resources and to secure justice for the ultimate consumers of electric lights and power.

As chairman of the public power bloc, a position to which you Members who believe as I do that the water-power resources of this country should be developed and utilized for the benefit of all the American people elected me, I had this amendment prepared, got the administration behind it, and secured its adoption in the Senate. It has now been approved by both Houses and will become the law of the land just as soon as the President signs the bill.

Let me say to our friends in our public power group, and to all others who have voted with us on these measures, that we certainly have reason to rejoice in our successes during the Seventy-fifth Congress.

We have carried forward the administration's power program and helped to establish a power policy for this Nation that will stand out as one of the greatest governmental accomplishments of all time.

During this Congress alone we have made wonderful strides. We passed the Bonneville bill providing for the distribution of the hydroelectric power to be generated on the Columbia River to the people of that section at rates based upon the cost of generation, transmission, and distribution. We have given those people a yardstick that will protect them from exorbitant overcharges for lights and power.

When the Bonneville bill was first presented it did not contain the necessary safeguards. I called that fact to the attention of the gentleman from Oregon [Mr. PIERCE], and suggested that he introduce a bill that would cure those defects; which he did. We got the administration's forces behind it, and with the help of our friends on the committee, including the gentleman from Washington [Mr. SMITH] and the lady from Oregon [Mrs. HONEYMAN], we got the provisions of the Pierce bill written into the law.

This measure will ever stand as a landmark in this onward march of modern progress—perhaps the greatest one since the creation of the T. V. A.

We also turned back the tide of opposition to the construction of Grand Coulee and guaranteed the completion of that great project which will mean so much to the people of that northwestern country.

We turned defeat into victory on the Gilbertsville Dam appropriation, thereby assuring the completion of the entire T. V. A. program, which, as I have said before, is the greatest development of ancient or modern times.

As you all know, we have secured the final approval of the amendment which I offered in the House a few days ago, authorizing $100,000,000 for rural electrification during the coming year. We had already secured an appropriation of $40,000,000 for rural electrification for the next fiscal year, raising the amount in the bill from $30,000,000 to $40,000,000. This will give us $140,000,000 for rural electrification during the coming year, to be equitably distributed throughout every State in the Union.

This is doing more for the farmers, and other people living in the rural areas, than any other movement of this generation. It is making farm life more pleasant, more attractive, and more profitable. It is lifting the burdens of drudgery from the farmer and bringing to the housewife comforts and conveniences she never knew before.

In this rural-electrification movement we have had the solid and enthusiastic support of every member of the public power bloc, and of many others who are not members of our bloc. There are numerous other measures which we have sponsored, including the Fort Peck bill and other similar measures affecting every section of the country.

Then, to crown our efforts, we have succeeded in getting this amendment written into the law of the land.

I seriously doubt if all of you realize its far-reaching effect. I know the opposition did not realize it until it was too late for their propaganda to defeat it. It is much better than the amendment which was defeated in the House when the bill was first passed, in that it reaches every section of the country and establishes a national policy. The other amendment only applied to New England, and while it would have protected the power consumers in that section of the country to a large extent, this measure goes much further, affords a greater degree of protection, and reaches every section of the Nation.

The Federal Government will now have the authority to develop the water power on the Connecticut River, the Savannah River, the White River, the Red River, and all other navigable streams and their tributaries, generate and distribute that power at yardstick rates. In other words, we are prepared to establish a yardstick in every section of the country, and afford people in other areas the same protection from overcharges in lights and power rates we now enjoy in the Tennessee Valley area and along the Columbia and the Colorado Rivers in the far West.

A yardstick similar to that of the T. V. A. on the Connecticut, the Penobscot, and other rivers in New England would be one of the greatest blessings that could possibly come to the people of that section of the United States—not only now but for generations to come.

I pointed out a few days ago that the people of New England were overcharged annually for electric lights and power $86,522,422 according to the T. V. A. rates, $88,647,844 according to the Tacoma, Wash., rates, and $101,778,487 according to the Ontario rates.

Remember that Ontario joins the New England States. If the people in those States enjoyed the same rates for electric energy that they enjoy in Ontario, their light and power bills would be reduced $101,778,487 a year; and the consumption of electricity would no doubt double within a short time, which would also double the savings to the consumers.

Surely there is no section of the country that needs such a yardstick more than does New England.

In my remarks in the Appendix of the CONGRESSIONAL RECORD, at page 2218, I set out the residential rates charged in every State in the Union in 1932, the year before the T. V. A. was created. For the benefit of the Members I have had prepared tables setting out the rates now charged for electric lights and power in every State in the Union. I insert those tables in these remarks in order that each and every one of you may be able to compare those rates with the T. V. A. rates, the Tacoma rates, and the Ontario rates, as well as with the rates charged in 1932, before this administration came into power, and before the T. V. A. was created and the T. V. A. yardstick established.

Now, if you want to know the rates charged in any town in your State, and to compare those rates with the T. V. A. the Tacoma or the Ontario rates, write to the Federal Power Commission and get a copy of the 1937 Electric Rate Survey, series B. These reports cost only 10 cents each, and they are worth their weight in gold.

Let me again remind you that this administration has done more for the ultimate consumers of electric lights and power than all other administrations combined. As I pointed out in my remarks on April 25, we have reduced electric light and power rates to the ultimate consumers $556,000,000 a year. Last year we used in this country 91,000,000,000 kilowatt-hours of electricity, for which we paid $2,086,000,000. If we had paid the same rates we were paying in 1932, the cost would have been $2,642,000,000, or $556,000,000 more than we actually paid. We are still overcharged more than $1,000,000,000 a year. When we get a yardstick established in every section of the country, those overcharges will be wiped out, and the consumption of electricity will grow by leaps and bounds.

It has been contended that all of this reduction of $556,000,000 should not be attributed to the T. V. A. and its yardstick, but that some of it is caused by increased consumption. As a matter of fact, the increased consumption was caused by the reduction in rates, and the reduction in rates was caused by the creation of the T. V. A., the promulgation of its yardstick, and the other kindred power policies of this administration.

But suppose we just give the T. V. A. credit for one-half of this reduction, or $278,000,000 a year. Let us take that amount and break it down by States, and see how much the people of your State are saving annually as a result of the T. V. A. development. This will offset the fallacious argument that has been advanced to the effect that you people are being taxed to pay the expenses of the T. V. A. without getting anything in return.

Here is a list, broken down by States, showing the amount of this $278,000,000 that was saved by the people of each State last year.

Alabama saved $3,800,000; Arizona, $750,000; Arkansas, $1,700,000; California, $16,600,000; Colorado, $2,500,000; Connecticut, $5,800,000; Delaware, $302,000; Florida, $5,500,000; Georgia, $3,800,000; Idaho, $1,500,000; Illinois, $32,800,000; Indiana, $10,300,000; Iowa, $3,400,000; Kansas, $2,400,000; Kentucky, $3,400,000; Louisiana, $1,800,000; Maine, $1,000,000; Maryland and District of Columbia, $6,800,000; Massachusetts, $14,800,000; Michigan, $7,300,000; Minnesota, $2,800,000; Mississippi, $1,700,000; Missouri, $6,000,000; Montana, $2,000,000; Nebraska, $2,500,000; Nevada, $115,000; New Hampshire, $1,200,000; New Jersey, $9,200,000; New Mexico, $900,000; New York, $33,700,000; North Carolina, $2,000,000; North Dakota, $600,000; Ohio, $27,700,000; Oklahoma, $1,900,000; Oregon, $2,600,000; Pennsylvania, $35,300,000; Rhode Island, $2,200,000; South Carolina, $1,000,000; South Dakota, $800,000; Tennessee, $600,000; Texas, $7,100,000; Utah, $3,100,000; Vermont, $600,000; Virginia, $1,200,000; Washington, $3,600,000; West Virginia, $3,300,000; Wisconsin, $8,100,000; Wyoming, $235,000.

Now, if you will compare the rates which I placed in the RECORD on April 25 with the rates shown in the reports of the Federal Power Commission rate, series B, to which I have referred, you will see how much those reductions have amounted to in every city and town in your State.

I have prepared the following tables showing the residential, the commercial, and industrial rates in one of the leading towns in every State in the Union, and have headed the list each time with the T. V. A. rates, the Tacoma rates, and the Ontario rates. I have selected either the State capital or one of the largest cities in each State from which to work out these rates. The people in the smaller towns, and especially in the rural communities, pay a great deal higher rates than they do in the larger centers.

Let us take first the residential rates. I call your particular attention to the rates in New England and other Eastern States, as compared with the T. V. A., the Tacoma, and the Ontario rates:

Comparative residential bills, 1937

State and locality	Kilowatt-hours monthly consumption				
	25	40	100	250	500
Tennessee Valley Authority (Tupelo, Miss.)	$0.75	$1.20	$2.50	$5.00	$6.90
Tacoma, Wash.	1.13	1.52	2.12	3.62	6.12
Ottawa, Ontario	.75	1.02	1.74	2.71	3.92
Alabama	1.45	2.13	3.95	6.58	9.70
Arizona	1.79	2.50	5.09	9.98	16.48
Arkansas	1.95	2.82	5.10	8.50	13.50
California	1.40	1.87	3.19	5.99	8.39
Colorado	1.50	2.40	4.80	9.30	16.80
Connecticut	1.75	2.12	3.62	6.95	9.45
Delaware	1.61	2.43	4.98	9.23	12.23
Florida	2.50	3.40	6.25	10.00	15.00
Georgia	1.45	2.12	3.95	6.57	8.57
Idaho	1.80	2.75	4.65	6.90	8.60
Illinois	1.52	2.40	4.46	7.15	9.90
Indiana	1.44	2.30	4.80	8.53	11.53
Iowa	1.12	1.73	3.73	6.75	9.00
Kansas	1.25	1.85	3.50	5.38	8.63

Comparative residential bills, 1937—Continued

State and locality	Kilowatt-hours monthly consumption				
	25	40	100	250	500
Kentucky	$1.91	$2.45	$4.25	$8.75	$16.25
Louisiana	1.75	2.80	5.20	8.20	10.70
Maine	1.88	2.63	4.73	7.73	9.73
Maryland	1.50	2.40	4.65	8.95	12.60
Massachusetts	1.55	2.30	5.10	9.60	12.60
Michigan	1.35	1.89	3.38	6.75	9.03
Minnesota	1.60	2.15	3.85	7.00	9.63
Mississippi	1.90	2.80	5.40	8.40	12.40
Missouri	1.25	1.90	3.90	6.88	9.75
Montana	1.55	2.38	4.43	7.93	11.93
Nebraska	1.43	2.00	3.71	6.56	10.36
Nevada	1.75	2.42	4.34	9.14	12.89
New Hampshire	2.00	2.80	4.80	7.80	12.80
New Jersey	1.84	2.54	4.44	8.69	11.19
New Mexico	2.50	3.55	6.38	12.08	20.83
New York	1.34	2.01	3.98	7.53	11.28
North Carolina	1.25	2.00	4.00	7.00	10.75
North Dakota	1.75	2.60	4.80	8.00	10.50
Ohio	1.28	1.93	3.88	7.63	10.28
Oklahoma	1.60	2.43	4.23	8.23	13.23
Oregon	1.38	1.95	3.39	6.09	8.09
Pennsylvania	1.64	2.28	4.83	8.55	12.34
Rhode Island	1.76	2.66	5.50	9.50	13.25
South Carolina	1.50	2.25	4.19	6.82	9.94
South Dakota	1.59	2.19	3.99	6.98	9.48
Tennessee	1.20	1.80	3.50	6.13	8.50
Texas	2.00	2.75	5.25	8.50	13.50
Utah	1.60	2.25	3.75	7.00	9.75
Vermont	2.37	3.42	5.22	9.72	12.22
Virginia	1.38	2.10	4.65	7.65	10.15
Washington	1.25	2.00	3.80	7.10	8.98
West Virginia	1.25	1.90	3.85	7.60	10.25
Wisconsin	1.16	1.50	2.73	5.23	8.98
Wyoming	2.13	2.80	4.78	9.25	16.75

Now, let us compare the commercial rates, that is the rates paid by the merchants, the professional men, hotel, restaurant, and filling-station operators, and all others who have to pay commercial rates.

The average commercial consumption in Tupelo, Miss., under the T. V. A. rates, is above 375 kilowatt-hours a month. Note what 375 kilowatt-hours a month cost a commercial consumer in Tupelo, in Tacoma, Wash., or in Ottawa, Ontario, and then run down the list and see what it would cost in your State; or turn to your Rate Survey, series B, and see what it would cost a consumer in your home town.

Commerial light and power service bills, 1937

State and location	Kilowatt-hours per month					
	50	150	375	750	1,500	6,000
Tennessee Valley Authority (Tupelo, Miss.)	$1.50	$4.50	$10.00	$17.50	$27.50	$90.00
Tacoma, Wash	1.75	4.75	10.38	17.25	28.50	61.50
Ottawa, Ontario	1.75	2.97	9.90	19.70	39.60	76.58
Alabama	2.58	7.08	17.20	34.08	67.83	210.00
Arizona	2.70	8.11	19.19	38.38	76.75	198.34
Arkansas	3.35	9.55	20.95	40.45	71.05	162.80
California	2.30	5.60	12.15	22.65	41.65	116.00
Colorado	3.50	9.00	21.75	43.50	82.00	144.00
Connecticut	4.02	9.73	21.75	41.40	80.70	214.80
Delaware	2.70	8.10	18.03	35.55	69.42	147.15
Florida	4.75	13.50	31.50	61.50	109.00	140.70
Georgia	2.57	7.07	17.20	34.07	57.31	174.69
Idaho	3.40	9.15	18.50	32.00	53.60	135.35
Illinois	2.73	7.04	16.02	32.04	64.08	190.09
Indiana	2.88	7.70	16.78	31.21	55.79	152.50
Iowa	2.18	5.95	14.39	27.59	53.84	150.00
Kansas	2.50	7.50	15.38	28.50	49.50	177.25
Kentucky	3.66	8.66	19.91	38.66	74.75	150.00
Louisiana	3.75	10.75	25.38	47.50	85.00	183.50
Maine	3.16	8.85	19.20	38.40	76.80	127.50
Maryland	3.00	6.98	16.43	32.85	59.40	189.94
Massachusetts	3.25	9.75	24.38	47.50	87.50	175.92
Michigan	2.25	6.75	15.75	29.25	49.50	171.00
Minnesota	3.59	10.59	20.72	33.84	56.34	162.93
Mississippi	3.80	10.20	21.60	40.20	77.40	170.00
Missouri	2.30	5.85	13.95	27.90	55.80	173.25
Montana	2.93	8.43	20.80	36.43	62.68	112.00
Nebraska	2.33	5.65	13.14	24.41	45.79	155.04
Nevada	2.50	7.50	17.50	27.50	42.50	125.10
New Hampshire	4.50	11.25	25.50	51.00	102.00	171.25
New Jersey	3.73	9.93	23.43	45.93	80.93	224.00
New Mexico	4.50	13.50	30.25	51.50	84.00	190.00
New York	4.00	8.43	18.10	35.20	69.40	146.00
North Carolina	2.50	7.50	18.00	30.70	58.90	166.00
North Dakota	3.50	9.50	20.75	30.75	49.50	135.00
Ohio	3.25	9.75	23.50	42.50	70.00	178.38
Oklahoma	2.98	8.48	19.11	34.73	62.23	171.00

Commercial light and power service bills, 1937—Continued

State and location	Kilowatt-hours per month					
	50	150	375	750	1,500	6,000
Oregon	$2.61	$7.84	$17.34	$32.30	$60.80	$104.00
Pennsylvania	5.83	9.65	22.59	45.28	90.55	185.00
Rhode Island	3.50	9.50	23.00	45.50	85.50	130.00
South Carolina	3.10	9.09	21.33	40.06	72.53	207.70
South Dakota	3.93	10.30	20.43	33.55	56.05	167.68
Tennessee	3.47	9.97	20.47	37.72	70.22	143.69
Texas	3.25	9.75	21.20	39.80	77.00	212.50
Utah	3.24	9.24	22.74	45.24	82.85	177.95
Vermont	5.50	13.50	29.25	53.99	93.00	178.00
Virginia	2.75	8.25	18.75	33.38	57.75	142.00
Washington	2.40	6.15	14.03	26.40	47.90	131.25
West Virginia	3.60	7.50	14.85	29.70	59.40	155.00
Wisconsin	2.00	4.50	9.25	21.25	42.50	104.58
Wyoming	3.93	11.10	26.85	53.70	107.40	216.00

Now, let us turn to the industrial rates and see what the small industries in your State have to pay in comparison with what they should pay if properly protected by a public yardstick.

I again call your attention to the overcharges in New England and other Eastern States, as compared with the T. V. A., the Tacoma, and the Ontario rates, and ask you how any man from that section of the country can oppose the efforts of this administration to bring these rates down to a reasonable level.

Industrial power bills, 1937

State and locality	Kilowatt-hours per month					
	15,000	30,000	60,000	100,000	200,000	400,000
Tennessee Valley Authority (Tupelo, Miss.)	$226.00	$323	$547	$1,111	$1,430	$2,629
Tacoma, Wash	151.00	250	417	635	1,180	1,780
Ottawa, Ontario	171.50	344	685	1,142	2,280	2,518
Alabama	322.00	531	988	1,843	2,831	3,931
Arizona	431.00	759	1,414	2,288	4,472	6,760
Arkansas	319.00	563	1,025	1,642	3,184	4,768
California	230.00	453	790	1,283	2,434	3,880
Colorado	360.00	665	1,130	1,842	4,410	6,076
Connecticut	429.00	759	1,361	2,031	3,706	5,523
Delaware	317.00	565	1,005	1,886	3,011	4,104
Florida	347.00	496	1,070	1,671	3,173	4,767
Geogia	269.00	509	929	1,408	2,607	3,806
Idaho	263.00	528	1,013	1,639	3,127	4,454
Illinois	359.00	604	1,217	1,955	3,468	4,632
Indiana	285.00	556	1,082	1,727	3,159	4,636
Iowa	294.00	557	996	1,543	2,920	5,473
Kansas	308.00	590	1,130	1,850	3,650	5,150
Kentucky	358.00	631	1,179	1,969	3,544	5,054
Louisiana	337.00	637	1,124	1,714	3,189	4,589
Maine	242.00	484	967	1,612	3,225	5,925
Maryland	408.00	708	1,316	2,183	4,350	6,500
Massachusetts	357.00	635	1,164	1,870	3,636	5,166
Michigan	387.00	636	1,180	1,843	3,502	4,976
Minnesota	356.00	653	1,154	1,781	3,254	4,584
Mississippi (Jackson)	377.00	694	1,328	2,174	4,285	6,096
Missouri	362.00	743	1,442	2,352	4,571	6,704
Montana	231.00	404	766	1,217	2,333	3,333
Nebraska	369.00	725	1,340	1,940	3,440	5,440
Nevada	309.00	594	1,074	1,754	3,454	4,894
New Hampshire	285.00	501	934	1,512	2,856	4,581
New Jersey	371.00	627	1,062	1,674	3,069	4,295
New Mexico	451.00	902	1,805	3,009	6,016	9,816
New York	262.00	539	1,023	1,673	3,268	5,268
North Carolina	301.00	534	967	1,615	3,160	4,793
North Dakota	337.00	675	1,350	2,250	4,500	6,300
Ohio	352.00	704	1,407	2,345	4,060	6,083
Oklahoma	311.00	574	1,069	1,788	3,303	3,695
Oregon	280.00	493	821	1,273	2,401	3,852
Pennsylvania	300.00	601	1,197	1,855	3,500	5,300
Rhode Island	270.00	540	1,080	1,800	3,600	5,200
South Carolina	338.00	650	1,060	1,560	2,768	4,167
South Dakota	363.00	630	1,131	1,777	3,392	5,330
Tennessee	298.00	538	970	1,521	2,808	4,643
Texas	358.00	705	1,368	2,251	4,459	6,959
Utah	319.00	616	1,152	1,860	3,630	4,887
Vermont	338.00	675	1,344	2,166	3,863	6,563
Virginia	247.00	459	863	1,349	2,564	4,184
Washington	202.00	384	730	1,177	2,253	3,253
West Virginia	369.00	688	849	1,275	2,300	4,210
Wisconsin	240.00	427	765	1,215	2,340	3,840
Wyoming	418.00	835	1,420	2,184	3,966	5,666

Remember that the T. V. A. rates are subject to further reductions, that the Ontario rates are being gradually reduced, and that Tacoma will soon have her plant paid out and will be able to make further reductions.

Remember also that these rates set out above in all three tables apply to the large cities in the various States and that in the smaller towns and the rural sections the rates are invariably a great deal higher, except in the T. V. A. area, the Tacoma area, and in Ontario, where the cheap rates apply to all.

In conclusion, Mr. Speaker, I want to again congratulate the Members who have supported us in this movement to bring cheap electricity to every human being in America. I hope this question is made an issue in every congressional district this year, for wherever it is made an issue and thoroughly and intelligently discussed the people have enthusiastically supported those Members of Congress who have aided in this fight.

And let me say again that the power program of this administration up to date constitutes the greatest forward movement ever made by any administration in your day and mine, so far as it affects the economic and social life of the average individual American now and for generations to come. [Applause.]

EXTENSION OF REMARKS

Mr. CROSSER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing the text of an article by Mr. James P. Miller, appearing in the Akron Beacon Journal, on the subject of the National Labor Relations Board.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. SHANNON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an article from the New York Herald Tribune of Monday, June 6, 1938, quoting from a sermon delivered by Monsignor Lavelle on Intolerance.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

HOME OWNERS' LOAN CORPORATION

Mr. KEOGH. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD on the subject of the Home Owners' Loan Corporation.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KEOGH. Mr. Speaker, one of the most helpful pieces of legislation passed in recent years was the Home Owners' Loan Act of 1933. Helpful because its fundamental purpose was to preserve the home, so essential to American democracy, as the basic unit of our society is the family. As a result of this legislation many thousands of homes that otherwise would have been lost were saved.

The number of borrowers who have been liquidating their loans is silent testimony of the beneficial results obtained. The attitude of the Corporation with respect to its borrowers has been one that has generally redounded to the credit of the Corporation and justifies the confidence reposed by the Congress in the Corporation.

While the majority of the mortgagors have maintained regular payments of interest and amortization of principal, there are many today who, through no fault of their own, find it necessary to seek consideration. The number of such cases, coming to the attention of Members of Congress from all over the country, caused the formation of an unofficial group of such Members. This group has attempted to arrive at a solution to the present problem that would be consistent with the rights of all the parties concerned, that is, the Government, the Home Owners' Loan Corporation, the mortgagors who are complying with the terms of their mortgage, the mortgagors who are in need of assistance, and the taxpayers of the country.

As a result of the conferences this group had with certain officials of the Corporation the following recommendations were recently presented to the Corporation:

First. Reduction of the interest rate to 3½ percent, which reduction would place the home owner upon the same footing with regards to interest as farmers to whom Government loans have been made.

Second. Creating of moratorium on principal payments for a period up to 3 years. This proposal would be in line with legislative action taken in New York and other States.

Third. Abolition of deficiency judgments. This proposal is also similar to that which has come of a definite movement within the States.

Fourth. The establishment of a quasi-judicial board of review, before which any mortgagor whose loan has been recommended for foreclosure, may appear in person or through a duly authorized representative and have an opportunity to have the entire problem reviewed. It was suggested that the establishment of a board of review should be on a basis similar to the present Board of Appeals and Review of the Veterans' Administration, and is designed to afford to the home owner every opportunity of having all the factors contributing to his distressed condition impartially reviewed. It is hoped that through this measure many foreclosures might be averted by cooperating with other Government agencies.

Fifth. To permit foreclosed home owners to remain in their former homes as tenants, provided they pay a reasonable rental.

The foregoing proposals, for the most part, would require no further legislation, nor would they entail any additional burden to the Government because of the fact that the fund obtained through the spread between the interest received by the Corporation and the interest paid on its outstanding bonds should meet its operating expenses.

The Members of Congress who participated in the conferences, out of which the foregoing proposals developed, were WILLIAM B. BARRY, MATTHEW J. MERRITT, of Queens; DONALD L. O'TOOLE, EUGENE J. KEOGH, of Brooklyn; JAMES J. LANZETTA, of New York; JAMES A. O'LEARY, of Staten Island; FRANK W. TOWEY, Jr., of New Jersey; D. WORTH CLARK, of Idaho; JAMES M. MEAD, of Buffalo, N. Y.; GEORGE B. KELLY, of Rochester, N. Y.; ARTHUR D. HEALEY, of Massachusetts, and EDWARD L. O'NEILL, of New Jersey.

Mr. Speaker, it will, I am sure, be generally agreed that the preservation of the home will result in preservation of representative government.

EXTENSION OF REMARKS

Mr. WIGGLESWORTH. Mr. Speaker, at the request of the gentleman from New York [Mr. TABER], I ask unanimous consent that the minority members of the Committee on Appropriations may be permitted to extend their remarks in the RECORD and to include tables and figures in connection therewith.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. BLOOM. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting an article by Bernarr McFadden appearing in Liberty Magazine.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. REECE of Tennessee. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including a toast to East Tennessee, by the Honorable Landon C. Haynes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. O'CONNELL of Montana. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an address delivered by the Honorable Percy

Tetlow, chairman of the National Bituminous Coal Commission, at a convention of the American Wholesale Coal Association at Virginia Beach.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Montana?

There was no objection.

POTATOES AND RECIPROCAL-TRADE AGREEMENTS

Mr. BREWSTER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD at this point and include certain statistics.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maine?

There was no objection.

Mr. BREWSTER. Mr. Speaker, Republican spokesmen, both in and out of Congress, have repeatedly stated that the Roosevelt-Hull reciprocal trade agreements are not reciprocal treaties but are a device for a general lowering of the tariffs in an unconstitutional and undemocratic manner. One of the best evidences of the accuracy of this statement is to examine the statistics relative to our exports and imports of potatoes. The following table gives the exports of potatoes for the year 1929, and from 1932 to 1937, inclusive:

United States exports of potatoes

Year	Total	Trade-agreement countries		Non-trade-agreement countries
		Countries which reduced tariffs	Other	
	Pounds	*Pounds*	*Pounds*	*Pounds*
1929	164,072,000	7,424,000	125,124,000	31,524,000
1932	54,715,000	805,000	38,140,000	15,770,000
1933	43,116,000	652,000	25,867,000	16,597,000
1934	70,242,000	614,000	48,943,000	20,685,000
1935	108,475,000	723,000	85,901,000	21,851,000
1936	77,646,000	501,000	54,784,000	22,361,000
1937	109,343,000	715,000	61,643,000	46,985,000

Source: U. S. Bureau of Foreign and Domestic Commerce.

WHAT THIS MEANS

From this table we find that we exported 7,424,000 pounds of potatoes in 1929 to countries—Colombia and Haiti—which later, under trade agreements, reduced their tariffs. In 1937 we exported 715,000 pounds of potatoes to these same countries. From 1929 to 1937 exports to these countries fell by 90.4 percent. We find that exports to the other trade-agreement countries which made no concessions on potatoes fell from 125,124,000 pounds in 1929 to 61,643,000 pounds in 1937, or by 50.7 percent. To the nonagreement countries we find that, in 1929 we exported 31,524,000 pounds of potatoes. In 1937 we exported 46,985,000 pounds, or an increase of 49 percent. Thus we find, in analyzing our exports of potatoes, that to the trade-agreement countries we have had a material decrease in the exports of potatoes, whereas to the nonagreement countries we have had a material increase. Eighty and eight-tenths percent of our exports of potatoes in 1929 went to future trade-agreement countries, while in 1927 only 57 percent went to these countries. Is there any evidence here that trade agreements have helped our foreign market in potatoes?

CANADA AND CUBA

Practically all of our potatoes are imported either from Canada or Cuba. In fact, over 99 percent of our entire potato imports come from these two countries, and principally Canada. We have made trade agreements with both of these countries. In writing the trade agreements we made concessions to both of these countries, whereas Canada made no concession and Cuba only bound the present rate of duty. The concessions we made were seasonal in nature, allowing potatoes to come into the country at reduced rates during certain periods of the year. Therefore, in the following table we have separated the imports from these two countries into two classifications giving the quantity which entered under the reduced duty and the amount which entered at the regular rate of duty.

United States imports of potatoes

Year	Total	Concession countries		All other countries
		Reduced duty	No reduction	
1929	256,551,000		252,691,000	3,859,000
1932	43,615,000		43,582,000	33,000
1933	70,803,000		70,152,000	651,000
1934	92,293,000		89,745,000	2,548,000
1935	24,578,000	875,000	23,640,000	63,000
1936	75,955,000	42,910,000	32,700,000	345,000
1937	63,938,000	48,032,000	15,729,000	177,000

Source: The U. S. Bureau of Foreign and Domestic Commerce.

The above table shows that a few potatoes came into this country at a reduced rate of duty in 1935. However, it was not until 1936, when both the Canadian and Cuban Agreements were effective, that sizable quantities of potatoes came into the country at reduced prices. We find that, in 1936, 56.5 percent of our entire imports came in under reduced rates of duty and that amount increased to 75 percent in 1937. Furthermore, while total imports in 1937 were less than in 1936, the amount of potatoes entering the country at reduced rates was greater in 1937 than in 1936.

The tariff on potatoes was raised from 50 cents to 75 cents per hundred pounds in the Hawley-Smoot Tariff Act of 1930 because imports of potatoes were materially increasing. Now we find duties are lower than they were before the Hawley-Smoot Tariff. This is a general reduction in the duties on potatoes, whereas on our exports we have received no concessions of any value to the potato growers of this country. From an examination of these tables can any conclusion be arrived at except that it is the policy of the State Department to reduce our tariff structure without the consent of Congress, as the Constitution provides, and that, incidentally, if we can get any concessions we will take them? It is interesting to note that of the countries which have been and are important buyers of potatoes we have trade agreements with countries that bought approximately 81 percent of the total exports in 1929 and 57 percent in 1937. However, we received concessions from a group that buy less than 1 percent of our exports. Is this reciprocity? No; it is a general lowering of tariffs in an unconstitutional and undemocratic manner.

DOMESTIC SUPPLIES

Meanwhile domestic production of potatoes has risen to record heights and the Government through the Agricultural Department has assisted in removing large quantities of domestic potatoes from the market in order to prevent a complete collapse of the price structure.

Foreign potatoes entering the American market at lower tariffs simply accentuate the surplus problem and put greater burdens on the Treasury to divert more domestic potatoes to other uses. Canadian production of potatoes is naturally increasing by leaps and bounds.

It is to be hoped that in the pending revision of the Candania trade agreement a stop will be put to these unwarranted concessions in order to preserve for the American producer the American market to which he is entitled.

EXTENSION OF REMARKS

Mr. COFFEE of Washington. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a short article by the Honorable Fred A. Smith.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

REPRESENTATIVE J. WALTER LAMBETH

Mr. EATON. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. EATON. Mr. Speaker, it is a great loss to this House that our friend and colleague the gentleman from North Carolina [Mr. LAMBETH] is leaving us. He is doing so by his own volition. He would not leave us in any other way. I ask unanimous consent to extend my remarks at this point in the RECORD by inserting a very brief tribute to him on the fine work that he has done as chairman of the Committee on Printing.

The SPEAKER pro tempore. Is there objection?

There was no objection.

[From the Washington Star of June 12, 1938]

BIG SAVING SEEN AS PRINTING WORK OF GOVERNMENT IS POOLED—REORGANIZATION EFFECTED ON INITIATIVE OF REPRESENTATIVE LAMBETH—SALE OF PUBLICATIONS EXPECTED TO SOAR

(By Will P. Kennedy)

Pooling of public printing and processing in the numerous Government branches, a step expected to result in a saving of hundreds of thousands of dollars, has been effected, it was learned yesterday. The new set-up also is viewed as a means of increasing the sale of Government publications to $3,000,000 within 3 years.

A recent study, the outgrowth of much controversy and complaint about wholesale processing in Government agencies, showed there is $1,040,114 worth of equipment for such work, with the annual cost of labor estimated at $800,000. Hereafter the work will be zoned, consolidated, and pooled under competent technical management.

This work of reorganization resulted from the initiative of Representative LAMBETH, of North Carolina, chairman of the Joint Committee on Printing. As a result of his efforts and the cooperation of the Budget Bureau and heads of departments a special committee was organized to study the problem. That committee was composed of Ansel Wold, executive clerk to the Joint Committee on Printing; Russell H. Herrell, Government Printing Office; Alton P. Tisdel, Superintendent of Documents, Government Printing Office; J. T. Burns, General Accounting Office; V. L. Almond, Bureau of the Budget; M. S. Eisenhower, Department of Agriculture; W. D. Boutwell, Department of the Interior; L. C. Spangler, Treasury Department; Thomas F. McKeon, Department of Commerce, and Sidney Morgan, United States Tariff Commission.

VOLUME ENORMOUS

The scope and volume of the Government printing and processing is enormous, the committee discloses. Government activities and personnel have multiplied. The Government must report to the citizens on new as well as on old established work. There has been a staggering increase in report forms, copies of contracts and agreements, and thousands of necessary daily items. New agencies especially must make known directly to individuals comprising a large percentage of the population facts about benefits, requirements of law and regulations. For example, the recently established Social Security Board deals directly with more than 30,000,000 employees and employers under the old-age benefits.

It has been charged (a) that matter which obviously should have been printed has been processed with needlessly elaborate illustrations and costly make-up and binding; (b) that neither printed nor processed publications have been confined to those required in carrying out functions authorized by law; (c) that the distribution of such publications has been uncontrolled and therefore wasteful; and (d) that the very large increase in the volume of franked and penalty mail has contributed substantially to the increase in the operating deficit of the Post Office Department. Complaints were found to be general that much Government printed and processed matter is reaching individuals who have not requested it and have no use for it.

An essential feature of the "reorganization" was to make a definition of "printing" which would decide whether work should be done at the Government Printing Office or might be processed by mimeograph, multigraph, multilithograph, or otherwise duplicated by the various units of the Government. This definition was approved by the Comptroller General on June 1, and the economy-efficiency recommendations of the interdepartmental survey board are now being put into active force.

MEASURE IS DRAFTED

A bill has been drafted which Chairman Lambeth will introduce in the next session, to be made applicable to all Government agencies, including emergency agencies and Government corporations, to meet the criticism that processing is being used to supplant printing and that propaganda is being distributed. The fact that organic acts establishing certain agencies and corporations and the emergency appropriation acts permit, in addition to other exemptions, the unrestricted use of funds for printing and processing without regard to existing law has intensified such criticism.

The new system provides that in addition to the specific controls for printing and binding now vested in the Joint Committee on Printing and in the Bureau of the Budget, the Budget Bureau shall coordinate printing and processing generally in the executive branch of the Government by establishing uniform policies and procedures consistent with law for the efficient and economical utilization of printing and processing. It is also directed that a permanent interdepartmental committee on printing and processing be set up to advise and to act with the Budget Bureau in these matters. This committee will be composed of departmental employees and a representative of the Government Printing Office.

TO HAVE BROAD AUTHORITY

Each department is to maintain a centralized service to act as a contact between the bureaus, offices, and services of the department and the Government Printing Office, the Bureau of the Budget, and the Joint Committee on Printing of Congress. This service is to have broad authority:

1. Review manuscripts proposed for publication in order to determine (a) whether under existing law and regulations they must be printed or may be processed; (b) if processing is legally permissible, whether in view of the number of copies required or for other reasons printing would be more economical and efficient, and (c) whether each manuscript warrants the cost of printing or processing.

2. To determine the frequency of issue of periodicals, especially to reduce the frequency of issue to the minimum required in meeting the constructive purposes of such periodicals.

3. Eliminate from all manuscripts submitted matter not necessary in carrying out authorized functions.

4. Restrict the number of copies of publications printed or processed to the minimum necessary in carrying out authorized functions.

5. Determine questions of distribution and especially to cooperate with the Superintendent of Documents in promoting the sale of publications.

INCREASED SALE FORECAST

(6) Employ at least one person trained and experienced in printing and processing techniques to deal with printing and processing problems and to act as technical adviser.

As one feature of the sales promotion drive it is proposed to place on sale at all post offices post cards addressed to the Superintendent of Documents. On the reverse side is an order blank for certain documents. These cards would be of various colors for the varying prices of the documents to be ordered. These cards would be sold for the price of the desired document. All a person would have to do is affix a 1-cent stamp and in due time receive the document. This would be a great convenience for the public. It is estimated that this would soon increase the sale of documents several millions of dollars annually.

BUREAU OF FINE ARTS

Mr. COX. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 526 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

House Resolution 526

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. J. Res. 671, a joint resolution to create a Bureau of Fine Arts in the Department of the Interior for the promotion of art and literature through the use of copyrighted material and to define the powers and duties of said Bureau, and for other purposes. That after general debate, which shall be confined to the joint resolution and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Patents, the joint resolution shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the joint resolution for amendment the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the joint resolution and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

Mr. COX. Mr. Speaker, of the time at my disposal, I yield 30 minutes to the gentleman from Tennessee [Mr. TAYLOR], to be by him in turn yielded as he sees fit. I yield myself 3 minutes, Mr. Speaker.

Mr. Speaker, this resolution is to make in order the Sirovich Bureau of Fine Arts bill, which is House Joint Resolution 671. The joint resolution proposes to create a Bureau of Fine Arts in the Department of the Interior for the promotion of art and literature through the use of copyrighted and copyrightable material.

Mr. Speaker, I am convinced this resolution has been very grossly misrepresented to the membership of this body. The resolution also suffers by reason of a certain type of support which is given it. In my opinion, it has great merit and is deserving of the earnest consideration of this body.

The gentleman from New York [Mr. SIROVICH] has given a great deal of thought to the proposal and is probably, if not certainly, the best informed man in the country on the subject. He is prepared to make a fair, accurate, and

understandable statement of the whole matter, and I yield to him for that purpose 15 minutes at this time.

Mr. SNELL. Mr. Speaker, will the gentleman yield for a question?

Mr. COX. Will the gentleman withhold his question?

Mr. SNELL. All right, I withhold it.

Mr. COX. May I say that I trust the entire debate on the resolution will take place on the rule now pending.

Mr. Speaker, I yield 15 minutes to the gentleman from New York [Mr. SIROVICH].

Mr. SIROVICH. Mr. Speaker, to me God reveals Himself in three mysterious ways. First, through the life of the universe, which we term "nature"; second, through the thoughts of man, which we term "art"; and, third, through the precision and exactness of the mind in correct thinking and observation, which we term "science." The cumulative contribution of everything that has ever been written regarding nature, science, and art constitutes the culture, the education, and the civilization of the world.

Mr. Speaker, there are no geographical and national frontiers to science born of the analytical mind. The human mind has a universal logic expressing itself everywhere in the same way. It produces everywhere the same mathematics, chemistry, physics, botany, physiology, astronomy, and so forth. But there are national and geographical frontiers to art born of the soul of the Nation, of its imagination, of its illusion, and of its deepest emotions. Just as the mind is general and universal, so is the soul subjective and individual. While geometry is everywhere alike, painting is not. While astronomy is everywhere alike, music is not. While physics is everywhere alike, poetry and literature are not.

It has often happened that two scientists in two different places have independently, of one another, made simultaneously the same scientific discovery. As for instance, Leibnitz and Newton in discovering the infinitesimal principles in mathematics. Or Leonardo Da Vinci and Harvey discovering independently of one another, in different centuries, the circulation of the blood. Or La Place and Kant discovering independently of one another the nebular theory of the solar system. But it has never happened that two painters paint the same pictures, that two composers compose the same music independently of one another, or that two playwrights write the same drama independent of one another. These concrete examples demonstrate clearly that art is individual and subjective, while science is universal and general. It is for this reason that every civilized nation, with but few exceptions, cultivates its arts officially, and imposes upon its national government the supreme duty to promote and support, to encourage and to help, the artistic forces expressing themselves in drama, literature, music, plastic and graphic arts, as well as the dance and its allied arts.

On the European Continent, which I visited last year, every government, regardless of size and importance, has either a ministry or a subministry of the fine arts. In England, where no provision for a minister of fine arts is made, the various royal academies, such as the Royal Academy of Art and Letters, the Royal Academy of Science, take care of the matters of the spirit, the nation entrusting the royal court with the task of promoting the different arts and sciences and the drama and lyrical poetry. The funds for their promotion and maintenance of the different arts and art institutions are supplied by the Government.

The official promotion of the fine arts by the European nations began with their artistic and literary maturity. When the leaders of the nations recognized that their peoples came of age artistically and culturally they moved that their national governments adopt measures to promote, protect, and support young artistic and literary creative talents. Such was the case in France, Germany, Austria, Hungary, Italy, Belgium, and Holland.

Looking objectively at the recent developments of American art and literature, we must reach the conclusion that the American people have come of age culturally and artistically, for America is now leading the world not only in science, in mass production, and in the organization of life, but in art and literature as well.

Destiny willed it that the growth of America as a great power economically, politically, and militarily coincide with American cultural and artistic maturity. I, for one, am thrilled by the thought that America today, in spite of its youth, is one of the greatest cultural centers of the globe. The new artistic and cultural energies in America, assuming all the time more beautiful and newer forms, hold out the fair promise to make America the foremost cultural power in the world. Thus the Old World, with its great artistic traditions, will be forced to orientate itself in the marvelous artistic creations of the New World.

When a nation decides to promote and protect its creative talents it does so for two reasons—for cultural reasons and for reasons of justice.

It is necessary to promote and encourage art to bring out the very best in the creative artist and thus contribute to the normal development of the national art, which alone testifies to the greatness of a nation. What was the glory of ancient Greece? Was it its army, its navy, its bridges, its tunnels, its viaducts? No; it was its art, its poetry, its philosophy, its drama. What was the glory of the Italian Renaissance, the greatest chapter in man's history? It was Michelangelo, Raphael, Leonardo da Vinci, Titian, Dante, Petrarch, Boccaccio. While the names of the great captains of industry, commerce, and finance, and even politics, have been forgotten in the ashes of time, these glorious names will live on through the ages, and their works will forever be a source of inspiration to mankind. [Applause.] But none of these immortal men could ever have achieved what they have accomplished if not for the aid of the courts or the help of the church—in short, the government that was behind them.

It is from this background, vantage point, and perspective that this bill to create a Bureau of Fine Arts in the Department of the Interior must be considered.

It is my contention, and I trust yours, that the artist and the poet as a citizen has the same rights and claims on the Government as the businessman, the workingman, the merchant, the military man, the sailor, the farmer, and worker. They can all apply to the Government for counsel and suggestion and guidance. The worker can apply to the Labor Department, the farmer to the Department of Agriculture, the businessman to the Department of Commerce, the banker to the Treasury, the military to the War Department, and so forth.

Modern government is so organized that it can offer aid, guidance, and protection to the citizenry of every walk of life, except to the artist and poet. To fill this gap and to serve not only art and literature, but to give the creative artist and poet the same rights and privileges as a citizen, as the citizens in other walks of life have, this bill is being offered for your approval and adoption. [Applause.]

Mr. Speaker, this bill which we are debating today in the closing hours of Congress and which should have been brought out a month ago, to give it a fair chance, provides for the creation of a Bureau of Fine Arts in the Department of the Interior, for the promotion of art and literature, through the use of copyright and copyrightable material, and to define the powers and duties of said bureau and for other purposes.

During the past few years, particularly as a result of the Federal arts projects, a cultural transformation has occurred in our national life. Theater, music, painting, sculpture, literature, and the other arts have become the possession of millions of people in every section of the country who never before had the means or the opportunity to enjoy the benefits of culture. Twenty-five million people in 22 States have witnessed Federal theater productions; 65 percent of them had never witnessed a play before. Federal musicians have played to aggregate audiences of 92,000,000 persons in 273 cities in 42 States. Eleven million people have witnessed

art exhibits or have been taught in art classes. The American Guidebook Series has been published in a greater number of States. This is but a brief résumé of the testimony offered before the committee, but it serves to indicate what has been accomplished.

This historic contribution has been made under a temporary emergency set-up, and as a result it has been impossible to plan a long-range program. The purpose of House Joint Resolution 671 is to make such planning possible. Obviously the only method is through the setting up of a permanent Bureau of Fine Arts.

There exists in our country potentialities for the development of a great culture. This is an important part of our national wealth, and it must be safeguarded and fostered. It is the function of democratic government to secure the benefits of education and cultural enlightenment for all the people. By so doing, it guarantees the perpetuation of democracy.

Mr. Speaker, this bill has the endorsement of Burgess Meredith and Frank Gillmore, president and former president of the Actors' Equity Association of America. It has been approved by Mrs. Edgar Stillman-Kelley, president of the Federated Music Clubs of America; Deems Taylor, president of the American Operatic Society; Lawrence Langner, founded and director of the Theatre Guild; Brock Pemberton, president of the Producing Managers Association of America, and president of the League of New York Theaters; George M. Cohan, Frances Starr, Blanche Yurka, by the Authors League, Dramatists Guild, by Heywood Broun, president of the American Newspaper Guild; by William Green, president of the American Federation of Labor, who wrote the following letter:

Hon. WILLIAM I. SIROVICH,
Chairman, Committee on Patents,
House Office Building, Washington, D. C.

DEAR REPRESENTATIVE SIROVICH: Having read and studied H. J. Res. 671 which provides for the creation of a Bureau of Fine Arts in the Department of the Interior that would be instrumental in providing for the theater and its allied arts, music and its allied arts, literature and its allied arts, the plastic and graphic arts, and their allied arts, and the dance and its allied arts, I can assure you that it has the enthusiastic support of the American Federation of Labor.

It is heartily supported by the organized actors, musicians, writers, and other organizations of labor who believe that the development in our country of cultural institutions is an important part of the life of our people now and in the future. Institutions for the advancement of culture and civilization in art are found in nearly every civilized nation in the world, and the United States should not be backward in creating such a bureau.

I am sure that the purpose of the resolution will appeal to the Members of the House of Representatives and the United States Senate.

Sincerely yours,

WILLIAM GREEN,
President, American Federation of Labor.

Also by James Hulley, general organizer of the United American Artists, and John Lewis, president of the C. I. O.; E. L. Oliver, of Labor's Nonpartisan League; by Lawrence Tibbett and Rosa Ponselle, the great operatic singers of the Metropolitan Opera, who appeared personally before our committee, together with Irving Berlin, George Gershwin, Rudy Vallee, Irving Caesar, George Middleton, Erskine Caldwell, Percy Mackaye; and Martin Popper, counsel to the Federal Arts Committee; by Rockwell Kent, the great artist; Gutzon Borglum, the distinguished sculptor; by Gene Buck, president of the American Society of Composers, Authors, and Publishers; George Creel, author and writer, and president of the Authors' League of America; by Chester Crowell, representing the Authors' League; Charles Edward Russell, representing the art clubs of Washington, D. C.; Stanley Riggs, representing the Archeological Society; Sigmund Romberg, the great musical composer of Maytime, Student Prince, Desert Song, Blossom Time, and so forth.

This is but a cross-section of the eminent and distinguished dramatists, novelists, authors, poets, artists, musicians, sculptors, and painters who appeared before our committee and endorsed the principles embodied in the bill we are now presenting for your consideration and deliberation.

Mr. Speaker, the modern drama is an escape from the hard realities of life, created by the industrial and machine age to a world of phantasy and illusion. The industrial and machine age with its routine and efficiency, sameness and monotony, creates boredom for man, and to get rid of the boredom be escapes to the theater. This explains best the phenomenal success of the movies. Thus if in former generations the drama was a luxury, today it is a necessity. Close the theaters of our country and the insane asylums of the Nation will become overcrowded. For modern man cannot stand the strain and tension of life without a periodic escape to the world of illusion, the theater. This elemental function of the theater in the life of our Nation makes it imperative that the National Government pay attention to this all-important phase of our national life. The more free time modern man acquires, as a result of the shortening of labor hours, the more important must the function of the theater become in national life. To suggest that the National Government represent all interests of the Nation, with the exception of the interest of art, literature, and drama is to deny its sovereign character and to make the creative genius the stepchild of the Nation.

Mr. Speaker, I appeal to the patriotic spirit of every Member of the House of Representatives, who is here assembled, to help us to achieve this great ideal in the creation of a Bureau of Fine Arts. To me, Mr. Speaker, an ideal is a place to which God descends as man rises to meet Him. Let us bring the ideal of a Fine Arts Department to the home, hearth, and fireside of our American people in every section of our country. This would enable us to have a democracy where economic security could be guaranteed to all the people of our Nation in order that we might only compete in the development of the mind in science, in art, in literature, in philosophy, in drama, in music, and in all the beautiful things that go to ennoble mankind. The shibboleth of our Nation is " E Pluribus Unum." Out of many we have become one great Nation. Let us through the Department of Fine Arts become the greatest and mightiest Nation in the world in culture and artistic development that will be a monument to our genius in the centuries to come. [Applause.]

Mr. RABAUT. Mr. Speaker, will the gentleman yield?

Mr. SIROVICH. I yield to my friend from Michigan.

Mr. RABAUT. Why should art be controlled by the Government? Has not art always been free? Has not art always been developed along free lines?

Mr. SIROVICH. That is a very fair question, a very interesting question, and I shall be glad to answer my distinguished friend.

Please remember, Mr. Speaker, art cannot be controlled and regimented by any government in the world, unless people are forced to write, paint, and compose as dictators tell them. Art is individualistic. In the early part of my address I showed how no two men, from the standpoint of literature, can write the same books. No two newspaper men up there in the gallery can write the same story about the same thing. No two painters can paint the same object in the same way. No two architects can design the same building exactly alike. You cannot regiment the human mind in a democracy. [Applause.]

[Here the gavel fell.]

Mr. COX. Mr. Speaker, I yield 2 additional minutes to the gentleman from New York.

Mr. SIROVICH. You cannot regiment in a democracy arts, drama, music, literature, the plastic and graphic arts. Art can be regimented only where you have destroyed freedom of the press and freedom of speech.

Mr. WADSWORTH. Mr. Speaker, will the gentleman yield?

Mr. SIROVICH. I yield.

Mr. WADSWORTH. On page 5 of the bill, commencing in line 4, follows a list of professions, vocations, or occupations, with some of which I am not familiar. What is a "wirter," for instance?

Mr. SIROVICH. This is a typographical error. It stands for the word "writer."

I notice there are a couple of typographical errors in the bill. For instance, the word "draftsman" should be "craftsman."

They are typographical errors.

Mr. WADSWORTH. Apparently the draftsman was lacking. Outside of the field of politics, what is a puppeteer?

Mr. SIROVICH. A puppeteer is one who creates and performs with puppets, like a Punch and Judy show.

Mr. WADSWORTH. I thought so.

[Here the gavel fell.]

Mr. TAYLOR of Tennessee. Mr. Speaker, I yield the gentleman 1 additional minute.

Mr. MICHENER. Will the gentleman yield?

Mr. SIROVICH. I yield to the gentleman from Michigan.

Mr. MICHENER. I want to pursue further an inquiry propounded by the gentleman from the gallery who suggested we were regimenting everything else in the country and he wanted to know why we could not regiment art?

Mr. SIROVICH. You cannot regiment art, because art symbolizes the soul of the individual and represents an individual expression. You can suppress the teaching of science and art in totalitarian governments as they are doing in Nazi totalitarian Germany, but in a democracy you cannot regiment the individual mind because he has freedom of expression and freedom of thought. So long as human beings in a democracy have freedom of thought, freedom of expression, and freedom of the press you can never have regimentation in American art and in American literature. [Applause.]

[Here the gavel fell.]

Mr. TABER (interrupting the remarks of Mr. SIROVICH). Mr. Speaker, a point of order. I think when we have such important business as this we should have a quorum, and I make the point of order a quorum is not present.

Mr. KNUTSON. The gentleman is making a very interesting statement, and I hope the gentleman will not make the point of order.

Mr. TABER. It is very important and the House should hear it.

Mr. KNUTSON. It is almost 4 o'clock now.

Mr. TABER. I know that, but this is very important business.

Mr. COX. Mr. Speaker, will not the gentleman withhold that request and let us go ahead and have the discussion, and then if you want to vote down the proposition, vote it down?

Mr. TABER. Mr. Speaker, I think we ought to have a quorum. This is too important a matter to consider without a quorum, and I make the point of order there is not a quorum present.

The SPEAKER pro tempore (Mr. HARTER). The Chair will count. [After counting.] One hundred and thirty-five Members present, not a quorum.

Mr. SABATH. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 122]

Allen, Pa.	Douglas	Keller	Schneider, Wis.
Andresen, Minn.	Drewry, Va.	Kerr	Scrugham
Andrews	Driver	Kirwan	Simpson
Arends	Duncan	Kopplemann	Smith, Maine
Ashbrook	Dunn	Kramer	Smith, Okla.
Boehne	Ford, Calif.	Lanham	Stack
Boyer	Fries, Ill.	Lemke	Steagall
Caldwell	Gasque	Lewis, Md.	Sweeney
Cartwright	Gray, Pa.	McAndrews	Taylor, Colo.
Champion	Green	McGroarty	Thomas, N. J.
Chandler	Griffith	McLean	Tinkham
Clark, Idaho	Griswold	McMillan	Tobey
Coffee, Nebr.	Hancock, N. C.	May	Tolan
Cole, N. Y.	Harlan	Mitchell, Ill.	Vinson, Ga.
Connery	Hartley	Mitchell, Tenn.	Weaver
Creal	Hendricks	Mouton	Welch
Crosby	Hennings	Murdock, Utah	Wene
Curley	Hildebrandt	O'Connor, Mont.	Whelchel
Deen	Hoffman	O'Day	White, Idaho
Dempsey	Hook	O'Neal, Ky.	White, Ohio
Disney	Imhoff	O'Toole	Withrow
Ditter	Jarman	Richards	Wood
Dockweiler	Jarrett	Ryan	

The SPEAKER. Three hundred and thirty-five Members have answered to their names, a quorum.

Mr. SABATH. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

Mr. SIROVICH resumed and concluded his remarks.

Mr. COX. Mr. Speaker, I yield 1 minute to the gentleman from Georgia [Mr. RAMSPECK].

Mr. RAMSPECK. Mr. Speaker, in April the gentleman from Illinois [Mr. CHURCH], made an attack upon Mr. Horace Russell, General Counsel of the Home Loan Bank Board and the Home Owners' Loan Corporation in connection with a letter which Mr. Russell had written. In this case the gentleman from Illinois, unintentionally no doubt, did a great injustice to a very fine gentleman and to one of the most efficient employees ever connected with the Federal Government.

Mr. Horace Russell is a legal resident of my district, a former member of the city council, where he served with distinction, a former president of the Atlanta Chamber of Commerce, a loyal Democrat, and a man of splendid ability and unquestioned integrity.

In connection with this episode, I think it is proper that the record should show how Mr. Russell happened to occupy the position which he held at the time the gentleman from Illinois made his charges.

About October 29, 1932, during the Hoover administration, Mr. Morton Bodfish, one of the minority or Democratic members of the Federal Home Loan Bank Board, called Mr. Russell at Atlanta by telephone and requested that he come to Washington to assist the Board in setting up the 12 Federal Home Loan banks and in dealing with savings and loan associations. It will be remembered that at this time the Board was in the control of the Republicans, and Mr. Russell was called in solely because of his special knowledge of local home-financing institutions, and because the Board had had difficulty in finding a lawyer with such specialized knowledge. It was not expected that Mr. Russell would remain more than a few weeks.

As of December 1, 1932, the Board employed Mr. Charles P. Sisson, of Providence, R. I., who had been Assistant Attorney General in charge of appointments under the Hoover administration, as its general counsel. Mr. Sisson promptly discovered that the work of the Board was unfamiliar to him and that he was not interested in it, and resigned. As Mr. Russell was preparing to return to his law practice in Atlanta, the Board requested him to return after the Christmas holidays in the position of General Counsel and to remain until March 4, 1933. It will be remembered that when this happened the election was over and the Republicans were on the way out, and the members of this Board had not been confirmed by the Senate. Mr. Russell realized that the country was in a serious condition, and that the offer constituted an opportunity for public service, and he agreed to remain until March 4, 1933.

Although he had been a Democrat all his life, Mr. Russell did not expect to remain after March 4, 1933, and made no effort to retain his position. Without his knowledge, I spoke to Mr. William F. Stevenson shortly after his appointment as chairman of the Board in March 1933, and suggested to him the retention of Mr. Russell. I found that Mr. Stevenson was under the impression that Mr. Russell was a Republican, whereupon I related to him the facts in regard to Mr. Russell's employment, notwithstanding the fact that he was a Democrat, by the Republican administration.

Mr. Stevenson did retain Mr. Russell, and later told me that he had found him to be the best qualified person he had ever talked with in regard to the matters over which the Board had jurisdiction.

When the new Board was organized under the Democratic administration in March 1933, Mr. Russell offered to continue his position until they could select a new General Counsel. It so happened that on the day the third member of the new Board qualified, a request came from the President for new legislation for the immediate and direct relief of individual home owners. Mr. Russell had been making a

special study of the question of home financing for many years, and as a member of the legal staff of that Board for several months, had made an intensive study of that problem. The members of the Board having been just appointed were confronted with a new problem, and as a result, in conference with the Board members, Mr. Russell had a substantial part in planning the new program. He drafted the Home Owners' Loan Act of 1933, the act creating the Federal Savings and Loan System, and rendered splendid service to the committees of Congress in the consideration of this legislation.

The executive, as well as the legal responsibility of the development of the Home Owners' Loan Corporation, was extremely heavy. Mr. Russell carried a full share of that responsibility, as everyone having knowledge of the true situation knows. His position involved building a legal staff for the examination of titles in every county in the United States, which, for a considerable time, involved a legal department pay roll of more than $6,000,000 per annum, during which period the organization was paying more than $1,000,000 per month to lawyers, title companies, and abstract companies on a fee basis for title work. In addition to Mr. Russell's important responsibilities in charge of the legal department, he was the constant adviser of the Board on mortgage and administrative problems of every character.

The development of Federal Savings and Loan System, which now consists of more than 1,300 local institutions, employing more than $1,000,000,000, and promoting thrift and home ownership in every part of the United States, was in itself an enormous task. About half of these institutions are newly organized corporations, and about half of them involve the complete reorganization of State associations and the issuance of new securities involving several million dollars.

Mr. Russell drafted title IV of the National Housing Act which provided the Federal Savings and Loan Insurance Corporation, which, in turn, is providing insurance of accounts for small savers in these savings institutions, somewhat similar to that provided for small savers in banks by the Federal Deposit Insurance Corporation. This insurance of accounts is providing an increased flow of savings at lower rates and on a more stable basis, and is resulting in a more economic and sound financing of homes. No other class of institutions is financing one-half as many homes as the savings and loan institutions today.

These activities have been a vital part of the President's recovery program. Mr. Russell had the privilege of rendering a great service to his country in this connection. He has the right to feel proud of the fact that in each of these four undertakings he so planned them that they are self supporting and do not constitute a burden on the taxpayers, and so that each of them is rendering substantial service to the small-home owners and small savers of this country.

It is unfortunate that charges made without proper investigation resulted in the resignation of Mr. Russell, because he did not wish to embarrass those with whom he had served. He expects to return to his home in Atlanta, where those who know him gladly accord to him the recognition due one who has been faithful to his trust, one who has demonstrated ability far beyond the average, and one whose record is such that it cannot be dimmed by false accusations.

In order that the record about this matter may be clear, I include as a part of my statement the following letter from Mr. Russell himself and a copy of the letter of Mr. John H. Fahey, Chairman of the Home Loan Bank Board, to the Third Assistant Postmaster General, together with a memorandum written for Mr. Fahey by Mr. Russell in regard to the letter involved in this controversy.

FEDERAL HOME LOAN BANK BOARD,
Washington, May 16, 1938.

Hon. ROBERT RAMSPECK,
House of Representatives, Washington, D. C.

MY DEAR CONGRESSMAN: You suggested that I write you in reference to the incident which resulted in my resignation here. Now that my obligations as General Counsel of the Federal Home Loan Bank Board, Federal Savings and Loan Insurance Corporation, and Home Owners' Loan Corporation are concluded, I am glad to do so.

I was astounded at the exaggerated and false statements made by Mr. RALPH E. CHURCH, a Republican Representative from Illinois, made on the floor of Congress and carried extensively in the press, which created a completely false impression of my letter of April 11, 1938, announcing the resignation of Judge O. B. Taylor, in charge of the Home Owners' Loan Corporation legal staff, announcing the method of operation of that staff in the future, and commending and expressing an interest in Judge Taylor. The Congressman's statement and the newspaper reports referred to 1,000,000 letters, and clearly inferred that the same went to the general public. As a matter of fact, there was a fraction of 1 percent of a million letters and they went to nobody except lawyers, and to no lawyers except those under Judge Taylor's direction, and to whom it was necessary and proper to announce his resignation and the reorganization of the staff. I had no interest in Judge Taylor except the interest I have had in all my associates who have retired as the work has been completed. In my opinion, the letter was legally proper to be forwarded in the penalty envelope as official business, and the words of commendation, praise, and interest were not inappropriate under the circumstances.

My resignation was misunderstood. I have served here as general counsel in a very confidential capacity as a lawyer. The furore caused by Mr. CHURCH's misstatements arose over an act of mine. My duty to my employers required, without regard to my personal situation and without regard to whether the act in question was right or wrong, that I pursue any course which, in the judgment of my employers, would relieve their embarrassment.

I came to Washington in response to a telephone call in 1932 when the Federal Home Loan Bank System was being organized and remained to March 4, 1933, against my personal wishes and judgment, because I possessed some knowledge of home financing which was needed. I have been a Democrat all my life, but did not expect to remain after March 4, 1933, because I expected to return to my home. I have remained these years on the same basis.

The situation of home owners and home financing institutions of all kinds was more acute in 1932 and the years following than the general public has ever realized, and the situation had a more material bearing on economic recovery in this country than the general public has appreciated. The plans which have been made here to deal with the situation have been economically, financially, socially, and politically sound. Each of the four undertakings I have worked upon, the Federal Home Loan Bank System, the Federal Savings and Loan System, the Federal Savings and Loan Insurance Corporation, and Home Owners' Loan Corporation, are self-supporting and, if properly administered, as now organized, will not cost the Government or the taxpayers any money. Everyone acquainted with the situation knows that a constructive service has been rendered. I am keenly appreciative of the opportunity to have served as best I could in these efforts to encourage and promote thrift and home ownership.

I attach copy of my statement to Mr. John H. Fahey, dated April 26, which states the facts and my motive in sending the letter of April 11, 1938. I attach also copy of the letter of Mr. John H. Fahey to Mr. Ramsey S. Black, Third Assistant Postmaster General, in reference to this matter, in which he states, in effect, that my letter was a necessary official communication.

I know of no other criticism of my 5½ years' work here except the criticism which has arisen over this letter. My conscience is perfectly clear in this and all other matters arising out of my public service. I am sure that I very much prefer to return to my home and private life to remaining in a public position if I cannot be kind and considerate and interested in faithful and worthy associates who must retire.

I keenly appreciate your interest and that of other members of the Georgia delegation in Congress, and that of the members of the delegation from my native State of Mississippi, and other Members of Congress who have written to me. At all times I have tried to be of assistance to Members of Congress, when I have been called upon, in the performance of their great responsibilities, but none of them have been under any particular obligation to me, and I am all the more grateful for their generous attitude in this incident.

Very truly yours,

HORACE RUSSELL.

APRIL 29, 1938.

Hon. RAMSEY S. BLACK,
Third Assistant Postmaster General,
Post Office Department, Washington, D. C.

Dear Mr. BLACK: I have your letter of April 21, 1938, bearing symbols C. D. No. 150050, NBW–m, referring to the letter dated April 11, 1938, forwarded by Mr. Horace Russell as General Counsel of Home Owners' Loan Corporation, announcing the resignation of Judge O. B. Taylor.

Our board has investigated this matter carefully and I attach a statement from Mr. Russell giving the details with respect to the mailing of this letter, and the facts and circumstances under which it was sent, together with information as to the total number of letters mailed, all of which went in the penalty envelopes of the Corporation.

It was necessary for Mr. Russell to give notice to the field of a fundamental change in the set-up of our legal department. Mr. Taylor was the principal official of that department dealing with the work of such attorneys. It was Mr. Russell's duty to advise all those active in the work under Judge Taylor's direction

of his retirement and it was natural that he should compliment an official who had been engaged in such an important service for us. The board is convinced that Mr. Russell had no personal or selfish interest in the matter and that he acted in good faith.

I hope that the attached statement is all that will be required to dispose of this matter.

Very truly yours,

JOHN H. FAHEY, *Chairman.*

APRIL 26, 1938.

MEMORANDUM

To: Mr. John H. Fahey, Chairman.

DEAR MR. FAHEY: I have read the letter of April 21, 1938, from Mr. Ramsey S. Black, Third Assistant Postmaster General, to you, which bears the symbols C. D. No. 150050 NBW-m, and refers to my letter of April 11, 1938, announcing the resignation of Judge O. B. Taylor, of which letter I attach a copy.

My purpose in writing the April 11 letter was threefold: To give necessary notice of personnel and administrative changes to those to whom they were of concern; to display such an interest with respect to the welfare of a departing employee as would have an encouraging effect on the morale of those remaining; to commend the ability and recognize the valuable services to the Corporation of the resigning employee.

To pass upon the question presented, it must be understood that I have served as General Counsel of the Federal Home Loan Bank Board with a general supervision over the legal staffs serving the Federal Home Loan Bank System, the Federal Savings and Loan System, the Federal Savings and Loan Insurance Corporation, and Home Owners' Loan Corporation. In that capacity, it has been necesary for me to spend considerable time each day the board was in session, which was nearly every day, in board meetings. Because of these demands upon my own time it has been necessary that an Associate General Counsel should be in charge of the legal staff of Home Owners' Loan Corporation under my general direction. Judge O. B. Taylor has occupied that position with the title of Associate General Counsel in charge since 1935.

In his capacity as associate general counsel in charge of the legal staff of Home Owners' Loan Corportion, under my general direction, Judge Taylor had supervision over all personnel changes and classifications. He had general supervision over fee and foreclosure attorneys. His resignation required the transfer of those responsibilities to other shoulders and the transfer of his immediate staff to my office. These facts were all material (in some way or other) to those to whom the letter was sent. It can be pointed out that not every phase of the letter was important to every individual, but on the other hand it could not be justifiably contended that it was therefore necessary to send several different types of mimeographed letters rather than the one which was sent. Accordingly, 9,361 envelopes containing the letter in question were addressed and mailed. It must be understood that Home Owners' Loan Corporation has required much legal work to make and service more than 1,000,000 loans, employing altogether on a salaried and fee basis a cumulative total of more than 14,000 lawyers.

These letters went to salaried and fee attorneys who were at the time under Judge Taylor's supervision and direction directly or indirectly and to no others. Several hundred attorneys formerly employed by the Corporation on a salaried basis were excluded from the mailing list. Also excluded were a large number of fee attorneys who have been removed from the active list. No individual was addressed who had any power to refer Home Owners' Loan Corporation business to Judge Taylor.

In order to furnish the facts material to understanding of the second purpose stated above, I must revert to the fact that since our loan-closing function terminated in June 1936 it has been necessary to dismiss at intervals about two-thirds of the salaried employees of the legal department. We had more than 1,000 salaried attorneys on the pay roll at one time and now have only a little over 300 of them. In the performance of this difficult duty, it has been my constant endeavor to maintain a good morale within the remaining staff. I regarded attention to the maintenance of such morale of highest importance to the continuing welfare of the Corporation. I believe that their observation of the close interest we have taken in the further welfare of departing employees has been highly conducive to maintenance of that morale. I have been governed accordingly in my treatment of ex-employees, whether they resigned voluntarily or involuntarily.

With regard to the third purpose stated above, I will recall the generally recognized duty of an employer to give a resigning employee such recommendation to serve him in the future as his services may have merited. To omit such matter from an announcement of Judge Taylor's resignation might well carry the implication that he was leaving under a cloud. It appeared to be proper to refer to his unusual experience and express our interest in him.

With regard to the postscript on the April 11 letter, the fact is that it was placed on the letter after it had been dictated, typed, signed, and multigraphed at a time when I was out of the city on official business and without my knowledge or consent. The postscript was added by clerks in my office who, I am convinced, were acting in good faith. But even in reference to this I believe a reviewer of fact should take cognizance of its relation to the second and third purposes stated above.

It seems hardly to be questioned that the letter would, in fact, tend to accomplish each of the purposes I have stated above. It seems irrefutable that the accomplishment of each of these purposes is well within the official business of Home Owners' Loan Corporation. That the letter contained any more than was reasonably pertinent to the attainment of these ends did not occur to me in writing it. I would be vain to insist upon that fact after the experience I have had in the meantime in observing the contrary judgment of others. Consequently, in all humility, I was quick to term certain of my words as "ill-advised," and to do all in my power to divert the embarrassment they undoubtedly brought to you.

In concluding, I wish to reiterate that my purposes lay entirely within the borders of my official duty as I saw its bounds. That it has assertedly appeared otherwise to those less familiar with the administrative problems immediately confronting me than I was, is material to me only by reason of the embarrassment their action has caused you and your fellow board members.

While I regret exceedingly embarrassing you and the members of the board and the Government with this matter, I have acted in complete good faith in the performance of what I believe to be my official duty. I never knew Judge Taylor before his employment by the Corporation and had no present or prospective interest in his undertakings. As I have stated to you before, I am ready to pursue any course in the matter which will tend to relieve you and other members of the board and the Government of any embarrassment whatsoever.

Very truly yours,

HORACE RUSSELL, *General Counsel.*

Mr. COX. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD in connection with the statement just made by the gentleman from Georgia [Mr. RAMSPECK].

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. COX. Mr. Speaker, I yield 1 minute to the gentleman from New Hampshire [Mr. ROY].

Mr. ROY. Mr. Speaker, the framers of the Constitution, with a wisdom that has so often been commented upon by distinguished scholars, made each House of Congress the final judge of the election of its Members. In so doing they confirmed and strengthened an inherent right which every properly constituted parliamentary body should possess. On last Thursday, the 9th of June 1938, in the regular performance of that duty, so laid upon this body by the Constitution itself, you came to the final consideration of my contest for a seat in this House. I use the term "final" advisedly, because your action was unhurried, deliberate, and calmly judicial. Every detail of that orderly procedure which has been established for the guidance of the contestants in election cases was carefully adhered to, and abundant opportunity was afforded to each contestant so that he might present his case in every facet and detail. Thus any possible charges, however groundless and remote, asserting that this body was actuated by partisan motives in deciding this election contest in my favor, have been wholly eliminated.

My constituents are today rejoicing over your decision. The people of New Hampshire are intelligent and fair-minded. I have yet to meet a New Hampshire citizen who wanted the check marks made after the voter's name upon the check list, by various and sundry officials of the ward or town on election day, to prevail over the mark made by the hand of the voter. Mr. Speaker, you can travel out into the highways and byways, in any city or town in my State, from Coos to the sea, and I challenge you to find a single disinterested voter who will say that that is right or just. The only ballots which the good people of my State recognize as ballots are actual, visible, tangible ballots which the voter creates when he makes his selection as he stands there in the polling booth alone with his conscience and his God. To say that the people of New Hampshire favor the counting of check marks made upon a list kept solely as a memorandum, and to say that they favor the repudiation of the actual ballots themselves, is a reflection upon the intelligence of the people of my State which I cannot permit to pass unchallenged.

By the adoption of statutes the people of New Hampshire have tried to safeguard the Australian ballot system.

They have tried to make it impossible that an election should be decided upon anything but the actual ballots. They have provided that the ballots shall be sealed in a box and kept under the control of the town and State officials. To be sure, in this case those officials were all of the Republican Party, but that makes it the more improbable that ballots would be permitted to become missing in approximately the exact number to seat a Congressman of the opposing party.

During my long struggle of 18 months I was constantly buoyed up and sustained by the thought that the Members of this Congress would be guided in their decision of this contest entirely upon principle. That mercenary motives would ever enter into your deliberations to drive out considerations of equity and justice never for a single moment crossed my mind. It never occurred to me that any Member would arise in this honorable body and solemnly urge that his fellow Members should fling justice and principle into the discard because it would be economical to do so. The people of New Hampshire with one accord will demonstrate to you gentlemen next November their gratitude that you have preserved to them a Representative of their own choosing.

It would be entirely out of place for me to continue discussing this contest in detail. I can only extend my sincerest thanks to the distinguished and experienced Members of this body who so ably and eloquently set forth my claim to a seat. I wish to express my appreciation and gratitude to the members of the Elections Committee No. 3, and to all the Members who supported me in my contest.

Mr. TAYLOR of Tennessee. Mr. Speaker, I yield myself 5 minutes.

Mr. CANNON of Missouri. Will the gentleman yield?

Mr. TAYLOR of Tennessee. I yield to the gentleman from Missouri.

Mr. CANNON of Missouri. Mr. Speaker, the press carries the news that the gentleman from Mississippi [Mr. COLLINS] was this morning elected to honorary membership by the American Library Association, the national convention of probably the most eminent and scholarly profession in America, and I take advantage of the opportunity to extend to our colleague our felicitations and congratulations on this distinguished honor. [Applause.]

Mr. TAYLOR of Tennessee. Mr. Speaker, due to the very cordial affection and high admiration I have for the distinguished author of this resolution, it is with genuine regret and with much reluctance that I feel constrained to oppose it. I want to be absolutely fair in my discussion of the resolution. I certainly would not intentionally misrepresent the facts, but according to my construction of it the resolution sets up another huge bureacracy in the Department of the Interior to accommodate certain activities of the famous W. P. A., the artistic activities of that organization.

To begin with it will cost not less than $40,000,000 a year and that amount will gradually increase just as other bureaucracies have increased, just as is typical of the one-hundred-and-odd other bureaucracies that have been set up under the so-called New Deal.

Mr. Speaker, according to the terms of this resolution the Bureau will be set up in the Department of the Interior, to be headed by a director, who shall be paid the sum of $8,000 per annum. This director shall have a retinue of assistants to the number of five, who shall be paid $7,000 per annum, and the Secretary may authorize additional assistant directors as the occasion may require.

According to the terms of this resolution all of these artistic activities of the W. P. A. will be transferred into this depository in the Interior Department.

Mr. MASON. And perpetuated.

Mr. TAYLOR of Tennessee. And perpetuated in office.

It includes artists, musicians, writers, actors, dancers, models, editors, photographers, dance directors, costume designers, costumers, playwrights, puppeteers, scenic artists, composers, music arrangers, music copyists, music librarians, music directors, music teachers, stage technicians, stage directors, stage managers, or as having been engaged in crafts and skills incident or similar in character to the aforementioned classifications.

Mr. SIROVICH. Will the gentleman yield for a second?

Mr. TAYLOR of Tennessee. For a second.

Mr. SIROVICH. I wish to call the attention of my distinguished friend to the fact that these people are in the department now. They are working now.

Mr. TAYLOR of Tennessee. These people are employed by the W. P. A. throughout the length and breadth of this country. They are on relief, these terpsichoreans and thespians, and other artists. They are now to be collected into one gigantic bureau at the expense of the taxpayers of this country, and perpetually so, too.

Mr. TREADWAY. Mr. Speaker, will the gentleman yield?

Mr. TAYLOR of Tennessee. I yield to the gentleman from Massachusetts.

Mr. TREADWAY. Will the gentleman, since he is representing the Committee on Rules, kindly define just what "puppeteers" may be?

Mr. KNUTSON. A man who raises puppies.

Mr. TREADWAY. The gentleman from Minnesota says it is a man who raises puppies. Is that the definition of the gentleman from Tennessee?

Mr. TAYLOR of Tennessee. I yield to the superior knowledge of my friend from Minnesota.

Mr. Speaker, to me there was only one redeeming feature in this bill as it was originally drafted, and that feature has been stricken out. You will find it on page 7, section 8. It is as follows:

> The Bureau shall not employ any individual who is not a citizen of the United States, or who has not declared his intention of becoming a citizen at least 2 years prior to his employment by the Bureau.

For some reason that wholesome section of the bill has been stricken out; for what reason I know not.

Mr. SIROVICH. Mr. Speaker, will the gentleman yield right there?

Mr. TAYLOR of Tennessee. I yield to the gentleman from New York.

Mr. SIROVICH. Our distinguished friend, the gentleman from Massachusetts [Mr. LUCE], who is a member of the committee, insisted that that section be stricken out. I argued with him about it, and he said he would stand upon the floor and defy and challenge anyone to defend the section that he helped to strike out.

Mr. TAYLOR of Tennessee. To me that is the only section in the bill that possesses any merit whatever.

Mr. KNUTSON. Mr. Speaker, will the gentleman yield?

Mr. TAYLOR of Tennessee. I yield to the gentleman from Minnesota.

Mr. KNUTSON. The gentleman read the list of those who were being covered under this proposed legislation. Can the gentleman, who is a member of the Committee on Rules, tell us why acrobats were left out?

Mr. TAYLOR of Tennessee. I was just about to complain about that. I believe that is an unjust discrimination against a great artistic profession.

Mr. KNUTSON. I believe we have to make provision for some of these new dealers.

Mr. MASON. I should like to know why they left out milkers.

Mr. TAYLOR of Tennessee. It certainly could not be justified.

Mr. SHORT. Mr. Speaker, will the gentleman yield?

Mr. TAYLOR of Tennessee. I yield to the gentleman from Missouri.

Mr. SHORT. Do I understand this new Bureau of Fine Arts is to be under the supervision of the Secretary of the Interior?

Mr. TAYLOR of Tennessee. Oh, yes; certainly.

Mr. SHORT. Out of my deep and earnest solicitude for "Honest Harold" I am constrained to oppose this measure, because I am sure all the Members of this House will agree

with me when I say we do not want to add to his burdens or overtax his strength at this particular time. He has enough to do without our passing this bill that will create a new bureau in his Department.

Mr. TAYLOR of Tennessee. I appreciate the solicitude which the gentleman expresses for "Honest Harold."

Mr. SHORT. One of the planks of the Democratic platform of 1932 as well as one of the chief arguments for the reorganization bill was to abolish bureaus and consolidate commissions.

Mr. TAYLOR of Tennessee. Certainly.

Mr. SHORT. But in this measure, if enacted into law, we will establish a new and permanent bureau.

Mr. TAYLOR of Tennessee. Absolutely.

Mr. SHORT. There will be a director drawing an $8,000-a-year salary, and five assistant directors receiving $7,000 a year. If I could be assured that I would be appointed even an assistant director, I would tender my resignation from this House today in order to take over the particular division that deals with dances and the allied arts. [Laughter.] I do not know just what the allied arts are, but it sounds very enticing and inviting, particularly when the taxpayers will give me $7,000 a year. [Laughter.]

Of course, all we need to do, with 12,000,000 people out of employment and with many more millions upon the Government pay roll and upon the dole and on relief, is to enact this legislation, in order that we may teach toe dancing so we can restore prosperity to the poor American farmer or the wage earner that is out of work.

Down in my country they have been hiring old maids to teach the mothers how to pin diapers on the babies. I read in a San Francisco paper the other day that under the W. P. A. in San Francisco they are actually holding classes to give women abdominal and pelvic exercises. I suppose this resolution is to transfer such activities to this new bureau, to spread red propaganda over the country.

I want to make a speech, but I do not want to take too much of the gentleman's time. There are one or two other things I want to point out. The first is that our distinguished friend from New York, Dr. SIROVICH, a man of intelligence, of culture, and of training, tells us that America has come of age culturally.

Well, we have done it without the help of any Federal Bureau of Fine Arts. The gentleman also admits that art is an individualistic thing. I pause to remind you that Milton never wrote his Paradise Lost until he was blind. Beethoven never wrote his Moonlight Sonata until he was deaf. Mozart struggled through poverty to render his immortal masterpieces. Subsidized art is no art at all. Anyone who has ever graduated even from a grade school knows this.

I have listened many times and I value highly and always immensely enjoy, Mr. Speaker, listening to the waltz of Chopin, to an opera of Wagner, or a symphony of Beethoven, but God knows I have never enjoyed even Puccini on an empty stomach, and with millions of people hungry and barely clothed I do not see how anybody can feel comfortable or enjoy listening to the strains of Mendelssohn with the seat of his pants out. [Laughter and applause.]

The solar nebulae discussed by the gentleman from New York [Mr. SIROVICH] has no more to do with this particular bill than the categorical imperative or the transcendentalisms in Immanuel Kant's Critique of Pure Reason.

There is much more I would like to say, but I shall refrain.

Mr. TAYLOR of Tennessee. I wish to assure the gentleman from Missouri I greatly appreciate his valuable contribution.

Mr. GIFFORD. Mr. Speaker, will the gentleman yield?

Mr. TAYLOR of Tennessee. I yield to the gentleman from Massachusetts.

Mr. GIFFORD. It would be hard to add to what the gentleman has stated, but I want to remind the gentleman this bill seems to lack the one face-saving provision of providing for beauticians; that would be at least a face-saving provision. [Laughter.]

Mr. TAYLOR of Tennessee. Certainly, and I appreciate the gentleman's point.

Mr. MAAS. Mr. Speaker, will the gentleman yield?

Mr. TAYLOR of Tennessee. I yield.

Mr. MAAS. I simply want to know what provision there is in this bill for Charley McCarthy.

Mr. TAYLOR of Tennessee. Oh, I think Charlie is able to take care of himself. He is not dependent upon Federal charity.

Mr. MAAS. He has not asked for this bill?

Mr. TAYLOR of Tennessee. I think not.

Mr. MASON. He is sitting in the lap of luxury.

Mr. TREADWAY. Mr. Speaker, will the gentleman yield?

Mr. TAYLOR of Tennessee. I yield.

Mr. TREADWAY. I am sorry to call the attention of the gentleman to an oversight on his part. He informed us of the large number of people who would be permanently on the pay roll of the Federal Government, but on page 6 there is another group that he has not called to our attention. The language there is:

> To appoint and fix the compensation of such employees, in addition to those employed under subsection (a) as may be necessary for the proper performance of the duties of the Bureau under this act; except that without regard to the civil-service laws he may appoint such officers, attorneys, and experts as may be necessary to carry out the purposes of this act.

Could the gentleman tell us who these experts are who judge the necessary requirements of the employees under the previous section, or would the gentleman prefer to have the gentleman from Missouri do that?

Mr. TAYLOR of Tennessee. I would say to the gentleman from Massachusetts I doubt if the gentleman from Missouri or anyone else possesses the genius to predict just what type of artists and experts will be employed by this Bureau once we set it up, but the thing to do is to stop it here and now. [Applause.]

Mr. TREADWAY. I agree with the gentleman.

Mr. COX. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois [Mr. SABATH].

Mr. SABATH. Mr. Speaker, I, as does everybody else, very much enjoy the clever and entertaining remarks of the gentleman from Missouri [Mr. SHORT], who never fails to engage close and merited attention on any occasion when he entertains the membership of this House. He is, indeed, a gentleman of fine attainments. He came to the House with a sparkling reputation that he has fully justified. I have frequently heard him designated as the sage of the Ozarks. In dealing with any question he is a master, a recognized savant, always having at hand a fund of devastating information that disarms and paralyzes an opponent before the opponent fairly starts. No great question is finally settled before he speaks.

Erudite and worldly wise scholar, statesman, and dominie and jokesmith—he can accurately quote the great masters, qualify as a connoisseur in art, sculpture, music, and showmanship, and, therefore, I was not surprised to hear him say he would readily accept an assistant directorship of the ballet in this proposed bureau, where his work would give wider scope to his varied talents.

The gentleman fears the Secretary of the Interior may not be able to assume the added duties imposed on him by this bill. And he evidently thinks himself in position to relieve him of some of them. But knowing the Secretary of the Interior as I do, not only have I full confidence that he can continue all his arduous duties and functions that were his, that he has assumed, and that this bill might impose on him, without any proferred assistance from the ingenious gentleman from Missouri.

But, Mr. Speaker, going from the ridiculous to the sublime, I do resent the ridicule on the part not only of the gentleman from Missouri but, also, of many other Republican Members, who found great delight in amusing themselves at the expense of the unfortunate tens of thousands, talented but unappreciated, who would to some extent be aided by this resolution.

But these artists with empty stomachs—as the gentleman from Missouri states—are striving to provide some of us commoner people with enjoyments and beauties of life often

when we are depressed. And we should be indebted to them for the pleasures we receive from their books, their music, the plays they write, the entertainment they give us on the screen, the stage, on the radio, and otherwise for our benefit, joy, and enlightenment.

In view of the unsympathetic attitude of many of you on the other side, I shall advise my colleague, Dr. SIROVICH, who has so earnestly devoted a great deal of time and study to aid those who have given their lives to art, literature, and the sciences, temporarily to withdraw his resolution, until such time as it may receive the merited consideration that it deserves.

Mr. COX. Mr. Speaker, it is perfectly evident that this House is in no humor to consider the type of bill which this resolution is intended to make in order. I have discussed the matter with the author of the resolution and he joins with me in the request that I am about to make.

Mr. SIROVICH. Mr. Speaker, will the gentleman yield?

Mr. COX. Yes.

Mr. SIROVICH. Before the gentleman concludes his statement, and I am in full sympathy with what the gentleman intends to do, and in spite of the unanimous report of our committee I regret that the Nation has been ridiculed today, with all of the unemployment among the people we seek to assist, and it will show the Nation what the Republican Party has done. I yield to my friend, the gentleman from Georgia.

Mr. COX. Mr. Speaker, I ask unanimous consent that further consideration of the resolution may be dispensed with.

The SPEAKER. Is there objection?

Mr. CASE of South Dakota. Mr. Speaker, reserving the right to object, if the opinion of the Nation is to be considered, as was suggested by the gentleman from New York, I think the people will hold a little more respect for us if we do not pass matters of this kind in the dying days of a session.

Consider the problems that cannot even get to the floor—railroad troubles, the situation in China, the world arms race—and with these problems untouched we spend our last hours talking of puppet shows. Perhaps we should have a Fine Arts Bureau, but there are more important things to consider today. I am glad that the gentlemen are going to drop the bill at this time.

It is said that Nero fiddled while Rome burned, and what we have heard about the $7,000 dancing director, provided in this bill, suggests to me what the opinion of the Nation would be if we were to consider a bill like this in the closing hours of the session. The people would like to know who is to pay the fiddler. [Applause.]

Mr. BOILEAU. Mr. Speaker, I do not know that I quite understand the gentleman's request. Does the gentleman mean to withdraw the resolution and prevent a vote upon it?

Mr. COX. Yes; no further conclusion upon it.

Mr. BOILEAU. Mr. Speaker, I object. Let us give it at least a decent burial.

Mr. COX. Mr. Speaker, I move the previous question on the resolution.

The SPEAKER. The question is on ordering the previous question.

The question was taken; and the previous question was denied.

Mr. BOILEAU. Mr. Speaker, the previous question having been denied, is it possible now for other Members to obtain recognition? If so, I ask for recognition.

Mr. SABATH. Mr. Speaker, but the time has all been allocated.

The SPEAKER. Under the rules of the House, the previous question having been voted down, the gentleman from Wisconsin is entitled to recognition.

Mr. O'MALLEY. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. O'MALLEY. The time on the resolution, as I understand it, was not exhausted.

The SPEAKER. That is not involved in this parliamentary situation. The gentleman from Wisconsin is recognized.

Mr. BOILEAU. Mr. Speaker, I do not intend to consume the hour to which I am entitled by any means. My only purpose in taking the floor at this time is to try to persuade Members of the House to assist in bringing this matter to a conclusion. We have used 1 hour now on the rule. I think we should have an expression of opinion from the membership of the House as to whether or not we are for or against a Fine Arts Bureau. I am in favor of it, and I believe that quite a large number of Members, if not a majority of the membership of the House of Representatives, favor the creation of a fine-arts bureau. I do not intend to filibuster, to use this hour, only to say that if there are other Members who feel as I do, we can have a vote on the previous question. We can have the previous question ordered by consuming time, until such time as the House is willing to vote the previous question. I shall surrender the floor in a few minutes, and if there is anyone else who feels he wants to bring this matter to a conclusion, he may demand recognition, if the House refuses to order the previous question.

Mr. MICHENER. Mr. Speaker, will the gentleman recognize me to move to lay the matter on the table? Control of the matter has been lost by the committee in charge as I understand it, and a motion to lay on the table from the floor is in order.

Mr. BOILEAU. I would be willing to do that, and presently I shall submit a parliamentary inquiry to the Speaker on that point.

I believe the matter should be disposed of one way or another. If a majority of the House want to table it, that would dispose of it. I will yield for the purpose of permitting the gentleman to make that motion, provided it is understood that if the motion is lost the resolution is still pending.

Mr. O'MALLEY. Mr. Speaker, will the gentleman yield for a question?

Mr. BOILEAU. I yield.

Mr. O'MALLEY. I was under the impression that I would receive the balance of the time under the control of the distinguished member of the Rules Committee. The gentleman from Wisconsin, is a distinguished parliamentarian. Does he not agree with me that the gentleman from Georgia lost control of the floor as soon as the previous question was voted down?

Mr. BOILEAU. My understanding is that he lost the floor.

Mr. O'MALLEY. That was my impression, and that was the impression upon which I made the point of no quorum.

Mr. BOILEAU. Is the gentleman in favor of the resolution or opposed to it.

Mr. O'MALLEY. I was opposed to it, and it was reported out without my vote.

Mr. BOILEAU. If the gentleman is opposed to it, he ought to be pretty well satisfied with the action thus far taken.

Mr. O'MALLEY. I am, but I do not want anybody to get the impression that I voted for this report, for I did not.

Mr. BOILEAU. Mr. Speaker, the gentleman from Michigan inquired a moment ago whether I would yield to him for the purpose of moving to table the resolution. I would be willing to do so provided that if the motion be lost the matter would still be before the House. I want that point cleared up before I yield.

The SPEAKER. The gentleman from Wisconsin takes no chances on that proposition.

Mr. BOILEAU. My only purpose, Mr. Speaker, is to have a direct vote on this question.

The SPEAKER. The Chair will state that if the gentleman yields for that purpose and the motion is not carried the matter will still be before the House.

Mr. BOILEAU. Would I still have the floor if I yield to the gentleman for that purpose?

The SPEAKER. No; the gentleman yields the floor when he yields for that purpose.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. BOILEAU. I yield.

Mr. McCORMACK. For the purpose of trying to expedite the situation in a practical manner, I ask unanimous consent that if the gentleman from Wisconsin yields to the gentleman from Michigan for the purpose of moving to table the resolution and the motion does not prevail that the gentleman from Wisconsin will not lose the floor.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. BOILEAU. I will yield to the gentleman in a minute. I consider this to be a satisfactory way of bringing the matter to an issue on a vote. Those who are in favor of considering this matter should, of course, vote against tabling the resolution. I am not in favor of tabling it; but in order to get an expression from the House, I will yield to the gentleman from Michigan for the purpose of making that motion.

Mr. MICHENER. Mr. Speaker, I yield to the gentleman from Georgia [Mr. Cox].

Mr. COX. Mr. Speaker, I move that the resolution be tabled.

Mr. BOILEAU. Mr. Speaker, I do not yield to the gentleman from Georgia for that purpose unless the same order is entered with reference to my retaining the floor in the event the motion is defeated.

The SPEAKER. Unless there is objection the Chair will consider that the same order shall prevail.

There was no objection.

The SPEAKER. The gentleman from Georgia moves that the resolution be laid on the table.

The question was taken; and on a division (demanded by Mr. BOILEAU) there were—ayes 195, noes 35.

So the motion was agreed to.

OLYMPIC NATIONAL PARK, STATE OF WASHINGTON

Mr. DERQUEN. Mr. Speaker, I ask unanimous consent to have until 12 o'clock midnight tonight to file a conference report and statement on the bill (H. R. 10024) to establish the Olympic National Park, in the State of Washington, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10024) having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate numbered 1.

That the House recede from its disagreement to the amendment of the Senate numbered 2.

That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment, insert the following:

"The President may after 8 months from the approval of this Act by proclamation add to the Olympic National Park any lands within the boundaries of the Olympic National Forest, and any lands which may be acquired by the Government by gift or purchase, which he may deem it advisable to add to such park; and any lands so added to such park shall, upon their addition thereto, become subject to all laws and regulations applicable to other lands within such park: *Provided*, That the total area to be added to the said park shall not exceed 898,292 acres: *Provided further*, That before issuing any such proclamation, the President shall consult with the Governor of the State of Washington, the Secretary of the Interior, and the Secretary of Agriculture and advise them of the lands which he proposes to add to such park, and shall afford them a reasonable opportunity to consult with and communicate to him their views and recommendations with respect to the addition of such lands to such park."

And the Senate agree to the same.

RENÉ L. DEROUEN,
J. W. ROBINSON,
F. L. CRAWFORD,
HARRY L. ENGLEBRIGHT,
KNUTE HILL,
Managers on the part of the House.

ALVA B. ADAMS,
KEY PITTMAN,
CARL A. HATCH,
JOSEPH C. O'MAHONEY,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10024) to establish the Olympic National Park, in the State of Washington, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report:

On amendment No. 1: This strikes all after the word "wit", page 1, line 6, down to and including "(surveyed)" in line 18, page 5, and revises the boundaries of the area sought to be included in the park.

On amendment No. 2: This strikes all after the word "Forest", page 7, line 12, down to and including "Park" in line 16, which contained provision eliminating certain portion of the Olympic National Forest from the park area.

On amendment No. 3: This prohibits the President from adding, by proclamation, any lands to the Olympic National Park until 8 months after the approval of this act and restricts the acreage to be included in the park to 898,292 acres, being the same acreage contained in the bill as passed by the House.

RENÉ L. DEROUEN,
J. W. ROBINSON,
F. L. CRAWFORD,
HARRY ENGLEBRIGHT,
KNUTE HILL,
Managers on the part of the House.

PERU & INDIANAPOLIS RAILWAY POST OFFICE

Mr. MEAD. Mr. Speaker, I call up House Joint Resolution 663 to provide for the operation of the Peru & Indianapolis Railway post office by motor vehicle over the public highways.

The SPEAKER. Is this a controversial matter?

Mr. MEAD. Not at all.

The Clerk read the title of the joint resolution.

Mr. SNELL. Mr. Speaker, reserving the right to object, will the gentleman explain the bill? Is it a House bill?

Mr. MEAD. Yes; this is a House joint resolution. It permits an experimental service where an electric line is to be abandoned and the owner is willing to substitute bus service with railway post-office compartments so that the mail may be distributed while in transit. It is an experimental proposition, discretionary with the Department.

Mr. SNELL. When is it to be put into operation?

Mr. MEAD. When the Department sees fit, after the abandonment of the electric line, which has been ordered, I believe, in the very near future.

Mr. SNELL. Between what cities will it operate?

Mr. MEAD. Between Peru and Indianapolis. It is discretionary, at rates fixed by the Interstate Commerce Commission. The Post Office Department may or may not do it, but we would like to have it tried out.

Mr. SHAFER of Michigan. Mr. Speaker, reserving the right to object, I want to make it clear that the order for the discontinuance of this service on the railroads has already been entered; is that so?

Mr. MEAD. The gentleman is correct.

Mr. SHAFER of Michigan. This will not be attempted until after actual discontinuance of the service?

Mr. MEAD. That is correct.

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, I think it should be definitely determined whether we are going to have a call of the bills on the Consent Calendar

again during this session before we take up these miscellaneous bills which are now on the Consent Calendar. I think one of the most iniquitous pieces of legislation this House has ever passed was the wire-tapping bill passed this morning in the absence of the official objectors. I do not think it is fair to ask the official objectors to stay around this House hour in and hour out watching and waiting for somebody to bring up a bill out of order which may be on the Consent Calendar and which is expected to be taken up when the Consent Calendar is called.

If the bills on the Consent Calendar are not going to be called and we have that understanding, then we have no further responsibility, but if the bills on the Consent Calendar are going to be called I shall have to object to bills being taken up out of order, which appear on the Consent Calendar.

The SPEAKER. Is there objection to the present consideration of the resolution?

Mr. WOLCOTT. Mr. Speaker, under my reservation of objection, may I propound an inquiry of the majority leader whether it is expected we will have another call of bills on the Consent Calendar?

Mr. RAYBURN. It is planned when the President's veto message is read to have a vote on the veto message, after which it is expected we will recess until tomorrow morning. It is anticipated that we will call the bills on the Consent Calendar shortly after we convene tomorrow morning.

Mr. WOLCOTT. Mr. Speaker, under those conditions, I am constrained to object. We will let this bill come up in the usual way.

Mr. LUDLOW. Will not the gentleman withhold his objection?

Mr. WOLCOTT. No. I think I should object. We will take this up in the regular course tomorrow.

BERTRAM RICH

Mr. KENNEDY of Maryland submitted a conference report and statement on the bill (S. 662) for the relief of Jeanne Rich, a minor.

PERMISSION TO ADDRESS THE HOUSE

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to proceed for 3 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. LUDLOW. Mr. Speaker, I hope the gentleman from Michigan will withdraw his objection, because if this goes over until tomorrow there will not be sufficient time to get it through the Senate. It will mean the killing of the resolution right here.

Mr. WOLCOTT. I may say we have had other Members in the same position.

Mr. LUDLOW. I would like to explain the merit of this proposition. The distinguished gentleman from New York [Mr. MEAD] added to his brilliant record of constructive service for the postal establishment when he introduced this bill. This measure, now before you, is necessitated by the modern trend in transportation which has resulted in the discontinuance of many trains, both on the railroads and in the electric service. This company in Indiana proposes at its own expense to build a trailer so that a demonstration may be made showing how the mail may be distributed in trailers attached to busses.

Mr. Speaker, this is a new innovation, and it is of great concern to the Post Office Department as to how this situation may be met, due to the discontinuance of the trains. This experiment, it is believed, will furnish an object lesson with reference to how the postal service may meet the situation all over the United States. It will be done without expense to the Government. It is a free demonstration of tremendous importance to the postal service. It is a pioneering enterprise which is likely to prove of inestimable value and it will not cost the United States Treasury one dime.

I think the resolution ought to pass, and I hope the gentleman will withdraw his objection and let it go through. May I ask the gentleman to withdraw his objection?

Mr. WOLCOTT. No; if I make an exception in this case, it would not be fair to the other bills on this calendar. I want to be fair and I want to be impartial. We have been given a job to do in connection with this calendar and I am sure the gentleman will not ask me to do something for him that I cannot do for other members.

Mr. LUDLOW. This is a service of tremendous value to the postal department. The success of this important pioneering movement is forecast by the high character of the Indianians who are promoting the plan. Col. Bowman Elder, receiver of the Indiana Railroad Co., which proposes to install this motor vehicle service, is an outstanding Indiana businessman, who for years has been treasurer of the American Legion and who has a host of friends throughout the country. A telegram I have received from him explains the proposal as follows:

Indiana Railroad will purchase trailers to be the same as standard 15-foot railway post-office car. Can be put in service by September 1 if immediately approved by House and Senate. Authority for use of highways already approved by Public Service Commission of Indiana. Present railway service to be substituted by busses and trucks about September 1. This would leave area without adequate mail service. As far as we know, this is the first offer by any carrier to convert at no cost to Post Office Department. Success vital to Post Office Department for future abandonment of railway post-office cars. Understand approximately 70 railway post-office cars abandoned during last 2 years, leaving areas without adequate service. Success will also eliminate loss of jobs to railway mail clerks. In previous abandonment of railway post-office cars service was taken over by star routes. Star routes are expensive and inadequate. Thanks for cooperation.

(Signed) BOWMAN ELDER,
Receiver, Indiana Railroad.

I wish the gentleman would withdraw his opposition.

Mr. WOLCOTT. There are other bills which are of tremendous value to the citizens of the United States. We should take them up in the regular way because, in my opinion, this House is in no frame of mind to rush things through at this particular time. You made a mistake this morning in authorizing the Department of Justice to tap the wires of every Member of Congress, and that Department could do it under the bill passed here today.

VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES—FEDERAL LAND BANK AND LAND BANK COMMISSIONER'S LOANS

The SPEAKER laid before the House the following veto message from the President of the United States:

To the House of Representatives:

I return herewith, without my approval, H. R. 10530, entitled "An act to extend for 2 additional years the 3½-percent interest rate on certain Federal land bank loans, and to provide for a 4-percent interest rate on land bank commissioner's loans until July 1, 1940."

Section 1 of the bill extends for 2 additional years beginning July 1, 1938, the 3½-percent interest rate on certain Federal land-bank loans.

Section 2 of the bill extends for approximately 1 year, that is, from July 22, 1939 to June 30, 1940, the 4 percent interest rate on Land Bank Commissioner loans.

SECTION 1. FEDERAL LAND-BANK LOANS

The question presented by the proposed legislation is not whether Federal land bank borrowers shall be required during the coming year to pay interest on their Federal land bank loans at the full rates specified in their mortgage contracts; the question is the amount of reduction that shall be effected. Since the average contract rate of interest on outstanding Federal land bank loans is approximately 5 percent, the emergency 4 percent rate provided for under present law would mean an average interest reduction of 20 percent to Federal land bank borrowers during the fiscal year 1939. It amounts to an average reduction of approximately 28 percent in the case of those borrowers whose contract rates of interest exceed 5 percent. Thus if this bill does not become law there will still be savings to borrowers amounting to from 20 percent to 28 percent.

The interest reductions granted to Federal land bank borrowers will have involved upon the expiration of the present provisions of law in July 1939 a total cost to the

Treasury estimated at approximately $143,500,000. If H. R. 10530 becomes law, the total cost to the Treasury to June 30, 1940, is estimated at $183,900,000.

The burden of interest charges on a typical farmer who refinanced his 6 percent private loan with a Federal land bank in 1933 would appear to be less on the basis of present prices, and the emergency Federal land bank interest rate of 4 percent provided for under present law less than the burden which was carried by the same farmer on his old loan during the period 1910–1914 or during the period 1921–1930.

As of March 31, 1938, approximately 86 percent of all loans of the Federal land banks were in good standing as opposed to approximately 50 percent delinquency when the emergency legislation was first passed.

SECTION 2. LAND BANK COMMISSIONER LOANS

A reduced rate of interest on Land Bank Commissioner loans was first provided for by the act of July 22, 1937, which fixed the rate at 4 percent for a period of 2 years from the date of its enactment. Under the provisions of H. R. 10530 the emergency 4 percent rate would be continued from July 22, 1939, to June 30, 1940. There would appear to be no substantial reason for establishing at this time a policy with respect to the interest rate on Land Bank Commissioner loans for the period beginning July 22, 1939.

The total cost to the Treasury of interest reductions on Land Bank Commissioner loans to the expiration of the date of the existing act, July 21, 1939, is estimated at $16,500,000. If the 4 percent rate is extended to June 30, 1940, an additional expense of $8,300,000 is estimated.

Adding the expense of interest reductions on Land Bank Commissioner loans to the estimated cost of such reductions on Federal land bank loans, the total cost to the Treasury upon the expiration of the provisions of existing law in July 1939 would approximate $160,000,000. If H. R. 10530 becomes law, the total cost to the Treasury to June 30, 1940, on both Federal land bank and Land Bank Commissioner loans is estimated at $208,700,000.

For all these reasons I am constrained to withhold my approval of the bill, H. R. 10530.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 15, 1938.*

The SPEAKER. The objections of the President will be spread at large upon the Journal. The message and the bill will be printed as a House document.

The question is, Will the House, on reconsideration, pass the bill, the objections of the President to the contrary notwithstanding?

Mr. JONES. Mr. Speaker, this is the same type of bill as was vetoed 2 years ago and passed by the House over the President's veto. The same issues and the same provisions are involved. This simply carries forward for another 2 years the rates of interest that have prevailed during the last 2 years. It seems to me the need for the 3½-percent rate on Federal land bank loans and the 4-percent rate on Land Bank Commissioner's loans is just as great as was the case 2 years ago.

Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. Under the Constitution, the vote will have to be taken by the yeas and nays.

The question is, Will the House, on reconsideration, pass the bill, the objections of the President to the contrary notwithstanding?

The question was taken; and there were—yeas 244, nays 88, not voting 96, as follows:

[Roll No. 123]

YEAS—244

Aleshire	Andresen, Minn.	Bernard	Boren
Allen, Ill.	Arnold	Biermann	Boykin
Allen, La.	Atkinson	Bigelow	Brewster
Allen, Pa.	Bacon	Binderup	Brooks
Amlie	Barden	Bland	Brown
Anderson, Mo.	Bates, Mass.	Bolleau	Buck
Buckler, Minn.	Gearhart	McLaughlin	Romjue
Burch	Gehrmann	McReynolds	Rutherford
Burdick	Gilchrist	McSweeney	Sadowski
Cannon, Mo.	Gildea	Maas	Sanders
Cannon, Wis.	Goldsborough	Mahon, S. C.	Satterfield
Carlson	Gray, Ind.	Mahon, Tex.	Sauthoff
Carter	Greenwood	Maloney	Schaefer, Ill.
Case, S. Dak.	Greever	Mapes	Schneider, Wis.
Chapman	Gregory	Martin, Colo.	Schulte
Church	Griffith	Martin, Mass.	Scott
Clark, N. C.	Guyer	Mason	Seger
Clason	Gwynne	Massingale	Shafer, Mich.
Claypool	Halleck	Maverick	Shannon
Cluett	Hamilton	Mead	Sheppard
Coffee, Wash.	Hancock, N. Y.	Meeks	Short
Collins	Harrington	Michener	Simpson
Colmer	Harter	Mills	Smith, Va.
Cooley	Havenner	Moser, Pa.	Snell
Cooper	Hill	Mott	Snyder, Pa.
Costello	Hobbs	Mouton	South
Cox	Holmes	Murdock, Ariz.	Sparkman
Cravens	Hope	Nelson	Spence
Crawford	Houston	O'Brien, Mich.	Starnes
Crosser	Hull	O'Connell, Mont.	Stefan
Crowe	Hunter	O'Malley	Sumners, Tex.
Crowther	Izac	Oliver	Sutphin
Culkin	Jacobsen	Owen	Taber
DeRouen	Jenckes, Ind.	Pace	Taylor, S. C.
Dies	Johnson, LutherA.	Parsons	Taylor, Tenn.
Dirksen	Johnson, Lyndon	Patman	Teigan
Dondero	Johnson, Minn.	Patterson	Terry
Dowell	Johnson, W. Va.	Patton	Thomas, Tex.
Doxey	Jones	Pearson	Thomason, Tex.
Duncan	Kee	Peterson, Ga.	Thompson, Ill.
Dunn	Keller	Pettengill	Thurston
Eckert	Kerr	Phillips	Tobey
Edmiston	Kinzer	Pierce	Transue
Eicher	Kleberg	Plumley	Treadway
Elliott	Knutson	Poage	Turner
Engel	Kopplemann	Powers	Vincent, Ky.
Englebright	Kvale	Randolph	Voorhis
Faddis	Lambertson	Rankin	Waligren
Farley	Larrabee	Reece, Tenn.	Warren
Ferguson	Lea	Reed, Ill.	Wene
Fish	Leavy	Rees, Kans.	West
Flannagan	Long	Reilly	Whittington
Fleger	Lord	Rich	Wigglesworth
Fletcher	Luckey, Nebr.	Richards	Wilcox
Ford, Miss.	Ludlow	Rigney	Williams
Fries, Ill.	Luecke, Mich.	Robertson	Withrow
Fuller	McClellan	Robinson, Utah	Wolcott
Fulmer	McFarlane	Robsion, Ky.	Wolfenden
Gamble, N. Y.	McGehee	Rockefeller	Wolverton
Gambrill, Md.	McGrath	Rogers, Mass.	Woodruff
Garrett	McGroarty	Rogers, Okla.	Zimmerman

NAYS—88

Barry	Dorsey	Lambeth	Patrick
Beam	Drew, Pa.	Lamneck	Pfeifer
Beiter	Eberharter	Lanzetta	Polk
Bloom	Evans	Lewis, Colo.	Quinn
Boland, Pa.	Fitzgerald	Lewis, Md.	Rabaut
Bradley	Flaherty	Lucas	Ramsay
Buckley, N. Y.	Flannery	Luce	Ramspeck
Bulwinkle	Forand	McCormack	Rayburn
Byrne	Frey, Pa.	McGranery	Roy
Celler	Gavagan	McKeough	Sabath
Citron	Gifford	Magnuson	Sacks
Cochran	Haines	Merritt	Shanley
Cole, Md.	Harlan	Mitchell, Ill.	Smith, Conn.
Connery	Hart	Norton	Smith, W. Va.
Crosby	Healey	O'Brien, Ill.	Somers, N. Y.
Cullen	Honeyman	O'Connell, R. I.	Sullivan
Daly	Kelly, Ill.	O'Connor, N. Y.	Swope
Delaney	Kelly, N. Y.	O'Leary	Tarver
DeMuth	Kennedy, Md.	O'Neal, Ky.	Thom
Dickstein	Kennedy, N. Y.	O'Neill, N. J.	Umstead
Dingell	Keogh	O'Toole	Walter
Dixon	Kocialkowski	Palmisano	Woodrum

NOT VOTING—96

Allen, Del.	Ditter	Jarrett	Schuetz
Andrews	Dockweiler	Jenkins, Ohio	Scrugham
Arends	Doughton	Johnson, Okla.	Secrest
Ashbrook	Douglas	Kirwan	Sirovich
Barton	Drewry, Va.	Kitchens	Smith, Maine
Bates, Ky.	Driver	Kniffin	Smith, Okla.
Bell	Eaton	Kramer	Smith, Wash.
Boehne	Fernandez	Lanham	Stack
Boyer	Fitzpatrick	Lemke	Steagall
Boylan, N. Y.	Ford, Calif.	Lesinski	Sweeney
Caldwell	Gasque	McAndrews	Taylor, Colo.
Cartwright	Gingery	McLean	Thomas, N. J.
Casey, Mass.	Gray, Pa.	McMillan	Tinkham
Champion	Green	Mansfield	Tolan
Chandler	Griswold	May	Towey
Clark, Idaho	Hancock, N. C.	Mitchell, Tenn.	Vinson, Ga.
Coffee, Nebr.	Hartley	Mosier, Ohio	Wadsworth
Cole, N. Y.	Hendricks	Murdock, Utah	Wearin
Creal	Hennings	Nichols	Weaver
Cummings	Hildebrandt	O'Connor, Mont.	Welch
Curley	Hoffman	O'Day	Whelchel
Deen	Hook	Peterson, Fla.	White, Idaho
Dempsey	Imhoff	Reed, N. Y.	White, Ohio
Disney	Jarman	Ryan	Wood

So (two-thirds having voted in favor thereof) the bill was passed, the objections of the President to the contrary notwithstanding.

The Clerk announced the following pairs:

On this vote:

Mr. Lemke and Mr. Cole of New York (for) with Mr. Hook (against).
Mr. Jenkins of Ohio and Mr. Smith of Washington (for) with Mr. Curley (against).
Mr. Reed of New York and Mr. Hoffman (for) with Mr. O'Connor of Montana (against).
Mr. Eaton and Mr. Ditter (for) with Mr. Boylan of New York (against).
Mr. Arends and Mr. Drewry of Virginia (for) with Mr. Fitzpatrick (against).
Mr. White of Ohio and Mr. Hartley (for) with Mr. Sirovich (against).

General pairs:

Mr. Vinson of Georgia with Mr. Wadsworth.
Mr. Doughton with Mr. Thomas of New Jersey.
Mr. Mansfield with Mr. Barton.
Mr. Dempsey with Mr. Jarrett.
Mr. Fernandez with Mr. McLean.
Mr. Boehne with Mr. Tinkham.
Mr. Griswold with Mr. Welsh.
Mr. Murdock of Utah with Mr. Smith of Maine.
Mr. Schuetz with Mr. Douglas.
Mr. Lanham with Mr. Andrews.
Mr. Coffee of Nebraska with Mr. Taylor of Colorado.
Mr. Imhoff with Mr. Ryan.
Mrs. O'Day with Mr. Gray of Pennsylvania.
Mr. Chandler with Mr. McAndrews.
Mr. Steagall with Mr. May.
Mr. Gasque with Mr. Ashbrook.
Mr. Driver with Mr. Scrugham.
Mr. Whelchel with Mr. Casey of Massachusetts.
Mr. Kitchens with Mr. Allen of Delaware.
Mr. Mitchell of Tennessee with Mr. Tolan.
Mr. Hennings with Mr. Caldwell.
Mr. Jarman with Mr. White of Idaho.
Mr. Disney with Mr. Ford of California.
Mr. Mosier of Ohio with Mr. Gingery.
Mr. Secrest with Mr. Cartwright.
Mr. Green with Mr. Kirwan.
Mr. Kramer with Mr. Deen.
Mr. McMillan with Mr. Creal.
Mr. Bell with Mr. Hendricks.
Mr. Clark of Idaho with Mr. Wearin.
Mr. Lesinski with Mr. Dockweiler.
Mr. Towey with Mr. Kniffin.
Mr. Cummings with Mr. Sweeney.
Mr. Johnson of Oklahoma with Mr. Boyer.
Mr. Hancock of North Carolina with Mr. Hildebrandt.
Mr. Smith of Oklahoma with Mr. Stack.
Mr. Peterson of Florida with Mr. Wood.

The result of the vote was announced as above recorded.

TAXICAB INSURANCE, DISTRICT OF COLUMBIA

The SPEAKER laid before the House the following request from the Senate of the United States:

Ordered, That the Secretary be directed to request the House of Representatives to return to the Senate the engrossed bill (H. R. 7084) to provide that all cabs for hire in the District of Columbia be compelled to carry insurance for the protection of passengers, and for other purposes, together with all accompanying papers.

The SPEAKER. Is there objection to granting the request of the Senate?

Mr. O'MALLEY, Mr. DONDERO, and Mr. SCHULTE objected.

FIRST-CLASS MAIL MATTER

Mr. HAINES submitted a conference report and statement on the bill (H. R. 2716) to provide for the local delivery rate on certain first-class mail matter.

EXTENSION OF REMARKS

Mr. ROBSION of Kentucky. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a resolution introduced by me in the House to amend the Constitution, together with a brief statement from former Governor Pollard, of Virginia, on that resolution.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. O'CONNELL of Montana. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a short statement by the American League for Peace and Democracy and a tabulation of unions showing their support of a measure introduced by me.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 1531. An act extending the classified civil service to include postmasters of the first, second, and third classes, and for other purposes;

H. R. 1872. An act for the relief of Martin Bridges;

H. R. 1948. An act conferring jurisdiction upon the United States District Court for the District of Massachusetts to hear, determine, and render judgment upon the claims of certain property holders within the Old Harbor Village area of Boston, Mass.;

H. R. 2191. An act for the relief of Roberta Carr;

H. R. 2362. An act for the relief of Henry M. Hyer;

H. R. 2665. An act for the relief of W. D. Presley;

H. R. 3610. An act to adjust the salaries of rural letter carriers;

H. R. 5615. An act for the relief of the administrator of the estate of Capt. B. B. Barbee, deceased;

H. R. 5743. An act for the relief of Haffenreffer & Co., Inc.;

H. R. 6586. An act to regulate the transportation and sale of natural gas in interstate commerce, and for other purposes;

H. R. 6618. An act for the relief of Miriam Grant;

H. R. 6710. An act conferring jurisdiction upon the United States District Court for the Eastern District of Louisiana to hear, determine, and render judgment upon the claims of Anna Lee Hebert, Mrs. Nicholas Hebert, Mr. and Mrs. Dossie E. Morrell, Mr. and Mrs. C. B. McClure, and W. F. Cobb; and

H. R. 8046. An act to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto; and to repeal section 76 thereof and all acts and parts of acts inconsistent therewith.

The SPEAKER announced his signature to enrolled bills and joint resolutions of the Senate of the following titles:

S. 5. An act to prohibit the movement in interstate commerce of adulterated and misbranded food, drugs, devices, and cosmetics, and for other purposes;

S. 1043. An act for the relief of A. C. Williams;

S. 1478. An act conferring jurisdiction on the Court of Claims to hear and determine the claims of the Choctaw Indians of the State of Mississippi;

S. J. Res. 298. Joint resolution to create a joint congressional committee to investigate the adequacy and use of the phosphate resources of the United States;

S. J. Res. 300. Joint resolution to create a temporary national economic committee; and

S. J. Res. 308. Joint resolution to prescribe the acreage allotments for wheat for 1939.

BILLS AND JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills and joint resolutions of the House of the following titles:

H. R. 152. An act to add certain lands to the Rio Grande National Forest, Colo.;

H. R. 447. An act for the relief of Alpha Vint;

H. R. 599. An act for the relief of W. J. Steckel;

H. R. 1141. An act for the relief of J. W. Beams;

H. R. 1250. An act for the relief of Emilie Dew, Jack Welsh, Mary Jane Bowden, and Henry U. Gaines, Jr.;

H. R. 1363. An act for the relief of estate of Milton L. Baxter;

H. R. 1531. An act extending the classified civil service to include postmasters of the first, second, and third classes, and for other purposes;

H. R. 1861. An act for the relief of Schmidt, Garden & Martin, architects, Chicago, Ill.;

H. R. 1872. An act for the relief of Martin Bridges;

H. R. 1948. An act conferring jurisdiction upon the United States District Court for the District of Massachusetts to hear, determine, and render judgment upon the claims of certain property holders within the Old Harbor Village area of Boston, Mass.;

H. R. 2149. An act for the relief of Capt. Guy L. Hartman;

H. R. 2171. An act for the relief of Frank Burgess Bruce;

H. R. 2191. An act for the relief of Roberta Carr;

H. R. 2231. An act for the relief of Charles E. Black;

H. R. 2358. An act for the relief of Dwain D. Miles;

H. R. 2362. An act for the relief of Henry M. Hyer;

H. R. 2368. An act for the relief of the estate of Catherine Harkins, deceased;

H. R. 2429. An act for the relief of Eugene Nicholas;

H. R. 2487. An act for the relief of Thomas J. Allen, Jr.;

H. R. 2560. An act for the relief of the State of New York Insurance Department as liquidator;

H. R. 2650. An act for the relief of Veracunda O'Brien Allen;

H. R. 2665. An act for the relief of W. D. Presley;

H. R. 2767. An act for the relief of George L. Stone;

H. R. 2779. An act for the relief of Lilly Bundgard and Gloria Bundgard;

H. R. 3225. An act for the relief of Roland Stafford;

H. R. 3232. An act conferring jurisdiction upon the Court of Claims to hear, consider, and render judgment on the claims of Joliet National Bank, of Joliet, Ill., and Commercial Trust & Savings Bank, of Joliet, Ill., arising out of loans to the Joliet Forge Co., of Joliet, Ill., for the providing of additional plant facilities and material for the construction of steel forgings during the World War;

H. R. 3610. An act to adjust the salaries of rural letter carriers;

H. R. 3655. An act for the relief of Clarence D. Schiffman;

H. R. 3747. An act for the relief of George O. Wills;

H. R. 4032. An act for the relief of the New Amsterdam Casualty Co.;

H. R. 4169. An act to carry out the findings of the Court of Claims in the case of the Atlantic Works, of Boston, Mass.;

H. R. 4227. An act for the relief of Mrs. R. A. Smith;

H. R. 4285. An act to increase the salaries of letter carriers in the Village Delivery Service;

H. R. 4367. An act for the relief of Perry Walker;

H. R. 4443. An act for the relief of Meta De Rene McLoskey;

H. R. 4717. An act for the relief of Bernard Knopp;

H. R. 4830. An act for the relief of Mrs. D. O. Benson;

H. R. 4864. An act for the relief of Helen Rauch and Max Rauch;

H. R. 4941. An act for the relief of Rogowski Bros.;

H. R. 5006. An act for the relief of DeWitt F. McLaurine;

H. R. 5153. An act for the relief of George F. Anderson and Vera D. Anderson;

H. R. 5260. An act for the relief of Col. William H. Noble.

H. R. 5308. An act for the relief of Anna Caporaso;

H. R. 5471. An act to amend the laws relating to the distribution of public documents to depository libraries;

H. R. 5597. An act for the relief of Luigi Mazza;

H. R. 5615. An act for the relief of the administrator of the estate of Capt. B. B. Barbee, deceased;

H. R. 5743. An act for the relief of Haffenreffer & Co., Inc.;

H. R. 5763. An act to provide for the extension of the boundaries of the Hot Springs National Park in the State of Arkansas, and for other purposes;

H. R. 5805. An act to amend an act entitled "An act to provide for the exercise of sole and exclusive jurisdiction by the United States over the Hawaii National Park in the Territory of Hawaii, and for other purposes," approved April 19, 1930;

H. R. 6016. An act for the relief of Lavina Karns;

H. R. 6186. An act for the relief of Moses Red Bird;

H. R. 6246. An act to provide for placing educational orders to familiarize private manufacturing establishments with the production of munitions of war of special or technical design, noncommercial in character;

H. R. 6296. An act for the relief of Dr. A. C. Antony and others;

H. R. 6327. An act for the relief of Edward J. Thompson;

H. R. 6374. An act for the relief of Lena R. Burnett;

H. R. 6461. An act for the relief of William F. Bourland;

H. R. 6586. An act to regulate the transportation and sale of natural gas in interstate commerce, and for other purposes;

H. R. 6618. An act for the relief of Miriam Grant;

H. R. 6669. An act for the relief of Augusta L. Collins;

H. R. 6710. An act conferring jurisdiction upon the United States District Court for the Eastern District of Louisiana to hear, determine, and render judgment upon the claims of Anna Lee Hebert, Mrs. Nicholas Hebert, Mr. and Mrs. Dossie E. Morrell, Mr. and Mrs. C. B. McClure, and W. F. Cobb;

H. R. 6713. An act for the relief of Genesee Brewing Co., Inc.;

H. R. 6727. An act for the relief of Edward E. Brown, Charles Walker, Frank Parr, John Moyer, and Lynford P. Fowles;

H. R. 6753. An act for the relief of the Derby Oil Co.;

H. R. 6842. An act for the relief of Frank M. Schmitt, Antonio Salas, Victoria Griego, and Victor Coco;

H. R. 6846. An act for the relief of Harvey and Carrie Robinson;

H. R. 6951. An act for the relief of Harold Price;

H. R. 6952. An act for the relief of Hattie Doudna;

H. R. 7012. An act for the relief of J. Anse Little;

H. R. 7060. An act for the relief of James Mohin and Joseph Lercara;

H. R. 7143. An act for the relief of the Curtiss Aeroplane & Motor Co., Inc.;

H. R. 7158. An act to except yachts, tugs, towboats, and unrigged vessels from certain provisions of the act of June 25, 1936, as amended;

H. R. 7166. An act for the relief of the estate of Raymond Finklea;

H. R. 7198. An act for the relief of Fred Johnson;

H. R. 7297. An act for the relief of Gordon L. Cheasley;

H. R. 7424. An act for the relief of certain persons whose cotton was destroyed by fire in the Ouachita Warehouse, Camden, Ark.;

H. R. 7429. An act for the relief of Muriel C. Young;

H. R. 7460. An act for the relief of Mr. and Mrs. Roy Blessing;

H. R. 7520. An act for the relief of members of the Navy or Marine Corps who were discharged from the Navy or Marine Corps during the Spanish-American War, the Philippine Insurrection, and the Boxes uprising because of minority or misrepresentation of age;

H. R. 7537. An act for the relief of certain stevedores employed on the United States Army transport docks in San Francisco, Calif.;

H. R. 7606. An act for the relief of Albert Richard Jeske;

H. R. 7607. An act for the relief of Frank B. Decker;

H. R. 7693. An act to authorize the Secretary of War to transfer to the Government of Puerto Rico certain real estate of the War Department;

H. R. 7793. An act for the relief of Nicholas de Lipski;

H. R. 7868. An act to provide for conveying to the State of North Dakota certain lands within Burleigh County within that State for public use;

H. R. 7874. An act to provide for the leasing of State, county, and privately owned lands for the purpose of furthering the orderly use, improvement, and development of grazing districts;

H. R. 7890. An act for the relief of Brooks-Callaway Co.;

H. R. 7960. An act for the relief of Wilma Artopoeus;

H. R. 7982. An act to regulate the manufacturing, dispensing, selling, and possession of narcotic drugs in the District of Columbia;

H. R. 8046. An act to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto; and to repeal section 76 thereof and all acts and parts of acts inconsistent therewith;

H. R. 8051. An act for the relief of Roswell H. Haynie;

H. R. 8055. An act for the relief of Helry P. McCaig;

H. R. 8098. An act conferring jurisdiction upon the Court of Claims to hear and determine the claims of Edward Forbes and others;

H. R. 8099. An act to amend certain administrative provisions of the Tariff Act of 1930, and for other purposes;

H. R. 8123. An act for the relief of Sonia M. Bell;

H. R. 8165. An act to add certain lands to the Trinity National Forest, Calif.;

H. R. 8176. An act providing for continuing retirement pay, under certain conditions, of officers and former officers of the Army, Navy, and Marine Corps of the United States, other than officers of the Regular Army, Navy, or Marine Corps, who incurred physical disability while in the service of the United States during the World War, and for other purposes;

H. R. 8241. An act for the relief of Fred J. Christoff;

H. R. 8271. An act to confer jurisdiction upon the Court of Claims of the United States to hear, determine, and render judgment upon the claims of the attorneys for the Russian Volunteer Fleet;

H. R. 8275. An act for the relief of Stanley Kolitzoff and Marie Kolitzoff;

H. R. 8365. An act for the relief of the North Mississippi Oil Mills of Holly Springs, Miss.;

H. R. 8375. An act for the relief of Roscoe B. Huston;

H. R. 8380. An act for the relief of Glenn R. Martin;

H. R. 8391. An act for the relief of Frances M. Heinzelmann;

H. R. 8417. An act for the relief of John B. Dollison;

H. R. 8423. An act for the relief of Frank W. Lohn;

H. R. 8424. An act for the relief of John F. Dailey and Ethel M. Dailey;

H. R. 8479. An act for the relief of Jane Murrah;

H. R. 8480. An act for the relief of Commander James T. Mathews;

H. R. 8492. An act for the relief of Robert Doty, a minor;

H. R. 8515. An act to amend the act entitled "An act for the relief of Harry Bryan and Alda Duffield Mullins, and others," approved August 28, 1937;

H. R. 8544. An act for the relief of Alba C. Mitchell;

H. R. 8567. An act for the relief of Margaret B. Nonnenberg;

H. R. 8571. An act granting 6 months' pay to Mrs. Vallie M. Current;

H. R. 8643. An act for the relief of Kate Durham Thomas;

H. R. 8672. An act for the relief of Fergus County, Mont.;

H. R. 8683. An act for the relief of Gus Vakas;

H. R. 8696. An act for the relief of Ruby Z. Winslow;

H. R. 8723. An act for the relief of Spencer D. Albright, Jr.;

H. R. 8743. An act for the relief of Louis Michael Bregantic;

H. R. 8744. An act for the relief of J. G. Bucklin;

H. R. 8858. An act for the relief of Joseph Brum and Gussie Brum;

H. R. 8922. An act for the relief of E. E. Johnson;

H. R. 9084. An act for the relief of John Lawson and Roy Webb;

H. R. 9130. An act for the relief of Marshall Carver;

H. R. 9142. An act for the relief of J. J. B. Hilliard & Son;

H. R. 9196. An act for the relief of J. T. Burt and Alice Burt;

H. R. 9215. An act for the relief of the Read Machinery Co., Inc.;

H. R. 9277. An act for the relief of James M. Wright;

H. R. 9297. An act for the relief of Dr. Samuel A. Riddick;

H. R. 9400. An act for the relief of Adolph Arendt;

H. R. 9535. An act for the relief of Amy M. Ghent;

H. R. 9640. An act for the relief of Shoshone Garage;

H. R. 9674. An act for the relief of John Borowski, Benjamin H. Hammack, and Eber A. Wean;

H. R. 9825. An act for the relief of Raymond Pledger and Thomas P. Giacomini, Jr.;

H. R. 9881. An act to amend section 23 of the act to create the California Debris Commission, as amended;

H. R. 9916. An act to provide for the establishment of a Coast Guard station at or near Shelter Cove, Calif.;

H. R. 9981. An act for the relief of the State of Connecticut;

H. R. 10171. An act to amend the act entitled "An act giving jurisdiction to the Court of Claims to hear and determine the claim of the Butler Lumber Co., Inc.";

H. R. 10346. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Niobrara, Nebr.;

H. R. 10642. An act to amend an act entitled "District of Columbia Alley Dwelling Act", approved June 12, 1934, and for other purposes;

H. R. 10672. An act to amend section 4197 of the Revised Statutes, as amended (U. S. C., 1934 ed., title 46, sec. 91), and section 4200 of the Revised Statutes (U. S. C., 1934 ed., title 46, sec. 92), and for other purposes;

H. R. 10772. An act to amend certain sections of the act entitled "An act providing for the public printing and binding and the distribution of public documents", approved January 12, 1895, as amended;

H. J. Res. 620. Joint resolution for the observance of the celebration of the one hundred and twenty-fifth anniversary of the Battle of Lake Erie; and

H. J. Res. 703. Joint resolution to authorize the acceptance of title to the dwelling house and property, the former residence of the late Justice Oliver Wendell Holmes, located at 1720 Eye Street NW., in the District of Columbia, and for other purposes.

RECESS

Mr. RAYBURN. Mr. Speaker, I move that the House stand in recess until 10 o'clock a. m. tomorrow.

The motion was agreed to; accordingly (at 5 o'clock and 50 minutes p. m.), the House stood in recess until tomorrow, Thursday, June 16, 1938, at 10 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1430. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated June 7, 1938, submitting a report, together with accompanying papers and illustrations, on a preliminary examination and survey of Marshy Hope Creek, Md., authorized by the Flood Control Act approved June 22, 1936, and by act approved April 10, 1936 (H. Doc. No. 708); to the Committee on Flood Control and ordered to be printed, with two illustrations.

1431. A letter from the Acting Comptroller General of the United States, transmitting a report to the Congress in accordance with the provisions of section 312 (a) of the Budget and Accounting Act, Forty-second Statutes, page 26; to the Committee on Expenditures in the Executive Departments.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. BLAND: Committee on Merchant Marine and Fisheries. S. 1839. An act to authorize the conveyance by the United States to the town of Bristol, Maine, of a portion of the Pemaquid Point Lighthouse Reservation, and for other purposes; with amendment (Rept. No. 2780). Referred to the Committee of the Whole House on the state of the Union.

Mrs. HONEYMAN: Committee on Indian Affairs. S. 3283. An act to authorize the Secretary of the Interior to place certain records of Indian tribes of Nebraska with the Nebraska

State Historical Society, at Lincoln, Nebr., under rules and regulations to be prescribed by him; without amendment (Rept. No. 2781). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BINDERUP: A bill (H. R. 10926) to amend the Social Security Act of 1935, to provide further for Federal old-age benefits, and for other purposes; to the Committee on Ways and Means.

By Mr. GRAY of Pennsylvania: A bill (H. R. 10927) to fix a maximum interest rate of 5 percent on loans secured by Government life-insurance policies; to the Committee on World War Veterans' Legislation.

By Mr. MAY (by request): A bill (H. R. 10928) to add certain lands of the Front Royal Quartermaster Depot Military Reservation, Va., to the Shenandoah National Park, and for other purposes; to the Committee on Military Affairs.

By Mr. LEA (by request): A bill (H. R. 10932) to provide for the construction of certain privately financed self-liquidating highways of superior standard and other public works pertinent thereto, and for other purposes; to the Committee on Roads.

By Mr. MALONEY: A bill (H. R. 10934) to authorize the Secretary of War to lend War Department equipment for use at the 1938 National Eucharistic Congress to be held in New Orleans, La., from October 17 to October 21, 1938; to the Committee on Military Affairs.

By Mr. O'MALLEY: Joint resolution (H. J. Res. 721) requesting the President to proclaim May 12 as Steuben Day; to the Committee on the Judiciary.

By Mr. CELLER (by request): Joint resolution (H. J. Res. 722) proposing an amendment to the Constitution of the United States relative to taxes on incomes, inheritances, and gifts; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ALLEN of Pennsylvania: A bill (H. R. 10929) granting a pension to Essie V. Dickey; to the Committee on Invalid Pensions.

By Mr. O'CONNOR of Montana: A bill (H. R. 10930) authorizing the Secretary of the Interior to issue a patent for certain lands to Jordan N. Bean; to the Committee on the Public Lands.

By Mr. SNYDER of Pennsylvania: A bill (H. R. 10931) granting an increase of pension to Mary J. Marshall; to the Committee on Invalid Pensions.

By Mr. KERR: A bill (H. R. 10933) for the relief of David E. Taylor; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

5362. By Mr. CRAWFORD: Petition of nearly a thousand citizens of Saginaw City and Saginaw County, Mich., protesting against the 1938 soil-conservation program and demanding saving of American markets for American producers of goods; to the Committee on Agriculture.

5363. By Mr. KOPPLEMANN: Petition of members of Oak Lodge, No. 43, International Brotherhood of Papermakers, signed by Charles Garrow and Frederick McCarthy, requesting hearings on House bill 4199, known as the General Welfare Act; to the Committee on Ways and Means.

5364. Also, petition of members of Park Lodge, No. 347, International Brotherhood of Papermakers, signed by Richard B. Norton and Francis I. Limirick; to the Committee on Ways and Means.

5365. By Mr. KRAMER: Resolution of the Los Angeles County District Council of Carpenters, relative to pension for men over 50 who have no other income; to the Committee on Ways and Means.

SENATE

THURSDAY, JUNE 16, 1938

(Legislative day of Tuesday, June 7, 1938)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Wednesday, June 15, 1938, was dispensed with, and the Journal was approved.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, announced that the House had passed without amendment the following bills of the Senate:

S. 252. An act to exempt publicly owned interstate highway bridges from local taxation;

S. 3798. An act to amend the act entitled "An act to establish a Civilian Conservation Corps, and for other purposes," approved June 28, 1937;

S. 4041. An act granting the consent of Congress to the State of New Jersey and the Commonwealth of Pennsylvania to enter into compacts or agreements with respect to constructing, maintaining, and operating a vehicular tunnel under the Delaware River; and

S. 4044. An act to authorize the President to permit citizens of the American republics to receive instruction at professional educational institutions and schools maintained and administered by the Government of the United States or by departments or agencies thereof.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10024) to establish the Olympic National Park, in the State of Washington, and for other purposes.

The message further announced that the House of Representatives having proceeded to reconsider the bill (H. R. 10530) to extend for 2 additional years the 3½-percent interest rate on certain Federal land-bank loans, and to provide for a 4-percent interest rate on Land Bank Commissioner's loans until July 1, 1940, returned by the President of the United States, with his objections, to the House of Representatives, in which it originated, it was

Resolved, That the said bill pass, two-thirds of the House of Representatives agreeing to pass the same.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 10851) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1938, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1938, and June 30, 1939, and for other purposes, agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. WOODRUM, Mr. BOYLAN of New York, Mr. CANNON of Missouri, Mr. LUDLOW, Mr. SNYDER of Pennsylvania, Mr. TABER, Mr. BACON, and Mr. WIGGLESWORTH were appointed managers on the part of the House at the conference.

The message further announced that the House had passed the following bills of the Senate, severally with an amendment, in which it requested the concurrence of the Senate:

S. 2338. An act to authorize the Secretary of the Navy to proceed with the construction of certain public works and for other purposes;

S. 3346. An act authorizing the Secretary of the Interior to pay salaries and expenses of the chairman, secretary, and interpreter of the Klamath General Council, members of the Klamath Business Committee and other committees appointed by said Klamath General Council, and official delegates of the Klamath Tribe; and

S. 3756. An act to prohibit the use of communication facilities for criminal purposes.

The message also announced that the House had passed the following bills of the Senate, severally with amendments, in which it requested the concurrence of the Senate:

S. 2811. An act to amend the Judicial Code by adding thereto a new section, to be numbered 659 (1), relating to the certification, authentication, and use in evidence of documents of record or on file in public offices in the State of Vatican City;

S. 3255. An act to provide for the establishment of a mechanism of regulation among over-the-counter brokers and dealers operating in interstate and foreign commerce or through the mails, to prevent acts and practices inconsistent with just and equitable principles of trade, and for other purposes; and

S. 3525. An act to amend the act entitled "An act to extend the benefits of the Civil Service Retirement Act of May 29, 1930, as amended, to certain employees in the legislative and judicial branches of the Government", approved July 13, 1937.

The message further announced that the House had passed the following bills and joint resolutions, in which it requested the concurrence of the Senate:

H. R. 6820. An act for the relief of Elizabeth Vresh (Yalga Vres), her son, Frederick Vresh, and her daughter, Sylvia Vresh Bronowitz;

H. R. 8434. An act to liberalize the laws providing pensions for the dependents of veterans whose death resulted from service prior to April 21, 1898;

H. R. 10873. An act to authorize the conveyance to the Arthur Alexander Post No. 68, the American Legion, of Belzoni, Miss., of the improvements and site containing 18 acres of land, more or less, at Lock and Dam No. 1, on the Sunflower River, Miss.;

H. R. 10907. An act to provide for the vesting of title and the disposition of personal property left or found upon premises used as Veterans' Administration facilities, and for other purposes;

H. R. 10935. An act to authorize the Secretary of War to lend War Department equipment for use at the convention of the American Legion of New York during the month of August 1938;

H. J. Res. 551. Joint resolution providing compensation for certain employees;

H. J. Res. 681. Joint resolution to amend the Naturalization Act of June 29, 1906 (34 Stat. 596), as amended; and

H. J. Res. 707. Joint resolution requesting the President of the United States to proclaim the week of May 31, 1939, National Flood Prevention Week.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills and joint resolutions, and they were signed by the Vice President:

S. 1043. An act for the relief of A. C. Williams;

S. 1478. An act conferring jurisdiction on the Court of Claims to hear and determine the claims of the Choctaw Indians of the State of Mississippi;

H. R. 733. An act for the relief of George E. Titter;

H. R. 736. An act for the relief of Mallery Toy;

H. R. 1995. An act to add certain lands on the island of Hawaii to the Hawaii National Park, and for other purposes;

H. R. 3162. An act conferring jurisdiction upon the United States Court of Claims to hear, examine, adjudicate, and render judgment on any and all claims which the Ute Indians or other tribes or bands thereof may have against the United States, and for other purposes;

H. R. 4571. An act for the relief of the widow and children of James Patrick Mahar;

H. R. 5379. An act for the relief of Mrs. B. E. Hennigan and her dependent minor children;

H. R. 5690. An act to amend the Longshoremen's and Harbor Workers' Compensation Act;

H. R. 7344. An act for the relief of Eddie Walker;

H. R. 7759. An act for the relief of Susan Lawrence Davis;

H. R. 7844. An act to amend the act of Congress entitled "An act to establish an Alaska Game Commission, to protect game animals, land fur-bearing animals, and birds in Alaska, and for other purposes," approved January 13, 1925, as amended;

H. R. 9721. An act authorizing the disbursement of funds appropriated for compensation of help for care of material, animals, armament, and equipment in the hands of the National Guard of the several States, Territories, and the District of Columbia, and for other purposes;

H. R. 9801. An act to provide for the retirement, rank, and pay of Chiefs of Naval Operations, Chiefs of Bureau of the Navy Department, the Judge Advocates General of the Navy, and the Major Generals Commandant of the Marine Corps;

H. R. 9997. An act to regulate the distribution, promotion, and retirement of officers of the line of the Navy, and for other purposes;

H. R. 10432. An act to amend an act approved June 14, 1906 (34 Stat. 263), entitled "An act to prevent aliens from fishing in the waters of Alaska";

H. R. 10594. An act to provide for the creation, organization, administration, and maintenance of a Naval Reserve and a Marine Corps Reserve;

H. R. 10785. An act to amend the Perishable Agricultural Commodities Act, 1930, as amended;

S. J. Res. 298. Joint resolution to create a joint congressional committee to investigate the adequacy and use of the phosphate resources of the United States;

S. J. Res. 300. Joint resolution to create a temporary national economic committee;

S. J. Res. 308. Joint resolution to prescribe the acreage allotments for wheat for 1939; and

H. J. Res. 699. Joint resolution to amend sections 101, 102, 103, 104, and 859 of the Revised Statutes of the United States relating to congressional investigations.

CALL OF THE ROLL

Mr. LEWIS. Mr. President, I trust this may be the last time this session for me to perform the duty I am about to perform, but I am compelled to suggest the absence of a quorum, and ask that the roll be called.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Clark	Holt	O'Mahoney
Andrews	Connally	Hughes	Overton
Ashurst	Davis	Johnson, Calif.	Pepper
Austin	Donahey	Johnson, Colo.	Pittman
Bailey	Duffy	King	Pope
Bankhead	Ellender	La Follette	Radcliffe
Barkley	George	Lee	Reames
Bilbo	Gerry	Lewis	Reynolds
Bone	Gibson	Logan	Russell
Borah	Gillette	Lonergan	Schwartz
Brown, Mich.	Glass	Lundeen	Schwellenbach
Brown, N. H.	Green	McGill	Sheppard
Bulkley	Guffey	McKellar	Shipstead
Bulow	Hale	McNary	Townsend
Burke	Harrison	Maloney	Truman
Byrd	Hatch	Miller	Tydings
Byrnes	Hayden	Minton	Vandenberg
Capper	Herring	Murray	Wagner
Caraway	Hill	Neely	Walsh
Chavez	Hitchcock	Norris	Wheeler

Mr. LEWIS. I announce that the Senator from Tennessee [Mr. BERRY], the Senator from Illinois [Mr. DIETERICH], the Senator from California [Mr. MCADOO], the Senator from Nevada [Mr. MCCARRAN], the Senators from New Jersey [Mr. MILTON and Mr. SMATHERS], the Senator from South Carolina [Mr. SMITH], the Senator from Oklahoma [Mr. THOMAS], the Senator from Utah [Mr. THOMAS], and the Senator from Indiana [Mr. VAN NUYS] are detained from the Senate on important public business.

The Senator from New York [Mr. COPELAND] is absent because of illness.

Mr. AUSTIN. I announce that the Senator from New Hampshire [Mr. BRIDGES] is absent for reasons heretofore stated.

The VICE PRESIDENT. Eighty Senators have answered to their names. A quorum is present.

TRIBUTE TO LATE REPRESENTATIVES GOODWIN AND PEYSER, OF NEW YORK

Mr. CLARK. Mr. President, the Senator from New York [Mr. COPELAND] had expected to be present today, but has

been detained from the Senate because of illness. He had prepared and expected to deliver brief remarks in tribute to the memory of two of his late colleagues in the House of Representatives from New York. In his absence I ask that the remarks prepared by him may be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

Mr. COPELAND. Mr. President, I take this opportunity to express my profound sorrow over the loss of two close friends. In the hurry and pressure of this session I have not found opportunity to unfold the feelings of my heart in the manner their memories deserve.

I speak of our lamented colleagues from New York, the Honorable PHILIP ARNOLD GOODWIN and the Honorable THEODORE A. PEYSER.

Many, many times I had opportunities to confer with them in matters relative to committee work and conferences, and I formed close attachments to both men. I found them always willing, helpful, and anxious to perform their duties in the public interest as faithfully as possible.

We mourn their passing. The Congress must sustain a great loss.

It was my privilege to enjoy cherished personal relationships with these two men. Not only were they my colleagues but they were my friends.

Even though they followed opposite political faiths, they recognized the right of men to differ in political philosophy and to be friends nevertheless. For each of them I had the highest personal regard.

My friend Mr. PEYSER had no wife. For Mrs. Goodwin I always had the highest regard and admiration. I extend to her my warmest sympathy.

INVESTMENT, ETC., OF TENNESSEE VALLEY AUTHORITY IN WILSON, NORRIS, AND WHEELER PROJECTS

The VICE PRESIDENT laid before the Senate a letter from the Chairman of the Board of Directors of the Tennessee Valley Authority, submitting its report on the investment and the allocation of the investment of the Authority in the Wilson, Norris, and Wheeler projects, pursuant to section 14 of the Tennessee Valley Authority Act of 1933, as amended, and stating that the findings of the Board have been approved by the President, which was referred to the Committee on Agriculture and Forestry.

CASES DISMISSED BY COURT OF CLAIMS

The VICE PRESIDENT laid before the Senate a letter from the assistant clerk of the Court of Claims, advising, pursuant to an order of the court, the cases—Congressional, 17642, John H. Emmord; Congressional, 17644, Samuel L. Fyle; and Congressional, 17645, W. Carl Holloway—which were referred to the Court of Claims by resolution of the Senate, pursuant to law, were dismissed on plaintiff's motion, which was referred to the Committee on Claims.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following resolution of the House of Representatives of the State of Ohio, which was referred to the Committee on Commerce:

A resolution memorializing the Congress of the United States to approve legislation affecting Cowen Creek project in Clinton County, Ohio

Whereas the true friends of agriculture understand the need of a definite program designed to help provide a more abundant water supply in dry seasons, and as a flood preventative in excessively wet seasons; and

Whereas the Cowen Creek project of Clinton County, Ohio, will positively solve this problem to a greater extent than any plan so far proposed; and

Whereas it will provide a measure of enjoyment to the people of Clinton and the surrounding counties for recreational purposes in addition to being a part of a soil conservation plan; and

Whereas this project has been approved by petitions and otherwise by various organizations interested civically and impartially: Therefore be it

Resolved, That we memorialize the Congress of the United States to approve appropriations allocated for this purpose so that the citizens of Ohio can enjoy and be benefited to the extent they so much deserve and that the project be finished as soon as possible and feasible; and be it further

Resolved, That copies of this resolution be transmitted to President Franklin D. Roosevelt, Vice President John N. Garner, the clerk of the Senate and the Clerk of the House, and to the Senators and Congressmen from Ohio.

The VICE PRESIDENT also laid before the Senate the following resolution of the Senate of the State of Ohio, which was ordered to lie on the table:

Resolution memorializing the Congress of the United States relative to the policy of assuming the assessments and the entire cost of improvements in conservancy districts, especially with reference to the Miami conservancy district

Whereas the vast flood-prevention policy entered into by the State of Ohio following the disastrous flood of 1913, in the construction by the Miami and other conservancy districts of improvements, has greatly benefited not only the residents of Ohio but of many States in the Union; and

Whereas in the event that the Federal Government sees fit to assume the assessments and the entire cost of the improvements in like projects which have recently been undertaken and completed, it would seem just and fair that the Federal Government should also assume the outstanding obligations of the taxpayers of the Miami conservancy district, the greater portion of which have been paid by the taxpayers of the district during the last 20 years: Therefore be it

Resolved, That the members of the senate hereby memorialize the Congress of the United States to carefully weigh the advantages to the Nation as a whole that were derived from the Miami conservancy district and to assume the obligations of the district yet outstanding, in the event the Federal Government sees fit to assume the assessments and costs of improvements in present projects of a like nature; and be it further

Resolved, That properly authenticated copies of this resolution be forwarded by the clerk of the senate to President Franklin D. Roosevelt, Vice President John N. Garner, to the United States Senators Robert J. Bulkley and A. V. Donahey, and to each of the Members of Congress from Ohio.

The VICE PRESIDENT also laid before the Senate a telegram from the Young Citizens of America Pro-American Association, New York City, N. Y., embodying a resolution of that association favoring the publication by a congressional committee of a complete detailed report of the facts concerning alien groups in the United States, which was referred to the Committee on Immigration.

He also laid before the Senate a telegram from officers of the Federal Bar Association of New York, New Jersey, and Connecticut, stating that that association had unanimously adopted a resolution endorsing the nomination of William Clark as judge for the Third Circuit Court of Appeals, which was referred to the Committee on the Judiciary.

He also laid before the Senate papers in the nature of memorials from several citizens of the United States remonstrating against centralization of power in the Government, increase of the national debt, and increased taxation, which were ordered to lie on the table.

Mr. BULKLEY. I present for appropriate reference a letter in the nature of a petition signed by Howard Snyder and 511 other citizens of Steubenville, Ohio, and vicinity, which I ask may be printed in the body of the RECORD.

There being no objection, the letter was referred to the Committee on Education and Labor and ordered to be printed in the RECORD, as follows:

To the National Labor Relations Board, Committee on Industrial Organization, Weirton Steel Co., Members of Congress.

GENTLEMEN: We, the undersigned merchants and citizens of Steubenville, Ohio, and vicinity, petition your respective organizations to discontinue further investigations and hearings now in progress, and that the same be dismissed without harm or injury to any of the parties involved, and assign the following reasons for this request:

1. That the hearing has prevented Weirton Steel officials from performing their duties and has required them to devote time to matters alien to their business, with the result that business of that company has slackened and employment proportionately suffered.

2. That in consequence of the lag of employment in our communities' greatest industry, there has been a corresponding depression in business conditions, creating greater hardship among the small-business men and all classes of employees than ever before.

3. That the steel industry of the Ohio Valley is the lifeblood of business in our communities, and any acts deterring its progress or injuring that industry directly affect us, the citizens.

4. We are aware, too, that building and expansion programs aggregating millions of dollars have been contemplated by various industries in our communities, and that the lag of employment that has brought about a major business recession forestalled all such activity.

5. The N. L. R. B. hearing has created an acute business depression out of an otherwise seasonal business slump, and we are now experiencing conditions far worse than at any time during the past depression.

We, therefore, beg that our plea may not go unheeded.

VETO OF SO-CALLED FARM-INTEREST BILL

Mr. WHEELER. Mr. President, I ask unanimous consent to have printed in the RECORD a letter addressed to me by The National Grange with reference to the veto by the President of the so-called farm-interest bill.

There being no objection, the letter was ordered to lie on the table and to be printed in the RECORD, as follows:

THE NATIONAL GRANGE,
Washington, D. C., June 16, 1938.

Hon. BURTON K. WHEELER,
Senate Office Building, Washington, D. C.

DEAR SENATOR WHEELER: We note with approval that the House yesterday overrode President Roosevelt's veto of the farm-interest bill, H. R. 10530, by a vote of 244 to 87. We trust that the Senate may take similar action before adjournment.

If the veto should be sustained, the effect would be to step up the interest rates on land-bank mortgages from 3½ to 4 percent during the present year, while after July 1, 1939, the old contract rates, ranging from 4 to 6 percent, would be restored. It must not be forgotten that the earlier loans of the land banks were made at a time when interest rates were much higher than at present.

The bonds that were issued by the land banks in connection with these loans have been refinanced at lower rates of interest, and it is only fair that these lower rates should be reflected back to the farmers. With the Government borrowing money on its 10-year bonds at an average rate of 2.88 percent, what reasonable justification can there be for asking borrowers from the Federal land banks to pay rates ranging from 4 to 6 percent?

During the past year, the average price level of farm commodities has registered a decline of 36 points, and the purchasing power of the farm dollar stands at 74 percent of its pre-war base.

Under the circumstances and as a matter of justice to agriculture, we respectfully ask the Senate to override the President's veto.

Sincerely yours,

THE NATIONAL GRANGE,
FRED BRENCKMAN,
Washington Representative.

MAINTENANCE OF PEACE—SESAME CLUB OF BERRYTON, KANS.

Mr. CAPPER. Mr. President, I ask unanimous consent to have printed in the RECORD a statement just received by myself from the Sesame Club of Berryton, Kans., signed by Vera Webster and 28 other members of the Sesame Club of women. These women, like nearly all women and most of the men in the United States, are deeply interested in world peace, and especially in keeping the United States at peace.

I believe the statement of the beliefs of these women of Berryton, Kans., is an accurate statement of the views held by millions of our citizens. They believe in an army and navy adequate for defense but are opposed to our participating in foreign wars. They believe in taking the profits out of war; in case of war they would draft capital as well as men. They are opposed to our munitions makers selling to foreign warring nations. I am heartily in favor of the program outlined by this organization.

I send the statement of the Sesame Club of Berryton, Kans., to the desk and ask unanimous consent that it be printed as part of my remarks at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

BERRYTON, KANS., *May 18, 1938.*

Hon. ARTHUR CAPPER,
Senator, United States Senate, Washington, D. C.

DEAR SENATOR: Realizing the unsettled conditions of the world, nations at war among themselves, nations at war within their own boundaries, we, the Sesame Club, of Berryton, Kans., representative of the women and mothers of our community, wish to go on record with our convictions in regard to maintaining peace in our own country.

We believe in:

(a) An adequate Army and Navy for defense but not for foreign wars.

(b) In taking the profits out of war.

(c) In case of war, that capital be drafted as well as men.

(d) That we refuse to allow munitions to be shipped from our country to nations engaged in war.

(e) That we be not afraid to condemn other nations who declare war for annexation of territory.

We wish to express our appreciation to you in your efforts on behalf of world peace.

Respectfully, we the undersigned members of the Sesame Club, of Berryton, Kans.

Vera Webster, Mrs Effie McMahan, Mrs. Eva Dustin, Mrs. A. L. Sowers, Mrs. E. A. Dunlap, Mrs. Frank Foster, Miss Ella Thresher, Mrs. James Baird, Mrs. E. J. McWilliams, Mrs. Paul Howbert, Mrs. Chas. M. Zirkle, Mrs. Frank Snell, Fannie Liebenberg, Mrs. Geo. A. Meens, Mrs. R. W. Fiohrschutz, Mrs. J. A. Sowers, Mrs. Newton Scott, Mrs. J. K. Buehler, Mrs. Harry Bullock, Mrs. C. V. Ticknor, Mrs. W. A. McQuiston, Mrs. Rex Scott, Mrs. N. L. Tevis, Mrs. W. F. Havekott, Mary M. Porter, Mrs. W. H. Waters, Mrs. M. Virginia Porter, Mrs. Fred Johnsmeyer (president), Mrs Eleanor Kinkaid (secretary).

HOUSE BILLS AND JOINT RESOLUTION REFERRED

The following bills and joint resolution of the House of Representatives were severally read twice by their titles and referred as indicated below:

H. R. 6820. An act for the relief of Elizabeth Vresh (Yalga Vres), her son, Frederick Vresh, and her daughter Sylvia Vresh Bronowitz; and

H. J. Res. 681. Joint resolution to amend the Naturalization Act of June 29, 1906 (34 Stat. 596), as amended; to the Committee on Immigration.

H. R. 8434. An act to liberalize the laws providing pensions for the dependents of veterans whose death resulted from service prior to April 21, 1898; to the Committee on Pensions.

H. R. 10907. An act to provide for the vesting of title and disposition of personal property left or found upon premises used as Veterans' Administration facilities, and for other purposes; to the Committee on Finance.

PRINTING OF SPEECHES BY SENATOR WALSH

Mr. WALSH. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD two speeches recently made by me, one at the commencement exercises of the United States Coast Guard Academy, at New London, on June 2, 1938, and the other delivered on Flag Day, June 14, 1938, at the auditorium in the Department of Labor Building in the city of Washington.

The VICE PRESIDENT. Without objection, permission is granted.

REPORT ON FEDERAL PARTICIPATION IN THE GREAT LAKES EXPOSITION, CLEVELAND, OHIO (S. DOC. NO. 223)

Mr. BULKLEY. Mr. President, I ask unanimous consent that the report of the United States Great Lakes Exposition Commission (submitted pursuant to law on March 17, 1938) pertaining to Federal participation in the Great Lakes Exposition, held at Cleveland, Ohio, 1936–37, with the accompanying papers, may be printed as a document.

The VICE PRESIDENT. Without objection, it is so ordered.

BUSINESS—ADDRESS BY SENATOR POPE

[Mr. LEE asked and obtained leave to have printed in the RECORD an address delivered by Senator POPE before the annual dinner of the Williston Academy Alumni Association, at the Ambassador Hotel, New York City, on January 27, 1938, on the subject Business.]

ESSENTIALS OF RECOVERY—ADDRESS BY SENATOR MURRAY

[Mr. TRUMAN asked and obtained leave to have printed in the RECORD a radio address on the essentials of recovery and the necessity for cooperation between business and the Government, delivered by Senator MURRAY on June 16, 1938.]

GENERAL PROVISIONS OF WAGE-HOUR ACT—STATEMENT BY SENATOR MURRAY

[Mr. MURRAY asked and obtained leave to have printed in the RECORD a statement prepared by him covering the general provisions of the wage-hour bill, with reference also to the child-labor sections of the bill.]

WHOLESALE PRICE INDEX, NATIONAL INCOME, AND MONETARY SYSTEM

[Mr. PITTMAN asked and obtained leave to have printed in the RECORD a statement regarding the wholesale price index, national income, and monetary system.]

THE COST OF WAR—ARTICLE BY THOMAS J. WATSON

[Mr. POPE asked and obtained leave to have printed in the RECORD an article on the subject The Cost of War, by Mr. Thomas J. Watson, president of the International Chamber of Commerce, which appears in the Appendix.]

POLITICS IN WORK RELIEF

[Mr. GUFFEY asked and obtained leave to have printed in the RECORD a telegram from J. Banks Hudson, W. P. A. administrator for Pennsylvania, to Harry L. Hopkins, Federal Administrator of the W. P. A., which appears in the Appendix.]

THE TRUTH ABOUT THE DEPRESSION—ARTICLE BY SENATOR BRIDGES

[Mr. LODGE asked and obtained leave to have printed in the RECORD an article by Senator BRIDGES on the subject The Truth About the Depression, which will be published hereafter in the Appendix.]

ADDRESS BY SENATOR BAILEY

[Mr. BORAH asked and obtained leave to have printed in the RECORD an address to be delivered in Maine by Senator BAILEY, which will be published hereafter in the Appendix.]

UNJUST DISCRIMINATION—EDITORIAL FROM WASHINGTON EVENING STAR

[Mr. SHEPPARD asked and obtained leave to have printed in the RECORD an editorial from the Washington Evening Star of June 10, 1938, entitled "Unjust Discrimination."]

ADDRESS BY SENATOR BULKLEY AT WILBERFORCE UNIVERSITY

[Mr. WALSH asked and obtained leave to have printed in the RECORD an address delivered by Senator BULKLEY at the commencement exercises of Wilberforce University, Wilberforce, Ohio, June 9, 1938.]

FREIGHT AND WAGES—EDITORIAL FROM WASHINGTON DAILY NEWS

[Mr. GEORGE asked and obtained leave to have printed in the RECORD an editorial published in the Washington Daily News of June 7, 1938, entitled "Freight and Wages."]

FOR A JUST SYSTEM OF TAXATION—ARTICLE BY JACKSON H. RALSTON

[Mr. SHIPSTEAD asked and obtained leave to have printed in the RECORD a telegram from Edward D. Vandeleur, secretary of the California State Federation of Labor, relating to an article by Jackson H. Ralston entitled "For a Just System of Taxation."]

ACCIDENT PREVENTION

[Mr. TOWNSEND asked and obtained leave to have printed in the RECORD a statement on the subject Accident Prevention—a Problem for Health Organizations, by Walter Dent Smith, executive vice president of the Greater New York Safety Council.]

THE DESTRUCTION OF CHINA—EDITORIAL FROM THE WASHINGTON POST

[Mr. TRUMAN asked and obtained leave to have printed in the RECORD an editorial from the Washington Post entitled "The Destruction of China."]

FEDERAL INTERFERENCE IN SENATORIAL ELECTIONS

[Mr. WHEELER asked and obtained leave to have printed in the RECORD a letter dated May 9, 1913, addressed by Isaac Lobe Straus, then attorney general of Maryland, to President Woodrow Wilson.]

CAMPAIGN CONTRIBUTIONS

[Mr. HOLT asked and obtained leave to have printed in the RECORD an article written by himself on campaign contributions.]

ANNIVERSARY OF BATTLE OF ANTIETAM—ADDRESS BY SENATOR RADCLIFFE

[Mr. TRUMAN asked and obtained leave to have printed in the RECORD an address delivered by Senator RADCLIFFE on May 30, 1938, at the celebration of the seventy-sixth anniversary of the Battle of Antietam.]

MRS. ROOSEVELT AND WORLD PEACE—ARTICLE BY MAXIMIANO MARMITO VILLAREAL

[Mr. MINTON asked and obtained leave to have printed in the RECORD an article by Maximiano Marmito Villareal entitled "Mrs. Roosevelt and World Peace."]

EXCISE TAX ON COPPER—LETTER BY SENATOR WHEELER

[Mr. WHEELER asked and obtained leave to have printed in the RECORD a letter addressed by him to Hon. J. J. O'CONNELL, a Representative from the State of Montana.]

FOREIGN POLICY AND SUPERNAVY

[Mr. LUNDEEN asked and obtained leave to have printed in the RECORD a statement by him on the appropriations for the so-called supernavy and on the foreign policy of the United States, which will be published hereafter in the Appendix.]

PLATFORM AND PROGRAM OF SOCIAL DEMOCRATIC ASSOCIATION

[Mr. LUNDEEN asked and obtained leave to have printed in the RECORD the platform and program of the Social Democratic Association, and other data, which will be published hereafter in the Appendix.]

CONSTITUTIONAL LIBERTIES—ADDRESS BY SENATOR DAVIS

[Mr. JOHNSON of California asked and obtained leave to have printed in the RECORD an address prepared by Senator DAVIS and delivered for him by Dr. Henry S. Ruth before the National Institute of Homeopathy, meeting in national convention at Philadelphia on June 15, 1938.]

RELIEF AND WORK RELIEF APPROPRIATIONS—CONFERENCE REPORT

Mr. ADAMS. Mr. President, I submit a supplemental conference report on House Joint Resolution 679, the relief measure, and ask for its immediate consideration.

The VICE PRESIDENT. The report will be read.

The Chief Clerk read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on certain amendments of the Senate to the joint resolution (H. J. Res. 679) making appropriations for work relief, relief, and otherwise to increase employment by providing loans and grants for public-works projects, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendments of the House to the amendments of the Senate numbered 74, 75, and 76, and agree to such House amendments.

The committee of conference report in disagreement Senate amendment numbered 72 with the amendment of the House thereto.

ALVA B. ADAMS,
KENNETH MCKELLAR,
CARL HAYDEN,
JAMES F. BYRNES,
Managers on the part of the Senate.

C. A. WOODRUM,
CLARENCE CANNON,
LOUIS LUDLOW,
J. BUELL SNYDER,
JOHN TABER,
ROBERT L. BACON,
R. B. WIGGLESWORTH,
Managers on the part of the House.

The VICE PRESIDENT. The question is on agreeing to the conference report.

Mr. MCNARY. I understand the report deals with three items which are still in disagreement and which were referred to the conferees?

Mr. ADAMS. There were four items in disagreement. Three of the items related to parity-payment provisions. The Senate conferees receded and recommended the acceptance of the House provision as to parity payments. There remains one item in disagreement as to which, after action on the report, I will submit another request or motion. We concluded, I will say to the Senator from Oregon, that the wise thing to do was to accept the House provision. We discussed it with the Senator from Georgia [Mr. RUSSELL] and others who were better informed than were the conferees, and we are acting in accordance with their advice.

The VICE PRESIDENT. Is there objection to agreeing to the conference report?

Mr. JOHNSON of California. Mr. President, what was done in respect to the matter?

Mr. ADAMS. The Senate accepted the House provision. As the Senator may recall, there were two different provisions, one adopted by the Senate, which was known as the Russell amendment, while the House adopted what was known as the Pope amendment. The Senate conferees recommend the recession of the Senate from its amendment and the acceptance of the House amendment.

Mr. JOHNSON of California. What further was done with the other matters in dispute? I ask simply for information.

Mr. ADAMS. Of the other matters, the Rural Electrification matter comes back in disagreement, and as to that I have a separate report to submit.

Mr. JOHNSON of California. That is what I was trying to ascertain. Then, was there any other matter in dispute?

Mr. ADAMS. Only the parity-payment provisions, which were made up of three separate amendments, two being merely textual. The fourth relates to a Rural Electrification item.

Mr. JOHNSON of California. In brief, how did the conferees compromise on parity payments?

Mr. ADAMS. It could hardly be called a compromise. The Senate conferees receded from their position and accepted the House position. It was not possible to work out any compromise. It was a question either of insisting on our position or accepting the House position.

Mr. JOHNSON of California. Their position was what?

Mr. ADAMS. Their position was represented by the adoption of what we knew in the Senate as the Pope amendment. It was an amendment worked out, I think, by the senior Senator from Iowa [Mr. GILLETTE]. There was a serious question as to which was the preferable amendment. Both, to me, seemed very complicated; in fact, more than complicated. So we accepted the judgment of the Senator from Georgia [Mr. RUSSELL], whose amendment the Senate had adopted.

Mr. McNARY. The essential difference between the House and Senate provisions is that the House provision gives a larger volume of parity payments to corn than did the Senate amendment?

Mr. ADAMS. The results in terms of dollars, in substance, were that, whereas the Russell amendment gave $102,000,000 to cotton—and I will give the figures which have been furnished, if I may—the Russell amendment as the Senate adopted it, and as it was estimated, would have given cotton $102,000,000, corn $52,000,000, wheat $53,000,000, and rice and tobacco $3,000,000. The amendment which is recommended reduces the payment to cotton to $86,400,000, to corn to $68,800,000, to wheat $53,200,000, a slight increase, and fixes the payment to rice and tobacco at $1,600,000, with $2,000,000 unallocated of the $212,000,000.

Mr. McNARY. Mathematically, the difference between the House and Senate propositions is a larger amount for corn parity payments, a slight gain for wheat, and substantial reductions in the payments on cotton?

Mr. ADAMS. Yes. We had a letter from the Secretary of Agriculture in reference to the administration. The Russell amendment provided that no payments would be made if any of these products reached 75 percent of parity. That was not clear in the House amendment, but the Secretary of Agriculture advises that his administration interprets the House amendment as fixing that ceiling upon the payments.

Mr. RUSSELL, Mr. McGILL, and Mr. POPE addressed the Chair.

The VICE PRESIDENT. Does the Senator from Colorado yield; and if so, to whom?

Mr. ADAMS. I yield to the Senator from Georgia.

Mr. RUSSELL. The House amendment provides exactly the same amount of money that the Senate amendment provides. Both amendments carry $212,000,000. The principal difference between the two amendments—and a very great difference it is—is in the formula for the distribution of those funds. The Senate amendment was very clear and explicit as to the amount to be paid with respect to each commodity, and contained a reasonably simple formula for the distribution of the funds. It provided for 10 cents a bushel in the case of wheat, 5 cents a bushel in the case of corn, 2 cents a pound in the case of cotton, 1 cent a pound in the case of tobacco, and one-fifth of a cent a pound in the case of rice, not less than these amounts to be paid to the producers of those respective commodities in the event that the market price of the commodity was less than 75 percent of parity.

The House proposition provides an entirely different formula. It undertakes to set up a formula based 50 percent on section 303 of the Farm Act or parity-payment formula and 50 percent on section 104, which is the soil-conservation-payment formula. Of course, any figures as to the amount that any commodity would actually receive are more or less speculative; but the figures which were stated by the Senator from Colorado [Mr. ADAMS], in charge of the bill, were the figures which the Department have submitted as their present-day estimate of the distribution of these funds.

Naturally I am greatly disappointed that the House has seen fit to reduce the amount that goes to cotton by the sum of $14,000,000. I thought, and still think, that my original proposition was so much simpler and clearer, and that it was also fairer than the pending House proposition; but, in view of the fact that we are here on what we all hope is the last day of the session, I would not jeopardize this relief to all the farmers of the Nation by attempting now to work out an entirely new formula which would be a compromise between the position of the Senate and the position of the House. To attempt to do so might defeat the entire appropriation, and while I feel the House amendment is unfair to cotton, a half loaf is better than no bread. I also feel that in the actual administration of the new formula there is going to be some disappointment on the part of some of the wheat farmers. I believe that some of them will receive less funds under the combined formula than they would have received on the 10-cent-per-bushel basis. Of course all of that will be determined by the future.

There has been one issue in regard to the House proposition that I wish to clarify by inserting in the RECORD a letter from the Secretary of Agriculture. Under the Senate amendment, it was very clear and definite that if any single commodity should sell for more than 75 percent of parity, then the funds provided in the amendment which would otherwise accrue to such commodity would be used, so far as possible, to bring the producers' income up to 75 percent of parity in the case of commodities which were still below that price after the payments were made. That is not definitely stated in the House amendment; but the Department says that is the only construction that can be put upon it, and after investigating the matter I am convinced that that is the only reasonable construction of the House provision. I ask unanimous consent to have printed in the RECORD a letter from the Secretary of Agriculture giving his construction of the House amendment.

The VICE PRESIDENT. Without objection, it is so ordered.

The letter is as follows:

DEPARTMENT OF AGRICULTURE,
Washington, D. C.

Hon. RICHARD B. RUSSELL, Jr.,
United States Senate.

DEAR SENATOR RUSSELL: This is in response to your inquiry regarding the procedure which would be followed under the amendment adopted by the House on June 14, to title V of House Joint Resolution 679.

It is our understanding that under this amendment no funds would be used to bring the returns of any commodity above 75 percent of the parity price. In the event the funds allocated to any commodity under this amendment would, together with the farm price of the commodity, yield returns to producers in excess of 75 percent of the parity price, it is our understanding that the funds allocated to such commodity in excess of the amount required to bring producers' returns up to 75 percent of parity price would be reallocated to the other commodities for which such returns would be less than 75 percent of the parity price. It is

also our understanding that any reallocation of excess funds under this section would be made so as to bring the average return to producers from each commodity, including the payment thereunder, as nearly as may be possible to a uniform percentage, not in excess of 75 percent of the parity price.

Sincerely yours,

H. A. WALLACE, *Secretary.*

Mr. McNARY. Mr. President, will not the Senator from Georgia be kind enough to read the letter?

Mr. RUSSELL. I shall be glad to do so. I will omit the formal part of the letter, and just read the Secretary's ruling. This refers to the House amendment:

It is our understanding that under this amendment no funds would be used to bring the returns of any commodity above 75 percent of the parity price. In the event the funds allocated to any commodity under this amendment would, together with the farm price of the commodity, yield returns to producers in excess of 75 percent of the parity price, it is our understanding that the funds allocated to such commodity in excess of the amount required to bring producers' returns up to 75 percent of parity price would be reallocated to the other commodities for which such returns would be less than 75 percent of the parity price. It is also our understanding that any reallocation of excess funds under this section would be made so as to bring the average return to producers from each commodity, including the payment thereunder, as nearly as may be possible to a uniform percentage, not in excess of 75 percent of the parity price.

The letter is signed by the Secretary of Agriculture.

Mr. GILLETTE. Mr. President, will the Senator yield just for a question?

Mr. RUSSELL. I am glad to yield to the Senator from Iowa.

Mr. GILLETTE. In the statement just read from the Secretary of Agriculture, referring to this amendment, it is the House amendment that is referred to?

Mr. RUSSELL. The letter refers to the House amendment; and the Secretary states that he puts the same construction on the House amendment in regard to that particular phase of the matter that was placed upon the Senate amendment; so there is no difference in the two amendments in that respect. The only difference is in the distribution of the funds. As I have heretofore stated I do not believe that $86,400,000 is fair to cotton when compared to $68,000,000 to corn and $53,000,000 to wheat, when the economic conditions and the number of farmers producing each commodity are considered. Though I consider the Senate amendment which I sponsored much the fairer proposition, I reluctantly agreed to no longer resist the House amendment when it became apparent it was the best we could expect to get.

Mr. POPE. Mr. President, will the Senator from Colorado yield to me?

The VICE PRESIDENT. Does the Senator from Colorado yield to the Senator from Idaho?

Mr. ADAMS. I yield to the Senator from Idaho.

Mr. POPE. As stated by the Senator from Colorado, the amendment adopted by the House is one which I offered in the Senate, but which was rejected. At the time I offered the amendment, I gave the figures as to distribution between corn, wheat, and cotton. At that time the figures were $83,000,000 for cotton, about $65,000,000 for corn, and about $60,000,000 for wheat. Now, however, under the same method of calculation that was made then, the amount of wheat distribution has been reduced, and for this reason:

At that time, the Department estimated a crop of wheat this year of 950,000,000 bushels; but since that time the estimate was increased to 1,021,000,000 bushels. Also, an amendment passed the Senate and the House increasing the wheat acreage to a minimum of 55,000,000 bushels. Those elements entered into the calculation which brought down the amount of distribution for wheat; but I think this may be said: Due to recent conditions in the wheat area, particularly as to rust, the actual production of wheat probably will be brought down to 950,000,000 bushels or less. If so, the distribution to wheat will be larger, somewhere between $53,000,000 and $60,000,000.

I do not agree with the Senator from Georgia that under this amendment wheat will get less than it would have received under the Russell amendment. My own judgment is, and that of the Department, I will say, that it will be considerably higher by several million dollars.

At the time I offered the amendment I said that it seemed to me the House amendment which has now been accepted by the conferees makes a little fairer distribution of the funds than the Senate amendment.

It must be remembered that cotton received, in section 32 funds, a considerable amount of money, and that under the Russell amendment, according to the figures received from the Department of Agriculture, cotton would have received just about as much as wheat and corn together. Under the amendment which I offered here on behalf of the Senator from Iowa [Mr. GILLETTE], and which was adopted by the House, it seems to me the distribution is a little fairer, and would actually work out, according to the best figures we could get, 11 or 12 cents a bushel for wheat, and probably 6 or 6½ cents per bushel for corn, with about a cent and three-quarters to 2 cents per pound under the Russell amendment for cotton.

Mr. McNARY. Mr. President, will the Senator yield at that point?

Mr. ADAMS. I yield to the Senator from Oregon.

Mr. McNARY. I am interested in the mechanics employed by the Senator to arrive at these figures. The amendment as suggested by the able Senator from Georgia [Mr. RUSSELL] was based upon bushel payments and pound payments. What mechanics did the able Senator from Idaho use to arrive at these figures, if he did not use the units of bushels and pounds?

Mr. POPE. I will say to the Senator that the Senate has already passed a bill, the Agricultural Adjustment Act of 1938, in which there are two formulas—one for distributing soil-conservation funds, and the other for making distribution of parity payments. A combination of the two, one-half to be distributed on the basis of section 104 relating to soil conservation, and the other half on the basis of section 303, providing for parity payments, makes the formula here.

Mr. McNARY. It was compounding the two formulas, one under the A. A. A. and one under the soil conservation and domestic allotment plan?

Mr. POPE. Yes.

Mr. McNARY. And had no reference to an arbitrary sum per bushel or per pound?

Mr. POPE. Exactly. The reason for that, I will say to the Senator, was this:

In this year's cotton crop there has been a very large curtailment of production. That is not true of wheat and corn to the same extent. When the farm bill was passed, the winter wheat crop had already been planted, a very large acreage; so it was apparent that there would be a large acreage of wheat this year. Therefore, the parity payment formula contained in the farm bill was not entirely accurate and fair when applied to the situation as it now exists.

When the bill gets into operation, with the curtailment of production or the adjustment of production provided therein, then the formula provided would be fair; but in the interim between the full application of the bill and the situation which existed at the time of the passage of the bill this seemed to be a fair proposition all the way around, and I said at the time I offered the amendment and I say now that I think it is a fair distribution of the funds.

Mr. GEORGE. Will the Senator from Idaho be good enough to say what he estimates will be paid on the cotton produced this year under the amendment as it now stands?

Mr. POPE. According to the information I have received from the Department, it would vary between 1¾ cents to 2 cents per pound.

Mr. RUSSELL. The figures submitted by the Department were $86,400,000.

Mr. GEORGE. Under the original amendment adopted by the Senate, offered by my colleague, it would have been more than $100,000,000.

Mr. RUSSELL. It would have been in the neighborhood of $100,000,000.

The VICE PRESIDENT. The question is on agreeing to the conference report.

The report was agreed to.

Mr. ADAMS. Mr. President, there was one item remaining in disagreement; amendment numbered 72. As to that the conferees ask that the Senate concur in the House amendment with an amendment. I move that the Senate concur in the House amendment with an amendment.

Mr. KING. Mr. President, let the amendment be stated.

The PRESIDING OFFICER. The clerk will state the proposed amendment proposed to the House amendment.

The LEGISLATIVE CLERK. In the amendment of the House it is proposed to insert the following:

$700,000: *Provided*, That no part of any appropriation contained in this or any other act for the fiscal year ending June 30, 1939, shall be available for the payment of enlistment allowance to enlisted men for reenlistment within a period of 3 months from date of discharge as to reenlistments made during the fiscal year ending June 30, 1939, notwithstanding the applicable provisions of sections 9 and 10 of the act entitled "An act to readjust the pay and allowances of the commissioned and enlisted personnel of the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, and Public Health Service," approved June 10, 1922 (37 U. S. C. 13, 16).

Mr. WALSH. Mr. President, I understand that the bill as it passed the House contained a provision for the use of funds from this appropriation for reenlistments in the Army, and no provisions were made for the use of any of the appropriation for the payment of reenlistments in the Navy, the Marine Corps, or the Coast Guard.

Mr. ADAMS. That is correct.

Mr. WALSH. The purpose of the amendment is to eliminate the provision for payment in case of reenlistments in the Army because it is discriminatory against the other services and civil forces, which formerly received reenlistment pay and allowances.

Mr. ADAMS. That is correct, and it is to open the way for statutory clearing of the whole situation.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Colorado.

The motion was agreed to.

INTEREST RATE ON FEDERAL LAND BANK AND LAND BANK COMMISSIONER'S LOANS—VETO MESSAGE

The VICE PRESIDENT laid before the Senate a message from the House of Representatives, which was read, as follows:

IN THE HOUSE OF REPRESENTATIVES, UNITED STATES,
June 14 (calendar day, June 15), 1938.

The House of Representatives having proceeded to reconsider the bill (H. R. 10530) entitled "An act to extend for 2 additional years the 3½-percent interest rate on certain Federal land-bank loans, and to provide for a 4-percent interest rate on Land Bank Commissioner's loans until July 1, 1940," returned by the President of the United States, with his objections, to the House of Representatives, in which it originated, it was

Resolved, That the said bill pass, two-thirds of the House of Representatives agreeing to pass the same.

The VICE PRESIDENT also laid before the Senate the veto message of the President of the United States, which was read, as follows:

To the House of Representatives:

I return herewith, without my approval, H. R. 10530, entitled "An act to extend for 2 additional years the 3½-percent interest rate on certain Federal land bank loans, and to provide for a 4-percent interest rate on Land Bank Commissioner's loans until July 1, 1940."

Section 1 of the bill extends for 2 additional years beginning July 1, 1938, the 3½-percent interest rate on certain Federal land-bank loans.

Section 2 of the bill extends for approximately 1 year—that is, from July 22, 1939, to June 30, 1940—the 4-percent interest rate on Land Bank Commissioner loans.

SECTION 1. FEDERAL LAND-BANK LOANS

The question presented by the proposed legislation is not whether Federal land bank borrowers shall be required during the coming year to pay interest on their Federal land bank loans at the full rates specified in their mortgage contracts; the question is the amount of reduction that shall be effected. Since the average contract rate of interest on outstanding Federal land bank loans is approximately 5 percent, the emergency 4-percent rate provided for under present law would mean an average interest reduction of 20 percent to Federal land bank borrowers during the fiscal year 1939. It amounts to an average reduction of approximately 28 percent in the case of those borrowers whose contract rates of interest exceed 5 percent. Thus if this bill does not become law there will still be savings to borrowers amounting to from 20 percent to 28 percent.

The interest reductions granted to Federal land bank borrowers will have involved upon the expiration of the present provisions of law in July 1939 a total cost to the Treasury estimated at approximately $143,500,000. If H. R. 10530 becomes law, the total cost to the Treasury to June 30, 1940, is estimated at $183,900,000.

The burden of interest charges on a typical farmer who refinanced his 6-percent private loan with a Federal land bank in 1933 would appear to be less on the basis of present prices, and the emergency Federal land bank interest rate of 4 percent provided for under present law less than the burden which was carried by the same farmer on his old loan during the period 1910–14 or during the period 1921–30.

As of March 31, 1938, approximately 86 percent of all loans of the Federal land banks were in good standing as opposed to approximately 50 percent delinquency when the emergency legislation was first passed.

SECTION 2. LAND BANK COMMISSIONER LOANS

A reduced rate of interest on Land Bank Commissioner loans was first provided for by the act of July 22, 1937, which fixed the rate at 4 percent for a period of 2 years from the date of its enactment. Under the provisions of H. R. 10530 the emergency 4-percent rate would be continued from July 22, 1939, to June 30, 1940. There would appear to be no substantial reason for establishing at this time a policy with respect to the interest rate on Land Bank Commissioner loans for the period beginning July 22, 1939.

The total cost to the Treasury of interest reductions on Land Bank Commissioner loans to the expiration of the date of the existing act, July 21, 1939, is estimated at $16,500,000. If the 4-percent rate is extended to June 30, 1940, an additional expense of $8,300,000 is estimated.

Adding the expense of interest reductions on Land Bank Commissioner loans to the estimated cost of such reductions on Federal land bank loans, the total cost to the Treasury upon the expiration of the provisions of existing law in July 1939 would approximate $160,000,000. If H. R. 10530 becomes law, the total cost to the Treasury to June 30, 1940, on both Federal land bank and Land Bank Commissioner loans is estimated at $208,700,000.

For all these reasons I am constrained to withhold my approval of the bill. H. R. 10530.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 15, 1938.*

The VICE PRESIDENT. The question is, Shall the bill pass, the objections of the President of the United States to the contrary notwithstanding?

Under the Constitution the yeas and nays must be ordered, so the Chair directs the clerk to call the roll.

The legislative clerk proceeded to call the roll.

Mr. LA FOLLETTE (when Mr. NYE's name was called). The junior Senator from North Dakota [Mr. NYE] and the senior Senator from North Dakota [Mr. FRAZIER] are unavoidably absent from the Senate. If present, both would vote "yea" on this question.

Mr. VANDENBERG (when his name was called). On this question I am paired with the Senator from Indiana [Mr. VAN NUYS], who is absent. If permitted to vote, I should vote "nay."

The roll call was concluded.

Mr. AUSTIN. The Senator from New Hampshire [Mr. BRIDGES] and the Senator from Massachusetts [Mr. LODGE] are necessarily absent. If present and voting, both these Senators would vote "yea."

Mr. LEWIS. I am authorized to state to the Senate that the Senator from Nevada [Mr. MCCARRAN], the Senator from Indiana [Mr. VAN NUYS], the Senator from New York [Mr. COPELAND], the Senator from Oklahoma [Mr. THOMAS], the Senator from Utah [Mr. THOMAS], the Senator from New Jersey [Mr. SMATHERS], and the Senator from California [Mr. MCADOO] would, were they present, vote "yea" on this question. These Senators are unavoidably detained.

I announce that the Senator from New York [Mr. COPELAND] is detained from the Senate because of illness.

The Senators from Washington [Mr. BONE and Mr. SCHWELLENBACH] are detained in Departments on matters concerning the State of Washington. I am advised that if present and voting they would vote "yea."

The Senator from Maryland [Mr. RADCLIFFE] is unavoidably detained. On this question he has a pair with the Senator from Oklahoma [Mr. THOMAS] and the Senator from South Carolina [Mr. SMITH]. If present and voting, the Senator from Oklahoma and the Senator from South Carolina would vote yea," and the Senator from Maryland would vote "nay."

The Senator from Tennessee [Mr. BERRY], the Senator from Illinois [Mr. DIETERICH], and the Senator from New Jersey [Mr. MILTON] are detained on important public business.

Mr. BYRNES. My colleague the senior Senator from South Carolina [Mr. SMITH] is unavoidably absent. If present, he would vote "yea."

The result was—yeas 57, nays 18, as follows:

YEAS—57

Andrews	Davis	Johnson, Colo.	Pope
Austin	Donahey	La Follette	Reames
Bankhead	Duffy	Lee	Reynolds
Barkley	Ellender	Logan	Russell
Bilbo	George	Lonergan	Schwartz
Borah	Gibson	Lundeen	Sheppard
Brown, Mich.	Gillette	McGill	Shipstead
Brown, N. H.	Hale	McKellar	Townsend
Bulkley	Harrison	McNary	Truman
Bulow	Herring	Miller	Tydings
Byrd	Hill	Murray	Wagner
Capper	Hitchcock	Neely	Wheeler
Caraway	Holt	Norris	
Clark	Hughes	Overton	
Connally	Johnson, Calif.	Pepper	

NAYS—18

Adams	Chavez	Hatch	O'Mahoney
Ashurst	Gerry	King	Pittman
Bailey	Glass	Lewis	Walsh
Burke	Green	Maloney	
Byrnes	Guffey	Minton	

NOT VOTING—21

Berry	Hayden	Radcliffe	Vandenberg
Bone	Lodge	Schwellenbach	Van Nuys
Bridges	McAdoo	Smathers	White
Copeland	McCarran	Smith	
Dieterich	Milton	Thomas, Okla.	
Frazier	Nye	Thomas, Utah	

The VICE PRESIDENT. On this vote the yeas are 57 and the nays are 18. Two-thirds having voted in the affirmative, the bill is passed, the objections of the President of the United States to the contrary notwithstanding.

EXECUTIVE SESSION

Mr. BARKLEY. Mr. President, at this time it is necessary to have a very brief executive session to consider certain judicial nominations. I will say to Senators that the executive session should last for only a few minutes, after which I shall move that the Senate resume legislative session.

I now move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

POSTMASTERS

Mr. McKELLAR. From the Committee on Post Offices and Post Roads I report favorably the nominations of a number of postmasters. I ask unanimous consent for their immediate consideration and confirmation en bloc.

The VICE PRESIDENT. The Senator from Tennessee, from the Committee on Post Offices and Post Roads, has favorably reported certain nominations of postmasters, and asks unanimous consent for their immediate consideration. Is there objection? The Chair hears none, and the nominations are confirmed en bloc.

POSTMASTER—ALTOONA, PA.

Mr. McKELLAR. Mr. President, I move that the vote of the 13th instant by which the Senate rejected the nomination of Arthur B. Clark to be postmaster at Altoona, Pa., be reconsidered, and that the nomination be now confirmed.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the vote by which the nomination was rejected is reconsidered, and the nomination is confirmed.

The clerk will state the nominations on the calendar.

THE JUDICIARY

The legislative clerk read the nomination of William Clark, of New Jersey, to be judge of the United States Circuit Court of Appeals for the Third Circuit.

Mr. BURKE. I ask that that nomination be passed over.

The VICE PRESIDENT. Without objection, the nomination will be passed over.

The legislative clerk read the nomination of Albert Branson Maris, of Pennsylvania, to be judge of the United States Circuit Court of Appeals for the Third Circuit.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Edward A. Conger, to be United States district judge for the southern district of New York.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of John A. Matthewman, to be fifth judge of the first circuit, of the circuit courts, Territory of Hawaii.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Bolitha J. Laws, of Washington, D. C., to be associate justice of the District Court of the United States for the District of Columbia.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Douglas W. McGregor, to be United States attorney for the southern district of Texas.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

UNITED STATES PUBLIC HEALTH SERVICE

The legislative clerk read the nomination of Marion B. Noyes to be passed assistant surgeon, to rank as such from July 1, 1938.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

CIRCUIT COURT OF APPEALS—WILLIAM CLARK

Mr. ASHURST. Mr. President, I ask unanimous consent that the President be notified of the confirmation of the various nominees for judicial offices.

Mr. BORAH. Mr. President, the able Senator from Nebraska asked that the nomination of William Clark, of New Jersey, be passed over.

Mr. ASHURST. Yes.

Mr. BORAH. Do I understand that to mean that the nomination goes over for the term?

Mr. ASHURST. It is my understanding that there will be another executive session later in the day.

Mr. BARKLEY. I will say to the Senator from Idaho that it is contemplated that we shall have another executive session later in the day, at which time I hope that the nomination of Judge Clark may be confirmed, but I have no assurance with respect to that matter.

Mr. ASHURST. With respect to the nomination of Judge Clark, I voted in the committee to report his nomination favorably and will vote to confirm the nomination, if opportunity is given.

I appreciate the reasons of objection on the part of the able Senator from Nebraska to confirmation. Other Senators have notified me that they desire to make further investigation of this nomination.

The Senate has a historic policy of not hurrying the confirmation of judges. I respect that tradition, and have lived up to it. Therefore, much as I am in favor of the confirmation of the nomination of Judge Clark, I would not be a party to hurrying a nominee to confirmation, without proper investigation.

Mr. BORAH. Mr. President, I have no objection to a discussion of the nomination, but I should like sufficient time to be afforded for that purpose, so that a vote may be taken after full discussion. If the matter is to go over until later today, and should then be taken up at the very moment when the Senate is about to adjourn, of course we would have no opportunity to discuss and to vote on the nomination. I should like to have the matter discussed at the present moment.

Mr. ASHURST. Mr. President, I may say that from my viewpoint such action is in order.

Mr. BURKE. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. BURKE. The confirmation of the nomination which is now under discussion at this time requires unanimous consent, as I understand.

The VICE PRESIDENT. It does. However, any Senator may move that the Senate, in executive session, proceed to consider the nomination for the purpose of debating it.

Mr. BARKLEY. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. BARKLEY. This nomination is on the calendar. I have no desire to rush it or to press for action at this time. It was partly for that reason that I saw no objection to the nomination going over. But it is in order for any Senator to move to proceed to consider the nomination.

The VICE PRESIDENT. Such a motion is in order.

Mr. BORAH. Mr. President, I move that the Senate proceed to consider the nomination of William Clark, of New Jersey, to be judge of the United States Circuit Court of Appeals for the Third Circuit.

Mr. BURKE. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. BURKE. I object to the motion to consider the nomination, as being out of order.

The VICE PRESIDENT. The motion is in order for the Senate to proceed to the consideration of the nomination. If the motion is agreed to, it is debatable, and any Senator who wishes to express himself upon it, may do so.

Mr. BURKE. Mr. President, the nomination appears on the calendar for the first time; and under the rules of the Senate may be considered today only by unanimous consent.

The VICE PRESIDENT. The Chair is informed by the Parliamentarian that as a legislative matter that statement is correct. This is the first such experience the Chair has had with an executive matter. The Parliamentarian advises the Chair that the same situation does not apply to executive matters. The Chair does not know just what rule covers the matter, but the Chair has been informed as stated.

Mr. BORAH. Mr. President, if the Senator from Nebraska desires to have the nomination go over to enable him to make a further investigation and to discuss it I have no objection, provided the Senator will agree to a vote on the question sometime during the day. If the Senator will agree to vote, I have no objection to the nomination going over.

Mr. BURKE. I will not consent to a unanimous-consent agreement unless the rules of the Senate require it. I should like to have a little further elucidation on the distinction between nominations on the executive calendar and bills on the legislative calendar. I know of no rule of the Senate which makes a distinction. The uniform procedure heretofore has been that one objection on the first day a nomination is on the calendar is sufficient to cause the nomination to be passed over.

Mr. McNARY. Mr. President, may I be heard on the matter? If a nomination is reported by a committee one day, it must go over if there is objection to its consideration. If the nomination is reported on one day, and appears the next day on the calendar as an order, it may then be considered. Yesterday the report was made, and it has lain over for a full day. The nomination is now on the calendar, and must be considered if a motion is made and agreed to for its consideration.

The VICE PRESIDENT. That is what the Chair has ruled.

Mr. BARKLEY. Mr. President, I think the spirit of the rule and the custom in executive session have been that a nomination requiring unanimous consent for its consideration must go over if any Senator objects. However, when the nomination has been placed on the calendar, and has come over from a previous day, it is in order, in spite of objection, to move to proceed to consider it.

The VICE PRESIDENT. In a case requiring unanimous consent, a single objection is sufficient to cause the nomination to be passed over. However, when the nomination is on the calendar, if any Senator desires to move that the Senate proceed in executive session to consider the confirmation of the nomination of a judge, or any one other nominee, he is privileged to do so. As the Chair understands, the Senator from Idaho [Mr. BORAH] has moved that the Senate proceed in executive session to consider the nomination of Judge Clark. The question is, Will the Senate agree to that motion?

Mr. McNARY. Mr. President, I should like to be heard for a moment on the parliamentary situation. I think I am conversant with the rule. There is no difference between a legislative matter and an executive matter, so far as an order on the calendar is concerned. If today, or any other day, I offer a bill or report from a committee, before it goes on the calendar objection may be made to its immediate consideration. The same rule applies to matters in executive session. It is not now in order to object to the consideration of the nomination, because the report was made yesterday, the nomination is now on the calendar, and, therefore, is subject to a motion to proceed to its consideration. So there is no difference in that respect between a legislative matter and an executive matter.

The VICE PRESIDENT. The motion is debatable.

Mr. BORAH. Mr. President, before we vote upon the matter, I wish to repeat that if those who are objecting to consideration of the nomination will agree that sometime during the day we may vote upon the matter, I shall not insist upon it being taken up at this time. I merely wish to have it disposed of today. There are reasons why it should be disposed of at this time. The nomination having been reported and being on the calendar, there is very good reason why it should be disposed of at this time.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. BORAH. I yield.

Mr. BARKLEY. I feel very much as the Senator from Idaho does with respect to the nomination. I think it ought to be disposed of today. I have conferred with the Senator from Nebraska [Mr. BURKE]. I do not think his objection is captious. It was my understanding that his objection might possibly be obviated later in the day. Of course, there is no guaranty of that. If the nomination goes over, I shall cooperate to the full extent of my ability to bring about another executive session as soon as possible, in order that the Senator from Idaho may make his motion, in the hope that in the meantime the Senator from Nebraska, upon further investigation, may withdraw his objection. I am not in a position to say that the Senator from Nebraska will do so.

Mr. BURKE. I think it would be much better to have the matter come up later in the day. I do not wish, by giving unanimous consent, to waive any right of objection I may have. Apparently, under the rule, we would be in the same position when the matter came up later in the day, at

a later executive session, as we are in now. If that be so, I think it would be better to have the matter come up later in the day. I do not care, by giving unanimous consent, to waive any rights which may now be recognized, or may hereafter be recognized in the way of an objection.

Mr. LA FOLLETTE. Mr. President, will the Senator yield?

Mr. BURKE. I yield.

Mr. LA FOLLETTE. Every Senator here knows the practical situation with which we are confronted. If the nomination is not acted upon and disposed of now, and we return to legislative session and the important measures are disposed of, there will not be a quorum here after the 4 o'clock trains begin to leave in the afternoon. If the Senator from Idaho [Mr. BORAH] is to have an opportunity for determination as to whether or not the Senate will confirm the nomination, in my opinion, he must have it now or not at all.

Mr. BORAH. Mr. President, I ask for the yeas and nays upon my motion.

The yeas and nays were ordered.

Mr. CLARK. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. CLARK. I am not concerned about this particular nomination, but I do think that, in justice to the procedure of the Senate, there should be some further elucidation of the ruling of the Chair a moment ago to the effect that there is a difference in the rule between the matter of legislative sessions and the matter of executive sessions.

Let me say that it seems to me that the meaning of the word "day" in the rules of the Senate is a matter which should have been cleared up long ago. The present state of affairs, so far as the late rulings of the Chair since I have been a Member of the Senate are concerned, is that in one case, namely, when the question is involved as to how often a Member may speak in the course of a day, the rule provides that a Senator may make only two speeches in the course of a day. That rule has been held by the Chair on several occasions in the past 3 or 4 years to mean that a Senator may speak only twice in 1 legislative day, which may mean a day extending over a whole session, or, as in the present situation, a day extending over nearly 3 months. On the other hand, if I understand the decision—and the Chair will correct me if I am wrong—the term "day" as applied to the executive calendar, means a calendar day. I, myself, am unable to discover any difference in the rule in the use of the word "day" in the one case and the use of the word "day" in the other case. Personally, I think the original ruling—that the limitation on the number of times a Senator may speak in 1 day applies to a legislative day—is erroneous, because I believe the use of the word "day" in every such case should mean a calendar day. I am unable to discover any basis in the rules for a distinction in the use of the word "day" in the case of debate and the word "day" in the case of reports. I should be very happy—and I am certain the Senate would—if the Chair would elucidate the basis of the distinction.

The VICE PRESIDENT. The Chair would be glad to do so, but he would also be glad if the Rules Committee could have at least an hour, or a day, to consider the various contradictory matters which have come up, as the Senator from Missouri has pointed out. Undoubtedly an executive day means a calendar day. As the Senator from Oregon [Mr. MCNARY] has just pointed out, the nomination comes over from yesterday. We are in the same legislative day we had a couple of weeks ago. However, so far as executive sessions are concerned, it is another calendar day, as admitted by all. So the Chair thinks that undoubtedly the Parliamentarian is correct when he says that, as applied to an executive session, each calendar day, regardless of legislative days, is a "day" within the purview of the rule requiring a nomination to lay over 1 day.

The Chair agrees with the Senator from Missouri that when the rule says a "day" it means 24 hours, and does not mean a month.

Mr. CONNALLY. Mr. President, is it the opinion of the Chair that rule XIX, relating to debate, which says that a Senator shall speak only twice in a day, means 24 hours?

The VICE PRESIDENT. The Senator is now referring to legislative matters. The question under discussion relates to executive sessions, and what constitutes a day in executive sessions.

Mr. CONNALLY. However, the Chair suggested that there was a difference between legislative matters and executive matters.

The VICE PRESIDENT. There has been a difference, under the rulings of the Senate itself. The Senate has said that the rule relating to two speeches in 1 day means that if the Senate stays in session on 1 legislative day for 60 days, a Senator may speak only twice during the 60 days.

Mr. CONNALLY. That would not be the first time the Senate has been wrong.

The VICE PRESIDENT. The Chair is not responsible for the Senate being wrong.

The question is on the motion of the Senator from Idaho [Mr. BORAH] that the Senate proceed to consideration of the nomination of William Clark to be a judge of the United States Circuit Court of Appeals for the Third Circuit. On that question the yeas and nays have been ordered. The clerk will call the roll.

The Chief Clerk called the roll.

Mr. LEWIS. I announce that the Senator from New York [Mr. COPELAND] is detained from the Senate because of illness.

The Senator from Colorado [Mr. ADAMS], the Senator from South Carolina [Mr. BYRNES], the Senator from Virginia [Mr. GLASS], the Senator from Arizona [Mr. HAYDEN], and the Senator from Tennessee [Mr. MCKELLAR] are detained in a meeting of the Committee on Appropriations.

The Senator from North Carolina [Mr. BAILEY], the Senator from Ohio [Mr. DONAHEY], the Senator from Arkansas [Mrs. CARAWAY], the Senator from New Hampshire [Mr. BROWN], the Senator from Alabama [Mr. BANKHEAD], the Senator from Mississippi [Mr. HARRISON], and the Senator from Montana [Mr. WHEELER] are detained in various committee meetings.

I further announce that the Senator from Tennessee [Mr. BERRY], the Senator from Illinois [Mr. DIETERICH], the Senator from California [Mr. MCADOO], the Senator from Nevada [Mr. MCCARRAN], the Senator from New Jersey [Mr. SMATHERS], the Senator from South Carolina [Mr. SMITH], the Senator from Oklahoma [Mr. THOMAS], the Senator from Utah [Mr. THOMAS], and the Senator from Indiana [Mr. VAN NUYS] are detained on important public business.

The Senator from Washington [Mr. SCHWELLENBACH] is detained on departmental matters.

The Senator from Maryland [Mr. RADCLIFFE] and the Senator from New Jersey [Mr. MILTON] are unavoidably detained.

The result was announced—yeas 61, nays 3, as follows:

YEAS—61

Andrews	Davis	La Follette	Pittman
Ashurst	Duffy	Lee	Pope
Austin	Ellender	Lewis	Reames
Barkley	George	Logan	Reynolds
Bilbo	Gibson	Lonergan	Russell
Bone	Gillette	Lundeen	Schwartz
Borah	Green	Maloney	Sheppard
Brown, Mich.	Guffey	McGill	Shipstead
Bulkley	Hatch	McNary	Townsend
Bulow	Herring	Minton	Truman
Burke	Hill	Murray	Tydings
Byrd	Hitchcock	Neely	Wagner
Capper	Holt	Norris	Walsh
Chavez	Hughes	O'Mahoney	
Clark	Johnson, Calif.	Overton	
Connally	Johnson, Colo.	Pepper	

NAYS—3

Gerry	King	Miller

NOT VOTING—32

Adams	Copeland	Lodge	Smathers
Bailey	Dieterich	McAdoo	Smith
Bankhead	Donahey	McCarran	Thomas, Okla.
Berry	Frazier	McKellar	Thomas, Utah
Bridges	Glass	Milton	Vandenberg
Brown, N. H.	Hale	Nye	Van Nuys
Byrnes	Harrison	Radcliffe	Wheeler
Caraway	Hayden	Schwellenbach	White

So Mr. BORAH's motion was agreed to; and the Senate proceeded to consider the nomination of William Clark, of New Jersey, to be a judge of the United States Circuit Court of Appeals for the Third Circuit.

The PRESIDENT pro tempore. The question is, Will the Senate advise and consent to this nomination?

Mr. BURKE. Mr. President, my reason for raising the point in reference to this nomination can be stated in a very few words.

The Senate Committee on the Judiciary and the House Committee on the Judiciary have both given very extensive consideration during the present session of Congress to the matter of an increase in the number of judges on the inferior courts, where the record shows that more judges are needed. Sometime ago a measure providing such increase was passed. During the same period vacancies have occurred on some of these courts; so that a very considerable number of places, as we approach the end of the session, remain to be filled. It was the hope of all members of the committee, I am sure, that many of those places could be filled by men of outstanding qualifications, so that the work of the courts could be expedited, and, with very commendable promptitude, a considerable number of nominations have been submitted to the Senate. In most instances when these nominations came to the Judiciary Committee there was a unanimity of opinion in favor of the nominee, and the subcommittees and the Committee on the Judiciary were glad to carry out the purpose of building up the judiciary with the right kind of personnel by reporting the nominations promptly.

It has, however, seemed to me and to some other members of the committee that in the event any objection was raised to a nomination the committee, in spite of its desire to build up the personnel of the court, should not act hastily but should give all citizens a right to be heard in the matter. I do not know exactly what day this nomination came to the Senate, but, as I recall, it came on Monday of the present week. In any event, it was referred to a subcommittee, which was called to meet on Tuesday morning, on very short notice. There were witnesses, however, who appeared at the subcommittee meeting. One of them was an ex-Governor of the State of New Jersey, a former judge, and a reputable citizen, who, in the brief time that the hearing was held, attempted to state the reasons why he thought that there should be a more thorough hearing. I was not on the subcommittee, but was present during a part of the hearing. I will say frankly I was not very greatly impressed by the presentation made by the particular witness against the qualifications of Judge Clark; but it did seem to me that he made a very good showing on the one point as to the advisability of the Senate acting somewhat slowly in the matter and taking time to give consideration to it.

Personally, I have heard from lawyers in New Jersey in whom I have the utmost confidence. Some of them have expressed a very high opinion of the nominee and would be glad to have his nomination confirmed. Others have said, without hesitation, that they think there are matters in the record and in the life of Judge Clark that call for investigation and very serious consideration by the committee and by the Senate before confirmation is granted.

I myself do not know Judge Clark at all. The only acquaintance I have had with any decision he has rendered is with the famous one a few years ago in which he found that the National Prohibition Act itself was unconstitutional. I recall having read that decision at the time, and I formed in my own mind somewhat of an opinion as to the mental processes of the judge who rendered that famous decision. But, on the other hand, many lawyers in whom I have confidence say that Judge Clark has real ability as a lawyer. However, it was because of the fact that citizens of New Jersey who are acquainted with Judge Clark, who know about his work, and know about him, have felt that this was a matter that should not be acted upon without thorough deliberation and consideration, that I took the position which I did in asking that the nomination go over, and, under the circumstances, I shall vote against confirmation when the vote comes, not because I have any settled opinion that the judge may not be qualified but because I am thoroughly convinced that the Senate should not act hastily in these matters.

Mr. LEWIS. Mr. President——

Mr. BURKE. I yield to the Senator from Illinois.

Mr. LEWIS. Mr. President, I merely rise to inform the able Senator from Nebraska that, either he has fallen into error by the mere description or, possibly, he is not informed. As I remember the history—and I participated in the discussion of the subject generally over the country—the decision of Mr. Justice Clark as to prohibition was upon the amendment which was tendered by the Congress; and upon that amendment I think his opinion was that it was unconstitutional because of its contradictory relation or otherwise to the general spirit of the Constitution. He rendered no decision, however, as I recall, upon the Prohibition Act. Am I not right in that regard?

Mr. BURKE. My statement was based only on my recollection running back several years. It may be that the Senator from Illinois is entirely correct; but I have in my mind the very firm impression that Judge Clark had held that the amendment itself was unconstitutional. That, however, is rather immaterial. It was merely mentioned casually, in passing.

Mr. LEWIS. I thought it was on that basis that the Senator was objecting to confirmation.

Mr. WAGNER. Mr. President, will the Senator yield on that point?

Mr BURKE. Yes; I yield.

Mr. WAGNER. I do not know what conclusion the Senator reached as to the legal acumen of the judge because of that particular decision; but the Senator will remember that one whom we all regarded as a leader of the bar, the late Senator Elihu Root, absolutely agreed with Judge Clark in the United States Supreme Court. So there were eminent lawyers of the country who, whether right or wrong, were in accord with Judge Clark's view upon that question.

Mr. BURKE. I mentioned the matter of Judge Clark's decision only for the purpose of saying that that was the only acquaintance I had ever had with him; and it left no definite conclusion in my mind one way or the other as to his ability, except that as the matter was reported in the newspapers at the time it raised a little doubt. If he was expressing the views of Elihu Root, I should say he was in very good company at that time.

I repeat—and this is all I care to say on the subject—that my opposition to the confirmation of this nomination is based not upon any definite fact or certain knowledge that convinces me that the nominee is not qualified, but because reputable citizens of New Jersey express a desire to be heard in opposition to his confirmation. In the case of an appointment, remember, for life or on good behavior, to a court ranking second only to the Supreme Court of the United States, I am firmly convinced that it would be much better to let the matter go over and have it considered at a later time. So far as the judge himself is concerned, it will not greatly interfere with his usefulness. He now is and has been for several years, United States district judge in New Jersey, and he will continue to function as United States district judge.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. BURKE. I yield to the Senator from Missouri.

Mr. CLARK. The Senator says reputable citizens of New Jersey expressed a desire to be heard on the matter of this nomination. Can the Senator tell us whether any reputable citizens of New Jersey requested to be heard before the subcommittee and were refused a hearing? I was informed by the chairman of the subcommittee that everybody who wanted to be heard was heard, and that only one lawyer appeared against confirmation.

Mr. BURKE. That is undoubtedly true.

Mr. HUGHES. Mr. President, will the Senator yield just on that line?

Mr. BURKE. Yes; I yield.

Mr. HUGHES. I happen to be the chairman of the Senate subcommittee. Former Governor Silzer came to me the day before we had the hearing.

Mr. BURKE. That was on Monday of this week.

Mr. HUGHES. I said to him, "You appear, and you get as many others to appear as you feel would be opposed to the nomination." We also sent out notices to persons whose names he gave us to appear at that time. The only person who did appear, the only person we had any knowledge of opposing the nomination and wishing to appear, was the former Governor himself; and I think the Senator from Nebraska was present when he was on the stand.

Mr. BURKE. That is correct.

Mr. HUGHES. The Senator can realize how unsatisfactory he seemed to be. We could not get him down to stating his real objections to Judge Clark. There was no other application for hearing, and a great many persons had communicated with us favoring confirmation of the nomination. I happen to reside in the third circuit, and have practiced before Judge Clark in his district. I have been before him twice within the past 3 years, and I know him personally. I have also communicated with a number of members of the bar whom I know in the State of New Jersey; and I felt satisfied that there could be no valid objection to his being promoted to the circuit court of appeals. For that reason, and because of the fact that there seemed to be no one who wanted to come before the subcommittee and be heard except former Governor Silzer, whose evidence was so unsatisfactory, I felt, and the committee felt, that there should be a favorable recommendation.

The former Governor referred to several cases. He referred to the "Dutch" Schultz case. He seemed to have been in that case. He referred to the Parker case, and said the attorneys were badly treated in the Parker case. I received only yesterday a telegram from Mr. Green, a prominent attorney at Newark, in which he said, referring to Judge Clark, that he—Mr. Green—was associate counsel in the Parker case, and at its conclusion his senior colleague and he agreed that the trial had been fairly conducted, and that they were extended every latitude and every courtesy. I had a number of other communications of the sort by telephone, and I was well satisfied that there was no real opposition from persons who ought to be heard.

Judge Clark has presided in many important cases in that part of New Jersey, some of them gangster cases, and, of course, he incurred no love of those people when possibly he was a little stern with them.

I know Judge Clark to be a very able lawyer, and I know him to be a very fearless judge. Nobody doubts his courage. As I say, I am a practicing attorney in the circuit to which he has been appointed. We need that sort of a judge there; and I am very anxious that he shall be confirmed.

Mr. BURKE. Mr. President, may I ask the Senator a question in my own time? As I understand, the conversation which the Senator from Delaware had with ex-Governor Silzer was on Monday of this week.

Mr. HUGHES. Monday of this week.

Mr. BURKE. Before noon or afternoon?

Mr. HUGHES. Just about noon.

Mr. BURKE. About noon on Monday; and the hearing was called for 10 o'clock the following morning. Under those circumstances, and on that much notice, of course, it is not surprising that witnesses were not present.

Mr. HUGHES. If the Senator will yield a moment, I will say that the Governor found no fault with that. He said he thought he could have the witnesses present and he asked that witnesses be summoned and we notified the witnesses.

Mr. BURKE. Since I have been speaking, this telegram has been delivered to me here at the desk:

NEWARK, N. J., *June 16, 1938.*

United States Senator BURKE,
Senate Judiciary Committee, Senate Office Building:

Filed protest against Clark appointment. Hundreds oppose hearing held without notice; court records analyzed; beg opportunity to present facts.

B. BAYARD STRELL.

Also this telegram:

JAMAICA, N. Y., *June 16, 1938.*

Hon. EDWARD R. BURKE,
United States Senate:

It is submitted respectfully that if Judge Clark is confirmed to third circuit court in the face of data furnished by me, that it can only mean the honorable Senate is approving unlawful interference between judges. Also approving libelous attacks by judges on citizens attempting to protect court integrity. Also authorizing false statements by judges to House Judiciary Committee in impeachment proceedings.

W. P. DEPPE.

I do not know Mr. Deppe, nor do I know Mr. Strell. I merely read the telegrams which were handed to me since I have been speaking.

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. BURKE. Yes; I yield to the Senator from New York.

Mr. WAGNER. Does not the Senator interpret the last telegram as an attack upon judges generally, and not upon Judge Clark?

Mr. BURKE. I will let the Senator from New York draw his own conclusions.

Mr. LEE. Mr. President, will the Senator from Nebraska yield to me to ask a question of the chairman of the subcommittee?

Mr. BURKE. Yes.

Mr. LEE. Have both Senators from New Jersey endorsed this judge?

Mr. HUGHES. The junior Senator from New Jersey, so far as I know, has not done so. At the present time he is participating in a case in New Jersey, in which Judge Clark is sitting, which we know as the Hague case. I understand from the chairman of the committee and from the clerk of the committee that he has been communicated with and has not given an answer.

Mr. ASHURST. Mr. President, the Senator now refers to the junior Senator from New Jersey [Mr. MILTON]?

Mr. HUGHES. The junior Senator from New Jersey [Mr. MILTON].

Mr. ASHURST. The Senator from Delaware is correct.

Mr. HUGHES. The senior Senator from New Jersey [Mr. SMATHERS] did approve the nomination.

Mr. LEE. May I ask the Senator further whether the Department of Justice held an investigation? They usually hold a preliminary investigation.

Mr. HUGHES. The Department of Justice did.

Mr. BURKE. Just a minute. A representative of the Department of Justice appeared at the hearing before the subcommittee. I asked him what investigation they held. He said, bearing out what the chairman of the subcommittee said, that a representative of the Department interviewed certain persons about the matter, but that they had no file and did not have recommendations from other people, and he had carried on no real investigation other than sending a representative to New Jersey to see certain persons, because of the fact that Judge Clark had been a judge since 1925, and at that time he had some high recommendations.

Mr. HUGHES. He had been on the bench all those years and, of course, they had his record.

Mr. LEE. The fact, then, that the junior Senator from New Jersey has not endorsed him is very likely because he is engaged in a case over which the judge is presiding?

Mr. HUGHES. We have had no answer from the Senator.

Mr. LEE. There is no protest from him?

Mr. HUGHES. None at all. The chairman of the Committee on the Judiciary tried to contact him, but the Senator has not given any answer. Why he has not I do not know.

Mr. LEE. The Department of Justice recommended the appointment of this judge?

Mr. HUGHES. Yes.

Mr. BURKE. Mr. President, continuing from the point which I had reached when questions were asked, I say that no appreciable harm would be done to Judge Clark if this matter were allowed to go over, as he is now serving as district judge, and, as Senators have just stated, is even at this time presiding over the trial of a very famous case in New Jersey. With the summer vacation coming on, and

his duties on the district bench before him in the fall, the Senate would soon be in session again, and action could be taken in an orderly way.

Mr. CONNALLY. The President can reappoint him as soon as we adjourn, can he not?

Mr. BURKE. That would be a second reason as to why no harm could be done by putting this over. I know of no reason why, even though the name had been submitted to the Senate and passed over, a recess appointment could not be made if the President so desired.

Mr. CONNALLY. Let me say to the Senator that I am not familiar with the facts, but it seems to me that if there is any serious objection in the minds of two or three Senators over confirming a judge, we should not proceed hastily. We spend months trying a judge on an impeachment charge, when probably careful inquiry into the judge's qualifications in the beginning would save all that trouble. I saw Judge Clark on only one occasion, when he was appearing at the hearing on the resolution of the Senator from Nebraska. I think he was one of the witnesses who appeared on that resolution. Except that he was the judge who held the eighteenth amendment unconstitutional, I never heard of any other judicial distinction he ever attained.

Mr. BURKE. I would say, in furtherance of what the Senator from Texas has said, that I am in a like position with him, except that I have never seen the judge. I do not know him at all. My reason for opposing action at this time is that, as the Senator from Texas has said, if sufficient has been suggested to a few Senators to cause them to doubt whether the nomination should be confirmed without a further hearing, the matter should go over. That is exactly the position in which I find myself. Upon the statements of attorneys in New Jersey, whose names I do not care to mention at this moment, but in whom I have great reliance, doubt has been raised in my mind, serious doubt, as to the advisability of placing Judge Clark upon the circuit court of appeals of the third circuit. Therefore I felt it my duty to ask that the matter be more thoroughly investigated. If other Senators feel that, in spite of the doubt which has been raised in the minds of some of us, the Senate nevertheless should proceed and confirm the judge immediately; that is the responsibility of the Senate. For myself, whenever a doubt is raised about a judicial appointment, I propose, so far as I can individually, to take all the time I need until the doubt has been resolved one way or the other.

In conclusion, so far as the work of the circuit court of appeals in that circuit is concerned, there will be no appreciable interference with the work if this nomination shall go over for the time being, because the long summer vacation has now arrived, when the court will not be sitting, and the new judge would have no matters in the court pending on which he could devote his vacation time, and by the time the court will sit again, in late September or October, if an additional judge is needed, under the procedure at present the way is open for calling to the bench a district judge. They could reach out and call District Judge Clark to come and sit with them for a month or two before the Senate would be ready to take up the matter of confirmation, if that were necessary.

Mr. LA FOLLETTE. Mr. President, will the Senator yield?

Mr. BURKE. I yield.

Mr. LA FOLLETTE. Does the Senator from Nebraska think that former Governor Silzer is unprejudiced in the matter?

Mr. BURKE. I had never seen former Governor Silzer until I went into the committee room the other morning and heard him testify. It seemed to me that he evinced a very great deal of prejudice and bias, and I was not at all carried away by his testimony as to this judge. He did read from the records some matters which were important, but so far as his own attitude and his own statements were concerned, they did not seem to me to be at all to the discredit of the judge, because it was rather clear that there was personal feeling between them.

Mr. LA FOLLETTE. Can the Senator tell me whether or not it is a fact that Judge Clark censured Governor Silzer for having represented a racketeer by the name of "Dutch" Schultz?

Mr. BURKE. I have no information on that, other than that I believe there was some discussion of it in the committee where the Senator from Delaware [Mr. HUGHES] and the Senator from Idaho [Mr. BORAH] were conducting the hearing; but that was the first I had ever heard of the matter, and I have heard nothing about it since. I do not know about it.

Mr. LA FOLLETTE. Has the Senator any information as to the reliability or credibility of the individual from Newark who signed the telegram he just read?

Mr. BURKE. I never heard of either of these individuals. I know nothing about them.

The doubt in my mind is raised altogether by conversations I have had with New Jersey lawyers, who have communicated with me, but did not, at the time they talked to me, want to be drawn into the matter, unless a hearing was going to be held. But those gentlemen, upon whom I rely entirely, have, so far as I know, no bias in the matter at all, but were just expressing their very grave doubt as to to the judicial temperament, particularly, and to some extent the judicial qualifications, of the judge, and another matter of a more personal nature which I do not care even to mention at this time.

So long as the matter of Governor Silzer has been mentioned, let me say, as I have stated once or twice, I was not impressed that he was fair or open-minded in the matter. It seemed to me he must have had some personal conflicts with the judge, and apparently the feeling, as was brought out in the committee, was shared by the judge, and they have been very much at odds. But the Governor did read from the records of certain cases, sufficient at least to raise the question whether this judge, in presiding at the trial of cases, conducts himself as judges should. He read at considerable length questions asked by the judge in the course of the trial of certain cases—I do not know what the cases were—which at least raised the question in my mind as to whether this judge does not seriously lack some of the essential requirements of a judge, at least in the Federal courts. That, added to the information which has come to me from other sources, puts me in such a frame of mind that I would not willingly at this time vote to confirm Judge Clark, but, so far as I am personally concerned, bearing my individual responsibility, I would want further investigation of the matter.

Mr. NORRIS. Mr. President, I am influenced to take the floor briefly on the question involved, mainly, because I have enjoyed an acquaintance with Judge Clark for quite a number of years. The acquaintance has been mostly of an official nature. While I was chairman of the Committee on the Judiciary of the Senate for several years, I had very many interviews with Judge Clark, and carried on quite an extended correspondence with him on matters relating to the judiciary and to the law generally, and I formed an exceedingly high opinion of this man. He is one of the best educated men in the United States, although I cannot give from memory the names of the colleges which he attended and from which he graduated.

During the years I have known him he has been interested in judicial studies and investigations which were made by various professional organizations and by various official bodies in Washington. Had I known there was to be objection to the confirmation of Judge Clark in the Senate I would have been armed with a number of documents bearing upon the investigations and studies to which I referred.

I very well remember his position with reference to a great many matters of legislation with respect to which I consulted him, and some with respect to which he consulted me. Certain bills were pending before the Judiciary Committee concerning which Judge Clark wrote me at considerable length, thus showing his deep interest in the work of his profession. My acquaintance with him did not extend beyond coming

into contact with him in connection with semiofficial investigations and studies.

Speaking now in a general way, I would say from my knowledge of the man that he is what could very properly be termed a progressive, although I do not know his politics; and I can very well see how one who belongs to a very deeply conservative school might object to his ideas on some matters of legislation. For instance, quite a number of years ago I tried to get from all the district judges in the United States a statement of the cases pending in their courts, and suggestions bearing upon the question of jurisdiction at a time when there was pending in Congress a bill to take away some of the jurisdiction of the Federal district judges. I wrote to every district judge in the United States. Most of them were opposed to the proposed legislation. Some of them did not answer. Some of them answered briefly. Some made arguments, either for or against the bill. Very few were in favor of the legislation concerning which the correspondence was held. I remember Judge Clark as one of the few judges who took a position in favor of the pending bill, and backed it up by able argument. He went to a great deal of labor, I should say, because he furnished me much information on the subject of the particular matter then pending.

Judge Clark is a student of the law. In my opinion he is a philosopher. He reasons out a case. I have never tried a case in his court, but I should judge that he would not be what lawyers call a case judge. That he would take the philosophy of the law underlying the facts as he saw it, and reason out the case, so he would not be so apt always to follow his case. Some lawyers and judges are well known as case lawyers and case judges. They do not care what the philosophy of the law is; if they find an opinion written a hundred years ago which bears out their idea they will follow it.

Mr. LA FOLLETTE. Mr. President, will the Senator yield?

Mr. NORRIS. I yield.

Mr. LA FOLLETTE. Is the Senator suggesting that Judge Clark is a lawyer and a judge who thinks that justice has something to do with the law?

Mr. NORRIS. I think so. I think he is a man of fine mind; of a mind which fits him for a judicial position. In my opinion, he is one of the high-class, thinking, and working judges. When we found the courts cluttered up with work, and business not being expeditiously conducted, we also found that the docket in Judge Clark's court was clear. He kept up to date. He never was one of the judges clamoring for more judges.

We have just passed a law providing for a number of additional judges. The appointment under consideration was made under that law. I admit that it is a late time to consider the nomination, when we are about to adjourn, but the nomination came to the Senate with reasonable expedition, a nomination to fill a vacancy caused by the law which we ourselves passed.

The selection is that of a man who has been on the bench for many years. The committee having the matter in charge would not make the same investigation of him that they would if they were considering a man who came fresh from the legal profession, who had had no judicial experience. This man has a record of 10 or 12 years as a judge.

Reference has been made to his opinion with respect to the prohibition amendment. I did not agree with his opinion on that matter. He was overruled. However, I wish to call attention, as the Senator from New York [Mr. WAGNER] has already done, to the fact that one of the greatest lawyers in the United States, who served with distinction and honor in the Senate and in the Cabinet of a President, Elihu Root, who led the debate on the prohibition question, who was one of the country's outstanding lawyers, advocated the same theory that Judge Clark did. I thought at the time they were both wrong, and the Supreme Court held they were both wrong. But we cannot select a judge for any court who has not at some time held an opinion which perhaps we think is wrong. If he has had any experience on the bench we could hardly fail to find that his opinions have not always been agreed to by everyone. There will naturally be objection on the part of some to the opinions held by those presented for our consideration.

Telegrams have been presented in which objection has been made to Judge Clark.

Some telegrams have come from men whom no one in the Senate has identified. I do not think we ought to take them seriously.

Mr. President, the nomination was taken up in the regular way. A subcommittee was appointed, and a hearing was held. It is true that the time was short. On the other hand, if the places created by us by legislation which we ourselves passed are not filled before we adjourn, criticism will be made if appointments are then made in recess. The cry will be heard, "Think of the President appointing men in the recess when he had time to do so while Congress was in session!" It would be argued then that it was another indication of a dictatorship appearing in the clouds. The nomination comes before us now, and yet it is said, "Why not wait?" And then perhaps appointment will be made in recess.

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. NORRIS. I yield.

Mr. WAGNER. I wanted to add another name to the roll of learned men of this country who took a position similar to that taken by Judge Clark in the matter referred to by the Senator from Nebraska. The Senator mentioned Elihu Root. One of our colleagues, whom we all recognize as an eminent scholar and legal philosopher, also held a similar view. I heard him express it during a very able address in New York. The Senator to whom I refer is the senior Senator from Illinois [Mr. LEWIS], who spoke in New York and also gave expression to the same legal views with reference to the prohibition amendment. So Judge Clark was in good company.

Mr. NORRIS. That adds to the reasons why the nomination of Judge Clark should be confirmed, because he agreed in his opinion with an eminent Member of this body whose legal ability we always recognize as first class and at the very top.

Mr. President, I do not care to detain the Senate any longer. In my opinion the appointment is an admirable one; it is first class. I should not only be glad to see Judge Clark on the circuit court bench but I should be glad to see him on the Supreme Court Bench. He has been a judge for many years. Of course, he has made some enemies. Any good man must make enemies. His nomination has been acted upon in the regular way. The subcommittee which heard the evidence unanimously supported the nomination. Anyone who wished to be heard was given as much opportunity as could be given. It seems to me, Mr. President, that the nomination of Judge Clark should be confirmed.

Mr. LEWIS. Mr. President, before I proceed to a discussion of the nomination, I must say I cannot overlook the tribute of my distinguished colleague, the Senator from New York [Mr. WAGNER], the eminent leader in great legislation in behalf of the reform of all abuses as against labor and injustice to mankind. Nor can I overlook the tribute of my distinguished friend the Senator from Nebraska [Mr. NORRIS], who shall be known by me as "L. P. Norris—Light and Power." [Laughter.]

Mr. President, permit me to proceed in heavier vein to make an observation which will show why I must join in the support of this judge under the circumstances as presented. From a great bishop we have the observation that—

> Of law there can be no less acknowledged than that her seat is the bosom of God, her voice the harmony of the world. All things in heaven and earth do her homage—the very least as feeling her care, and the greatest as not exempted from her power.

We are informed by the Senators who have just spoken that Judge Clark is hearing a cause in which there is a mayor of a New Jersey city involved, and many questions

are arising touching certain political events that are assumed to have transpired there. These have entered into the cause which is now before the judge. If this tribunal should now take action refusing to confirm this judge, upon no evidence other than that which the distinguished Senator from Nebraska has well entitled as seemingly utterly worthless, the able Senator from Nebraska himself attaching no personal import to it, we would be in the position before New Jersey and all the country, on the record as it now stands, of having expressed condemnation of him in the matter concerning which he is now engaged in a trial.

Mr. BURKE. Mr. President, will the Senator yield at this point?

Mr. LEWIS. Gladly.

Mr. BURKE. Would not the interpretation that all reasonable people must of necessity put upon the action of the Senate at this time be that we are saying that we will postpone until a more seasonable day the consideration of the qualifications of the judge, who is now engaged in hearing a very celebrated case? Would not that be the reasonable interpretation, and not that the Senate is expressing disapproval of the judge?

Mr. LEWIS. I fear the reverse much more seriously. If we should now postpone consideration, it would be upon the theory that we are going to wait to see what his decision is, and let that be the test of what we shall decide as to his worthiness or unworthiness to be approved. That is my fear.

Mr. KING. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. HATCH in the chair). Does the Senator from Illinois yield to the Senator from Utah?

Mr. LEWIS. I yield.

Mr. KING. Until the Senator made the statement, I did not know that Judge Clark is now engaged in a trial in an important case in New Jersey. I was not aware of that fact. If I cast a vote, it will be without any reference to that fact, and without any knowledge of the position which he has taken, if he has taken any position in connection with the trial.

Mr. LEWIS. I will say to the able Senator from Utah that Senators in this Chamber, including the distinguished chairman of the subcommittee [Mr. HUGHES] who honors Delaware with his reputation, so announced the fact. Other Senators have alluded to it, and the public press confirms it. Therefore, for this reason, in view of the kind of evidence which has been suggested as adverse to the judge, the unreliability of which is confessed, I feel that our action in postponing further consideration of the nomination, after the investigation and recommendation of the Judiciary Committee, or any adverse action in this body, would be promptly attributed to some condemnation on our own part, either of the trial or of the action of the judge, which would be imputed to our viewpoint in the case which is now pending. Since the nomination has been before the subcommittee for a long time, and then before the whole committee, previous to the trial, and is now before us at the time the case is on, I should regard it as most unfortunate if any other action were taken then on the distinctive merits of the judge as they have been shown before the Senate, disclosing him to be worthy of immediate confirmation.

Mr. KING and Mr. BURKE addressed the Chair.

Mr. LEWIS. I yield first to the Senator from Utah.

Mr. KING. I think the Senator is in error in stating that the nomination has been before the subcommittee for a long time, and before the full committee for a considerable length of time. As a matter of fact, my information is that the nomination did not come to the committee until Monday of this week.

Mr. LEWIS. Does the Senator mean the full committee?

Mr. KING. No; the subcommittee.

Mr. LEWIS. I am taking the exact language of the able Senator from Delaware [Mr. HUGHES], the chairman of the subcommittee, who has given us something of the record of a proceeding in which the evidence of an ex-Governor of New York and of some others has been taken. Therefore, I myself concluded that there had to be a length of time which would indicate that the committee had time to consider the subject, and had done so previous to reaching its conclusion.

I now yield to the Senator from Nebraska.

Mr. BURKE. In connection with the point which has been made, I believe the nomination came to the Senate last Monday. It was at once referred to the Judiciary Committee, and to a subcommittee of which the Senator from Delaware [Mr. HUGHES] was named as chairman. The subcommittee met on Tuesday and reported to the full committee on Wednesday. The full committee reported to this body on Thursday. So we had a succession of days. The nomination came to the Senate on Monday. The subcommittee met on Tuesday. On Wednesday the subcommittee reported to the full committee. On Thursday the full committee acted. All of this, of course, was many days after the trial to which the Senator referred, which was under way in New Jersey.

Mr. LEWIS. We will add to that, therefore, that the Department of Justice must have proceeded in its usual course of investigation. In the meantime the President was informed, and evidently seems to have acted, the matter being submitted to the committee to be considered in the length of time stated by the Senator from Nebraska, with the consideration given to the matter as disclosed by the chairman of the subcommittee.

I respectfully urge that the conditions disclosed in the present discussion indicate that the nomination of Judge Clark should be confirmed.

Mr. BORAH. Mr. President, I think I should say a word in regard to the nomination. I shall be very brief. In a sense, the nomination has been under consideration by the appointing power since last March or April. The correspondence between ex-Governor Silzer and the President or the administration began in April. The administration—either the Department of Justice or the President—was notified several months ago that the ex-Governor objected to the nomination or to the consideration of the name of Judge Clark for the place. Nevertheless, the appointment was made, and the Department of Justice made its investigation. The Department of Justice reported favorably.

We are not dealing with an unknown individual, or one taken from the profession in private life, and therefore not known in the judicial world.

Judge Clark has been on the bench for years; and, of course, his entire judicial career has been before the people of New Jersey and the surrounding country.

The only witness coming before the committee who seemed to be very much in opposition to Judge Clark was ex-Governor Silzer. It was apparent that the ex-Governor had some personal feeling in regard to Judge Clark, and I would judge from the record that Judge Clark did not have a very high regard for Governor Silzer. One would draw that conclusion from the record.

However, we could obtain from ex-Governor Silzer no definite charges as a basis of his objections. I personally asked for them over and over again. I asked him to give us a definite statement of his objections, and the names of witnesses who were available to sustain his objections. All he gave us were what I regard as rumor or insinuations.

I think the able Senator from Nebraska [Mr. BURKE] was impressed in much the same way that I was, namely, that ex-Governor Silzer did not have any real evidence, or, in other words, he failed to present specific charges going to the fitness or unfitness of Judge Clark.

Ex-Governor Silzer finally told us that a man by the name of Vanderbilt, I think, an ex-president of the New Jersey Bar Association, had plenty of information which he would give us if we would only send for it. I asked for his full name and his address. I went to the telephone, in the presence of the committee, and telephoned, and happened

to reach Mr. Vanderbilt at once. He said he had no information which would be of any value to the committee. I asked him if he desired to come before the committee and present his views. He said he did not; that he had no views to present upon the matter.

Then we were told of an impeachment proceeding or charges against Judge Clark laid before the House Judiciary Committee. We immediately communicated with the House Judiciary Committee. We learned the nature of the charges and found that the committee had paid but little attention to the charges. We concluded there were no facts of a serious nature before the House committee.

Mr. President, the chairman of the committee stated over and over again that the committee was prepared to hear anything in the nature of charges against Judge Clark. We could obtain nothing in the way of what we felt were definite charges. Here was a man who had been on the bench for years. Ex-Governor Silzer had argued his objection to him weeks and weeks before. If there were charges, or if there were facts, there was no reason why those who were in opposition to Judge Clark should not have presented the facts to the committee and given us the names of the witnesses who would sustain the charges.

It is not my desire to express my view in open session as to the basis of the opposition. However, I came to the conclusion that it would be unjust to a supreme degree to deny confirmation to a man, who has been upon the bench for a considerable time and has an enviable reputation, upon mere insinuations.

That is the only interest I have in the matter. I think Judge Clark is an able jurist. I think he is a man of character. I myself asked the question specifically, "Do you charge that Judge Clark is a man wanting in character, that he is dishonest, that he is corrupt in any respect, or that he is unfit?" The answer was "No; we make no such charges."

I do not mean to reflect upon ex-Governor Silzer, but we all reached the conclusion that he failed to present any specific charges or any facts justifying a rejection of this nomination. If Judge Clark had not been for years on the bench, it might be said the opposition needed time; but in view of his long years on the bench and the weeks which had passed since it was rumored his name was being considered, and especially in view of the nature of the opposition as presented, I can see no reason for delay.

I think, Mr. President, it would be a great injustice to this jurist, under the circumstances, to delay the confirmation of his nomination. As I have said, he has been upon the bench for some years; he has been subjected to tests both by administrative investigators and by your committee. We had nothing to report against him. The subcommittee was unanimous in its favorable action, and I sincerely hope the nomination will be confirmed.

Mr. President, I wish to say, before taking my seat, that I am just advised that the bar associations of New York, New Jersey, and Connecticut, at a meeting held last night, unanimously endorsed Judge Clark's advancement to the circuit bench.

Mr. BURKE. Mr. President, will the Senator yield at that point?

Mr. BORAH. I yield.

Mr. BURKE. That endorsement, I believe, is from the Federal Bar Association, is it not, of the three States mentioned? It is not from the American Bar Association or the State bar associations but only from those lawyers whose practice is largely in the Federal Departments?

Mr. BORAH. I think the Senator is correct in his statement that the endorsement was made by the Federal Bar Association.

Mr. WAGNER. Mr. President, I may say that the Federal Bar Association is the only bar, as I recall, that considers for approval or disapproval nominations for the Federal bench. The State bar associations, as I understand—and I am a member of the one in New York—confine their endorsements to State judges, though the New York State Bar Association has expressed views concerning nominations for the United States Supreme Court, for instance, in the case of Mr. Justice Cardozo.

Let me say, Mr. President, that I have never had the privilege of meeting Judge Clark personally, nor have I ever, though a practicing lawyer in New York, adjoining New Jersey, appeared before him in any litigation. I know, however, of his excellent reputation. I know the junior Senator from Nebraska [Mr. BURKE] desires to be fair in these matters; I am sure that his only interest, as we all know, is to make certain that able men of high character shall be elevated to the Federal bench.

As the Senator from Idaho [Mr. BORAH] has said, so far as there have been any charges made against Judge Clark—if they may be characterized as charges—they seem, first, to be unfounded, and second, to come from a very prejudiced source. Some of us have been judges upon the bench, and we know that lawyers who have been disappointed not only by our decisions but sometimes by our reprimands have gone so far as to assert our unfitness as judicial officers. So I think we may well confirm the nomination, unless more reliable evidence as to unfitness is brought forth.

I can speak somewhat confidently of the unblemished reputation which Judge Clark has in New York and the adjoining territory, amongst those who know him not only as an individual, but who are also familiar with his scholarly legal attainments, from actual contact with him upon the bench.

I wish to say to the Senator from Nebraska and the Senator from Texas that while they say they have not heard of Judge Clark, he has rendered, as lawyers in the vicinity, who have been interested in litigation know, some very able and scholarly opinions.

I share the view of the Senator from Nebraska [Mr. NORRIS]; I think Judge Clark is fit to sit upon the highest court of our land from the standpoint of character, ability, scholarly attainments, and legal acumen. For the reason that any postponement of the confirmation would be a reflection on Judge Clark, or, at least, an uncertainty expressed on the part of the Senate as to his qualifications for elevation to the circuit court of appeals, I hope the Senate will promptly confirm the nomination.

Judge Clark has been a judge for 13 years, and he has been under the scrutiny of the public and the lawyers during all that time. I know that I express the views of outstanding lawyers in New York, New Jersey, and the surrounding territory who are interested particularly in this court, when I say that Judge Clark is from every standpoint qualified for the position to which he has been nominated.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nomination of William Clark, of New Jersey, to be a judge of the United States Circuit Court of Appeals for the Third Circuit?

Mr. BORAH. On that I ask for the yeas and nays.

The yeas and nays were ordered and the Chief Clerk proceeded to call the roll.

Mr. LA FOLLETTE (when Mr. NYE's name was called). Making the same announcement as on the previous roll call concerning the unavoidable absence of the senior Senator from North Dakota [Mr. FRAZIER] and the junior Senator from North Dakota [Mr. NYE], I desire to say that, if present, they would each vote "yea" on this question.

Mr. VANDENBERG (when his name was called). On this vote I am paired with the senior Senator from Indiana [Mr. VAN NUYS]. Understanding that, if present, he would vote as I intend to vote, I am free to vote. I vote "yea."

The roll call was concluded.

Mr. KING (after having voted in the negative). I have a pair with the junior Senator from Tennessee [Mr. BERRY]. Not knowing how he would vote, I am compelled to withdraw my vote.

Mr. LEWIS. I announce that the Senator from New York [Mr. COPELAND] is detained from the Senate because of illness.

The Senator from North Carolina [Mr. BAILEY], the Senator from South Carolina [Mr. BYRNES], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Ohio [Mr. DONAHEY], the Senator from Virginia [Mr. GLASS], the Senator from Mississippi [Mr. HARRISON], the Senator from Arizona [Mr. HAYDEN], the Senator from Tennessee [Mr. MCKELLAR], the Senator from Connecticut [Mr. MALONEY], the Senator from Missouri [Mr. TRUMAN], and the Senator from Massachusetts [Mr. WALSH] are detained in committee meetings.

I further announce that the Senator from Tennessee [Mr. BERRY], the Senator from South Dakota [Mr. BULOW], the Senator from Illinois [Mr. DIETERICH], the Senator from California [Mr. MCADOO], the Senator from Nevada [Mr. MCCARRAN], the Senator from South Carolina [Mr. SMITH], the Senator from Oklahoma [Mr. THOMAS], the Senator from Utah [Mr. THOMAS], and the Senator from Indiana [Mr. VAN NUYS] are detained on important public business.

The Senator from Maryland [Mr. RADCLIFFE] and the Senator from New Jersey [Mr. MILTON] are unavoidably detained.

The Senator from Connecticut [Mr. LONERGAN] is detained on departmental matters. I am advised that if present and voting, he would vote "yea."

The Senator from South Carolina [Mr. BYRNES] has a general pair with the Senator from Maine [Mr. HALE].

The Senator from Tennessee [Mr. MCKELLAR] has a general pair with the Senator from Delaware [Mr. TOWNSEND].

Mr. BARKLEY. I announce that the Senator from New Jersey [Mr. SMATHERS] is detained on public business. I am advised that if present and voting, he would vote "yea."

The result was announced—yeas 57, nays 5, as follows:

YEAS—57

Adams	Davis	La Follette	Pope
Andrews	Duffy	Lee	Reames
Ashurst	Ellender	Lewis	Reynolds
Austin	George	Logan	Russell
Bankhead	Gibson	Lundeen	Schwartz
Barkley	Gillette	McGill	Schwellenbach
Bilbo	Green	McNary	Sheppard
Bone	Guffey	Minton	Shipstead
Borah	Hatch	Murray	Tydings
Brown, Mich.	Herring	Neely	Vandenberg
Brown, N. H.	Hill	Norris	Wagner
Bulkley	Hitchcock	O'Mahoney	Wheeler
Capper	Holt	Overton	
Caraway	Hughes	Pepper	
Clark	Johnson, Colo.	Pittman	

NAYS—5

Burke	Connally	Gerry	Miller
Byrd			

NOT VOTING—34

Bailey	Frazier	McAdoo	Thomas, Okla.
Berry	Glass	McCarran	Thomas, Utah
Bridges	Hale	McKellar	Townsend
Bulow	Harrison	Maloney	Truman
Byrnes	Hayden	Milton	Van Nuys
Chavez	Johnson, Calif.	Nye	Walsh
Copeland	King	Radcliffe	White
Dieterich	Lodge	Smathers	
Donahey	Lonergan	Smith	

So the nomination of William Clark, of New Jersey, to be a judge of the United States Circuit Court of Appeals for the Third Circuit was confirmed.

Mr. PITTMAN. Mr. President, a parliamentary inquiry. Does that end the executive business?

The PRESIDING OFFICER. That completes the executive business.

Mr. PITTMAN. The Senator from Kentucky [Mr. BARKLEY], the leader, desires to be recognized immediately after this, I believe.

Mr. WAGNER. Mr. President, may I inquire——

Mr. PITTMAN. I am inquiring now. I had not finished making the inquiry. Of course, it is not necessary that I should. The inquiry I was making was as to whether or not the executive business, so far as it is on the calendar, is completed.

The PRESIDING OFFICER. The executive business on the calendar is completed.

Mr. PITTMAN. As I was saying, the majority leader, the Senator from Kentucky, desires to be recognized immediately after this vote for the purpose of making a suggestion to the Senate, I believe, with regard to the calendar. The Senator has now returned to the Chamber.

Mr. BARKLEY. Mr. President, I had intended and still intend to ask unanimous consent that the Senate proceed to the consideration of unobjected bills on the calendar, beginning at the place where we left off at the last call of the calendar.

The PRESIDING OFFICER. The Senate is still in executive session.

LEGISLATIVE SESSION

Mr. BARKLEY. I move that we resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed legislative session.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed without amendment the following bills and joint resolution of the Senate:

S. 1532. An act to exempt retired officers of the Marine Corps and Coast Guard from certain restrictions with respect to holding office under the United States;

S. 2090. An act authorizing the naturalization of Vernice May McBroom, and for other purposes;

S. 2412. An act for the relief of A. Pritzker & Sons, Inc.;

S. 2702. An act for the relief of James A. Ellsworth;

S. 2783. An act to amend the China Trade Act, 1922, as to the duration of the China Trade Act corporations;

S. 3062. An act for the relief of Thomas H. Eckfeldt;

S. 3064. An act for the relief of George Henry Levins;

S. 3171. An act for the relief of William Server Rhodes, chief boatswain's mate, United States Navy, retired;

S. 3189. An act for the relief of Earle Embrey;

S. 3283. An act to authorize the Secretary of the Interior to place certain records of Indian tribes of Nebraska with the Nebraska State Historical Society, at Lincoln, Nebr., under rules and regulations to be prescribed by him;

S. 3319. An act to authorize certain payments to the Veterans of Foreign Wars of the United States, Inc., and to the Disabled American Veterans of the World War, Inc.;

S. 3387. An act for the relief of Hubert J. Cuncannan;

S. 3516. An act to alter the ratio of appropriations to be apportioned to the States for public-employment officers affiliated with the United States Employment Service;

S. 3628. An act to confer jurisdiction on the Court of Claims to hear, determine, and enter judgment upon the claims of Government contractors whose costs of performance were increased as a result of enactment of the National Industrial Recovery Act, June 16, 1933;

S. 3633. An act authorizing the naturalization of Albin H. Youngquist, and for other purposes;

S. 3682. An act for the relief of Lofts & Son;

S. 3763. An act to increase the period for which leases may be made for grazing and agricultural purposes of public lands donated to the States of North Dakota, South Dakota, Montana, and Washington by the act of February 22, 1889, as amended;

S. 3781. An act for the relief of the International Oil Co., of Minot, N. Dak.;

S. 3805. An act to adjust the lineal positions on the Navy list of certain officers of the Supply Corps of the United States Navy;

S. 3810. An act to extend to Chief Quartermaster Clerk David C. Buscall, United States Marine Corps (retired), the benefits of the act of May 7, 1932, providing highest World War rank to retired warrant officers;

S. 3817. An act for the relief of John Haslam;

S. 3830. An act for the relief of William C. Willahan;

S. 3891. An act to provide for the reimbursement of certain enlisted men of the Navy for the value of personal effects lost in a fire at the naval air station, Hampton Roads, Va., May 15, 1936;

S. 3937. An act conferring jurisdiction upon the Court of Claims of the United States to hear, determine, and render

judgment upon the claim of the Wisconsin Bridge & Iron Co.;

S. 3957. An act for the relief of James Thow, Charles Thow, and David Thow;

S. 4005. An act for the relief of Ida May Swartz;

S. 4136. An act to facilitate the control of soil erosion and/or flood damage originating upon lands within the exterior boundaries of the Nevada and Toiyabe National Forests in Nevada and to promote efficiency and economy of administration of said national forests; and

S. J. Res. 114. Joint resolution for the relief of certain persons who suffered damages occasioned by the establishment and operation of the Aberdeen Proving Ground.

The message also announced that the House had passed the following bills of the Senate, each with an amendment, in which it requested the concurrence of the Senate:

S. 3403. An act for the relief of Leonard Graboski; and

S. 3493. An act providing for the suspension of annual assessment work on mining claims held by location in the United States.

The message further announced that the House had passed the following bills of the Senate, severally with amendments, in which it requested the concurrence of the Senate:

S. 3. An act to regulate commerce in firearms;

S. 3684. An act to provide for the holding of terms of the district courts of the United States for West Virginia at Fairmont and Beckley; and

S. 3921. An act for the relief of Remijio Ortiz.

The message also announced that the House had agreed to the amendment of the Senate to the joint resolution (H. J. Res. 702) to provide that the United States extend to foreign governments invitations to participate in the Third International Congress for Microbiology to be held in the United States during the calendar year 1939, and to authorize an appropriation to assist in meeting the expenses of the session.

The message further announced that the House had passed the following bills and joint resolution, in which it requested the concurrence of the Senate:

H. R. 3618. An act to reestablish the longevity pay of warrant officers;

H. R. 6925. An act to provide for a national cemetery in every State;

H. R. 10777. An act authorizing the village of Baudette, State of Minnesota, its successors and assigns, to construct, maintain, and operate a bridge across the Rainy River at Baudette, Minn.; and

H. J. Res. 723. Joint resolution to amend H. R. 10672, Seventy-fifth Congress, third session, entitled "An act to amend section 4197 of the Revised Statutes, as amended (U. S. C., 1934 ed., title 46, sec. 91), and section 4200 of the Revised Statutes (U. S. C., 1934 ed., title 46, sec. 92), and for other purposes, so as to correct a typographical error.

REPORTS OF COMMITTEES

Mr. BROWN of Michigan, from the Committee on Claims, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

H. R. 342. An act for the relief of H. Ward Bell (Rept. No. 2215; and

H. R. 347. An act for the relief of W. Glenn Larmonth (Rept. No. 2217).

Mr. BAILEY, from the Committee on Claims, to which was referred the bill (H. R. 344) for the relief of Ford O. Gotham and James McCumber, reported it without amendment and submitted a report (No. 2216) thereon.

Mr. SCHWELLENBACH, from the Committee on Claims, to which was referred the bill (H. R. 3961) for the relief of the estate of Benjamin A. Pillsbury (William J. Pillsbury, executor), reported it without amendment and submitted a report (No. 2218) thereon.

Mr. RUSSELL, from the Committee on Immigration, to which was referred the bill (H. R. 6820) for the relief of Elizabeth Vresh (Yalga Vres), her son Frederick Vresh, and her daughter, Sylvia Vresh Bronowitz, reported it without amendment.

Mr. BULOW, from the Committee on Civil Service, to which was referred the joint resolution (S. J. Res. 310) providing compensation for certain employees, reported it without amendment.

ENROLLED BILLS AND JOINT RESOLUTIONS PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that that committee presented to the President of the United States the following enrolled bills:

On June 15, 1938:

S. 5. An act to prohibit the movement in interstate commerce of adulterated and misbranded food, drugs, devices, and cosmetics, and for other purposes;

S. 375. An act for the relief of Mrs. John Olson;

S. 1346. An act for the relief of Stillwell Bros., Inc.;

S. 1987. An act for the relief of George J. Leatherwood;

S. 2052. An act for the relief of Henry E. Reents;

S. 2437. An act for the relief of Oscar Jones;

S. 2475. An act to provide for the establishment of fair labor standards in the employments in and affecting interstate commerce, and for other purposes;

S. 2797. An act for the relief of Miriam Thornber;

S. 2819. An act to create a Committee on Purchases of Blind-made Products, and for other purposes;

S. 2890. An act for the relief of Clarence Daniel, a minor;

S. 2895. An act for the relief of Leona Draeger;

S. 3057. An act for the relief of John Fanning;

S. 3469. An act to amend section 128 of the Judicial Code, as amended;

S. 3540. An act for the relief of certain personnel of the Coquille River Coast Guard Station, Bandon, Oreg.;

S. 3584. An act for the relief of G. E. Maxwell;

S. 3694. An act to provide for the issuance of a license to practice the healing art in the District of Columbia to Dr. Sigfried Speyer and Dr. Luther Fete;

S. 3734. An act for the relief of certain officers and enlisted men of the United States Coast Guard;

S. 3754. An act to amend sections 729 and 743 of the Code of Laws of the District of Columbia;

S. 3846. An act relating to the levying and collecting of taxes and assessments, and for other purposes;

S. 3929. An act to authorize the Legislature of Puerto Rico to create public corporate authorities to undertake slum clearance and projects, to provide dwelling accommodations for families of low income, and to issue bonds therefor; to authorize the legislature to provide for financial assistance to such authorities by the government of Puerto Rico and its municipalities, and for other purposes; and

S. 4024. An act authorizing advancements from the Federal Emergency Administration of Public Works for the construction of certain municipal buildings in the District of Columbia, and for other purposes.

On June 16, 1938:

S. J. Res. 298. Joint resolution to create a joint congressional committee to investigate the adequacy and use of the phosphate resources of the United States; and

S. J. Res. 300. Joint resolution to create a temporary national economic committee.

BOMBING OF CIVILIAN POPULATIONS

Mr. PITTMAN. Mr. President——

Mr. BARKLEY. Before making the request to which I referred, I yield to the Senator from Nevada.

Mr. PITTMAN. Mr. President, it is desired that I shall return to the chair during the call of the calendar. For that reason I have only one opportunity to call up a resolution which I introduced and which has been lying on the table for several days. It is Senate Resolution 298, condemning the bombing of civilian populations. I intend to modify it when it is brought up, having the right to modify my own resolution, so as to strike out all of the resolution except the statement:

Resolved, That the Senate record its unqualified condemnation of the inhuman bombing of civilian populations.

I ask unanimous consent for the present consideration of the resolution.

The PRESIDING OFFICER. The Senator from Nevada requests unanimous consent for the present consideration of a resolution which will be read for the information of the Senate.

The resolution (S. Res. 298), submitted by Mr. PITTMAN on June 14, 1938, as modified, was read, as follows:

Resolved, That the Senate record its unqualified condemnation of the inhuman bombing of civilian populations.

Mr. CLARK. Mr. President, I should like to hear the Senator from Nevada explain the purpose of the resolution before unanimous consent is given for its consideration.

Mr. PITTMAN. Mr. President, all that is left in the resolution is a proposal that the Senate go on record as condemning the bombing of civilian populations. I am against such bombing, and I would like to have a chance to vote against it.

Mr. CLARK. Let me say to the Senator from Nevada that I suppose there is not a Member of this body who is not opposed to the bombing of civilian populations and outraged by that inhuman practice. I do not see the present necessity or the present adequacy of the Senate of the United States passing a resolution deploring the bombing of civilian populations unless we do something else about it.

So far as an expression of the United States Senate is concerned in opposition to the bombing of civilian populations, I am certain that every Member of the Senate would be in favor of it. If, on the other hand, this is to be taken, on the eve of the adjournment of Congress, as an approval in advance of some foreign policy, to be developed during the recess and about which we know nothing, then I think it ought to be very carefully gone into.

It seems to me that the Senate, in considering the matter of bombing civilian populations, might well consider the fact that if the neutrality law now on the statute books of the United States had been strictly enforced, a great deal of the bombing of civilian populations, both in Spain and in China, might have been obviated by stopping the exportation from this country of the means and engines of bombing civilian populations. It seems to me the Senate of the United States, instead of passing an empty resolution, might do very much better to take steps to see that the means of bombing civilian populations should be no longer exported in such a way that they might, either directly or indirectly, as the language of the neutrality law provides, be used in bombing civilian populations.

Mr. PITTMAN. Mr. President, I should regret it very much if any American planes were used to bomb civilian populations when we could have stopped it; but that is not the question. This Government may have been wrong in many particulars. Other governments may have been wrong in many particulars. We may need a great many different laws. I know we have not time to enact them now. In fact, the clause which was formerly part of the resolution, directing a study, was objected to by some Senators on the ground that it was too late to constitute a committee and furnish the committee money.

When we get back here at the next session, I have no doubt that a great many of these policies will be thoroughly studied. I feel, however, that the people of this country and of the world have universally condemned the inhuman bombing of civilian populations. The term "civilian populations" has a meaning. I believe the people, the churches, and the peace societies of the country have at last awakened to their duty in protesting against military wrongs and against the violations of peace treaties. I feel that with the resolution limited in this form, we can help out the peace-loving people of the country by setting an example of condemning at least one thing that we know is absolutely wrong.

Mr. CLARK. Let me say that so far as I am concerned, of course, I have absolutely no objection to the resolution; but it seems to me to be an empty gesture, at this stage of the proceedings, to pass a resolution simply deploring what every decent man and woman in the United States now regards and always has regarded as a crime against humanity. We might as well pass a resolution deploring any man beating his wife or deploring the heinous crime of kidnapping. It seems to me that if we are going to try to do anything at all, we might call for the enforcement of the law which might be calculated to diminish, as far as possible, the very atrocity which we are deploring.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the modified resolution of the Senator from Nevada?

There being no objection, the Senate proceeded to consider the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution of the Senator from Nevada as modified.

Mr. KING. Mr. President, I understand that the resolution is open to debate after having been taken up.

The PRESIDING OFFICER. The question is on agreeing to the resolution of the Senator from Nevada as modified.

Mr. JOHNSON of California. Mr. President, to this resolution, of course, I have no objection. Every right-thinking person deprecates the bombing of civilian populations. Every right-thinking person recoils in horror from the tales that are told of the bombing by the Japanese Army and Japanese airmen, and the tales that are told that relate to the Spanish difficulty or war.

I have no objection to this resolution, because it means nothing; and being just nothing, I regard it as a pious exclamation upon the part of the United States Senate, and nothing more.

I should object to a resolution which sought by investigation, study, or other means to reach a conclusion and render findings concerning what might transpire abroad. I would object to that because I want none of that for the American people, and I believe that if we endeavored in any fashion to investigate, to reach conclusions, and to render opinions, then we would be on the way to the war; and while I may personally have very little objection to that in case of one of the nations concerned, I feel that the American people, engrossed as they are in their domestic difficulties, would not follow the American Government in any of its vagaries concerning the war in the Orient.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. JOHNSON of California. I yield.

Mr. CLARK. Does not the Senator agree that it partakes of a good deal of the nature of smug hypocrisy for the Senate of the United States, or the Congress of the United States, to deplore the use of bombs, particularly in the case of a certain oriental nation, while we go on day after day and week after week and month after month selling, for the profit of our own manufacturers and our own producers, the materials out of which the bombs are made and the machines by which they are used?

Mr. JOHNSON of California. Of course; and of course I believe the foreign policy as enunciated by this administration is one which men of candor and men who stand straight cannot follow. But I do not wish to delay what is transpiring now. The resolution has been modified—modified so that it has neither sting nor point—and I believe that it can be adopted without injury to the dignity of the Senate or harm to the country.

Mr. KING. Mr. President, will the Senator yield?

Mr. JOHNSON of California. I yield.

Mr. KING. Would the Senator be willing to offer an amendment or to support an amendment, declaring, that because of the violation by Japan of treaties, including the Four Power Treaty, the Nine Power Treaty, and the Kellogg-Briand Pact, and because of her unwarranted and brutal attacks upon China and millions of noncombatants—men, women, and children—the Senate would approve of a resolution calling for the severance of diplomatic relations between our Government and Japan? Personally, I would be disposed to support a resolution substantially along the lines indicated in my question.

Mr. JOHNSON of California. The Senator would vote for it, but perhaps he would be the only man in the Chamber voting for it; because we may talk, and the Government of the United States may make splendid, eloquent orations relating to collective security, treaties and their violation, and the like, but the Government of the United States today will not see it through and see it through to its logical conclusion. Its logical conclusion, if we should start on the path the Senator suggests, would be war; and the people of the United States will not tolerate a war at this time.

Mr. KING. The Senator may be right; the American people are desirous of peace, and would seek every honorable means of avoiding an international conflict. I believe that the conduct of the Japanese Government, particularly during the past few years, has violated the canons of international law, and treaties, and obligations, and has been so motivated by greed and ambition for power that the American people, as well as the people of civilized nations, look with abhorrence upon her policies.

The bombing by Germany of cathedrals and unfortified cities and towns did much to arouse the American people against Germany, prior to our Government's entrance into the World War. Not only the people of the United States, but the inhabitants of civilized countries look with horror upon the atrocities committed by Japan, and her brutal and barbarous course in the conduct of her so-called military operations in China. Her course has been reminiscent of the cruelties perpetrated by primitive and barbarous nations upon inoffensive people. Men, women, and innocent children inhabiting cities and towns and rural districts not fortified, and beyond the boundaries of areas in which military conflicts were being prosecuted, have been subjected to merciless attacks. Bombing planes have visited peaceful regions in which there was no vestige of war, and no evidence of conflict; they have dropped upon such regions and their noncombatant inhabitants hundreds, if not thousands, of destructive bombs, which have carried death, destruction, and devastation to hundreds of thousands of innocent people.

Japan's conduct has been violative of international law, of those policies and principles that prevail among civilized people. Japan has not only waged war upon the Chinese and upon women and children and unfortified towns, but she has been indifferent of the rights of nationals of other countries, among them nationals of the United States. The facts with which we are familiar would justify the conclusion that Japan is seeking to provoke conflicts with the United States, if not other nations aside from the United States, and is not only determined to conquer China and subject it and its millions of inhabitants to Japanese rule, but is also determined to disregard every treaty existing between China and other nations, including the United States. Japan's course is that of a devouring, conquering nation, not only indifferent to the rights of the people of China but the rights of other nations and their nationals, existing by virtue of treaties entered into between the Chinese Government and other nations.

I admit that the American people would be most reluctant to adopt any course that would result in a war with Japan, but I believe there are millions of American citizens who experience anger and resentment by reason of the flagrant violations of international law by Japan and the brutal and uncivilized war which she is waging against the people of China.

Mr. CAPPER. Mr. President, I arise in support of the resolution by the Senator from Nevada [Mr. PITTMAN] as modified, condemning the bombing of civilian populations, of defenseless men, women, and children.

The civilized world is aghast at the kind of warfare that has been carried on in the past few years.

In Africa we have seen a European nation mow down hapless natives, whether engaged in warfare or not, from the air.

In Europe we have recorded daily the bombing of civilian populations, of people engaged in peaceful pursuits, mothers, babes in arms, school children, hospitals, in a civil war that approaches in barbarity and relentless cruelty anything we have read of in the history of the Dark Ages.

And from the Orient we have daily accounts of thousands of helpless civilians, including women and children, bombed from the air. Wholesale murder, without provocation, without excuse, without mercy. Certain nations have violated ruthlessly not only treaties they have signed, but also every tenet of civilized warfare—if there is any such thing as civilized warfare.

The people of this country are shocked, indignant, filled with righteous wrath over this inhuman and barbarous treatment of noncombatants. And I feel that the people of the country expect the Senate to vindicate the rising indignation against these nations which are running amuck and threatening to plunge the world from civilization into the depths of barbarism.

I say it is the duty of the Senate to condemn treaty violators; to condemn the ruthless and wicked bombing of thousands of defenseless men, women, and children; to make plain to all the world our abhorrence of such practices; and to disapprove the sale of American aircraft to countries which so flagrantly violate all the principles of civilized warfare.

Also I say it should be the policy of this Government, the policy of the United States of America, to preserve strict neutrality in this war-mad world. If I had my way this Congress would approve the Fish-Nye resolution or some other resolution to prohibit the export sale of munitions and materials of war to any and all nations, except to nations on this continent which are attacked by nations or peoples from other continents.

I hope the Senate goes on record for the people of the United States, as I believe the people expect the Senate to express the horror and indignation felt by every right-thinking person.

Mr. KING. Mr. President, I am inclined to agree with the Senator from California [Mr. JOHNSON] that the adoption of the resolution offered by the Senator from Nevada [Mr. PITTMAN] will accomplish but little, if any, good. However, it will relieve our Government, at least in part, of the charge that it remained silent when Japan violated treaties to which the United States was a signatory, and waged a cruel and barbarous war against noncombatants and innocent women and children.

It seems to me, Mr. President, that there is at least a moral obligation if not a legal obligation resting upon the United States, to denounce the course of the Japanese Government in its invasion of China, its destruction of cities and towns and villages, its murderous assaults upon unoffending people, particularly women and children, and its application, under the name of war, of the most cruel, atavistic propensities, which found expression in the conduct of primitive races. The course of Japan is an anachronism. It belongs not only to the Dark Ages, but to the darkest and cruelest periods of human existence. We may not be justified in becoming a party to the conflict; we may not be warranted in trying to stay by military force the sanguinary and devastating course of Japan; but certainly we owe it to ourselves and to the future to lift our voices against the recrudescence of those frightful and tragic ancestralisms which it was hoped the world had abandoned and entombed in dishonored graves of the history of the past.

I do not believe that a denunciation of Japan's course would lead to war. I cannot help but believe that if we and other civilized nations were to brand Japan as a treaty violator, as an outlaw, as a nation unworthy to be found in association with nations that love peace and seek justice, instead of that course being provocative of war, it would tend to modify the course of the Japanese Government and restore it, if not to complete sanity, at least to a condition in which there might be negotiations looking to a termination of the frightful tragedy which is now destroying hundreds of thousands of human beings and devastating cities and towns and portions of a vast continent.

I have referred to treaties existing between the United States and Japan. Certainly our Government should be interested in having treaties to which it is a party respected and its terms observed. It certainly cannot be claimed that the duty rests upon a nation party to a treaty to remain silent while other parties to the treaty flagrantly violate its terms. Our Government, as well as other governments, have interests in the Orient. China was a party to treaties with the United States and other occidental nations. These treaties were beneficial to China and were promotive of trade and commerce, helpful to the Chinese people, and more or less a benefit to those nations signatories to such treaties.

Japan solemnly covenanted in the Nine Power Treaty to respect the rights and territorial integrity of China. She bound herself, as did other signatories to the same treaty, to respect Chinese territory and the rights of the Chinese people. It was not a unilateral treaty; it was a multilateral treaty, and each party to the treaty obviously had some obligations resting upon it. Japan has violated this treaty, as well as others. She has contemptuously disregarded the rights of other signatories to the treaty, and has invaded Chinese territory, and is waging one of the most aggressive and sanguinary wars of which the pages of history bear record.

We sever friendly relations with individuals who violate every rule of decency and honor. I am repeating when I say that Japan's course is so indefensible as to compel world disapproval. She is not only violating the rights of China and her people, but she is violating solemn obligations and concrete, material rights of the United States, as well as other nations. She flouts the Kellogg-Briand Pact, under the terms of which she solemnly covenanted to settle all controversies by peaceful means.

Nations whose rights are assailed have often refused to have diplomatic relations with treaty violators. The severance of diplomatic relations does not mean war; and if the United States should now declare to Japan that her course is such that it is not desired to have further diplomatic relations with her, Japan would have no justification for declaring war against the United States, nor would our Government be under any obligation to become a belligerent and engage in a military conflict against Japan. Nations frequently withdraw their diplomatic representatives for various reasons; and so, with Japan's record before us, we would be justified in embargoing all munitions or commodities to be used by Japan for military purposes, and also in recalling our Ambassador and certifying to the world that for the present we do not intend to maintain diplomatic relations with Japan.

I am repeating when I say that we are warranted in withdrawing our diplomatic representatives because of the uncivilized methods of warfare, devastation, and destruction which are being carried on by the Japanese Government. When thousands of innocent persons are being bombed and killed, persons who are not participating in military activities, but pursuing their peaceful occupations, then civilized nations are warranted in lifting up their voices in protest. The resolution which we shall soon vote upon declares our condemnation of this barbarous course. May we not go further than to condemn cowardly and barbarous methods of war, and certify to the world that we will have no dealings with such a nation, and that we will place an embargo, certainly upon commodities that will be employed in military operations. We are shipping to Japan iron and steel and copper and oil and many raw materials employed in military operations, and are selling to the Japanese Government commodities to be used for the destruction of innocent Chinese people.

I am repeating when I say we are warranted in prohibiting any further shipments of munitions and military supplies and commodities to be devoted to military purposes.

There are many instances, as I have indicated, where diplomatic relations among nations have been severed. Our Government withdrew its representatives from Russia, because the latter was subjecting to cruel treatment persons of the Jewish race. I did not know that the resolution now being considered would be brought up for consideration today or I should have been ready to submit a number of instances where governments withdrew their representatives and terminated not only diplomatic but commercial relations with other countries.

ACCOMPLISHMENTS OF THE ROOSEVELT ADMINISTRATION

Mr. BANKHEAD. Mr. President, the legislative and practical accomplishments of the Roosevelt administration in the field of agriculture have written a new and remarkable chapter in the history of Federal legislation. I wish to refer to only a few of the subjects that have been dealt with and to some of the outstanding accomplishments.

ACHIEVEMENT IN LAND PURCHASE AND UTILIZATION

Development of a realistic land policy to meet the threat of floods, soil erosion, dust storms, and consequent social deterioration, has been an outstanding achievement of the present administration. The better use of private as well as public lands has been made a matter of national concern for the dual purpose of conserving natural resources, and of stabilizing the economy of communities dependent upon the land.

Acceptance of the Government's obligation to help conserve privately owned land is an outstanding contribution of this administration to national land policy. The extensive soil-conservation programs, whereby farmers are given both financial and technical help in preventing soil erosion, have affected the farm lands of every State, while special help is being given to land users in local soil conservation districts organized under recently enacted State laws.

Programs to give greater security to farm tenants and other disadvantaged rural groups have been initiated and encouraged by this administration in recognition of the importance of farm security to conservation of the land. Cooperative programs of farm forestry have also helped promote local action for better land use, and important progress has been made in cultivating an interest in wildlife conservation among farmers by cooperative activity within the States.

A new land purchase and utilization program of far-reaching significance is that in which the Secretary of Agriculture has been acquiring some 11,000,000 acres of submarginal land to be converted into valuable livestock ranges, forests, recreational areas and wildlife preserves as a means of rehabilitating depressed rural areas. In large degree, this program is also stimulating programs in which local groups and communities cooperate to promote better use of the land resources upon which they depend.

An important feature of the administration's land policy has been a recognition of the Government's own responsibility for better use of lands under its control. Although the good farm land in the public domain had been exhausted long before 1934, it was not until passage of the Taylor Act in that year that the futile settlement of the public lands was ended. Under this law some 111,000,000 acres in the public domain have been organized into grazing districts for conservation of the range.

Under the Wheeler-Howard Act, lands in Indian reservations amounting to 51,431,627 acres, of which 1,436,000 were acquired in the last 4 years, also have been placed under wise management to insure their conservation.

More adequate conservation of natural resources has been made possible by additional land purchases under the Roosevelt administration. The area in national forests has been increased by purchase of 9,706,923 acres under the Weeks Act, bringing to about 170,000,000 acres the total under Forest Service management, and an additional 1,700,000 acres has been approved for purchase. Refuges for conservation of wildlife have been expanded by acquisition and reservation of 5,336,500 acres.

Recently Congress passed the Water Facilities Act to encourage better use of land through more efficient conservation of water in semiarid areas. Land use as a factor in flood control has been recognized by the Congress in making

the United States Department of Agriculture coordinately responsible with the Department of War in planning for flood prevention.

Federal aid to the States for better land utilization has been extensive. Of special importance in this connection has been the work of the Civilian Conservation Corps, which has carried out valuable improvements on State as well as Federal conservation areas. Under the Fulmer Act States are eligible for financial help in acquiring forest lands, although no funds have been appropriated for this purpose as yet. Many of the submarginal land areas, after their development for new uses, are being turned over to the States for administration and use under cooperative lease agreements which assure their continued conservation.

As a corollary to improvement of existing farm areas, 120,000 acres of good new farm land have been created by the development of reclamation projects that have a potential capacity of 2,500,000 acres. Resettlement and rehabilitation activities have helped thousands of farm families obtain better opportunities on the land.

THE BANKHEAD-JONES ACT, APPROVED JUNE 29, 1935

One item worthy of note was the passage of the Bankhead-Jones Act of June 29, 1935, which provided, among other things, for research into basic laws and principles relating to agriculture; research dealing with the production, distribution, and marketing of agricultural products; and the conservation, development, and use of land and water resources for agricultural purposes.

Funds for research were authorized in the amount of $1,000,000 for the first year, with annual increments of $1,000,000 for each of 4 succeeding years, or a total of $5,000,000 at maturity and annually thereafter.

Congress had previously recognized the need and value of research in the solution of agricultural problems of the Nation and had given tangible expression of this recognition by means of appropriations to the Department of Agriculture and grants to the States for research and investigation at the agricultural experiment stations. In further recognizing the need for continued and enlarged support in agriculture, through the Bankhead-Jones Act there was recognized as well a need and an opportunity for broadening and strengthening the coordinated effort of the Department and the States to undertake problems of regional and national significance. In order to further this coordinated effort, 60 percent of the funds authorized under the Bankhead-Jones Act were designated for allotment to the States, Territories, and Puerto Rico on the basis of their respective rural populations, but with the proviso that these funds would be available only in amounts equal to amounts expended by the States from their own resources. One-fifth, or 20 percent, was designated for the establishment and maintenance by the department of research laboratories in the major agricultural regions, and the balance of approximately one-fifth for research by the Department of Agriculture into problems basic to agriculture in its broadest aspects.

It is significant to note that the States have responded with contributions in excess of any requirement of the act. That this action by Congress has met with approval is evidenced in part by the fact that the States during the past fiscal year contributed about $2.13 for each $1 of Federal-grant funds for the support of the agricultural research and experimentation in the States. It is evidenced further in part by statements from the ablest men representing the States to the effect that the regional laboratories already established are exerting a profoundly beneficial effect in integrating the research of the States and the Department and that there are certain researches of the greatest significance to agriculture which must be studied nationally because no State is in a position to carry them on, and yet every State station is vitally concerned in having the results. There is general recognition that the Bankhead-Jones Act brought into effect a more widespread and coordinated effort among the States and between the States and the Federal agencies which is resulting in a broader and more fundamental approach to national and regional problems than previously had been possible.

While the full value of this progressive legislation will accrue in the future, there are evidences at this time of important accomplishments. In keeping with its provisions, eight research laboratories have been established in as many major agricultural regions of the United States. These laboratories are exerting profoundly beneficial effects in integrating State and Federal research activities for the solution of problems fundamental in character, of common interest and concern to the States of the region, and of a scope beyond the resources of the individual States. The improvement of vegetable crops, industrial uses for soybeans, pasture-improvement studies, control of diseases and parasites of domestic animals, breeding of better swine, improvement of sheep for western ranges, control of fowl paralysis, and problems basic to irrigation agriculture are the major subjects of research at these laboratories. Their work is being supplemented in many instances by studies in the separate States on specific phases of these broad problems.

The allotments for the special use of the Department of Agriculture are promoting new and more effective attacks on problems of national scope and application. These have included, among others, a thorough inquiry into questions involved in crop insurance, the feasibility of long-range weather forecasting, the effects of blight upon growth and reproduction in plants, investigation into new methods for the control of diseases affecting the root systems of plants such as cotton-root rot and rots of wheat, and the possibility of correcting certain forms of sterility in livestock with the particular object of prolonging the breeding life of outstanding sires. There are some 35 projects of this character under way at this time in 11 bureaus of the Department. Many of them are cooperative with the State experiment stations or other research agencies. The problem of prolonging the productive life of animals, for example, has likewise been a major field of research at one of the State experiment stations where it has been demonstrated that the life of albino rats may be extended, by experimental methods, for a period of time comparable to nearly 200 years in the life of man.

Many other examples of outstanding work in progress at the experiment stations could be cited. All told, under this new fund there are more than 500 specific investigations under way in these State institutions. They have to do with adjustments in production to meet changing economic conditions, land use and the conservation of soil and water resources, the nutrition and improvement of animals and plants, the control of diseases and insects, improvement in quality of products, and in marketing. While many were designed for local application, the approach has been planned so that they fit into coordinated programs of regional and national significance.

FARM SECURITY

The function of the Farm Security Administration is to help needy farm families climb off the relief rolls and back onto their own feet. Its aim is not to furnish temporary relief, but to enable these families to become permanently self-supporting.

This program now has passed beyond the experimental stage. Since 1935, assistance of this type has been extended to hundreds of thousands of farm families, who had been ruined by drought, sagging farm prices, unscientific one-crop farming, and exhaustion of their soil. Today there is ample evidence that the Farm Security Administration has developed not only the most successful method of rescuing these destitute people, but the most economical. Because its program is largely self-liquidating, it does not throw a heavy burden on the taxpayer; on the contrary, its rehabilitation work has added many millions of dollars in tangible assets to the Nation's wealth.

The method of the Farm Security Administration is to make small loans, averaging about $300 each, to farm families who cannot get adequate credit from any other source.

Such loans ordinarily are just large enough to finance the purchase of seed, livestock, tools, and other equipment needed to get a new start on the land. They are accompanied by technical guidance in sound farming practices to guarantee that the best possible use is made of the money. Whenever necessary, borrowers are assisted in locating fertile land capable of supporting a decent living. They are shown how to conserve their soil and to work out sound crop-rotation and farm-management plans. This kind of guidance not only protects the Government's investment; it is the best possibly guaranty that the borrower's name will not appear on the relief rolls again.

More than 620,000 farm families on or near relief have received such loans, totaling nearly $190,000,000. By all customary standards these people were the worst possible risks, since they could not obtain adequate credit from any other public or private agency. Yet they are paying the money back at 5-percent interest, often far in advance of the date due. Although much of the money advanced will not fall due for 4 or 5 years, approximately $50,000,000 already has been repaid. It is conservatively estimated that at least 80 percent of all funds loaned under the farm security rehabilitation program eventually will be returned to the Federal Treasury.

Most remarkable still is the sharp rise which this program has produced in the assets and living standards of the families it has served. A recent survey of 230,000 rehabilitation clients disclosed that their average net worth—over and above all debts—had increased $252 between the time they first sought aid and the end of the 1937 crop year. This represents a growth in net assets of 42 percent, adding $58,000,000 to the wealth of their communities.

These families are enjoying a better living than they have ever before known. They have nearly doubled their production of meat, milk, and eggs for home use, and during the 1937 crop year they stored away 63,000,000 quarts of fruits and vegetables—an average of 53 quarts per person. Their ownership of work animals has increased approximately 100 percent, while their acreage in livestock feed and forage crops has risen 50 percent. One of the most gratifying facts of all is that the mounting prosperity and stability of these families has made possible for nearly 160,000 children to increase their school attendance.

In certain areas, the achievements of the Farm Security Administration borrowers have been even more striking. More than 11,000 Alabama families appealed to the Government for help only when their net assets had dwindled to an average of about $3 per family—and that $3 included the value of all the clothes on their backs and the food in their kitchens. Today, their average net worth has risen to $362 per family, an increase of more than a hundredfold. They are learning to "live at home," raising enough pigs and chickens and garden truck to feed the entire family the year round; the average annual value of their goods produced for home consumption has increased $187 per family.

One reason for the success of the rehabilitation program is that every effort has been made to help debt-ridden farmers place themselves on a sound financial footing. Local farm debt adjustment committees have assisted debtors and creditors to negotiate voluntary readjustments of obligations in more than 70,800 individual cases. Their mediation has resulted in scaling down the total indebtedness involved from $240,000,000 to $177,500,000—a net reduction of about $63,000,000. In this way, overburdened debtors have been able to bring their obligations within their ability to pay, while creditors have enjoyed substantial recoveries from what often seemed to be hopelessly frozen assets. Furthermore, local governmental agencies have collected approximately $4,000,000 in back taxes as a direct result of this activity.

Although rehabilitation borrowers have received the greatest benefit from the farm debt-adjustment service, it is available without charge to every farmer. As of March 31, 1938, more than 18,000 cases were pending in the hands of adjustment committees.

Finally, the Farm Security Administration is endeavoring to halt the growth of farm tenancy, which has been increasing with alarming speed for many decades. Under the Bankhead-Jones Farm Tenant Act it is authorized to loan $10,000,000 during the current fiscal year to enable competent tenants, sharecroppers, and farm laborers to buy the land they till. A moderate expansion of this program has been authorized for the succeeding years.

The funds available for the current fiscal year will finance the purchase of approximately 2,100 family-sized farms in about 325 counties. The loans are repayable over a period of 40 years at 3-percent interest.

SOIL EROSION

Then, there is this matter of erosion prevention. Six years ago the farm lands of this country were almost literally sliding into the sea. Millions of gullied and gashed acres could be found all the way from the Alabama Piedmont to the Pacific Northwest. Thousands of fields that once produced good crops were stripped of their fertile topsoil and overgrown with weeds.

But much worse than the physical condition of the land in 1932 was the appalling apathy on the part of most citizens, including even a great many farmers. Either people did not understand what was happening to our farm lands with every heavy rain; or, if they did understand, they dismissed it as an unavoidable process of nature.

In the past 5 years we have learned definitely that soil erosion is not an unavoidable process of nature. The Soil Erosion Service, established in 1933, and its successor organization, the Soil Conservation Service, which was set up in 1935, have given us tangible proof that we can farm our agricultural soils without having them wash and blow away.

The Soil Conservation Service is now operating more than 500 demonstration areas located in farming sections all over the United States. In these areas, the farmers are learning practical methods of soil and water conservation. They are building up run-down lands and taking effective steps to prevent erosion damage in the future. In the so-called Dust Bowl of the southern Great Plains, 90 percent of the land treated in accordance with these scientific methods is safely anchored against soil blowing this year.

But just as the public apathy of 6 years ago was more disheartening than the physical condition of the land, so today the public interest is even more encouraging than the physical accomplishments. These days you see soil-conservation exhibits at county fairs, special soil-conservation editions of newspapers, and even soil-conservation courses in some of the schools and colleges.

Under the Soil Conservation Service program, thousands of C. C. C. boys are playing an essential role in the job of conserving soil resources. They are working right out in the fields, laying terrace lines, building dams, planting trees and grass. In their study hours they receive instruction in the whole program from soil-conservation experts. Hundreds of these boys have returned to farm homes to become active in the soil-conservation work of their communities; some have even joined the staff of the Soil Conservation Service.

With a generation like this growing to manhood, I am confident that the day of wholesale land exploitation in this country is definitely a thing of the past. Just because of the valuable work accomplished by the Soil Conservation Service and cooperating agencies, I think we can all afford to be optimistic about such matters as soil conservation and careful land use in the future.

EFFECTIVE COOPERATION

The Agricultural Adjustment Administration has enabled farmers to work together to help themselves in two ways: In improving their incomes and in protecting the fertility of the soil. It has helped them achieve a unity of purpose and method in meeting their problems. It has enabled them to protect themselves against the danger of loss due to crop failure.

In 1932 total cash farm income stood at about $4,300,000,000. That low point meant disaster to farmers in almost every section of the Nation. But after the A. A. A. got into operation, farm income mounted steadily until, in 1936, it

stood at $7,900,000,000. Of the total 1936 cash farm income, some $287,000,000 was paid by the A. A. A. to farmers who cooperated in the national soil-conservation program.

But by 1937 cash farm income had moved even higher, to about $8,500,000,000. In 1937 the farmers' share of the national income was more than 10 percent, while in 1932 it had been only 5 percent. Southern farmers received over $2,175,000,000 of the national total in 1937.

The Agricultural Adjustment Administration program—through its effect on production—was a significant factor in the steady climb of farm income from the low point of 1932. There were also other factors which helped to improve prices. The devaluation of the dollar was one.

Though 1937 brought with it better balanced income for American farmers, it also again brought unbalanced production. Many crops—due to exceedingly high yields per acre—hit new high levels, and farmers found themselves burdened with surpluses which immediately threatened prices. The general price decline which followed meant a drop in farm income. Further, it meant that farm prices would slip increasingly out of balance with industrial prices. In the last year farm prices dropped 25 percent, while nonfarm prices dropped only 4 percent. The A. A. A. acts to some extent as a shock absorber during such a period of reduced farm income due to declining prices, a shock absorber because farmers continue to receive soil-conservation payments.

In addition, the Agricultural Adjustment Administration has made other attacks on the problem of increasing farm income. These other attacks have been from several angles—one through the purchase of certain surplus farm commodities which glut markets and threaten to destroy reasonable price levels; one through the issuance of marketing agreements and orders; and another through commodity loans.

By means of the Federal Surplus Commodities Corporation, under the direction of the A. A. A., purchases of surplus foodstuffs have been made from time to time in large enough quantities to stabilize price levels threatened with collapse. Since only a portion of each surplus is bought, prices to consumers are not increased, and sharp drops in returns to farmers are avoided. In this way producers' incomes receive a certain amount of protection and waste is prevented.

The surplus commodities so obtained are distributed among State relief agencies for distribution to needy persons. Potatoes, apples, butter, eggs, milk, peas, beans, citrus fruit, onions, sweetpotatoes, canned tomatoes, and rice are among the long list of purchases by the Surplus Commodities Corporation. In the 3 years preceding March 1, 1938, the Corporation spent over $55,000,000 on surplus commodities, and during the next year or so will buy up about $28,000,000 worth more. In the 10 months following July 1, 1937, about $4,000,000 has been expended for surplus commodities in the South.

Foodstuffs have been bought at an average rate of two and one-half million pounds per day and altogether have totaled over 3,000,000,000 pounds. During 1937 some surplus foodstuffs—that might otherwise have rotted—went to a monthly average of 1,750,000 families, or about 6,000,000 people, throughout the United States. Thanks to the Federal Surplus Commodities Corporation activities, producers were better off, consumers were not injured, and many needy people were benefited.

Marketing agreements have also acted as a protection to producer income. A good deal of order has been introduced into some markets usually more or less chaotic. Such agreements have made for better quality products to consumers, and producers have been able to market their commodities during strategic periods of fair prices. Altogether some 35 marketing agreements, orders, and licenses are now in effect, and serve as models for future progress along such lines.

Since 1933 commodity loans amounting to $715,000,000 have been made to farmers in an effort to stabilize markets generally and to support prices. Such loans have been made to cotton, corn, and wheat farmers. Cotton farmers, in particular, have received loans totaling $500,000,000. A large percentage of these loans has, of course, been liquidated.

In addition to these operations directed toward improved national farm income, the Agricultural Adjustment Administration has carried out a widespread program for the improvement of the soil. This has been done in an effort to encourage production in line with the long-time conservation needs of the soil and to offset some of the devastation which has already taken place.

About 4,000,000 farmers in all parts of the Nation, members of about 2,700 county conservation associations, took part in the 1936 agricultural conservation program. Under this program two types of payments were offered to farmers for positive performance in conserving and improving their farm land. Soil-conserving payments were made for shifting acreage from soil-depleting to soil-conserving crops during 1936. Soil-building payments were made for 1936 seedings of soil-building crops and for approved soil-building practices.

Sixty-six percent, or about 286,100,000 acres, of the total cropland in the United States was included under applications for payments under the 1936 program.

About 31,400,000 acres were diverted from soil-depleting crops either as a direct result of the program or because drought had destroyed established acreages of soil-depleting crops. Of this diverted acreage, about 68 percent was diverted from general crops, 30 percent from cotton, 1.2 percent from tobacco, and 0.4 percent from peanuts.

Soil-building practices were carried out on about 53,000,000 acres. Legumes and legume mixtures, permanent pasture, green-manure, and cover crops were newly seeded on about 43,900,000 acres. Fertilizer and lime applications were made to about 3,200,000 acres. Terracing, contour furrowing, protected summer fallow, and other mechanical erosion controls and miscellaneous soil-building practices were put into effect on 5,600,000 acres.

In the South, more than 2,000,000 farmers took part in the 1936 soil-conservation program, representing about 1,200 county conservation associations. More than 92,000,000 southern acres were included under applications for payments, or about 70 percent of the total cropland in the South. More than 12,500,000 southern acres were diverted from soil-depleting crops, and some 73 percent of this diverted acreage was from cotton. Of the balance, about 23 percent of the diverted acreage was from general crops, 2.8 percent from tobacco, and 1 percent from peanuts. Also, soil-building practices—such as seeding legumes, fertilizing, terracing, contour furrowing, and the like—were carried out on over 21,300,000 southern acres.

If the number taking part shows the satisfaction with which farmers generally have greeted the A. A. A. programs, the extent of southern farmer unity is clearly demonstrated by the recent cotton and tobacco marketing-quota referendums. For the first time in American history, farmers as a group have been given a method by which they can make their desires and opinions known. The cotton, tobacco, wheat, and corn-hog referendums of 1934 and 1935 were a clear, democratic expression of farmer opinion. The 1938 cotton and tobacco referendums are also a clear, democratic expression of farmer opinion. In the 1938 tobacco referendum, of over 480,000 votes cast, almost 85 percent favored the A. A. A. program. Out of the 1,527,000 cotton farmers who voted, more than 92 percent favored the A. A. A. program.

These farmers spoke their minds exactly as they saw fit. They declared in favor of a national farm program directed toward the goal of a better farm living. Through their unity of purpose they expressed themselves on the need to increase farm income and the need to protect the soil—the concrete objectives of the Agricultural Adjustment Administration.

COTTON COOPERATIVE ASSOCIATIONS

Mr. McKELLAR. Mr. President, on May 17, 1938, my good friend, the Senator from South Carolina [Mr. SMITH], introduced a bill (S. 4031), which is a bill to reimburse the producer members of the cotton cooperative associations for losses occasioned by the Federal Farm Board's stabilization operations.

This bill, if passed, would cost the American people $25,000,000, and, in my judgment, there is not the slightest merit in the proposal, because the predecessor of the American Cotton Cooperative Association, then presided over by Mr. C. O. Moser, secured the very Farm Board order on which this claim is founded.

Mr. C. O. Moser was president-general manager of the American Cotton Growers' Exchange, an affiliate of the Short Staple Cotton Cooperative Association, and so far as I know has no connection with the present cooperative association, except that this association or exchange was superseded by the American Cotton Cooperative Association. Mr. Moser occupied with that organization substantially the same position that Mr. Creekmore occupies with the American Cotton Cooperative Association.

On October 11, 1929, Mr. Moser, president-general manager, wrote to the Honorable Carl Williams, of the Federal Farm Board, Washington, D. C., a letter which is to be found on pages 399–402, volume 1, of the hearings had in Memphis in October 1935, concerning the American Cotton Cooperative Association. In this letter Mr. Moser said, in part:

It occurs to me that here is an opportunity to really perform a service which would greatly stimulate cooperative cotton marketing, would avoid possible losses of millions of dollars to the cotton producers of the South, and would accomplish the real purposes for which the cotton cooperatives and the Farm Board were established. Here is a case of doing something in a big way without undue hazard to the funds of the Farm Board and at the same time stepping into the breach and performing a service for the farmers which is beyond their ability to perform individually or as an organized group, and is a service which is beyond the willingness of commercial banks to undertake. At the same time this would not be a precedent in any sense of the word for future considerations, it would simply be dealing with the problem of the industry on its merits at a time when it was feasible for the Farm Board to give real impetus and support to cooperative cotton marketing and genuine assistance to the cotton growers in general.

I believe such a plan would add at least 250,000 bales to our deliveries this season if put into effect by October 15.

Please let me know what you think of this idea.

In the hearings at Memphis Mr. Creekmore was questioned as follows:

Q. Was Mr. Moser president and general manager of the predecessor of the American Cotton Association?

A. I assume he was.

Q. You didn't belong to that?

A. I belonged to the Georgia Cotton Growers Association, and was a member of the American Cotton Growers Association (p. 402).

Again—

Q. Have you seen a copy of what is known as the Frazier bill?

A. No, sir.

Q. Of course, I assume that yo uknow something of the bill in a general way?

A. Yes, sir.

Q. The purpose of which is to open up the former settlement made by the Farm Board and the cooperatives, so that the Farm Board might be charged with the loss brought about by the 16-cent loan?

A. I knew there was such a bill; yes, sir (p. 403).

Within exactly 10 days after Mr. Moser wrote the letter to Mr. Williams, of the Farm Board, the Farm Board issued the order just as requested by Mr. Moser (p. 402).

So that it is perfectly clear that the order of the Farm Board, because of which Mr. Creekmore is seeking to obtain $25,000,000 for his crowd of racketeers, masquerading as cooperatives, but really only Government-aided cotton dealers, is exactly the same order that was issued by the Farm Board at the earnest request of Mr. C. O. Moser, who was in reality and in truth the predecessor of the American Cotton Cooperative Association.

WHY S. 4031 SHOULD NOT BECOME A LAW

Senate bill 4031, a bill providing for the appropriation of $25,000,000 in order to make adjusted settlements with the cotton cooperative associations and the individual members thereof for their participation in the 16-cent loan operation of 1929–30 and the 90-percent loan operation of 1930–31, should not be enacted into law for the following reasons:

First. The 16-cent loan program was recommended to the Federal Farm Board by the cotton cooperatives who urged its adoption for the purpose of increasing their membership and stimulating the volume of cotton delivered by their members. It is admitted that the boards of directors of the cooperatives ratified the 16-cent loan as the joint program of the cooperatives and the Federal Farm Board.

Second. Eight of the twelve cotton cooperatives which participated in the 16-cent loan were insolvent at the time the program was initiated, and two others went into liquidation subsequently. The 16-cent loans, as well as other Government loans, enabled the cotton cooperatives to clear up obligations, which had accumulated during previous years, on liberal terms.

Third. The final settlement, whereby the Government took over the 16-cent loan cotton from the cooperatives, was on the basis of the loan value plus an allowance for carrying charges and overhead expense. That this settlement was fair and equitable is evidenced by the fact the cotton member of the Federal Farm Board, Carl Williams, was unwilling to have the settlement reopened in 1932. Each and every cooperative association which participated in the 16-cent loan ratified and approved the final settlement made with the Cotton Stabilization Corporation, by action of its board of directors, and released the Government from any and all claims arising from any sources whatsoever. Creekmore testified in 1931 that the Farm Board had lived up to its obligations to the cotton cooperatives with regard to the 16-cent loan cotton.

Fourth. Creekmore made the positive statement in 1936 that the cotton cooperatives had no claim against the Government as a result of the 90-percent loan operation of 1930–31.

Fifth. The loss to the taxpayers of the United States as a result of the stabilization operations recommended and adopted as the joint program of the cotton cooperatives and the Farm Board has been:

16-cent loan of 1929–30	$79,286,384.16
90-percent loan of 1930–31	27,376,998.06
Total	106,663,382.22

Sixth. The passage of S. 4031 will place an added burden of $25,000,000 on the taxpayers of America for the benefit of a few privileged farmers, who are being exploited by high-salaried officials whose advice has already cost the United States Treasury over $100,000,000. No provision is made in the proposed bill to take care of the heavy losses sustained by hundreds of thousands of other cotton farmers who acted on the advice of the Farm Board and withheld their cotton from the market during the 1929–30 and 1930–31 seasons.

THE COTTON COOPERATIVES RECOMMENDED THE 16-CENT LOAN

The cotton cooperatives not only knew about the Farm Board's intention to announce the 16-cent loan, but C. O. Moser, president and general manager of the American Cotton Growers Exchange, an affiliation of the short-staple cotton cooperative associations, in a letter to the Honorable Carl Williams, cotton member of the Farm Board, urged on October 11, 1929, that the Federal Farm Board adopt the following policy:

Federal Expenditures for Cotton Cooperatives (vol. 1, p. 401):

"It is, therefore, at a time like this that it is possible for us to advance nearer the market price than it would be earlier in the season, when the size of the crop is less a calculable thing than it is now. I believe the cotton cooperatives, with the aid of the Farm Board, may with safety, and they should immediately, advance 16 cents a pound, or $80 a bale, on unfixed cotton basis ⅞-inch Middling; and that wide publicity to such advance should be given as being the joint program of the cotton cooperatives and the Farm Board, and that the difference between 65 percent advanced at the time of delivery and the $80 a bale should be paid to the members as soon as weight and grade of the cotton is established * * *.

"I believe such a plan would add at least 250,000 bales to our deliveries this season if put into effect by October 15."

When the American Cotton Growers Exchange was superseded by the American Cotton Cooperative Association (A. C. C. A.), C. O. Moser was elected vice president and secretary of the latter organization. A large part of Mr. Moser's time was spent in Washington, where he looked after legislation affecting the cotton cooperatives.

Federal Expenditures for Cotton Cooperatives (vol. 1, p. 34):

On October 21, 1929—exactly 10 days after the Moser recommendation—the Federal Farm Board announced to the press:

"The Federal Farm Board believes that the prevailing prices for cotton are too low * * *. The Board will make supplemental loans to the cooperatives in amounts sufficient to make the average loan 16 cents per pound."

In the McKellar hearing at Memphis (Federal Expenditures for Cotton Cooperatives), Creekmore said: "Simultaneously with the press release, the Board wired its announced policy to the cooperatives. The cooperatives were not consulted."

Present status of the cooperative marketing of cotton, by J. S. Hathcock, February 4, 1931, Atlanta, Ga.:

In an address made on February 4, 1931, to the agricultural economics section, Southern Agricultural Workers, in Atlanta, Ga., J. S. Hathcock, general manager of the South Carolina Cotton Growers Cooperative Association, and a director of A. C. C. A., said:

"The 16-cent loan policy of the Federal Farm Board increased the membership in and volume of cotton handled by the cooperatives * * *."

Decline of the Price of Cotton (pt. 1, p. 808):

When testifying on March 31, 1936, at the Senate Agricultural Committee hearing, authorized to investigate the causes of the decline of cotton prices, Creekmore admitted that the cotton cooperatives, by action of their several boards of directors, accepted the 16-cent loan. Nothing was said about the cooperatives being forced to act as agents of the Farm Board.

Agricultural Conference and Farm Board Inquiry (p. 312):

On November 27, 1931, Creekmore testified at the agricultural conference and Farm Board inquiry:

"Policies are discussed with the (Farm) Board, but to date the Board has not dictated (policies) and will not so long as I remain manager of A. C. C. A."

Page 75:

Carl Williams, cotton member of the Farm Board, at the hearing cited above, said:

"Cotton stabilization has been handled more or less jointly by the cotton cooperatives themselves and the Cotton Stabilization Corporation."

THE COTTON COOPERATIVES WERE INSOLVENT ON OCTOBER 21, 1929

Federal Expenditures for Cotton Cooperatives (vol. 1, p. 122): Creekmore stated, when testifying on October 29, 1935, at the McKellar hearing at Memphis: "On October 21, 1929, * * * I think they (the cotton cooperatives) were worth two and a half million dollars"; and,

When testifying on March 31, 1936, at the Smith hearing to investigate the causes of the decline of cotton prices: "I figure the cooperatives were worth approximately $5,000,000 as of October 21, 1929 * * *."

Decline of the Price of Cotton (pt. 1, p. 766): In a memorandum entitled "Cotton Stabilization Corporation Resettlement Data," Messrs. Wells and Lawrence reported to Carl Williams, member of the Farm Board, the 1929 financial status of the cotton cooperatives as follows:

Federal Expenditures for Cotton Cooperatives (vol. 2, p. 1148, exhibit 26):

Insolvent associations	Date	Amount of liabilities associations unable to pay
Arizona	July 31, 1929	$214,474.12
Arkansas	Aug. 31, 1929	48,710.68
Georgia	Sept. 30, 1929	196,088.48
Louisiana	Dec. 31, 1929	171,651.21
Mississippi	July 31, 1929	242,807.93
Oklahoma	Dec. 31, 1929	649,284.72
Tennessee	Sept. 5, 1929	232,764.71
Texas	June 30, 1929	423,466.13
Total		2,179,227.98

Solvent associations	Date	Amount reserves in liquid position
Alabama	July 31, 1929	$63,319.17
North Carolina	do	87,418.01
South Carolina	do	25,095.37
Southwestern	June 30, 1929	78,401.22
Total		254,233.77

Government loans to cooperative associations began after the organization of the Federal Farm Board in 1929.

Delivered at Atlanta, Ga., February 4, 1931: Mr. Hathcock, general manager of the South Carolina Cooperative Association and a director of A. C. C. A., in his address, "Present Status of Cooperative Marketing of Cotton," made this statement concerning the advantages of Government loans to cooperative associations:

"A complete settlement of all old business which had accumulated over a period of 2 or 3 years was effected on liberal terms."

Comptroller General's report, page 104: The Comptroller General of the United States had this to say about the financial status of the cotton cooperatives:

"* * * the associations' deficits may be in a measure attributable to extravagances and to losses due to speculation by officials and employees as referred to under the Alabama Farm Bureau Cotton Association and the Texas Farm Bureau Association."

THE COTTON COOPERATIVES RATIFIED AND APPROVED THE 16-CENT LOAN SETTLEMENT

No complaint concerning the final settlement between the cotton cooperatives and the Cotton Stabilization Corporation for the 16-cent loan cotton was made until several years after the said settlement was made.

Agricultural Conference and Farm Board Inquiry (p. 317): During the course of his testimony at the agricultural conference and Farm Board inquiry in November 1931, Creekmore was asked by Senator NORRIS whether the 16-cent loan operation of 1929–30 had been settled. Creekmore replied: "It has been settled." He further stated he had played a rather important part in the settlement. He said nothing at that time concerning the settlement penalizing the cooperatives or the individual members thereof.

On page 325 of the hearing cited above, Creekmore remarked that the Federal Farm Board, when it made announcement of the 16-cent loan, "had an obligation to the cooperative associations which it had to live up to and which it did practically live up to eventually." Again, there is no complaint that the final settlement penalized the cooperative associations or deprived the individual members of their equities in the cotton.

Federal Expenditures for Cotton Cooperatives (vol. 1, p. 576): Carl Williams was the cotton member of the Federal Farm Board; and, as such, he must have gone thoroughly into the details of the final settlement between the Cotton Stabilization Corporation and the cotton cooperatives for the 16-cent loan cotton. His attitude concerning this settlement is reflected in the following excerpt from a letter addressed by Creekmore to the legislative committee and the directors of the A. C. C. A., under date of November 16, 1932: "Because of my discussion with Mr. Williams on Monday, I am inclined to believe he will not be receptive to reopening the 1929–30 operation."

The following excerpt from the minutes of the Third Annual Meeting of the Members of the Cotton Stabilization Corporation in New Orleans, La., on August 10, 1932, deals with the final settlement on the 16-cent loan cotton:

"On motion of Mr. Henry, seconded by Mr. Hathcock, unanimously carried, the following resolution confirming purchase by the corporation of 1,241,507 bales of cotton from the State Cotton Cooperative Associations and borrowing of money from the Federal Farm Board for such purchase was adopted:

" 'Whereas the Federal Farm Board has concluded settlement agreement for account of the Cotton Stabilization Corporation with the following member associations on the dates indicated:

" 'Federal Expenditures for Cotton Cooperatives (vol. 2, pp. 1063–1064):

" 'DATE OF FINAL SETTLEMENT RESOLUTION OF FEDERAL FARM BOARD

" 'Alabama Farm Bureau Cotton Association, December 15, 1930.

" 'Arkansas Cotton Growers Cotton Association, December 23, 1930.

" 'California Cotton Growers Association, October 23, 1930.

" 'Georgia Cotton Growers Cooperative Association, October 28, 1930.

" 'Louisiana Farm Bureau Cotton Growers Cooperative Association, October 28, 1930.

" 'Mississippi Cooperative Cotton Association, August 22, 1930.

" 'North Carolina Cotton Growers Cooperative Association, October 24, 1930.

" 'Oklahoma Cotton Growers Association, October 28, 1930.

" 'South Carolina Cotton Growers Cooperative Association, October 28, 1930.

" 'Southwestern Irrigated Cotton Growers Association, September 8, 1930.

" 'Tennessee Cotton Growers Association, December 23, 1930.

" 'Texas Cotton Cooperative Association, December 15, 1930.

" 'And whereas each of the member association have submitted copies of the resolution adopted by their respective boards of directors ratifying and approving the settlements made with this corporation through the Federal Farm Board, and releasing the United States of America, the Federal Farm Board, and the revolving fund provided in the Agricultural Marketing Act from any and all claims arising from any sources whatsoever; and

" 'Whereas the corporation applied for and was granted a commitment by the Federal Farm Board of $43,164,279 in order to effect the settlement with the member association: Be it

" '*Resolved*, That the board of directors hereby approve and ratify the settlements made by the Federal Farm Board for the account of the corporation and approve the action of the officers in borrowing from the Federal Farm Board the funds necessary to effect such settlement.' "

During the 1929–30 season, the cooperatives sold the actual cotton delivered to them under the 16-cent loan and bought futures, thereby cutting down carrying charges and obtaining full premiums for grade and staple, while the market was sustained by the loan.

Federal Expenditures for Cotton Cooperatives (vol. 1, p. 36): Creekmore estimated the Federal Treasury sustained a loss of

$79,286,384.16 as a result of the 16-cent loan operation. He further stated that in May 1930 an agreement was entered into between a representative of the cooperatives and the Federal Farm Board whereby the Government, through a stabilization corporation, would take over from the cooperatives all the cotton accumulated under the 16-cent loan on the basis of the loan value of all cotton on hand, plus carrying charges, plus $1 per bale overhead on deliveries which the cooperatives had received during the 1929 season. This settlement, according to Creekmore, was disapproved by the Attorney General of the United States.

Federal Expenditures for Cotton Cooperatives (vol. 1, p. 34): Creekmore further stated that a compromise settlement was effected finally whereby the cotton was taken over by the stabilization corporation on the basis of loan value with an allowance of not to exceed $2.50 per bale for carrying charges, payable only to the extent necessary to meet obligations of the cooperatives after borrowing $1.50 per bale, based on the prior season's deliveries.

First Annual Report of the Federal Farm Board (p. 39): Agricultural Conference and Farm Board Inquiry, page 327: As a matter of fact, the cooperatives had made sales to mills and spinners from the actual bales delivered to them under the 16-cent loan program; and they had replaced this cotton by buying an even number of bales of futures. Creekmore stated in November 1931: "When I became associated with the (cooperative) movement in April (1930), I think the cooperatives had some 700,000 bales of future cotton which, as I understand, had been purchased to replace sales of spot cotton."

First Annual Report of the Federal Farm Board (p. 39): On February 3, 1930, an arrangement was perfected by the A. C. C. A., the Farm Board, and the cooperatives whereby the A. C. C. A. took over the handling of the cotton and futures of the cooperatives. In the spring of 1930 the A. C. C. A., acting for the cooperatives, called for delivery on the May and July futures and over 700,000 bales of spots were delivered. This was a portion of the cotton which later went into the hands of the stabilization corporation.

Agricultural Conference and Farm Board Inquiry (p. 76): This policy of selling the actual cotton delivered by individual members and buying futures during the fall of 1929 and the early part of 1930 enabled the cooperative associations to obtain the full premiums for grade and staple of the cotton during the time that the 16-cent loan sustained the market. Carl Williams testified on November 24, 1931: "Those 16-cent loans held the price of cotton within 10 percent of its August level until the following February, during which period about 90 percent of the American cotton crop was handled and sold by farmers."

Federal Expenditures for Cotton Cooperatives (vol. 1, pp. 693, 694, 695, 696): In exhibit C to his statement filed at the McKellar hearing in Memphis, Creekmore gives details of the losses which he claims the cotton cooperatives sustained as a result of the 16-cent loan settlement. The aggregate loss, according to this exhibit, on the 1,230,819 bales delivered to the Cotton Stabilization Corporation, because the final compromise settlement did not provide for and average combined carrying charge and overhead expense of $4 per bale, was $3,638,372.24.

On page 101 of his report on the disbursements from the revolving fund of the Federal Farm Board, the Comptroller General of the United States shows that the deliveries which the cotton cooperatives made to the Cotton Stabilization Corporation for the 16-cent loan cotton consisted of 491,759 bales of spot cotton, 764,300 bales of futures.

There are no insurance, interest, and storage charges on futures. Four dollars per bale on 764,300 bales would amount to $3,057,200.

Federal Expenditures for Cotton Cooperatives (vol. 1, p. 122), Decline of the Price of Cotton (pt. 1, p. 807).

At the McKellar hearing, Creekmore testified the cooperatives had accumulated considerable cotton before the announcement of the 16-cent loan by the Farm Board—between 400,000 and 500,000 bales. He stated in 1936 the cooperatives received between 600,000 and 700,000 bales subsequent to the announcement of the 16-cent loan on October 21, 1929.

If the cotton cooperatives did not accumulate more than 600,000 to 700,000 bales as a result of the 16-cent loan policy, why do Creekmore and the cooperatives claim that the total deliveries of more than 1,300,000 bales to the cooperatives during the 1929–30 season are entitled to a rebate from the Public Treasury for losses sustained as a result of the Farm Board's stabilization policy in making the 16-cent loans?

THE COOPERATIVES HAVE NO CLAIM AGAINST THE GOVERNMENT FOR LOSSES RESULTING FROM THE 90-PERCENT LOAN OPERATION

Agricultural Conference and Farm Board Inquiry (p. 310): Before announcement of the 90-percent loan policy of 1930–31 by the Federal Farm Board, the plan was discussed for several weeks with the cooperative officials. The general manager of A. C. C. A. testified in November 1931: "With a full realization of the hazard of the operation, but with the hope it might be concluded during the 1930–31 season, arrangements were made with the Board to finance the operation for a period of 3 years if necessary." He further remarked, "* * * We have a most wonderful opportunity this year (1931–32), not alone in rendering great assistance to the South by stabilization, but at the same time of getting in shape for the stabilization corporation to work out without a loss." He also stated at the same time, "I gave it a great deal of consideration before we went into the 90-percent loan."

Decline of the Price of Cotton (pt. 1, p. 811): In 1936, Creekmore explained his ideas relative to the responsibility of the Farm Board to the cotton cooperatives as a result of the 90 percent loans as follows: "I do not believe Congress had any obligation to the cooperatives in the 1930–31 operation because we were consulted, and we went into it with a little fear, but with a desire to serve and work with the Farm Board."

Agricultural Conference and Farm Board Inquiry (p. 319): When asked by Senator NORRIS in November 1931 if the members of the cooperative associations were not technically and legally liable for all losses sustained by the Government as a result of the 90 percent loan operation, Creekmore admitted they were.

Federal Expenditures for Cotton Cooperatives (vol. 1, p. 37): The loss which the United States Treasury suffered as a result of the 90 percent loans amounted to $27,376,998.06.

I ask unanimous consent that the celebrated C. O. Moser letter of October 11, 1929, published in the Appropriations Committee hearings, pages 399 to 402, be ordered to be fully published in the RECORD, as a part of my remarks:

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

OCTOBER 11, 1929.

Hon. CARL WILLIAMS,
Federal Farm Board, Washington, D. C.

DEAR CARL: I have been thinking a great deal recently about the problems of the cotton cooperatives—that is the necessary changes in our operating methods in order to handle a larger percentage of our production, and the type of assistance needed from the Federal Farm Board in order to make a success of our combined efforts. I know that you will permit me to give you my inner thoughts along this line and that you will give them the careful consideration which their importance deserves, with the same interests and objectives in view as motivate me.

As a point of beginning we must realize two important facts, and deal with each of them on their merits.

First, that each of the State associations have in the past done what they considered the best they could under the circumstances of their operating conditions insofar as endeavoring to increase their deliveries is concerned; and that whatever is done in the future toward increasing deliveries must necessarily be through a plan which will be more attractive to the cotton growers than heretofore used by the cooperatives.

Second, private handlers of cotton have materially changed their operating methods since the advent of the cotton cooperatives and have materially improved their operating efficiency—resulting in the lowering of their operating costs and reducing their per bale margin of profit.

The effect of this change in the methods of handling cotton has put hundreds, perhaps thousands, of small and even large merchants out of business. The difference between the price paid the farmer for cotton of tenderable grade and staple within the range of the short staple lengths, and particularly those which predominate in the local markets, is so small that only those who practice the most economical and efficient methods of handling cotton are able to survive the competition. The cotton cooperatives are no exception to the rule—as a matter of fact, there is not sufficient opportunity for profit in the handling of ⅞-inch Middling white cotton by the cooperatives, as now conducted, particularly in the optional pools, to justify the hazard, the delay, and inconvenience of marketing the cotton cooperatively. Other benefits of a collateral or supplemental nature must be brought into the equation, or our whole undertaking cannot hope to retain the confidence and patronage of the farmers and their friends. Of course, I am fully cognizant of the effect which the existence and operations of the cooperatives have had on the price of cotton in the primary markets, but I am not certain that so intangible and unmeasurable a benefit can be substantiated to the satisfaction of the growers in general to where they will support cooperative marketing.

I think in the final analysis the movement will fail or prosper according to the price return experience of the members and nonmembers, respectively, and that the intangible benefits derived by the nonmembers will not contain a sufficient adhesiveness to hold our less prosperous member.

There is nothing new in the analysis which I have made thus far in this letter. My purpose was to lay a background of common understanding, from which we could project our views into a less generally accepted field of thought.

Bluntly stated, the time is immediately ahead of us when we must bring to the cotton farmers of the country a benefit from cooperative marketing which they have in the past not received to the measure of their satisfaction necessary to the permanency and growth of our undertaking.

The American cotton trade has been developed over a period of more than a hundred years. Around it have grown services and trade practices, based upon profitable returns to themselves for services rendered, which include banking, insurance, physical facilities, transportation, merchandising, etc. In this respect they differ from the fundamental idea behind the organization of the cotton cooperatives and the Farm Board, which are not organized for profit.

As a matter of fact, however, competition has brought about a fairly economical conduct of these merchandising operations, and there is no one single place that they may be pointed out as offering an opportunity for a material reduction in the cost of handling cotton from the producer to the consumer. Through careful management, and only by this means, is it possible to save even a reasonable amount in the total cost of performing the marketing service cooperatively for the growers. Yet our experience clearly demonstrates, without exception or deviation, that the membership and deliveries increase or decrease in relation to the financial returns which are made to the members as compared with the price obtained by the nonmembers. We have a definite, determinable measuring stick which is regarded by the farmer as the criterion of their satisfaction in the cooperative marketing of their cotton. This measuring stick is simply that of price return.

I do not believe the farmer is much concerned as to whether the organization is economically or extravagantly conducted, whether salaries are high or low, or whether the sales organization is good or bad. They have no way of knowing the merit or demerit of our claim for efficiency or inefficiency, but they do know without question when their price returns are satisfactory or unsatisfactory. How to bring about this satisfaction is the responsibility of the leaders. On the way the problem is handled eventually will depend the success or failure of both the cooperatives and our legislative remedy.

We know there are only three ways by which price advantage can be brought to the members: First, by selling to the ultimate consumers in the world's best markets. Occasionally, of course, we are able to fill the short commitments of merchants, which net us prices equal to or superior to the consumer's prices. Generally speaking, however, sales outlets must be extended to the ultimate consumers; second, by exercising the best possible judgment in the fixation of prices throughout the year, which means we must have reliable statistical information concerning the essentials of our industry; and, third, by the economical operation of the association and subsidiary activities to where any possible advantage in price obtained is not absorbed by excessive operating costs.

Therefore, whether the member complains about operating costs or not, the cost of operation is inseparably and fundamentally an essential part of the successful operation of an association such as ours; and these costs must be kept within the limit of benefit of a direct money return to the member.

Stated graphically, any State cooperative whose overhead operating cost, exclusive of carrying charges, is in excess of $2 per bale, simply makes it impossible for the association to render a marketing service to its membership that will induce increased deliveries and an enlarged membership. In a similar way, carrying charges must be favorably comparable to that of private cotton concerns. It must be our aim, and we should work definitely toward the end of keeping our operating overhead expenses under $2 per bale. How may this be obtained?

Manifestly, it is no more important to keep operating expenses within reasonable limits than it is to obtain the full value for the cotton, so it must follow that operating expenses must be kept low, but not at the expense of efficient service, and that type of service can only be obtained through competent employees—that is, careful supervision over every detail of the business. There is no way that I am able to observe by which these two horns of the dilemma may be harmonized, except through increased volume. Increased volume comes only from a satisfied and loyal membership.

I believe that a loyal membership must be a well-informed membership, and there must be a most complete confidence in the ability, integrity, and character of the management of the association. Contact is essential between the management and the membership, but this is not enough. The financial needs of the membership must be taken into account and the policies of the business must be such as to result in financial advantages to the members in the end.

I am one of those who believes that service of a continuing nature may only be performed when the business is kept safe and sound from a financial and business standpoint. At the same time, normal business risks must be assumed, and the exercise of judgment in the choosing of those risks is the ultimate criterion of the success or failure of any business. The short-staple cotton cooperatives have a difficult and much-involved problem at best. It will not yield successful results if our business is conducted purely on the principle of ultraconservatism, where every transaction is accompanied with safeguards which permit of no possibility of loss. On the other hand, the opposite policy of open speculation is similarly to be condemned. However, there must be a medium ground where judgment, discretion, and experience must determine operating policies. The merit of every case under consideration must be the determining factor.

If the Farm Board, as a loan agency, is to perform a service superior to that which is now being offered by commercial banks, it must help us analyze these problems and assume jointly with us the responsibility of exercising reasonable prudence in handling our business. Such is the happy relationship which I am anxious to see established between us.

Increased delivery of cotton to the cooperatives is the key to reduced per-unit operating expense; and advances to the members at the time of delivery is the most important single influence in deliveries, other things being equal.

As you know, I am opposed to advancing too large a percentage of the value of cotton at the beginning of the year, under ordinary conditions. The spectre of insolvency haunts me constantly, and I fear it as the child does the bogeyman, and nothing which I have to say on this subject should be construed to mean that I am willing to make advances to members in excess of the reasonable intrinsic value of the collateral. There are times, however, when the danger of market declines is practically nil, and the opportunity for courageously dealing with our delivery problem presents itself. Such a time, in my opinion, is now at hand. The size of the crop is fairly definitely known; the condition of business and the approximate demand or absorbing power of the world is fairly well established. Market analysts are capable of predicting with a fair degree of accuracy the extreme limitations to which the price may go under the reasonable expectation of future conditions. It is, therefore, at a time like this that it is possible for us to advance nearer the market price than it would be earlier in the season, when the size of the crop is less a calculable thing than it is now. I believe the cotton cooperatives, with the aid of the Farm Board, may with safety, and they should immediately, advance 16 cents a point, or $80 a bale, on unfixed cotton, basis ⅞-inch Middling; and that wide publicity to such advance should be given as being the joint program of the cotton cooperatives and the Farm Board, and that the difference between 65 percent advanced at the time of delivery and the $80 a bale should be paid to the members as soon as weight and grade of the cotton is established.

I think this advance should be limited to cotton in the seasonal pool, with an understanding between the Farm Board and the cotton cooperatives as to the final date at which this cotton would be sold and the price fixed.

Take another view of the situation. The hope of cooperative cotton marketing as a permanent institution is through the seasonal pool. The optional pool offers us the least opportunity to serve the members. However, I do not believe we should discontinue the optional pool, but we should discourage it as compared with the seasonal pool. Gradually, more and more, cotton should be placed in the pools which return the best results to the members. Many farmers, at least in the beginning of the season, are compelled to sell their cotton and pay their obligations; others are unwilling at this time to leave to someone else the responsibility of selecting the time to fix their prices; but, as a matter of fact, we know that on the average the information and knowledge which we have on this subject should be superior to that of the average grower. This knowledge can only be used in the case of the seasonal pool. Furthermore, our policy of encouraging optional pool sales and the advancing of 90 percent of the value of the cotton at the time of fixation is defeating one of the principal objects for which the associations were formed. It is now generally recognized in the cotton trade, with a tremendous advantage to the growers in general, that the pressure of hedge selling is depressing the prices to unreasonably low levels. Our optional pool policy is as much responsible for this hedge pressure as that of the speculative system of marketing. We could relieve the pressure, at least, to the extent of our receipts, if we would at this time advance 16 cents a pound on unfixed cotton and leave to the cooperatives the time of fixing the price. Naturally, this would be done in line with our studies of the subject.

The study of the statistical position of both American and world supply indicates that we will have a slightly reduced American supply and approximately an equal world supply for the ensuing year. Our statisticians advise me that the peak of the hedging pressure has either passed or is near, and, while we may have some decline in the price from the present levels of approximately 18.50 cents for New York December, there is no practical probability of the price going lower than last year's low of the season, if, indeed, this year's price may go that low. The low last season was reached on September 19 and was 17.28 cents for New York December. The immediate removal of hedging pressure would likewise stop the decline. So our own operations would very materially assist in overcoming the effect of the price decline, from which cotton growers and our people in general are suffering. Even at 17.50 cents, this would be 150 points higher than the advance above suggested and leaves a margin of safety more than adequate for all practical considerations.

It occurs to me that here is an opportunity to really perform a service which would greatly stimulate cooperative cotton marketing—would avoid possible losses of millions of dollars to the cotton producers of the South—and would accomplish the real purposes for which the cotton cooperatives and the Farm Board were established. Here is a case of doing something in a big way, without undue hazard to the funds of the Farm Board, and at the same time stepping into the breach and performing a service for the farmers which is beyond their ability to perform individually or as an organized group, and is a service which is beyond the willingness of commercial banks to undertake. At the same time this would not be a precedent in any sense of the word for future consideration—it would simply be dealing with the problem of the industry on its merits at a time when it was feasible for the Farm Board to give real impetus and support to cooperative cotton marketing and genuine assistance to the cotton growers in general.

I believe such a plan would add at least 250,000 bales to our deliveries this season if put into effect by October 15.

Please let me know what you think of this idea.

Very sincerely yours,

C. O. MOSER,
President-General Manager.

NATIONAL FLOOD PREVENTION WEEK

Mr. TRUMAN obtained the floor.

Mrs. CARAWAY. Mr. President, will the Senator yield?

Mr. TRUMAN. I yield.

Mrs. CARAWAY. Mr. President, Senate Joint Resolution 309, Order of Business No. 2310, is now on the calendar. An identical joint resolution has passed the House. I ask that the House joint resolution be laid before the Senate.

The PRESIDENT pro tempore laid before the Senate House Joint Resolution 707, requesting the President of the United States to proclaim the week of May 31, 1939, National Flood Prevention Week, which was read twice by its title.

Mrs. CARAWAY. Mr. President, I ask unanimous consent for the immediate consideration of the House joint resolution.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the joint resolution (H. J. Res. 707) requesting the President of the United States to proclaim the week of May 31, 1939, National Flood Prevention Week, was considered, ordered to a third reading, read the third time, and passed.

The PRESIDENT pro tempore. Without objection, Senate Joint Resolution 309 will be indefinitely postponed.

THE RAILROADS

Mr. TRUMAN. Mr. President, yesterday when the unemployment legislation for railroad employees was passed by the Senate I had intended to make a few remarks in regard to the general railroad situation. It was the opinion of us all that adjournment of the Congress would come last night, and I had no desire to prolong the session. Since the adjournment has been postponed for another day, however, these few remarks will not unnecessarily detain the Senate.

It has been my duty and my privilege to serve with the able and distinguished chairman of the Interstate Commerce Committee [Mr. WHEELER] on the subcommittee investigating railroad finance. I was also present at the White House on two occasions when the President discussed the railroad situation with members of the Senate and House Committees on Interstate Commerce, members of the Interstate Commerce Commission, the head of the Reconstruction Finance Corporation, the Chairman of the Securities and Exchange Commission, a representative of rail security holders, the Secretary of the Treasury, representatives of railroad management and railroad labor. Nearly everyone present had something to say about the railroad situation and several present and a large number not present had pet schemes to cure all rail ills. Certain recommendations were made to the President by the committee, some of which he passed on to the Congress in the form of a message on the subject.

This message, dated April 11, 1938, and headed "Immediate Relief for Railroads," contains the recommendations of the Committee of the Interstate Commerce Commission to the President of the United States, together with certain comments in the form of memoranda and letters from the Honorable Henry Morgenthau, Jr., Secretary of the Treasury; Hon. Jesse H. Jones, Chairman of the Reconstruction Finance Corporation; Hon. William O. Douglas, Chairman of the Securities and Exchange Commission; Hon. Ernest G. Draper, Assistant Secretary of Commerce; Mr. Henry Bruere, president of the Bowery Savings Bank, New York City; Mr. John J. Pelley, president, American Association of Railroads; and Mr. George M. Harrison, Grand Lodge, Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express, and Station Employees. The Chairman of the Interstate Commerce Commission and his two associates on the committee made certain concrete recommendations to the President for immediate relief of the railroads and certain recommendations for a long-time plan for transportation as a whole. The President made no recommendations to the Congress except to express the belief that "some immediate legislation is * * * necessary at this session, in order to prevent serious financial and operating difficulties between now and the convening of the next Congress." He also made it very plain that he is against Government ownership of railroads.

The principal recommendations for immediate relief made by the Committee for the Interstate Commerce Commission were:

First. Further and more liberal loans to railroads by the Reconstruction Finance Corporation.

Second. Elimination of land-grant rates to the Government.

Third. Reorganization of the procedure under the Bankruptcy Act to speed rail reorganizations.

The Senate Banking and Currency Committee immediately met and reported a bill for R. F. C. loans to railroads for certain purposes, substantially as recommended by the committee and the Chairman of the Reconstruction Finance Corporation to the President. The Interstate Commerce Committee of the Senate reported favorably a bill abolishing land-grant rates, as recommended by the committee to the President.

The railroad executives, following certain recommendations of the president of the American Association of Railroads, met and asked that a 15-percent reduction in wages of all rail employees be immediately made. This procedure caused a furore in the Senate and the recommitment of the loan bill to the Banking and Currency Committee. With their usual failure to understand, the rail management people tried to bludgeon labor at an inopportune moment.

The railroad ills are the result of a combination of circumstances. Their financing has been used as a means of making great fortunes greater, to the detriment of the roads and the public. In the days of the old buccaneers of Wall Street a great many of the best of the railroads were loaded with debt for purely promotion purposes and for the profit of individuals who cared nothing for transportation or labor or the country. Investigation after investigation has been made by both Houses of the Congress, and if the rails do not go out of business we will have still more of them. The one the Senate has been carrying on has resulted in nothing but headlines in the papers and no concrete result. Financial ills are only a part of the rail difficulty, although no matter how many other ills they have, none of them can be solved unless the financial one can be. The situation is like the gentleman who wanted to go to the seashore for a vacation—there were nine reasons why he could not go. The first was he did not have the money, and the other eight were not necessary to mention.

Railroads exist for one purpose only, to transport passengers and freight around the country. It is a sales proposition, and if they cannot sell transportation to the country and their competitors can, the railroads will go out of business just as the old river packets did.

There are great rail systems in this country now being operated by lawyers and engineers and accountants who could not sell gold dollars for 95 cents. Rail management can only see straight down the right-of-way as it was laid out in 1890, and all the help is in the same frame of mind. They still believe that they own a monopoly in transportation and that they can raise rates to any point and get away with it; browbeat labor into pay cuts, and still pour the cash into Wall Street. It cannot be done. What the rails need is some young blood with imagination.

Seventy-five percent of all the engines in use are over 17 years old and 45 percent of the cars are more than 20 years old. Only 5.6 percent of their engines are less than 10 years old and only 5 percent of the cars are less than 5 years old. How long would the auto industry last if 75 percent of the cars used were 17 to 20 years old? Where would the air industry be if they were still laboring with World War planes? Young men with ideas are going into other methods of transportation because ideas have not been wanted in the rail industry. Yet there is plenty of room for ideas there. I know an energetic young man who took over a busted railroad, ready for dismemberment, and by selling transportation and using ordinary horse-trading sense, he has renewed its equipment and almost completely rehabilitated it in the midst of the depression. Yet all the old-line railroaders see is "raise rates and cut pay." They had better follow Henry Ford and cut rates and raise pay.

The rail rate structure was created to fool the public and not to sell transportation. They have five sets of rates to serve this Nation, for what reason no one has been able to tell me. I have never yet found a man in the rate business who could tell me what it would cost to haul a ton of freight a mile or what it would cost to haul 100 cubic feet of space a mile. Rates are not figured on what it costs to haul freight, but on what the traffic will bear, after promotion financing, and the economists and the experts have so beclouded the issue that the smartest man in the world cannot tell what it is all about.

Rail management will say they are regulated to death, that they pay high taxes and other means of transportation are subsidized, that labor is the nether millstone, and Government regulation is the upper one, between which they are being ground to death. I will say that for every regulation there was an abuse to cure, which the railroads themselves could have cured but did not.

I believe that every kind of transportation should be treated alike by the Government, equally regulated, equally taxed. I think a transportation commission to control all transportation is coming. Railroads must be modernized, because they fill a major place in the system of the country. All methods of transportation must be coordinated. If the Government must finance them let us face the situation and do it. Let us retire a lot of old fellows and give the boys a chance and a career to look forward to. Rails must have new blood or they will die or become Government owned, which is the same thing.

WHOLESALE PRICE INDEX, NATIONAL INCOME, AND MONETARY STATISTICS

Mr. PITTMAN. Mr. President, I ask unanimous consent to have printed in the RECORD a statement regarding the wholesale price index, national income, and monetary system.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

The accompanying table depicts broadly the economic situation of the United States by the year from 1926 to 1938. The economic factors given for each year are as follows: Wholesale price index, purchasing power of the dollar, national income, bank deposits plus money in circulation, and gold reserve. All figures are given as reported by various Government Departments, and then a corresponding set of adjusted figures are given.

The Government statistical bureaus selected the year 1926 as having a wholesale price index of 100, and a purchasing power of the dollar equal to $1, and therefore all price-index and purchasing-power figures used in the table correspond to those of the year 1926.

The wholesale prices of 1926 are no doubt suitable to the needs of the country, but they cannot be reenacted under the other economic conditions during that year, especially in respect to gold reserve, circulating money, and total bank deposits. Gold reserve was only 5 percent of the national income reported, whereas it should have been 10 percent; circulating money also should have been 10 percent of the national income, and exactly equal to a 10-percent gold reserve, but it was only four and eight-tenths billion dollars instead of $8,000,000,000 to correspond to a national income of eighty and six-tenths billion dollars. For the year 1926 total bank deposits plus money in circulation were reported as fifty-five and nine-tenths billion dollars, which are just sufficient to support an annual income of that same amount, and not eighty and six-tenths billion dollars as reported for 1926.

The careful analysis of the figures in the table from 1915–38 discloses that the monetary amounts and relative values for the average year—in order to avoid losses by panics—should be as follows:

Annual national income	$80,000,000,000
Total bank deposits plus money in circulation	80,000,000,000
Total bank loans	60,000,000,000
Total money in circulation	8,000,000,000
Total gold reserve	8,000,000,000

In the accompanying table, when the adjusted wholesale prices are given at 100 and the purchasing power of the dollar given at $1, the figures for those years have been adjusted to the same ratios as the above.

Neither the Treasury nor the Federal Reserve Board measures the gold reserve as a percentage cover of total bank deposits, but it is a fact that the total bank deposits of all classes of banks in the United States constitute the greatest liability of the citizens, and as a consequence indirectly the United States. As national income should be the same amount as total bank deposits, it is a practicable matter to measure gold in the Treasury as a percentage of national income. The reason for designating the relationship of gold to national income is because there is a marked similarity in the actions of gold reserve when figured as a percentage of national income in relation to the purchasing power of the dollar.

When gold reserve is expressed as a percentage of national income the purchasing power of the dollar varies directly with changes in value of the gold reserve. This is the only consistent relationship which the gold reserve has with any of the credit elements such as bank deposits or loans, Federal Reserve, national-bank notes, or the like. This relationship has extended since 1915 until the present time, and is sufficiently reliable to depend upon in the planning of the future economy of the Nation.

Further, it is now determined that the amount of circulating money has a direct controlling influence upon wholesale prices, and consequently its reciprocal—the purchasing power of the dollar—because the amount of same determines to what extent the gold reserve is in active use. When there is more circulating money than gold, its effect is inflationary, and it causes an unsound rise in the price index. When the amount of circulating money is less than gold reserve, it is deflationary and causes contraction of prices of all business, including national income. It is found also that money in circulation should be equal to the gold reserve, neither substantially more nor less, as its function is solely that of constituting circulating receipts for an equivalent amount of gold, or gold and silver in storage.

Notwithstanding the apparent indefinite status of the gold reserve, in effect it is being held as the joint property of all of the people, and for their collective benefit, rather than that of a concentrated hoard, as of old, to be used as a convenience for those who had both the credit to convert into gold, and places of security in which to protect same after obtaining possession of it. The present status of the national gold may be considered as one of a true reserve; as an absolute gold standard created and maintained for the mutual protection of all of the people, and the Nation itself.

Wholesale price index, national income, and monetary statistics

[1926=100]

	Gold—$20.67 per ounce								Gold—$35 per ounce				
	1926	1927	1928	1929	1930	1931	1932	1933	1934	1935	1936	1937	1938
Wholesale price index:													
As reported	100	95.4	96.7	95.3	86.4	73.0	64.8	65.9	74.9	80	80.8	86.3	78.9
Adjusted [1]	200	189	217	218	149	117	114	109	100	100	100	100	100
Purchasing power of $1:													
As reported	1.00	1.05	1.03	1.05	1.16	1.37	1.54	1.52	1.34	1.25	1.24	1.16	1.27
Adjusted [1]	.50	.529	.461	.458	.67	.85	.875	.915	1.00	1.00	1.00	1.00	1.00
National income: [2]													
As reported	80.6	79.3	82.4	80.7	67.9	53.5	39.5	41.8	49.5	54.9	63.8	69.8	[3] 60
Adjusted [4]	40.5	41.7	37.9	37.4	41.7	45.9	34.6	38.0	78.5	91.1	100	100	100
Bank deposits plus money in circulation: [2]													
As reported	55.9	61.5	63.1	62.4	64.4	62.2	50.8	46	52	57	64	54.8	[3] 58
Adjusted	40.5	41.7	37.9	37.4	41.7	45.9	34.6	38.0	78.5	91.1	105	127	130
Bank loans: [2]													
As reported	36	37.3	39.5	41.4	40.5	35.2	28.1	22.4	21.4	20.4	20.8	22.7	21.8
Adjusted	18	19.6	18.2	18.9	27.1	30	24.1	20.3	21.4	20.4	20.8	22.7	21.8
Money in circulation: [2]													
As reported	4.8	4.7	4.7	4.5	4.6	5.3	5.4	5.5	5.5	5.9	6.5	6.5	6.4
Adjusted	4	4.2	3.8	3.7	4.2	4.6	3.4	3.8	7.8	9.1	10.6	12.7	13
Gold reserve [2]	4	4.2	3.8	3.7	4.2	4.6	3.4	3.8	7.8	9.1	10.6	12.7	13

[1] When money in circulation is equal to gold reserve and national income is 10 times gold reserve, then price index is 100, and the purchasing power of the dollar is equal to $1.

[2] Billions of dollars.

[3] Estimated.

[4] After the face value of money in circulation has been corrected to equal gold reserve, then national income is adjusted to 10 times gold reserve.

The Government reports its gold stock to be $13,000,000,000, which at $35 per ounce is 370,000,000 ounces. By dividing the amount of circulating money (6.5 billions) by the ounces, we find the gold is represented in business activity at the average price of $17.50 per ounce. The business within the United States is being conducted on this basis of gold price, whereas foreign trade, which is credited or balanced on the international gold price, is conducted at the rate of $35 per ounce.

Under the circumstances, the advantage would appear to be entirely with those abroad purchasing from the United States, but the relative costs in this country are so high, due to the difference in the value of the internal and external dollar, that only specialized production which commands high prices are exported. These products consist primarily of war materials. Imports, on the other hand, consist mainly of those commodities which the United States must have and does not produce—such as rubber, coffee, tin, nickel, and so forth. Today an actual contraction of the dollar exists rather than the assumed devaluation. As a practical proposition, the dollar has become deflated rather than inflated.

If the present gold supply were valued at the rate of $20.67 per ounce, as of old, it would require a currency circulation of 7.648 billion dollars in contrast to the 6.467 billions devalued currency in circulation as of May 31, 1938.

Governor Eccles, of the Federal Reserve Board, in his letter of June 16 to Senator VANDENBERG states that the total bank deposits of the United States in 1938 (reported at 51.7 billions of dollars) are greater than those of the high point in 1929 (reported by the Comptroller of the Currency to have been 55.3 billions of dollars). The latter were on old gold basis and the 1938 deposits are on the devalued dollar basis, equivalent to 30.4 billions of dollars in respect to gold value.

Mr. Eccles states the total money in circulation is greater in 1938 than it was in 1929 when it was reported by the Treasury Department for November of that year to be 4.7 billions of dollars. During 1938, the high point in currency circulation as reported is 6.4 billions of dollars, devalued basis, or 3.8 billions of dollars on a gold basis. In 1929, the gold stock was $4,000,000,000, and in 1938 it is 7.7 billions of dollars, gold basis, or $13,000,000,000, devalued basis. The percentage of currency to gold in 1929 was 117.5 percent. In 1938 it is 83 percent, if it is assumed that the currency is still on a gold basis, but actually only 50 percent as the finances of the country are being operated on a devalued dollar basis.

As the 1929 conditions turned out to be the worst in history of the country, it is not a good reference year with which to compare the conditions in 1938. While using 1929, however, as a comparative year, Governor Eccles might have mentioned that total bank loans at that time were reported by the Comptroller of the Currency to have been 41.4 billions of dollars, whereas in 1938 bank loans are reported to be 21.8 billions of dollars on a devalued basis, or 12.9 billions of dollars on a gold basis in direct comparison to the 41.4 billions of dollars figure of 1929. The conditions of 1929, while they appeared to be prosperous at the time, were such as to precipitate the greatest panic in American history. A panic is in existence in 1938, but in no sense are the 2 years similar in conditions. There has been a complete correction of all financial conditions on the part of the administration except the failure to keep the volume of circulating money abreast of gold reserve. This is a condition and not a theory, and no character of explanations can disguise the existing condition that business is stifled and strangled by reason of the lack of currency to represent one-half of the gold supply which reposes in dead storage in the vaults at Fort Knox, Ky., and other Treasury depositories.

MONETARY PROBLEMS

Mr. VANDENBERG. Mr. President, during a time of depression there is always an accelerated interest in monetary problems. The period through which we are now passing is no exception. A great deal of this agitation rotates around certain fundamental questions involving the Federal Reserve Banking System and the method of its operation.

A few weeks ago it occurred to me that it would be highly helpful if there might be an authentic statement from the Federal Reserve Board itself regarding some of the fundamental matters in connection with the monetary system which are always involved in monetary discussions.

Under date of May 17 I addressed a letter to the Board with that idea in mind. I have just received this afternoon, under date of June 14, an amazingly interesting letter from Governor Eccles, which responds in the complete spirit of my inquiry and makes an exceedingly able and important statement regarding Federal Reserve functions as they may be involved in all the monetary agitation which is now sweeping the country. With the consent of Governor Eccles, I ask unanimous consent that my original inquiry and his response may be printed in the body of the RECORD.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the letters may be printed in the RECORD.

The letters are as follows:

MAY 17, 1938.

Hon. MARRINER S. ECCLES,
Chairman, Board of Governors of the Federal Reserve System, Washington, D. C.

MY DEAR MR. ECCLES: Every depression produces a substantial attack upon the American monetary system. Our present experience is no exception to the rule. My part of the country is once more full of earnest souls who insist that we should rid ourselves of the Federal Reserve Banking System and, of course, substitute greenbacks for bonds. There are always two fundamental points that are stressed by agitators in this field.

I have often wondered whether the Federal Reserve Board itself should not undertake to make available some sort of an authentic statement which might contribute to a more rational state of public information on these related subjects. I think there is a real service to be rendered in this connection, and it seems to me that it ought to come from some authoritative source like the Federal Reserve Board. Needless to say, there is not a remote element of partisanship in this suggestion.

Here are the two constant propositions which these monetary agitators always persuasively stress and with which they always win a sympathetic popular hearing.

The first proposition is that the Constitution of the United States requires the Congress that it "shall coin money and regulate the value thereof," and that Congress abdicates this constitutional function under the existing Federal Reserve System.

The second proposition is that, as a result of this abdication, private banking—operating through the medium of the Federal Reserve System—is the actual comptroller of "coinage and values," and that private banking takes a profit to itself through the exercise of this public function.

I shall be greatly interested in seeing an authentic answer to these two propositions from the Federal Reserve Board in some form or other. I should like to see the Federal Reserve System provide, abstractly, what it conceives to be the authentic answer to these attacks upon its own foundations and its own existence. The misconceptions persist and multiply, and I think there is a distinct public service to be rendered in making the constitutional theory of the Federal Reserve System authentically plain to the American people in some fashion that brings the matter to the levels of popular understanding.

If anybody has the facilities to do this sort of a job, it is certainly your Board. At the very least—for the benefit of my own purposes—I should appreciate a letter discussing these two principal propositions from your point of view.

With warm personal regards and best wishes,

Cordially and faithfully.

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM,
Washington, June 14, 1938.

DEAR SENATOR VANDENBERG: Your letter of May 17 is of much interest to me and to the other members of the Board of Governors, for it raises fundamental questions of public interest. I appreciate, as I know my colleagues do, your interest in having a correct statement of the facts with which to meet misleading and damaging propaganda that jeopardizes not merely our banks but our entire economic structure and, in the final analysis, our democratic institutions.

You state that in your part of the country there is agitation to abolish the Federal Reserve System and to substitute greenbacks for bonds, and that the advocates of this course make two main points: First, that, although the Constitution gives Congress the power to "coin money and regulate the value thereof," Congress has abdicated this power; and, second, that in consequence of this abdication private banking, operating through the medium of the Federal Reserve System, is the actual controller of coinage and values, and thereby takes a profit to itself through the exercise of this power.

We are constantly bombarded, as you are, by those who imagine that all the complicated problems of our economic life can be solved by monetary magic. Unfortunately, the problems are not so simple. The failure on the part of many groups to understand how our economic system functions increases the difficulty of finding practical solutions to the vital problems that confront us.

One of the most conspicuous and arresting facts of the situation as it exists now and has existed since the banking holiday is that we have an abundance, not a scarcity, of money and of funds seeking investment in profitable and productive outlets. It would be supposed that in the presence of this fact those who imagine that a mere increase in the volume of money would assure full employment and prosperity would at least reexamine their arguments. I doubt whether in all history there has ever been such a convincing demonstration of the falsity of the theory that mere creation of a vast volume of funds will of itself produce or maintain prosperous conditions.

The vital point which is so strangely overlooked by the quantity of money theorists is that in order to have prosperity we must not only have an adequate supply of money but it must be put to active use for productive enterprises.

The great need now, as has been the case ever since the late twenties and, indeed, throughout much of the so-called prosperous era is to draw upon our existing human and material resources and put them to productive use. Our problem is not and has not been in any sense one of an inadequate supply of money and credit. We

have today, for example, as you are aware, a larger volume of currency and bank deposits than we had at the peak of the boom in 1929. Interest rates have been and continue to be at unprecedentedly low levels. This would not be the case if there were a scarcity of money. It is a scarcity of money, together with demand for it, that makes interest rates rise.

Excess reserves of the banking system are and have been very much greater than they were throughout the period of the twenties. At present they exceed $2,500,000,000, and by the end of the year they are likely to exceed $3,500,000,000, which is greater than they ever have been in all history. Excess reserves represent idle money. In their present proportions they represent credit resources on which business could draw practically without limit if business were able or willing to use these resources for productive purposes.

In my judgment, one reason why bank credit is not flowing adequately into productive business channels is because the banks are under too severe restrictions in their lending and investing operations. This is due both to Federal and State bank-examination policies and to the regulation of the Comptroller of the Currency governing investments by member banks. As to loans, many would-be borrowers cannot get deserved accommodation by the banks, not because the bankers are necessarily at fault but because of the restrictions imposed upon them. While larger units of business can obtain ample bank credit, there are numerous cases where sound local businesses need working capital or fixed capital on longer terms than the banks can make without being criticized by most bank examiners who have been trained in the school which identifies liquidity with soundness. Similarly, the Comptroller's regulation in effect confines permissible bank investments to registered securities that are given approved ratings by recognized rating firms and that have a wide and active market. Thus, many local industries of small and medium size, which cannot stand the costs of registering and issuing securities for general public offering, but which are perfectly sound risks, are denied access to that type of credit which is available to larger business units through the purchase of their securities by banks. Without questioning the necessity for regulations in the field of investment securities, I am confident that it is a mistake to prohibit member banks from purchasing sound securities of local businesses. I have urged that the Comptroller's regulation be revised so that bank lending and investment policy can meet changed conditions and present-day requirements of business and industry. In a recent address I stated: "Bankers cannot justly be held responsible for such restrictive governmental banking policies as confuse soundness with liquidity, or true worth with current depressed market values. I favor modernization of these practices and regulations, to encourage the bankers to meet changed credit conditions and needs within their own communities, and thus to discourage the alternative, which is multiplication of governmental agencies set up to provide credit accommodation that the banking community could and should in normal times be adapted to extend to the public."

Thus while the actual and potential supply of funds is unprecedented, and the trouble is by no means a lack of such resources, monetary policies which have aimed at providing this abundance of money are frustrated when, at the same time, examination and investment policy remain restrictive and, indeed, are exactly contrary to monetary policy. It is for this reason that I have likewise contended that bank examination and investment policies must be closely coordinated with monetary policy. Otherwise, the result is likely to be the stalemate that now exists in the case of many sound but small businessmen who would obtain credit and put it to productive use, and to whom the bankers would make loans, but for the fact that the Government's underlying policy of creating ample credit at reasonable rates for the encouragement of legitimate business is balked in the cases I have indicated by restrictive rules and regulations.

I have digressed from discussion of the specific points raised in your letter since I felt it necessary to emphasize that even in the field of credit control, which is generally entrusted to the Federal Reserve authorities, improvement and coordination of the activities of different branches of the Government is necessary. This situation indicates the urgent need for amendments to the banking laws to insure correlation of policies among the various banking and other financial supervisory authorities.

But, aside from the obstacles just described to the flow of money into productive enterprise, the principal reason why this flow is held back is that business and industry generally see no way to use funds profitably. They are not sure of finding a profitable market for their products. And this condition cannot be remedied until consumers have sufficient incomes to buy those products.

Lack of recognition of this fact lies behind much of the monetary agitation, particularly that directed against the banking system and against the methods of financing the requirements of the Government.

Our banking system has developed its present pattern since the beginning of the Republic, and while no one familiar with it would contend that it has attained perfection or has yet approached the ideal, it has been adapted, step by step, in accordance with American principles and traditions of democratic government and to avoid too great a concentration of or an abuse of power. So many safeguards against these evils have been established over the years as to present other difficulties, such as those arising from divided responsibilities. Yet, with all of the admitted faults, the system is infinitely preferable to one which completely abandons the basic principles upon which democratic governments were long ago established and have since been maintained. Similarly, the procedure whereby the Government issues its securities, pays interest upon them, and repays them at maturity has been established out of long experience.

The Government represents all of our people. Its debts are the debts of all of our people. When we as a people, acting through our collective medium of government, borrow money we are borrowing from ourselves, and when we pay interest on or pay back the principal of the debt thus created we are paying ourselves. The money required to pay the interest and to pay back the principal is raised by taxation levied broadly on the basis of ability to pay.

What is to be gained by doing away with this established process? If the Government is not to pay interest, then it can no longer borrow from its citizens. Certainly they cannot be asked to lend their savings without any return whatsoever—not if we are to preserve a democratic system of private capital. The Government would have to fall back, then, upon issuing currency. Currency is used only for a small part, not more than 10 percent, of our business transactions. The heart of our system is the extension and contraction of credit in accordance with the requirements of commerce, industry, and agriculture. But let us suppose that the Government were to issue more and more currency in order to meet its current obligations and also to pay off its bonded debt entirely, as some of the advocates to whom you refer have proposed. The recipients of the currency, if they are on the relief rolls, for example, would spend the money as they do the cash they receive now, but ultimately it would find its way into the hands of some merchant or producer, who would deposit it in his bank, and the bank in turn would forward the cash to the Federal Reserve bank, where it would add to excess reserves. Or, if the recipient is the holder of a Government bond which he is obliged to exchange for currency, he might possibly spend some of the currency, or he might endeavor to buy some other security which would return a yield on his capital, or he might deposit the currency in his bank, which in turn would forward it to the Federal Reserve bank; but in every case the currency ultimately would find its way to the Federal Reserve banks and add to excess reserves.

Suppose that the entire national debt were to be paid off in this fashion. About $34,000,000,000 of the Government debt is represented by Treasury securities held by banks, insurance companies, and other corporate and individual investors. To replace these securities with cash would mean that the cash would flow into the Federal Reserve banks and build up excess reserves by $34,000,000,000, or to a prospective grand total of more than $37,000,000,000. There is no way in which any such deluge of excess reserves could be kept within control to prevent them from being used as a basis for a reckless inflation. Under our system of so-called fractional reserves, for every dollar of excess reserves they have the banks can lend approximately $7. Thus $37,000,000,000 of excess reserves, if used as a basis for loans, would be capable of expanding into some $250,000,000,000 of bank loans, an astronomical figure that, if ever realized, would mean the wildest inflation imaginable. Yet the figure serves to illustrate the absurdity of the proposal to pay off the Government's debt in cash.

Assuming that the banks would not indulge in any such orgy of inflation—and, as I have pointed out, there would be no way to control the situation—then all that would be accomplished by the proposal is that the holders of Government securities, whether they be individuals or insurance companies, or savings and other banks, would receive cash for their Government securities, and this cash they would try to invest in some other interest-bearing obligation, presumably one issued by a private corporation, and if they failed to find a satisfactory investment they would deposit the cash in the bank. In any event, the currency would finally find its way back to the banking system, because no more currency will remain in circulation than the public needs for pocket, pay roll, a... a few other purposes. (The reasons for this are explained in more detail in The Currency Function of the Federal Reserve Banks, copy of which is attached.) The heart of the American financing system is credit—not coins or paper money. They are the small change. The great bulk of business is done by bank checks.

After the money was deposited in the bank it would probably be added to the already redundant amount of funds that fail to find a satisfactory investment outlet. The effect would be to bid up to larger and larger premiums the existing supply of such investments, which are even now at extremely low yields.

The creation of more idle funds would not create more real wealth. It would not lead industry to produce more of the necessaries and comforts of life which our people need or want. It would not help to distribute among the people of the country the needed and wanted things—housing, clothing, food, and all the infinite variety of other products which our economy could and should produce.

Furthermore, the use of the printing press by the Government would remove all restraint on public expenditures. When the Government prints money, someone has to pay for what it buys. Production does not increase and in the exchange of goods some group in the population must bear the cost of uncompensated acquisitions by the Government. Who pays in the first instance depends on circumstances, but ultimately it is paid for by those least able to bear the cost, for inflation inevitably follows this course, and the burden of inflation, through loss of buying power of money, falls heaviest on the poor, who spend all their earnings to meet the cost of living. It is far cheaper and more equitable to pay for Government expenditures out of taxes, to which contributions are in accordance with ability to pay, than to pay for

them by inflation, which destroys the value of the pay envelope, the savings account, and the insurance policy.

There is no question whatever as to the sovereign right of the Government to abandon tried and tested principles and to issue greenbacks. What is at issue, is not the right of the Government to do virtually what it pleases with its currency. The issue is whether the Government shall adhere to principles established through long and often bitter experience or throw those principles to the wind in favor of the printing press methods that we as a nation have discarded, but that have led some countries to financial ruin.

As I have indicated, the basic fallacy of the groups to whom you refer appears to be that of mistaking money for real wealth. The Government might, and certainly constitutionally could, flood the Nation with paper currency, unbacked by anything other than the air we breathe, and limited only by the ability of the presses to turn out the printed money. Yet that would not add one dollar to our real wealth. It would not better the lot of our people. It would serve only to engulf all of us in a ruinous inflation and collapse. Possibly a few shrewd speculators might benefit by that, but for the great mass of our people it would be utterly disastrous.

Stripped of the specious profundities about the constitutional right of the Government to coin money, the argument for abandonment of the established principles on which this Government has always stood leads to the same end as the bolder, franker cry for an unlimited inflation. That would be the inescapable outcome, unless it be argued that the Government would be as likely or more likely to avoid the pitfalls of reckless, inflationary issuance of its non-interest-bearing obligations, than is the case today when it is committed to pay the interest and principal on its debt. Experience disproves that argument. Governments have too often been tempted to travel this path to national bankruptcy when all restraints were removed. That is why the proponents of greenbacks also would abolish the Federal Reserve System, which was created nearly a quarter of a century ago as a means of assuring elasticity of our money system and at the same time to prevent abuses and to impose restraints against reckless inflation and speculation. It is not surprising that those who want greenbacks also want to remove even such limited restraints against inflation as Congress has given to the Reserve System.

This background serves to indicate the answer to the two propositions you set forth as characteristic of current monetary agitation: First, the argument that Congress has abdicated its constitutional right to coin money and regulate the value thereof; and, second, the contention, that as a result of this abdication, the private banking system reaps large profits. Both contentions are false.

Under the division of powers between the legislative, executive, and judicial branches of the Government provided for in our Constitution, it is not the function of Congress to execute the laws. It is the function of Congress to make the laws and the function of the executive branch of the Government to execute them.

When the authors of the Constitution provided that Congress should have power to coin money and regulate the value thereof, they did not mean that Congress should set up mints and printing presses in the Capitol and operate them itself. They meant that Congress should pass laws regarding the coinage of money and regulating the value thereof and leave it to the executive branch of the Government to execute these laws, and this is exactly what Congress has done.

The right of Congress to entrust to administrative agencies the execution of the laws which it enacts is as old as the Republic. It has never been seriously questioned. It has been so long recognized and established by the courts as to be beyond serious controversy. Similarly, the Congress has a right to assign execution of its will to whatever agency it cares to select or create. In so doing, the Congress frequently selects an executive agency of the Federal Government, such as the State, War, Navy, or Agriculture Departments. Or it may select an independent agency, for whose operations it appropriates the necessary funds, such as the Federal Trade Commission or the Interstate Commerce Commission. Congress assigns the execution of its power to coin money, for instance, to the Treasury Department, and, in recent years, has given the President a limited authority to determine the gold value of the dollar. In all such cases, Congress has not abdicated its power. Congress has only done what it constitutionally has the right to do: It has set up or used existing administrative agencies to execute its will, while retaining the power to take back the authority or to place that authority elsewhere. Abdication of a power means its surrender. Congress surrenders none of its power to coin money and fix the value thereof. It simply designates the Treasury as the instrument of its will and power to coin money.

In exactly the same way, Congress has established the Federal Reserve System as an independent agency to carry out its mandate in connection with the terms and conditions upon which member banks may create credit currency. The only important point of difference between creation of the Reserve System and creation of the Interstate Commerce Commission as independent agencies to carry out the will of Congress is that the expenses of the former are paid out of the earnings of the System, while the expenses of the later are paid out of the Treasury. Congress ordained that this difference should exist in respect to the Reserve System as a further safeguard of its independence of action in the exercise of the delegated authority of Congress. At the same time, Congress has the power to abolish the System, to change it, to require that its expenses be paid in some other manner, and to appropriate the earnings and surplus of the System. In fact, Congress has exercised this power by appropriating to the Federal Deposit Insurance Corporation fund approximately $140,000,000 from the surplus of the Reserve System built up out of earnings. By no stretch of the imagination can this be called an abdication or surrender of a constitutional power by the Congress. It is, as in innumerable other cases, an assignment by Congress of the execution of an unquestioned and fully retained constitutional power.

As for the question of the profits of the banking system, so far as the Federal Reserve System is concerned, it is not and never has been operated with a view to making profits, and in this respect differs fundamentally from the usual commercial bank. Such profits as have accrued to the System through its operations, from which reserves have been established to cover contingencies, from which expenses of the System have been paid, on which franchise taxes have been levied at times by Congress, and which have been appropriated by Congress as in the case of the Federal Deposit Insurance Corporation fund, have been derived as an incident of and not as a result of the objective of the System's operations.

The System's operations are intended to serve the general public welfare. Such operations are a part of the financial mechanism necessary in all modern governments. To abolish the System would not do away with the necessity for creating some similar mechanism to perform the credit and supervisory functions which Congress has deputized the System to perform. Opinions may differ as to whether some other mechanism might be better, but the right of the Congress to create the Reserve System as the agency for the performance of these essential functions cannot be seriously challenged.

Accordingly there is no substance whatever to the assertion that Congress has abdicated its constitutional powers by authorizing the Reserve System to carry out its will, and, by the same token, the argument that thereby private banking improperly deprives a profit falls to the ground. The assumption that the Reserve System, created by and existing at the will of Congress, is a privately owned system springs from a misconception of the facts. The major monetary, credit, and supervisory powers of the System are exercised by a Board of Governors, nominated by the President and confirmed by the United States Senate. All national banks are required by law to be members of the System, and State banks are admitted to membership under specified conditions laid down by the Congress. All of these member banks are required by law to subscribe a proportional amount of their capital to the Federal Reserve banks in their respective districts, on which subscription a rate of return, fixed by Congress and changeable at the will of Congress, is paid. What is, in fact, a compulsory contribution by the member banks is termed a purchase of stock, but this designation is misleading since no member bank is permitted by law to trade in the stock or to enjoy various other privileges which are usually associated with stock ownership.

In any case, regardless of whether the member banks are required by law to subscribe to this unprivileged stock or whether some other device be substituted for the subscription, the matter is relatively unimportant, for it would make no real difference to the proper functioning of our economic system if this detail were changed. The effort of agitators to raise this bugaboo obscures the true meaning of their attacks, which, if successful, would undermine the foundations of our economic institutions.

They would destroy, to no purpose, the established first principles upon which our Government and all solvent governments have operated for centuries. They would do away with the Reserve System created out of long experience and adapted, step by step, over the past quarter of a century. Yet doing away with it would not do away with the necessity for a similar medium to perform essential functions for the Government and the public at large. They would, in the end, destroy our banks, our savings, insurance, and other fiduciary institutions, for the day that the Government abandoned interest paying and turned to the printing press would mark the beginning of the end of the basic principles upon which our economic institutions are founded.

Permit me to express again my appreciation of the spirit in which you write and your desire to help the public to distinguish between sound principles of government and of economics that have been established by centuries of experience and proposals which could only bring disaster to the great mass of our people.

Sincerely yours,

M. S. ECCLES, *Chairman.*

Hon. ARTHUR H. VANDENBERG,
United States Senate, Washington, D. C.

SEPTEMBER 24, 1936.

THE CURRENCY FUNCTION OF THE FEDERAL RESERVE BANKS

Three fundamental facts must be kept in mind in order to understand the functions of the Federal Reserve banks in relation to the country's supply of currency. These facts are: (1) The Federal Reserve banks are semipublic institutions with Government representation on the boards of directors; they operate under the general supervision and in some vital matters under the control of the Board of Governors of the Federal Reserve

System, a governmental body, appointed by the President. (2) The Federal Reserve banks are not operated for the purpose of making profits, but for the purpose of serving the public interest in ways prescribed by the law. Earnings of the Federal Reserve banks above expenses and dividends go into a surplus account which in case of liquidation belongs to the Government. (3) The amount of money in circulation is determined by the needs of the public and not by the Federal Reserve banks. This is what is meant by an elastic currency.

1. Federal Reserve banks are semipublic institutions

Each of the 12 Federal Reserve banks has 9 directors, of whom 3, including the Chairman, are appointed by the Board of Governors in Washington. The appointments by the directors of the presidents and first vice presidents and all salaries fixed for officers and employees of the Reserve banks are subject to approval by the Board of Governors. The Board of Governors also has control over discount rates, that is, the rates that the Reserve banks charge for their loans to member banks, and constitutes a majority of the Federal Open Market Committee, which determines the amount of Government securities the Federal Reserve banks shall buy or sell. The Federal Reserve banks are privately owned institutions in the sense that their capital stock is owned by the member banks, but under the provisions of the law the stockholders elect only six of the nine directors, and the actions of the directors in all matters of national importance are subject to review by the Board of Governors in Washington.

Under the law the Board of Governors through its local representative, the Federal Reserve agent, has authority "to grant in whole or in part, or to reject entirely, the application of any Federal Reserve bank for Federal Reserve notes." The frequently made assertion that the Government has turned over the power to issue money to a private agency which uses such power for its own profit is, therefore, contrary to the facts both as a matter of law and as a matter of practical operation.

2. Federal Reserve banks are not operated for profit

The Federal Reserve banks were created for purposes stated as follows in the preamble to the Federal Reserve Act: "To furnish an elastic currency, to afford means of rediscounting commercial paper, and to establish more effective supervision of banking in the United States." They were not created for the purpose of making profits for private interests. The principal functions of the Federal Reserve System are to exert an influence on changes in the supply and cost of credit with the view to accommodating commerce and business, to hold the reserves of member banks and to make advances to them when they are in need of additional funds, to supply an elastic currency, to facilitate the collection of checks and interregional transfers of credit, to act as fiscal agents and depositaries of the United States Treasury and other governmental agencies.

Earnings of the Federal Reserve banks are derived from interest obtained on their loans and investments, the volume of which reflects principally credit policies adopted in the public interest and not for the purpose of obtaining profits. Of the total earnings since their establishment in 1914, the Federal Reserve banks have spent nearly one-half in meeting expenses, a large part of which represents the cost of collecting checks drawn on deposit balances in member and nonmember banks and in the maintenance and distribution of an adequate supply of currency.

After the Federal Reserve banks' expenses have been met, they are required to pay out of their earnings a 6-percent cumulative dividend to stockholding member banks. Of the amount earned by the Reserve banks above expenses from the time of their establishment to the end of 1935, about one-fourth has been paid as dividends to member banks, which in addition to their contribution to the capital funds of the Reserve banks are required to hold much larger reserve balances with the Reserve banks on which they receive no interest, one-fourth has been paid as a franchise tax to the United States Government, under a provision repealed in 1933, one-fourth was appropriated by Congress in 1933 as a contribution to the capital of the Federal Deposit Insurance Corporation, on which the Federal Reserve banks are not entitled by law to any return, and the remaining fourth has been paid into the Reserve banks' surplus account. The surplus increases the ability of the banks to serve the public and, when earnings are insufficient to pay expenses and dividends, it may be drawn upon to make up the deficiency. In case a Federal Reserve bank is liquidated, its surplus, after meeting all obligations, becomes the property of the United States Government.

It is apparent, therefore, that three-fourths of the net earnings of the Reserve banks since their establishment have been devoted to public purposes.

3. The Federal Reserve banks provide an elastic currency

The amount of money in circulation at a given time represents what the public collectively wants, since currency always moves out of the Federal Reserve banks when the demand for it increases and returns to them when the demand subsides. This is what is meant by an elastic currency. When currency is needed, the public obtains it from its local banks, and the latter obtain it from the Federal Reserve banks. When it is not needed, the public deposits it in the local banks, and the local banks in turn redeposit it in the Federal Reserve banks. The Federal Reserve banks may be regarded as reservoirs from which additional currency is drawn when the public requires it and to which currency not required by the public is returned. The Federal Reserve banks have no direct way of keeping in circulation a larger amount of currency than the public requires, or reducing the amount of currency that the public needs to finance its current operations.

The demand for currency is determined by various conditions. A certain minimum is required for day-to-day cash expenditures of individuals; a certain minimum is required for pay rolls. There are times when personal expenditures rise, as during holidays, and there are times when pay rolls rise, as during harvest. Certain individuals, businesses, and communities have their own periods when they need more or need less cash than ordinarily. The net effect of all of these factors is a normal and regularly repeated cycle of demand for currency year after year—slack after the first of January, when retail trade falls off following the holidays, larger during the succeeding spring months, when pay rolls increase and outdoor industries became active, slack again in midsummer, and steadily increasing during autumn and early winter to the regular peak in December.

In addition to this regular annual cycle, the amount of currency also responds to increases and decreases in the volume of retail trade and of pay rolls as the amount of business done by the country increases or decreases. There have been times also when the demand for currency was greatly increased as in the period preceding the banking holiday in 1933. In the course of a few weeks at that critical time the Federal Reserve banks furnished the public with as much as $2,000,000,000 of additional currency.

For more than 20 years the Federal Reserve banks have fully met the normal demands of the country for currency; they have also fully met peak demands both in times of prosperity and in times of depression, and they have made it possible for the volume of money to decline automatically when the public demand for it declined. The elasticity of our currency is complete.

Machinery of note issue

Before a Federal Reserve bank can obtain Federal Reserve notes it must deposit as security with the local representative of the Government, known as the Federal Reserve agent, collateral at least equal in amount to the notes to be issued. This collateral, as provided by law, may consist only of the following assets: (1) promissory notes, drafts, bills of exchange, or acceptances, usually referred to as "eligible paper"; (2) gold certificates on hand or due from the United States Treasury; and (3), until March 3, 1937 (this date has since been changed to June 30, 1939), United States Government securities bought in the open market. In addition to being secured by the pledge of specific collateral, Federal Reserve notes are a first lien on all the assets of the issuing Federal Reserve bank, and a 40-percent reserve in gold certificates must be maintained against them.

In all cases Federal Reserve notes are issued only for an adequate consideration. The currency an individual receives from his local bank is charged against the amount he already has to his credit on the bank's books, and the currency the local bank receives from the Federal Reserve bank is charged against the amount it already has to its credit on the latter's books. Issuing currency for purposes of circulation is at all points, therefore, an exchange of cash for something of equal value.

As of September 2, 1936, the Federal Reserve banks had obtained $4,300,000,000 of Federal Reserve notes, of which $4,000,000,000 were in circulation and $300,000,000 were held in the vaults of the Federal Reserve banks. The collateral held against these notes was as follows:

Gold certificates on hand and due from U. S. Treasury	$4,301,000,000
U. S. Government securities	73,000,000
Eligible paper	5,000,000
Total	4,379,000,000

Gold certificates are receipts which are issued to the Federal Reserve banks by the United States Treasury for gold deposited with it in compliance with the Gold Reserve Act of 1934, which required all monetary gold in the United States to be delivered to the Treasury. The Federal Reserve banks have no right to pay out these gold certificates. As indicated, the Federal Reserve banks have pledged $4,300,000,000 of these certificates against $4,000,000,000 of their own notes in circulation. Federal Reserve notes, therefore, at present are virtually substitutes for gold held in the United States Treasury. They constitute about two-thirds of the total of $6,200,000,000 of money in circulation.

The Emergency Banking Act of March 9, 1933, authorized the Federal Reserve banks during the period of the emergency to issue Federal Reserve bank notes, which are to be distinguished from Federal Reserve notes. These notes, when issued, must be secured by at least an equal amount of collateral, which may consist either of direct obligations of the United States or of promissory notes, drafts, bills of exchange, or bankers' acceptances acquired by the Federal Reserve banks under the provisions of the Federal Reserve Act. There are about $50,000,000 of these notes in circulation, but the Federal Reserve banks have deposited a sufficient amount of lawful money with the Treasury to provide for their redemption. No such notes are now being issued.

National-bank notes also are no longer being issued. The privilege of issue which national banks formerly had has been discontinued, and the banks have deposited with the Treasury sufficient funds to redeem all their outstanding notes. All other

kinds of money—United States notes, silver certificates, and coin—are issued exclusively by the United States Treasury.

TERMS OF UNITED STATES DISTRICT COURTS FOR WEST VIRGINIA

Mr. CLARK obtained the floor.

Mr. NEELY. Mr. President——

Mr. CLARK. I yield to the Senator from West Virginia.

Mr. NEELY. The matter which I wish to present will require only a moment.

I ask that the House amendments to Senate bill 3684 be laid before the Senate in order that I may move concurrence. The House amendments are not material.

The PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the bill (S. 3684) to provide for the holding of terms of the district courts of the United States for West Virginia, at Fairmont and Beckley, which were, to strike out all after the enacting clause and insert:

That section 113 of the Judicial Code, as amended (U. S. C., title 28, sec. 194), be, and it is hereby, amended to read as follows:

"The State of West Virginia is divided into two districts, to be known as the northern and southern districts of West Virginia. The northern district shall include the territory embraced on the 1st day of July 1910, in the counties of Hancock, Brooke, Ohio, Marshall, Tyler, Pleasants, Wood, Wirt, Ritchie, Doddridge, Wetzel, Monongalia, Marion, Harrison, Lewis, Gilmer, Calhoun, Upshur, Barbour, Taylor, Preston, Tucker, Randolph, Pendleton, Hardy, Grant, Mineral, Hampshire, Morgan, Berkeley, and Jefferson, with the waters thereof.

"The district judge for the northern district of West Virginia shall hold regular terms of court in said northern district at the following places and times, that is to say:

"(a) At the city of Martinsburg on the first Tuesday in April and the fourth Tuesday in September in each year;

"(b) At the city of Wheeling on the third Tuesdays in April and October in each year;

"(c) At the city of Elkins on the first Tuesday in June and the third Tuesday in November in each year;

"(d) Said judge shall also hold such special terms as may be necessary for the orderly dispatch of the business of said court; the same to be held at said places and at such times as he shall appoint.

"The southern district shall include the territory embraced on the 1st day of July 1910 in the counties of Jackson, Roane, Clay, Braxton, Webster, Nicholas, Pocahontas, Greenbrier, Fayette, Boone, Kanawha, Putnam, Mason, Cabell, Wayne, Lincoln, Logan, Mingo, Raleigh, Wyoming, McDowell, Mercer, Summers, and Monroe with the waters thereof.

"The district judge for the southern district of West Virginia shall hold regular terms of court in said southern district at the following times and places, that is to say:

"(a) At the city of Bluefield on the third Tuesdays in January and June in each year;

"(b) At the city of Lewisburg on the first Tuesdays in March and September in each year; when suitable rooms and accommodations for holding terms of the court shall be provided at Lewisburg free of cost to the United States or until, subject to the recommendation of the Attorney General of the United States with respect to providing such rooms and accommodations for holding court at Lewisburg, a public building shall have been erected or other Federal space provided for court purposes in said city;

"(c) At the city of Charleston on the second Tuesday in April and on the third Tuesday in November in each year;

"(d) At the city of Beckley at least once in each calendar year, at such times as may be fixed by rules of the court, when suitable rooms and accommodations for holding terms of the court shall be provided at Beckley free of cost to the United States or until, subject to the recommendation of the Attorney General of the United States with respect to providing such rooms and accommodations for holding court at Beckley, a Federal building containing such suitable rooms and accommodations for holding court shall be erected at such place;

"(e) Said judge shall also hold such special terms as may be necessary for the orderly dispatch of the business of said court, the same to be held at said places and at such times as he shall appoint.

"The district judge for the northern and southern districts of West Virginia shall hold regular terms of court in said northern and southern districts at the following places and times, that is to say:

"(a) At the city of Clarksburg in said northern district on the first Tuesday in January and on the fourth Tuesday in August in each year;

"(b) At the city of Parkersburg in said northern district on the third Tuesday in March and on the first Tuesday in October in each year;

"(c) At the city of Huntington in said southern district on the second Tuesday in May and on the third Tuesday in October in each year;

"(d) At the city of Fairmont at least once in each calendar year, at such times as may be fixed by rules of the court, when suitable rooms and accommodations for holding terms of the court shall be provided at Fairmont free of cost to the United States or until, subject to the recommendation of the Attorney General of the United States with respect to providing such rooms and accommodations for holding court at Fairmont, a Federal building containing such suitable rooms and accommodations for holding court shall be erected at such place;

"(e) Said judge shall also hold such special terms as may be necessary for the orderly dispatch of the business of said courts; the same to be held at said places and at such times as he shall appoint."

To amend the title so as to read: "An act to amend section 113 of the Judicial Code as amended."

Mr. NEELY. I move that the Senate concur in the House amendments.

The motion was agreed to.

REGULATION OF OVER-THE-COUNTER BROKERS AND DEALERS

Mr. MALONEY. Mr. President——

Mr. CLARK. I yield to the Senator from Connecticut.

Mr. MALONEY. I ask the Senator to yield to me in order that I may ask the Chair to lay before the Senate the amendments of the House to Senate bill 3255.

The PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the bill (S. 3255) to provide for the establishment of a mechanism of regulation among over-the-counter brokers and dealers operating in interstate and foreign commerce or through the mails, to prevent acts and practices inconsistent with just and equitable principles of trade, and for other purposes, which were, on page 9, line 17, to strike out all after "prescribed" down to and including "scribe" in line 20; on page 16, to strike out lines 7 to 24, inclusive, and insert:

(c) (1) No broker or dealer shall make use of the mails or of any means or instrumentality of interstate commerce to effect any transaction in, or to induce the purchase or sale of, any security (other than commercial paper, bankers' acceptances, or commercial bills) otherwise than on a national securities exchange, by means of any manipulative, deceptive, or other fraudulent device or contrivance. The Commission shall, for the purposes of this subsection, by rules and regulations define such devices or contrivances as are manipulative, deceptive, or otherwise fraudulent.

(2) No broker or dealer shall make use of the mails or of any means or instrumentality of interstate commerce to effect any transaction in, or to induce or attempt to induce the purchase or sale of, any security (other than an exempted security or commercial paper, bankers' acceptances, or commercial bills) otherwise than on a national securities exchange, in connection with which such broker or dealer engages in any fraudulent, deceptive, or manipulative act or practice, or makes any fictitious quotation. The Commission shall, for the purposes of this paragraph, by rules and regulations define, and prescribe means reasonably designed to prevent, such acts and practices as are fraudulent, deceptive, or manipulative and such quotations as are fictitious.

(3) No broker or dealer shall make use of the mails or of any means or instrumentality of interstate commerce to effect any transaction in, or to induce or attempt to induce the purchase or sale of, any security (other than an exempted security or commercial paper, bankers' acceptances, or commercial bills) otherwise than on a national securities exchange, in contravention of such rules and regulations as the Commission may prescribe as necessary or appropriate in the public interest or for the protection of investors to provide safeguards with respect to the financial responsibility of brokers and dealers.

On page 17, line 1, to strike out all after "Sec. 3." down to and including "thereof"." in line 11, and insert:

Subsection (b) of section 29 of such act is amended by inserting before the period at the end thereof a colon and the following: "*Provided*, (A) That no contract shall be void by reason of this subsection because of any violation of any rule or regulation prescribed pursuant to paragraph (2) or (3) of subsection (c) of section 15 of this title, and (B) that no contract shall be deemed to be void by reason of this subsection in any action maintained in reliance upon this subsection, by any person to or for whom any broker or dealer sells, or from or for whom any broker or dealer purchases, a security in violation of any rule or regulation prescribed pursuant to paragraph (1) of subsec-

tion (c) of section 15 of this title, unless such action is brought within 1 year after the discovery that such sale or purchase involves such violation and within 3 years after such violation."

On page 17, line 16, to strike out "clause (3), (4), or (5) of subsection (c)" and insert "paragraph (3) of subsection (c)."

Mr. MALONEY. I move that the Senate concur in the House amendments.

The motion was agreed to.

BOMBING OF CIVILIAN POPULATIONS

The Senate resumed the consideration of Senate Resolution 298, condemning the bombing of civilian populations.

Mr. CLARK obtained the floor.

Mr. TYDINGS. Mr. President——

Mr. CLARK. I yield to the Senator from Maryland.

Mr. McNARY. Mr. President, I shall object to the consideration of any further matters until the pending matter is disposed of.

Mr. TYDINGS. Would the Senator object to action on a House amendment to a Senate bill?

Mr. McNARY. I object to it at this time.

The PRESIDENT pro tempore. The Senator objects to the consideration of any other matters until the pending resolution is disposed of.

Mr. CLARK. Mr. President, day before yesterday the Senate agreed to the conference report on the bill amending the Maritime Act of 1936. As one of the Senate conferees on that bill, I refused to sign the conference report, and I voted against the passage of the bill in the Senate. I did that, Mr. President, because the bill authorizes the expenditure of incalculable sums of money in the construction of ships, with every single provision which might have been considered for the protection of the Government of the United States against the extortionate profits of shipbuilders deleted from the bill. Mr. President, in view of the attempts at extortion made by shipbuilders in the merchant-marine construction program under the 1936 act, and particularly in view of the record of extortion of the shipbuilders during the World War, I think it was unjustifiable to pass the amendment to the present maritime act removing all restrictions and removing any protective power whatever in the Government of the United States or the Maritime Commission to protect themselves against gouging by shipbuilders.

Let me illustrate. I do not desire to detain the Senate by reading the whole opinion, but for the purpose of illustrating the extortionate demands of the shipbuilders I desire to call attention to the decision of the District Court of the United States for the Eastern District of Pennsylvania in two cases, United States of America against Bethlehem Steel Corporation et al. and Bethlehem Shipbuilding Corporation, Ltd., against United States Shipping Board Emergency Fleet Corporation. The decision was handed down recently in the District Court of the United States for the Eastern District of Pennsylvania.

During the period of the greatest emergency during the war, the Bethlehem Shipbuilding Co. constructed several ships for the Emergency Fleet Corporation on an extremely extortionate cost-plus basis, without the shipbuilding company risking a single thin dime, without the shipbuilding company engaging in any of the risks of the entrepreneur. For $122,000,000 worth of ships, the Bethlehem Shipbuilding Co. has already been paid in excess of $20,000,000 profit, and it came back again to demand an additional sum of between $5,000,000 and $6,000,000. The Government protested on several points. I shall not bother to read the whole opinion of the court, although it is very short. I ask unanimous consent that the opinion as a whole be inserted at this point in my remarks.

There being no objection, the opinion was ordered to be printed in the RECORD, as follows:

IN THE DISTRICT COURT OF THE UNITED STATES FOR THE EASTERN DISTRICT OF PENNSYLVANIA

Sitting in equity: The United States of America *v.* Bethlehem Steel Corporation et al. March term 1925, No. 3315. Bill.

At law: Bethlehem Shipbuilding Corporation, Ltd., *v.* United States Shipping Board and Emergency Fleet Corporation. December term 1925, No. 11,970. Assumpsit.

SUR EXCEPTIONS TO REPORT OF SPECIAL MASTER, ETC.

Dickinson, J. June 2, 1938.

There will be no charge made of undue haste in the disposition of these cases. The contract with which they concern themselves was signed in 1918. The bill in equity was filed to March term, 1925, and the actions at law are entitled as of December term, 1925.

The master was appointed in 1931 and made his report, in the sense of having prepared it, February 19, 1932, but withheld it at the request of the United States and agreement of the steel company, until the filing date of February 7, 1936.

The cause was not set down for hearing upon the exceptions until May 16, 1933. It is the due of the master to state that no part of this "lapse of time" is chargeable to him but has been to him "a matter of regret and concern."

There are two cases before us, the other actions brought having been disposed of. Of the remaining cases one is a bill in equity and the other an action at law. The litigation began with the filing of the bill. This was one to compel the defendant to disgorge averred unconscionable profits which it had received on a contract for the building of ships by the defendant for the United States Merchant Marine. This was promptly followed by the action at law in which the plaintiff seeks to recover from the Shipping Board Corporation a claimed unpaid balance due it for performance of the same contract. Each controversy is thus over the same contract and the proceeding and action may be discussed as one claim and defense. The threatened length of the inquiry induced the parties to agree upon a procedural arrangement to shorten it so far as possible. This was to have the proceeding in equity referred to a special master and for the parties to the action at law to waive a jury trial and refer the cause to a referee under the Pennsylvania practice—the same person to act as special master and also as referee.

The then Owen J. Roberts, Esq. (now Mr. Justice Roberts, of the Supreme Court), was appointed by the Court as special master and agreed upon as referee. Upon the retirement of Mr. Roberts, William Clarke Mason, Esq., succeeded him, and it is his report which is before the court with exceptions. He will be referred to as special master. Three hundred and seventy-nine requests for findings of facts and conclusions of law were submitted to the master and answered by him. The exceptions to his report number 153. A detailed discussion of all the points thus raised is impracticable within the limits of a judicial opinion nor is it necessary. The various contentions of the parties may be grouped and formulated in a few general questions.

The complaint and defense of the United States may be voiced in the statement that the contract in question called for the construction of 66 ships constructed at a total cost price of about $122,000,000, from which the contractor has received a profit of nearly $20,000,000, and is claiming the legal right to over $5,000,000 more, in addition to whatever profits its subsidiaries may have made on the supply of materials to the contractor. This (without the latter, if any) makes up the portentous total of about $25,000,000. Even the part of it which the contractor has received is characterized by the United States as exorbitant, unconscionable, and as the fruit of fraud, because of which the United States, as a defrauded party, is seeking to have restored to it the unjust sums exacted.

The answer and demand of the contractor is that it has asked and is asking for no more than the moneys due it under the contract entered into by the parties, and that so far from what it has received being excessive, that there is still an unpaid balance due it for the payment of which the action in assumpsit has been instituted. This brings the question before the master and this court to that of to how much has the contractor a right under the dealings and contract between the parties? It must be borne in mind that we are concerned with the legal justice of the cause and cannot, except so far as the law directs, give weight to other considerations.

Among the horrors of war a not inconsiderable one is the way and extent to which Army contractors profit by the needs of government. It may be that this in case of most contracts is necessarily true. Prices at such times are upset. Someone must take a real and great risk and a contractor cannot be expected to take it. It is proverbial that war profits from Government contracts are far beyond what in peacetime would be deemed fair and reasonable.

It is pointed out by the United States that, in the instant case, the contractor had no reason to bargain for large profits to offset a risk of loss because this contractor under this contract took no risk whatever. The exaction of inordinate profits is thus viewed by the United States as an advantage taken of the pressing needs of the Government.

The United States stands upon three propositions: One turns upon the interpretation given to the contract, the second upon a fact finding, and the third upon a conclusion of law. These three propositions are:

1. The percentage of saving which the contractor is to receive is not based upon the difference between the estimated cost and the actual cost, but upon that part of this difference which was due to the services rendered by the contractor.

It is not altogether clear whether the United States is relying upon this as a construction of the contract as made or whether upon the doctrine of unconscionable contracts, invoked in the third position of the Government, later discussed. As a method of treatment we limit it at present to the proper interpretation of the contract. It need only to be said that the master has not so construed the contract, and we are constrained by its wording to agree with the master. The contract gives the contractor one-half of the difference between the estimated cost and the actual cost of the ships. The Government's criticism of the contract is based upon this interpretation of its meaning.

2. The estimated cost of construction, inserted in the contract as one basis for the determination of the bonus profit to the contractor, was fraudulently overstated by the contractor so as to make this part of the contractor's profits inordinately large and exorbitant.

This is a charge of actual fraud perpetuated by deception. The master has found against this charge of actual fraud and under all the evidence he could not have found otherwise. The managers for the contractor adopted the famous Rob Roy distinction, who admitted he was a robber but proudly proclaimed that he was no thief. The contractor boldly and openly fixed the figures in the estimated cost so high as to give them the promise of large bonus profits. The managers for the Fleet Corporation knew that the estimate was high and why it was made high and so protested it. The reply of the contractor's managers was "we will take the contract with this promise of bonus profits incorporated in it, but not otherwise. You take it or leave it." Whatever wrong there was in this may have been the wrong in a daylight robbery, but there was no element of deception in it.

Third. The contract, although without any element of fraudulent deception in its making, in its performance results in profits to the contractor, so inordinately large as to be extortionate and to render the contract unconscionable and thus unenforceable in equity or at law.

This is the real cause of action set up in the bill and the real defense interposed to the action at law. As viewed by the Government these profits are so large "that no one short of lunacy would agree to pay them and no honest man would accept them." The analog is the enforcement of the contract of a drowning man to give an inordinately large reward to one who can without risk and with little trouble rescue him.

This presents the subject of the obligation of contracts and enforcement. This obligation has always been regarded as the very cornerstone of the fabric of civilization. The whole business commercial structure is built upon it. It may well be thought that of late years we have gone quite far enough toward abolishing the obligation of debt. There had always been, however, a limit to the binding force of a contract or at least the extent to which the law will go in enforcing it and this is the limitation which the United States invokes. When the results and consequences of the enforcement of a contract are such as to stagger our sense of what is just and fair, this alone may be deemed evidence of hidden fraud. Resort is had to various expedients to in effect avoid the contract. One is to a strict interpretation of the contract. The obligee may have his pound of flesh but not a little more or less and not a drop of blood. Sometimes a quantum meruit is substituted for that for which the contract calls. Sometimes a limit imposed by the arbitrary power of the law is placed upon what the obligee may exact, as in the case of our usury laws. Sometimes what is called a policy of the law is interposed to the enforcement of a particular contract. The law is powerless, in every case of contract, to prevent the unscrupulous from taking advantage of the unwary. All it can do is to weigh the need to observe and enforce the obligation of debt against the injustice and unfairness resulting from a particular contract. It cannot rewrite the contract between the parties. What really happens is this. The claimant has his contract but cannot enforce it without the aid of the law. The law simply refuses its aid to an unconscionable contract.

Applying these generalities to the case before us there is presented the thought that the Government views this question as one affecting sovereignty. The sovereign needs no help from the courts. It cannot be sued nor can a judgment against it be enforced without its consent. There would be nothing staggering in the proposition that the sovereign might interpose a quantum meruit limitation to any demand made upon him. This contract, however, was not made with the United States but with the Fleet Corporation. This court rules (per Thompson, J.) that the Fleet Corporation was a corporation, and that the legal consequences of this fact were not affected by the circumstance that the United States was an owner of its stock or indeed its sole owner. The United States Supreme Court has since so ruled.

United States v. *McCarl* (275 U. S., 1).

Fleet Corporation v. *Harwood* (281 U. S., 519).

We are in consequence dealing with a contract made between private parties. In viewing the "unconscionable profits" phase of it, there is this to be said. The motive for the insertion of the bonus feature is obvious. Unless the promise was of substantial profits, the incentive to keep down the cost would be lacking. Consequently it was made one-half of the total savings. It is doubtless true that there is no way of curbing "Army contract" profits in time of war. What the Government is to be protected from is the higher wartime cost. The direct way of measuring this is by the contrast of the actual wartime cost with an estimate of what the peacetime cost would have been. There would be many ways of checking up on this but such a contract would be difficult to frame. The bonus in this contract was measured by the contract of an estimated wartime cost with the acual cost. There is no way of checking up on such an estimate. It is almost altogether a guess. The only check would be to limit the maximum savings profit payable. The contractor here bluntly refused to enter into a contract with such a limitation. The strongest position for the Government to take is that an agreement to pay a savings bonus is an agreement to pay something for nothing.

The cost-plus agreement here made was really a hiring of the contractor's equipment and organization on a 10-percent commission basis. The contractor was really an employee of the Fleet Corporation. As such employee it was bound to render due service in keeping down the cost of construction to its employer. The exaction of a bonus for doing what it was the contractual duty of the employee to do and what it was otherwise paid for doing, partakes of the nature of a racket. We are here applying the test of what is unconscionable. There is a recognized margin, however, between the service which an employee is in duty bound to render and that which he is capable of rendering. It is common practice to call forth this reserve energy of employees by offering the inducement of extra pay or a bonus for increased service by which the employer benefits. It is likewise common to measure the value of this extra service by results. A bonus given for time construction is an illustration. Such agreements may be based upon a wrong principle but in view of a general and common practice they could not be condemned as unconscionable. For one party to a contract to take advantage of the ignorance or necessities of another may well be condemned as ethically wrong. Taking candy from a child is the acme of meanness. When a party should be relieved of the obligation of a contract because the other party to it has reaped an unexpected or undue profit, is to be determined by the circumstances of each individual case.

The master has given to the consideration of this case painstaking care. He has supported his conclusions by reasons set forth in a report of gratifying clarity and bearing every evidence of considerate judgment. We accept his conclusions as sound and adopt them.

This disposes of all the questions raised by the exceptions to this voluminous report except those which relate to the question of the allowance of interest. The United States excepts to the allowance of any interest and the steel company to the allowance made as inadequate. We have been unable to find these specific exceptions other than three and four of the steel company. The question was, however, argued before use, and we will assume that it is raised by appropriate exceptions. The question of interest allowance is commonly treated in the reported cases in a more or less perfunctory way. There seems to be a disposition to treat it as a matter of course by allowing interest. Controversy is commonly over the rate of allowance. Interest is, however, a matter of contract, express or implied, or is an element in the assessment of damages. Here the contract was to pay a sum of money based upon a percentage of savings in the cost of the construction of these ships. There was no agreement to pay interest. The interest doctrine of the law of Pennsylvania in damage cases has been well stated by the master. In tort cases it is not allowed qua interest but is allowable as an element in the assessment of the damages suffered by the plaintiff. The rate of allowance is not controlled by the usury statutes except that what is commonly called the lawful rate cannot be exceeded. The reason for this limitation is obvious. In breach of contract cases what is really the like rule applies. Damages for the breach must be assessed. Deferred payment is an element.

We have in mind numerous cases, many of which have been cited to us, which rest upon a fiction. The fiction is that the damages become payable on the breach and there was then an implied promise to pay at once or to pay interest on deferred payments. Here there is no room for an implied promise. The promise was express to pay this bonus based upon a percentage of savings. Payment was not due until the saving was determined. This means here that the sum due does not bear interest until ascertained and hence not until judgment recovered. This in theory is no hardship to the contractor. He may press his claim promptly to judgment. He cannot turn it into an investment bearing, as is claimed here, 6-percent interest, thereby doubling the final payment to be made.

The master was fully justified in assessing the damages, in considering the interest item at a 2-percent rate. By the same token he might have excluded it altogether, which we think he should have done. There is in the allowance of interest something in the nature of a penalty for delayed payment. We do not think any such penalty was incurred here.

It has been urged upon us that no interest should be allowed, because interest is not recoverable against the United States. We refuse to so hold but are in accord with the finding of the master

that the judgment to be entered is one against the Fleet Corporation.

To give definiteness of date to the decree and judgment to be entered none is now entered, but leave is granted to enter a formal decree and judgment in accordance with this opinion and the conclusions stated below.

1. The bill in equity should be dismissed for want of equity and the crossbill for the additional reason of want of jurisdiction.

2. Judgment should be entered in the action at law of the Bethlehem Shipbuilding Corporation, Ltd., for the sum found by the master without interest.

3. The other actions at law should be disposed of in accordance with the stipulations of the parties.

4. The exceptions filed to the report of the master should be dismissed except the exception, if any, to the interest allowance, which should be sustained.

5. As thus modified, if there is such exception, the report of the master should be approved and confirmed.

Mr. CLARK. I desire to refer very briefly to one or two expressions of the court. One has to do with war profits. The expression of opinion seems to me to be extremely timely, in view of the fact that today, for the third successive session since the war profits bill, a bill to tax the profits and the income of everybody during the period of a war, has been allowed to die on the calendar. It seems to me that the expression of the court with regard to the profits made during the war is extremely timely. I quote from the opinion:

> Among the horrors of war a not inconsiderable one is the way and extent to which army contractors profit by the needs of government. It may be that this in case of most contracts is necessarily true. Prices at such times are upset. Someone must take a real and great risk and a contractor cannot be expected to take it. It is proverbial that war profits from Government contracts are far beyond what in peace time would be deemed fair and reasonable.

I call attention again to the fact that in the case of the Bethlehem Shipbuilding contract—indeed, in the case of nearly all contracts for shipbuilding during the war—no risk whatever was taken by the contractor.

We pass along a little further in the opinion to the specific allegations with regard to this particular contract. This is what the court said in that connection:

> This is a charge of actual fraud perpetuated by deception. The master has found against this charge of actual fraud and under all the evidence he could not have found otherwise. The managers for the contractor adopted the famous Rob Roy distinction who admitted he was a robber but proudly proclaimed that he was no thief. The contractor boldly and openly fixed the figures in the estimated cost so high as to give them the promise of large bonus profits. The managers for the Fleet Corporation knew that the estimate was high and why it was made high and so protested it. The reply of the contractor's managers was "we will take the contract with this promise of bonus profits incorporated in it but not otherwise. You take it or leave it." Whatever wrong there was in this, may have been the wrong in a daylight robbery but there was no element of deception in it.

Mr. President, I call attention to the fact that this was the Bethlehem Shipbuilding Co., whose head, Mr. Eugene Grace, admitted in a hearing before the Munitions Committee that during the 2 years of the war he had received personal bonuses in excess of three and a half million dollars; and yet he said he thought it was a criminal lack of patriotism for anybody to suggest paying the bonus to the soldiers who served the country during the war.

Mr. LEE. Mr. President——

Mr. CLARK. I yield to the Senator from Oklahoma.

Mr. LEE. He is the kind of patriot who offers the life of another for his country, is he not?

Mr. CLARK. That is true.

I ask unanimous consent to have printed in the RECORD as a part of my remarks an editorial from the Washington Daily News of June 4, 1938; and also an article from the Philadelphia Record of Saturday, June 4, of which I desire to read the headline. The headline reads: "Bethlehem called 'robber,' but wins huge war profits."

I should also like to have printed in the RECORD at this point as a part of my remarks an article from the Philadelphia Inquirer of June 4, 1938, headed "Bethlehem Steel granted war bonus despite 'squeeze.'"

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Philadelphia Record, Saturday, June 4, 1938]

BETHLEHEM CALLED "ROBBER" BUT WINS HUGH WAR PROFITS—JUDGE DISMISSES UNITED STATES SUIT FOR $5,661,154; BRANDS OPERATIONS "UNHOLY"

Federal Judge Oliver B. Dickinson yesterday dismissed the Government's $25,316,000 "extortionate war profits" suit against the Bethlehem Steel Corporation, and then called the company a "robber."

He awarded the company an unpaid balance of $5,661,154 on 66 wartime ships Bethlehem built for the United States at a cost of $122,000,000, and called the company's operations "unholy and sinful."

He based his decision on the fact that a contract is a contract. He pointed out that the Emergency Fleet Corporation, which contracted for the ships on behalf of the Government, went into the deal with eyes open knowing that the costs were inflated.

"SQUEEZED" GOVERNMENT

But the judge made it clear that he felt that the huge profits Bethlehem made on a "cost plus 10 percent" basis partook "of the nature of a racket" and that the company "squeezed" the Government during an emergency.

The case has been in the courts 12 years, and in throwing the suit out of court Judge Dickinson upheld the decision of William Clarke Mason, special master for the court, who ruled against the Government's claims in 1936.

Suit was instituted by the United States Maritime Commission, successor of the Emergency Fleet Corporation, on behalf of the Government.

TEN-PERCENT PROFIT ALLOWANCE

The plaintiff pointed out that on 31 contracts Bethlehem and five subsidiaries, which were also involved in the suit, contracted to build 66 tankers and cargo vessels.

Each of the contracts provided for a 10-percent profit on actual cost, plus 50 percent of the savings the companies could make between the estimated cost and the actual cost.

The Government paid $19,654,856 of these "bonus" profits, but balked at paying another $5,661,154, and instituted suit, not only to save itself the unpaid balance, but also to have the $19,654,856 returned.

COST JACKED UP

When the companies claimed the unpaid balance, the Government attorneys countered with a charge that the corporations deliberately made the "estimated cost" so high that they were sure of enormous profits.

Judge Dickinson held that no fraud or deception was practiced; that the Emergency Fleet Corporation, while knowing the prices were inflated, had to give the contracts to Bethlehem because the ships were needed so badly for wartime purposes.

But Judge Dickinson scathingly denounced the companies:

"As wartime is to other citizens a time of sacrifice, it seems unholy and sinful to make the calamity of the people a source of inordinate gain. However, we are dealing with a matter of contract and not sentiment, patriotic or otherwise.

CONDEMNS PROFITEERS

Discussing profit gouging during wartime he observed:

"Perhaps the only remedy—aside from refraining from war—is to bear with the evil as uncontrollable," he observed.

The Bethlehem subsidiaries which were also defendants in the suit are the Union Iron Works Co., of San Francisco; Harlan & Hollingsworth Corporation, of Wilmington; Samuel L. Moore & Sons Corporation, of Elizabethport, N. J.; the Fore River Shipbuilding Co., of Fore River, Mass., and the Penn-Mary Steel Co., of Sparrows Point, Md.

The $5,661,154 in "bonus profits" which the Government must pay the companies under yesterday's ruling will bear 2-percent interest from 1922.

THE SHERIFF WAS BALKED

Oliver Booth Dickinson has been a Democrat since the time back in '76 when he carried a torchlight for the Hayes-Tilden ticket. Four years ago the Delaware County Democrats considered him a good-enough new dealer to want him to quit the bench, brave the McClure machine, run for Congress. (He was only 77 then.) He was appointed to the Federal judiciary in '14 by Woodrow Wilson after being selected by then Attorney General James C. McReynolds on the recommendation of then Representative A. Mitchell Palmer. His first official act was to restrain a sheriff's sale of a middle-class home. There is a deep groove in the bridge of his nose, the result of years of wearing old-fashioned specs. A wisp of hair dangles over his forehead. His tie and the joint of his collar don't always meet.

[From the Philadelphia Inquirer, Saturday morning, June 4, 1938]

BETHLEHEM STEEL GRANTED WAR BONUS DESPITE "SQUEEZE"

The Bethlehem Steel Co. "squeezed" the Government to the extent of $25,000,000 in extra profits during the World War, but the Government went into the deal with its eyes open and cannot recover the "extortionate profits" the Federal district court ruled here yesterday.

Judge Oliver B. Dickinson, declaring that the manner in which the profits were obtained "partook of the nature of a racket," nevertheless threw out the Government's suit against the steel company.

"We are dealing with a matter of contract, and not of sentiment, patriotic or otherwise," he explained.

Involved in the suit, which was of several years' standing, were 13 contracts for 66 vessels, which cost the Government $122,000,000. The Bethlehem Co. was paid $19,654,856 in profits, under the "bonus" system, and put in a claim for $5,661,154 more as still due. Judge Dickinson's order directed that the latter sum be paid.

The steel company's ability to collect the amount still due it depends on the willingness of Congress to pass a special appropriation covering the payment—a prospect considered remote in view of the New Deal's attitude toward "predatory corporations."

Each of the contracts provided for a 10-percent profit. In addition, however, the company was given 50-percent bonus on all the savings it could make between estimated cost and actual cost.

The company "took advantage" of the country's need for ships for war uses, Judge Dickinson wrote, "and openly fixed the figures in the estimated cost so high as to give promise of large bonus profits."

NO DECEPTION

Officials of the Emergency Fleet Corporation, on the other hand, "knew that the estimate was high and protested," the ruling said. They were told to "take it or leave it." There may have been daylight robbery in this, but there was no deception.

The company's officials, Dickinson went on, "adopted the famous Rob Roy distinction. Rob Roy admitted he was a robber but proudly proclaimed that he was no thief."

Judge Dickinson's decision upheld a ruling in favor of the company made 2 years ago by William Clarke Mason, special master for the court. Richardson Dilworth argued against the Government's contentions on behalf of the steel company.

Mr. CLARK. Mr. President, before I take my seat I desire to read the editorial from the Washington Daily News.

Mr. HATCH. Mr. President, will the Senator yield to me?

Mr. CLARK. I yield.

Mr. HATCH. I am familiar with the editorial which the Senator is about to read. To my mind it is one of the most vigorous editorials ever written. I respectfully ask that order be maintained in the Senate while it is being read.

Mr. CLARK. Mr. President, the editorial is from the Washington Daily News of June 4, and is entitled "Bethlehem's Bids." It relates to the language of the District Court of Pennsylvania, to which I have just referred.

[From the Washington Daily News, Saturday, June 4, 1938]

BETHLEHEM'S BIDS

A Philadelphia judge yesterday threw out of court the Government's $25,000,000 "extortionate war profits" suit against Bethlehem Steel.

At a time when ships were badly needed, the Government wanted 66 vessels built in Bethlehem's shipyards. Bethlehem refused to build them except under a contract providing what the Philadelphia judge described as "inflated" bonus profits. The Government protested. But the managers for Bethlehem replied: "Take it or leave it."

Said the judge yesterday:

"As wartime is to other citizens a time of sacrifice, it seems unholy and sinful to make of the calamity of the people a source of inordinate gain. However, we are dealing with a matter of contract and not sentiment, patriotic or otherwise. * * *

"Whatever wrong there was in this may have been wrong in a daylight robbery, but there was no element of deception in it."

So, on the theory that the Government knew it was being robbed—

As the Government knows it is to be robbed in the construction of the ships to be laid down under the conference report which we agreed to the other day.

So—

Says the News—

on the theory that the Government knew it was being robbed, and submitted to the robbery because it had to have the ships, the suit was dismissed.

Bethlehem did its bit—at its own price.

Then there are a few asterisks—

Veterans—

Remember that dawn when the lieutenant said at zero hour, "All right boys, let's go." And how you said, "For so much I will. Take it or leave it."

War mothers—

Remember the day when President Wilson said, "America needs your sons." And how you said, "We'll not let them go unless you promise to return them unharmed. Take it or leave it."

Citizens—

Remember when Uncle Sam asked you to buy Liberty bonds. And how you said, "We'll buy them at 50 cents on the dollar. Take it or leave it."

* * * * * * * *

Like hell.

Mr. BONE. Mr. President, yesterday I introduced into the RECORD as part of my remarks some observations by a number of Senators on Senate bill 3912. At this time, as a part of my remarks, I ask that a further statement by the Senator from North Dakota [Mr. NYE], a statement by the Senator from Missouri [Mr. CLARK], and a statement by Hon. MAURY MAVERICK, of the House of Representatives, be printed in the RECORD as a part of my remarks.

Let me say parenthetically that, if the war-tax bill, which is the subject matter of the statements of these Members of the Congress, should be adopted, never again in this country would any profiteering war outfit, such as the Bethlehem Steel Corporation, be permitted or allowed to tell this great country of ours to "go to hell."

The PRESIDENT pro tempore. Without objection, the statements presented by the Senator from Washington will be printed in the RECORD.

The statements referred to are as follows:

STATEMENT BY SENATOR GERALD P. NYE (NORTH DAKOTA), ON S. 3912, JUNE 16, 1938

One of the most unhappy pictures of the World War was the unconscionable and ruthless gouging of the people by profiteers. While the boys were dying in the trenches men were permitted to pile up vast fortunes at home.

I am wholly and completely in accord with the desire of the Veterans of Foreign Wars to see written into our statutes tax provisions such as are found in S. 3912. If this bill were enacted into law and war came, those who remained at home would have to share in small measure the sacrifices of the men in uniform. Everyone cannot fight, but at least they can pay out of increased wartime income a sum sufficient to eliminate the horrible financial burden that always follows a war. It is now almost generally conceded that the crushing war debt has been one of the most dangerous factors we have had to confront in an attempt to solve our economic problem.

I was happy to join in sponsoring S. 3912, and I feel that the Veterans of Foreign Wars is doing a noble service to the country in putting the strength of its organization behind this measure. That on short notice 27 Members of the United States Senate were happy to join in the introduction of the bill is an indication of the healthy sentiment in this country in favor of such legislation, because these Senators represented practically every shade of organized public opinion.

STATEMENT BY SENATOR BENNETT CHAMP CLARK

The record of profiteering during the World War is a national disgrace. The effective answer lies in taxation so drastic that a repetition of the offense will be impossible. That answer is found in the provisions of S. 3912, sponsored by 27 Members of the Senate and backed by the Veterans of Foreign Wars in their campaign to take the profit out of war. This measure contains none of the objectionable features of certain proposals before Congress which would subject the country to dictatorial control of industry during the war. It is a pure and simple tax measure under which it would be impossible for any man to enrich himself out of war profits. All such profits would be taken by taxation to pay for the war, and it is this "pay-as-you-fight principle" that makes the bill desirable. It is a complete answer to the almost universal demand that the profit be taken out of war. I am happy to have been one of the authors and sponsors of the bill.

STATEMENT BY MAURY MAVERICK, MEMBER OF CONGRESS

S. 3912, introduced by Senator BONE and others, and which I have introduced in the House as H. R. 9525, really takes the profits out of war. Ever since the last war we have been fourflushing around about "taking the profits out of war."

For instance, a bill was reported out of the House Military Affairs Committee known as the May war-profits bill, and which took no profits out of war whatever. But this bill which I have mentioned, and which is backed by the Veterans of Foreign Wars and many other organizations, does the job.

My idea is that the sensible people of America—the ones who are not taken off their feet by high-sounding phrases—ought to band together and at the very first of the next session of Congress fight through this bill.

The PRESIDENT pro tempore. The question is on agreeing to the resolution (S. Res. 298), as modified.

The resolution, as modified, was agreed to.

MESSAGE FROM THE PRESIDENT—APPROVAL OF SENATE BILLS AND JOINT RESOLUTIONS

A message from the President of the United States by Mr. Latta, one of his secretaries, announced that the President had signed and approved the following acts and joint resolutions:

On June 15, 1938:

S. 821. An act for the relief of Lawson N. Dick;

S. 865. An act for the relief of Alceo Govoni;

S. 1220. An act for the relief of Josephine Russell;

S. 1274. An act for the relief of John H. Owens;

S. 1340. An act for the relief of A. D. Weikert;

S. 1788. An act for the relief of William J. Schwarze;

S. 2009. An act to authorize the payment of certain obligations contracted by the Perry's Victory Memorial Commission;

S. 2368. An act to provide funds for cooperation with school district No. 2, Mason County, State of Washington, in the construction of a public-school building to be available to both white and Indian children;

S. 2409. An act for the relief of certain officers of the United States Navy and the United States Marine Corps;

S. 2566. An act for the relief of the Blue Rapids Gravel Co., of Blue Rapids, Kans.;

S. 2770. An act for the relief of Elizabeth F. Quinn and Sarah Ferguson;

S. 3002. An act for the relief of the holders of the unpaid notes and warrants of the Verde River Irrigation and Power District, Arizona;

S. 3040. An act for the relief of Herman F. Krafft;

S. 3111. An act for the relief of the estate of Lillie Liston and Mr. and Mrs. B. W. Trent;

S. 3166. An act to amend section 2139 of the Revised Statutes, as amended;

S. 3188. An act for the relief of the Ouachita National Bank of Monroe, La.; the Milner-Fuller, Inc., Monroe, La.; estate of John C. Bass, of Lake Providence, La.; Richard Bell, of Lake Providence, La.; and Mrs. Cluren Surles, of Lake Providence, La.;

S. 3215. An act for the relief of Griffith L. Owens;

S. 3300. An act for the relief of Pearl Bundy;

S. 3379. An act for the relief of Arthur T. Miller;

S. 3410. An act for the relief of Miles A. Barclay;

S. 3416. An act providing for the addition of certain lands to the Black Hills National Forest, in the State of Wyoming;

S. 3417. An act for the relief of the State of Wyoming;

S. 3758. An act for the relief of Emily Gertrude Toby;

S. 3849. An act authorizing the Secretary of the Treasury to transfer on the books of the Treasury Department to the credit of the Chippewa Indians of Minnesota the proceeds of a certain judgment erroneously deposited in the Treasury of the United States as public money;

S. J. Res. 243. Joint resolution to provide for the transfer of the Cape Henry Memorial site in Fort Story, Va., to the Department of the Interior; and

S. J. Res. 264. Joint resolution providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution of the class other than Members of Congress.

On June 16, 1938:

S. 546. An act for the relief of Annie Mary Wilmuth;

S. 2413. An act for the relief of the Boston City Hospital, and others;

S. 2553. An act for the relief of E. E. Tillett;

S. 3597. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Natchez, Miss., and for other purposes;

S. 3611. An act to further extend the times for commencing and completing the construction of a bridge across the Missouri River between the towns of Decatur, Nebr., and Onawa, Iowa;

S. 3694. An act to provide for the issuance of a license to practice the healing art in the District of Columbia to Dr. Sigfried Speyer and Dr. Luther Fete;

S. 3836. An act relating to the manner of securing written consent for the reconcentration of cotton under section 383 (b) of the Agricultural Adjustment Act of 1938;

S. 3867. An act authorizing the North Dakota State Highway Department and the Department of Highways of the State of Minnesota to construct, maintain, and operate a free highway bridge across the Red River;

S. 3898. An act to extend the times for commencing and completing the construction of a bridge across the Piscataqua River at or near Portsmouth, N. H.;

S. 3907. An act to further extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Garrison, N. Dak.;

S. 3990. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Miami, Mo.;

S. 4027. An act providing that excess-land provisions of Federal reclamation laws shall not apply to certain lands that will receive a supplemental water supply from the Colorado-Big Thompson project;

S. 4090. An act to provide for the care and treatment of juvenile delinquents;

S. 4144. An act to amend section 1 of an act entitled "An act granting the consent of Congress to the county of Pierce, a legal subdivision of the State of Washington, to construct, maintain, and operate a toll bridge across Puget Sound, State of Washington, at or near a point commonly known as The Narrows," and to extend the times for commencing and completing the construction of such bridge;

S. J. Res. 298. Joint resolution to create a joint congressional committee to investigate the adequacy and use of the phosphate resources of the United States; and

S. J. Res. 300. Joint resolution to create a temporary national economic committee.

ORDER OF BUSINESS

Mr. BARKLEY. Mr. President, I ask unanimous consent that, beginning with Calendar No. 2221, the Senate proceed to the consideration of unobjected-to bills on the calendar from there on.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. TYDINGS. There are on the desk a number of House messages returning Senate bills with House amendments about which there will be no dispute. I wonder if the Senator would object to those being considered so that we may get them out of the way.

Mr. BARKLEY. I do not object, but I should like to have the Senate proceed with the call of the calendar.

Mr. TYDINGS. It will take but a moment.

Mr. BARKLEY. I yield to the Senator from Maryland.

The VICE PRESIDENT. The Chair understands that the Senate is now to proceed with the call of the calendar.

Mr. BARKLEY. No; consent has not as yet been granted. The Senator from Maryland desires to have a matter laid before the Senate, to which I have no objection.

TEMPORARY NATIONAL ECONOMIC COMMITTEE

The VICE PRESIDENT. Will the Senator from Kentucky and the Senator from Maryland permit the Chair to make some appointments?

Mr. BARKLEY. I yield.

Mr. TYDINGS. Certainly.

The VICE PRESIDENT. The Chair makes the following appointments under the authority of Senate Joint Resolution 300, which the clerk will read.

The legislative clerk read as follows:

The Chair appoints the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Arizona [Mr. ASHURST], and the Senator from Idaho [Mr. BORAH] members on the part of the Senate of the

Temporary National Economic Committee, created by Senate Joint Resolution 300, approved June 16, 1938.

Mr. ASHURST. Mr. President, if I heard aright, my name was mentioned in connection with appointment to the National Economic Committee?

The VICE PRESIDENT. The Chair has appointed the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Arizona [Mr. ASHURST], and the Senator from Idaho [Mr. BORAH] as members of what is known as the Monopoly Committee, the joint resolution creating which has just been signed by the President.

Mr. ASHURST. Will the Vice President please accept assurances of my gratitude to him for this expression of his confidence in me; but, in view of my duties as chairman of the Senate Committee on the Judiciary, it is not conceivably within my energy, or within the energy of any other man, to serve as chairman of the Judiciary Committee and at the same time as a member of the Joint Economic Committee and to perform the work of that committee in the manner in which it should be performed. May I, therefore, presume to request the Vice President to relieve me from this appointment, which carries not only dignity and honor but much arduous work; and may I further be permitted to suggest that the Vice President appoint the ranking majority member of the Senate Committee on the Judiciary [Mr. KING] in my place and stead?

The VICE PRESIDENT. Does the Senator from Arizona resign from the committee and request the Chair to appoint the next ranking Member on the Judiciary Committee?

Mr. ASHURST. Yes; for the reasons just assigned, I wish not to shirk any task, but it is not conceivably within my energy or the energy of any other man to serve at one and the same time as chairman of the Senate Committee on the Judiciary and as a member of the joint committee. I therefore regretfully decline this exalted honor and opportunity and request that the ranking Democratic member of the Senate Committee on the Judiciary [Mr. KING] be appointed in my place.

The VICE PRESIDENT. In view of the request of the chairman of the Committee on the Judiciary, the Chair appoints the Senator from Utah [Mr. KING] to take his place on the joint committee.

JOINT COMMITTEE TO INVESTIGATE ADEQUACY AND USE OF PHOSPHATE RESOURCES OF UNITED STATES

The VICE PRESIDENT. The Chair appoints the Senator from Idaho [Mr. POPE], the Senator from Florida [Mr. PEPPER], and the Senator from Nebraska [Mr. NORRIS], members on the part of the Senate of the special joint congressional committee to investigate the adequacy and use of the phosphate resources of the United States, created under Senate Joint Resolution 298, approved June 16, 1938.

LEONARD GRABOSKI

Mr. TYDINGS. I ask the Chair to lay before the Senate the House amendment to Senate bill 3403.

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 3403) for the relief of Leonard Graboski, which was, on page 1, line 6, to strike out "said sum representing the amount" and insert "in full satisfaction and discharge."

Mr. TYDINGS. I move that the Senate concur in the House amendment.

The motion was agreed to.

ORDER FOR CONSIDERATION OF UNOBJECTED BILLS ON CALENDAR

Mr. BARKLEY. Mr. President, I ask unanimous consent that the Senate proceed to consider bills to which there is no objection on the calendar, beginning with Calendar No. 2221, and that that program be subject to consideration of messages from the House that may come over while the call is in progress.

Mr. GEORGE. Mr. President, does the Senator also include any messages now on the table?

Mr. BARKLEY. Yes.

Mr. HATCH. Mr. President, does the Senator's request also include conference reports?

Mr. BARKLEY. All conference reports are privileged, anyway; it is not necessary to include them; but I will include them by asking unanimous consent that conference reports or messages from the House may be taken up and considered during the call of the calendar.

Mr. SHIPSTEAD. Mr. President, I could not hear the first part of the Senator's request.

Mr. BARKLEY. I asked unanimous consent that, beginning with Calendar No. 2221, the Senate proceed to consider bills on the calendar to which there is no objection.

Mr. SHIPSTEAD. Is that all?

Mr. BARKLEY. That is all for the time being.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Kentucky? The Chair hears none, and it is so ordered.

Mr. BARKLEY. Mr. President, I now make a further request that, after the completion of the call beginning with the calendar number I have indicated, the Senate then proceed to the call of the calendar at the beginning for the consideration of bills which have heretofore been called to which there will be no objection.

The PRESIDENT pro tempore. Is there objection?

Mr. BARKLEY. I make the requests in that order because I think that House bills that have come over and been placed on the calendar and have never been called on the call of the calendar should be given preference before other bills are considered.

Mr. HATCH. Mr. President, will the Senator yield before the request is put?

Mr. BARKLEY. I yield.

Mr. HATCH. Is the request broad enough to include action on a concurrent resolution? The reason I ask that question is that there is a conference report in which there is a typographical error which completely destroys the effect of the report, and it is planned to have the report approved and then a concurrent resolution adopted correcting the error.

Mr. BARKLEY. There will be no difficulty about that. Whether or not it is done during the call of the calendar, there will be time to do that. It is a technical error which nobody objects to having corrected.

Mr. HATCH. Very well.

The PRESIDENT pro tempore. Is there objection to the second request of the Senator from Kentucky? The Chair hears none, and it is so ordered.

SALES AND EXCHANGES OF ISLANDS BY WISCONSIN

Mr. LA FOLLETTE. Mr. President, before the call of the calendar is begun, I should like to ask unanimous consent that the Committee on Public Lands and Surveys be discharged from the further consideration of a House joint resolution. I may say, in explanation, that prior to a previous call of the calendar the Committee on Public Lands and Surveys had reported an identical Senate resolution which I had submitted and which subsequently passed the Senate. It had in its possession at the time the House joint resolution. Therefore, I ask unanimous consent that the Committee on Public Lands and Surveys be discharged from the further consideration of House Joint Resolution 281 and that it may be considered at this time. I ask that it be stated for the information of the Senate.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Wisconsin? The Chair hears none and the Committee on Public Lands and Surveys is discharged from the further consideration of the joint resolution.

Is there objection to the request of the Senator from Wisconsin for the present consideration of the joint resolution?

There being no objection, the joint resolution (H. J. Res. 281) to authorize sales and exchanges by the State of Wisconsin notwithstanding certain provisions in the act of

August 22, 1912 (37 Stat. 324), was considered, ordered to a third reading, read the third time, and passed, as follows:

Resolved, etc., That notwithstanding the restrictions and limitations in the act of August 22, 1912 (37 Stat. 324), entitled "An act granting unsurveyed and unattached islands to the State of Wisconsin for forestry purposes," the State of Wisconsin is hereby authorized to sell or exchange any of the islands granted to it by the said act of August 22, 1912, which are not valuable for forestry purposes, on condition that the proceeds from any such sale or that the land acquired by the State in any such exchange shall be devoted to State forestry purposes.

ASSESSMENT WORK ON MINING CLAIMS

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 3493) providing for the suspension of annual assessment work on mining claims held by location in the United States, which was, on page 1, line 9, after the word "States", to insert "including the Territory of Alaska."

Mr. JOHNSON of California. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

AMENDMENT OF CIVIL SERVICE RETIREMENT ACT

The PRESIDENT pro tempore laid before the Senate the amendments of the House to the bill (S. 3525) to amend the act entitled "An act to extend the benefits of the Civil Service Retirement Act of May 29, 1930, as amended, to certain employees in the legislative and judicial branches of the Government," approved July 13, 1937, which were, on page 2, line 11, to strike out "where it first", and insert "wherever it", and on page 2, line 12, to strike out all after "'seven'" down to and including "proviso'" in line 20.

Mr. HAYDEN. At the request of the chairman of the Committee on Civil Service, the Senator from South Dakota [Mr. BULOW], I move that the Senate concur in the amendments of the House.

The motion was agreed to.

CERTIFICATION OF DOCUMENTS OF VATICAN CITY

The PRESIDENT pro tempore laid before the Senate the amendments of the House to the bill (S. 2811) to amend the Judicial Code by adding thereto a new section to be numbered 659 (1), relating to the certification, authentication, and use in evidence of documents of record or on file in public offices in the State of Vatican City, which were to strike out all after the enacting clause and insert:

That the act entitled "An act relating to the admissibility in evidence of certain writings and records made in the regular course of business," approved June 20, 1936, is amended by adding after section 6 thereof the following new section:

"SEC. 6A. Until the United States shall have consular officer resident in the State of the Vatican City, a copy of any document of record or on file in a public office of said State of the Vatican City, certified by the lawful custodian of such document, may be authenticated, as provided in section 6 of this act, by a consular officer of the United States resident in the city of Rome, Kingdom of Italy, and such document or record shall, when so certified and authenticated, be admissible in evidence in any court of the United States."

Amend the title so as to read: "An act to amend the act of June 20, 1936, so as to provide for the certification, authentication, and use in evidence of documents of record or on file in public offices in the State of the Vatican City."

Mr. JOHNSON of California. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

REMIJIO ORTIZ

The PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the bill (S. 3921) for the relief of Remijio Ortiz, which were, on page 1, line 5, to strike out "$500" and insert "$150"; on page 2, line 5, after the name "Ortiz", to insert "of Nambe, N. Mex."; and on page 3, line 14, after the word "made", to insert a colon and "*Provided further*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The PRESIDENT pro tempore. Without objection, the amendments of the House are concurred in.

KLAMATH GENERAL COUNCIL

The PRESIDENT pro tempore laid before the Senate the amendment of the House to the bill (S. 3346) authorizing the Secretary of the Interior to pay salaries and expenses of the chairman, secretary, and interpreter of the Klamath General Council, members of the Klamath Business Committee and other committees appointed by said Klamath General Council, and official delegates of the Klamath Tribe, which was on page 2, line 19, to strike out "$10,000" and insert "$7,500."

Mr. McNARY. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

CONSTRUCTION OF CERTAIN PUBLIC WORKS

The PRESIDENT pro tempore laid before the Senate the amendment of the House to the bill (S. 2338) to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes, which was, on page 3, to strike out lines 5 to 13, inclusive.

Mr. WALSH. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

REGULATION OF COMMERCE IN FIREARMS

The PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the bill (S. 3) to regulate commerce in firearms, which were, on page 1, line 8, after "Islands", to insert "but not including the Canal Zone"; on the same page, line 11, after "Islands", to insert "but not including the Canal Zone"; on page 2, line 6, to strike out "silencer" and insert "silencer, or any part or parts of such weapon"; on page 5, line 24, to strike out "Commerce" and insert "the Treasury"; on page 6, line 2, to strike out "$100" and insert "$25 per annum"; on the same page, line 2, after "$1", to insert "per annum"; on the same page, line 4, to strike out "Commerce" and insert "the Treasury"; on the same page, line 13, to strike out "Commerce" and insert "the Treasury"; on the same page, line 18, to strike out "Commerce" and insert "the Treasury"; on the same page, line 21, to strike out "Commerce" and insert "the Treasury"; on page 7, line 1, to strike out "Commerce" and insert "the Treasury"; on the same page, line 17, to strike out "Commerce" and insert "the Treasury"; on the same page, line 19, to strike out "Commerce" and insert "the Treasury"; on the same page, line 22, after "pieces", to insert a colon and "*Provided*, That nothing herein contained shall be construed to prevent shipments of firearms and ammunition to institutions, organizations, or persons to whom such firearms and ammunition may be lawfully delivered by the Secretary of War, nor to prevent the transportation of such firearms and ammunition so delivered by their lawful possessors while they are engaged in military training or in competition"; and on page 8, line 7, to strike out "Commerce" and insert "the Treasury."

Mr. VANDENBERG. At the request of the Senator from New York, I move that the Senate concur in the amendments of the House.

The motion was agreed to.

AMENDMENTS OF SECTIONS 4197 AND 4200, REVISED STATUTES

The PRESIDENT pro tempore laid before the Senate a joint resolution from the House of Representatives (H. J. Res. 723) to amend H. R. 10672, Seventy-fifth Congress, third session, entitled "An act to amend section 4197 of the Revised Statutes, as amended (U. S. C., 1934 ed., title 46, sec. 91), and section 4200 of the Revised Statutes (U. S. C., 1934 ed., title 46, sec. 92), and for other purposes, so as

to correct a typographical error, which was read twice by its title.

Mr. BAILEY. I ask unanimous consent for the immediate consideration of the joint resolution.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from North Carolina?

There being no objection, the joint resolution was considered, ordered to a third reading, read the third time, and passed.

OLYMPIC NATIONAL PARK

Mr. HATCH. Mr. President, I send to the desk a conference report and ask for its adoption. Immediately after its adoption I desire to ask for the immediate consideration of a concurrent resolution to correct technical errors.

The PRESIDENT pro tempore. The report will be read.

The Chief Clerk read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10024) having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate numbered 1.

That the House recede from its disagreement to the amendment of the Senate numbered 2.

That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows:

In lieu of the matter inserted by said amendment, insert the following: "The President may after 8 months from the approval of this act by proclamation add to the Olympic National Park any lands within the boundaries of the Olympic National Forest, and any lands which may be acquired by the Government by gift or purchase, which he may deem it advisable to add to such park; and any lands so added to such park shall, upon their addition thereto, become subject to all laws and regulations applicable to other lands within such park: *Provided*, That the total area to be added to the said park shall not exceed 898,292 acres: *Provided further*, That before issuing any such proclamation, the President shall consult with the Governor of the State of Washington, the Secretary of the Interior, and the Secretary of Agriculture and advise them of the lands which he proposes to add to such park, and shall afford them a reasonable opportunity to consult with and communicate to him their views and recommendations with respect to the addition of such lands to such park."

ALVA B. ADAMS,
KEY PITTMAN,
CARL A. HATCH,
JOSEPH C. O'MAHONEY,
Managers on the part of the Senate.

RENÉ L. DEROUEN,
J. W. ROBINSON,
F. L. CRAWFORD,
HARRY ENGLEBRIGHT,
KNUTE HILL,
Managers on the part of the House.

The report was agreed to.

Mr. HATCH. Mr. President, I now send to the desk a concurrent resolution, and ask for its immediate consideration.

The concurrent resolution (S. Con. Res. 42) was read, considered by unanimous consent, and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Clerk of the House of Representatives be, and he is hereby authorized and directed, in the enrollment of the bill (H. R. 10024) to establish the Olympic National Park, in the State of Washington, and for other purposes, to make the following corrections, namely:

In Senate amendment No. 3, as agreed to by the conferees, strike out the words "to be added to" appearing in the first proviso reading as follows: "*Provided*, That the total area to be added to the said park shall not exceed 898,292 acres", and insert in lieu thereof the word "of", so that the first proviso shall read as follows: "*Provided*, That the total area of the said park shall not exceed 898,292 acres."

Mr. HATCH. Mr. President, this concurrent resolution for the correction of this technical error is so important that unless it is agreed to by the House it will be necessary later in the day to move to reconsider the vote by which the conference report was adopted.

I merely desire to have that statement appear in the RECORD.

DISPOSITION OF PERSONAL PROPERTY LEFT UPON PREMISES USED AS VETERANS' ADMINISTRATION FACILITIES

Mr. GEORGE. Mr. President, from the Committee on Finance I report back favorably, without amendment, the bill (H. R. 10907) to provide for the vesting of title, and the disposition of personal property left or found upon premises used as Veterans' Administration facilities, and for other purposes, and ask for the immediate consideration of the bill.

The PRESIDENT pro tempore. The report will be received. Is there objection to the immediate consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

Mr. GEORGE. I now ask to have inserted in the RECORD a letter from General Hines, Administrator of the Veterans' Administration, addressed to the Vice President, which fully explains the character of the bill.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The letter is as follows:

VETERANS' ADMINISTRATION,
Washington, June 13, 1938.

The PRESIDENT OF THE SENATE,
The Capitol, Washington, D. C.

SIR: There is transmitted herewith a draft of a bill to provide for the vesting of title, and the disposition of personal property, left or found upon premises used as Veterans' Administration facilities, and for other purposes, with the request that it be referred to the appropriate committee of the United States Senate in order that it may be introduced and pressed for passage at an early date.

Briefly, the primary purpose of the bill is to secure legislation to facilitate the disposition of property left by deceased veterans on premises used as Veterans' Administration facilities and to eliminate certain difficulties, delays, and expenses now incurred in the disposition of such property.

Veterans' Administration facilities are located on premises owned by the United States and in many instances such premises are under the exclusive legislative jurisdiction of the United States. Difficulty in determining domicile is often encountered. Federal courts in the States are without probate jurisdiction. In some States there is doubt in some quarters as to the jurisdiction of the probate court as to property on Federal reservations.

In the absence of legislation the State law in effect at the date the United States acquired exclusive jurisdiction of the particular parcel of land controls. This is because of the rule that a change of sovereignty does not change private law in the ceded territory and such law in effect on the date of change remains in effect until the new sovereignty alters it by new legislation. The inconvenience resulting is apparent when it is considered that the land comprising the Federal reservations now in use was acquired at various periods of our history.

In some instances a veteran who is not a resident of the State in which the facility is located may desire to dispose of his property by will. A will drafted at the facility in accordance with the laws of the State where such facility is located may not meet the requirements as to the execution of wills under the laws of the State of his domicile. In such case his property may be delivered to someone not entitled to possession or disposition of the same may be greatly delayed.

In instances of death intestate the domicile may be unknown or disputed. Relatives of the deceased, however, insist upon possession of his property and some are resentful because of the delay and expense encountered in securing possession of such personal property. In many instances the value of the personal property is small and the expenses of administration are large.

Where property is unclaimed and the owner or, if deceased, his next of kin cannot be found, it is necessary to store such property. It is usually of small value. Such property may deteriorate with the passage of time and be of no value at the time the person or persons entitled to the same are found. In every instance there is involved the cost to the Government of storage and preservation of such property. Sale of such property would eliminate the cost of storage and loss by depreciation. However, at the present time there is no authority to make such sale. There is now in storage a considerable amount of such property. Its value is too small in most cases to cover costs of administration. It is believed that the proposed legislation will permit the Veterans' Administration more speedily and economically to effect disposition of such property and will also obviate many of such difficulties now encountered. Under its provisions the net proceeds of sales would be payable to the personal representative or the proper relatives if claimed within 5 years. Otherwise, the proceeds will remain in the "general post fund."

Section 1 (a) of the bill relates to the disposition of property by will. It purposely provides for the applicability of the will if probated either at the domicile or in the State wherein the reservation is situated. There may well be cases where a patient in a Federal institution makes a will valid at that place but invalid in the jurisdiction from whence he came, or the reverse. The facility at Alexandria, La., is a good example. A will valid in all the States except Louisiana may readily be invalid in Louisiana because of the different requirement there as to witnesses, the function of a notary, etc. A will might well be written for the

patient by a local citizen at the hospital shortly before the patient's death and it might not occur to him to inquire as to domicile. It is believed no harm can result from following the expressed wishes of the testator even though the technical requirements may not be fully complied with under the laws of a given State.

Section 1 (b) deals with disposition of the property of those who die intestate in Veterans' Administration facilities on Federal reservations. It excepts from its intestacy application any property to which the United States is entitled. This is to avoid the necessity of delivering to an administrator property to which the United States is the ultimate claimant.

Section 1 (c) authorizes delivery of the property in accordance with sections 1 (a) and 1 (b).

Sections 2 to 7, inclusive, deal with assets left or found on the premises of a soldiers' home, a hospital, or a facility now under the jurisdiction of the Veterans' Administration, either of known or unknown ownership. These sections provide an expeditious method of transferring possession of property left or found on a facility to certain classes of relatives under varying circumstances as to the existence or nonexistence of administration and cover cases where a decedent left a will as well as those in which he did not and sale of unclaimed property and disposition of the proceeds thereof. The provisions are made applicable to property on hand at the date of enactment as well as that subsequently left or found in facilities. They apply to all property of the decedent which is on the reservation. Where these sections relate to possession only, they do not purport to determine the question of title. Stated differently, a situation similar to a bailment exists. The "bailor" authorizes the "bailee" (Veterans' Administration) to deliver possession at death to certain persons named by the "bailor" or by the statute. And it is to the interest of all parties that such right to deliver after death shall exist. It is somewhat similar to a power of attorney coupled with an interest.

Section 8 provides for the relinquishment of jurisdiction for the limited purposes stated therein, viz, administering on estates of decedents. The proviso in section 8 is to guard against any possible construction that the proposed act modifies, with respect to this subject matter, any existing law with reference to existing jurisdiction of the States on such premises. A somewhat analogous situation is reflected in several other statutes, e. g., death by wrongful act (16 U. S. C. 457), compensation laws (40 U. S. C. 290), gasoline taxes (23 U. S. C. 55a).

Section 9 defines the term "facility" as used in the proposed bill.

The proposed legislation if enacted should not involve any ultimate cost to the Government, but, on the contrary, should lessen much of the administrative delay and some expense now incurred in disposition of personal property.

As to the other Government agencies having to do with "hospitalization or institutional admissions" there are existing statutes governing the disposition of personal property in their possession left by deceased persons. (See 10 U. S. C. 1584 (a), (b), and (c), relative to the effects of deceased persons in the Army; 34 U. S. C. 942, relative to the effects of Navy personnel; 24 U. S. C. 177, relative to deceased patients at St. Elizabeths Hospital; 46 U. S. C. 621–628, relative to deceased merchant seamen.) Regulations pursuant thereto have long been in effect. (See Army Regulation 600–550 (March 6, 1936), copy attached; see also Bureau Circular, No. 2, Bureau of Public Health, Treasury Department, as revised November 12, 1931, copy attached.) The problems confronting these other agencies are peculiar to those agencies, and presumably the present law is adequate for their purposes. Therefore it is believed unnecessary to draft the proposed legislation so as to make it applicable to any Government agency other than the Veterans' Administration. However, there is no law now applicable to the problems confronting the Veterans' Administration in this connection.

For the reasons above stated, it is hoped that the proposed legislation will be enacted as soon as practicable.

Advice has been received from the Acting Director, Bureau of the Budget, that there would be no objection by that office to the submission of this proposed bill to the Congress.

Respectfully,

FRANK T. HINES, *Administrator.*

THE CALENDAR

The PRESIDENT pro tempore. Under the unanimous-consent agreement entered into at the request of the Senator from Kentucky [Mr. BARKLEY], the calendar will be called for the consideration of unobjected bills, beginning where the Senate left off at the last call of the calendar.

The first business on the calendar was the concurrent resolution (S. Con. Res. 36) to establish a joint congressional committee on the taxation of governmental securities and salaries.

Mr. BROWN of Michigan. Mr. President, I offer an amendment in the nature of a substitute for the concurrent resolution.

The PRESIDENT pro tempore. The amendment will be read.

The CHIEF CLERK. It is proposed to strike out all after the resolving clause of the concurrent resolution and in lieu thereof to insert the following:

That there is hereby established a special Committee on the Taxation of Governmental Securities and Salaries, to be appointed by the President of the Senate, which shall be composed of three Senators who are members of the Committee on Finance and three Senators who are members of the Committee on the Judiciary. The committee shall select a chairman from among its members. A vacancy in the committee shall not affect the power of the remaining members to execute its functions, and shall be filled in the same manner as the original appointment.

SEC. 2. It shall be the duty of the committee to make a thorough study and investigation with respect to the taxation, and the exemption from taxation, of (1) securities issued by or under the authority of the United States or the several States or political subdivisions thereof; (2) income derived from such securities; and (3) income received as compensation from the United States or from any State or political subdivision thereof. The committee shall report to the Senate the result of its study and investigation, together with such recommendations as it deems advisable, not later than March 1, 1939, at which time all authority conferred by this resolution shall expire.

SEC. 3. The committee, or any subcommittee thereof, shall have power to hold hearings and to sit and act at such times and places, to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, to have such printing and binding done, and to make such expenditures as it deems advisable. Subpenas shall be issued under the signature of the chairman of the committee and shall be served by any person designated by him.

The expenses of the said investigation, which shall not exceed $5,000, shall be paid out of the contingent fund of the Senate, upon vouchers approved by the chairman of the committee.

SEC. 4. The committee shall have power to employ and fix the compensation of such officers, experts, and employees as it deems necessary in the performance of its duties, but the compensation so fixed shall not exceed the compensation fixed under the Classification Act of 1923, as amended, for comparable duties. The committee is authorized to request the use of the services, information, facilities, and personnel of the departments and agencies in the executive branch of the Government and of the Joint Committee on Internal Revenue Taxation.

Mr. HARRISON. Mr. President, all the Senator from Michigan seeks to do is to make this a Senate resolution instead of a concurrent resolution; is it not?

Mr. BROWN of Michigan. That is correct.

Mr. HARRISON. The resolution will carry the same language as the original concurrent resolution?

Mr. BROWN of Michigan. It is exactly the same in every particular, except that the committee is to be a Senate committee instead of a joint committee.

I move to strike out the resolving clause and insert in lieu thereof "Resolved", and to number the resolution "S. Res. 303."

The motion was agreed to.

The resolution (S. Res. 303) was agreed to.

NATIONAL CEMETERIES

The bill (S. 948) to provide for a national cemetery in every State was announced as next in order.

Mr. BONE. Mr. President, the House this morning passed a bill in identical language with this. I ask that the House bill be substituted for the Senate bill.

Mr. BARKLEY. Mr. President, I should like an explanation of the bill. Is it necessary to establish a national cemetery in every State?

Mr. BONE. It is not made necessary by the bill. The bill is merely an authorization for the Government to accept land. It does not compel any action. There is not a line of compulsion in the bill. That was thoroughly understood by the House Members when the bill was passed. It merely authorizes the Federal Government to accept a tract of land for a national cemetery.

Mr. BARKLEY. Is it for the burial of veterans?

Mr. BONE. The burial of veterans of the United States Army in any war.

Mr. KING. Who is to maintain the cemeteries?

Mr. BONE. The Government. House bill 6925 is an identical bill. I ask that it be substituted for the Senate bill.

The PRESIDENT pro tempore. The bill will be read by title.

The bill (H. R. 6925) to provide a national cemetery in every State was read twice by its title.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Washington?

There being no objection, the bill (H. R. 6925) was considered, ordered to a third reading, read the third time, and passed.

The PRESIDENT pro tempore. Without objection, Senate bill 948 is indefinitely postponed.

AMENDMENT OF INLAND WATERWAYS CORPORATION ACT

The bill (S. 3107) to amend the Inland Waterways Corporation Act, approved June 3, 1924, as amended, authorizing the Secretary of War to extend the services and operations of the Inland Waterways Corporation, to Pensacola, Fla., was announced as next in order.

Mr. KING. Mr. President, let us have an explanation of this bill.

Mr. ANDREWS. Mr. President, the committee reported favorably upon this bill. I can read a portion of the report which shows that that is the case.

The last part of the letter written by the Secretary of War says:

I see no reason why the proposed extension of operations to Pensacola, Fla., would do anything but offer to the territory in and about Pensacola the same opportunity for economical transportation as is afforded other sections of this country.

Therefore, if Congress desires such extension, and if the same restrictions are put upon the initiating of the service as are applied to "tributaries or connecting waterways of the Mississippi," I would be glad to initiate such service if the requirements of law are fulfilled. I therefore recommend the passage of this bill.

This report has been submitted to the President by the Acting Director of the Budget, who informs me as follows:

"Insofar as the financial program of the President is concerned, there would be no objection to the submission to Congress of the proposed favorable report on S. 3107."

My understanding is that this bill requires no further financing. It merely extends to this portion of the waterway the same privileges that are extended to others under like conditions.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. ANDREWS. I yield.

Mr. CLARK. The Senator, of course, is familiar with the fact that the theory upon which the Inland Waterways Corporation was established in the first place was that the Government should put in operation the barge lines for the purpose of demonstrating to private capital the feasibility of barge-line operation on the streams until such time as the field became occupied by private barge lines, when the Government lines should be withdrawn.

I am not familiar with the facts, and I am merely asking for information, but it has been suggested to me that there is already on the waterway covered by the pending bill an adequate private barge line. I ask the Senator from Florida whether or not that is true.

Mr. ANDREWS. My understanding is that there is not.

Mr. KING. Mr. President, many complaints have come to me about the so-called Inland Waterway Corporation, one that is operating boats on the Mississippi River. If this is the same corporation——

Mr. CLARK. It is the same corporation.

Mr. KING. I ask the Senator not to press the measure now. I shall feel constrained to object.

Mr. ANDREWS. Mr. President, I would like to get the bill through. We are now in the closing hours of the session. The Government will incur no expense, and it is very important to the people affected, who want to be treated just as the people are treated in other sections of the United States.

Mr. KING. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

JAMES PHILIP COYLE

The bill (H. R. 10135) for the relief of James Philip Coyle was considered, ordered to a third reading, read the third time, and passed.

JAMES J. COYNE

The bill (H. R. 9731) for the relief of James J. Coyne was considered, ordered to a third reading, read the third time, and passed.

SUE VANRYN

The bill (H. R. 4996) for the relief of Sue VanRyn, Donald VanRyn, a minor, and the estate of Margaret Breseman, deceased, was considered, ordered to a third reading, read the third time, and passed.

CHARLES L. KEE

The bill (S. 3888) for the relief of Charles L. Kee was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Charles L. Kee, of Portsmouth, Va., the sum of $9,000 in full satisfaction of his claim against the United States for damages arising out of the loss by officers of the United States Navy on June 26, 1920, at Hampton Roads, Va., of an aircraft-planted mine invented by said Charles L. Kee and constructed by him for demonstration.

MICHAEL J. MULDOWNEY

The bill (H. R. 9795) for the relief of Michael J. Muldowney was considered, ordered to a third reading, read the third time, and passed.

J. T. HERREN AND BILLIE HERREN, A MINOR

The bill (H. R. 9516) for the relief of J. T. Herren and Billie Herren, a minor, was considered, ordered to a third reading, read the third time, and passed.

ISABELLA HOOPER CARAWAY AND JAMES RANDOLPH HOOPER, A MINOR

The bill (H. R. 2646) for the relief of Isabella Hooper Caraway and James Randolph Hooper, a minor, was considered, ordered to a third reading, read the third time, and passed.

DUDLEY E. ESSARY

The bill (H. R. 3761) for the relief of Dudley E. Essary was considered, ordered to a third reading, read the third time, and passed.

CORRECTION OF ERRORS IN COURT DECISIONS

The Senate proceeded to consider the bill (H. R. 9171) directing the Court of Claims to reopen certain cases and to correct the errors therein, if any, by additional judgments against the United States, which had been reported from the Committee on Claims with amendments, on page 2, line 19, before the word "alleged", to strike out "rate of 3 percent per annum" and to insert "proper rate"; on page 3, line 15, after the words "at the", to strike out "rate of 3 percent per annum" and to insert "proper rate", so as to make the bill read:

Be it enacted, etc., That the Court of Claims of the United States be, and it is hereby, authorized and directed to reopen the following just-compensation cases on its docket, heretofore disposed of by said court, to wit: Willard R. Cook & Co., Inc., against United States (No. 33984); A. E. Krise, receiver of the Fidelity Land & Investment Corporation (formerly Fidelity Land & Investment Corporation) against United States (No. 33988); Pine Beach Hotel Corporation (now represented by Charles H. Consolvo and A. E. Campe, its receivers) and others against United States (No. 34049); Harry L. Lowenberg and others against United States (No. 34727); Norfolk-Hampton Roads Co. against United States (No. 34751) (all of Norfolk, Va.); William G. Maupin, Jr., and others (now represented by George W. Maupin, as administrator and in his own right, E. Griffith Maupin, S. Dawson Maupin, Alliene Maupin, and Ruth Maupin, all of Portsmouth, Va.) docket No. 34681; and to ascertain and determine from the special findings of fact as therein made and recorded by said court, and with due regard to the requirements of the act applicable thereto under which such properties were taken and the fifth amendment to the Constitution of the United States, as defined by the Supreme Court in the case of *Seaboard Air Line Railway* v. *United States* (261 U. S. 299), and other like cases, the amount of just compensation by way of interest, if any, at the proper rate alleged to be due and owing by the United States to the parties

plaintiff from the date of taking to the time of the payment to them of the original judgments in each of said cases for their lands situate at Hampton Roads, Va., and taken for public use by the United States on June 28, 1917, by authority of the act of Congress of June 15, 1917 (ch. 29, 40 Stat. 207–208), and taken for public use by the United States on September 20, 1918, by authority of acts of Congress of May 16, 1918 (40 Stat. 550–551), and June 4, 1918 (40 Stat. 595), and an Executive order of the President dated June 18, 1918.

SEC. 2. If said court in such determination from the record in said cases shall find that it failed to include in its judgment in said cases the item of interest at a proper rate, or the equivalent thereof, as an element or part of just compensation then due said parties plaintiff for their said property, then it shall have jurisdiction to correct the same and adjudge to said parties plaintiff and against the United States in each of the above-specified cases such additional sum of money as may be determined by the court under section 1 of this act, with interest thereon at the proper rate from the date of payment of the several judgments therein, until March 5, 1925, irrespective of any delay upon the part of the executive departments to see that just compensation is accorded to said landowners in respect of the premises, or any existing statute of limitation, or any other law to the contrary notwithstanding, except that either party litigant shall have the right to petition the Supreme Court of the United States for a writ of certiorari, as in other cases in the Court of Claims.

SEC. 3. The said court shall promptly proceed in said causes, each and all, upon motions filed therein by the parties plaintiff with the clerk of said court, if so filed within 4 months after the date of the approval of this act.

The amendments were agreed to.

Mr. KING. I should like to have an explanation.

Mr. BYRD. Mr. President, this is a bill identical with one which passed last year. It provides for paying interest on property in the Norfolk section of Virginia commandeered by the Government at the time of the war.

On account of the decision of the Supreme Court in the case of United States against Klamath and others, the bill last year suffered a veto by the President. The Attorney General wrote the committee directing attention to the decision of the Supreme Court whereby interest was to be paid from the date the property was commandeered until 1925. The bill was very carefully considered by a subcommittee of which the Senator from Kentucky [Mr. LOGAN] was the chairman.

The PRESIDENT pro tempore. The question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

POMPEO ERCOLANO

The bill (H. R. 4691) for the relief of Pompeo Ercolano was considered, ordered to a third reading, read the third time, and passed.

ISSUANCE OF BONDS BY THE COUNTY OF KAUAI

The bill (H. R. 10835) to authorize the county of Kauai to issue bonds of such county in the year 1938 under the authority of Act 186 of the Session Laws of Hawaii, 1937, in excess of 1 percent of the assessed value of the property in said county as shown by the last assessment for taxation, was considered, ordered to a third reading, read the third time, and passed.

ISAAC FRIEDLANDER

The bill (H. R. 10339) for the relief of Isaac Friedlander was considered, ordered to a third reading, read the third time, and passed.

VICTOR H. TODARO

The bill (H. R. 9859) for the relief of Victor H. Todaro was considered, ordered to a third reading, read the third time, and passed.

PENSION TO GRIZELDA HULL HOBSON

The Senate proceeded to consider the bill (S. 2822) granting a pension to Grizelda Hull Hobson, which had been reported from the Committee on Pensions with an amendment, on page 1, line 8, after "per month", to insert "in lieu of that she is now receiving", so as to make the bill read:

Be it enacted, etc., That the Administrator of Veterans' Affairs be, and he is hereby, authorized and directed to place on the pension roll, subject to the provisions and limitations of the pension laws, the name of Grizelda Hull Hobson, widow of Admiral Richmond Pearson Hobson, United States Navy, and pay her a pension at the rate of $100 per month in lieu of that she is now receiving.

Mr. MINTON. Let the bill go over.

Mr. McGILL. Mr. President, will not the Senator withhold his objection a moment?

Mr. MINTON. I withhold the objection.

Mr. McGILL. The Senator from Alabama [Mr. HILL] is very much interested in this measure, and it should receive consideration at the hands of the Senate.

Mr. SHEPPARD. Mr. President, the widow of Admiral Hobson, one of the greatest heroes this Nation ever had, is in sadly straitened circumstances. It is a reflection on this Nation that it permits such a situation to exist. The bill provides for an increase in her pension. I certainly hope no objection will be raised.

Mr. McGILL. Mr. President, I should like to make a short explanation. The beneficiary under the bill is the widow of Rear Admiral Richmond Pearson Hobson, who as a captain in the United States Navy during the Spanish-American War performed one of the greatest acts of heroism known to the history of this or any other country. Rear Admiral Hobson has been dead for a short time and his widow draws the average pension of the widow of a Spanish-American War veteran. Naturally, by virtue of her position, she is at much more expense in living than most of the widows of Spanish-American War veterans. In addition to her pension, she has but a very small income, making her total income but $60 or $70 per month. If the bill should be passed, her pension would be increased to $100 per month.

There are now on the pension rolls 14 widows of men who have held official positions in the Army or the Navy, most of whom are drawing higher rates of pension than is provided in the bill.

Mr. President, I think the country owes it to the widow of Rear Admiral Hobson to see to it that she is at least reasonably provided for.

Mr. HILL. Mr. President——

Mr. MINTON. I withdraw the objection.

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill granting an increase of pension to Grizelda Hull Hobson."

RAINY RIVER BRIDGE, MINNESOTA

The bill (S. 4147) authorizing the village of Baudette, Minn., its successors and assigns, to construct, maintain, and operate a bridge across the Rainy River at or near Baudette, Minn., was announced as next in order.

Mr. SHIPSTEAD. Mr. President, the House has passed a measure identical with this bill. I ask that it be substituted for the Senate bill and be now considered.

The PRESIDENT pro tempore. The Chair lays before the Senate a bill from the House, which will be read.

The bill (H. R. 10777) authorizing the village of Baudette, Minn., its successors and assigns, to construct, maintain, and operate a bridge across the Rainy River at or near Baudette, Minn., was read the first time by title and the second time at length, as follows:

Be it enacted, etc., That in order to facilitate international commerce, improve the Postal Service, and provide for military and other purposes the village of Baudette, Minn., its successors and assigns, be, and it is hereby, authorized to construct, maintain, and operate a bridge and approaches thereto across the Rainy River, so far as the United States has jurisdiction over the waters of such river, at a point suitable to the interests of navigation at Baudette, Minn., in accordance with the provisions of the act entitled, "An act to regulate the construction of bridges over navigable waters", approved March 23, 1906, subject to the conditions and limitations contained in this act, and subject to the approval of the proper authorities in Canada.

There is hereby conferred upon the village of Baudette, Minn., its successors and assigns, all such rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use real estate and other property in the State of Minnesota, needed for the location, construction, operation, and maintenance of such bridge and its approaches as are possessed by railroad corporations for railroad purposes or by bridge corporations for bridge purposes in the State of Minnesota upon making just compensation therefor to be ascertained and paid according to the laws of such State, and the proceedings therefor shall be the same as in the condemnation or expropriation of property for public purpose in such State.

That the said village of Baudette, Minn., its successors and assigns, are hereby authorized to fix and charge tolls for transit over such bridge in accordance with any laws of Canada applicable thereto, and the rates of toll so fixed shall be the legal rates until changed by the Secretary of War under the authority contained in the act of March 23, 1906.

The right to sell, assign, transfer, and mortgage all the rights, powers, and privileges conferred by this act is hereby granted to the village of Baudette, Minn., its successors and assigns; and any corporation to which or any person to whom such rights, powers, and privileges may be sold, assigned, or transferred, or who shall acquire the same by mortgage foreclosure or otherwise, is hereby authorized and empowered to exercise the same as fully as though conferred herein directly upon such corporation or person.

The right to alter, amend, or repeal this act is hereby expressly reserved.

The PRESIDENT pro tempore. The question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed.

The PRESIDENT pro tempore. Without objection, Senate bill 4147 will be indefinitely postponed.

BILL PASSED OVER

The bill (S. 3332) to provide for recognizing the services rendered by civilian officers and employees in the construction and establishment of the Panama Canal and the Canal Zone, was announced as next in order.

Mr. KING. Mr. President, I should like to have an explanation of this bill. In the absence of an explanation, I ask that it go over.

The PRESIDENT pro tempore. The bill will be passed over.

INSPECTION OF MEAT

The Senate proceeded to consider the bill (H. R. 8047) to amend the Meat Inspection Act of March 4, 1907, as amended and extended with respect to its application to farmers, retail butchers, and retail dealers, which was read, as follows:

Be it enacted, etc., That the Meat Inspection Act of March 4, 1907, as amended and extended, is amended by substituting for the concluding paragraph thereof the following:

"That within the meaning of this Act—

"(a) A 'farmer' means any person or partnership chiefly engaged in producing agricultural products on whose farm the number of cattle, calves, sheep, lambs, swine, or goats is in keeping with the size of the farm or with the volume or character of the agricultural products produced thereon, but does not mean any person or partnership engaged in producing agricultural products who—

"(1) actively engages in buying or trading in cattle, calves, sheep, lambs, swine, or goats; or

"(2) actively engages, directly or indirectly, in conducting a business which includes the slaughter of cattle, calves, sheep, lambs, swine, or goats for food purposes; or

"(3) actively engages, directly or indirectly, in buying or selling meat or meat food products other than those prepared by any farmer on the farm; or

"(4) actively engages, directly or indirectly, in salting, curing, or canning meat, or in preparing sausage, lard, or other meat food products; or

"(5) slaughters, or permits any person to slaughter, on his or their farm cattle, calves, sheep, lambs, swine, or goats which are not actually owned by him or them.

"(b) A 'retail butcher' means any person, partnership, association, or corporation chiefly engaged in selling meat or meat food products to consumers only, except that the Secretary of Agriculture, at his discretion, may permit any retail butcher to transport in interstate or foreign commerce to consumers and meat retailers in any 1 week not more than 5 carcasses of cattle, 25 carcasses of calves, 20 carcasses of sheep, 25 carcasses of lamb, 10 carcasses of swine, 20 carcasses of goats, or 25 carcasses of goat kids, or the equivalent of fresh meat therefrom, and to transport in interstate or foreign commerce to consumers only meat and meat food products which have been salted, cured, canned, or prepared as sausage, lard, or other meat food products, and which have not been inspected, examined, and marked as 'Inspected and Passed' in accordance with the terms of the Meat Inspection Act of March 4, 1907, and acts supplemental thereto, and with the rules and regulations prescribed by the Secretary of Agriculture.

"(c) A 'retail dealer' means any person, partnership, association, or corporation chiefly engaged in selling meat or meat food products to consumers only except that the Secretary of Agriculture, at his discretion, may permit any retail dealer to transport in interstate trade or foreign commerce to consumers and meat retailers in any 1 week not more than 5 carcasses of cattle, 25 carcasses of calves, 20 carcasses of sheep, 25 carcasses of lambs, 10 carcasses of swine, 20 carcasses of goat, or 25 carcasses of goat kids, or the equivalent of fresh meat therefrom, and to transport in interstate or foreign commerce to consumers only meat and meat food products which have been salted, cured, canned, or prepared as sausage, lard, or other meat food products which have not been inspected, examined, and marked as 'Inspected and Passed' in accordance with the terms of the Meat Inspection Act of March 4, 1907, and acts supplemental thereto, and with the rules and regulations prescribed by the Secretary of Agriculture.

"That the provisions of the Meat Inspection Act of March 4, 1907, requiring inspection to be made by the Secretary of Agriculture shall not apply to animals slaughtered by any farmer on the farm and sold and transported in interstate or foreign commerce, nor to retail butchers and retail dealers in meat and meat food products, supplying their customers: *Provided*, That all meat and meat food products derived from animals slaughtered by any farmer on the farm which are salted, cured, canned, or prepared into sausage, lard, or other meat food products at any place other than by the farmer on the farm upon which the animals were slaughtered shall not be transported in interstate or foreign commerce under the farmers' exemption herein provided, and all fresh meat and all farm-cured or prepared meat and meat food products derived from animals slaughtered by any farmer on the farm which are to be used in interstate or foreign commerce shall be clearly marked with the name and address of the farmer on whose farm the animals were slaughtered: *Provided further*, That if any person shall sell or offer for sale or transportation for interstate or foreign commerce any meat or meat food products which are diseased, unsound, unhealthful, unwholesome, or otherwise unfit for human food, knowing that such meat food products are intended for human consumption, he shall be guilty of a misdemeanor and on conviction thereof shall be punished by a fine not exceeding $1,000 or by imprisonment for a period not exceeding 1 year, or by both such fine and imprisonment: *And provided further*, That the Secretary of Agriculture is authorized to maintain the inspection in this act provided for at any slaughtering, meat canning, salting, packing, rendering, or similar establishment notwithstanding this exception, and that the persons operating the same may be retail butchers and retail dealers or farmers; and where the Secretary of Agriculture shall establish such inspection then the provisions of this act shall apply notwithstanding this exception."

Mr. KING. Mr. President, has this bill the approval of the Department?

Mr. LA FOLLETTE. It has the approval of the Department. It does not apply to farmers and it does not affect buyers of live meat. What is sought to be prevented, or supervised, is the purchase of very young calves and their slaughter without inspection, and the meat then being shipped into consuming centers.

The PRESIDENT pro tempore. The question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed.

EMMOND WOLFER

The bill (H. R. 9135) for the relief of Emons Wolfer was considered, ordered to a third reading, read the third time, and passed.

JOSEPH WEBBE

The bill (H. R. 9012) for the relief of Joseph Webbe was considered, ordered to a third reading, read the third time, and passed.

WILLIAM MONROE

The bill (H. R. 9133) for the relief of William Monroe was considered, ordered to a third reading, read the third time, and passed.

CELIA KOEHLER

The bill (H. R. 9132) for the relief of Celia Koehler was considered, ordered to a third reading, read the third time, and passed.

CHARLOTTE E. HUNTER

The bill (S. 1404) for the relief of Charlotte E. Hunter was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That notwithstanding the provisions and limitations of the act entitled "An act for the retirement of public-school teachers in the District of Columbia", approved January 15, 1920, as amended, the Commissioners of the District of Columbia are hereby authorized and directed to place on the retirement list of teachers retired under the provisions of such act the name of Charlotte E. Hunter, formerly a teacher in the public schools of the District of Columbia, and to pay, out of the fund established by such act, to the said Charlotte E. Hunter an annuity computed as provided in such act, as amended; and the said Charlotte E. Hunter shall be accredited with and entitled to count, for such purposes, in addition to all other periods of service to which she may be lawfully entitled, the period of her employment as such school teacher from February 5, 1895, to April 12, 1919, both dates inclusive. Payment of such annuity shall begin from the date of enactment of this act.

BILL PASSED OVER

The bill (H. R. 8678) for the relief of Albert Saint Clair was announced as next in order.

Mr. REYNOLDS. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

NATIONAL ECONOMIC COUNCIL

The Senate proceeded to consider the resolution (S. Res. 281) increasing the limit of expenditures for investigation of the desirability of establishing a National Economic Council, which had been reported from the Committee to Audit and Control the Contingent Expenses of the Senate, with amendments, on page 1, line 4, after the word "authorized", to strike out "in pursuance of" and to insert "in order to complete"; on line 6, after the word "Senate", to strike out "$10,000" and to insert "$5,000"; and on line 7, after the word "purpose" and the period, to insert "The committee shall make a final report on or before June 30, 1939", so as to make the resolution read:

Resolved, That the Committee on Manufactures, authorized by Senate Resolution 114, Seventy-fourth Congress, to investigate the desirability of establishing a National Economic Council hereby is authorized in order to complete such investigation, to expend from the contingent fund of the Senate $5,000 in addition to the amounts heretofore authorized for such purpose. The committee shall make a final report on or before June 30, 1939.

The amendments were agreed to.

The resolution as amended was agreed to.

INVESTIGATION OF LOBBYING ACTIVITIES

The Senate proceeded to consider the resolution (S. Res. 279) increasing the limit of expenditures of the Special Committee for the Investigation of Lobbying Activities, which had been reported from the Committee to Audit and Control the Contingent Expenses of the Senate with an amendment, on page 1, line 4, after the words "increased by", to strike out "$25,000" and to insert "$12,500", so as to make the resolution read:

Resolved, That the limit of expenditures for the special committee of the Senate, appointed pursuant to Senate Resolution 165, Seventy-fourth Congress, as amended and supplemented, to investigate lobbying activities, is hereby increased by $12,500.

Mr. BURKE. Let the resolution go over.

Mr. MINTON. Mr. President, I give notice that I shall later make a motion to call this resolution up.

The PRESIDENT pro tempore. Objection is heard, and the resolution will be passed over.

USE OF RELIEF FUNDS FOR POLITICAL PURPOSES

The Senate proceeded to consider the resolution (S. Res. 290) providing for an investigation of the alleged use of relief and work-relief funds for political purposes, which had been reported from the Committee to Audit and Control the Contingent Expenses of the Senate with an amendment, to strike out all after the resolving clause and to insert:

Resolved, That the special committee authorized to be appointed by Senate Resolution 283 of the Seventy-fifth Congress, agreed to May 27, 1938, is hereby directed to make, in addition to any investigations which it is directed to make by such resolution, a specific investigation with respect to whether or not any funds appropriated by the Congress (whether for expenditure by any department, independent agency, or instrumentality of the United States, or by any State or political subdivision of a State or instrumentality of any State or political subdivision thereof) have been spent or are being spent in such a manner as to influence votes cast or to be cast in any primary, convention, or election held in 1938 at which a candidate for Senator is to be nominated or elected. Such specific investigation shall be made in the same manner as the other investigations made pursuant to such resolution are made, and in making such specific investigation the committee and any subcommittee thereof shall have all powers conferred upon them by such resolution. The expenses of such special investigation, for which a sum of not to exceed $10,000 is authorized to be expended in addition to the sum authorized to be expended under such resolution, shall be paid from the contingent fund of the Senate on vouchers approved by the chairman of the committee.

Mr. McNARY. Mr. President, I commend the committee for attempting to overcome the error they made when they defeated the Hatch and Austin amendments. Subsequently thereto it seems that the Senator from Maryland [Mr. TYDINGS] offered a resolution for the appointment of a special committee. I think the Senator from Kentucky also offered a resolution.

It now appears, Mr. President, that the resolution, under the order we are now considering, is an amendment of a resolution we passed heretofore, dealing with campaign expenditures. That is my understanding. It adds some additional responsibilities, and carries the small additional amount of $10,000.

Mr. President, the resolution has the same vice which other resolutions providing for investigation of campaign expenditures have had in that the report is not to be made until after the election in November. Consequently, the investigation would have no effect by way of improving the moral conditions surrounding the election or the attitude of those expending the money for the relief work. The resolution seems to be a sort of a painless and pointless one, but it is better than nothing, because it is an attempt on the part of some to retrieve the losses which were suffered when the Hatch and Austin amendments were defeated.

Mr. President, of course, as a practical proposition I intend to support the resolution. I think that $10,000, to be used for this particular purpose, is an insignificant amount when we consider what might be required of the committee in the way of work necessary to make a thorough investigation of expenditures by those agencies of Government dealing with work relief and relief. I am looking to see if I can locate the Senator from South Carolina [Mr. BYRNES]. I think I heard him state on another occasion that he intended to ask for an increase in this sum of money.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. McNARY. I yield.

Mr. BARKLEY. The $10,000 is in addition to the $30,000 carried in the original resolution which I introduced and which was passed by the Senate some 2 weeks or more ago. It has been my belief, and it was my belief at the time I introduced the Senate resolution, that the committee set up in that resolution had ample authority to investigate all the matters contained in the resolution. I had that very situation in mind in connection with the language of the resolution, which was similar to a resolution passed 2 years ago providing for the same purpose. Senate Resolution No. 290, introduced by the Senator from Maryland [Mr. TYDINGS], and other Senators, asked for only a $10,000 appropriation for a special committee.

It has been felt by the Committee to Audit and Control the Contingent Expenses of the Senate, and I think by other Senators—and I include myself—that it was unwise to have two committees making the same investigation, covering the same field at the same time. But inasmuch as the other committee had already been appointed, with what I thought was ample authority to do the very things set out in the subsequent resolution, it seemed to me that the sensible thing to do, if there was any need of broadening the resolution, was to broaden it by an amendment such as has been brought in by the committee, rather than have two separate committees occupying the same field at the same time.

I will say that one of the reasons why I objected to the Hatch resolution, as I said at the time it was being considered, was that it attempted to deal with one group of those who might be on the pay roll of the Government, and that, the most unfortunate group, many of whom are on the pay roll of the Government not because of any desire on their part, but because of necessity for earning a living.

The amendment of the committee broadens the scope of the resolution which I offered, and which was adopted, so as to cover not only all those who are employed by the Government directly, but all those employed by any State, or subdivision of the State, from funds supplied by the Government of the United States. I think that that is a commendable broadening of the scope of the activities of this committee, because as I said on the former occasion, I see no reason why one group of Federal employees paid out of the Treasury of the United States should be treated in a different manner from other groups paid in whole or in part out of the Treasury of the United States.

While I believed and still believe that the amendment which was reported by the Committee to Audit and Control the Contingent Expenses of the Senate is technically unnecessary, it certainly does clear up the authority of this committee, so that it is without any doubt authorized to investigate all the matters set forth in the resolution offered by the Senator from Maryland and other Senators.

I have no doubt that the committee will proceed promptly in the performance of its duties, without partiality or without favor and I believe, after consulting the Senator from South Carolina and other Senators who have already been appointed members of the committee, that the $40,000, which will be available—that is, the original $30,000 and the $10,000 provided by the amendment—will be ample for the committee to discharge its duties. If it is not ample, I, of course, would be perfectly agreeable to an increase in the amount.

Mr. McNARY. Mr. President, I am not urging that there should be two independent committees or agencies to consider campaign expenditures and the vices which have been alleged to occur in connection with the expenditure and distribution of relief funds. I think it is well to focus them in one committee, if we are to treat them from a committee standpoint.

My fundamental objection is that we should have made a statutory declaration against the use of money in politics. That would be a greater and stronger move against abuse than could be made by an investigation conducted by a committee, which, unfortunately, will not report until after the election in November.

Mr. HATCH. Mr. President, will the Senator from Oregon yield?

Mr. McNARY. I yield.

Mr. HATCH. I merely want to observe that, of course, I am quite in accord with what the Senator from Oregon has said. I wanted a statutory declaration. But if we cannot get that, I am anxious to get whatever we can. I am particularly anxious to see the appropriation increased, and the Senator from Wyoming [Mr. O'MAHONEY] who has just come onto the Senate floor, is going to offer an amendment to increase the amount of the appropriation. I hope that amendment will prevail.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. McNARY. I shall yield in a moment. Mr. President, I share the views of the able Senator from New Mexico, and I shall support the resolution. I simply tried to make it plain that I favored the other course. I thought it was a better manner in which to perform the work than the course we are now pursuing, but what is now proposed to be done is better than nothing.

I do not think the $10,000 is adequate to do the work. Every year we pass a resolution carrying about $30,000, and I remember in one instance, $50,000, to investigate campaign expenditures. Now only $10,000 is being allowed to a committee for this purpose, although the work adds additional difficulty and responsibility. I think the committee should have at least $25,000. I intend to make that proposal, but before I do so I shall yield to the Senator from Wyoming.

Mr. O'MAHONEY. Mr. President, I asked the Senator to yield in order that I might say that I was absent from the Chamber when the resolution was reached on the calendar. It has been my intention from the time that the amendment reported by the committee was presented to the Senate to make a motion to increase the sum available from $10,000 to $50,000, and when the opportunity presents itself to me I shall make that motion.

Mr. McNARY. I shall yield for that purpose now. Otherwise I shall make a motion.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. McNARY. I yield.

Mr. BARKLEY. The amendment reported by the Committee to Audit and Control the Contingent Expenses of the Senate adds to the sum already available the amount set out in the resolution offered by the Senator from Maryland and other Senators, which would make the combined amount $40,000. If the Senator moves to amend it by providing for $50,000 additional, and that amendment should be agreed to, it would make the total amount $80,000.

Mr. O'MAHONEY. That is correct.

Mr. BARKLEY. I have no objection to any amount that may be absolutely necessary, and I assume that the committee would not expend more than is necessary to be expended in order to ascertain the facts.

Mr. O'MAHONEY. So far as I am concerned, I hope that will be the policy of the committee, and I am sure it will be.

Mr. BARKLEY. I, myself, have no objection to the addition of $50,000, or any amount that may be necessary in order to enable the committee to go into this matter as it should be gone into, and to cover the whole scope and the whole field outlined in the amendment to the resolution which I introduced, and which was adopted a couple of weeks ago.

Mr. McNARY. The suggestion is made that $50,000 be added——

Mr. O'MAHONEY. Mr. President, I understood the Senator yielded to me in order that I might make a motion.

Mr. McNARY. Before that I want to make a statement. The language of the resolution on page 3 is:

The expense of such special investigation—

That is what it is called—

for which a sum not to exceed $10,000 is authorized to be expended.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. McNARY. I yield.

Mr. O'MAHONEY. My purpose is to move, and I do now move, that the amendment which has been reported by the Committee to Audit and Control the Contingent Expenses of the Senate be amended by striking out, on page 3, in line 17, the figures "$10,000" and inserting in lieu thereof the figures "$50,000."

The purpose of the amendment is to provide that the committee, under Senate Resolution No. 283, in addition to the $30,000 already authorized, shall have the $50,000 authorized by the proposed amendment.

Mr. LEWIS. Mr. President——

Mr. McNARY. I yield to the Senator from Illinois.

Mr. LEWIS. Is there any proposal as to the procedure of the investigation? What is being submitted to indicate the method of the investigation?

Mr. McNARY. The committee has been appointed. The resolution has been adopted, providing that the committee may subpena witnesses, employ counsel, and generally make an investigation, and report to the Congress at its next session. The procedure is no different from the procedure followed in all investigations made by special and general committees.

Mr. O'MAHONEY. Mr. President——

Mr. McNARY. I yield to the Senator from Wyoming.

Mr. O'MAHONEY. May I suggest to the Senator that the answer to the inquiry of the Senator from Illinois is to be found in the sentence beginning on page 3, in line 11:

> Such specific investigation shall be made in the same manner as the other investigations made pursuant to such resolution are made, and in making the specific investigation the committee, and any subcommittee thereof, shall have all the powers conferred upon them by such resolution.

Mr. LEWIS. There is nothing, then, being addressed to any specific accusation at this particular time, or addressed to any particular locality?

Mr. O'MAHONEY. Nothing whatever.

Mr. McNARY. As I stated a moment ago, the resolution is in the usual form applicable to all committees, as indicated in the language read by the Senator from Wyoming.

Mr. BARKLEY. Mr. President——

Mr. McNARY. I yield to the Senator from Kentucky.

Mr. BARKLEY. As the Senator may recall, a few weeks ago I submitted a resolution providing for a special committee to investigate expenditures in connection with senatorial campaigns, not only in general elections, but in primaries, conventions, or otherwise. The resolution not only included an investigation of the expenditure of money from sources which are usually not public, but it provided for an investigation of the expenditure of public money of any kind.

I thought that resolution was sufficiently broad to cover Federal money, State money, city money, or any other public funds. The committee is authorized to investigate promises of appointments and positions of any public nature, and patronage of all sorts. The resolution is very broad. The present amendment is an amendment to that resolution, which has already been adopted, and under which a committee has already been set up. The amendment broadens the authority, if needed, and increases the amount available, so that the committee may investigate not only the W. P. A., but may investigate also the P. W. A., the C. C. C., the Agricultural Adjustment Administration, the Farm Credit Administration, or any other Federal activity.

Also, it may investigate the use of money contributed by the Federal Government to help finance any activity within a State, such as a highway commission, the Social Security Board, old-age pensions, unemployment insurance, and every other activity, whether carried on directly by the Federal Government, or indirectly through States to which the Federal Government makes contributions.

Mr. LEWIS. May I ask the able leader whether or not the resolution contemplates the examination by the committee of the whole subject, previous to the election in November of this year?

Mr. BARKLEY. It does. It includes an investigation not only previous to election, but following the election. If the committee finds that in the election, in the primary, or in a convention, or in the November election, there is reason to believe that there has been improper expenditure of money, or use of money for the purpose of controlling or influencing an election, the committee has power to proceed, after the election is over, to ascertain the facts. That is one reason why, as heretofore, the committee has been authorized to make its report at the next session of Congress. The Senator may recall a previous instance in which the committee did proceed after the election to gather facts pertaining to the election, which had a very vital effect upon the course of the Senate in determining the eligibility of Members to seats in the Senate.

Mr. McNARY. Mr. President, there is no doubt the committee could start to work immediately. However, the objection I have to the proposal is that the report is not to be made until the next session of Congress. Therefore, it is an inquest rather than an inquiry, and for that reason has no strength.

Mr. HATCH. Mr. President——

Mr. McNARY. I yield to the Senator.

Mr. HATCH. I desire merely to make an observation with respect to the amendment offered by the Senator from Wyoming. The observation I desire to make is that if the committee is to be charged with this duty and this responsibility, the committee should not be limited as to funds. It does not make any difference whether the cost is $10,000 or $50,000. The Senate can well afford to authorize whatever sum may be necessary; and the amount suggested by the Senator from Wyoming, a member of the committee, is his estimate as to what would be required. The Senate certainly should adopt the amendment offered by the Senator from Wyoming, and not send out one of its own committees with insufficient funds.

Mr. BARKLEY. Mr. President, will the Senator yield further?

Mr. McNARY. I yield.

Mr. BARKLEY. I think that the fund, whatever the total amount is, ought to be an amalgamated fund. Heretofore, $30,000 has been allocated to the special committee for the broad purposes set out in Senate Resolution 283. It seems to me that the language of the amendment sets up a special fund for a particular investigation. I think that the whole amount, the $50,000 and the $30,000, ought to constitute a fund of $80,000, with which the committee may perform all its duties under the resolution as amended.

Mr. HATCH. Mr. President——

Mr. McNARY. I yield to the Senator from New Mexico.

Mr. HATCH. I wish to say that my understanding is that the situation would be as described by the Senator from Kentucky. The Senator from Kentucky and I have had some exchanges on the floor about this subject. I was particularly happy to hear what he had to say today about the investigation of the entire subject matter, and especially with respect to funds which are appropriated by the Federal Government and turned over to the States, to be expended by State authority.

Personally, Mr. President, I resent a certain letter which was sent to Members of the United States Senate, charging our floor leader with misuse of Federal funds, when I know in my own mind that the man who sent the letter was using Federal funds, through the instrumentalities of State organizations, to defeat the Democratic floor leader. I resented that letter very much, Mr. President, and I am glad to see the floor leader take the stand he has taken today on the resolution.

I hope the amendment of the Senator from Wyoming will be agreed to.

Mr. BYRNES. Mr. President——

Mr. McNARY. Mr. President, have I lost the floor?

The PRESIDING OFFICER. The Chair assumed that the Senator had finished.

Mr. BYRNES. I am glad to yield to the Senator. I desire recognition in my own right.

The PRESIDING OFFICER. The Senator will be recognized in his own right.

Mr. McNARY. Mr. President, as I stated a moment ago, and as stated by the leader on the Democratic side, the fund referred to is a special fund. As I understand the amendment offered by the Senator from Wyoming, it adds $40,000 as a special fund, making $50,000 for a specific purpose.

Mr. O'MAHONEY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Wyoming?

Mr. McNARY. I yield.

Mr. O'MAHONEY. It was my understanding that the appropriation provided in the resolution, whatever it might be, together with the appropriation made under Senate resolution 283, would be one single, amalgamated fund. However, since the Senator has taken the floor, having read the amendment, I feel that the suggestion he now makes is well taken. Therefore, at the proper time, I shall offer an additional amendment to this effect:

> *Provided*, That the sums appropriated by this resolution and by Senate Resolution 283 may be used by the committee for any purpose within the scope of either resolution.

Mr. McNARY. I think that is a very proper amendment.

Mr. KING. Mr. President——

The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Utah?

Mr. McNARY. I yield to the Senator from South Carolina.

Mr. BYRNES. Mr. President, I do not want the Senator to yield. I desire recognition when the Senator is through.

The PRESIDING OFFICER. The Senator is recognized in his own right.

Mr. BYRNES. Mr. President, in drafting the amendment it was certainly my intention to provide that the sum of $10,000 should be added to the sum of $30,000, the entire amount of $40,000 to be made available for the investigation heretofore ordered by the Senate and the investigation ordered by the pending amendment. The resolution introduced by the Senator from Kentucky [Mr. BARKLEY] is identical with the resolution which I reported to the Senate 2 years ago, and in my opinion gives to the committee the necessary authority to investigate any expenditure of public funds by Federal, State, county, or city governments.

Its purpose was to give the committee the power to investigate the expenditure of public money; and there is no restriction except as to the investigation of public funds of another country. Certainly all public funds appropriated by any government in the United States of America are covered by the Barkley resolution. However, Senators thought otherwise, and I therefore drafted the amendment and submitted it to the Senator from Maryland [Mr. TYDINGS], who approved the amendment and said he was entirely satisfied with it. If the Members of the Senate have any doubt about the $10,000 being available for the purposes set forth in the Barkley resolution, or the $30,000 heretofore appropriated in the Barkley resolution being available for the purposes set forth in the amendment, if the language can be improved upon, the committee has no objection.

As to the amount, I realize that Senators wish to indicate that they desire the investigation to cover all the subjects possible, and therefore the larger the amount the greater evidence of the intent to investigate all matters.

The Committee to Audit and Control the Contingent Expenses of the Senate has been passing upon this question for a number of years. No committee up to this time has spent the $25,000 made available. I served as chairman of the committee for 1 year, and $18,000 was sufficient. Last year $25,000 more than covered the requirements.

Mr. McNARY. Mr. President, will the Senator yield?

Mr. BYRNES. I yield.

Mr. McNARY. I once served on a campaign committee which spent over $100,000 in the investigation of the expenditure of exorbitant sums of money by Mr. Vare, of Pennsylvania.

Mr. BYRNES. That was a special investigation.

Mr. McNARY. A campaign investigating committee made the investigation, and it was made prior to the time he took his seat. As a matter of fact, he never did take his seat; the seat was denied him as he approached the door.

Mr. BYRNES. I recall that; and, while the Senator is a good spender, I doubt seriously whether if he should serve on the committee now proposed he could spend $100,000 between now and January 1, good spender that he is. I admit that there seems to be a change of attitude so that it is thought what could be done by a committee 2 years ago or 4 years ago or 6 years ago for $20,000 might today take $40,000. Therefore, the committee reported the resolution carrying an aggregate of $40,000, and if $40,000 is not sufficient, I understand one Senator offers to make it $80,000. I presume if twice as much is necessary now as was necessary a week ago, so that today $80,000 is now necessary, we are fortunate that Congress will adjourn today, because if we postponed adjournment for a few days more the amount would be increased to $160,000.

Mr. McNARY. Mr. President, will the Senator yield?

Mr. BYRNES. I yield.

Mr. McNARY. Has the Senator any misgiving that a committee appointed to make this investigation by the Senate would spend one dollar more than was necessary?

Mr. BYRNES. The view of the Senator from South Carolina is that the committee will spend every dollar that is made available. That is based upon experience of the past. The view of the Senator from South Carolina is that unless the Congress speedily adjourns the committees of the Senate will never have an opportunity to finish their investigations by January 1 next year. I am urging an early adjournment because I am convinced that the Members of the Senate will not have time to attend to the duties of investigations that are being thrust upon them in the closing days of the session. How much money it is going to take, the Senator from Oregon cannot tell and the Senator from South Carolina cannot tell except by looking back to the experience of other committees. Those committees in the past that have remained at work from the beginning of a campaign until January 1 following have been able to get along with $25,000, and $40,000 is, of course, an increase.

Mr. McNARY. I think the able Senator agrees with my philosophy, because he cannot guess and I do not pretend to guess as to the amount which will be required, but there should be a sum to cover contingencies. As I have stated, however, the committee appointed will not spend one cent more than is necessary, irrespective of the amount made available.

Mr. BYRNES. It depends entirely on whether the committee employ counsel. If they employ counsel, the committee will not be able to report on January 1. An investigating committee, as a rule, never expires until the investigator whom the committee hires expires, and when he expires the committee expires.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Wyoming [Mr. O'MAHONEY].

Mr. KING. Mr. President, I should like to ask the Senator from Wyoming with respect to Senate Resolution 284, which was offered by me some time ago, providing for an investigation of the W. P. A., whether, in his opinion, his committee would have authority to make the investigation which I have asked for in the resolution referred to?

Mr. O'MAHONEY. I will say to the Senator that I have just scanned his resolution very hastily, and I find that it contains matters which, quite obviously, are not within the scope of the pending resolution. As for example:

> The address, position, and salary of each such person who receives compensation at a rate of $3,000 or more per year.

Mr. KING. Well, eliminating that?

Mr. O'MAHONEY. Then the sixth clause:

> The aggregate amount of all sums which have been made available (including amounts allocated) for expenditure by such Administration during each of the fiscal years 1935, 1936, and 1937.

Those matters—and I think there are some others—within the scope of the Senator's resolution go a little bit afield of the purpose of the pending investigating resolution, which is confined to political activities. With respect to political activities, I believe that the resolution before us is quite as broad as that which the Senator from Utah has presented.

Mr. KING. Mr. President, I am interested, of course, in a fair and just investigation of the expenditures by the Works Progress Administration for political purposes, but if the committee which is provided for by the resolution now under consideration will have authority to investigate political activities of the Works Progress Administraton, the money spent for that purpose, then, I shall feel constrained not to press my resolution; otherwise I should do so.

With respect to the number of employees, I have ascertained that I can obtain that information, together with the salaries paid to each, so that I would not devolve that responsibility upon any committee, even under the resolution which I have offered; but if the resolution which is under consideration will permit an investigation as to the political expenditures and activities of the Works Progress Administration, I shall be content.

Mr. BYRNES. Mr. President, will the Senator yield?

Mr. KING. I yield.

Mr. BYRNES. The matters covered by the resolution of the Senator from Utah, with the exception of that one item, are covered by the pending resolution. The committee would have authority to investigate matters referred to by the Senator from Utah.

Mr. KING. I am gratified to learn that.

Mr. President, I ask permission to insert in the RECORD, in connection with my remarks, the resolution which I offered, so as to identify it with the discussion which has taken place and with the resolution which is under consideration.

The PRESIDING OFFICER. Is there objection?

There being no objection, the resolution (S. Res. 284) submitted by Mr. KING on the calendar day May 28, 1938, as subsequently modified by him, was ordered to be printed in the RECORD, as follows:

Whereas large sums of money have been appropriated and made available to the Works Progress Administration for expenditure for relief purposes; and

Whereas adequate information is not available to the Congress with respect to the manner in which and purposes for which such sums have actually been expended; and

Whereas it has been alleged that persons employed by the Works Progress Administration in administrative and executive positions have engaged in political activities and have administered the funds appropriated for relief purposes on a political basis and for political purposes; and

Whereas it has been alleged that some persons in authority, or charged with the responsibility of expending funds for relief or for work projects, in such Administration have attempted to influence the votes of persons on the relief rolls and those seeking relief by threatening to withhold or deny relief unless they voted for certain candidates for public office or supported certain public policies; and

Whereas it has been alleged that the administrative expenses of such Administration have been disproportionate in view of the nature of its functions and that many of the salaries paid to persons in administrative positions in such Administration are excessive: Therefore be it

Resolved, That a special committee of three Senators to be appointed by the President of the Senate, is authorized and directed to make a full and complete investigation of the Works Progress Administration and its activities and expenditures, including (1) the extent to which officials of such Administration have engaged, directly or indirectly, in political activities; (2) the extent to which the funds available for such Administration have been used or administered on a political basis or with a view to aiding candidates for public office or to securing legislation, local or national; (3) the extent to which persons on the relief rolls or those seeking relief have been intimidated, coerced, or influenced by those in authority in the various States or elsewhere in such Administration with a view to obtaining their political support for such candidates or for the adoption or rejection of policies or legislation; (4) the total number of all officers and employees of such Administration (including officers and employees of State and local agencies, any part of whose compensation is received from money appropriated or allocated for the use of such Administration); (5) the address, position, and salary of each such person who receives compensation at a rate of $3,000 or more per year, grouping together the names of all such persons employed in each State; (6) the aggregate amount of all sums which have been made available (including amounts allocated) for expenditure by such Administration during each of the fiscal years 1935, 1936, and 1937; (7) the number of persons now receiving relief from the funds administered by such Administration; and (8) the total amounts expended by such Administration in each State for administrative purposes during each of the fiscal years 1935, 1936, and 1937. The committee shall report to the Senate, as soon as practicable, the results of its investigation, together with its recommendations, if any, for necessary legislation.

For the purposes of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Senate in the Seventy-fifth and succeeding Congresses; to employ such clerical and other assistants; to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents; to administer such oaths; to take such testimony; and to make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed $25,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

Mr. LUNDEEN obtained the floor.

Mr. LEWIS Mr. President, if it would not disturb the Senator from Minnesota, I should like to make an inquiry?

Mr. LUNDEEN. Not at all.

Mr. LEWIS. I have listened to the Senators who have spoken, but I have not obtained information which I desire. Does the resolution authorize an investigation of the expenditures and conduct of State officials equally with those of officials engaged in Federal occupations?

Mr. BARKLEY. It authorizes the committee to investigate the expenditure of any Federal money, whether expended directly by agents of the Federal Government or by agents of the State or subdivisions that are spending Federal money.

Mr. BYRNES. Mr. President, if the Senator will yield there, an answer to the question of the Senator from Illinois [Mr. LEWIS] is that the committee is authorized to investigate when money is spent for the purpose of influencing the election of United States Senators.

Mr. LEWIS. What I want to know, as I am anxious that it should be done, is whether the investigation will include expenditures of State, county, or city, local or other organization in the election of Federal officials.

Mr. BYRNES. The resolution authorizes—

A specific investigation with respect to whether or not any funds appropriated by the Congress (whether for expenditure by any department, independent agency, or instrumentality of the United States, or by any State or political subdivision of a State or instrumentality of any State or political subdivision thereof) have been spent or are being spent in such a manner as to influence votes cast or to be cast in any primary, convention, or election held in 1938 at which a candidate for Senator is to be nominated or elected.

Mr. LUNDEEN. Mr. President, I should like to inquire of the Senator from Wyoming, concerning Senate Resolution 290, whether the intention is to investigate in order that the Congress may enact permanent legislation on this question? Is not that the purpose of the resolution?

Mr. O'MAHONEY. I was not the author of this resolution. The resolution has come in from the Committee to Audit and Control the Contingent Expenses of the Senate, which amended a resolution that was presented by the Senator from Maryland [Mr. TYDINGS] and nine other Senators.

Mr. LUNDEEN. But the Senator would say, would he not, that it is intended to effect permanent legislation?

Mr. ASHURST. Mr. President, will the Senator yield?

Mr. LUNDEEN. I yield.

Mr. ASHURST. May I suggest that unless the resolution declares that it is for the purpose of aiding the enactment of legislation or inquiring into an attempt to corrupt the electorate or debauch the ballot at senatorial elections, I doubt if the committee will have the power to compel the attendance of witnesses and the production of papers. Some such purpose should be declared in the resolution.

Mr. WHEELER. Mr. President, may I interrupt the Senator?

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Montana?

Mr. LUNDEEN. I yield.

Mr. WHEELER. I will say that while the resolution would be in better form if it should contain such a provision, yet the Supreme Court in the Daughtery case held that it would be presumed when a resolution was adopted that it was for the purpose of enabling the Congress to enact legislation. I think that this resolution, however, ought to be broadened. I think it should contain another provision so that we could reach any corruption or waste or extravagance in connection with any activities the committee is going to investigate.

Mr. VANDENBERG. Mr. President——

Mr. LUNDEEN. I yield to the Senator from Michigan.

Mr. VANDENBERG. Let me read a sentence from the original resolution which clears up that whole matter. The original resolution, which is amended by the pending resolution, asserts that one of the purposes is to "aid the Senate in enacting any remedial legislation or in deciding any contests," and so forth.

Mr. LUNDEEN. I thank the Senator for that information.

I wish to say that any legislation we hastily enact without due consideration will merely have to be considered and

passed over again. I think the proper way to proceed is to have a thorough investigation, and, then, later enact permanent legislation which will control the situation in the future. It seems to me that would be the proper way to proceed. I doubt whether in prior efforts we have properly considered the questions involved.

Mr. BARKLEY. Mr. President, if the Senator will yield, he will recall that in recent years the Senate decided on the admissibility or suitability of two men who were elected to the United States Senate, one from Illinois and one from Pennsylvania, based upon information that a committee of investigation obtained not only in the general election but also in the primary election.

While the Supreme Court held that Congress had no jurisdiction to pass legislation regulating primary elections for the nomination of candidates to the United States Senate or the House, upon the basis of information obtained by such a committee on the expenditure of money in a primary election the Senate declined to seat two applicants for membership in the Senate.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. O'MAHONEY. Mr. President, the Senator addressed a question to me. I presume he will permit me to answer it. Since the Senator addressed the question to me, half a dozen other Members of the body have been answering it. It was my intention to reply to the Senator by reading the first sentence of the basic resolution.

The Senator will recall that Senate Resolution 283 was submitted by the majority leader and adopted by the Senate, and a committee was appointed thereunder. The resolution made an appropriation of $30,000. The first sentence of the resolution reads as follows:

Resolved, That a special committee consisting of five Senators, to be appointed by the Vice President, is hereby authorized and directed to investigate the campaign expenditures of candidates for the United States Senate, in both parties—

That might be amended to include all parties——

the names of the persons, firms, or corporations subscribing the amount contributed, the method of expenditure of said sums, and all facts in relation thereto, not only as to the subscriptions of money and expenditures thereof but as to the use of any other means or influence, including the promise or use of patronage, or use of any public funds, and all other facts in relation thereto which would not only be of public interest but which would aid the Senate in enacting any remedial legislation—

This is the language to which the Senator from Michigan directed attention—

which would aid the Senate in enacting any remedial legislation or in deciding any contests which might be instituted involving the right to a seat in the United States Senate.

That is a completely constitutional legislative investigation, and complete authority is granted to the committee thereunder. The amendment which is now pending adds to this the investigation of W. P. A. activities.

Mr. LUNDEEN. I thank the Senator.

I should like to say, and then I will yield the floor, that I think that is the proper way to proceed; and I think those who brought up the question here on the floor, as the Senator from New Mexico [Mr. HATCH] did, deserve much credit for having brought it to the attention of the Senate and the country; but we must beware lest we act hastily. It is not so easy to control these activities, and what I fear is that we may put on the books legislation that simply will not work.

I hope the committee will come back with a report, and, beginning with the discussion we had on the floor some days ago and ending up with the report, that we may have legislation which will really work.

Mr. HATCH. Mr. President, I had not intended to take the time of the Senate in further discussion of the many issues which have been raised here over this question. Certainly I have not wanted to enforce on the Senate my own views or my own ideas about this subject; but, in view of the remarks which the Senator from Minnesota has made, I feel that I must make an observation or two.

I desire to say to the Senator from Minnesota that I fully appreciate his position. I fully understand that when he says the proper way to proceed is by an investigation first and by legislation afterward, the Senator from Minnesota is expressing what to his view is the best and the logical and the reasonable way in which to proceed; but, Mr. President, I cannot agree with that policy, and I do not agree with it.

It seemed to me most plain that it was the duty of the Congress to enact legislation against what might become an evil. Whether or not there was such an evil did not make any particular difference. The very fact that there was the possibility, the chance, the opportunity, seemed to devolve upon Congress the duty and responsibility for taking some step to prevent it, not merely to lock the door after the horse was stolen.

So, Mr. President, I took, not a hurried piece of legislation, but the civil-service rules which have been in effect in this country since 1883, and which have in some measure and in some degree prevented political activity on the part of the employees of the Federal Government. It seemed to me that was a reasonable approach, and one which should not have been objected to; but it was.

Mr. WALSH. Mr. President——

Mr. HATCH. I yield to the Senator from Massachusetts.

Mr. WALSH. During the years many special committees have been appointed to investigate campaign expenditures of candidates for Senate and House. They have made extensive reports. They have recommended legislation. Does the Senator know any law which has been enacted as a result?

Mr. HATCH. I do not. More than that, I have had a search made of the laws of the United States—I myself have not made it, because I did not have the time—and I am informed that the only legislation which the Congress of the United States has ever enacted on this subject, aside from the civil-service laws, is legislation resulting from Civil War days, preventing the use of the military in elections.

It seemed to me that the Congress should act on this subject, and I chose what seemed the best and easiest method of getting some legislation. I said on the floor, and I now repeat, that it did not meet my idea of the situation. I preferred the stronger penalties; but the Congress also refused to adopt those.

I do not criticize Senators. I have not criticized and I shall not criticize a single Senator for any vote he has cast on this subject. I desire now to say publicly what I have heretofore said privately, that I question not the integrity, the honor, or the patriotism of a single Member of the United States Senate. On the contrary, I am absolutely confident that every Member of this body is just as anxious or far more anxious than I am to safeguard the United States of America in regard to free elections and every other matter connected with it.

Mr. LUNDEEN. Mr. President——

Mr. HATCH. I yield to the Senator from Minnesota.

Mr. LUNDEEN. I wish to say that the Senator has made a magnificent fight for what he believes to be right. The only thing that bothered me was that I thought what was proposed was hurried, and there are to be other elections following this election.

Mr. HATCH. Mr. President, the Senator took out of my mouth words which I uttered on yesterday. Some man suggested to me that I should go ahead today, at this late hour, and do something. I said, "Never mind; there are other elections to come; and I am sure that when this issue is again presented, perhaps at a calmer time, when the situation is different, it will have the support of the majority of this body, and the Senate of the United States will go on record as to what each Senator honestly believes—that the people of the United States, whether on work relief or whatever may be their position in life, shall have the right to vote exactly as they please, without domination or influence from any source whatsoever."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Wyoming [Mr. O'MAHONEY], which will be stated for the information of the Senate.

The LEGISLATIVE CLERK. On page 3, line 17, it is proposed to strike out "$10,000" and insert "$50,000."

Mr. WALSH. Mr. President, I have no opposition to the amendment; but I should like to say before the amendment is adopted, having been selected by the distinguished and able Vice President to serve on this committee—which I have reluctantly consented to do only because I feel that it is a public duty—that I am greatly relieved, after reading the resolution, to realize how small and limited our functions are. The first resolution is similar to what has been adopted year after year for the investigation of campaign funds. I make this statement now so that Senators will not be writing letters calling attention to the evils, inefficiency, waste, extravagance, and corruption of various Government departments.

The resolution, as I read it, provides for an investigation in these words:

> * * * investigation with respect to whether or not any funds appropriated by the Congress * * * have been spent or are being spent in such a manner as to influence votes cast or to be cast in any primary, convention, or election held in 1938.

I merely desire to call attention to that language and have Senators realize for themselves the difficulty of the problem, and also the limitations of the committee.

Mr. WHEELER. Of course the language used there is practically meaningless so far as an investigation is concerned.

Mr. WALSH. I do not want to commit myself in advance, but I do not know how I am going to get any evidence of money being spent for election purposes. John Brown who is a politician may spend some money, but it will be very difficult to show that he is influencing votes.

Mr. WHEELER. Of course, if there is any corruption in connection with an election the committee will not be able to find it out under this resolution, or if there is any waste of money they will not be able to find it out under this resolution.

Mr. WALSH. I am relieved of responsibility, because I have accepted the position on the committee with the knowledge that the resolution is not as wide in scope as some seem to think it is.

Mr. BARKLEY. Mr. President, I do not think the resolution is as narrow in its interpretation as seems to be the opinion of the Senator from Massachusetts and the Senator from Montana. I think that under the language of both the original and the amended resolution the committee would have practical carte blanche in examining into the expenditure of any public money, Federal or other public money, to determine whether it has been expended in such a way as to influence votes in the election of a United States Senator.

I think that under the language employed the committee could investigate whether anyone on any pay roll, who is paid out of Federal money or to whom Federal money is contributed, is using his time and wasting the money of the United States in a political activity intended to actually result in influencing the vote of anyone in the election of a United States Senator.

Mr. WHEELER. The language speaks for itself.

Mr. BARKLEY. The language had to be broad and general. It is not like drawing an indictment.

Mr. WHEELER. This language is neither broad nor general. It is very limited. The language limits the investigation, as the Senator from Massachusetts has pointed out. It reads:

> A specific investigation with respect to whether or not any funds appropriated by the Congress (whether for expenditure by any department, independent agency, or instrumentality of the United States, or by any State or political subdivision of a State or instrumentality of any State or political subdivision thereof) have been spent or are being spent in such a manner as to influence votes cast or to be cast in any primary, convention, or election held in 1938 at which a candidate for Senator is to be nominated or elected.

Mr. WALSH. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. WALSH. The public believe, and Senators believe, and the people who have talked to me believe that the investigation is to be a wide-open investigation of corruption, inefficiency, dishonesty, mismanagement, and everything else of that kind; but it is not.

Mr. WHEELER. Of course it is not to be anything of the kind.

Mr. WALSH. So far as I am concerned, being a member of the committee, I do not want the responsibility on my doorstep.

Mr. WHEELER. I do not blame the Senator for not wanting it. There is no use in having the impression go out to the country, and having the people of the country fooled with the idea, that we are giving the committee this power, when we are not doing anything of the kind. We might as well be frank and honest with the country. Someone said to me the other day, "When you are calling attention to what is going on in connection with the W. P. A. playing politics, you are tending to break down relief for the unemployed in the United States and relief for the underprivileged." Of course, we are not doing anything of the kind. When we are driving crooks out of the relief agencies of this country and when we are driving politics out of them, we are helping to maintain and build up honest relief agencies in the United States.

Mr. O'MAHONEY. Mr. President, will the Senator from Montana yield?

Mr. WHEELER. I yield.

Mr. O'MAHONEY. I desire to get a clear understanding of just what the Senator has in mind and his interpretation of the language. The proposed amendment to Senate Resolution 290 reads as follows:

> *Resolved*, That the special committee authorized to be appointed by Senate Resolution 283 of the Seventy-fifth Congress, agreed to May 27, 1938, is hereby directed to make, in addition to any investigations which it is directed to make by such resolution, a specific investigation with respect to whether or not any funds appropriated by the Congress (whether for expenditure by any department, independent agency, or instrumentality of the United States, or by any State or political subdivision of a State or instrumentality of any State, or political subdivision thereof) have been spent or are being spent—

This is the gist of the resolution—

> in such a manner as to influence votes cast or to be cast in any primary, convention, or election held in 1938 at which a candidate for Senator is to be nominated or elected.

I confess that I conceive that to give pretty broad power to this committee. If funds are being spent so as to influence votes, we are to investigate. Wherein does that fail?

Mr. WHEELER. The interpretation to be placed upon it, it seems to me, and the only interpretation to be placed upon it, is that they are to investigate to determine whether the funds are being spent in such a manner as to influence votes. What is meant by "influencing votes"?

Mr. O'MAHONEY. By the employment of persons for political purposes.

Mr. WHEELER. Why does it not say that? It does not say that. The Senator, who is a member of the committee himself, I think is justified in saying that. I do not think there is any question about it.

Mr. WALSH. Who is so foolish as to employ anyone and put him on the pay roll for political purposes?

Mr. WHEELER. We hear complaint about corporations. Suppose just before election a corporation puts a lot of people on the pay roll. What do they do it for? Do they say, "We are doing it for the purpose of getting votes for somebody"? Not at all. They say it is in line with their duty, and who is going to be able to deny that the fellow who is put on by the corporation is not put on for some specific duty?

Certainly it can be said that he is put on for political purposes, but where is the committee to get proof, when this kind of a provision is placed in the resolution?

Mr. CLARK. How about the fellow who is laid off?

Mr. WHEELER. Yes; how about the one who is laid off? The employers can lay men off, and they can say they were not laid off for political purposes, and all in the world the committee can do would be to find that they were laid off.

It seems to me it ought to be agreed that the committee should go into the matter much more fully than is provided in this resolution. Otherwise we are going to fool the people, and that is all there is to it.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. WHEELER. In just a moment. I say frankly that I do not believe that the resolution will do a particle of good.

The Senate should have adopted the Hatch or the Austin amendment, and we would then have had something on the statute books by which we could have brought these fellows to justice when they violated the law. But we now merely say, "We are going to investigate," and everyone knows that it is largely farcical to set up a committee of this kind under these circumstances. Unless we are going to root out corruption and waste and crookedness in this country, it is, in my judgment, a farce to adopt the resolution.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. O'MAHONEY. I quite agree with what the Senator has said with respect to the adoption of the Hatch amendment or the Austin amendment. I voted for both of them.

Mr. WHEELER. I know the Senator did.

Mr. O'MAHONEY. I believe the Senate should have adopted one or the other of them, and I believe it would be a wonderful thing if, before final adjournment, this body should adopt one or the other of the amendments. But not having adopted one or the other, we are dealing now with the resolution which has been presented.

I have been appointed by the Vice President, without my knowledge, to serve upon the investigating committee. I believe that the criticisms which the Senator from Montana has voiced this afternoon are directed not so much to the power of the committee as to the difficulty of finding proof. With that I agree. It may be very difficult to obtain proof. But the power of the committee under the resolution will be broad enough, in my opinion, to enable the committee to hear every particle of evidence which may be submitted from any quarter with respect to the abuse of appropriations made by United States Government officials or by any city, county, or State. For my part, I am ready to say that that is my interpretation of the resolution.

Mr. TRUMAN. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. TRUMAN. Are we proceeding under the unanimous-consent agreement for consideration of bills on the calendar?

The PRESIDENT pro tempore. The Senate is operating under the unanimous-consent rule.

Mr. TRUMAN. I ask that the rule be enforced, and I ask for the regular order.

Mr. WHEELER. I did not know we were operating under the rule. We have not been operating under it for the last half hour.

The PRESIDENT pro tempore. Debate is limited to 5 minutes. The question is on agreeing to the amendment offered by the Senator from Wyoming [Mr. O'MAHONEY] on page 3, line 17.

The amendment to the amendment was agreed to.

Mr. O'MAHONEY. Mr. President, I now offer the amendment by way of proviso, which I send to the desk.

The PRESIDENT pro tempore. The clerk will state the amendment to the amendment.

The LEGISLATIVE CLERK. On page 3, line 20, after the word "committee", it is proposed to insert the following:

Provided, That the sums appropriated by this resolution and by Senate Resolution 283 may be used by the committee for any purpose within the scope of either resolution.

The amendment to the amendment was agreed to.

Mr. O'MAHONEY. I offer an additional amendment, as follows:

Provided further, That Senate Resolution 283 is amended by inserting in the first sentence, after the words "expenditures of", the word "all", and by striking out, after the phrase "United States Senate" in the same sentence, the phrase "in both parties."

So that the power of the original committee will extend to the investigation of campaign expenditures by all candidates for the United States Senate, regardless of what party they may be nominated by.

Mr. LUNDEEN. Mr. President, does the Senator maintain that there are only two political parties in the country?

Mr. O'MAHONEY. That is just exactly what I am not maintaining.

Mr. LUNDEEN. I understood from what the Senator said that that was his position.

Mr. O'MAHONEY. The change was suggested by the inquiry which the Senator addressed to me. When I read it I saw that it was confined to "both parties," so I am now amending it to make it clear that it applies to all parties. That would include the Farmer-Labor Party.

Mr. LUNDEEN. I thank the Senator.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Wyoming to the committee amendment.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. O'MAHONEY. Mr. President, I ask unanimous consent that Senate Resolution 283, and Senate Resolution 290 as now amended and agreed to be printed in full as a part of my remarks at this point in the RECORD.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

Senate Resolution 283—Adopted May 27, 1938

Resolved, That a special committee consisting of five Senators, to be appointed by the Vice President, is hereby authorized and directed to investigate the campaign expenditures of candidates for the United States Senate in both parties, the names of the persons, firms, or corporations subscribing the amount contributed, the method of expenditure of said sums, and all facts in relation thereto not only as to the subscriptions of money and expenditures thereof but as to the use of any other means or influence, including the promise or use of patronage or use of any public funds and all other facts in relation thereto which would not only be of public interest but which would aid the Senate in enacting any remedial legislation or in deciding any contests which might be instituted involving the right to a seat in the United States Senate.

No Senator shall be appointed upon said committee from a State in which a Senator is to be elected at the general election in 1938.

The investigation hereby provided for in all the respects above enumerated shall apply to candidates and to contests before primaries, conventions, and the contests and campaign terminating in the general election in 1938.

Said committee is hereby authorized to act upon its own initiative and upon such information as in its judgment may be reasonable or reliable. Upon complaint being made before said committee, under oath, by any person, persons, candidate, or political committee, setting forth allegations as to facts which, under this resolution it would be the duty of said committee to investigate, the said committee shall investigate such charges as fully as though it were acting upon its own motion, unless, after a hearing upon such complaint, the committee shall find that the allegations in said complaint are immaterial or untrue.

Said committee is hereby authorized, in the performance of its duties, to sit at such times and places, either in the District of Columbia or elsewhere, as it deems necessary or proper. It is specifically authorized to require the attendance of witnesses by subpena or otherwise; to require the production of books, papers, and documents; and to employ counsel, experts, clerical, and other assistants; and to employ stenographers at a cost not exceeding 25 cents per 100 words.

Said committee is hereby specifically authorized to act through any subcommittee authorized to be appointed by said committee. The chairman of said committee or any member of any subcommittee may administer oaths to witnesses and sign subpenas for witnesses; and every person duly summoned before said committee, or any subcommittee thereof, who refuses or fails to obey the process of said committee or who appears and refuses to answer questions pertinent to said investigation shall be punished as prescribed by law.

The expenses of said investigation, not exceeding in the aggregate $30,000, shall be paid from the contingent fund of the Senate on vouchers signed by the chairman of the committee or the chairman of any subcommittee.

All hearings before said committee shall be public, and all orders or decisions of the committee shall be public.

The committee shall make a full report to the Senate on the first day of the next session of the Congress.

[Senate Resolution 290, as amended and agreed to today]

Resolved, That the special committee authorized to be appointed by Senate Resolution 283 of the Seventy-fifth Congress, agreed to May 27, 1938, is hereby directed to make, in addition to any investigations which it is directed to make by such resolution a specific investigation with respect to whether or not any funds appropriated by the Congress (whether for expenditure by any Department, independent agency, or instrumentality of the United States, or by any State or political subdivision of a State or instrumentality of any State or political subdivision thereof) have been spent or are being spent in such a manner as to influence votes cast or to be cast in any primary, convention, or election held in 1938 at which a candidate for Senator is to be nominated or elected. Such specific investigation shall be made in the same manner as the other investigations made pursuant to such resolution are made, and in making such specific investigation the committee and any subcommittee thereof shall have all powers conferred upon them by such resolution. The expenses of such special investigation, for which a sum of not to exceed $50,000 is authorized to be expended in addition to the sum authorized to be expended under such resolution, shall be paid from the contingent fund of the Senate on vouchers approved by the chairman of the committee: *Provided*, That the sums appropriated by this resolution and by Senate Resolution 283 may be used by the committee for any purpose within the scope of either resolution: *Provided further*, That Senate Resolution 283 is amended by inserting in the first sentence after the words "expenditures of" the word "all", and by striking out after the phrase "United States Senate" in the same sentence the phrase "in both parties."

The PRESIDENT pro tempore. The resolution is still before the Senate and open to further amendment.

Mr. KING. Mr. President, I offer an amendment, on page 3, line 15, after the word "resolution", to add the following:

It is further provided that said committee shall investigate any waste or extravagance or corruption in connection with any of the relief agencies of the Government.

Mr. President, upon two occasions—and that was referred to a moment ago by my dear friend, the Senator from Montana—the Senate committed what I conceive to be a very great mistake in voting against the amendment offered by the Senator from New Mexico [Mr. HATCH] and the amendment offered by the Senator from Vermont [Mr. AUSTIN] to the relief appropriation measure. By those votes it seems to me we have given notice to the country—and I have seen a number of newspaper items which have so interpreted those votes—that we condone and justify waste, extravagance, and corruption and coercion and intimidation in the Works Progress Administration, because reference was made particularly during the debate to that organization. I say that doubtless the Senate by reason of that unwise action, as I believe, has indicated that it does not intend to investigate the Works Progress Administration and the numerous charges which have been made with respect to it, and they are more than charges, for, in many instances, proof has been submitted of coercion and intimidation and fraud perpetrated for the purpose of controlling the votes in primary elections and in other elections in various parts of the United States.

If we adopt this amendment the committee will then have authority to investigate corruption wherever it exists in connection with the Works Progress Administration or other agencies of the Government.

Mr. President, I hope my amendment will be adopted.

Mr. BYRNES. Mr. President, the purpose of the resolution was to investigate the use of money to influence elections. As I understand the Senator from Utah his amendment would provide for investigation of waste and extravagance.

Mr. KING. And corruption.

Mr. BYRNES. I do not think we have waste and extravagance in elections. Awhile ago I stated that I doubted the wisdom of increasing the amount, but if we are to investigate waste and extravagance in addition to other things, I am willing that the increase should be made.

Mr. KING. I am willing to add to the language "as affecting elections."

Mr. BYRNES. Waste as affecting an election? If some official of a Department spent some money wastefully, would the committee be obliged to investigate to show whether that waste had the result of affecting an election?

Mr. KING. Whether the waste was brought about for the purpose of affecting an election or whether corruption existed for the purpose of affecting an election. If there are dishonest elections we ought to investigate some of the activities concerning which reference was made when we discussed Works Progress Administration legislation in the past.

Mr. BYRNES. I think the resolution as it has been amended covers this subject, and I think it would be a mistake to advise the committee and direct its members to investigate charges of extravagance in the conduct and activity of government or waste, because I cannot see how waste or extravagance would affect an election. Corruption is different, and that is covered by the resolution. I think it is now broad enough to do what the Senate wants done.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Utah to the committee amendment.

The amendment to the amendment was rejected.

The PRESIDENT pro tempore. The question is on agreeing to the resolution as amended.

The resolution (S. Res. 290) as amended was agreed to.

Mr. SHEPPARD. Mr. President, I shall call a meeting of the Senate Committee on Campaign Expenditures for 11 o'clock tomorrow morning, to be held in the committee room of the Senate Military Affairs Committee. The session will be an executive one. All Senators desiring to contact the committee are invited.

HOUSE BILL REFERRED

The bill (H. R. 6754) to authorize the cancelation of deportation proceedings in the case of Apostolos Vasili Percas, was read twice by its title and referred to the Committee on Immigration.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, announced that the House had passed the bill (S. 1131) to amend the part of the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1921, and for other purposes", approved June 4, 1920, relating to the conservation, care, custody, protection, and operation of the naval petroleum and oil-shale reserves, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the bill (S. 3560) to revise the boundaries of the Colonial National Historical Park in the State of Virginia, and for other purposes, with an amendment, in which it requested the concurrence of the Senate.

The message also further announced that the House had passed the following bills and joint resolutions, in which it requested the concurrence of the Senate:

H. R. 2734. An act to authorize the coinage of 50-cent pieces in commemoration of the four hundredth anniversary of the journey and explorations of Francisco Vasquez de Coronado;

H. R. 6168. An act to amend section 239 of the act of June 8, 1872 (17 Stat. 312; U. S. C., title 39, sec. 500);

H. R. 6754. An act to authorize the cancelation of deportation proceedings in the case of Apostolos Vasili Percas;

H. R. 9729. An act for the relief of Giuseppe Quercia;

H. R. 10051. An act to provide for travel allowance to railway mail clerks assigned to road duty;

H. R. 10527. An act for the relief of the American National Bank, of Kalamazoo, Mich.;

H. R. 10690. An act to authorize the construction of certain vessels for the Coast and Geodetic Survey, Department of Commerce, and for other purposes;

H. R. 10752. An act to authorize Federal cooperation in the acquisition of the "Muir Wood Toll Road", located in Marin County, State of California, and for other purposes;

H. R. 10842. An act creating the Cassville-Guttenberg Bridge Commission and authorizing said commission and its successors to construct, maintain, and operate a bridge or bridges across the Mississippi River at or near Cassville, Wis., and Guttenberg, Iowa;

H. R. 10895. An act to amend an act of Congress approved August 16, 1937, relating to death damage claims in the cases of Marshall Campbell and Raymond O'Neal;

H. J. Res. 663. Joint resolution to provide for the operation of the Peru and Indianapolis Railway post office by motor vehicle over the public highways; and

H. J. Res. 714. Joint resolution for the relief of certain aliens.

ENROLLED BILLS SIGNED

The message also further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 371. An act for the relief of William R. Kellogg;

S. 1294. An act to amend the act entitled "An act to authorize the President to provide housing for war needs," approved May 16, 1918, as amended;

S. 2163. An act to authorize the deposit and investment of Indian funds;

S. 2505. An act for the relief of James J. Hogan;

S. 3337. An act to amend section 2 of the act entitled "An act making appropriations for naval service for the fiscal year ending June 30, 1919, and for other purposes," approved July 1, 1918, to increase the authorized percentage of privates, first class, in the Marine Corps from 25 to 40 percent of the whole number of privates;

S. 3548. An act to amend section 9 of the Civil Service Retirement Act, approved May 29, 1930, as amended;

S. 3774. An act to authorize cooperation between the United States and the State of New York in the protection of the public interest and welfare inherent in certain forest lands in said State through provision for the acquisition and management of said lands;

S. 4007. An act authorizing the county of Lawrence, Ky., to construct, maintain, and operate a free highway bridge across the Big Sandy River at or near Louisa, Ky.;

S. 4011. An act to extend the time for completing the construction of a bridge across the Mississippi River at or near a point between Cherokee and Osage Streets, St. Louis, Mo.;

S. 4036. An act relating to the tribal and individual affairs of the Osage Indians of Oklahoma;

S. 4041. An act granting the consent of Congress to the State of New Jersey and the Commonwealth of Pennsylvania to enter into compacts or agreements with respect to constructing, maintaining, and operating a vehicular tunnel under the Delaware River;

S. 4044. An act to authorize the President to permit citizens of the American Republics to receive instruction at professional educational institutions and schools maintained and administered by the Government of the United States or by departments or agencies thereof;

S. 4069. An act to authorize the Secretary of War to lend certain property to the Reunion Committee of the United Confederate Veterans to be used at their annual encampment to be held at Columbia, S. C., from August 30 to September 2, 1938;

S. 4070. An act to authorize the attendance of the Marine Band at the United Confederate Veterans' 1938 Reunion at Columbia, S. C., from August 30 to September 2, 1938, both dates inclusive;

S. 4132. An act limiting the hours of labor of certain officers and seamen on certain vessels navigating the Great Lakes and adjacent waters;

H. R. 146. An act to require contractors on public-building projects to name their subcontractors, material men, and supply men, and for other purposes;

H. R. 10127. An act to regulate interstate commerce by establishing an unemployment-insurance system for individuals employed by certain employers engaged in interstate commerce, and for other purposes; and

H. R. 10618. An act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes.

CIVILIAN OFFICERS AND EMPLOYEES, PANAMA CANAL

Mr. CLARK. Mr. President, a few moments ago, while I was temporarily absent from the floor, Senate bill 3332, being Calendar No. 2302, was called, objected to, and was passed over.

I should like to ask unanimous consent that the Senate return to that bill and that it be considered.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the Senate proceeded to consider the bill (S. 3332) to provide for recognizing the services rendered by civilian officers and employees in the construction and establishment of the Panama Canal and the Canal Zone, which was read, as follows:

Be it enacted, etc., That, in recognition of their distinguished service in the construction, maintenance, operation, sanitation, and government of the Panama Canal and the Canal Zone, the thanks of Congress are hereby extended to the civil, electrical, designing, mechanical, and municipal engineers, administrators, medical and surgical officers, scientists, lawyers, marine, dredging, operating, fiscal, and construction experts, and other persons, who rendered such service, but were not included in the recognition and benefits extended by the act of Congress approved March 4, 1915 (38 Stat. 1190).

SEC. 2. In further recognition of the exceptional character and conditions of such service, article 2 of chapter 6 of title 2 of the Canal Zone Code, as amended, is amended by adding at the end of such article the following:

"108. Minimum annuity for employees serving in connection with the construction of the Panama Canal: Any officer or employee of the Panama Canal or the Panama Railroad Co. who served 3 or more years on the Isthmus of Panama in connection with the construction of the Panama Canal during the period from May 4, 1904, to March 31, 1914, both dates inclusive, and who has been, prior to the date of enactment of this section, or may be, on or after such date, retired from active duty under the provisions of this article, shall be paid an annuity in an amount not less than 2 percent of the average annual basic salary, pay, or compensation received by such officer or employee during any 10 consecutive years of allowable foreign tropical service rendered on the Isthmus of Panama, multiplied by the total number of years of such service not exceeding 30. This section shall not operate to reduce the annuity allowable to any such officer or employee, or otherwise deprive him of any benefits allowable, under this article or any other retirement act under which he has been or may be retired. Annuity allowable under this section to any officer or employee shall not become effective until such officer or employee reaches the compulsory retirement age prescribed in section 92 of this article, or is retired on account of disability under section 94 of this article, or is retired under section 93 after 30 years' service on the Isthmus. In the cases of officers and employees who, prior to the date of enactment of this section, have been retired and have attained the compulsory retirement age, or have been retired on account of disability under section 94 of this article, or have been retired under section 93 after 30 years' service on the Isthmus, the increased annuities allowable under this section shall commence on the first day of the calendar month next following the month during which this section is enacted."

Mr. CLARK. Mr. President, this is merely a measure for doing a simple measure of justice to employees who were employed during the construction period of the Panama Canal, and who have since been continuously employed in the Canal Administration. These men have been out of the United States for as long as 25 or 30 years, and some of them for more years. They are now reaching the age where they must be retired. The retirement act was passed so late in their careers that they are unable to take advantage to any considerable extent of the very small additional annuity payment provided in the retirement act. This measure simply puts these men who were engaged in the construction work and who have since been continuously employed in the Panama Canal Zone on the same basis as the employees of the Panama Railroad, for instance, a 100-percent Government-owned corporation.

Mr. McKELLAR. How much will it cost?

Mr. CLARK. In the first year it will cost the Government between $40,000 and $45,000, increasing by 1945 to close to $80,000, and very speedily decreasing thereafter.

Mr. McKELLAR. How many persons would be affected?

Mr. CLARK. Less than 400.

Mr. McKELLAR. I shall not object.

Mr. CLARK. I hope the bill may be passed, Mr. President.

The PRESIDENT pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

PRESERVATION AND IMPOUNDING OF DOCUMENTS ACQUIRED BY SPECIAL SENATE COMMITTEE

The Senate proceeded to consider the resolution (S. Res. 295) providing for the preservation and impounding of all documents acquired by the Special Committee to Investigate Air Mail and Ocean Mail Contracts, which had been reported from the Committee to Audit and Control the Contingent Expenses of the Senate with an amendment, on page 2, line 8, after the words "for by", to strike out "law; and be it further" and to insert "law"; and on the same page, beginning with line 9, to strike out the last resolving clause, so as to make the resolution read:

Resolved, That in addition to the authority conferred upon the Special Committee of the Senate to Investigate Air Mail and Ocean Mail Contracts, created under Senate Resolution 349, Seventy-second Congress, second session, agreed to February 25, 1933, supplemented by Senate Resolution 94, Seventy-third Congress, first session, agreed to June 10, 1933, supplemented by Senate Resolution 143, Seventy-third Congress, second session, agreed to January 24, 1934, supplemented by Senate Resolution 259, Seventy-third Congress, second session, agreed to June 13, 1934, the committee shall have authority and is directed to preserve all of the records, papers, exhibits, documents, returns, reports, testimony, memoranda, accounts, figures, writings, books, correspondence, files, and all other property in its possession, acquired by it in pursuance of said resolution; and that said committee shall have authority and is directed to impound the same with the Sergeant at Arms of the Senate, who is directed to receive and keep the same for the use of the Senate, and of the Departments of Government in the presence of the custodian, and for other uses only in compliance with subpena duces tecum issued as provided for by law.

The amendment was agreed to.

The resolution, as amended, was agreed to.

DEDICATION OF THOUSAND ISLANDS BRIDGE OVER ST. LAWRENCE RIVER

The Senate proceeded to consider the concurrent resolution (S. Con. Res. 33) authorizing congressional representation at the exercises incident to the dedication of the Thousand Islands Bridge across the St. Lawrence River, which had been reported from the Committee to Audit and Control the Contingent Expenses of the Senate with an amendment, on page 2, line 2, before the word "shall", to insert "$1,000", so as to make the concurrent resolution read:

Resolved, etc., That a joint committee of three Senators, to be appointed by the President of the Senate, and three Members of the House of Representatives, to be appointed by the Speaker of the House of Representatives, is authorized to represent the Congress of the United States at the exercises incident to the dedication of the Thousand Islands Bridge across the Saint Lawrence River, between the State of New York and the Dominion of Canada. The joint committee shall select a chairman from among its members.

SEC. 2. The necessary expenses of such joint committee, not in excess of $1,000, shall be paid one-half from the contingent fund of the Senate and one-half from the contingent fund of the House of Representatives on vouchers authorized by such joint committee and signed by the chairman thereof.

The amendment was agreed to.

The concurrent resolution, as amended, was agreed to.

EXTENSION OF TIME OF REPORT BY SPECIAL COMMITTEE INVESTIGATING WOOL PRODUCTION

The resolution (S. Res. 278) was read, considered, and agreed to, as follows:

Resolved, That Senate Resolution 160, Seventy-fourth Congress, first session, agreed to July 10, 1935, authorizing a special committee to investigate the production, transportation, and marketing of wool, as extended, is hereby further extended and continued in full force and effect during the Seventy-sixth Congress; and the said committee hereby is authorized to expend from the contingent fund of the Senate the sum of $1,500 in addition to the amount heretofore authorized for such purpose; and, further, the said committee may report to the Senate at any time prior to the expiration of the Seventy-sixth Congress.

ELLA GERTRUDE KAY

The resolution (S. Res. 287) was read, considered, and agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the contingent fund of the Senate to Ella Gertrude Kay, widow of William A. Kay, late an employee of the Senate under supervision of the Sergeant at Arms, a sum equal to 6 months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

INVESTIGATION OF AGRICULTURAL COMMODITY PRICES

The resolution (S. Res. 288) was read, considered, and agreed to, as follows:

Resolved, That the Committee on Agriculture and Forestry, authorized by Senate Resolution 158, agreed to August 10, 1937, to conduct investigations and draft legislation to maintain both parity of prices paid to farmers for agricultural commodities marketed by them for domestic consumption and export, and parity of income for farmers marketing such commodities; and, without interfering with the maintenance of such parity prices, to provide an ever-normal granary for each major agricultural commodity; and to conserve national soil resources and prevent the wasteful use of soil fertility, hereby is authorized to expend from the contingent fund of the Senate $698.13 in addition to the amount heretofore authorized for such purposes.

ELMER W. HAAS

The bill (H. R. 656) for the relief of Elmer W. Haas was announced as next in order.

Mr. SHEPPARD. Mr. President, this and the six succeeding bills came from the House a few days ago. They were referred to the Committee on Military Affairs. I made a careful examination of the bills and have prepared a statement with respect to each bill, and as each bill is read I ask that the statement covering that bill be placed in the RECORD following action on such bill.

Mr. KING. Mr. President, may I ask the Senator whether these reports are favorable?

Mr. SHEPPARD. The reports are favorable. They are the reports of the Senate Military Affairs Committee. The House had already passed the bills.

Mr. KING. I notice that the report of the Secretary of War with respect to Haas is adverse, and I think there is an adverse report with respect to each of the measures.

Mr. SHEPPARD. The War Department as a rule reports adversely on bills of this nature, although its report on one of these measures is favorable. The committee reports express the view of the committee after its own independent consideration of the facts.

The PRESIDENT pro tempore. Is there objection to the immediate consideration of House bill 656?

There being no objection, the bill (H. R. 656) for the relief of Elmer W. Haas, was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers Elmer W. Haas be held and considered to have been enlisted May 5, 1898, in Company H, Twenty-first Regiment Kansas Volunteer Infantry, and honorably discharged from said company on August 4, 1898: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

The statement presented by Mr. SHEPPARD is as follows:

This bill provides that Elmer W. Haas shall be held and considered to have been enlisted May 5, 1898, in Company H, Twenty-first Regiment Kansas Volunteer Infantry, and to have been honorably discharged from that organization on August 4, 1898. Affidavits from the company clerk of this organization and others acquainted with the claimant show that he was enlisted in Company H, Twenty-first Regiment Kansas Volunteer Infantry. Furthermore, the War Department has a medical record of this man, but his enlistment record has apparently been misplaced. The evidence further shows that Haas was home on sick leave at the time his organization was mustered out. Under these circumstances, it is believed that the claimant is entitled to the relief granted in the bill under consideration.

GUY CARLTON BAKER

The bill (H. R. 667) to correct the records of the War Department to show that Guy Carlton Baker and Calton C.

Baker or Carlton C. Baker is one and the same person was considered, ordered to a third reading, read the third time, and passed.

The statement presented by Mr. SHEPPARD is as follows:

This bill provides that the records of the War Department shall show that Guy Carlton Baker is one and the same person as Calton C. Baker or Carlton C. Baker, who served in the War of 1812 as a private. The descendents of Guy Carlton Baker for sentimental and family reasons desire the Department's records to be corrected in this respect. The War Department states that it is merely the custodian of the records of soldiers of the War of 1812 and has no authority under general law to make the change desired by the descendents of Guy Carlton Baker.

WILLIAM E. RICH

The bill (H. R. 1299) for the relief of William E. Rich was considered, ordered to a third reading, read the third time, and passed.

The statement presented by Mr. SHEPPARD is as follows:

The purpose of this measure is to consider the claimant, William E. Rich, to have been honorably discharged from the Army. Although he was convicted by a general court marital on a charge of fraudulent enlistment, the Judge Advocate General recommended that the unexecuted portion of the sentence be remitted and the claimant given a discharge without honor instead of a dishonorable discharge. The Judge Advocate General on a later review of the case submitted that Rich should never have been brought to trial, and five of the seven members of the court martial recommended clemency in his case. The War Department recommends H. R. 1299 favorably. Official records show that this man had an excellent record while in the service, that he was only 19 years of age when he enlisted, and that the seriousness of stating he was single when he in fact was married was misrepresented to him by the recruiting sergeant whom the claimant had informed of his marriage. In view of these circumstances, the committee has reported H. R. 1299 favorably with a recommendation that it be passed.

WILLIAM MOSELEY

The bill (H. R. 6805) for the relief of William Moseley was considered, ordered to a third reading, read the third time, and passed.

The statement presented by Mr. SHEPPARD is as follows:

This bill provides that the claimant, William Moseley, shall be held and considered to have been honorably discharged from the Army on May 25, 1899. At the time of his discharge, he was in confinement awaiting trial on a charge of perjury, and under then existing Army regulations he was discharged with a blue discharge. The facts show that this soldier was a witness for the prosecution in a court martial where another soldier was on trial for killing a civilian in Cuba. The claimant testified that he was an eyewitness to the shooting, and his testimony was partly corroborated by another soldier. The defendant in the court-martial proceeding was acquitted, and the claimant in H. R. 6805 was charged with perjury. However, he was never brought to trial, though he was kept in confinement for 6 months. He was returned to the United States in confinement and dismissed with a blue discharge when his company was mustered out. The records show that there was ample opportunity in which to try this former soldier had the military authorities desired to do so. In view of the fact that he was never tried, and therefore never convicted of anything, the committee believes he is entitled to the relief provided in the bill under consideration.

WILLIAM B. BLAUFUSS

The bill (H. R. 8799) for the relief of William Blaufuss was considered, ordered to a third reading, read the third time, and passed.

The statement presented by Mr. SHEPPARD is as follows:

The claimant in this bill was retired from the Army in July 1934 on the recommendation of an Army retiring board, which found that he was incapacitated for active duty, that the incapacity originated as an incident of the service, and that the nature of the incapacity was epilepsy. The bill under consideration authorizes the President to summon this man before another Army retiring board in order that his case can be reviewed. If it is found that he is not now incapacitated, the bill authorizes and directs the Secretary of War to reinstate the claimant in the Army as a first lieutenant. Since his separation from the service, this former officer has been examined by a number of civilian doctors, including doctors at the Mayo Clinic, and no trace of epilepsy has been found. The claimant contends that the break-down he witnessed in 1933 was due to a sunstroke, that he has since been in good health, and that he is now in good health. Should he be returned to active duty, he would receive only $549.96 more active-duty pay than he now receives as retired pay. The evidence shows that his combined retired pay and private income exceed what he would receive if returned to active duty in the Army. In view of the contradictory evidence that this man had epilepsy in 1934, the committee feels that he is entitled to the review of his case, which the bill H. R. 8799 will accord him.

CHARLES G. BOSTWICK

The bill (H. R. 9448) for the relief of Charles G. Bostwick was considered, ordered to a third reading, read the third time, and passed.

The statement presented by Mr. SHEPPARD is as follows:

The claimant in this bill is now over 85 years old. He is almost blind and virtually helpless. In March 1872 he was discharged from the Army on account of minority, although he had served in the Army over a year before being discharged. On account of having been discharged without honor he is not entitled to hospitalization and medical care in a Veterans' Administration hospital or home. The bill H. R. 9448 provides that the Administrator of Veterans' Affairs shall furnish the claimant, Charles G. Bostwick, hospital treatment or domiciliary care and medical services in connection therewith in a Veterans' Administration hospital or home. In view of the claimant's present age and the fact that the only thing against his military record was minority enlistment the committee recommends the passage of H. R. 9448. Some years ago Congress granted the claimant a pension. In view of his present physical condition, however, he is in dire need of hospital and medical care.

HARRY J. SOMERVILLE

The Senate proceeded to consider the bill (H. R. 9868) for the relief of Harry J. Somerville, which had been reported from the Committee on Military Affairs, with an amendment, on page 1, line 9, after the figures "1918", to insert a proviso, so as to make the bill read:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers Harry J. Somerville, who served as a private, Troop K, Eleventh Regiment United States Cavalry, shall be held and considered to have been honorably discharged from the United States Army in the rank of private on July 26, 1918: *Provided*, That no bounty, back pay, pension, benefit, or allowance shall be held to have accrued prior to the passage of this act.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

The statement presented by Mr. SHEPPARD is as follows:

The claimant in this bill enlisted under age, with the consent of his father, in March 1917. In May 1918 he carelessly went into his tent with a loaded rifle, and in unloading it the rifle went off, killing two other soldiers. He was given a dishonorable discharge, and the purpose of the bill under consideration is to consider him to have been honorably discharged on July 26, 1918. In view of the claimant's youth at the time of this accident, and in view of the fact that he has been sufficiently punished for a wholly unintentional act, the committee recommends the passage of H. R. 9868.

AMENDMENT OF MOTOR CARRIER ACT

The Senate proceeded to consider the bill (H. R. 9739) to amend the Interstate Commerce Act, as amended, by amending certain provisions of part II of said act, otherwise known as the Motor Carrier Act, 1935, which was read, as follows:

Be it enacted, etc., That the Interstate Commerce Act, as amended, is hereby further amended in part II thereof by amending, as hereinafter indicated, certain provisions of the act entitled "An act to amend the Interstate Commerce Act, as amended," by providing for the regulation of the transportation of passengers and property by motor carriers operating in interstate or foreign commerce, and for other purposes, approved August 9, 1935, and known as the Motor Carrier Act, 1935.

SEC. 2. Section 203 (a) (13) of said Motor Carrier Act, 1935, is hereby amended to read as follows:

"(13) The term 'motor vehicle' means any vehicle, machine, tractor, trailer, or semitrailer propelled or drawn by mechanical power and used upon the highways in the transportation of passengers or property, or any combination thereof determined by the Commission, but does not include any vehicle, locomotive, or car operated exclusively on a rail or rails."

SEC. 3. Section 203 (b) (6) of said act is hereby amended to read as follows: "(6) motor vehicles used in carrying property consisting of livestock, fish (including shell fish), or agricultural commodities (not including manufactured products thereof), if such motor vehicles are not used in carrying any other property, or passengers, for compensation;".

SEC. 4. Section 204 (a) (6) of said act is hereby amended to read as follows:

"(6) To administer, execute, and enforce all provisions of this part, to make all necessary orders in connection therewith, and to prescribe rules, regulations, and procedure for such administration; and"

SEC. 5. The first two sentences of section 205 (a) of said act are hereby amended to read as follows:

"SEC. 205. (a) Excepting a matter which is referred to a joint board as hereinafter provided, any matter arising in the administration of this part as to which a hearing is required or in the judgment of the Commission is desirable shall be heard as the Commission may determine and be decided by the Commission, unless such matter shall, by order of the Commission, be referred to a member or examiner of the Commission for hearing and the recommendation of an appropriate order thereon. With respect to a matter so referred the member or examiner shall have all the rights, duties, powers, and jurisdiction conferred by this part upon the Commission, except that the order recommended by such member or examiner shall be subject to the following provisions of this paragraph."

SEC. 6. (a) So much of the first sentence of section 205 (b) of said act as reads "any of the following matters arising in the administration of this part with respect to such operations" is hereby amended to read as follows: "any of the following matters arising in the administration of this part with respect to such operations as to which a hearing is required or in the judgment of the Commission is desirable."

(b) The last two sentences of said section 205 (b) are hereby amended to read as follows:

"In acting upon matters so referred, joint boards shall be vested with the same rights, duties, powers, and jurisdiction as are hereinbefore vested in members or examiners of the Commission to whom a matter is referred for hearing and the recommendation of an appropriate order thereon: *Provided, however,* That a joint board may, in its discretion, report to the Commission its conclusions upon the evidence received, if any, without a recommended order. Orders recommended by joint boards shall be filed with the Commission, and shall become orders of the Commission and become effective in the same manner, and shall be subject to the same procedure, as provided in the case of orders recommended by members or examiners under this section. If a joint board to which any matter has been referred shall report its conclusions upon the evidence without a recommended order, such matter shall thereupon be decided by the Commission, giving such weight to such conclusions as in its judgment the evidence may justify."

SEC. 7. Section 205 (f) of said act is hereby amended to read as follows:

"(f) In accordance with rules prescribed by the Commission, reasonable notice shall be afforded, in connection with any proceeding under this part, to interested parties and to the board of any State, or to the governor if there be no board, in which the motor carrier operations involved in the proceeding are or are proposed to be conducted, and opportunity for intervention in any such proceeding for the purpose of making representations to the Commission or for participating in a hearing, if a hearing is held, shall be afforded to all interested parties."

SEC. 8. Section 206 (a) of said act is hereby amended by striking out "No common carrier" at the beginning and inserting in lieu thereof the following: "Except as otherwise provided in this section and in section 210a, no common carrier."

SEC. 9. Section 209 (a) of said act is hereby amended by striking out "No person" at the beginning of such section and inserting in lieu thereof the following: "Except as otherwise provided in this section and in section 210a, no person."

SEC. 10. After section 210 of said act, the following new section shall be inserted:

"SEC. 210a. (a) To enable the provision of service for which there is an immediate and urgent need to a point or points or within a territory having no carrier service capable of meeting such need, the Commission may, in its discretion and without hearings or other proceedings, grant temporary authority for such service by a common carrier or a contract carrier by motor vehicle, as the case may be. Such temporary authority, unless suspended or revoked for good cause, shall be valid for such time as the Commission shall specify but for not more than an aggregate of 180 days, and shall create no presumption that corresponding permanent authority wil be granted thereafter.

"(b) Pending the determination of an application filed with the Commission for approval of a consolidation or merger of the properties of two or more motor carriers or of a purchase, lease, or contract to operate the properties of one or more motor carriers, as contemplated in section 213 (a) of this part, the Commission may, in its discretion, and without hearings or other proceedings, grant temporary approval, for a period not exceeding 180 days, of the operation of the motor-carrier properties sought to be acquired by the person proposing in such pending application to acquire such properties, if it shall appear that failure to grant such temporary approval may result in destruction of or injury to such motor-carrier properties sought to be acquired, or to interfere substantially with their future usefulness in the performance of adequate and continuous service to the public.

"(c) Transportation service rendered under such temporary authority shall be subject to all applicable provisions of this part and to the rules, regulations, and requirements of the Commission thereunder."

SEC. 11. Section 212 (a) of said act is hereby amended to read as follows:

"SEC. 212. (a) Certificates, permits, and licenses shall be effective from the date specified therein, and shall remain in effect until suspended or terminated as herein provided. Any such certificate, permit, or license may, upon application of the holder thereof, in the discretion of the Commission, be amended or revoked, in whole or in part, or may upon complaint, or on the Commission's own initiative, after notice and hearing, be suspended, changed, or revoked in whole or in part, for willful failure to comply with any provision of this part, or with any lawful order, rule, or regulation of the Commission promulgated thereunder, or with any term, condition, or limitation of such certificate, permit, or license: *Provided, however,* That no such certificate, permit, or license shall be revoked (except upon application of the holder) unless the holder thereof willfully fails to comply, within a reasonable time, not less than 30 days, to be fixed by the Commission, with a lawful order of the Commission, made as provided in section 204 (d), commanding obedience to the provision of this part, or to the rule or regulation of the Commission thereunder, or to the term, condition, or limitation of such certificate, permit, or license, found by the Commission to have been violated by such holder: *And provided further,* That the right to engage in transportation in interstate or foreign commerce by virtue of any certificate, permit, license, or any application filed pursuant to the provisions of section 206, 209 or 211, or by virtue of the second proviso of section 206 (a) or temporary authority under section 210a, may be suspended by the Commission, upon reasonable notice of not less than 15 days to the carrier or broker, but without hearing or other proceedings, for failure to comply, and until compliance, with the provisions of section 211 (c), 217 (a), or 218 (a) or with any lawful order, rule, or regulation of the Commission promulgated thereunder."

SEC. 12. Section 213 (a) (1) of said act is hereby amended to read as follows:

"(1) Whenever a consolidation, merger, purchase, lease, operating contract, or acquisition of control is proposed under this section, the carrier or carriers or the person seeking authority therefor shall present an application to the Commission, and thereupon the Commission shall, after such notice as is required by section 205 (f), and if deemed by it necessary in order to determine whether the findings specified below may properly be made, set said application down for a public hearing. If the Commission finds that the transaction proposed will be consistent with the public interest and that the conditions of this section have been or will be fulfilled, it may enter an order approving and authorizing such consolidation, merger, purchase, lease, operating contract, or acquisition of control, upon such terms and conditions as it shall find to be just and reasonable and with such modifications as it may prescribe: *Provided, however,* That if a carrier other than a motor carrier is an applicant, or any person which is controlled by such a carrier other than a motor carrier or affiliated therewith within the meaning of section 5 (8) of part I, the Commission shall not enter such an order unless it finds that the transaction proposed will promote the public interest by enabling such carrier other than a motor carrier to use service by motor vehicle to public advantage in its operations and will not unduly restrain competition: *And provided further,* That if an order is entered hereunder without a public hearing, said order shall take effect within such reasonable period as the Commisison may fix."

SEC. 13. Section 213 (b) (1) of said act is hereby amended to read as follows:

"(b) (1) It shall be unlawful for any person, except as provided in paragraph (a), to accomplish or effectuate, or to participate in accomplishing or effectuating, the control or management in a common interest of any two or more motor carriers which are not also carriers by railroad, or of one or more such motor carriers and one or more carriers other than motor carriers, however such result is attained, whether directly or indirectly, by use of common directors, officers, or stockholders, a holding or investment company or companies, a voting trust or trusts, or in any other manner whatsoever. It shall be unlawful to continue to maintain control or management accomplished or effectuated after the enactment of this part and in violation of this paragraph. As used in this paragraph, the words 'control or management' shall be construed to include the power to exercise control or management."

SEC. 14. Section 213 (b) (2) of said act is hereby amended to read as follows:

"(2) In addition to the enforcement procedure provided elsewhere in this part, the Commission is hereby authorized, upon complaint or upon its own initiative without complaint, but after notice and hearing, to investigate and determine whether any person is violating the provisions of paragraph (b) (1) of this section. If the Commission finds after such investigation that such person is violating the provisions of such paragraph, it shall by order require such person to take such action consistent with the provisions of this part as may be necessary, in the opinion of the Commission, to prevent further violation of such provisions."

SEC. 15. Section 214 of said act is hereby amended to read as follows:

"SEC. 214. Common or contract carriers by motor vehicle, corporations organized for the purpose of engaging in transportation as such carriers, and corporations authorized by order entered under section 213 (a) (1) to acquire control of any such carrier, or of two or more such carriers, shall be subject to the provisions of paragraphs 2 to 11, inclusive, of section 20a of part I of this act (including penalties applicable in cases of violations thereof): *Provided, however,* That said provisions shall not apply to such

carriers or corporations where the par value of the securities to be issued, together with the par value of the securities then outstanding, does not exceed $500,000, nor to the issuance of notes of a maturity of 2 years or less and aggregating not more than $100,000, which notes aggregating such amount including all outstanding obligations maturing in 2 years or less may be issued without reference to the percentage which said amounts bear to the total amount of outstanding securities. In the case of securities having no par value, the par value for the purpose of this section shall be the fair market value as of the date of their issue: *Provided further*, That the exemption in section 3 (a) (6) of the 'Securities Act, 1933' is hereby amended to read as follows: '(6) Any security issued by a common or contract carrier, the issuance of which is subject to the provisions of section 20a of the Interstate Commerce Act, as amended;'."

SEC. 16. The proviso of section 216 (g) of said act is hereby amended to read as follows:

"*Provided*, That this paragraph shall not apply to any initial schedule or schedules filed on or before July 31, 1938, by any such carrier in bona fide operation when this section takes effect."

SEC. 17. The proviso of section 218 (c) of said act is hereby amended to read as follows:

"*Provided*, That this paragraph shall not apply to any initial schedule or schedules, or contract or contracts, filed on or before July 31, 1938, by any such carrier in bona fide operation when this section takes effect."

SEC. 18. Section 224 of said act is hereby amended to read as follows:

"SEC. 224. The Commission is hereby authorized, under such rules and regulations as it shall prescribe, to require the display of suitable identification plate or plates, upon any motor vehicle used in transportation subject to any of the provisions of this part, to provide for the issuance of such plates, and to receive the payment by such carriers of the reasonable cost thereof. All moneys so collected shall be paid into the Treasury of the United States. Any substitution, transfer, or use of any such identification plate or plates, except such as may be duly authorized by the Commission, is hereby prohibited and shall be unlawful."

Mr. LA FOLLETTE. Mr. President, may we have an explanation of the bill? It is impossible to tell from the title what the bill is.

Mr. JOHNSON of Colorado. Mr. President, all the provisions of the bill were suggested by the Interstate Commerce Commission for the purpose of perfecting the procedure under the Motor Carrier Act of 1935 to facilitate the performance of the difficult task and its administration. Commissioner Eastman yesterday telephoned from Ohio the following message:

Motor Carrier Division threatened with complete break-down unless these amendments to Motor Carrier Act are acted upon by the Congress.

Mr. WHEELER. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. WHEELER. My attention was diverted when the matter came up. The bill is a departmental bill, which was sent to Congress by Commissioner Eastman. He is very strongly in favor of it. We reported it out of the committee with an amendment, which was satisfactory to Commissioner Eastman. If the bill is passed with that amendment in it, I have no objection to it, but I understand the House struck out the amendment. Does the Senator so understand?

Mr. JOHNSON of Colorado. I have two amendments which I desire to offer on behalf of the committee.

The PRESIDENT pro tempore. The first amendment offered by the Senator from Colorado on behalf of the committee will be stated.

The CHIEF CLERK. On page 9, line 1, after the word "that" it is proposed to insert:

If a carrier, as defined in section 1 (3) of part I, or any person which is controlled by such a carrier or affiliated therewith within the meaning of section 5 (8) of part I is an applicant, the Commission shall not enter such an order unless it finds that the transaction proposed will promote the public interest by enabling such carrier to use such service by motor vehicle to public advantage in its operations, and will not unduly restrain competition.

The amendment was agreed to.

The PRESIDENT pro tempore. The next amendment offered by the Senator from Colorado [Mr. JOHNSON] on behalf of the committee will be stated.

The CHIEF CLERK. On page 12, after line 2, it is proposed to insert:

At any hearing involving a rate, fare, charge, or classification, increased or sought to be increased, or involving a rule, regulation, or practice, after the date of approval of this act, the burden of proof shall be upon the carrier to show that the increased rate, fare, charge, or classification, or the rule, regulation, or practice, or the proposed increased rate, fare, charge, or classification, or the proposed rule, regulation, or practice, is just and reasonable.

The amendments were agreed to.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

The PRESIDENT pro tempore. Without objection the bill (S. 3606) to amend the Interstate Commerce Act, as amended, by amending certain provisions of part II of said act, otherwise known as the Motor Carrier Act, 1935, will be indefinitely postponed.

MISSOURI RIVER BRIDGE, NEAR ARROW ROCK, MO.

The bill (S. 4173) to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Arrow Rock, Mo., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of a bridge across the Missouri River, at or near Arrow Rock, Mo., authorized to be built by the St. Louis-Kansas City Short Line Railroad Co. by the act of Congress approved March 2, 1929, heretofore extended by acts of Congress approved April 15, 1932, August 30, 1935, and May 24, 1937, are hereby further extended 1 and 3 years, respectively, from the date of approval hereof.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

MISSOURI RIVER BRIDGE NEAR ST. CHARLES, MO.

The bill (S. 4174) to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near St. Charles, Mo., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of the bridge across the Missouri River, at or near St. Charles, Mo., authorized to be built by the St. Louis-Kansas City Short Line Railroad Co. by the act of Congress approved March 2, 1929, heretofore extended by acts of Congress approved April 15, 1932, August 30, 1935, and May 24, 1937, are hereby further extended 1 and 3 years, respectively, from the date of approval hereof.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

CURTISS AEROPLANE & MOTOR CO., INC.

The bill (H. R. 7144) for the relief of the Curtiss Aeroplane & Motor Co., Inc., was announced as next in order.

Mr. KING. May we have an explanation of the bill?

Mr. SCHWELLENBACH. This bill is another of the so-called N. R. A. bills. The committee has accepted the amount shown by the auditor of the Department.

Mr. KING. Is there a recommendation for payment by those investigating on behalf of the Government?

Mr. SCHWELLENBACH. Yes. The claim was for $145,000. The Department recommended $68,000, and the committee reports $68,000, in accordance with the recommendation of the Department.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

RELIEF OF SACKS MERCANTILE CO., INC.

The bill (S. 675) for the relief of the Sacks Mercantile Co., Inc., was announced as next in order.

Mr. McKELLAR. May we have an explanation of the bill? If not, let it go over.

The PRESIDENT pro tempore. The bill will be passed over.

D. B. CARTER

The bill (H. R. 9282) for the relief of the estate of D. B. Carter was considered, ordered to a third reading, read the third time, and passed.

CHARLES P. M'CARTHY

The Senate proceeded to consider the bill (H. R. 9569) for the relief of Charles P. McCarthy, which had been reported from the Committee on Claims, with amendments, on page 1, line 6, after the numerals "$1,600", to insert "and to the Paul Revere Fire Insurance Co., of New York, N. Y., the sum of $913.44"; and in line 9, after the words "damages to", to strike out "his" and insert "Charles P. McCarthy's", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Charles P. McCarthy, of Gorham, Maine, the sum of $1,600, and to the Paul Revere Fire Insurance Co., of New York, N. Y., the sum of $913.44, in full settlement of all claims against the United States for damages to Charles P. McCarthy's truck and trailer as the result of a collision December 31, 1937, with a Works Progress Administration truck, on College Avenue near Murray Hill Avenue, Atlanta, Ga.: *Provided:* That no part of the amount appropriated in this act shall be paid to or received by any person or company as subrogee of the rights of said Charles P. McCarthy against the United States as the result of said accident, and no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

The title was amended so as to read "An act for the relief of Charles P. McCarthy and the Paul Revere Fire Insurance Co."

ROY M. YOUNG

The bill (H. R. 4115) for the relief of Roy M. Young was considered, ordered to a third reading, read the third time, and passed.

BILLS PASSED OVER

The bill (H. R. 7780) to amend an act entitled "An act relating to the naturalization of certain women born in Hawaii," approved June 2, 1932, was announced as next in order.

Mr. REYNOLDS. I object to the consideration of the bill, Mr. President. I should like to have an opportunity to investigate the facts of the matter.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (H. R. 8753) for the relief of the Choctaw Cotton Oil Co., of Ada, Okla., was announced as next in order.

Mr. McKELLAR. May we have an explanation of that bill?

The PRESIDENT pro tempore. An explanation is requested.

Mr. McKELLAR. If there is no explanation, let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (H. R. 7369) to validate certain certificates of naturalization granted by the United States District Court of the District of Hawaii was announced as next in order.

Mr. REYNOLDS. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

SOCIETY OF AMERICAN FLORISTS AND ORNAMENTAL HORTICULTURISTS

The bill (H. R. 10380) to amend the act entitled "An act to incorporate the Society of American Florists and Ornamental Horticulturists within the District of Columbia", was considered, ordered to a third reading, read the third time, and passed.

JOHN PATRICK TOTH

The bill (H. R. 10136) for the relief of John Patrick Toth was considered, ordered to a third reading, read the third time, and passed.

PASQUALE LOBRANO

The bill (H. R. 8589) for the relief of Pasquale Lobrano was announced as next in order.

Mr. REYNOLDS. Let the bill go over.

Mr. RUSSELL. Mr. President, House bill 8589 is a special bill for the relief of an alien who, after having lived in this country for some 47 years, went back to Europe for 2 or 3 months, and then returned to this country mentally afflicted, and was confined in an institution in New York. On the ground that he had become a public charge, an order of deportation was issued against him. The man has a wife and three or four children. I think it is one of the most meritorious special cases that ever came to my attention.

Mr. REYNOLDS. I should like to have the bill go over for the present. I shall talk to the chairman of the committee.

The PRESIDENT pro tempore. The bill will be passed over.

OLIN J. SALLEY

The bill (H. R. 1768) for the relief of Olin J. Salley was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (H. R. 7294) for the relief of Bartholomew Harrington was announced as next in order.

Mr. REYNOLDS. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

ANNA L. ANDREAS AND ANITA ANDREAS

The bill (H. R. 1251) for the relief of Anna L. Andreas and Anita Andreas was considered, ordered to a third reading, read the third time, and passed.

MR. AND MRS. HAROLD E. THERIAULT

The bill (H. R. 9543) for the relief of Mr. and Mrs. Harold E. Theriault was considered, ordered to a third reading, read the third time, and passed.

MRS. OLIVE FLETCHER CONKLIN

The bill (H. R. 8199) for the relief of Mrs. Olive Fletcher Conklin was considered, ordered to a third reading, read the third time, and passed.

JOSEPH GROSS

The bill (H. R. 7854) for the relief of Joseph Gross was considered, ordered to a third reading, read the third time, and passed.

LONGEVITY PAY OF WARRANT OFFICERS

The bill (S. 23) to reestablish the longevity pay of warrant officers was announced as next in order.

Mr. WHEELER. Let the bill go over.

Mr. SHEPPARD. I shall appreciate it if the Senator will withhold his objection and permit me to make a brief explanation of this measure.

Prior to the 1922 Pay Readjustment Act, warrant officers received longevity pay amounting to 10 percent of their base pay for each 5 years of service, not to exceed 40 percent. The base pay of warrant officers by the 1922 act was increased about 12 percent, but their longevity pay was cut to 5 percent of their base pay, for each 4 years of service, not to exceed 25 percent. The legislation under consideration proposes to reestablish the longevity pay of warrant officers to the amount existing prior to 1922. The legal effect of the enactment of this measure would be to restore to the average warrant officer's longevity pay $22.20 per month. As recommended to be amended by the committee, the cost of this legislation is reduced from about $748,378, to about $209,078. The ultimate annual cost of the measure will be reduced from about $209,078 to about $172,000. This is true because approximately 140 warrant officers, who were formerly field clerks, will not be replaced when they retire, and this bill does not as reported by the committee relate to retired warrant officers. These 140 warrant officers are now being carried in excess of the maximum number of warrant officers authorized under basic law, about 640. Therefore,

as these 140 retire, they will not be replaced, and the ultimate number of warrant officers on active duty will be decreased from the present number, about 787, to about 647. A hearing was held on S. 23 by a subcommittee of the Senate Military Affairs Committee, which bill is on the Senate Calendar. An identical House bill, H. R. 3618, passed the House today and is now on the desk.

Mr. WHEELER. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

BILL PASSED OVER

The bill (H. R. 7357) for the relief of Giovanni Raffa, was announced as next in order.

Mr. REYNOLDS. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

PAUL HIRSCHMANN

The bill (H. R. 7039) for the relief of Paul Hirschmann, was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (H. R. 6306) to authorize the cancelation of deportation proceedings in the case of Henrietta Vendemmia was announced as next in order.

Mr. REYNOLDS. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

DESERT-LAND ENTRIES IN RIVERSIDE COUNTY, CALIF.

The bill (H. R. 6591) to exempt from cancelation certain desert-land entries in Riverside County, Calif., was considered, ordered to a third reading, read the third time, and passed.

RESIDENCE OF UNITED STATES COMMISSIONERS FOR NATIONAL PARKS

The bill (H. R. 5804) to provide for the residence of the United States commissioners appointed for the national parks, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

Mr. SHEPPARD. Mr. President, there are several bills reported from the Senate Commerce Committee which are now on the calendar, but which are not on the printed calendar, because they were reported today. I ask that they may be considered.

Mr. McNARY. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. McNARY. Does the request of the Senator from Texas, to which I do not object, conform to the unanimous-consent agreement entered into earlier in the day?

The PRESIDENT pro tempore. It does. Is there objection to the request of the Senator from Texas? The Chair hears none, and it is so ordered.

MUIR WOOD TOLL ROAD, MARIN COUNTY, CALIF.

Mr. JOHNSON of California. Mr. President, there is a House bill on the desk (H. R. 10752) which has been approved by a majority of the committee. I ask unanimous consent for its immediate consideration.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from California?

There being no objection, the bill (H. R. 10752) to authorize Federal cooperation in the acquisition of the Muir Wood Toll Road, located in Marin County, State of California, and for other purposes, was read twice by its title, considered, ordered to a third reading, read the third time, and passed.

CONSIDERATION OF BRIDGE BILLS

Mr. LA FOLLETTE. Mr. President, I ask unanimous consent that the bridge bills which are in the usual form, and without amendment, may be considered en bloc.

The PRESIDENT pro tempore. Without objection, the bridge bills will be considered and passed en bloc.

By unanimous consent, House bills of the following titles were severally considered, ordered to a third reading, read the third time, and passed:

The bill (H. R. 10506) to extend the times for commencing and completing the construction of a bridge across the Mississippi River between St. Louis, Mo., and Stites, Ill.

The bill (H. R. 10507) to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near a point between Morgan and Wash Streets in the city of St. Louis, Mo., and a point opposite thereto in the city of East St. Louis, Ill.

The bill (H. R. 10866) authorizing the States of Minnesota and Wisconsin, jointly or separately, to construct, maintain, and operate a free highway bridge across the Mississippi River at or near Winona, Minn.

The bill (H. R. 10540) to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Arrow Rock, Mo.

The bill (H. R. 10610) granting the consent of Congress to the Iowa State Highway Commission to reconstruct or construct, maintain, and operate a free highway bridge across the Des Moines River at or near Keosauqua, Iowa.

The bill (H. R. 10670) to extend the times for commencing and completing the construction of a bridge across the Wabash River at or near Merom, Sullivan County, Ind.

The PRESIDENT pro tempore. Without objection, the Senate bill in each case will be indefinitely postponed.

The bill (S. 4158) authorizing the States of Minnesota and Wisconsin, jointly or separately, to construct, maintain, and operate a free highway bridge across the Mississippi River at or near Winona, Minn., was ordered to be indefinitely postponed.

ARTHUR ALEXANDER POST, NO. 68, AMERICAN LEGION, BELZONI, MISS.

Mr. SHEPPARD. There is one more bill, Mr. President, which I ask to have considered. It is House bill 10873, which I report back favorably, without amendment, from the Military Affairs Committee. The War Department has no objection to its passage.

There being no objection, the bill (H. R. 10873) to authorize the conveyance to the Arthur Alexander Post, No. 68, the American Legion, of Belzoni, Miss., of the improvements and site containing 18 acres of land, more or less, at lock and dam No. 1 on the Sunflower River, Miss., was considered, ordered to a third reading, read the third time, and passed.

FORD O. GOTHAM AND JAMES M'CUMBER

The bill (H. R. 344) for the relief of Ford O. Gotham and James McCumber was considered, ordered to a third reading, read the third time, and passed.

Mr. KING. Mr. President, are we returning to the calendar?

The PRESIDENT pro tempore. We are now taking up, under the unanimous-consent agreement, bills which have recently come over from the House and have been reported today but which are not on the calendar.

BARTHOLOMEW HARRINGTON

Mr. REYNOLDS. Mr. President, I should like to withdraw my objection to House bill 7294.

The PRESIDENT pro tempore. Without objection, the bill will be considered.

The bill (H. R. 7294) for the relief of Bartholemew Harrington was considered, ordered to a third reading, read the third time, and passed.

EASTERN BAND OF CHEROKEE INDIANS, NORTH CAROLINA

Mr. WHEELER. Mr. President, the Senator from North Dakota [Mr. FRAZIER], who had to leave last night, asked me if I would call up a bill to which he objected which is on the calendar. It is Calendar No. 1846, House bill 7515. He had previously objected to the bill, but stated that he would have no objection to it provided an amendment were made to it, inserting after the word "boundary," in line 1, page 2, the language of an amendment which I shall have read.

I ask unanimous consent to return to the consideration of Calendar No. 1846, House bill 7515.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate proceeded to consider the bill (H. R. 7515) to authorize the sale of certain lands of the Eastern Band of Cherokee Indians, North Carolina.

Mr. WHEELER. I ask to have stated the amendment which I send to the desk.

The PRESIDENT pro tempore. The amendment will be stated.

The CHIEF CLERK. On page 2, line 1, after the word "boundary", it is proposed to insert:

Provided, That a separate approval by the Indians as herein provided must be had as to each tract proposed to be sold.

Mr. KING. Mr. President, I should like to ask the Senator from Montana whether objections have been raised by the Indians on this reservation to the policy which, as they claim, is being forced upon them by the Department of the Interior.

Mr. WHEELER. With reference to this particular bill, as I understand, the Indians on the reservation are in favor of it with the amendment which I am offering at the suggestion of the Senator from North Dakota [Mr. FRAZIER] for the purpose of protecting them, so that they will have to vote on every tract of land before it can be sold by the Secretary of the Interior. This amendment is for the purpose of protecting the Indians.

Mr. KING. They need protection.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Montana.

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

H. WARD BELL

The bill (H. R. 342) for the relief of H. Ward Bell was announced as next in order.

Mr. KING. Mr. President, when was this bill reported?

The PRESIDENT pro tempore. Today.

Mr. KING. From what committee?

The PRESIDENT pro tempore. From the Committee on Claims.

The bill was considered, ordered to a third reading, read the third time, and passed.

W. GLENN LARMONTH

The bill (H. R. 347) for the relief of W. Glenn Larmonth was considered, ordered to a third reading, read the third time, and passed.

ELIZABETH VRESH (YALGA VRES) AND OTHERS

The bill (H. R. 6820) for the relief of Elizabeth Vresh (Yalga Vres) her son, Frederick Vresh, and her daughter, Sylvia Vresh Bronowitz, was considered, ordered to a third reading, read the third time, and passed.

ESTATE OF BENJAMIN A. PILLSBURY

The Senate proceeded to consider the bill (H. R. 3961) for the relief of the estate of Benjamin A. Pillsbury (William J. Pillsbury, executor).

Mr. KING. Mr. President, what is the amount involved?

The PRESIDENT pro tempore. $2,989.09.

The bill was ordered to a third reading, read the third time, and passed.

CHOCTAW COTTON OIL CO., ADA, OKLA.

Mr. LEE. Mr. President, a parliamentary inquiry. What happened to Calendar No. 2335, House bill 8753?

The PRESIDENT pro tempore. It was objected to.

Mr. LEE. The record shows, I believe, that the Senator from North Carolina [Mr. REYNOLDS] objected to it; but the Senator from North Carolina tells me that he did not.

The PRESIDENT pro tempore. The Chair does not know who objected. An objection was made, but no record was made of it.

Mr. LEE. I ask unanimous consent to return to that bill. I will withhold the request for the time being, however.

Mr. LEE subsequently said: I now ask unanimous consent to recur to Calendar No. 2335, House bill 8753, for the purpose of having it considered.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the bill (H. R. 8753) for the relief of the Choctaw Cotton Oil Co., of Ada, Okla., was considered, ordered to a third reading, read the third time, and passed.

CERTIFICATES OF NATURALIZATION GRANTED BY UNITED STATES DISTRICT COURT, DISTRICT OF HAWAII

Mr. KING. Mr. President, a few moments ago we passed over Calendar No. 2336, House bill 7369. My friend from North Carolina [Mr. REYNOLDS] interposed an objection to it. He has been further advised, and now has no objection. I ask permission to recur to that bill.

Mr. REYNOLDS. Mr. President, in reference to that bill, I wish to say that I have talked to the chairman of the Immigration Committee of the Senate regarding it, and I withdraw my objection.

The bill (H. R. 7369) to validate certain certificates of naturalization granted by the United States District Court for the District of Hawaii was considered, ordered to a third reading, read the third time, and passed.

RELIEF OF EMPLOYEES OF WORKS PROGRESS ADMINISTRATION

Mr. SCHWELLENBACH. Mr. President, from the Committee on Claims I report back favorably, without amendment, the bill (H. R. 10043) for the relief of employees of the Works Progress Administration whose tools and personal property were damaged or destroyed by fire at Roosevelt Stadium, Jersey City, N. J., and I submit a report (No. 2219) thereon. I ask unanimous consent for its present consideration.

Mr. KING. Let the bill go over. It should be explained.

The PRESIDENT pro tempore. The bill will be passed over, as the Senator from Washington appears to have been called from the Chamber.

Mr. SCHWELLENBACH subsequently said: Mr. President, I ask unanimous consent for the present consideration of House bill 10043, and ask the attention of the Senator from Utah to it.

The PRESIDING OFFICER (Mr. HATCH in the chair). Is there objection to the request of the Senator from Washington?

Mr. KING. Let it be read.

The PRESIDING OFFICER. The bill will be read.

The Chief Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, in accordance with such certifications as may be made by the Works Progress Administrator or his duly authorized representative under this act, the claims of employees of the Works Progress Administration for their privately owned tools and personal property, which, while stored in a Works Progress Administration warehouse, were damaged or destroyed by fire that occurred on March 11, 1937, on a Works Progress Administration project located at Roosevelt Stadium, Droyers Point, Jersey City, N. J.: *Provided*, That such payments as may be made hereunder shall be deemed to be in full settlement of all claims against the United States for said damage to or loss of tools and personal property: *Provided further*, That the total amount that may be paid hereunder by the Secretary of the Treasury in settlement of said claims shall not exceed the sum of $6,000. No payment shall be made under the provisions of this act unless application therefor shall be filed with the Works Progress Administration by or on behalf of the person entitled thereto within 6 months from the date of approval of this act. The Works Progress Administrator, or his duly authorized representative, shall determine the amount due on any application, and the person entitled thereto under the provisions of this act, and shall certify such determinations to the Secretary of the Treasury for payment of the claims, which determinations shall be final and conclusive upon the accounting officers of the Government: *And provided further*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Washington [Mr. SCHWELLENBACH]?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

JOINT RESOLUTION PASSED OVER

The joint resolution (H. J. Res. 551) providing compensation for certain employees was announced as next in order.

Mr. KING. Let there be an explanation of the joint resolution. Who reported it?

The PRESIDENT pro tempore. The Senator from Utah asks for an explanation. If there is no explanation, the joint resolution will be passed over.

COMPENSATION OF CERTAIN EMPLOYEES

The joint resolution (S. J. Res. 310) providing compensation for certain employees was announced as next in order.

The PRESIDING OFFICER. This joint resolution was reported by the Senator from South Dakota [Mr. BULOW], and is similar to House Joint Resolution 551. Without objection, the House joint resolution will be substituted for the Senate measure.

The joint resolution (H. J. Res. 551) providing compensation for certain employees was read twice by its title, considered, ordered to a third reading, read the third time, and passed.

The PRESIDENT pro tempore. Without objection, Senate Joint Resolution 310 will be indefinitely postponed.

AMENDMENT OF POSTAL LAWS

Mr. McKELLAR. Mr. President, I know that one bill has been omitted—House bill 6168. I saw it on the desk a few moments ago.

The bill (H. R. 6168) to amend section 239 of the act of June 8, 1872 (17 Stat. 312; U. S. C., title 39, sec. 500), was considered, ordered to a third reading, read the third time, and passed.

Mr. McKELLAR. Mr. President, from the Senate Committee on Post Offices and Post Roads I report back Senate bill 4179, without amendment, an exactly similar bill with the same title as the House bill. Now that the House bill has been passed, I ask that the Senate bill be indefinitely postponed.

The PRESIDING OFFICER. Without objection, the corresponding Senate bill will be indefinitely postponed.

DISPOSITION OF SURPLUS FISH AND FISH PRODUCTS

Mr. PEPPER. Mr. President, I ask unanimous consent to introduce a bill. I should like to say, by way of explanation, that day before yesterday the Secretary of Agriculture, through Mr. Eldridge, who is in charge of the Agricultural Adjustment Act, had a hearing in Washington of representatives of all the fish dealers of the whole country. At that hearing it was stated to the Secretary that there are $26,000,000 worth of surplus fish products in this country on storage and a glutted market, and that that amount is in excess of what has been on hand for a 5-year period at this season of the year, so that there is actual distress among the fish dealers of the whole country.

At this late time there is only one possible way in which any relief may be obtained for that great industry throughout the whole country; that is, to make it legally possible for the Federal Surplus Commodities Corporation to purchase fish or sea-food products if, in the discretion of that agency, it is proper for them to do so.

I think it is a meritorious matter. The bill does not commit the Congress to the appropriation of any additional funds. It is left to the discretion of the Surplus Commodities Corporation as to whether or not, for the good of the public interest, this authority shall be exercised.

I ask unanimous consent that the bill may be introduced and considered at this time.

Mr. KING. Mr. President, I should like to ask the Senator a question as to the losses incurred by the Federal Surplus Commodities Corporation. Its losses, I am told, amount to many millions of dollars, and we are now asked to provide for additional losses.

Mr. PEPPER. No, Mr. President; on the contrary——

Mr. KING. That will be the effect.

Mr. PEPPER. If I may explain to the able Senator from Utah, these funds will come out only of funds appropriated to the Federal Surplus Commodities Corporation by the act of June 28, 1937—that is to say, the funds which are allocated from the customs receipts of the country—and the bill does not appropriate any additional funds.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. BARKLEY. The Senator will recall that when the relief appropriation measure was before the Senate, the Senator from California [Mr. MCADOO] offered and secured the adoption of an amendment authorizing the purchase of $50,000,000 worth of fish, wheat, and, I believe, other agricultural products. The Senate adopted it, and it went to conference, and the conferees did not agree to it, and eliminated it.

I appreciate the situation to which the Senator from Florida has called attention; but I am wondering, here at the tail end of the session, if we are to consider a bill just being introduced. I wonder, really, whether it is good legislative practice to bring forward a bill which has never been introduced, and introduce it by unanimous consent, and then take it up "pronto" without any consideration of the bill by a committee or by the Senate. I am just wondering whether we ought to do that. If there is some good reason why we should do it, I do not wish to object.

Mr. PEPPER. I am sure I can give a good reason, or I would not have made such an extraordinary request.

In the first place, the bill is simply an enlargement of the existing law. I should be glad to have the bill read for the information of the Senate before further comment is made regarding it.

Mr. BARKLEY. Does the Senator think that if the Senate should pass the bill it would have any chance to get through the House?

Mr. PEPPER. I have some unofficial assurances that that is more than a possibility, Mr. President. I should be glad at least if we might take a chance at it, because it means a great deal to a great industry in this country; and I know many Senators on the floor are interested.

Mr. President, may the bill be read, please?

Mr. MALONEY. Mr. President, will the Senator yield to me?

Mr. PEPPER. I am glad to yield to the Senator from Connecticut.

Mr. MALONEY. The Senator says, as I understand him, that this bill is an extension of existing law.

Mr. PEPPER. No; if the bill may be read, I am sure the Senator will understand it better than from a summary of its contents. It merely says that the Federal Surplus Commodities Corporation shall have authority to purchase fish, shellfish, or sea foods, or the products thereof. That is all the bill does. It does not appropriate any money. It merely permits that organization, out of funds already appropriated to them from the customs receipts, to purchase these commodities if they find that a glut in the market actually exists to the detriment of the public interest.

Mr. MALONEY. If the Senator will further yield to me——

Mr. PEPPER. I am glad to yield.

Mr. MALONEY. Did we not, in the closing days of the last session, do just some such thing as this for the fishing industry?

Mr. PEPPER. If it is a question of whether or not we should take 2½ minutes to relieve the burdens of a great industry of this country, my answer is distinctly in the affirmative.

Mr. MALONEY. That does not answer the question I asked; but I do not think it is fair, at this late hour in the session, that we should be asked to take action of this kind without evidence, without having the matter considered by a committee, and apparently without a request from the Department.

Mr. PEPPER. Mr. President, I have no right to present the views of the Department, except to say that the Department is certainly desirous of having the power to exercise this authority, and I think it has found a need to exist for it.

SEVERAL SENATORS. Regular order!

The PRESIDENT pro tempore. The regular order is called for. Under the unanimous-consent agreement already entered into, the Senate will resume the consideration of bills on the calendar.

MARSHALL CAMPBELL AND RAYMOND O'NEAL

Mr. RUSSELL. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of House Bill 10895. It is not on the calendar. I wish to make a very brief statement about the request. This measure is merely to perfect a bill which passed both the House and the Senate 2 years ago permitting the estates of two young men killed by a Civilian Conservation Corps truck to file suit in the District Court for not exceeding $5,000.

Due to a technicality of the Georgia law, which technicality was raised by the district attorney, the suit was dismissed because under the law of Georgia the right of action for the death of a minor reverts only to the mother. The bill does not add anything to any existing law; it merely clears up the technicality I have mentioned. I have discussed the matter with the Senator from North Carolina, who is the chairman of the Committee on Claims, and he is entirely satisfied with it.

The PRESIDENT pro tempore. Is there objection to the consideration of the bill?

There being no objection the Senate proceeded to consider the bill (H. R. 10895) to amend an act of Congress approved August 16, 1937, relating to death-damage claims in the cases of Marshall Campbell and Raymond O'Neal, which was read the first time by title and the second time at length, as follows:

Be it enacted, etc., That section 1 of the act of Congress entitled "An act conferring jurisdiction upon the United States District Court for the Middle District of Georgia to hear, determine, and render judgment upon the claims of the estates of Marshall Campbell and Raymond O'Neal," approved August 16, 1937 (Private Act No. 300, 75th Cong), is hereby amended to read as follows:

"That jurisdiction is hereby conferred upon the United States District Court for the Middle District of Georgia to hear, determine, and render judgment, as if the United States were suable in tort, upon the claims of Hattie Giles Campbell, the mother of Marshall Campbell, and Echalie O'Neal, the mother of Raymond O'Neal, of Greene County, Ga., for damages resulting from the deaths of said Marshall Campbell and Raymond O'Neal by reason of an automobile collision involving a Civilian Conservation Corps truck on August 30, 1935, on the highway between Greensboro and Union Point, Ga: *Provided*, That the suits filed, prior to the enactment of this amendatory proviso, in said district court by the respective mothers and the respective administrators of the estates of the said deceased persons may continue and be maintained by the said respective mothers: *Provided further*, That in the case of the death of either mother before final judgment in her suit, such suit may continue and be maintained by the administrator of the estate of such mother who shall be substituted as plaintiff in her stead: *Provided further*, That the measure of damages to govern in said suits shall be the same as is provided and authorized by the laws of the State of Georgia in the case of a suit by a mother for the homicide of a child: *Provided further*, That the judgment, if any, shall not exceed, in the case of said mother of Marshall Campbell, $5,000; and in the case of the said mother of Raymond O'Neal, $5,000."

SEC. 2. The title of such act of August 16, 1937, is hereby amended to read as follows: "An act conferring jurisdiction upon the United States District Court for the Middle District of Georgia to hear, determine, and render judgment upon the claims for damages on account of the deaths of Marshall Campbell and Raymond O'Neal.

The PRESIDENT pro tempore. The question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed.

LOAN OF ARMY MATERIAL TO AMERICAN LEGION

Mr. WAGNER. Mr. President, in the course of the day a bill came over to the Senate from the House and is now at the desk. It is House bill 10935. I ask unanimous consent for its immediate consideration. The bill will have to be passed at this session or it will be of no use. It merely authorizes the Secretary of War, in his discretion, to lend to the American Legion of New York, for use at the convention of the American Legion in 1938, such tents, cots, blankets, and other available stock out of the Army and National Guard supply as such organization may require to house properly the legionnaires attending the convention.

The PRESIDENT pro tempore. The Chair lays before the Senate a bill coming over from the House of Representatives, which will be read.

The bill (H. R. 10935) to authorize the Secretary of War to lend War Department equipment for use at the convention of the American Legion of New York during the month of August 1938 was read twice by its title.

The PRESIDENT pro tempore. Is there objection to the consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

ORDER OF BUSINESS

Mr. HUGHES. Mr. President, at the request of the senior Senator from New York [Mr. COPELAND], who is not present today on account of illness, I ask that the Senate return to Calendar No. 1540.

Mr. LA FOLLETTE. Mr. President, we are going to have a call of the calendar from the beginning when we finish with the other bills, and I do not think it is fair to take bills out of order. I object.

The PRESIDENT pro tempore. Objection is made.

Mr. McGILL. Mr. President——

Mr. McNARY. I call for the regular order under the unanimous-consent agreement.

Mr. RUSSELL. I understood that bills which came over from the House and were reported by committees were to be considered.

The PRESIDENT pro tempore. Such bills are in order.

NATURALIZATION OF ALIENS

Mr. RUSSELL. There is a measure on the desk, House Joint Resolution 681, which has been reported from the Committee on Immigration, in which the State Department and the Department of Labor are very much interested. It is a very important measure.

The PRESIDENT pro tempore. Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution (H. J. Res. 681) to amend the Naturalization Act of June 29, 1906 (34 Stat. 596), as amended, was considered, ordered to a third reading, read the third time, and passed, as follows:

Resolved, etc., That the second paragraph of the fourth subdivision of section 4 of the Naturalization Act of June 29, 1906 (U. S. C., title 8, sec. 382), as amended by section 1 of the act of June 25, 1936 (49 Stat. 1925), is amended to read as follows:

"Absence from the United States for a continuous period of more than 6 months and less than 1 year during the period for which continuous residence is required for admission to citizenship, immediately preceding the date of filing the petition for naturalization, or during the period between the date of filing the petition, and the date of final hearing, shall be presumed to break the continuity of such residence, but such presumption may be overcome by the presentation to the naturalization court of satisfactory evidence that such individual had a reasonable cause for not returning to the United States during such absence. Absence from the United States for a continuous period of 1 year or more during the period for which continuous residence is required for admission to citizenship immediately preceding the date of filing the petition for naturalization or during the period between the date of filing the petition and the date of final hearing, shall break the continuity of such residence, except, that in the case of an alien—

"(a) who has been lawfully admitted into the United States for permanent residence,

"(b) who has resided in the United States for at least 1 year thereafter, and

"(c) who has made a declaration of intention to become a citizen of the United States, who shall be deemed an eligible alien for the purposes of this paragraph and who thereafter has been sent abroad as an employee of or under contract with the Government of the United States, or who thereafter proceeded abroad as an employee or representative of, or under contract with an American institution of research recognized as such by the Secretary of Labor, or as an employee of a firm or corporation engaged

in the development of foreign trade and commerce of the United States, or a subsidiary thereof, or any such eligible alien as above defined who has proceeded abroad temporarily and has within a period of 1 year of his departure from the United States become an employee or representative of, or who is under contract with such an American institution of research, or has become an employee of such an American firm or corporation, no such absence shall break the continuity of residence in the United States if—

"(1) Prior to the beginning of such absence, or prior to the beginning of such employment, contract, or representation on behalf of an American institution of research or an American firm or corporation as aforesaid, such alien has established to the satisfaction of the Secretary of Labor that his absence for such period is to be on behalf of such government or for the purpose of carrying on scientific research on behalf of such institution, or to be engaged solely or principally in the development of such foreign trade and commerce, or whose residence abroad is necessary to the protection of the property rights abroad of such firm or corporation; and

"(2) Such alien proves to the satisfaction of the court that his absence from the United States for such period has been for such purpose.

"An alien who has been lawfully admitted into the United States for permanent residence, and who is the wife or husband of a citizen of the United States so engaged abroad within one of the above-mentioned categories shall be considered as residing in the United States for the purpose of naturalization notwithstanding any absence from the United States.

"This amendment shall not affect cases of aliens who prior to the date of its enactment have established to the satisfaction of the Secretary of Labor, pursuant to an act entitled 'An act to amend the naturalization laws in respect of residence requirements, and for other purposes', approved June 25, 1936, that absence from the United States was to be or had been for the purpose of carrying on activities described therein."

PENSIONS TO WIDOWS OF SURVIVORS OF BATTLESHIP "MAINE"

Mr. McGILL. Mr. President, I ask that the Senate proceed to the consideration of House bill 8434, which has passed the House of Representatives, and which the Senate Committee on Pensions has reported favorably.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 8434) to liberalize the laws providing pensions for the dependents of veterans whose death resulted from service prior to April 21, 1898, which was read, as follows:

Be it enacted, etc., That on and after the 1st day of the month following the month in which this act is enacted persons entitled to pension under the provisions of the general pension law, for death resulting from services prior to April 21, 1898, shall be entitled to pension at the rates provided by paragraph III of Part II of Veterans' Regulation No. 1 (a), as amended: *Provided*, That this act shall not be so construed as to reduce any pension under any act, public or private.

Mr. KING. Mr. President, let us have an explanation.

Mr. McGILL. I will briefly explain the bill, if I may have the attention of the Senator from Utah.

This is a measure which would affect about 550 persons who are the widows of those who served in the Regular Establishment of the Navy prior to 1898, April 21. The cost to the Government will be about $69,000 a year. It will affect only persons past 72 years of age, who are now drawing pensions at the rate of $12 a month.

Mr. KING. Does not the present pension law entitle them to larger pensions than that?

Mr. McGILL. No. These men were members of the Regular Establishment, and their widows draw pensions at the rate of $12 a month under existing law. This would give them an increase, and would increase the cost to the Government by about $69,000 a year.

Mr. KING. Will it not lead to a demand by all other persons in the Regular Establishment—and I suppose there are hundreds of thousands of them—for increases in their pensions?

Mr. McGILL. I think not. This affects only those who served prior to April 21, 1898.

The PRESIDENT pro tempore. Is there objection to the consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

IMPORTATIONS OF TEXTILES

Mr. GEORGE. Mr. President, a few days ago I made some remarks in the Senate concerning imports of textiles, particularly from Japan, including rayon and woolen textiles as well as cotton textiles. I gave notice at that time that I would ask for certain official information from the departments of the Government. I did not prepare a formal resolution because the departments of the Government have furnished me the information, and I desire to enter in the RECORD certain of the information which came to me from the State Department, but not as an official State Department document. I ask unanimous consent that I may have the privilege of having printed in the RECORD the information concerning imports of textiles from Japan.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

The following facts and comments are presented regarding recent imports of cotton and rayon textiles from Japan and their implications for the American textile industry.

IMPORTS OF COTTON TEXTILES

1. Although the value of imports of our cotton manufactures from Japan rose from $1,300,000 in 1932 to $11,800,000 in 1936 and probably exceeded $13,000,000 for 1937 as a whole, the marked falling off in such imports has been apparent in every month since last October, as shown by the following table:

1937	
October	$1,157,000
November	1,130,000
December	858,000
1938	
January	738,000
February	550,000
March	316,000

This decline is mainly attributable on the one hand to shortages of raw-cotton supplies and sharply rising costs in the Japanese cotton-manufacturing industry, and on the other hand to large inventories and lower prices of cotton goods in this country.

A specific deterrent to imports of cotton goods from Japan exists in the issuance by the Bureau of Customs in February of this year of a notice of suspicion of dumping with respect to imports of cotton manufactures from Japan, which means that importers must deposit a bond equivalent to 100 percent of the value of such imported articles pending the determination of the Treasury Department's investigation of suspected indirect subsidization of such exports from Japan.

2. Although the cotton textile agreement negotiated by the American cotton-textile industry with the Japanese in January 1937 provided for a basic quota of 155,000,000 square yards on shipments of cotton piece goods from Japan to continental United States during 1937 (based on reported volume of unfilled contracts on hand at the date of the agreement), actual shipments of cotton cloth to continental United States during 1937, as reported by the Japan Cotton Yarn and Cloth Exporters Union, amounted to only 123,776,000 square yards (and including shipments to Puerto Rico and Hawaii, to 138,432,000 square yards). The extent to which actual shipments fell below the reported volume of contracts for 1937 delivery indicates considerable cancelation of orders due to difficulties in delivery, rising costs in Japan, and possibly in some cases to the influence of anti-Japanese sentiment in this country.

Although imports of cotton piece goods from Japan in 1937 reached the peak figure of 147.4 million square yards (including entries into bonded warehouses), they were equivalent to only 1.6 percent of the total domestic cotton cloth output of 8,991,000,000 yards, as estimated for 1937 by the Association of Cotton Textile Manufacturers of New York. During the first quarter of the present year imports of cotton cloth from Japan were little more than one-fifth of the volume of entries in the corresponding quarter of 1937 (2,688,000 yards compared to 12,941,000).

3. Figures supplied by the United States Tariff Commission show that imports of cotton fish netting from Japan in the first 4 months of 1938 amounted to 163,963 pounds, or slightly less than entries of 165,049 pounds in the corresponding period of 1937. Dr. Murchison, president of the Cotton Textile Institute, reports that the Osaka cotton-textile agreement with Japan set up a continuing joint committee of the two textile industries for dealing with shipments of cotton manufactures other than piece goods and that the cotton fish net manufacturers in this country are preparing a brief for the use of the joint committee and that an agreement on this item is in prospect.

4. Dr. Murchison also states that on the whole the American cotton textile industry is in a much better position vis-à-vis Japanese competition at the present than at any time during the past few years, due chiefly to rising costs in Japan and lower prices in the United States. This is demonstrated by recent

changes in the proportion of cotton piece goods imported into the Philippine Islands from Japan and the United States. In the first quarter of 1937 arrivals in that market from Japan amounted to 14,307,000 square meters and from the United States 6,533,000 square meters. In the same quarter of the present year the corresponding figures were 8,811,000 from Japan and 17,106,000 from the United States, thus showing a 38-percent reduction in such entries from Japan and a 160-percent increase in arrivals from the United States.

RAYON IMPORTS

1. Although imports of rayon semi and finished manufactures from Japan rose from $2,602,000 in 1936 to $4,595,000 in 1937, about two-thirds of the value of the latter was accounted for by imports in the form of rayon filaments (staple fiber) and rayon waste for use by domestic spinners of rayon yarns and tops, and only one-fifth ($940,000) in the form of finished rayon wearing apparel. According to Japanese trade statistics, only 1 percent of total exports of Japanese rayon tissues in 1937 was shipped to the United States, which may be taken as indicative of the effectiveness of the present tariff on such articles.

2. Staple fiber exported from Japan is produced chiefly from imported wood pulp, of which shipments to Japan from the United States in 1937 were valued at $14,312,000, or more than seven times the value of imports of staple fiber ($2,000,000) from that country in the same year. The quantity of the latter (11,689,000 pounds) was equivalent to less than 4 percent of the consumption of 300,000,000 pounds of rayon yarn by American mills in 1936, as reported by the Textile Organon.

3. Imports of staple fiber from Japan in 1937 were nearly twice as great in volume as in 1936; entries from that country during the present year have been on a greatly reduced scale. According to the United States Tariff Commission, imports of staple fiber from Japan during the first 4 months of 1938 amounted to only 244,000 pounds, compared to 5,418,000 pounds in the same period of 1937—a decline of 95 percent in volume. This again may be attributed largely to restrictions on wood-pulp imports and rising costs in Japan and to reduced consumption and lower prices in the United States.

The foregoing facts serve to demonstrate that the difficulties confronting Japanese textile manufacturers and exporters arising out of Japan's absorption in military effort, the extending range of governmental controls and rising industrial costs, in conjunction with reduced consumption, falling prices, and more intense domestic competition in the United States, are operating in themselves to check, at least temporarily, the effectiveness of Japanese competition in relation to the American textile industry.

SIGNING OF BILLS AND JOINT RESOLUTIONS

Mr. BARKLEY. Mr. President, I ask unanimous consent for the present consideration of a House concurrent resolution which has just come to the Senate.

The PRESIDENT pro tempore. The Chair lays before the Senate a concurrent resolution from the House of Representatives of which the Senator from Kentucky asks immediate consideration.

There being no objection, the concurrent resolution (H. Con. Res. 66) was read and agreed to, as follows:

Resolved, etc., That, notwithstanding any recesses of the Senate or House of Representatives or the adjournment of the third session of the Seventy-fifth Congress, the President of the Senate and the Speaker of the House of Representatives be, and they are hereby, authorized to sign any enrolled bills or joint resolutions duly passed by the two Houses and which have been examined by the Committee on Enrolled Bills of each House and found truly enrolled.

FILLING OF VACANCIES ON SPECIAL OR JOINT COMMITTEES

Mr. BARKLEY. Mr. President, I ask unanimous consent that during any recess or adjournment of the Congress the Vice President may be authorized to fill any vacancies on special committees or joint committees authorized to be appointed by the Senate or the Congress.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

RELIEF EXPENDITURES

Mr. WAGNER. Mr. President, at the time the relief bill was before the Senate I offered an amendment providing for the appropriation of an additional $300,000,000 for slum clearance, and also for a provision modifying the 10-percent requirement for localities in connection with the cost of projects. That particular provision was eliminated by the conferees. I ask that as a part of my remarks there may be printed in the RECORD an explanatory statement of the reason for offering the amendments.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

When, on June 3, I introduced, and the Senate adopted, an amendment in the form of a new title VI to the joint resolution on relief, I was motivated by a desire to carry out the President's objective of accelerating the program of the United States Housing Authority. In view of the fact that the conferees have eliminated one important section (sec. 603) of title VI, I feel that a statement on my part concerning this change would be in order.

It will be recalled that as the United States Housing Act of 1937 was adopted, the Authority was restricted in making loans to 90 percent of a project's development cost. This limitation appears in section 9 of the United States Housing Act, the relevant portion of which reads as follows:

"In the case of annual contributions in assistance of low rentals as provided in section 10 the total of such loans outstanding on any one project and in which the Authority participates shall not exceed 90 percent of the development or acquisition cost of such project."

The effect of this limitation has been to delay the actual undertaking of projects, due to the time consumed in the necessary negotiations by the local housing authorities in raising their 10 percent participation in the project's cost. Since the act limited the U. S. H. A.'s loan to 90 percent on projects in which (to use the language of the act) the U. S. H. A. participates, the local housing authorities have been casting about for ways of obtaining the other 10 percent which was needed to finance the development of the project. Obviously, there was no large amount of idle cash available in the treasuries of the local political subdivisions, so that the local housing authorities generally had to look elsewhere for funds to supply 10 percent of the project cost. Faced with the legal and financial difficulties involved in raising this 10 percent in the form of cash, local housing authorities have resorted to the only other expedient available if they were (and are) to have any housing program at all. This expedient has been through the sale of obligations by the local housing authority representing their 10 percent participation.

As I have said, the details in working out these bond issues have often proved costly, particularly in terms of time, and it was for this reason that one of my amendments would have authorized the U. S. H. A. to make 100-percent loans in the first instance, with a provision that before any annual contributions were made, the total amount of the loans of U. S. H. A. outstanding must be reduced to not more than 90 percent of the project's cost. Since under such an amendment, the original loan by the Authority would be for the full development cost of the project, there would be no bonds for the project's construction sold to purchasers other than the U. S. H. A. As a result, with no financial participation in the project possible other than that by the U. S. H. A., my amendment also removed the words "and in which the Authority participates" which appear in that portion of section 9 of the United States Housing Act which relates to loans where annual grants are to be made.

The amendments which have been approved, however, do make clear one point which has been discussed frequently; that is, the power of the U. S. H. A. to make a 90-percent loan on a project, with the local 10-percent participation being by way of a loan from purchasers other than the U. S. H. A., such loan to be payable from the revenues of the project and from that portion of the Federal annual contributions remaining after applying them to the debt service on the Federal loan. Not only was such an arrangement possible by virtue of the language of section 9 of the act as it was originally enacted, but the amendment to section 10 of the act confirms the propriety of 100-percent loans against a project, 90 percent by the U. S. H. A. and 10 percent by others. Thus, the new section 10 (f) recognizes the fact that there may be two types of bonds (those purchased in the first instance by the U. S. H. A. and those purchased by others), by providing that annual contributions must first be applied to the interest or principal payments on loans due the Authority, although the annual contributions are pledged for any loans obtained by a public-housing agency.

Prior to the adoption of House Joint Resolution 679, many Members of Congress have discussed with me the purpose of certain other provisions in the amendments to the United States Housing Act, which have now been included as title VI of that joint resolution. Knowing that some of the more technical aspects of these amendments will be of interest to Members of Congress, I am including in the record a brief statement containing a summary of some of the points raised in these discussions.

In addition to the fact that these amendments increase the program of the United States Housing Authority by making immediately available an authorization of $800,000,000 in bonds and an authorization of $28,000,000 in annual contributions contracts, these amendments contain provisions which (to quote from the report on S. 4023 by the Committee on Education and Labor, Calendar No. 2056) "would aid the resale and marketability of bonds purchased by the U. S. H. A. from local housing agencies."

Under the new subsection (f) of section 10 (which is added by sec. 601 of the joint resolution), payments under annual contributions contracts are to be pledged as security for any loans obtained by local housing authorities to assist the development of the housing project to which the annual contributions relate. Thus, if the New York City Housing Authority proposes to construct a $10,000,000 project and to issue its bonds to finance the

entire cost of that project, the payments under the annual contributions contract relating to that project (which may include developments on more than one site) would be pledged as security for the $10,000,000 loan. Since the act limits the U. S. H. A.'s loan to 90 percent on projects in which the U. S. H. A. participates, the New York City Housing Authority would have to sell at least 10 percent of this $10,000,000 bond issue to purchasers other than the U. S. H. A.

While the negotiations for the sale of these bonds on satisfactory terms will require time, the New York City Housing Authority should experience little difficulty in consummating such a sale, particularly in view of the fact that the bonds would be payable not only from the revenues of the project, but additionally payable from the annual contributions which are a direct obligation of the United States Government.

The amendment would aid and protect the financial position of the U. S. H. A. in its loan transactions. It is important that the U. S. H. A. obtain adequate security for its loans to local housing authorities, since the U. S. H. A. must look to repayments on these loans in order to meet the debt service on the bonds which it will issue to raise funds for these loans. To this end section 10 (f) provides that even though payments under annual contributions contracts are to be pledged as security for the loan of the local housing authority to finance the full cost of the project, the Federal annual contributions relating to the project shall be used first to apply toward the payment of interest or principal as same mature on any bonds purchased by the U. S. H. A. from the local housing authority. In other words, if $1,000,000 or more of the above-mentioned $10,000,000 bond issue of the New York City Housing Authority are sold to purchasers other than the U. S. H. A. the annual contributions must be used first to apply toward the payment of interest or principal as the same mature on the $9,000,000 or less of this bond issue which is purchased by the U. S. H. A.

It is to be expected that the U. S. H. A. will be able to resell all or a part of these $9,000,000 of bonds which it purchases from the New York City Housing Authority, and, to aid the marketability of these bonds, the first pledge of the annual contributions would attach as an incident to the bonds and inure to the benefit of any future holders of those bonds. Thus the bonds purchased by the U. S. H. A. would not lose the benefit of this first pledge of the annual contributions upon their resale by the U. S. H. A., but would continue to have the benefit of this pledge on a parity with any of the $9,000,000 of bonds which are retained and not resold by the U. S. H. A.

As a result of these provisions, the U. S. H. A. has a threefold protection so far as the security and value of the bonds which it purchases from the local housing authorities: First, the bonds carry a prior pledge of the annual contributions, as explained above; second, the bonds are additionally payable from the revenues of the project, and these revenues are assured because the demand and need for low-rent housing is so greatly and pitifully in excess of the amount of such housing which can be supplied under the present program; and third, the bonds will be readily marketable due to the fact that they are so well secured and that the benefit of this security will inure to purchasers of all or a part of the bonds upon a resale by the U. S. H. A.

PRINTING OF BANKRUPTCY LAW

Mr. HAYDEN from the Committee on Printing, reported a resolution (S. Res. 306), which was considered by unanimous consent and agreed to, as follows:

Resolved, That the bankruptcy law of the United States, as amended up to July 1, 1938, be compiled, revised, and printed as a Senate document.

ORDER OF BUSINESS

Mr. BARKLEY. Mr. President, it seems to me that requests and motions which are not included on the calendar can be taken up and disposed of after we have gone through with the program to which the Senate gave unanimous consent earlier in the day. I, therefore, ask for the regular order, and that we remain on the regular order until it is concluded.

GIOVANNI RAFFA

Mr. WHEELER. Mr. President, a short time ago I objected to the consideration of Calendar 2349, House bill 7357, for the relief of Giovanni Raffa. Since that time I have learned something with reference to the bill, and I withdraw my objection.

The PRESIDENT pro tempore. The Senator from Montana withdraws his objection to Calendar No. 2349, House bill 7357.

CONSIDERATION OF BRIDGE BILLS

The following House bills were each read twice by their titles, considered, ordered to a third reading, read the third time, and passed:

A bill (H. R. 10632) authorizing the Port Authority of Duluth, Minn., and the Harbor Commission of Superior, Wis., to construct a highway bridge across the St. Louis River from Rices Point in Duluth, Minn., to Superior in Wisconsin; and

A bill (H. R. 10842) creating the Cassville-Guttenberg Bridge Commission and authorizing said commission and its successors to construct, maintain, and operate a bridge or bridges across the Mississippi River at or near Cassville, Wis., and Guttenberg, Iowa.

BILLS AND JOINT RESOLUTIONS PASSED OVER

The PRESIDENT pro tempore. The clerk will call the first order of business on the calendar.

The bill (S. 1436) providing for the employment of skilled shorthand reporting in the executive branch of the Government was announced as the first order of business on the calendar.

Mr. BARKLEY. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 419) to promote the general welfare through the appropriation of funds to assist the States and Territories in providing more effective programs of public education was announced as next in order.

Mr. BARKLEY. Over.

The PRESIDENT pro tempore. The bill will be passed over.

Mr. HARRISON. Mr. President, did someone object to Senate bill 419?

The PRESIDENT pro tempore. Objection was interposed.

The bill (S. 2106) for the allowances of certain claims not heretofore paid, for indemnity for spoliations by the French, prior to July 31, 1801, was announced as next in order.

Mr. BURKE. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 1760) to promote the safety of scheduled air transportation, was announced as next in order.

Mr. McKELLAR. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 2) to amend the Interstate Commerce Act, as amended, by providing for the regulation of the transportation of passengers and property by aircraft in interstate commerce, and for other purposes, was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (H. R. 6215) to repeal provisions of the income tax requiring lists of compensation paid to officers and employees of corporations was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 2410) to amend the Judicial Code, as amended, was announced as next in order.

Mr. BARKLEY. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The joint resolution (S. J. Res. 144) proposing an amendment to the Constitution of the United States prohibiting child labor was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDENT pro tempore. The joint resolution will be passed over.

The bill (H. R. 1507) to assure to persons within the jurisdiction of every State the equal protection of the laws and to punish the crime of lynching, was announced as next in order.

Mr. KING. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 2024) to amend the civil-service law to permit certain employees of the legislative branch of the Government to qualify for positions under the competitive classified civil service, was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The joint resolution (S. J. Res. 178) consenting to an interstate compact relating to flood control in the Merrimack River Valley, was announced as next in order.

Mr. McKELLAR. Over.

The PRESIDENT pro tempore. The joint resolution will be passed over.

The bill (S. 1351) to amend the Packers and Stockyards Act, 1921, as amended, and for other purposes, was announced as next in order.

Mr. BARKLEY. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The joint resolution (S. J. Res. 176) favoring employment by the Works Progress Administration of persons unable to find employment in private industry, was announced as next in order.

Mr. BARKLEY. Over.

The PRESIDENT pro tempore. The joint resolution will be passed over.

The bill (S. 1424) to repeal that provision in the act of March 2, 1917 (39 Stat. L. 976), directing the making of allotments to Indians of the Mission Indian Reservation, Calif., was announced as next in order.

Mr. BARKLEY. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The resolution (S. Res. 177) requesting recommendations from the Tariff Commission concerning rates of duty on textile imports, was announced as next in order.

Mr. McKELLAR. Over.

The PRESIDENT pro tempore. The resolution will be passed over.

The bill (H. R. 5812) to amend section 243 of the Penal Code of the United States, as amended by the act of June 15, 1935 (49 Stat. 378), relating to the marking of packages containing wild animals and birds and parts thereof was announced as next in order.

Mr. BARKLEY. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 1443) to designate the month of February in each year as the Month of American Music, was announced as next in order.

Mr. BARKLEY. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The resolution (S. Res. 216) favoring governmental adjustment of the purchasing power of the dollar so as to attain 1926 wholesale commodity price levels, was announced as next in order.

Mr. McKELLAR. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 475) to establish a Court of Patent Appeals was announced as next in order.

Mr. BARKLEY. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The resolution (S. Res. 207) providing for an investigation of the National Labor Relations Act by the National Labor Relations Board was announced as next in order.

Mr. McKELLAR. Over.

The PRESIDENT pro tempore. The resolution will be passed over.

The bill (S. 2829) authorizing more complete development of that portion of Santa Rosa Island conveyed to the county of Escambia, State of Florida, by the Secretary of War was announced as next in order.

Mr. BARKLEY. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 2864) to correct the military record of Clayton R. Miller was announced as next in order.

Mr. BARKLEY. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 1634) to provide for the education of all types of physically handicapped children, to make an appropriation of money therefor, and to regulate its expenditure was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 973) for the relief of the city of Baltimore was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 684) for the relief of the city of New York was announced as next in order.

Mr. KING. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 1291) for the relief of the State of Connecticut was announced as next in order.

Mr. McKELLAR. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The joint resolution (S. J. Res. 21) directing the Comptroller General to readjust the account between the United States and the State of Vermont was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDENT pro tempore. The joint resolution will be passed over.

BENJAMIN WEISENBERG

The bill (H. R. 3389) for the relief of Benjamin Weisenberg was announced as next in order.

Mr. BARKLEY. Over.

The PRESIDENT pro tempore. The bill will be passed over.

Mr. HUGHES. Mr. President, I trust the Senator will withdraw his objection to House bill 3389 and let it be passed. When the bill came up a few days ago the Senator from Utah [Mr. KING] objected. It is a bill for the relief of a man by the name of Weisenberg, who in Ellenville, N. Y., was driving an automobile and in the press was stopped and he got out and was trying to push it out of line, when a truck of the Department of Agriculture came along. It was stated in the testimony that the driver was in a hurry to get to Boston, and he pushed himself in and broke the leg of this man in two or three places. The committee thought it was a very worthy case, and recommended the allowance of a thousand dollars. I do not think the Senator from Utah would object to it now.

The PRESIDENT pro tempore. Is there objection to the consideration of House bill 3389?

SEVERAL SENATORS. Over.

The PRESIDENT pro tempore. The bill will be passed over.

BILL PASSED OVER

The bill (S. 2369) to amend the act entitled "An act for making further and more effectual provision for the national defense, and for other purposes," approved June 3, 1916, as amended, and for other purposes, was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDENT pro tempore. The bill will be passed over.

LONGEVITY PAY FOR WARRANT OFFICERS

Mr. WHEELER. Mr. President, a few moments ago I objected to the consideration of Order of Business 2348, Senate bill 23, to reestablish the longevity pay of warrant officers. I understand that by mistake I was understood to withdraw my objection to Order of Business 2349. The Senator from North Carolina [Mr. REYNOLDS] was the one who objected to the consideration of that order of business. I objected to the consideration of Senate bill 23, and desire to withdraw my objection.

The PRESIDENT pro tempore. There is a House bill on the same subject which the Chair lays before the Senate.

The bill (H. R. 3618) to reestablish longevity pay of warrant officers, was read the first time by title, and the second time at length, as follows:

Be it enacted, etc., That such part of section 4a of the act approved June 4, 1920 (41 Stat. L. 759), amending the National Defense Act, which provides that warrant officers of the Army shall be entitled to longevity pay "under the same conditions as commissioned officer," who then received for that purpose an addition of 10 percent of their base pay for each 5 years of service, not to exceed 40 percent, and that such part of chapter IX of the act approved July 9, 1918 (40 Stat. L. 881–882), establishing the grade of warrant officers of the Army, Army Mine Planter Service, which provided that such warrant officers "shall receive longevity pay as now provided by law for officers of the Army" shall, on and after the approval of this act, be reestablished, in lieu of the addition provided for in section 9 of the act approved June 10, 1922 (42 Stat. L. 629), which provides that warrant officers shall receive as a permanent addition to their pay, an increase of 5 percent of their base pay, for each 4 years of service, not to exceed 25 percent.

The PRESIDENT pro tempore. Is there objection to the present consideration of the House bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

The PRESIDENT pro tempore. Without objection, Senate bill 23 is indefinitely postponed.

BILLS AND JOINT RESOLUTIONS PASSED OVER

The bill (H. R. 8202) to provide for the reorganization of agencies of the Government was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The joint resolution (H. J. Res. 613) to provide for the temporary operation by the United States of certain steamships, and for other purposes, was announced as next in order.

Mr. BARKLEY. Let that go over.

The PRESIDENT pro tempore. The joint resolution will be passed over.

The bill (S. 3559) to amend the Civil Service Retirement Act of May 22, 1920, as amended, to extend retirement to certain employees of certain Indian schools was announced as next in order.

Mr. McKELLAR. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The joint resolution (S. J. Res. 281) to postpone the effective date of the Rules of Civil Procedure for the District Courts of the United States, was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDENT pro tempore. The joint resolution will be passed over.

BILL INDEFINITELY POSTPONED

The bill (S. 3354) to amend the act entitled "An act to amend the act entitled 'An act for the control of floods on the Mississippi River and its tributaries, and for other purposes', approved May 15, 1928", approved June 15, 1936, was anounced as next in order.

Mr. OVERTON. Mr. President, the provisions of this bill have been superseded by the flood-control bill which has just been passed and is now in conference, and I ask that the bill be indefinitely postponed.

The PRESIDENT pro tempore. Without objection, the bill will be indefinitely postponed.

Mr. LA FOLLETTE. Mr. President, if the Senator will wait until the end of the session it will be indefinitely postponed.

Mr. OVERTON. I ask that the bill be indefinitely postponed now.

The PRESIDENT pro tempore. Without objection, the bill will be indefinitely postponed.

BILLS PASSED OVER

The bill (S. 2344) to provide for the regulation of the sale of certain securities in interstate and foreign commerce, and the trust indentures under which the same are issued, and for other purposes, was announced as next in order.

Mr. McKELLAR. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 3010) to repeal and reenact section 83 of the Judicial Code as amended, relating to Federal court districts in the State of Kentucky, was announced as next in order.

Mr. BURKE. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 3510) amending section 202 of the Agricultural Adjustment Act of 1938, relating to new uses and new markets for farm commodities, was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (H. R. 6830) to prohibit the exportation of tobacco seed and plants, except for experimental purposes, was announced as next in order.

Mr. BARKLEY. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 3397) to amend title 45, chapter 2, section 51, of the Code of Laws of the United States was announced as next in order.

Mr. REYNOLDS. Mr. President, I should like to call the attention of the Senate to Order of Business 1687, which I did not hear the clerk call. It is House bill 6391.

The PRESIDING OFFICER. The Senator from Washington [Mr. SCHWELLENBACH] has made a separate motion with respect to that bill, which is pending.

Mr. REYNOLDS. It is my understanding that the motion of the Senator has lost its status.

Mr. SCHWELLENBACH. Mr. President, I inquire whether the Senator from North Carolina is insisting that the measure be passed.

Mr. REYNOLDS. No, Mr. President; I am objecting to its passage.

BILL PASSED OVER

The bill (S. 3873) to authorize the construction and operation of an auditorium in the District of Columbia was announced as next in order.

Mr. McNARY. Over.

The PRESIDENT pro tempore. The bill will be passed over.

GIOVANNI RAFFA

Mr. RUSSELL. Mr. President, I reported House bill 7357, for the relief of Giovanni Raffa. I understand the Senator from North Carolina objected when it was reached on the calendar.

Mr. REYNOLDS. I objected to that a moment ago when it was called.

The PRESIDENT pro tempore. Let the Chair state the parliamentary situation. The Chair will state that the Senator from Montana [Mr. WHEELER] said he withdrew his objection to Calendar No. 2349, House bill 7357. Then

he asked for the consideration of Calendar 2348, Senate bill 23, and it was considered and passed.

Mr. REYNOLDS. When Calendar No. 2349 was called I entered an objection. There was some confusion. The Clerk was under the impression that the Senator from Montana objected to No. 2349. That was erroneous. I objected to 2349, and my objection, I assume, still stands.

The PRESIDENT pro tempore. It does.

LONG-AND-SHORT-HAUL CLAUSE

The bill (H. R. 1668) to amend paragraph (1) of section 4 of the Interstate Commerce Act, as amended February 28, 1920 (U. S. C., title 49, sec. 4), was announced as next in order.

Mr. McKELLAR. I ask that the bill be passed over.

The PRESIDENT pro tempore. The bill will be passed over.

Mr. ASHURST. Mr. President, what action was taken on the bill just reached on the calendar?

The PRESIDENT pro tempore. The bill went over.

Mr. BARKLEY. Is that the long-and-short-haul measure, or the Pettengill bill?

Mr. KING. It has gone over.

The PRESIDENT pro tempore. It is the so-called Pettengill bill.

Mr. BARKLEY. Mr. President, I had hoped that we might obtain consideration of that bill at this session of Congress. It passed the House several months ago. It has been on the calendar for several months, having been favorably voted on by the Committee on Interstate Commerce.

There is considerable opposition to the measure, as I understand. The Senator from Montana [Mr. WHEELER], the Senator from Arizona [Mr. ASHURST], the Senator from Nebraska [Mr. NORRIS], the Senator from Idaho [Mr. BORAH], and others have announced that they would speak at great length against the measure—in fact, indulge in what might be called a filibuster.

Mr. BORAH. No; the Senator from Idaho did not say he would do that. He said he wanted full debate on the measure.

Mr. BARKLEY. In view of the well-known ability of the Senators who have announced their wish to filibuster as long as they had any breath in their bodies, it has not been deemed wise to attempt to bring the bill out ahead of measures that were urgent and necessary, because it was not desired that they be defeated through any prolonged debate upon this controversial question.

I wish to say to the Senator from Arizona and to other Senators, as a member of the Committee on Interstate Commerce, which reported this bill, that I had hoped to be able to vote for it and secure its passage, but in view of the circumstances which have existed with reference to this proposed legislation from the time it was reported until now, it is obvious that we will not have the time necessary, if there is to be an extended debate, to secure the enactment of this meritorious measure.

Mr. ASHURST. Mr. President, there is no Senator here for whose intellectual integrity I have greater respect than that of the able senior Senator from Kentucky [Mr. BARKLEY]. In assuming his arduous duties as leader of the majority, he has led his party with fidelity and ability, and I must at this closing hour of Congress congratulate his State and the Senate and the country that such a man as ALBEN BARKLEY is in the Senate.

It has been my habit to follow his leadership without shadow of turning, but I must depart from his leadership in this instance. [Laughter.] He said the Pettengill bill was a meritorious measure. Mr. President, in my judgment, while there are two sides to all questions, this bill has no merit. And while I made no threat, I did join with other Senators, including my colleague the able junior Senator from Arizona [Mr. HAYDEN] in the announcement that we felt that we would be recreant to our people, recreant to this Nation, if we were to allow this Pettengill bill to pass.

When the transcontinental railroads were built, beginning, say, with the driving of the last spike on the Union Pacific in 1869, the railroads in respect to rates ran riot until 1910, at which date so-called fourth section relief was adopted.

I do not now make any apologies for a filibuster. When I came to the Senate, 26 or more years ago, I inveighed against the rule which permitted a filibuster, but having had a taste of a majority riding roughshod over my State, I bowed to facts, and I am no longer an apologist for a filibuster; I am a protagonist of filibusters; I believe that one of the features that makes the Senate worthy and gives the Senate an exalted tone is its power to filibuster against the passage of unfair laws. This is one of the few forums of freedom remaining in this troubled world, Senators. When you put up bars against unlimited debate, you have no longer a forum of freedom, and you have instead a Chamber of eagles with their wings clipped; you have only a house of lions with their teeth drawn and claws clipped. I should not care to serve in such a body. So I served notice that the opponents of the so-called Pettengill bill would lie in wait in the rocky passes of the Senate rules and discuss this Pettengill bill.

I congratulate the able Senator from Kentucky [Mr. BARKLEY] on being realistic enough to know that it would be a waste of time to attempt to pass the so-called Pettengill bill, which repeals the fourth section relief.

I have said probably all that I ought to say. [Laughter.]

Mr. BARKLEY. Mr. President, what I said a while ago was not said in criticism of the Senator from Arizona. I recognize his right and the right of other Senators by any legitimate means to prevent passage of legislation which they oppose. But having a good memory and having heard the Senator earlier in the session announce his purpose, I simply wanted also to announce in view of that announcement that it would be futile now to attempt at this stage of the session to secure the passage of this measure. If I have misquoted the Senator with respect to his speaking as long as he has breath, I am sorry. I meant only to emphasize that if he did that and retained his breath as long as we all hope he will have it in the years to come, it would be an interminable debate.

Mr. ASHURST. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. ASHURST. I have not the slightest resentment, and I could not justly have any, against my able leader for bringing up this bill. Rather I think it was his duty as leader on the majority side, especially after a bill has been reported by a committee, to call the Senate's attention to the bill. So the Senator must not absorb the idea that I am irritated——

Mr. BARKLEY. Oh, no.

Mr. ASHURST. Because he intimated that the bill should be considered. In fact I am in certain circumstances eager to have the bill considered because when it is considered its viciousness—may I say its foulness—will be so evident, that it will collapse from its own inherent weakness.

Mr. McNARY. Mr. President, I demand the regular order.

Mr. BARKLEY. Mr. President, I thank the Senator from Arizona for his very generous remarks about me, and express the hope that I may have enough money to have them printed and circulated all over Kentucky. [Laughter.]

REVISION OF BOUNDARIES, COLONIAL NATIONAL HISTORICAL PARK, VA.

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 3560) to revise the boundaries of the Colonial National Historical Park in the State of Virginia, and for other purposes, which was, on page 2, line 1, after the word "through", to insert "or around."

Mr. BYRD. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

NAVAL PETROLEUM AND OIL-SHALE RESERVES

The PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the bill

(S. 1131) to amend the part of the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1921, and for other purposes," approved June 4, 1920, relating to the conservation, care, custody, protection, and operation of the naval petroleum and oil-shale reserves, which were, on page 2, line 4, to strike out all after "reserves" down to and including "reserves", in line 5; on the same page, line 8, after "discretion", to insert "subject to approval by the President"; on page 5, line 2, after "Navy", to insert a comma and "subject to approval by the President"; on the same page, line 14, to strike out the comma and "naval oil-shale"; on the same page, line 20, after "Navy", to insert a comma and "subject to approval by the President,"; on page 6, lines 4 and 5, to strike out the comma and "naval oil-shale reserves"; on the same page, line 11, to strike out the comma and "the naval oil-shale reserves"; on the same page, line 24, after the word "thereof", to insert a colon and "*Provided*, That nothing herein contained shall be construed to permit the development, or operation of the naval oil-shale reserves."

SEC. 2. Nothing herein contained shall be construed as validating, acquiescing in, or giving color to any claim of any person, natural, governmental, or corporate, other than the United States, to any right, title, or interest in any lands or interests therein claimed, or which may be claimed, by the United States, or as preventing or interfering with the accrual of any right to damages or cause of action in favor of the United States against any person whomsoever.

And on page 7, line 1, to strike out "2" and insert "3."

Mr. WALSH. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

INVESTIGATION OF BROADCASTING INDUSTRY

The resolution (S. Res. 149) authorizing an investigation and study of the broadcasting industry, of broadcasting in the United States, and of interstate and foreign communication by radio was announced as next in order.

Mr. McKELLAR. I ask that the resolution be passed over.

Mr. McNARY. Mr. President, I hope the Senator will withdraw his objection. The able Senator from Maine [Mr. WHITE] made a very impressive speech on the worthiness of this resolution. It has been reported favorably by the Committee to Audit and Control the Contingent Expenses of the Senate. The investigation should be made. If it is made, it will be made for the purpose only of using it as a basis for legislation in the future. I hope the Senator will withdraw his objection.

Mr. BARKLEY. The resolution should go over.

The PRESIDENT pro tempore. The resolution will be passed over.

Mr. WHEELER. Mr. President, I simply wish to say a word with reference to the investigation of the radio industry. The subject is one which needs study. There has not been a study of a constructive nature made of the radio industry for many years. At least one member of the Federal Communications Commission went so far, I am told, as to say that there ought to be an investigation made of the Radio Commission itself. But certainly a study of radio ought to be made by a committee. I regret exceedingly that this matter should be held up at this time.

RESOLUTION PASSED OVER

The resolution (S. Res. 237) providing for an investigation of costs, prices, and profits of the principal commodities of commerce of the United States was announced as next in order.

Mr. BARKLEY. I ask that the resolution be passed over.

The PRESIDENT pro tempore. The resolution will be passed over.

JOHN SNEED ADAMS

The bill (S. 3489) authorizing the appointment of John Sneed Adams as a second lieutenant in the Army was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the President is authorized to appoint as a second lieutenant, United States Army, John Sneed Adams: *Provided*, That such appointment shall be contingent upon the successful completion of a mental and physical examination to be prescribed by the Secretary of War: *And provided further*, That, in the event of appointment, the appointee shall be placed at the foot of the list of second lieutenants.

RED LAKE BAND OF CHIPPEWA INDIANS

The bill (H. R. 4540) authorizing the Red Lake Band of Chippewa Indians in the State of Minnesota to file suit in the Court of Claims, and for other purposes, was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDENT pro tempore. The bill will be passed over.

Mr. McNARY. Mr. President, I ask that the objections be withheld for a moment. The able Senator from Minnesota [Mr. SHIPSTEAD] is absent on account of official business, and is very much interested in this bill. It is an ordinary bill to refer the matter in question to the Court of Claims, which is usually and almost universally acted upon favorably. I hope the bill may be passed.

The PRESIDENT pro tempore. Is there still objection to the consideration of the measure?

There being no objection, the Senate proceeded to consider the bill (H. R. 4540) authorizing the Red Lake Band of Chippewa Indians in the State of Minnesota to file suit in the Court of Claims, and for other purposes, which had been reported from the Committee on Indian Affairs with an amendment on page 2, line 12, after the word "provided", to strike out "no interest shall be held to have accrued by reason of the passage of this act" and to insert:

That in any suit filed under the provisions of this act, in which there is presented any claim against the United States for the appropriation, expropriation, taking, acquisition, or deprivation of land or any interest therein the jurisdiction hereby conferred to hear and determine any such claim is limited to the determination of the value of said land, the timber thereon, or any interest therein, at the time of the appropriation, expropriation, taking, acquisition, or deprivation, and no judgment shall be rendered by the Court of Claims which includes any increment, interest, or equivalent thereof; from the date of taking to the date of judgment, as an element of just compensation or otherwise.

So as to make the bill read:

Be it enacted, etc., That jurisdiction is hereby conferred upon the Court of Claims to hear, determine, and render final judgment, according to principles of justice and equity and as upon a full and fair arbitration, on all claims of the Red Lake Band of Chippewa Indians in the State of Minnesota against the United States for the value of unceded lands, for losses sustained by reason of erroneous surveys of reservation boundaries, or on claims arising under the treaty of October 2, 1863 (13 Stat. 667), or under any treaty, agreement, Executive order, or act of Congress, except the act of January 14, 1889 (25 Stat. 642), with the right of appeal by either party to the Supreme Court of the United States, anything in the Judicial Code of the United States to the contrary notwithstanding for the determination of the amount, if any, which may be legally or equitably due the said Red Lake Band of Chippewa Indians, under any treaties or agreements entered into between said Indians and the United States, or for the failure of the United States to pay any money which may be legally or equitably due the said Red Lake Band of Indians: *Provided*, That in any suit filed under the provisions of this act, in which there is presented any claim against the United States for the appropriation, expropriation, taking, acquisition, or deprivation of land or any interest therein the jurisdiction hereby conferred to hear and determine any such claim is limited to the determination of the value of said land, the timber thereon, or any interest therein, at the time of the appropriation, expropriation, taking, acquisition, or deprivation, and no judgment shall be rendered by the Court of Claims which includes any increment, interest, or equivalent thereof, from the date of taking to the date of judgment, as an element of just compensation or otherwise.

SEC. 2. In any suit or suits instituted hereunder the Court of Claims shall have authority to determine and adjudge the rights, both legal and equitable, of the claimants in the premises, notwithstanding lapse of time or statutes of limitation.

SEC. 3. The court shall also hear, examine, consider, and adjudicate any claim or claims which the United States may have against the said Red Lake Band, properly chargeable in such suit, including gratuities not heretofore charged; but any payment or payments which have been made by the United States upon such claim or claims shall not operate as an estoppel, but may be pleaded by way of set-off; and any other tribe or band of Indians

which the court may deem necessary to a final determination of any suit hereunder may be joined therein as the court shall order.

SEC. 4. A petition or petitions may be filed hereunder in the Court of Claims within 5 years after the date of this act which shall be subject to amendment at any time prior to final submission of the case to the Court of Claims; and the Red Lake Band of Chippewa Indians in the State of Minnesota shall be the party plaintiff, and the United States the party defendant. The petition or petitions may be verified by the attorney employed by the said Indians to prosecute their claims, under a contract approved by the Commissioner of Indian Affairs and the Secretary of the Interior, as provided by law, and no other verification shall be necessary.

SEC. 5. Upon final determination of any suit hereunder the Court of Claims shall decree such fees and expenses as the court shall find to be reasonably due to be paid to the attorney or attorneys employed by the said Indians, under contract in accordance with existing law, and the same shall be paid out of any sum or sums of money found due said Red Lake Band: *Provided*, That in no case shall the fees decreed be in excess of 10 percent of the amount of the judgment.

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

HELEN M. KREKLER AND ESTATE OF KEMP PLUMMER

The bill (H. R. 9199) for the relief of Helen M. Krekler and the estate of Kemp Plummer was considered, ordered to a third reading, read the third time, and passed.

ACCOUNTS OF GOVERNMENT DISBURSING OFFICERS IN RE UNITED STATES EMPLOYEES' COMPENSATION COMMISSION EMPLOYEES

The bill (S. 3692) to authorize and direct the Comptroller General of the United States to allow credit for all outstanding disallowances and suspensions in the accounts of the disbursing officers or agents of the Government for payments made to certain employees appointed by the United States Employees' Compensation Commission was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That notwithstanding the provisions of section 203 of the act of June 30, 1932 (47 Stat. 403), as continued in effect during the fiscal years 1934 and 1935 by section 4 (a) of the act of March 3, 1933 (47 Stat. 1513), and section 24 of the act of March 28, 1934 (48 Stat. 522), the Comptroller General of the United States is hereby authorized and directed to allow credit for all otherwise proper payments made to employees appointed by the United States Employees' Compensation Commission, without approval by the President of the United States, to fill vacancies resulting from the advancement of employees of lower grades in connection with the filling of a vacancy which the President had authorized to be filled; and no amount so paid shall be charged against or recovered from the employees to whom such payments were made.

USE OF ACCOUNTING AND REGISTERING DEVICES

The bill (S. 3600) to amend section 503 of the Revenue Act of 1936 so as to authorize the use of accounting and registering devices for paying or collecting certain revenue taxes was announced as next in order.

Mr. KING. Mr. President, does this bill have the approval of the Treasury Department?

Mr. CLARK. The bill has the approval of the Treasury Department and of the Finance Committee.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Finance with an amendment to strike out all after the enacting clause and to insert:

That title VIII of the Revenue Act of 1926, as amended, is amended by adding after section 808 the following new section:

"SEC. 809. Use of mechanical devices in collection of certain taxes.

"Under regulations prescribed by the Commissioner, with the approval of the Secretary, the taxes imposed under titles V and VIII of this act, as amended, may be collected by the use of accounting, registering, and metering devices, in cases in which the Commissioner deems their use advisable, and, when so used, the devices, the impressions made thereby and the operation thereof, shall be subject to all penal and other provisions of law relating to payment or collection of internal-revenue taxes."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to amend the Revenue Act of 1926 so as to authorize the use of accounting and registering devices for collecting certain revenue taxes."

ANGELES NATIONAL FOREST—SOIL EROSION, ETC.

The Senate proceeded to consider the bill (S. 1946) to facilitate the control of soil erosion and flood damage originating upon lands within the exterior boundaries of the Angeles National Forest in the State of California, which had been reported from the Committee on Agriculture and Forestry with an amendment, on page 2, line 3, after the word "resources", to insert "other than mineral", so as to make the bill read:

Be it enacted, etc., That the Secretary of Agriculture, with the approval of the National Forest Reservation Commission established by section 4 of the act of March 1, 1911 (U. S. C., title 16, sec. 513), is hereby authorized to acquire by purchase any lands within the boundaries of the Angeles National Forest in the State of California which, in his judgment, should become the property of the United States in order that they may be so managed with other lands of the United States as to minimize soil erosion and flood damage, and to pay for said lands from the entire receipts from the sale of natural resources, other than mineral, or occupancy of publicly owned lands within the said national forest, which receipts are hereby authorized to be appropriated for that purpose until said lands have been acquired.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILLS PASSED OVER

The bill (S. 2492) to amend the Packers and Stockyards Act, as amended by the addition of certain sections, was announced as next in order.

Mr. McKELLAR. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 3261) to amend paragraphs (b), (c), and (d) of section 6 of the District of Columbia Traffic Act, 1925, as amended by the acts of July 3, 1926, and February 27, 1931, and for other purposes, was announced as next in order.

Mr. TRUMAN. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

AMENDMENT OF WORLD WAR ADJUSTED COMPENSATION ACT

The bill (S. 4042) to amend the World War Adjusted Compensation Act was announced as next in order.

Mr. KING. May we have an explanation of the bill?

The PRESIDENT pro tempore. An explanation is requested on Senate bill 4042, calendar 2014.

Mr. SHEPPARD. Similar legislation has passed the Senate on several previous occasions. The purpose of S. 4042 is to extend the benefits of the 1924 World War Adjusted Compensation Act to any provisional, probationary, or temporary officers of the military or naval forces or Coast Guard, under the grade of major or lieutenant commander, who served subsequent to April 6, 1917, and who is now in a status of honorable separation from the service. The former officers affected by this legislation for the most part came into the service from civilian life, and many of them received their commissions following a period of training in officer training camps, while some were members of the National Guard at the time they received their commissions, and others were graduates of Reserve Officers' Training Corps honor schools and graduates. They were among the first to respond to the need of the Services for officer material when war was imminent and in the early days of the war. Entering at the early date they did, the only types of commissions available to these men were provisional, probationary, or temporary appointments in the Regular Establishments. They rendered service comparable to that rendered by emergency officers, and they, like emergency officers, entered the service not for the purpose of making the service a career but to render service in time of national need. And yet, these men have been excluded from the benefits of the 1924 Adjusted Compensation Act. The arguments advanced to

deny these men equal treatment under the 1924 act are based on technical and legal reasons, which were not known to these former officers when they accepted their provisional, probationary, or temporary commissions, and which if they were known did not deter them in serving their country in a time of need. It is estimated that this measure would affect about 3,468 former officers of the Army, about 300 former officers of the Navy, and about 105 former officers of the Marine Corps, at an estimated cost of about five and one-half million dollars.

Mr. KING. Let the bill go over. I have had several objections, and two amendments are suggested.

Mr. SHEPPARD. Very well.

The PRESIDENT pro tempore. The bill will be passed over.

EXTENSION OF BENEFITS OF EMERGENCY OFFICERS' RETIREMENT ACT

The bill (S. 4043) extending the benefits of the Emergency Officers' Retirement Act of May 24, 1928, to provisional, probationary, or temporary officers of the Army, Navy, Marine Corps, and Coast Guard who served during the World War was announced as next in order.

Mr. McKELLAR. May we have an explanation of the bill?

Mr. SHEPPARD. This bill is somewhat similar to the one just passed over. The enactment of S. 4043 will permit World War provisional, probationary, and temporary officers of the military, naval, and Coast Guard services who served subsequent to April 6, 1917, to file applications for retirement benefits under the 1928 Emergency Officers' Retirement Act, and to have such applications considered on the basis of their merits, provided such officers are now in a status of honorable separation from the service, and provided such applications are filed with the Veterans' Administration within 12 months after the passage of this measure.

Mr. KING. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

BILLS PASSED OVER

The bill (S. 2911) to promote peace and the national defense through a more equal distribution of the burdens of war by drafting the use of money according to ability to lend to the Government was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 1787) to place warrant officers of the Coast Guard in the same status with warrant officers of the Navy as to being commissioned chief warrant officers upon length of service was announced as next in order.

Mr. KING. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 4017) to redistrict South Carolina and to divide said districts into divisions; and to amend paragraph 4n, section 1, Judicial Code (U. S. C., title 28, Supp. III, 1929), and section 105, Judicial Code (U. S. C., title 28, par. 186, 1925), as amended, and section 105, Judicial Code, as amended (U. S. C., title 28, par. 186, 1936), and for other purposes, was announced as next in order.

Mr. ADAMS. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

RESIDENCE OF UNITED STATES COMMISSIONERS FOR NATIONAL PARKS

The bill (S. 2003) to provide for the residence of the United States commissioners appointed for the national parks, and for other purposes, was announced as next in order.

Mr. WHEELER. Mr. President, may we have an explanation of the bill?

The PRESIDENT pro tempore. An explanation is requested of Senate bill 2003, Calendar No. 2040. The bill was introduced by the Senator from Colorado [Mr. ADAMS].

Mr. ADAMS. Inasmuch as a similar bill, House bill 5804, Calendar 2353, was passed a short time ago, I ask that Senate bill 2003 be indefinitely postponed.

The PRESIDENT pro tempore. Without objection, Senate bill 2003 be indefinitely postponed.

ABOLITION OF APPEALS IN CERTAIN HABEAS CORPUS PROCEEDINGS

The bill (H. R. 6178) to abolish appeals in habeas corpus proceedings brought to test the validity of orders of removal was announced as next in order.

Mr. WHEELER. Let the bill go over.

Mr. BURKE. Will the Senator who objected to the consideration of House bill 6178, Calendar 2055, withhold his objection until an explanation can be made?

Mr. WHEELER. Yes.

Mr. BURKE. The present occupant of the chair—the President pro tempore—as chairman of a subcommittee of the Senate Judiciary Committee, considered the bill, which has for its purpose the removal of certain technicalities and delays in the enforcement of the ciminal law. I think if there is an opportunity to explain it fully, the Senator from Montana will be heartily in favor of it.

Mr. WHEELER. I understand it abolishes appeals in habeas corpus proceedings.

Mr. BURKE. Only on the ground that there has been some technical defect.

Mr. WHEELER. Will there be a later call of the calendar? I do not want to abolish appeals, and I am informed the bill would abolish appeals in habeas corpus proceedings, to which, of course, I could not agree.

Mr. BURKE. May we have unanimous consent to pass the bill for the present, and call it up again?

The PRESIDENT pro tempore. Without objection it is so ordered.

BILLS PASSED OVER

The bill (S. 4023) to amend the United States Housing Act of 1937 was announced as next in order.

Mr. McNARY. Mr. President, I should like to have an explanation of the bill.

Mr. KING. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 1688) to provide for the acquisition of a site for and establishment of a fish hatchery for Glacier National Park, in the State of Montana, and for other purposes, was announced as next in order.

Mr. BYRNES. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

COAST AND GEODETIC SURVEY VESSELS

The bill (S. 4055) to authorize the construction of certain vessels for the Coast and Geodetic Survey, Department of Commerce, and for other purposes, was announced as next in order.

Mr. McKELLAR. Let the bill go over.

Mr. SHEPPARD. Will the Senator permit me to present a letter from the Coast and Geodetic Survey to Representative BLAND?

Mr. McKELLAR. Certainly.

Mr. SHEPPARD. The letter reads as follows:

JUNE 9, 1938.

Hon. S. O. BLAND,

United States House of Representatives, Washington, D. C.

MY DEAR JUDGE BLAND: In connection with bill H. R. 10690 to authorize construction of certain vessels for the Coast and Geodetic Survey, I wish to furnish you with information on the particular needs of this Bureau for a modern surveying vessel of new construction. I wish to show you that it is neither practical, efficient, nor in the interest of the safety of personnel to attempt to make use of any vessel other than one especially constructed for the hazardous assignment to duty in the Aleutian Islands. Ordinarily a nondescript vessel can no more be used in surveying operations than can a tramp steamer be used by the Navy as a battleship. In this particular location there are exceptional hazards to be encountered by the personnel of the surveying ships. These waters have never been surveyed, the depths are unknown, and there are undiscovered rocks which lie close to the surface. The area is isolated, and immediate assistance cannot be expected from other vessels in the event of a grounding.

The vessel must be particularly heavily built, well divided into a number of watertight compartments so that accidental striking of the vessel on an uncharted rock in the progress of its necessarily hazardous surveying operations will not endanger the safety of the vessel or the lives of its personnel. The vessel must have ample power to proceed through these dangerous areas, but it also must be of a type which will be very efficient in its operation in view of the small appropriation for operating expenses.

A very large vessel cannot be used safely for maneuvering in the harbors and in close proximity to this rocky coast. Therefore, it cannot be larger than about 1,500 tons, but at the same time must be so designed that adequate space will be available to perform the varied surveying functions required. The survey vessel must have suitable quarters for a staff of surveyors, officers and crew, including adequate drafting space. Such a vessel must have moderate draft to enable it to enter harbors and channels and at the same time must be sufficiently staunch and seaworthy to ride with safety the heavy gales prevailing in that locality.

A survey vessel is of a highly specialized type. The surveying equipment, such as echo sounding, radio acoustic ranging, sounding machines and much other equipment, must either be built in or specially designed. Provision must be made to blanket out all extraneous electrical or radio waves in order that the precise acoustic equipment may be properly operated.

It is considered that the need for the survey of the Aleutian Islands is so important to the merchant marine, to the Coast Guard and the Navy that it is unnecessary to enter into a discussion of the needs for charts of this chain of islands which extends nearly a thousand miles from the Alaska Peninsula toward Japan.

The proposed bill, H. R. 10690, is simply an authorization for a construction project. The matter of obtaining funds will be undertaken if the authorization is approved. If this authorization is not made and the Bureau thus becomes ineligible for P. W. A. funds under an established project, the matter must be resubmitted for an allocation from the regular appropriations to the Department. The amount is a moderate one, considering the construction cost for modern ships. It is in keeping with the recognized efficiency and economy of the Coast and Geodetic Survey in all its operations.

Respectfully yours,

L. O. COLBERT, *Director.*

Does the Senator from Tennessee understand that the bill provides only an authorization for this much needed ship?

Mr. McKELLAR. Yes; I understand. However, it is an authorization for $1,425,000. That is the trouble. It ought not to be passed at this time.

Mr. SHEPPARD. Very well. In connection with the letter, I ask that the report of the committee be printed in the RECORD.

The PRESIDENT pro tempore. Without objection, the report will be printed in the RECORD. The bill will be passed over.

The report (No. 1947) is as follows:

The Committee on Commerce, to whom was referred the bill (S. 4055) to authorize the construction of certain vessels for the Coast and Geodetic Survey, Department of Commerce, and for other purposes, having considered the same, report thereon favorably with the recommendation that the bill do pass.

The bill was originally requested by the Department of Commerce, as shown by the following letter and memorandum in explanation thereof:

DEPARTMENT OF COMMERCE,
Washington, May 17, 1938.

Hon. JOHN N. GARNER,
President, United States Senate, Washington, D. C.

MY DEAR MR. PRESIDENT: Enclosed is a draft of proposed bill to authorize the construction of certain vessels for the Coast and Geodetic Survey, Department of Commerce, and for other purposes, and memoranda prepared by the United States Coast and Geodetic Survey, this Department, in which I concur.

The Department recommends the enactment of the proposed legislation.

Sincerely yours,

DANIEL C. ROPER,
Secretary of Commerce.

BUREAU OF THE BUDGET,
Washington, May 16, 1938.

The honorable the SECRETARY OF COMMERCE.

MY DEAR MR. SECRETARY: I am in receipt of your letter of May 11, 1938, enclosing in duplicate a draft of a proposed bill to authorize the construction of certain vessels for the Coast and Geodetic Survey, Department of Commerce, and for other purposes, letters of transmittal to the President of the Senate and the Speaker of the House of Representatives, memorandum of justification for the legislation, and two memoranda by Mr. Rude relative to the nonavailability of vessels of other governmental agencies for transfer to the Survey.

The originals of the papers submitted with your letter are returned herewith, and you are advised that there would be no objection to their submission to Congress.

Very truly yours,

D. W. BELL, *Acting Director.*

DEPARTMENT OF COMMERCE,
COAST AND GEODETIC SURVEY,
Washington, April 25, 1938.

Memorandum to the Director, United States Coast and Geodetic Survey.
From: Chief, Division of Hydrography and Topography.
Subject: Coast Guard vessels.

Commander Derby, Chief of Operations, United States Coast Guard, stated in response to an inquiry made on April 23, 1938, that the Coast Guard has no suitable vessels available at present for transfer to the Coast and Geodetic Survey. He expects that this fall one and possibly two of the seagoing Great Lakes patrol boats will be disposed of. These boats are 100 feet in length, 210 tons displacement, and were built in 1926. They are of steel, heavily built, Diesel engines, twin screw, and have a speed of 11 knots. Accommodations are for 3 warrant officers and 18 enlisted men. To modernize, which consists chiefly of dismantling the engines and sending them to the factory for overhaul, will cost $40,000 to $50,000. However, both the Navy and National Park Service have requested these boats and their requests probably will be given prior consideration.

Commander Derby stated that the Coast Guard may, but there is by no means a certainty, release two other vessels in about 3 or 4 years. These vessels are the *Unalga*, 190 feet, 1,181 tons, 14 feet draft, built in 1912, and the *Tallapoosa*, 166 feet, 964 tons, 11 feet 9 inches draft, built in 1915. Both are steam vessels with reciprocating engines, oil burning, and make 11 knots. Accommodations are available for 10 officers and 60 men. They were both reconditioned in 1930, are now in operation and could probably be converted to this Bureau's use for about $50,000 each. The engines and boilers are in such condition that the vessels would be serviceable for 5 years without much outlay of funds for overhaul.

G. T. RUDE,
Chief, Division of Hydrography and Topography.

DEPARTMENT OF COMMERCE,
COAST AND GEODETIC SURVEY,
Washington, April 22, 1938.

Memorandum to the Director, Coast and Geodetic Survey.
From: Chief, Division of Hydrography and Topography.
Subject: Navy vessels.

This morning a conference was held with the office of the Chief of Naval Operations with respect to acquiring a survey vessel by transfer from the Navy. Captain Reed assigned Commander J. C. Clark, branch 901, to furnish the information. The latter was very accommodating and furnished the following:

The only vessels at all suitable for survey work by this Bureau were ocean tugs, mine sweepers, and possibly a mine layer. The vessels listed are those on the laid-up list but not necessarily available for transfer as each ship would have to be submitted to war plans before being released.

Ocean-going tugs *Bay Spring*, *Iuka*, *Sciota*, and *Napa:* Length over all, 156 feet 8 inches; displacement, 1,000 tons; designed speed, 13 knots; quarters, 5 officers, 43 men; built, 1919.

The Navy selected the best of these tugs in the United States for commissioning. The tug is the *Bagaduce*. The estimated cost of commissioning this vessel is $220,000. The others, except the *Napa*, would cost 20 percent more because of being in poorer condition. This work has not proceeded because they are still debating whether to spend this money on a vessel nearly 20 years old. The above figure, of course, is simply to commission it for service as a tug. Alterations would bring the figure up considerably.

The *Napa* is in the Philippines and plans are being framed for repairing and commissioning it. The estimated cost, using Philippine labor, is $100,000 without ordnance.

Mine sweepers *Oriole* and *Chewink:* Length over all, 187 feet 10 inches; displacement, 840 tons; designed speed, 14 knots; quarters, 5 officers, 60 men; built 1918.

The Navy has recently commissioned some of these vessels, and the cost is about $250,000 per ship without alterations. The *Chewink* was on duty as a submarine rescue vessel, and the cost of commissioning her would exceed this figure as she is in poorer condition than the other vessel. The alterations also would be more.

The cost of altering the *Discoverer*, *Guide*, and *Pioneer* in 1922 was about $40,000 each.

Mine layer *Aroostook:* Length over all, 395 feet; displacement, 4,200 tons; designed speed, 20 knots; quarters, 34 officers, 380 men; built 1907.

The Navy considered commissioning this vessel for survey duty but the cost was about $500,000. Survey vessels are so badly needed by the Navy it was necessary to transfer and alter the *Bushnell*, a submarine tender built in 1915.

Captain Reed, before going over the list of vessels, said he did not think they had anything we could use. Commander Clark stated the Bureau of Fisheries and Lighthouse Service have consulted with him for vessels, but they thought any transfer of these old vessels,

to be commissioned at such cost, was out of the question. Commander Clark further stated, in regard to the ocean-going tugs, that they were badly in need of tugs and would commission these if they thought it was worth the expense. The Coast Guard has recently transferred three vessels to the Navy for tug work and Commander Clark thinks these are all the serviceable vessels the Coast Guard has for transfer. However, if desired, Capt. W. G. Shea, of the Coast Guard, who acts as liaison officer to the Navy, could furnish all of this information.

G. T. RUDE,
Chief, Division of Hydrography and Topography.

MEMORANDUM OF JUSTIFICATION FOR LEGISLATION AUTHORIZING VESSELS FOR THE COAST AND GEODETIC SURVEY

The Coast and Geodetic Survey of this Department has imperative need for a new, modern, seagoing ship and an auxiliary surveying vessel to carry on safely and efficiently its extensive surveying operations to the westward in the Aleutian Islands. Although the need for replacement of several of the unseaworthy, old vessels of that Bureau has existed for several years, the work has been carried on because the vessels have been in some proximity to harbors of refuge. The surveys have now been extended, however, so far to the westward in the Aleutians that a modern, high-powered vessel has become imperative for the safety of the personnel as well as for the efficient prosecution of the survey of this chain of islands, which are almost wholly unsurveyed. These surveys are necessary for national defense. They are being extended into Bering Sea to cover the proposed great circle route to the Orient north of the Aleutian Islands for the use of the merchant marine.

The surveys in the Aleutian Islands are becoming increasingly difficult because of the remoteness of the area, the long runs to port for fuel and provisions, and the stormy-weather conditions encountered in the islands, which have few harbors, especially to the westward. The distance from Seattle to Dutch Harbor is, roughly, 2,000 miles and, in addition, the Aleutian chain extends to the westward another 1,000 miles. Dutch Harbor in the vicinity of Unimak Pass is the only port in which fuel and supplies may be obtained. The work so far has progressed satisfactorily because the vessels were in some proximity to Dutch Harbor. Now, however, that the surveys are extending farther westward, the addition of a large, modern survey vessel with sufficient cruising radius to obviate frequent returns to port and sufficiently seaworthy to weather all kinds of gales is required. The converted Navy mine sweepers now being used in surveys of western Alaska are over 20 years old. They can still be safely continued in service for another 5 to 10 years, but they do not, however, have sufficient cruising radius, hold, and storage space, and are too slow for operating for a great distance to the westward away from the base of operations.

The proposed new survey vessel would replace the ship *Surveyor*, which is over 20 years old, for work in western Alaska along the Aleutian chain and in the Bering Sea, and the *Surveyor* would be assigned to the protected waters of southeastern Alaska, for which it is especially suited, replacing the wooden ship *Explorer*, which was built in 1904. The *Explorer* is very old and unseaworthy and should be decommissioned in the interests of safety as well as efficiency and economy. The Coast and Geodetic Survey has not had a ship replacement since 1929. The *Hydrographer* was built that year for much-needed surveys in the Gulf of Mexico, where she is now operating. Two of the ships of this Service are over 35 years old, one is over 25 years, and four are over 20 years old. These ships have to operate for long periods in stormy and dangerous areas and, for this class of work, 20 years constitutes the useful life of a vessel, and it is not safe to continue beyond 25 years. The second vessel will be auxiliary to the main ship.

BILLS AND JOINT RESOLUTION PASSED OVER

The bill (S. 3707) to authorize the acquisition of the bridge across the Mississippi River at Cape Girardeau, Mo., and the approaches thereto, by a single condemnation proceeding in either the District Court for the Eastern Judicial District of Missouri or the District Court for the Eastern Judicial District of Illinois, and providing the procedure for such proceeding, was announced as next in order.

Mr. BULKLEY. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 3339) for the relief of Lt. (Jr. Gr.) Svend J. Skou, United States Navy, was announced as next in order.

Mr. KING. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (H. R. 9965) to provide for civilian naval training, and for other purposes, was announced as next in order.

Mr. McKELLAR. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The joint resolution (S. J. Res. 292) directing the Federal Trade Commission to investigate the methods employed by the manufacturers of motor-vehicle tires was announced as next in order.

Mr. BULKLEY. Let the joint resolution go over.

The PRESIDENT pro tempore. The joint resolution will be passed over.

The bill (H. R. 10225) to amend section 6 of chapter 64, approved April 24, 1894 (U. S. Stat. L., vol. XXVIII, 2d sess., 53d Cong.), being an act entitled "An act to authorize the construction of a steel bridge over the St. Louis River between the States of Wisconsin and Minnesota" was announced as next in order.

Mr. DUFFY. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 3621) to provide for the recognition of the services of the civilian officials and employees, citizens of the United States, engaged in and about the construction of the Panama Canal was announced as next in order.

Mr. KING. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (H. R. 7167) to provide for the promotion on the retired list of the Navy of Fred G. Leith was announced as next in order.

Mr. KING. I will ask the Senator from Massachusetts concerning Calendar 2182, House bill 7167. The report which should accompany the bill is not in my possession.

Mr. WALSH. I shall later furnish the Senator with a copy of the report.

Mr. KING. Let the bill go over temporarily. We will recur to it in a moment, Mr. President.

The PRESIDENT pro tempore. The bill will be passed over temporarily.

The bill (S. 3976) to authorize the appropriation of funds for the development of rotary-wing aircraft was announced as next in order.

Mr. KING. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

ADMISSION TO CITIZENSHIP OF CERTAIN ALIENS

The bill (H. R. 6785) for the admission to citizenship of aliens who came into this country prior to February 5, 1917, was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 3549) to prevent discrimination against graduates of certain schools in the making of appointments to Government positions, the qualifications for which include legal training or legal experience was announced as next in order.

Mr. HALE. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

CLAIM OF FRED OWENS

The bill (H. R. 3357) conferring jurisdiction upon the United States District Court for the Northern District of California to hear, determine, and render judgment upon the claim of Fred Owens was considered, ordered to a third reading, read the third time, and passed.

The PRESIDENT pro tempore. That concludes the calendar under the unanimous-consent agreement.

IMPORTATIONS OF CANNED BEEF

Mr. HAYDEN. Mr. President, I ask unanimous consent to have printed in the RECORD as a part of my remarks certain correspondence relative to importations of canned beef from South America. The correspondence has particular reference to an editorial in the Country Home Magazine in which certain erroneous statements were made. It is my understanding that there will soon appear in that magazine a retraction which will acknowledge the error. My purpose in making this request is to have the facts

printed in the CONGRESSIONAL RECORD for the information of the Senate.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. HAYDEN. I ask to have the correspondence printed at this point in the RECORD.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The correspondence is as follows:

ARIZONA CATTLE GROWERS' ASSOCIATION,
Phoenix, Ariz., April 6, 1938.

Hon. CARL HAYDEN,
United States Senate, Washington, D. C.

DEAR SENATOR HAYDEN: If it is possible for you to do so, we would like for you to secure a copy of April 1938 Country Home and read the story about the unloading at the New York City harbor of piles of cases labeled "Packed Especially for C. C. C. Camps, Ogden, Utah."

Inside these cases was beef. The place of origin was Argentina. It is difficult for anyone in Arizona to understand why, or how, such a transaction should or could be made.

The entire beef industry of the Nation, from cowboys to packing companies, have been for several months engaged in a concerted campaign to increase the consumption of beef in this country. We do not think it is possible that our efforts have resulted in a shortage of beef to the point where Government camps would need to buy beef from the Argentine.

We do not know who is responsible for the ordering of these supplies, but we hope that you will take the matter up with the proper Department and find out if American beef will not answer the purpose as well as South American beef.

Will you please write us what you learn about this matter?

Thanking you, I am,

Very sincerely yours,

Mrs. J. M. KEITH, *Secretary.*

WASHINGTON, D. C., *April 20, 1938.*

Mr. ROBERT FECHNER,
Director, Civilian Conservation Corps, Washington, D. C.

MY DEAR SIR: I am enclosing herewith a letter from Mrs. J. M. Keith, secretary of the Arizona Cattle Growers' Association, 140 South Central Avenue, Phoenix, Ariz., in which she directs attention to an editorial appearing in the Country Home Magazine for April 1938, as follows:

"One of our friends was particularly interested lately in a certain cargo that had just been unloaded at the harbor of New York City, piles of cases, each labeled 'Packed Especially for C. C. C. Camps, Ogden, Utah.' Inside the cases was beef; the place of origin was Argentina.

"'I knew we were shipping in plenty of beef,' he remarked, 'but for the Government to buy it from South America, bring it up to New York, then ship it across the continent to feed tax-supported citizens right out there in our own cattle country, isn't that rather rubbing it in?'

"The American beef producer probably thinks so."

I shall appreciate your advising me fully respecting the alleged shipment of Argentine beef for consumption by the Civilian Conservation Corps at Ogden, Utah.

Yours very sincerely,

CARL HAYDEN,
United States Senator.

CIVILIAN CONSERVATION CORPS,
Washington, D. C., April 23, 1938.

Hon. CARL HAYDEN,
United States Senate, Washington, D. C.

DEAR SENATOR HAYDEN: I have your letter of April 20, 1938, to which you attached a letter from the secretary of the Arizona Cattle Growers' Association, of Phoenix, Ariz., directing attention to an editorial appearing in the Country Home Magazine for April 1938.

While I have not seen the article, I am told it is an editorial written by Mr. Wheeler McMillen, who did not claim to be stating facts but that this information came to him from "a friend." Without verification of fact, this editorial seems to have reached all parts of the country and letters are received daily from interested groups, all asking why the Civilian Conservation Corps is buying Argentina beef.

The War Department is attempting to run down the statement that the cases were labeled "Packed Especially for C. C. C. Camps, Ogden, Utah," particularly because a search through every procurement record in the Ninth Corps Area does not disclose a single purchase in the past year of canned beef for Utah camps. The Chicago depot, which must have supplied any canned beef required, purchases only American produced and packed beef, furnishing inspection service at the plants where such products are prepared.

After securing all the information possible, the County Home Magazine will be asked to give the same publicity to a retraction as was given the unverified editorial.

The result of the investigation will be reported to you as soon as the War Department can secure the factual data.

Sincerely yours,

J. J. MCENTEE,
Assistant Director.

CIVILIAN CONSERVATION CORPS,
Washington, D. C., May 26, 1938.

Hon. CARL HAYDEN,
United States Senate, Washington, D. C.

MY DEAR SENATOR HAYDEN: Referring to your letter of May 25, 1938, on the subject of the editorial concerning the purchase of beef products from the Argentine and supplying same to C. C. C. camps in Utah, published in the Country Home Magazine in April 1938, I regret that as yet neither the War Department nor this office has been able to compel the instigators of this attack to produce any facts to substantiate the charges made. Based upon this same article, the Chicago Livestock Exchange sent a strongly worded resolution to the President, members of his Cabinet, each Member of the Congress, and all Government Departments, and within a few days Mr. SHAFER, of Michigan, introduced House Resolution 466, embodying the substance of the resolution of the Chicago Livestock Exchange.

From the transcript of the article which you forwarded in your letter of April 20, this office, with the assistance of the Bureau of Animal Industry, Department of Agriculture, and the Quartermaster General's Office of the War Department, has investigated all known angles to determine the facts in this case, even to investigating all records of entry in the port of New York for the period immediately preceding the issue of the magazine and a further earlier period from July 1 to October 1, 1937, claimed by the writer of the article as having been the period in question. Every inspector who signed an entry blank for imported meat products from South America during this time was interviewed and not only did the records not show any such importation of meat for the C. C. C., but no inspector could be found who ever saw any cases of corned beef so marked during the inspection of any of the entries listed.

Upon receipt of these reports, a letter was addressed to the chairman of the Committee on Expenditures in the Executive Departments on April 26, 1938, recommending that the committee call upon the Chicago Livestock Exchange to substantiate the statements contained in its resolution of April 14, 1938, which formed the basis of House Resolution 466, or furnish a retraction to the House committee.

On April 28, the Chicago Livestock Exchange was called upon by this office to substantiate the charges contained in its resolution of April 14, or publish a retraction and furnish a copy to each of the addresses in the original resolution. In reply, statement was made that the information came from the editorial in the Country Home Magazine of April 1938, and that as soon as any further data could be furnished, it would be sent to this office. No further reply has been received.

On May 4, 1938, a letter was addressed to the President of the Crowell Publishing Co., asking that any facts to substantiate this article be immediately furnished this office. The reply from President T. H. Beck stated that Wheeler McMillen, the editorial director of the Country Home Magazine, would furnish any data developed by his inquiry. No such data has been furnished by the Crowell Publishing Co.

As the original article in the Country Home Magazine is a serious accusation against the Civilian Conservation Corps organization and the War Department, implying as it does that existing legislation is being violated by the importation of foreign meat or meat products, it is a matter of great regret that no legal action appears possible to compel the Crowell Publishing Co. and the Chicago Live Stock Exchange to produce proof or completely retract the defamatory article and the resolution based thereon.

Every known means of investigation has been utilized by this office, the War Department, and the Bureau of Animal Industry of the Department of Agriculture, to determine facts, and nothing has been developed to involve either the War Department or this organization in any violation of the present statute applying to the use of domestic meat products. We intend to continue the inquiry until the truth or falsity of the accusation can be determined, but until some proof is furnished by the Crowell Publishing Co. upon which to base additional investigation, no further action is possible.

Sincerely yours,

J. J. MCENTEE, *Acting Director.*

STATEMENT OF UNPAID TREASURY BALANCES

Mr. MINTON. Mr. President, I move that the Senate proceed to the consideration of Senate Resolution 279.

Mr. BILBO. Mr. President, will the Senator yield?

Mr. MINTON. I yield.

Mr. BILBO. I desire to submit a resolution asking for some information from the Treasury Department. It will not cost a cent, and I am sure every Senator is interested in the information. I ask unanimous consent for its present consideration.

The PRESIDENT pro tempore. The parliamentary situation is this: The Senator from Washington [Mr. SCHWELLENBACH] has pending a motion to take up certain measures. No other matter can be taken up except by unanimous consent by temporarily laying aside that matter.

Mr. BILBO. I ask unanimous consent that it may be temporarily laid aside.

The PRESIDENT pro tempore. The Senator from Mississippi asks unanimous consent that the unfinished business be temporarily laid aside, and that the Senate proceed to the consideration of a resolution which will be read for the information of the Senate.

The resolution (S. Res. 304) was read, as follows:

Resolved, That in order to supplement the report contained in House Document No. 363, Forty-ninth Congress, first session, the Secretary of the Treasury be, and he is hereby, directed to furnish to the Senate for its information, at the earliest practicable date, a similar statement of all balances standing on the books of the Treasury on June 30, 1938, due from the United States as unpaid. Such statement shall be exclusive of balances transmitted to Congress under existing law, and shall specify the names and addresses of those to whom such respective balances are payable, nature of the liability, and date or period when each became due: *Provided*, That this resolution shall not necessitate the review of ledgers of postal, money order, mail contractors, transportation agents, or similar accounts of the Post Office Department referred to in the House document aforesaid.

The PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

Mr. KING. Mr. President, I inquire of the Senator whether this resolution involves a determination of whether the Government of the United States is indebted to some of our brethren in the South by reason of the so-called War between the States.

Mr. BILBO. No, Mr. President. The resolution brings the report up to the present time from the Forty-ninth Congress—1883.

Mr. KING. Growing out of what? What is the purpose of it?

Mr. BILBO. It is to ascertain from the Treasury Department any obligations due to citizens. Every Senator wants to know if his constituents have any money due to them, but no information on the subject is available. The resolution merely asks for the information from the Treasury Department. It will not cost anything to secure the information.

Mr. KING. I inquire of the Senator whether the resolution contemplates that the Federal Government has taxed people too much, and now, notwithstanding the statute of limitations, an inquiry is to be made as to the amount which may be due.

Mr. BILBO. It does not cover cases of that kind.

Mr. REYNOLDS. Mr. President——

The PRESIDENT pro tempore. The Senator from North Carolina.

Mr. REYNOLDS. I wish to call the attention of the Senate to Calendar No. 2198, House bill 6785.

Mr. MINTON. Have I the floor?

The PRESIDENT pro tempore. The Senator from Indiana has the floor.

Mr. REYNOLDS. I was recognized by the Chair.

The PRESIDENT pro tempore. Let the Chair state the parliamentary situation. The Chair recognized the Senator from Indiana.

Mr. REYNOLDS. Will the Senator from Indiana yield to me?

Mr. MINTON. I yield to the Senator from North Carolina.

The PRESIDENT pro tempore. The Senator from Indiana has yielded to the Senator from Mississippi.

Mr. REYNOLDS. The Senator from Indiana has yielded to the Senator from North Carolina, for which I am very grateful to the Senator from Indiana. Mr. President, I wish——

The PRESIDENT pro tempore. The Senator from North Carolina has no right to the floor at the present time, except to object or not to object. The question is, Is the request of the Senator from Mississippi objected to, or not? The Chair hears no objection.

The question, then, is on agreeing to the resolution; and the Senator may be recognized on the resolution. Does the Senator from North Carolina desire recognition on the resolution? [After a pause.] Without objection, the resolution is agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, announced that the House had passed without amendment the bill (S. 3517) for the relief of David B. Monroe.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10851) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1938, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1938, and June 30, 1939, and for other purposes; that the House had receded from its disagreement to the amendment of the Senate No. 58 to the bill and concurred therein; and that the House further insisted upon its disagreement to the amendments of the Senate Nos. 43 and 44 to the bill.

The message further announced that the House had agreed to the second report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H. J. Res. 679) making appropriations for work relief, relief, and otherwise to increase employment by providing loans and grants for public-works projects, and that the House had agreed to the amendment of the Senate to the amendment of the House to the amendment of the Senate No. 72 to the joint resolution.

The message also announced that the House had agreed to a concurrent resolution (H. Con. Res. 67), as follows:

Resolved by the House of Representatives (the Senate concurring), That the two Houses of Congress shall adjourn on Thursday, the 16th day of June 1938 and that when they adjourn on said day they stand adjourned sine die.

The message further announced that the House had agreed to the concurrent resolution (S. Con. Res. 42), authorizing the Clerk of the House of Representatives to make a correction in the enrollment of the bill (H. R. 10024) to establish the Olympic National Park, in the State of Washington, and for other purposes.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 662) for the relief of Bertram Rich.

The message returned to the Senate, in compliance with its request, the bill (H. R. 7084) to provide that all cabs for hire in the District of Columbia be compelled to carry insurance for the protection of passengers, and for other purposes, together with the accompanying papers.

The message announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2716) to provide for the local delivery rate on certain first-class mail matter.

The message also announced that the House had agreed to a resolution (H. Res. 538), as follows:

Resolved, That a committee of two Members be appointed by the House to join a similar committee appointed by the Senate to wait upon the President of the United States and inform him that the two Houses have completed the business of the session and are ready to adjourn unless the President has some other communication to make to them.

The message further announced that the House had passed the bill (S. 2403) to prohibit the transportation of certain persons in interstate or foreign commerce during labor controversies, and for other purposes, with amendments, in which it requested the concurrence of the Senate.

The message informed the Senate that, pursuant to the provisions of Public Resolution 112, Seventy-fifth Congress, the Speaker had appointed Mr. PETERSON of Florida; Mr. LEAVY, of Washington; and Mr. CASE of South Dakota, members of the joint committee to investigate the adequacy and use of the phosphate resources of the United States.

The message announced that the House had severally agreed to the amendments of the Senate to each of the following bills of the House:

H. R. 9171. An act directing the Court of Claims to reopen certain cases and to correct the errors therein, if any, by additional judgments against the United States;

H. R. 9569. An act for the relief of Charles P. McCarthy and the Paul Revere Fire Insurance Co.; and

H. R. 9739. An act to amend the Interstate Commerce Act, as amended, by amending certain provisions of part II of said act, otherwise known as the Motor Carrier Act, 1935.

The message also announced that the House had severally agreed to the amendment of the Senate to each of the following bills and joint resolution of the House:

H. R. 4540. An act authorizing the Red Lake Band of Chippewa Indians in the State of Minnesota to file suit in the Court of Claims, and for other purposes;

H. R. 7515. An act to authorize the sale of certain lands of the Eastern Band of Cherokee Indians, North Carolina;

H. R. 9863. An act for the relief of Harry J. Somerville; and

H. J. Res. 714. Joint resolution for the relief of certain aliens.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills and joint resolutions, and they were signed by the President pro tempore:

H. R. 9888. An act for the relief of William Henry Johnston, Jr., a minor;

H. R. 10846. An act to create the Office of the Librarian Emeritus of the Library of Congress;

H. J. Res. 679. Joint resolution making appropriations for work relief, relief, and otherwise to increase employment by providing loans and grants for public-works projects;

H. J. Res. 702. Joint resolution to provide that the United States extend to foreign governments invitations to participate in the Third International Congress for Microbiology, to be held in the United States during the calendar year 1939, and to authorize an appropriation to assist in meeting the expenses of the session;

H. J. Res. 711. Joint resolution providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution of the class other than Members of Congress; and

H. J. Res. 712. Joint resolution providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution of the class other than Members of Congress.

ADMISSION TO CITIZENSHIP OF CERTAIN ALIENS

Mr. REYNOLDS. Mr. President, I was out of the Chamber today when Calendar No. 2198, House bill 6785, was called. There was no objection to the passage of the bill; and I now desire to enter a motion for reconsideration.

The PRESIDENT pro tempore. The clerk will state the title of the bill referred to by the Senator from North Carolina.

The CHIEF CLERK. A bill (H. R. 6785) for the admission to citizenship of aliens who came into this country prior to February 5, 1917.

Mr. BULKLEY. Mr. President, I hope the Senator, if he must move to reconsider the action of the Senate in passing this bill, will make the motion now, so that we may vote on the motion to reconsider.

Mr. REYNOLDS. I should like to argue the motion, Mr. President.

Mr. KING. Mr. President, I inquire of the Senator whether he has made the motion.

Mr. REYNOLDS. In view of the fact that the Senate has about finished its business, and I understand is waiting on the House for some action, I shall be very glad to consume a few hours in discussing this measure.

Mr. MINTON. Mr. President——

Mr. REYNOLDS. I want to discuss the very interesting subject of immigration.

The PRESIDING OFFICER (Mr. HATCH in the chair). Just a minute.

Mr. REYNOLDS. I understand that I have the floor.

The PRESIDING OFFICER. No; let us have a little order for just a moment. The Chair is advised that the Senator from Indiana [Mr. MINTON] has the floor. Does the Senator from Indiana yield; and if so, to whom?

Mr. MINTON. I do not yield to the Senator from North Carolina to carry on a filibuster in my time.

Mr. BURKE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. REYNOLDS. Mr. President——

The PRESIDING OFFICER. The Senator from Nebraska is stating a parliamentary inquiry.

Mr. BURKE. The Senator from Indiana, as I understand, yielded to the Senator from Mississippi [Mr. BILBO] to present a unanimous-consent request to take up a certain resolution. There was no objection; so the resolution was taken up and is now before the body, and the Senator from North Carolina has been recognized to speak in connection with the resolution.

The PRESIDING OFFICER. The present occupant of the chair was not in the chair a moment ago. He is advised that the resolution of the Senator from Mississippi has been agreed to. The Senator from Indiana [Mr. MINTON] was recognized, and the Senator from Indiana has the floor. In the absence of other information, the present occupant of the chair will recognize the Senator from Indiana.

Mr. KING. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Utah will state his parliamentary inquiry.

Mr. KING. As I understand, the Senator from North Carolina obtained recognition from the Chair and moved to reconsider the vote by which a certain bill was passed, and he has presented that motion for reconsideration. It would seem to me that he has the floor.

The PRESIDING OFFICER. The Senator from North Carolina did present his motion to reconsider. What transpired between then and now, the present occupant of the chair is not quite advised. The present occupant of the chair has recognized the Senator from Indiana, and the Senator from Indiana has the floor.

Mr. PEPPER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Indiana yield to the Senator from Florida?

Mr. MINTON. Mr. President, I should like to proceed with this matter, if I may.

The PRESIDING OFFICER. The Senator from Indiana has the floor.

Mr. MALONEY. Mr. President, will the Senator yield for a parliamentary inquiry?

Mr. MINTON. Yes.

Mr. MALONEY. I should like to inquire as to the parliamentary situation in connection with Calendar No. 2198, House bill 6785.

The PRESIDING OFFICER. That is the bill as to which the Senator from North Carolina has interposed a motion to reconsider, as the Chair is advised; but the Senator from Indiana has the floor.

Mr. MALONEY. What is the status of House bill 6785 at the moment?

The PRESIDING OFFICER. There is pending a motion of the Senator from North Carolina to reconsider.

Mr. SCHWELLENBACH. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator from Washington will state it.

Mr. SCHWELLENBACH. Is not this a correct statement of the parliamentary situation:

The Senator from Indiana [Mr. MINTON] made a motion to proceed to consider a certain resolution upon the calendar, to provide for a continuation of a committee; namely, Calendar No. 2312, Senate Resolution 279. He yielded to the Senator from Mississippi [Mr. BILBO] for a unanimous-consent request. After that, the Senator from North Carolina made a motion to reconsider Calendar No. 2198, House bill 6785. I make the point of order that that motion is out of order, because of the fact that the Senator from Indiana already has a motion pending before the Senate.

The PRESIDING OFFICER. The Senator from North Carolina has the right to enter the motion, but that is all. That is the parliamentary situation.

Mr. REYNOLDS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. REYNOLDS. I entered a motion for the reconsideration of the bill because I was out of the Chamber at the time it was called. I enter that motion now because the other day, when the same bill was reached on the calendar, I entered an objection at that time; and at the same time the chairman of the Immigration Committee of the Senate, the Senator from Georgia [Mr. RUSSELL], entered an objection.

Mr. MALONEY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from North Carolina is stating a parliamentary inquiry.

Mr. REYNOLDS. I now inquire as to whether or not my objection stands.

The PRESIDING OFFICER. The motion of the Senator from North Carolina has been entered. It stands as presented. That is the parliamentary situation.

Mr. REYNOLDS. Mr. President, as I understand, that prevents the bill from going to the House.

The PRESIDING OFFICER. That is correct. There is no question about that.

Mr. MALONEY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Connecticut will state his parliamentary inquiry.

Mr. MALONEY. Is it in order for me to make a motion to lay on the table the motion of the Senator from North Carolina?

The PRESIDING OFFICER. Not at this time. The Senator from Indiana [Mr. MINTON] has the floor at this time.

Mr. MINTON. Mr. President——

The PRESIDING OFFICER. The Senator from Indiana.

ABOLISHMENT OF APPEALS IN CERTAIN HABEAS CORPUS PROCEEDINGS

Mr. BURKE. Mr. President, before the Senator starts, will he yield for a unanimous-consent request regarding a bill which is on the calendar, and by unanimous consent it was agreed that it should be passed over, and that at the conclusion of the calendar it might be taken up?

Mr. MINTON. Yes; I yield for that purpose.

Mr. BURKE. I refer to Calendar No. 2055, House bill 6178. When that bill was called, the Senator from Montana raised an objection to it; and, after an explanation, unanimous consent was asked that it might be passed over and called up at the time the calendar was concluded.

The PRESIDING OFFICER. The Senator from Nebraska requests unanimous consent to return to Calendar No. 2055, House bill 6178. Is there objection?

There being no objection, the bill (H. R. 6178) to abolish appeals in habeas corpus proceedings brought to test the validity of orders of removal was considered, ordered to a third reading, read the third time, and passed.

TEMPORARY LABORER

Mr. BYRNES. Mr. President——

Mr. MINTON. I yield to the Senator from South Carolina.

Mr. BYRNES. I ask the Senator from Indiana if he will yield to me to present a resolution from the Committee to Audit and Control the Contingent Expenses of the Senate?

Mr. MINTON. I yield for that purpose.

Mr. BYRNES. From the Committee to Audit and Control the Contingent Expenses of the Senate I report back favorably, with an amendment, Senate Resolution 204, and ask unanimous consent for its present consideration.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the resolution (S. Res. 204) submitted by Mr. BYRNES on December 1, 1937.

The amendment was, on page 1, line 3, after the words "rate of", to strike out "$1,380" and insert "$1,200", so as to make the resolution read:

Resolved, That the Secretary of the Senate hereby is authorized and directed to employ a laborer to be paid from the contingent fund of the Senate at the rate of $1,200 per annum until otherwise provided by law.

The amendment was agreed to.

The resolution, as amended, was agreed to.

SIDNEY E. LIVINGSTON

Mr. McKELLAR. Mr. President, will the Senator from Indiana yield to me for a moment?

Mr. MINTON. I yield.

Mr. McKELLAR. The Senator from Florida [Mr. PEPPER] has taken up with me the question of the nomination of Sidney E. Livingston to be postmaster at Homestead, Fla. That nomination was rejected on yesterday. At the request of the Senator from Florida, I ask unanimous consent, as in executive session, that the nomination be reconsidered and confirmed.

The PRESIDING OFFICER. The Senator from Tennessee requests, as in executive session, that the Senate reconsider its action in rejecting the nomination of Sidney E. Livingston to be postmaster at Homestead, Fla., and that the nomination be confirmed. Is there objection? The Chair hears none; and, without objection, the nomination is confirmed.

INVESTIGATION OF LOBBYING ACTIVITIES

Mr. MINTON. I now renew my motion that the Senate proceed to the consideration of Senate resolution 279.

The PRESIDENT pro tempore. The question is on the motion of the Senator from Indiana [Mr. MINTON] to proceed to the consideration of Senate Resolution 279, which will be read.

The resolution (S. Res. 279) submitted by Mr. MINTON on May 17, 1938, which had been reported from the Committee to Audit and Control the Contingent Expenses of the Senate with an amendment to strike out $25,000 and insert $12,000 was read, as follows:

Resolved, That the limit of expenditures for the special committee of the Senate, appointed pursuant to Senate Resolution No. 165, Seventy-fourth Congress, as amended and supplemented, to investigate lobbying activities, is hereby increased by $25,000.

Mr. MINTON. Mr. President, the resolution which I have asked permission to bring up at this time is simply an authorization approved by the Committee to Audit and Control the Contingent Expenses of the Senate providing funds for the lobby committee. That is all it is, to continue the activities of the lobby committee. The small sum of $12,500 is asked. That is all that is involved in the resolution. I hope it may be adopted.

The PRESIDENT pro tempore. Is there objection to the request?

Mr. HOLT. I object.

Mr. BARKLEY. The Senator did not ask unanimous consent; he moved that his resolution be taken up.

Mr. MINTON. I made a motion.

Mr. HOLT. Mr. President, I raise the point of order that the unfinished business before the Senate is the motion of the Senator from Washington [Mr. SCHWELLENBACH] to proceed to the consideration of House bill 6391, and until that motion is acted upon there cannot be any other motion before the Senate.

Mr. SCHWELLENBACH. Mr. President, I withdraw the motion.

The PRESIDING OFFICER. The Senator's point of order is well taken, but the Chair is advised that the Senator from Washington has withdrawn his motion. Therefore, the motion of the Senator from Indiana is in order, and the Chair will put the motion.

Mr. HOLT. I suggest the absence of a quorum.

The PRESIDING OFFICER. The Clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Clark	Holt	O'Mahoney
Andrews	Connally	Hughes	Overton
Ashurst	Davis	Johnson, Calif.	Pepper
Austin	Donahey	Johnson, Colo.	Pittman
Bailey	Duffy	King	Pope
Bankhead	Ellender	La Follette	Radcliffe
Barkley	George	Lee	Reames
Bilbo	Gerry	Lewis	Reynolds
Bone	Gibson	Logan	Russell
Borah	Gillette	Lonergan	Schwartz
Brown, Mich.	Glass	Lundeen	Schwellenbach
Brown, N. H.	Green	McGill	Sheppard
Bulkley	Guffey	McKellar	Shipstead
Bulow	Hale	McNary	Townsend
Burke	Harrison	Maloney	Truman
Byrd	Hatch	Miller	Tydings
Byrnes	Hayden	Minton	Vandenberg
Capper	Herring	Murray	Wagner
Caraway	Hill	Neely	Walsh
Chavez	Hitchcock	Norris	Wheeler

The PRESIDING OFFICER. Eighty Senators having answered to their names, a quorum is present.

The question is on agreeing to the motion of the Senator from Indiana.

Mr. BURKE. Mr. President, let me say at the outset that in the event the Senate decides to adopt the motion to take up this particular measure, to which objection was made when it was called on the calendar, we are going to be here for some little time. We have all been inspired and enthused by the eloquent words of the Senator from Arizona in reference to filibustering, and it seemed advisable that at least some practical demonstration ought to be given along that line, so it will be too bad for any Senator to vote in favor of the motion to take up this resolution unless he is willing to listen to considerable talk.

Mr. SCHWELLENBACH. Mr. President, will the Senator yield?

Mr. BURKE. I yield very gladly.

Mr. SCHWELLENBACH. Is the Senator from Nebraska going to give us this talk?

Mr. BURKE. I am merely going to offer the opening words, and then other Senators desire to be heard.

Mr. SCHWELLENBACH. Does the Senator look with such disfavor upon what he and his colleagues who oppose this motion may have to say that he thinks he should first warn the Members of the Senate that they probably would not care to listen to them if they were here?

Mr. BURKE. We leave entirely to the Members of the Senate as to whether they desire at this stage of the session to listen to a proposal to furnish funds out of the Treasury of the United States to carry on an investigation of the newspapers of the country.

Mr. SCHWELLENBACH. I should like to say to the Senator——

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. BURKE. I will just as soon as the Senator from Washington has concluded.

Mr. BARKLEY. I make a point of order. I am sure an interesting conversation is proceeding between the Senator from Nebraska and the Senator from Washington, but we down in front would like to hear it.

The PRESIDING OFFICER. The point of order is well taken.

Mr. BURKE. The Senator from Washington will please speak in a louder voice.

Mr. SCHWELLENBACH. I hope that what I add to the colloquy will be of more value to the Senate than what the Senator from Nebraska will say in the course of the next several hours. [Laughter.]

The PRESIDING OFFICER. There is so much confusion in the Senate that it is impossible to hear what is going on. Senators desiring to hold conferences will please retire from the Chamber.

Mr. BURKE. Mr. President, on the legislative day of April 20, which turns out to have been May 17, according to the calendar, there was offered in the Senate, Resolution No. 279. At about the same time—I am not at the moment advised whether just before or shortly thereafter—the sponsor of this resolution, the junior Senator from Indiana [Mr. MINTON], made a speech on the floor of the Senate and introduced a bill. For fear there may be some here who were, unfortunately, not present on that occasion, or may have forgotten some of the words of wisdom which fell from the lips of the junior Senator from Indiana, I think it will be necessary that we reread the speech, because in many respects it was a very interesting, not to say startling, pronouncement to come from the lips of the distinguished Senator. There was much of merit in it, I will say, but there were suggestions and intimations in it which will need to be very thoroughly probed.

Mr. President, I have not read the speech, but I did listen with rapt attention while it was being delivered. We were told on that occasion that the newspapers of the country were deceiving the innocent readers, the unsuspecting readers, in the first place, by the type of headlines which they were printing, and some examples were given.

We were told also that it was not only in the headlines, but in the news columns, apparently, throughout the press of this country, that a deliberate attempt was being made to keep in ignorance the readers as to what was really going on. So a bill was introduced at the same time, which, as I recall, provided a rather heavy penalty for any newspaper which published in its columns anything which it knew or probably ought to have known was not strictly in accordance with the truth as it might ultimately be determined.

Some of the press of the country very promptly pointed out that it would have been impossible, if such a law had been in force, for any newspaper in the country to have published the speech of the junior Senator from Indiana, because in the course of that speech he declared that the press of the country has refused consistently to give any space to anything favorable to the present administration and the New Deal program, and since every paper in the country has done exactly the contrary to what the junior Senator from Indiana declared to be the fact, if the Senator's bill had been a law no newspaper would have dared to publish what he had to say, because by so doing they would have laid the foundation for prosecution and punishment.

Mr. President, at about the time this resolution was introduced, the press carried a statement as to the purpose for which the Lobby Investigating Committee desired further funds. Since we have not been favored with any explanation of the resolution by its sponsor or anyone else, we do not know whether in that case the press was in error and reported the matter incorrectly or not. All we can do is to say that responsible newspapers, at the time this resolution was offered, quoted the sponsors of the resolution as saying that funds were needed by this committee in order to carry on a very thorough investigation of the newspapers of this country to determine, as I recall, how they gathered facts, and things that were not facts, apparently.

I do not know whether they so stated or not, but apparently it would be necessary, in carrying out that purpose, to go beyond that, and to find out about the editorial policies of the newspapers, and that, we were led to believe, was the purpose of asking for these additional funds.

The resolution itself is very simple, consisting in its original form of four lines:

Resolved, That the limit of expenditures for the special committee of the Senate appointed pursuant to Senate Resolution No. 165, Seventy-fourth Congress, as amended and supplemented, to investigate lobbying activities, is hereby increased by $25,000.

The Committee to Audit and Control the Contingent Expenses of the Senate, to which the resolution was referred, has brought in an amendment which consists of striking out "$25,000" and inserting in lieu thereof "$12,500."

Mr. President, it seems to me that it might be said from one aspect of this case that we are faced with two alleged evils. On the one side it is alleged by the author of the measure that was introduced in the Senate that we have a great evil in the press, in the newspapers of the country, that they are doing a great harm to our citizenship by printing matter which is not true, or which is exaggerated, or which has other objections to it, and that the people are apparently not sufficiently intelligent to determine what newspapers, what news agencies can be believed, and that something must be done about it. That is the alleged evil which it is proposed to correct.

Personally, if the time comes in the course of the evening when we reach the point of discussing the merits or demerits of the resolution, it will be necessary to consider that fact very carefully, but at this time, while we are considering merely whether the motion shall prevail to consider this resolution, I am merely endeavoring to point out that we have in the first place this alleged evil, and I shall attempt to show, and I am sure others will show in the course of the evening, that instead of the free press, the untrammeled press, constituting an evil, it is one of the great glories of our country, something of which we have every reason to be justly proud.

But, Mr. President, as an offset to that evil which we have on the one hand, it is now proposed to do what it seems to me clearly to be, without any possibility of refutation, the establishment of a most evil policy in this country, and that is to furnish funds to a committee of the United States Senate, which has declared that it wants funds in order to go out and investigate the newspapers and newspaper policies, to send their agents out into every pressroom, into every editorial chamber.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. BURKE. I yield.

Mr. HATCH. I am very curious about this matter. The Senator has declared that the committee has made a statement or a declaration that it desires to do these things. That is quite a startling thing, and I should like to be referred to the action of the committee in which that declaration is contained. I ask that simply for my information.

Mr. BURKE. The committees of the Senate ordinarily speak through the lips of their chairmen, and in this case, whether members of the committee took official action or not and authorized the chairman to make the statement, or indeed, whether he made the statement reported in the press, I do not know. We have no way of knowing that, except from the report made by what has been alleged to be the evil untruthful press of the country. But in the absence of a statement as to the purpose for which these funds are desired, we can only take what the press reported as the statement of the chairman of the committee as to why it was necessary to have more money.

Mr. HATCH. Does the press contain articles to the effect that the chairman of the committee has requested this money in order that the committee may go out and investigate the press of the country?

Mr. BURKE. Yes, indeed. And if I am not mistaken, it attempted, at least, to quote exactly the language of the chairman of the committee to that effect.

Mr. HATCH. I merely asked for information. I have not seen that statement, and I have not heard the Senator from Indiana make any such statement.

Mr. BURKE. I have not heard the Senator from Indiana make such a statement. I am referring only to what the press reported. It may be that the ground was so well prepared with reference to this matter, by reason of what the Senator from Indiana said on the floor of the Senate, that we jumped too rapidly at the conclusion that what was said in the press must be correct because, I am sure, the Senator from New Mexico was on the floor when the junior Senator from Indiana told us about the evils of the press not long ago, and offered a bill to provide the proper cure and corrections.

Mr. HATCH. The Senator from Nebraska has referred to the Senator from New Mexico, who says that he was on the floor when the Senator from Indiana made his remarks and he heard every word the Senator from Indiana said. He read the bill the Senator from Indiana introduced. He also read the explanation made of that bill by the Senator from Indiana. The Senator from New Mexico does not think that the Senator from Nebraska is being quite fair with the Senator from Indiana, although, in making that statement, I wish it to be understood that the Senator from New Mexico believes that the Senator from Nebraska always wants to be fair.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. BURKE. I yield to the Senator from Missouri.

Mr. CLARK. Let me call a matter to the attention of the Senator from New Mexico. I am not able to give the date, but there appeared a few weeks ago, within the last 4 or 5 weeks, a leading article on the front page of the Baltimore Sun, one of the leading newspapers of the United States, in which it was set forth that an additional appropriation was to be asked for the Lobby Committee for the purpose of making an objective study of the rights of the press, or of abuses of the liberty of the press, as they exist in the United States.

I can say to the Senator from New Mexico that I talked to the Senator from Indiana today, and he stated to me that the purposes of this investigation are not at all the purposes which were set forth in that article, and which I think any reasonable man must have deduced from the direct quotations in that article. But, nevertheless, that article did appear, and I am satisfied I can find the article in the course of a few minutes. That article appeared in the last 5 or 6 weeks in the Baltimore Sun as to the purposes of the additional appropriation for the Lobby Committee. Therefore, I do not think that the Senator from Nebraska is being unfair.

Now, with respect to the representations made to me by the Senator from Indiana, I stated to him that I would not object to the consideration of the resolution as a matter of unanimous consent. However, I do think that any suggestion that the Senate of the United States is starting out to investigate alleged transgressions on the part of the press will be one of the most dangerous things that ever happened in this country, because I agree with Thomas Jefferson when he said that he would rather tolerate error itself than enter into oppression to stop the expression of error.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. BURKE. I yield.

Mr. HATCH. I merely want to say to the Senator from Missouri that, of course, we all agree with the sentiment which he has just expressed. I do not believe there is anyone in the United States Senate who would vote to appropriate funds of the United States Senate to carry on an investigation such as he has described. But I know the Senator from Indiana, and I know what he thinks, and I do not believe he entertains any such idea. That was the reason I merely asked for fairness on the part of the Senator from Nebraska. I had not seen the article in the Baltimore Sun to which the Senator from Missouri refers.

Mr. BURKE. I will say for the benefit of the Senator from New Mexico that that article in substantially the same form appeared not alone in the Baltimore Sun, but in the metropolitan press, and in newspapers all over the country. In fact, I have had many excerpts from it sent to me from the Middle West and the far West, where people were really disturbed by the suggestion that in this time of great depression and trouble, when our economic system is suffering great shock, the Senate of the United States was going to start out on some program to hamstring or hamper the press.

I may be all wrong. It may never have been in the mind of the chairman of this committee that any part of this fund was to be used for that purpose. Yet he was quoted to that

effect. And taken in connection with the fact that he did express himself at length, and very forcefully, and very antagonistically to the press in connection with the bill which he offered on that occasion, which the Senator from New Mexico, I am sure, read at the time—all of that taken together made it seem to me very essential that these funds should not be voted, at least without a thoroughgoing study of the whole matter, a thoroughgoing investigation as to just what this committee proposes to do with additional funds if they are awarded.

Mr. SCHWELLENBACH. Mr. President, will the Senator yield?

Mr. BURKE. I yield.

Mr. SCHWELLENBACH. Just how are we going to investigate what the committee is going to investigate? And how much of an appropriation does the Senator think the Senate ought to make to investigate what the Lobby Committee intends to do with the money?

Mr. BURKE. We would vote no funds for that purpose, but we would merely ask in fairness for some definite statement from the committee as to what the line of their proposed activity would be, what they were going to investigate, and particularly in reference to the newspapers.

Mr. SCHWELLENBACH. Is the Senator serious in his objection to the investigation? Is an investigation of the newspapers the thing he has in mind?

Mr. BURKE. I will say to the Senator that I doubt very much if any word would have been heard from me at all were it not for the suggestion that the newspapers of the country needed this investigation, and that this committee was going out to investigate them. That point having been raised, I think it would be proper, now that the funds are asked for, even though it was declared that nothing of that kind was to be attempted, to know what the committee proposes to do. I suppose, having gone into the matter, we ought to follow it through a little further.

Mr. SCHWELLENBACH. Mr. President, will the Senator yield?

Mr. BURKE. I yield.

Mr. SCHWELLENBACH. Let me say that there is no intention, and never has been any intention on the part of the committee to make an investigation such as was indicated by the newspapers. I read the article in the newspapers. That is the only source of information which I, as a member of the committee, had concerning it. The matter has never been discussed by the committee. It never has been discussed by individual members of the committee, so far as I know. I think the Senator realizes that my relationship to the Senator from Indiana is such that if he had in mind such a thing he would have discussed it with me.

An article on the subject appeared in the newspapers. If the Senator from Nebraska wants assurances—I remember that the word "assurances" is not a very good word to use around here—if the Senator from Nebraska and those who are opposed to this resolution want assurances from the committee that the activities indicated in the newspaper article referred to by the Senator from Missouri will not take place, and have never been contemplated by the committee or any of its members, I will give those assurances to the Senate and to the Senator from Nebraska. I wish we could limit the discussion, and eliminate that part of it, because there is not any basis for it.

Mr. BURKE. That is very fine indeed. We are glad to have that information. The Senator from Washington has given a very satisfactory assurance, and, of course, all of us who know him would accept his assurance without any equivocation, as we would accept a similar assurance from the Senator from Indiana if it were given, but it has not been given, at least upon the floor of the Senate.

Mr. MINTON. Mr. President, will the Senator yield?

Mr. BURKE. I yield.

Mr. MINTON. I give the assurance. Let me tell the Senator where the story came from. The distinguished senior Senator from Maryland [Mr. TYDINGS] suggested to me that he thought it would be a very good thing for the Lobby Committee to carry on an objective study of the newspapers of the country to see if they were lying, distorting, or coloring the news. I suggested that I thought that might be a good thing for the Lobby Committee to do. The Lobby Committee was never committed to doing it.

When asked by some newspaperman what the Lobby Committee was going to do, I said that it had been suggested to me by the Senator from Maryland that it might carry on an objective study of the newspapers. I never said that the Lobby Committee had any such plan. I never said that the Lobby Committee was going to pursue any such course. I said that was one of the things it might do, and that I thought the Senator from Maryland had made a very good suggestion.

In the course of the suggestion and the conversation with the newspaperman, he said, "Well, would you investigate only those newspapers opposed to the administration?" I said, "Certainly not. We would also investigate those which were in favor of the administration. For instance, we might start out, as representative material to work on, with the Chicago Tribune and the New York Herald Tribune, both known to be against the administration, and the Philadelphia Record, known to favor the administration."

One newspaperman in New York thought that I could not have been talking about the Philadelphia Record; that I must have been mistaken, and was talking about the Philadelphia Inquirer. Therefore, when he wrote the story, he changed it around, and changed my wording from the Philadelphia Record to the Philadelphia Inquirer. So the story went out all over the country—and that is the story the Senator read—that the Lobby Committee proposed to investigate the newspapers which were against the New Deal.

That story is not so. There is not a word of truth in it. That never was the purpose of the Lobby Committee, or its chairman, or any member of it. All that got into the newspapers grew out of the suggestion of the Senator from Maryland that he thought it would be a good thing for the Lobby Committee to make an objective study of the newspapers of the country to determine whether or not they were lying in the news columns, and whether or not they were distorting or coloring the news.

I agreed with the Senator from Maryland, that it would probably be a good thing. Out of that grew the story, the fabrication, and the complete changing of the wording of my conversation. As the man said, he saw it on the ticker, and when he saw the Philadelphia Record he thought "he could not have been talking about the Philadelphia Record. He must have been talking about the Philadelphia Inquirer." So he just changed the story and wrote in the New York Herald Tribune, that I was talking about the Philadelphia Inquirer. So his story went out that way all over the country.

That is the kind of thing to which I have been subjected since I had the temerity to suggest upon the floor of the Senate that the so-called free press of the country wanted to gag free speech by censoring the radio. In order to test out the good faith of the so-called free press of the country, I suggested a little bill which would make it a crime for a newspaper deliberately to lie; I discovered, for the first time in my life, that it was necessary in the running of a newspaper to be able deliberately to lie.

Mr. CLARK. Mr. President——

Mr. BURKE. I yield to the Senator from Missouri.

Mr. CLARK. I should like to ask the Senator from Indiana, before he takes his seat, what is the difference between an objective study of the fairness of the editorial policy of newspapers, and a prelude to censorship, such as exists in Germany?

Mr. MINTON. There is all the difference in the world between seeking an objective view of the newspapers—looking at them and trying to find out whether or not the

newspapers carry, not in their editorial columns, but in their news columns, false statements, colored statements, or misrepresentations of one kind or another—and censorship of the press.

The Senator from Maryland suggested a way in which we might work; and I think it was a good suggestion. He said, "Suppose there appeared in some newspaper a story about me, or about the Senator from Missouri."

Mr. CLARK. And such stories have appeared.

Mr. MINTON. "Let the committee take the story to the Senator from Missouri and check up on it and see whether or not he was correctly represented in the story, or whether there was falsehood, distortion, misrepresentation, or coloring of any kind in it."

That is an objective study, is it not, looking at the news and trying to find out whether the truth is in it?

Mr. CLARK. If the Senator will permit me, I understand Mr. Goebbels in Germany has been conducting an objective study of the truth not only of German, but foreign newspapers, throughout the period of the Nazi domination of Germany.

Mr. MINTON. Perhaps he has. Does the Senator object to that?

Mr. CLARK. If the Senator will permit me, I think the whole difficulty comes about in the use of the term "objective study." I do not see any way in which the Congress of the United States can undertake to conduct a study, reporting officially as to the fairness of this newspaper, or that newspaper, or the other newspaper, without invading the constitutional guaranty of the freedom of the press.

Mr. MINTON. I think we could take a look at them without trying to abridge their privilege to lie if they want to do so. I think we could take a look at them and determine whether or not they are lying, without passing any legislation to try to keep them from lying if they must lie.

Mr. BURKE. Mr. President, I deny the right of any committee of the United States Senate to make an objective study, or any other kind of a study, of the editorial or news policy of any of the newspapers of the country; and if the funds are to be used for a so-called objective study of the press the money ought not to be voted.

Mr. HATCH. Mr. President——

Mr. BURKE. I now yield to the Senator from New Mexico. I shall follow that up by yielding to the Senator from Kentucky [Mr. LOGAN].

Mr. HATCH. I merely wish to suggest at this stage of the debate that in considering whether or not the appropriation should be authorized, and what should or should not be done, it would be wise to look at the resolution authorizing the committee, and at least agree that that committee is composed of honorable Senators of the United States who will exercise their duties under the resolution according to its terms and content.

Mr. BURKE. As I recall it, there are some very general terms in the resolution, which would permit an objective study of almost anything under the sun.

I now yield to the Senator from Kentucky.

Mr. LOGAN. I desire to ask the Senator from Nebraska if he cannot find a distinction between the investigation of newspapers, or their policies, and the investigation of a corrupt motive which induces a newspaper to attempt to mislead the public. For example, if a newspaper owner accepts bribes for the express purpose of misleading the public, then would the Senator from Nebraska take the position that if a committee desired to expose what was behind the policy of the newspaper, that would be interference with the freedom of the press? The newspaper owner may print what he pleases, but the public has the right to know the motive behind his printing it.

Mr. BURKE. I do not draw the distinction which the Senator from Kentucky draws. Newspapers in every State of the Union are subject to the libel laws of the country for any untruths they publish. I do not want to commission anyone with the power to investigate the motives, the hidden meanings, and the desires which might have been in the minds of the newspaper publishers. That policy is something that does not go along with freedom of the press at all.

Mr. LOGAN. Do I understand that the Senator believes that freedom of the press means license to print anything, whether true or false, which the newspaper owner desires to print; and that if there is no remedy on the part of an individual to bring suit, the newspaper can do all the harm it desires to the public without any remedy on the part of the public?

Mr. BURKE. My position is that every newspaper in the country has, and ought to have, the right to publish, within its discretion, anything it wants to publish, just as the Senator from Kentucky has the right to speak on the floor of the Senate any thoughts that come to his mind. Newspapers, however, are held to a much more strict accountability than is the Senator, for in every jurisdiction in the country they are subject to the most rigorous libel laws and can be put out of business.

SECOND DEFICIENCY APPROPRIATIONS—CONFERENCE REPORT

Mr. BYRNES submitted the following report:

(For full text of conference report on H. R. 10851, see House proceedings of today, p. 9667.)

The report was agreed to.

The PRESIDENT pro tempore laid before the Senate the action of the House of Representatives receding from its disagreement to the amendment of the Senate, No. 38, to House bill 10851, the second deficiency appropriation bill, and concurring therein; and further insisting upon its disagreement to the amendments of the Senate, Nos. 43 and 44, to the bill.

Mr. BYRNES. I move that the Senate further insist upon its amendments, Nos. 43 and 44, ask for a further conference with the House thereon, and that the chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the President pro tempore appointed Mr. ADAMS, Mr. GLASS, Mr. MCKELLAR, Mr. BYRNES, Mr. HALE, and Mr. TOWNSEND conferees on the part of the Senate at the further conference.

NOTIFICATION TO THE PRESIDENT

Mr. BARKLEY submitted the following resolution (S. Res. 305), which was considered by unanimous consent and agreed to:

Resolved, That a committee of two Senators be appointed by the President of the Senate to join a similar committee appointed by the House of Representatives to wait upon the President of the United States and inform him that the two Houses, having completed the business of the present session, are ready to adjourn unless the President has some further communication to make to them.

The PRESIDENT pro tempore appointed Mr. BARKLEY and Mr. MCNARY members of the committee.

INVESTIGATION OF LOBBYING ACTIVITIES

The Senate resumed consideration of the motion of Mr. MINTON that the Senate proceed to consider Senate Resolution 279.

Mr. LOGAN. Mr. President, will the Senator from Nebraska yield?

Mr. BURKE. I yield to the Senator from Kentucky.

Mr. LOGAN. I desire to ask the Senator a concrete question. Suppose a newspaper owner should be given a bribe of $1,000,000 to charge every day in his newspapers that Senators of the United States accepted bribes for their votes, without naming any Senators. There would be no remedy on the part of any individual Senator against that newspaper, would there?

Mr. BURKE. I think, under those circumstances, each of the 96 Senators would have a remedy.

Mr. LOGAN. I do not think the Senator believes that, because he is too good a lawyer.

Mr. BURKE. It could be tried.

Mr. LOGAN. I believe the full freedom of the press should not be disturbed, and that newspaper owners should

have a right to print such matter if they so desire. However, would it not be proper to investigate to find out what motive is behind that printing, so that the public will not have to accept such statements without knowing why they were printed?

Mr. BURKE. A specific charge, against a named newspaper, that it had committed some wrong might call for an investigation, but not a blanket indictment against the press of the whole country, with a spying, investigating committee to go out and determine its secrets, what it was doing, and why.

Mr. LOGAN. Let me say to the Senator that we are agreed that if an individual newspaper willfully and corruptly does damage to the public, it is proper to find out the motives behind it. However, I think the Senator is correct when he says that there should not be a committee appointed to go out and spy upon newspapers to try to find out whether they are doing something of the kind.

Mr. BYRNES. Mr. President, will the Senator yield to me?

Mr. BURKE. I yield to the Senator from South Carolina.

Mr. BYRNES. As chairman of the Committee to Audit and Control the Contingent Expenses of the Senate, I reported the resolution. There is nothing in it specifically authorizing and directing the committee to investigate and consider the matter to which the Senator has been directing his remarks. I quite agree with much of what the Senator says. I believe that the vast majority of newspapermen are honest. I will go further than that and say that in an experience of 25 years I have known not more than two men in the employment of the press with respect to whom I should agree with some of the statements which have been made. If newspapers make statements which are libelous, I am willing to go to courts, where I should go. I do not want any committee investigating those statements. I want to go to the courts to hold newspapers which publish such statements liable.

I submit to the Senator from Nebraska that that is an entirely different situation from that which is now pending in the Senate The Lobby Committee will be continued. This resolution does not extend its life.

Mr. BURKE. It gives it the sinews of war.

Mr. BYRNES. Well, yes. If the Senator believes that a committee of the Senate should not be continued, I ask him, should we not, just openly and aboveboard, say that we disapprove the existence of the committee and submit a resolution to end its activities?

If we do not do that, and the committee is continued, I do not think we should muddy the waters with the discussion of the newspaper bill introduced by the Senator from Indiana. The question here is whether or not a committee of the Senate which is to be continued should be denied even $12,500.

The committee asked for $25,000. The Committee to Audit and Control the Contingent Expenses of the Senate, of which I am chairman, thought they ought to get along with $12,500, so that we should not be spending too much money. The committee is to be continued. The Senator from Indiana [Mr. MINTON] is chairman of it. I think the Senator from Washington [Mr. SCHWELLENBACH] is upon the committee. I do not know the other members.

Mr. BURKE. The junior Senator from Rhode Island [Mr. GREEN], I believe, is the other majority member.

Mr. BYRNES. If they are upon that committee, shall we deny to a committee of the Senate $12,500 to pay its clerks, and insist that the members of the committee themselves must do the work?

Mr. BURKE. It depends on what they propose to do with the money.

Mr. BYRNES. I imagine they propose to do what the Senate of the United States directed them to do in the resolution.

If the resolution is wrong, if the Senator from Nebraska will now introduce a resolution to repeal it and abolish the committee, well and good; but if the Senator himself were in charge of a committee, appointed by the Vice President of the United States just as the other members are, and the committee were created, does he think the Senate should deny to the Senator from Nebraska $12,500 to employ clerks to carry on the work which the Senate had directed him to do?

Mr. BURKE. If I were chairman of a committee, and announced that I was going out to make an objective study of newspaper policies in this country, I hope the Senate would not give me a red cent.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. BYRNES. But, regardless of any statement of that kind, the Senator from Nebraska is a good lawyer, and he knows that the activities of a committee must be confined to the resolution creating it. The Senator from Indiana was discussing a bill which he had introduced. The Senator from Indiana is not empowered to state what the committee will do. I did not understand him to state what action the committee would take. No chairman has a right to speak for his committee. A committee can speak for itself. I deny the right of the chairman of any committee of which I am a member to say how I shall vote upon a question. We may discuss these other things, but the Senator from Nebraska will agree that the only question here is whether a committee appointed by the Senate to carry out a resolution adopted by the Senate shall be denied the power to employ clerks. This committee cannot do it without having this $12,500.

Mr. SCHWELLENBACH. Mr. President, will the Senator yield on a matter I have which has to go back to the House?

Mr. CLARK. Mr. President, I should like to say, in answer to the remarks of the Senator from South Carolina, that in this particular case the committee was constituted 3 years ago. The resolution appointing the committee was introduced by the distinguished at that time senior Senator from Alabama, now an Associate Justice of the Supreme Court of the United States. It was originally introduced as a mere resolution to investigate one particular activity of one particular bill. A number of Members of the Senate, including myself, went to the then Senator from Alabama and insisted that the resolution should be broadened sufficiently to include all lobbying activities, including the activities of Government agencies in contravention of section 201 of the Criminal Code of the United States. Senator Black agreed to that broadening; but, so far as I am informed, the committee never investigated anything except the activities upon that one bill.

I think everybody in the Senate assumed that the committee was extinct; at least, that they had spent all their money. Recently, however, when the reorganization bill came up for consideration, it was suddenly discovered by somebody that the committee had some money left, and the committee again started out for the purpose of investigating one particular bill, and using the powers of the committee as a club on citizens writing in to Senators and Representatives on a particular bill.

Mr. President, so far as I am concerned, I announced before I was elected to the Senate that I thought I could recognize a propaganda letter as far as anybody in the United States, and that when I received one I would throw it in the wastebasket, which I have always done, but I am unable to discover what happened to that committee during the 3 years in which they were absolutely inactive, before they again blossomed forth on the reorganization bill. Then the stories appeared in the newspapers—I never heard my very dear friend, the chairman of the committee, deny them—to the effect that this additional appropriation was to be asked for the purpose of conducting an objective study, as he said just a moment ago, of newspaper activities and newspaper policies in the country.

Mr. President, if the Lobby Committee have any investigation in prospect that they desire to conduct, I am perfectly willing to vote to appropriate additional funds. If they intend to conduct an investigation which shall constitute more or less of an American Ogpu over the policies of American newspapers, I am not willing to vote for

it; and if they propose to hold this sum in reserve so that whenever there is a popular uprising against a bill of which the majority of the committee happen to be in favor, so that they may again come out and begin to terrorize citizens, I am also opposed to it.

Mr. BYRNES. Mr. President, will the Senator yield to me?

Mr. BURKE. I yield to the Senator from South Carolina.

Mr. BYRNES. I agree with much that the Senator from Missouri [Mr. CLARK] has said; but there is a misunderstanding here. I understood the Senator from Indiana [Mr. MINTON] to say that it had been suggested to him by a Member of the Senate—a Member of the Senate for whom I have the highest regard——

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. BYRNES. One moment.

Mr. CONNALLY. I desire to make a statement about that very matter.

Mr. BYRNES. Very well; in a moment. The Senator from Nebraska yielded to me. I shall be through in a moment.

I understand that the Senator from Nebraska does not want me to get through in a second. Very well.

Mr. BURKE. I say the Senator is developing such an interesting point that I hope he will not hurry.

Mr. SCHWELLENBACH. Mr. President, will the Senator yield? I have a matter that has to go back to the House.

Mr. BYRNES. One minute, before it is sent back to the House.

The Senator from Indiana said that it had been suggested to him that it would be a good thing to make a certain investigation; but the committee has to pass upon that. The Senator from Nebraska and the Senator from Missouri are good lawyers. The resolution reported here is to the effect that the limit of expenditures for the special committee of the Senate appointed pursuant to Senate Resolution 165 shall be increased. I say I do not believe that Senate Resolution 165 authorized any investigation as to the merits of any particular bill about newspapers. Senate Resolution 165 controls the actions of this committee. It is a lobbying committee. If anyone argues that the committee is exceeding its powers in making any special investigation about the bill introduced by the Senator from Indiana, I may agree with him; but as to the committee appointed by the Senate pursuant to this resolution, the only question is, if that resolution is wrong, and the committee should not be continued, then repeal it.

I do not, however, want to have the Committee to Audit and Control the Contingent Expenses of the Senate rebuked here for its action in recommending the appropriation of the modest sum of $12,500 for a committee that was appointed by the Senate to do—what? To conduct the inquiry authorized in this resolution.

I have sent for a copy of the resolution. I cannot get it; but I doubt exceedingly whether it authorizes any investigation of the newspaper bill.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. BYRNES. I yield.

Mr. CLARK. The Senator from South Carolina has had much more experience than I have. Did the Senator, during his long experience——

Mr. SCHWELLENBACH. Mr. President, a point of order.

The PRESIDENT pro tempore. The Senator will state it.

Mr. SCHWELLENBACH. The Senator from South Caroline has not the floor.

Mr. CLARK. Will the Senator from Nebraska yield to me for a moment?

Mr. BURKE. If the Senator from Missouri will pardon me a moment, I am going to yield at this time to the Senator from Washington for a unanimous-consent request, with the understanding that it will not affect my right to the floor.

RELIEF OF CERTAIN ALIENS

Mr. SCHWELLENBACH. Mr. President, I ask unanimous consent for the consideration of a joint resolution from the House of Representatives, which I ask the Chair to lay before the Senate. I intend to propose an amendment to it.

The PRESIDENT pro tempore. The Chair lays before the Senate a joint resolution from the House of Representatives which will be read by title.

The joint resolution (H. J. Res. 714) for the relief of certain aliens was read twice by its title.

Mr. CLARK. Mr. President, what is the joint resolution?

The PRESIDENT pro tempore. The joint resolution will be read.

Mr. SCHWELLENBACH. I ask that everything after the resolving clause of the joint resolution be stricken out. I ask to have my amendment read.

The PRESIDENT pro tempore. The amendment offered by the Senator from Washington will be stated.

The LEGISLATIVE CLERK. It is proposed to strike out all after the resolving clause of the joint resolution and in lieu thereof to insert the following:

That the Secretary of Labor is authorized to stay the deportation of any alien whose relief from deportation is provided for by any bill which has been favorably acted on by either the Senate Committee on Immigration or the House Committee on Immigration and Naturalization in the Seventy-fifth Congress; but such stay shall be terminated not later than the date of adjournment of the first regular session of the Seventy-sixth Congress.

The PRESIDENT pro tempore. Is there objection to the present consideration of the joint resolution?

Mr. McNARY. Mr. President, is this an amendment of the House measure?

The PRESIDENT pro tempore. The Senator from Washington asks that the Senate consider a House joint resolution, and moves to strike out all after the enacting clause and substitute the language read.

Mr. McNARY. May I ask the Senator to state the purpose of the amendment?

Mr. SCHWELLENBACH. It simply provides that in cases in which the committee of the House or the committee of the Senate has approved the stay of deportation, the Secretary may stay it until the next session of Congress. It must have the approval of one of the two committees.

Mr. McNARY. Does it affect any great number of aliens?

Mr. SCHWELLENBACH. A very, very small number.

Mr. REYNOLDS. About 15, does it not?

Mr. SCHWELLENBACH. About 15.

Mr. RUSSELL. Not over 25 in any event.

Mr. BARKLEY. Mr. President, does the Senator from Washington feel that the amendment can go back to the House and be adopted before adjournment?

Mr. SCHWELLENBACH. Yes.

The PRESIDENT pro tempore. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Washington, striking out all after the resolving clause and inserting the matter heretofore read.

The amendment was agreed to.

The amendment was ordered to be engrossed, and the joint resolution to be read a third time.

The joint resolution was read the third time and passed.

DEVELOPMENT OF ROTARY-WING AIRCRAFT

Mr. LOGAN. Mr. President, will the Senator from Nebraska yield to me?

Mr. BURKE. I yield to the Senator from Kentucky, with the understanding that I shall not lose the floor.

Mr. LOGAN. On the call of the calendar a while ago Senate bill 3976, Calendar No. 2195, was called, and objection was made at the time by the senior Senator from Utah [Mr. KING]. Since then I have talked with the senior Senator from Utah. The House has passed an identical bill, which is House bill 10605.

I ask unanimous consent that the Senate take up Senate bill 3976 for consideration, and move to substitute the House bill for it.

The PRESIDENT pro tempore. The Senator from Kentucky asks unanimous consent for the consideration of a bill, which will be read by title.

The CHIEF CLERK. A bill (S. 3976) to authorize the appropriation of funds for the development of rotary-wing aircraft.

Mr. KING. Mr. President, I shall not object. I simply state that in my opinion we are squandering $2,000,000; but we are squandering so much, and this item is so insignificant that I cannot object.

There being no objection, the Senate proceeded to consider the bill (S. 3976) to authorize the appropriation of funds for the development of rotary-wing aircraft.

Mr. LOGAN. I ask that the House bill be substituted for the Senate bill and be considered.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the Senate proceeded to consider the bill (H. R. 10605) to authorize the appropriation of funds for the development of rotary-wing and other aircraft, which was read twice by its title, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in the interest of adequate national defense and the further interest of the needs of other governmental activities and of American commercial and civil aeronautics for rotary-wing and other aircraft development there is hereby authorized to be appropriated, out of any funds in the Treasury not otherwise appropriated, the sum of $2,000,000 to remain available until expended for the purpose of rotary-wing and other aircraft research, development, procurement, experimentation, and operation for service testing.

The Secretary of War is authorized and directed to proceed immediately with said research, development, procurement, experimentation, and operation for service testing and further to allot such sums from this fund to other Federal Departments or agencies as he, in his judgment and discretion and within the limits herein prescribed, may deem advisable for the furtherance of these purposes.

The following agencies of the Federal Government are hereby authorized and directed to submit to the Secretary of War plans for research, development, procurement, experimentation, and operation for service testing of rotary-wing and other aircraft. Upon presentation of plans, together with estimates of requirements, the Secretary of War will approve, apportion, and allot the necessary funds which in his discretion may appear proper for each respectively.

The agencies referred to are:

(a) In the United States Army, the Office of the Chief of Cavalry, the Office of the Chief of Field Artillery, the Office of the Chief of Coast Artillery, the Office of the Chief of Infantry, the Office of the Chief Signal Officer, the Office of the Chief of Air Corps, the Office of the Chief of Medical Corps, the Office of the Quartermaster General, and the National Guard Bureau.

(b) In the Department of Agriculture, the Bureau of Entomology and Plant Quarantine, the Bureau of Biological Survey, and the Forest Service.

(c) In the Department of the Interior, the National Park Service.

(d) In the Treasury Department, the Coast Guard.

(e) In the Department of Commerce, the Bureau of Air Commerce.

(f) In the Department of the Navy, the office of the Chief of Naval Operations, the Bureau of Aeronautics, and the Office of the Chief of Marine Corps.

(g) The National Advisory Committee for Aeronautics.

(h) In the Post Office Department, the Postmaster General.

Such of these agencies as are approved by the Secretary of War for the purpose of carrying out the provisions of this act and to whom the Secretary of War in accordance with the provisions of this act shall allocate funds are hereby directed to report at the end of each fiscal year or at such times as the Secretary of War may direct, showing the progress of the work in hand, future programs, if any, and recommendations. Special emphasis in these reports shall be placed on the utility of rotary-wing and other aircraft at the present time and the promise this type of aircraft holds for the future in the opinion of the chief of each agency concerned.

The sum of $600,000 is to be taken by the Secretary of War from this appropriation and used exclusively in the placing of contracts for the construction of improved and experimental types of rotary-wing and other aircraft by private industry.

The PRESIDENT pro tempore. Without objection, Senate bill 3976 is indefinitely postponed.

SECOND DEFICIENCY APPROPRIATIONS—CONFERENCE REPORT

Mr. BYRNES. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from South Carolina?

Mr. BURKE. I yield.

Mr. BYRNES. I move to reconsider the vote by which the motion I made about 30 minutes ago that the Senate insist upon its amendments numbered 43 and 44 to the deficiency bill and asking for a further conference was agreed to.

The motion was agreed to.

Mr. ADAMS. Mr. President, will the Senator from Nebraska yield to me?

Mr. BURKE. I yield.

Mr. ADAMS. Mr. President, I move that the Senate recede from its disagreement with the House as to Senate amendments 43 and 44. In making the motion, I do wish to say, on behalf of the conferees, that in their attitude toward these amendments, one of which involves the amendment of the Senator from Nebraska [Mr. NORRIS], which has been spoken of as the shelterbelt amendment, and the other involves an amendment which we referred to as the McCarran amendment, involving some land about Lake Tahoe, the House conferees were absolutely adamant. We declined to recede, and the matters were both taken back to the House of Representatives, where votes were taken adverse to our position. So we have felt compelled to recede, and therefore I have made this motion.

Mr. NORRIS. Mr. President, I wish to be heard on the motion. It is with deep regret on my part that the House has taken this action on the amendment the Senate adopted to the deficiency bill commonly known as the shelterbelt amendment, although there is more forestry involved in it than shelterbelt. It affects every State in the Union, without any exception, but has a particular bearing upon the great Middle West, and the problems with which the people there have to contend.

I take this occasion to commend the Senate conferees for the stand they have taken. They have stood without any exception unanimously and firmly, like a wall, in favor of the Senate amendment, an amendment which was adopted on a roll-call vote here by 51 to 16.

They insisted that the House conferees who were objecting to the amendment should take the matter back to the House for a vote. The House has voted upon the amendment, and has again rejected it by a majority of 100 votes, I understand. So that it was useless, under those circumstances, for the Senate conferees to attempt to hold out any further.

(At this point a message was received from the House of Representatives by Mr. Calloway, one of its clerks, which appears under the appropriate heading at another point in the RECORD.)

The PRESIDENT pro tempore. The Senator from Nebraska——

Mr. BURKE. Mr. President——

Mr. NORRIS. I have the floor, have I not?

The PRESIDENT pro tempore. The senior Senator from Nebraska has the floor.

Mr. BURKE. Mr. President, I think I had the floor, and I yielded to allow this matter to be taken up.

Mr. NORRIS. I do not believe there can be any doubt that on a motion pending here we are not dependent on the will or the wish of any Senator. Each one of us is entitled to take the floor in his own right on a pending motion, and no Senator can farm out the time on the motion. The motion now is to recede on certain amendments to the deficiency bill, and upon that motion I have been recognized by the Chair, and, as I understand, I am holding the floor in my own right.

Mr. BURKE. Mr. President, if my colleague will yield, the Senator is entirely correct. When the Chair said, "The Senator from Nebraska" I thought he was looking in my direction and I did not realize that the senior Senator had not concluded his remarks. I still have the floor, but I have yielded the floor for the purpose of allowing the motion to be made which the Senator is now discussing.

Mr. NORRIS. Mr. President, the Chair may do what he pleases when I get through, but the junior Senator from Nebraska does not have the floor now. I do not share the floor with anybody. [Laughter.]

The PRESIDENT pro tempore. The senior Senator from Nebraska has the floor to discuss the pending motion.

Mr. NORRIS. The pending motion is to recede on certain amendments, and the so-called shelterbelt amendment is one of them.

The time has come now when the Senate must recede. We are about to adjourn. The House has already passed the adjournment resolution. It would probably be impossible tomorrow to get a quorum in either the House or the Senate if we did not adjourn. So that I am not contesting the motion. I think the motion is proper, and I think it must be agreed to; but I cannot let the occasion pass without saying something about this question, which I have once discussed quite fully on the floor of the Senate.

The people who are interested in this amendment more particularl ythan any other are those in the great Missouri Valley in the country west of the Mississippi River, who, during the last 2 or 3 years, have been affilicted by nature with depression, with drought, and with windstorms and everything else that is undesirable in a civilized country. It was thought—it may be wrong, it is true, but it was thought by scientific students of the forestry question and the drought question—that possibly one of the ways to restore that section of the country from the results of the devastation which comes from drought and windstorms could be brought about by this amendment. Those who know more about forestry than I do are almost unanimous that this can be done. The other evening I think I demonstrated, by photographs, which cannot lie, how it has been done in certain localities in the past.

Mr. President, if the problem cannot be handled in that way, a portion of the country must go back to the desert. Our people cannot live in it, cannot sustain life in a portion of it, if what has been going on for the last 2 or 3 years continues indefinitely.

Others, notably the Senator from Montana, told in very forceful language what has been going on in their sections of the country, told what we ought to do, and what we must do, if we are to preserve the country. I say to those who live along the Atlantic coast, on the eastern slope of the Allegheny Mountains, and between the Mississippi River and the Allegheny Mountains, that when the bread basket of the Union is depopulated, if civilization there must die, the food they eat and the clothes they wear will have to be imported from foreign countries.

To a great extent life for all our country comes from the great Mississippi Valley. The top soil is being washed into the Atlantic Ocean through the Gulf of Mexico at the rate of between two and four hundred million tons every year. It is only a question of time, if that keeps up, before the country will be as barren as the washed hills of China.

I feel deeply about this amendment. I myself cannot understand how the House of Representatives could have rejected the amendment by that overwhelming vote. I know from what has come to me that the only open opposition, the only opposition of any kind, indeed, of which I have heard, comes from the nurserymen of the country. They do not want the Government of the United States to plant a shelterbelt, to plant a tree on the western prairies, unless they buy the trees of the nurserymen. I do not believe the nurserymen of this country, when they understand the situation, will stand for that kind of a selfish program.

"Unless you patronize me you must let the country fail," is what the opposition says. "Unless you buy your shrubs and your trees of me you cannot plant them, you cannot have any money to build a shelterbelt or to protect a crop anywhere in the great western plains. We must have our toll or you cannot live." That is the result of it. "We must have our selfish pocketbooks supplied with the coin of the land if you are going to live in that country. Die if you want to, but you cannot live unless you patronize us."

I argued the other night, and I believed it, and believe it now, that any honest man who will look into the facts will realize that this amendment if agreed to would have brought money into the pockets of the nurserymen of the country from the Atlantic to the Pacific which will not come without the amendment.

They, or someone, defeated the possibility of the great West and the farmers in every State from coming cooperatively in contact with the Forestry Service of the United States, as a result of which contact every woodlot in the United States would be improved and would bring in returns; all of which is going to fail if something like this amendment is not put into effect. The nurserymen themselves are going to find that they have lost money, when we consider it from a selfish standpoint, because this amendment has been defeated. Hundreds of thousands of dollars over this country would have gone into the pockets of the nurserymen if this amendment had been agreed to.

Mr. President, the law which authorized this appropriation I read the other night. I shall read a portion of it again.

It specifically provides that the Government shall not enter into business with the nursery stock which it uses for this purpose; that it shall not put it on the market; that it shall not interfere with the trade of honest nurserymen. Let me read a little with respect to that. After enumerating what can be done under the act, it concludes:

> But not including ornamental or other stock—

That means stock of nurseries—

> for landscape planting commonly grown by established commercial nurserymen. No stock grown in Government and cooperative nurseries shall be allowed to enter regular trade channels. No cooperative reforestation or afforestation shall be undertaken pursuant to this act unless the cooperator makes available without charge the land to be planted.

It is impossible under the law for the Government to use this nursery stock in competition with the commercial nurseries of the United States.

Mr. President, I am addressing myself to the Chair, and to Senators in the Chamber. I hope Senators will not talk, but give me an opportunity to be heard. It has been decided that I have the floor, and that legally, under the rules of the Senate, I am entitled to perpetuate this agonizing thing upon the Senate, whether Senators like it or not, because I am doing it legally. [Laughter.]

The other night, at the time the amendment was agreed to by the Senate, I read to the Senate a statement from the Forest Service, as to what that Bureau intended to do. In not a single instance are they going to interfere with the legitimate trade of any nurseryman under the sun.

Mr. President, if this work is not done the nurserymen will lose a great deal of trade which would otherwise come to them. In that way they will lose more money than they are spending to lobby against this kind of legislation. The passage of legislation of this kind would make the people all over the United States, in every State, forestry-minded. Already in the great West the people are forestry-minded. Already they are going ahead as far as they can in a very small way to carry out the program. If the amendment were agreed to, the work of reforestation would be carried out on a large scale. A man who wanted a tree for his lawn in town or for his yard in the country could not buy it from the Government. The Government would not sell it to him. But when he saw the shelterbelt, when he saw the good that was coming from these trees which were growing up, trees which would be supplied if this provision were adopted, he would become forestry-minded. He would buy some trees. He would then make some plantings which he ordinarily would not make. To make them he would have to patronize the nurserymen. So the nurserymen of this country, so far as they are opposed to this legislation, are cutting off their own noses to spite their faces. They are doing something detrimental to themselves. What we propose to do rests on the theory, Mr. President, that this legislation would bring about the planting of trees which will not be planted unless the law is passed. It is not going to hurt the nurserymen.

But, Mr. President, I want to say that even if it did hurt the nurserymen, they would not be able to supply the great

demand. Even if it hurt them, how selfish it would be for them to say, "Patronize me or quit trying to save the western country."

Mr. President, I have before me a circular letter. I had the same letter before me the other night when I discussed this matter on the floor of the Senate. When I was speaking then, I thought I would read the letter. It is a circular letter sent to all the nurserymen of Kansas. It tells about the fight that has been made so far on this measure. We passed this particular bill authorizing such an appropriation in May 1937. Yet the boast is made in this circular letter, "We have succeeded in killing every appropriation attempted under this law." They say to their members in Kansas, "We promised the national association that Kansas will contribute $500" for the purpose of keeping a lobby in Washington to fight any appropriation under the law which we passed—the law from which I have read to the Senate—the law which emphatically protects the very nurserymen themselves. That is what the circular tells the nurserymen.

It asks its members in Kansas who have not contributed to the fund of $500, to send in money so that Kansas may contribute $500 to the national association. It gives the name of the man in Washington who has established a permanent office here to lobby in the future against any appropriation of money for the Government to plant any shelterbelt trees, or to provide for any money with which to cooperate with the farmers of the United States in order to improve their wood lots, to improve the production of timber and forestry products throughout the United States. They give the name of one Member of the Senate, and ask their members to write to that great Senator, who they say fought, bled, and died to prevent such an appropriation.

That Senator is one of the firm friends of the farmers of this country. I noticed when the roll was called the other night he voted, as now recorded in the RECORD, in favor of this appropriation.

They also give the names of Members of the House and ask their members to write to them, to congratulate them on their stand, and tell them how they appreciate the noble fight they have made against any appropriation under this law that Congress has passed.

We have never yet made an appropriation under it. The House has rejected it. I cannot and I do not criticize anybody for his vote. Of course, I do not criticize the House. It was acting within its legal rights. But it has frustrated what, to my mind, is one of the items of human progress necessary to bring particularly the great West back again to a prosperous condition.

The other night I showed the Senate several pictures. One showed a shelterbelt planted beside a field of rye. The rye was up to a man's waist. The figure of a man appeared in the picture. A photograph cannot lie. Just beyond the shelterbelt, where the trees stopped, the hot wind had swept the country clean, and it was as barren as barren can be. There was not a thing on it. That part of the country was almost desolate. The photograph showed a row of trees which had been planted by the Forest Service, and that shelterbelt had brought a crop where there otherwise would have been no crop, where there would have been ruin instead.

Last night I also called attention to the fact that the farmers of the country had ploughed up hundreds of thousands of acres of land to raise food for the soldiers in time of war. I showed how their patriotism had led them on to perform that act. I showed what has now happened in that same land that had been ploughed up.

Mr. President, I shall soon relinquish the floor. I ask Senators to be indulgent and listen to me. This is a serious matter with me. This is life and death to those people, people as good as ever lived under the sun, who have given up their lives to that part of the country, a country which in the last few years nature has made into a barren waste, where the work of a lifetime of thousands of honest men has been dissipated by hot winds, by dust storms, which came from the land that was ploughed up to feed the soldiers in time of war, land that never ought to have been touched by the plough. We all know it now.

We all see what a mistake was made. But the mistake was made. They made it in response to a patriotic impulse, and many thousands of them have been driven from the lands on which they have raised families and lived the major portion of their lives.

Mr. President, defeat of the amendment means a great deal to the people who live in that section. Now, with Congress about to adjourn, with the House rejecting the amendment in the way it did, of course, there is no other course for us to take, as I see it, but to accept the inevitable.

Mr. ASHURST. Mr. President, will the Senator yield?

Mr. NORRIS. I yield.

Mr. ASHURST. Very seldom does anyone speak with the fervor, the feeling, and the intensity that was manifest in the speech of the able senior Senator from Nebraska [Mr. NORRIS] the other evening on this amendment. I know that it wrings his heart to have this amendment rejected.

I do not know whether the Senator has ever been in China, but if he has been he will recall that down through the centuries China refused or failed to conserve her top soils. The soil drifted down the Yangtze Kiang and Hwang-Ho Rivers and into the Yellow Sea. The same fate that overtook China will, in my judgment, overtake the United States, especially the States mentioned by the senior Senator from Nebraska, unless action is taken to conserve their top soils. The top soils will be eroded and carried into the Gulf of Mexico.

While I presume there is nothing else to do but to be realistic and accept the conference report, yet one would be justified in voting to reject the report, because it fails to include the amendment suggested by the Senator from Nebraska. One of the real regrets of my life is that I could not be in the Senate the other night to vote for the amendment. My physician ordered me home. Had I been permitted to stay, I should have voted for the amendment.

History has a strange way of presenting characters upon the screen. This afternoon, for a moment, I occupied myself by making a list of Senators who have distinguished themselves since the beginning of the Republic. I put down the names of Aaron Burr and Rufus King, of Thomas H. Benton and Stephen A. Douglas, Calhoun, Hoar, Lodge, Daniel Webster and Henry Clay, of James G. Blaine, and my favorite of them all, Roscoe Conkling, David B. Hill, Joe Bailey, Nelson W. Aldrich, and I thought to myself while writing that I could not make a fair list if the name of George W. Norris, of Nebraska, were omitted.

Mr. President, my opinion is that when we are slumbering in forgotten graves, he will be gratefully remembered by posterity for the fight he has made in behalf of those things that subsist a Nation and keep it strong, virile, and great.

I am grateful to my constituents that they gave me an opportunity to serve with this undoubtedly great man, GEORGE W. NORRIS. I hope I may not make invidious distinctions when I say that when history gathers into her golden urn the muniments of her preservation, amongst the names of men who have stood for good government and for a good Nation will be that of GEORGE W. NORRIS. I am willing to follow his leadership.

Mr. NORRIS. I thank the Senator. If we had this question before us in the middle of the session, I should desire to have the conference report rejected. However, Mr. President, it seems to me absolutely impossible to accomplish anything by doing so.

The conference committee consulted me after they had met the House conferees, after the matter was taken back to the House, and after the House had voted. I said to them—and I wish to say publicly now—that I think every one of the conferees did his duty. They failed. I think they are absolutely right, and that there was no other course than to recede. I should have done the same thing had I been one of the conferees.

Mr. President, it seems to me the motion made by the Senator from South Carolina ought to prevail. I see nothing to be gained by a rejection of the conference report at this hour. We shall accomplish nothing. Those who believe in the amendment must agree with me, I think, when I say we are up against a stone wall, and for the time being it is humanly impossible to go further.

The PRESIDENT pro tempore. The question is on the motion of the Senator from Colorado [Mr. ADAMS].

The motion was agreed to.

TAXICAB INSURANCE IN THE DISTRICT OF COLUMBIA

Mr. KING. Mr. President, I move that the Senate recede from its amendments to House bill 7084, a bill to provide that all cabs for hire in the District of Columbia be compelled to carry insurance for the protection of passengers, and for other purposes.

Mr. SCHWELLENBACH. Mr. President, may we have an explanation of the conference report on the question of insurance?

Mr. KING. I was not a member of the conference committee which considered the differences between the two Houses on this bill. I regret that the Senator from Maryland [Mr. TYDINGS], who is one of the conferees upon the part of the Senate, and who is familiar with the work of the conferees, is unable to be here at this time. I am not entirely familiar with the proceedings of the conferees, but, as I understand, the bill as it passed the House originally provided a system of insurance which met with considerable opposition in the Senate. The Senate amended the House bill, and provided, as I understand, that each taxicab for hire operating in the District should be covered by a liability insurance policy. The bill as amended by the Senate was not accepted by the House, and conferees were appointed. My recollection is that upon two occasions conference reports were approved by the Senate but disagreed to by the House.

On the 15th instant the Senator from Maryland [Mr. TYDINGS] stated that "in order to break the impasse he requested that the Senate reconsider its request for a conference with the House," and that if the request was agreed to he would ask for the return of the papers from the House to the Senate, hoping that in that way some action might be taken before adjournment. The request was granted, and the House was asked to return the bill, H. R. 7084, and the papers in connection with the same. I have just been advised that the House has acceded to the request and returned the papers to the Senate, and they are now upon the clerk's desk.

It is apparent that the House will not accept the Senate provisions, and for that reason I am asking the Senate to recede from its amendments to the House bill.

Mr. SCHWELLENBACH. What is the policy limit?

Mr. KING. I was not one of the conferees. However, as I am advised, the situation is as I have indicated, so that if the Senate recedes that will end the controversy and provide some form of protection for the public.

The PRESIDENT pro tempore. What is the desire of the Senator from Utah with regard to the report? The Chair is informed that there is a disagreement upon the part of the House. Certain amendments of the Senate, still in existence——

Mr. SCHWELLENBACH. Mr. President——

The PRESIDENT pro tempore. Let the Chair state the motion of the Senator from Utah.

The Senator from Utah [Mr. KING] moves that the Senate recede from its amendments. Does the Senator from Washington desire to address himself to that subject?

Mr. SCHWELLENBACH. I appreciate the situation in which the Senator from Utah finds himself. However, it is a very important subject. I think probably one of the most disgraceful situations in the District of Columbia is the fact that we do not require insurance of public vehicles.

On the other hand, the senior Senator from Maryland [Mr. TYDINGS] the other day explained to the Senate the provisions of the House amendment which, so far as the individual taxicab owner is concerned, would be equally outrageous.

I think we should have someone who is a member of the conference committee explain what the provisions of the agreement are, so that the Senate may intelligently vote upon the question.

Mr. KING. I will say to the Senator that I am advised that the Senator from Maryland [Mr. TYDINGS] agrees to the compromise which has been effected. I should not have made the motion if I had not been advised that the chairman of the conference committee approved it.

Mr. SCHWELLENBACH. We have only the statement that the House bill is being accepted by the conferees.

Mr. KING. As stated, I am not a member of the conference. The Senator from Maryland [Mr. TYDINGS] is absent, and another member of the conference committee, the Senator from New Hampshire, is not in the city, and the other member of the conference is not for the moment in the Chamber. I am advised, however, that the Senator from Maryland and one of the conferees, while not satisfied with the compromise, believe it best to accept the bill as it passed the House, which means that the Senate recede from its amendments. I may say that the Senator from Maryland [Mr. TYDINGS] stated to me before leaving the city today that no taxicab insurance legislation was possible other than the House bill and that under all the circumstances it was believed wise to secure some legislation and for that reason he was willing to recommend that the Senate approve the House bill.

The PRESIDENT pro tempore. The question is on the motion of the Senator from Utah that the Senate recede from its amendments.

The motion was agreed to.

LETTER OF APPRECIATION FROM THE PRESIDENT

The PRESIDENT pro tempore laid before the Senate a communication from the President of the United States, which was read and ordered to lie on the table, as follows:

THE WHITE HOUSE,
Washington, June 16, 1938.

MY DEAR MR. VICE PRESIDENT: In these closing hours of the 1938 session of the Seventy-fifth Congress I want to extend through you to the Members of the Senate of the United States my sincere good wishes.

I am confident that the country joins with me in the belief that this session of the Congress has resulted in much constructive legislation for the benefit of the people. Definitely, we are making progress in meeting the many new problems which confront us.

With appreciation of all that you have done,

Faithfully yours,

FRANKLIN D. ROOSEVELT.

Hon. JOHN NANCE GARNER,
Vice President of the United States,
Washington, D. C.

NOTIFICATION TO THE PRESIDENT

Mr. BARKLEY and Mr. MCNARY appeared, and Mr. BARKLEY said: Mr. President, the committee appointed earlier in the evening to wait upon the President to ascertain whether he had any further communication to make to the Congress reports that it has performed its duty, and that the President has no further communication to address to the Congress.

COMMITTEE TO INVESTIGATE SENATORIAL CAMPAIGN EXPENDITURES

The PRESIDENT pro tempore laid before the Senate the following letter, which was read:

UNITED STATES SENATE,
June 16, 1938.

MY DEAR MR. PRESIDENT: Due to my appointment as chairman of the Democratic Senatorial Committee, I feel it necessary to resign as a member of the Senate Committee to Investigate Campaign Expenditures, and do so.

PRENTISS M. BROWN.

The PRESIDENT pro tempore. The Chair appoints the Senator from Mississippi [Mr. HARRISON] a member of the

special committee to investigate senatorial campaign expenditures for 1938, created under Senate Resolution 283, vice the Senator from Michigan [Mr. BROWN] resigned.

SPECIAL COMMITTEE ON TAXATION OF GOVERNMENTAL SECURITIES AND SALARIES

The PRESIDENT pro tempore. The Chair appoints the Senator from Michigan [Mr. BROWN], the Senator from Virginia [Mr. BYRD], the Senator from Delaware [Mr. TOWNSEND], the Senator from Kentucky [Mr. LOGAN], the Senator from Kansas [Mr. MCGILL], and the Senator from Vermont [Mr. AUSTIN] members of the Special Committee on Taxation of Governmental Securities and Salaries, established by Senate Resolution 303, agreed to June 16, 1938.

INVESTIGATION OF LOBBYING ACTIVITIES

The Senate resumed the consideration of the motion of Mr. MINTON that the Senate proceed to the consideration of Senate Resolution 279.

Mr. BURKE. Mr. President——

The PRESIDENT pro tempore. The Senator from Nebraska has the floor.

Mr. BYRNES. Mr. President, will the Senator yield to me?

Mr. BURKE. Before doing so, may I say that I am continuing the occupancy of the floor, which started some 2½ hours ago, having yielded, not the floor, but for the privileged matter of presenting a conference report. I shall proceed from where I left off some time ago. I now yield to the Senator from South Carolina.

RELIEF OF BERTRAM RICH—CONFERENCE REPORT

Mr. BROWN of Michigan submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 662) for the relief of Bertram Rich, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses, as follows:

That the Senate recede from its disagreement to the amendment of the House numbered 3, and agree to the same with an amendment, as follows:

In lieu of the figures "$750", insert "$1,274", and the House agree to the same.

That the Senate recede from its disagreement to the amendments of the House numbered 1, 2, 4, 5, and to the amendment of the title, and agree to the same.

PRENTISS M. BROWN,
JOHN G. TOWNSEND, Jr.,
J. W. BAILEY,
Managers on the part of the Senate.

AMBROSE KENNEDY,
FRANCIS CASE,
HERMAN P. EBERHARTER,
Managers on the part of the House.

The report was agreed to.

CONSIDERATION OF HOUSE BILLS

Mr. BYRNES. Mr. President, a number of bills have come over from the House. I ask unanimous consent to have them acted upon.

The PRESIDENT pro tempore. They come under the unanimous-consent agreement.

COINAGE OF 50-CENT PIECES IN COMMEMORATION OF FOUR HUNDREDTH ANNIVERSARY OF EXPLORATIONS OF CORONADO

The bill (H. R. 2734) to authorize the coinage of 50-cent pieces in commemoration of the four hundredth anniversary of the journey and explorations of Francisco Vasquez de Coronado, was read twice by its title, considered, ordered to a third reading, read the third time, and passed.

TRAVEL ALLOWANCE TO RAILWAY-MAIL CLERKS ASSIGNED TO ROAD DUTY

The bill (H. R. 10051) to provide for travel allowance to railway-mail clerks assigned to road duty was read twice by its title, considered, ordered to a third reading, read the third time, and passed.

AMERICAN NATIONAL BANK, KALAMAZOO, MICH.

The bill (H. R. 10527) for the relief of the American National Bank, Kalamazoo, Mich., was read twice by its title, considered, ordered to a third reading, read the third time, and passed.

PERU & INDIANAPOLIS RAILWAY POSTOFFICE

The joint resolution (H. J. Res. 663) to provide for the operation of the Peru & Indianapolis Railway post office by motor vehicle over the public highways was read twice by its title, considered, ordered to a third reading, read the third time, and passed.

TRANSPORTATION OF CERTAIN PERSONS IN INTERSTATE COMMERCE DURING LABOR CONTROVERSIES

The PRESIDENT pro tempore laid before the Senate the amendments of the House to the bill (S. 2403) to prohibit the transportation of certain persons in interstate or foreign commerce during labor controversies, and for other purposes, which were, on page 2, line 5, after the word "organization", to insert "or"; in the same line, after the word "bargaining", to strike out "or other concerted activities for mutual aid or protection"; in line 13, after the word "both", to strike out the quotation mark; and at the end of the bill, to insert a new paragraph to be lettered "(c)", so as to make the bill read:

Be it enacted, etc., That the act entitled "An act making it a felony to transport in interstate or foreign commerce persons to be employed to obstruct or interfere with the right of peaceful picketing during labor controversies," approved June 24, 1936, is amended to read as follows:

"That (a) it shall be unlawful to transport or cause to be transported in interstate or foreign commerce any person who is employed or is to be employed for the purpose of obstructing or interfering by force or threats with (1) peaceful picketing by employees during any labor controversy affecting wages, hours, or conditions of labor; or (2) the exercise by employees of any of the rights of self organization or collective bargaining.

"(b) Any person who willfully violates or aids or abets any person in violating any provision of this act, and any person who is knowingly transported in or travels in interstate or foreign commerce for any of the purposes enumerated in this act, shall be deemed guilty of a felony, and shall, upon conviction thereof, be fined not more than $5,000 or imprisoned not more than 2 years, or both.

"(c) The provisions of this act shall not apply to common carriers."

Mr. KING. Mr. President, is the Senator asking us to pass this bill without its being considered by the House?

Mr. HAYDEN. This is a Senate bill with House amendments.

Mr. KING. I have no objection.

Mr. BYRNES. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

INVESTIGATION OF LOBBYING ACTIVITIES

The Senate resumed the consideration of the motion of Mr. MINTON that the Senate proceed to the consideration of Senate Resolution 279.

Mr. CONNALLY and Mr. MCKELLAR addressed the Chair.

The PRESIDENT pro tempore. The junior Senator from Nebraska [Mr. BURKE] still has the floor. Does the Senator yield, and, if so, to whom?

Mr. BURKE. I yield to the Senator from Texas.

Mr. CONNALLY. Mr. President, let me say to the Senator from Nebraska that the statement I am about to make is not necessarily a statement of my own views. My colleague and deskmate, the senior Senator from Maryland [Mr. TYDINGS], has just called me on the long-distance telephone from Havre de Grace and requested that I make the following statement with respect to the matters to which the junior Senator from Indiana adverted earlier in the discussion:

The Senator from Maryland [Mr. TYDINGS] requested that I state that he had not made any suggestion to anyone for a general investigation of newspapers, but that he had said to the Senator from Indiana [Mr. MINTON] that if any investigation of the newspapers was to be undertaken, in view of certain complaints made to him by a number of other Senators as to having been libeled—according to those Senators—by two columnists, he thought the two columnists should be investigated.

THE COAST AND GEODETIC SURVEY VESSELS

Mr. MCKELLAR. Mr. President, some time ago, when Senate bill 4055, Calendar No. 2059, was called, I offered an

objection to it. I now withdraw that objection and ask for its consideration.

Mr. KING. I renew the objection.

The PRESIDENT pro tempore. The Senator from Tennessee asks for the present consideration of Calendar No. 2059, Senate bill 4055. Is there objection?

Mr. KING. I object.

The PRESIDENT pro tempore. Objection is made. The junior Senator from Nebraska has the floor.

Mr. HOLT. Mr. President——

Mr. BURKE. I yield to the Senator from West Virginia.

Mr. HOLT. A parliamentary inquiry. Inasmuch as business has intervened since the last quorum call, is another quorum call in order without the Senator losing the floor? If so, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Senator from Nebraska would have to yield the floor for that purpose.

Mr. HOLT. With the understanding that we are to adjourn shortly, it is not necessary; so I withdraw the suggestion.

PERSECUTION OF JEWS IN GERMANY

Mr. KING. Mr. President, the lateness of the hour precludes me from speaking upon a very important subject—namely, conditions in Germany, and particularly the persecution to which the Jews have been and are being subjected under the Hitler regime. I ask unanimous consent that my address, which will be furnished later, may be inserted in the permanent RECORD in today's proceedings and printed in the regular type.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Utah? The Chair hears none, and it is so ordered.

Mr. KING. Mr. President, a few days ago I briefly referred to the tragic conditions in China, and to the cruel persecutions to which hundreds of thousands of German and Austrian citizens have been and are being subjected. Before this session of Congress adjourns it should, in my opinion, take cognizance of the conditions prevailing in the countries referred to and adopt such measures as are warranted under international law, hoping thereby that such tragic conditions might be brought to an end.

I have heretofore discussed the brutal and destructive policies of Japan in China, and shall now direct my remarks to the situation in Germany, and particularly to the inhuman treatment by the Nazi government of hundreds of thousands of German and Austrian citizens— both Jews and Christians.

I recognize the right of the citizens of any country to establish such government as they deem best to meet their requirements, but a decent respect for the opinions of mankind and a proper regard for the principles of justice and morality, demand that the government so established shall be promotive of the happiness and welfare of those owing it allegiance, and that so long as it is a member of the society of nations, it shall adopt such measures and pursue such policies as are consistent with the views, customs, and practices of civilized nations. This is particularly true as to those nations bound together by multilateral treaties.

More and more, nations are being drawn into closer relations, so that the term "family of nations" takes on new significance and moral and spiritual connotations. We recognize the rights of our neighbors, but we are not forbidden to protest against brutal and inhuman treatment of the children of our neighbor, even though inflicted by the parent. In this advanced period of civilization, it is assumed that nations will protect their nationals and accord them a just, humane, and progressive government.

We measure the progress of the human race by its advancement from primitive conditions, and the recognition of the rights and privileges of all classes accorded persons within their borders. The ghastly pages of history are replete with recitations of savage and barbarous cruelties inflicted upon minorities—racial and political—within various nations. There is a recrudescence in some countries of those primitive and atavistic propensities which have left such tragic records of human suffering. Those who have a proper attitude toward life must regard themselves as a part of a great movement guided by moral purposes, which seeks a goal within the reach of man, where there will be found freedom, peace, and justice under the reign of law. Tribal conditions gave way to higher forms of society and slowly, out of the mists and darkness of the past, civilization emerged, and yet the civilization of this day has a long road to travel before it brings to humanity the fruits and treasures of peace and culture and spirituality essential to happiness and world unity.

May I add, in passing, that Germany should be one of the leaders in such a movement; but she will forfeit her position as one of the standard bearers of a better and higher civilization, if she persists in the cruel and wholly indefensible course which she is pursuing with respect to hundreds of thousands of men, women, and children, who are entitled to all the privileges, rights, and immunities of German nationals. Unfortunately, in Germany, as well as in some other countries, the true spirit of democracy, liberty, and justice encounters formidable opposition, and we are made conscious of the fact that there are obstacles and barriers in the highway leading to higher forms of civilization, which are as obvious as the jagged rocks which protrude in the harbor when the tide ebbs out to the sea.

It has been said that the supreme question is whether there shall be established a brotherhood of man, and that God created a brotherhood, but the responsibility rests upon us to acknowledge the validity of that which He has created. In the confusion of the hour when the forces of reaction, irreligion, paganism, and defeatism are strongly arrayed, there must be no abandonment of the contest for justice, equality, liberty, and the enjoyment of those rights and privileges which are the product of true civilization.

As I have indicated, the peoples of the world are being drawn closer together; time and space are being annihilated, and the cries of the oppressed in any part of the world are heard around the world. The inhuman treatment accorded Jews and Christians by the Nazi government challenges the attention of the civilized world, and though, as I have stated, peoples may organize and maintain such political institutions as they may desire, nevetheless they may not escape the eyes of the world or legitimate criticisms and condemnation.

I have referred to the fact that nations are being drawn closer together; international conferences participated in by many nations are constantly being held at which social, economic, and political questions are being considered and policies adopted, having for their object the amelioration of evils and wrongs—social, economic, or otherwise—in all parts of the world. At these conferences the questions of health, sanitation, improvement of labor conditions, removal of racial and other discriminations—these and other vital questions are being considered; they are questions, as I have stated, which relate to the family of nations.

Our Government has not been indifferent to wrongs perpetrated by governments against their own nationals. When Greece was a part of the Turkish Empire and it was charged that they were subject to cruel treatment and discriminatory laws and policies, our Government lifted its voice in behalf of the oppressed. The President of the United States, among other things, stated that it was "our most earnest wish that Greece might obtain the rank of an independent nation." He transmitted to the House of Representatives a report from the Secretary of State, together with various documents which dealt with conditions prevailing in Greece. Webster presented a memorial to the House of Representatives asking Congress to assure the people of Greece of the deep interest felt by the people of the United States in their efforts for justice and liberty.

It will be recalled that our Government interposed when Latin American countries, because of the despotic treatment to which they were subjected by the Spanish Government,

revolted and endeavored to set up governments under which they might enjoy freedom and justice. Not only was the Spanish Government condemned, but a policy was adopted by the United States which was in effect a shield for the protection of the newly established Latin American governments.

It will not be forgotten the extent to which the people of the United States were stirred when Kossuth and his supporters valiantly struggled against the wrongs to which they were subjected.

Citizens of the United States are not of one race or of one creed, nor are they despoiled of their property or driven from our shores because of their race or creed or political views. They find no warrant for civilized states denying their citizens freedom of speech or religion or the right of conscience, nor can they find justification for expelling nationals because of racial or religious differences. The rights of minorities, regardless of race, creed, or condition, are and should be as sacred as the rights of majorities. This is the basis of freedom. This is essential if liberty is to be enjoyed and genuine and progressive civilization is to triumph.

Within the borders of this Republic are millions of persons who were born in other lands. Many fled from persecution to enjoy the liberty guaranteed by the Constitution of the United States, and because of the persecution to which they were subjected by reason of racial, religious, or political differences. Not only from Germany, but from Russia and other countries, noble and patriotic persons have been compelled to seek asylums in other lands. In 1848 the policies of Germany compelled thousands of German citizens to seek homes in other lands; and from Russia many persons were driven because of the wrongs to which they were subjected.

A citizen of Germany, who became a great American patriot, found refuge in this Republic, and his voice was heard upon various occasions in behalf of the downtrodden and oppressed in other lands. On the 1st day of February 1882 a great mass meeting was held in New York to protest against the persecution of the Jews in Russia. This great German-American, Carl Schurz, in addressing the gathering, said:

> The persecution and maltreatment of human beings on account of their race or religious belief is always an offense not only unjust to the victims but also degrading to the offender. But the persecution and maltreatment of the Jews, as mankind has witnessed it and is now witnessing it in several countries, has not been only barbarous in the ferocity of its excesses but in a singular degree self-debasing and cowardly in the invention of reasons adduced for its justification.
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> These horrors are only one more revelation of the ulterior tendency of a movement which here and there assumes the mask of superior respectability. Here again is the whole question brought before the conscience of mankind. May this event put in clearer light the fact that the history of the world exhibits no more monumental record of monstrous injustices than the persecutions inflicted on the Jews during so many centuries. We may thus hope, also, to see the other fact universally recognized that wherever the Jewish race, with its wonderful vitality and its remarkable productiveness of talent and energy, enjoys the equal protection of just laws and a due appreciation of its self-respect, it will, far from remaining a race of aliens, furnish its full contingent of law-abiding, peaceful, industrious, public-spirited, and patriotic citizenship, vying with the best.

This indictment of the Russian Government, because of its cowardly and inhuman pogroms, is an indictment of the Nazi government, because of its brutal and degrading conduct with respect, not only to Jews in Germany and in Austria; but to Christians who do not accept the paganism which the leader of Germany seeks to fasten upon his country.

The pretexts given by the Russian persecutors of the Jews are paralleled by those offered by Nazi leaders for the brutal treatment to which they are subjecting men and women of culture and refinement, and of high moral and spiritual standards.

When the present ruler of Germany came into power there were approximately 600,000 Jews in Germany. Immediately war was declared against them—a war to deprive them of their rights as citizens, and of their property, and their means of existence. The purpose was to despoil them of their property, deprive them of their means of livelihood, and drive them into other countries. It is impossible to describe the cruel and barbarous methods employed and the sorrows and tragedies visited upon a helpless and unoffending people. If the cries of sorrow and persecution are registered in heaven, then the Nazi regime will have much to account for.

This conscience of civilized nations, and particularly of Christian peoples, should be aroused against the foul and cruel deeds of the Nazi government. Not satisfied with the cruelties inflicted upon the Jews and Christians in Germany, the Nazi government, since it has destroyed the independence of Austria, has turned its merciless machine against not only the Jews in Austria but also tens of thousands of other Austrians who loved their country; and the Nazi regime is now devising new methods of torture and cruelty in order to liquidate the Jewish problem, which means the confiscation of the property of the Jews and their expulsion from Germany and Austria.

A number of nations have taken cognizance of the plight of these despoiled and oppressed peoples, who, after being robbed, are to be driven from their country, and are taking counsel for the purpose of affording some relief to meet a situation so tragic. Our Department of State, on the 24th of March of this year, gave to the press the following statement:

> This Government has become so impressed with the urgency of the problem of political refugees that it has inquired of a number of governments in Europe and in this hemisphere whether they would be willing to cooperate in setting up a special committee for the purpose of facilitating the emigration from Austria and presumably from Germany of political refugees. Our idea is that whereas such representatives would be designated by the governments concerned, any financing of the emergency emigration referred to would be undertaken by private organizations within the respective countries. Furthermore, it should be understood that no country would be expected or asked to receive a greater number of immigrants than is permitted by its existing legislation. In making this proposal the Government of the United States has emphasized that it in no sense intends to discourage or interfere with such work as is already being done on the refugee problem by any existing international agency. It has been prompted to make its proposal because of the urgency of the problem with which the world is faced and the necessity of speedy cooperative effort under governmental supervision if widespread human suffering is to be averted.

It will be observed that our Government declared that "it has been prompted to make its proposal because of the urgency of the problem with which the world is faced, and the necessity of speedy cooperative effort under governmental supervision if widespread human suffering is to be averted." It is obvious that the situation is tragic; that the suffering of these persecuted human beings calls for pity and for aid; and it is to be hoped that measures will be adopted to meet in part at least the needs of these hundreds of thousands of suffering and stricken people.

I pause to remark that it would seem that a situation so terrible and which prompts the calling of a conference to deal with persecuted and starving people would lead to a condemnation of the government that is responsible for this catastrophic situation.

Our Department of State, on May 11, issued the following statement:

> The Government of the United States is consulting with the more than 30 governments which have agreed to cooperate in setting up the special intergovernmental committee to facilitate the emigration from Austria and from Germany of political refugees, concerning the time and place for the first meeting of the committee. In order that the intergovernmental committee may meet with as little delay as possible, the Government of the United States has suggested that the first meeting be held July 6, at Evian, France. The French Government has already welcomed this suggestion.

And, on the 16th of May, a further statement was issued by the Department of State. This was followed by another statement, issued by the Department of State on the 16th of May. The two statements are as follows:

> The Department has designated Mr. Robert Pell, divisional assistant in the Department of State, as assistant to Mr. Myron

Taylor, the representative of the United States on the International Committee for Refugees. It is believed Mr. Pell's special qualifications and particularly his experience in international conferences will make him particularly useful to Mr. Taylor. Mr. George Brandt, Foreign Service officer, class III, has also been designated to assist Mr. Taylor, because of Mr. Brandt's special familiarity with immigration questions.

PRESS RELEASE BY THE PRESIDENT'S ADVISORY COMMITTEE ON POLITICAL REFUGEES

The President's Advisory Committee on Political Refugees held its first meeting at the Department of State this morning at 10 o'clock. There were present Mr. Hamilton Fish Armstrong, Mr. Paul Baerwald, Mr. Joseph P. Chamberlain, Mr. Basil Harris, Mr. Louis Kenedy, Mr. James G. McDonald, Mr. James M. Speers, and Rabbi Stephen S. Wise.

The committee elected Mr. McDonald chairman and Dr. Samuel McCrae Cavert secretary.

The committee made a preliminary survey of the ways in which it can aid in the relief of political refugees and their settlement in different parts of the world, within the framework of existing legislation in the countries which have accepted to participate in the Intergovernmental Committee for Refugees.

I am sure that the citizens of the United States and of many other countries will follow with deep concern the work of this advisory committee, and will welcome information that its efforts to meet the situation are proving successful.

While I am gratified to know that our Government and 30 other governments have agreed to cooperate in order to facilitate the emigration from Germany and Austria of political refugees, I feel constrained to observe that I experience a feeling of regret that these governments did not submit protests to the Nazi government against its indefensible and wicked treatment of hundreds of thousands of German and Austrian citizens. Our Government, as well as other governments, has made representations by way of recommendation or protest when policies were pursued which were regarded as inhuman and violative of the rights of citizens. The treatment by the Nazi government of German and Austrian citizens is so harsh and inhuman—so violative of the conventions of society, the rules of international law, the principles of justice and morality which prevail in civilized communities—that I believe our Government, as well as other governments, should lift their voices in protest against what it seems to me is a crime against civilization.

Our own Government furnishes precedents justifying protests against the Nazi government's treatment of Jews and Christians. I recall an instance when Theodore Roosevelt was President; a protest was transmitted to the Rumanian Government by the Secretary of State, under the personal direction of the President, growing out of Jewish persecutions by the Rumanian Government. In the note of transmission it was stated that "the right of remonstrance against the acts of the Rumanian Government is clearly established in favor of this Government." The note further stated:

> This Government cannot be a tacit party to such an international wrong. It is constrained to protest against the treatment to which the Jews of Rumania are subjected, not alone because it has unimpeachable ground to remonstrate against the resultant injury to itself, but in the name of humanity.

The treatment by the Rumanian Government of the Jews was not so cruel, vindictive, and oppressive as that now being inflicted by the Nazi government upon Jews and Christians in Austria and Germany. Our Government refused to be a "tacit party to the international wrong," and "remonstrated in the name of humanity" against Jewish persecutions. Reports from Germany and Austria, which come to us from day to day, reveal the fact that the Nazi government is adopting still more cruel and degrading methods for the purpose of humiliating and oppressing hundreds of thousands of citizens of Germany and Austria.

The barbarous treatment to which Jews and Christians in Germany are subjected is an international crime, so odious and so far-reaching in its consequences that it becomes a challenge to the foundations of international morality and civilized society, and to the basis of international treaties and international law. Certainly it is an international wrong, because its results affect other nations; it constitutes an attack upon the moral and spiritual forces which prevail among civilized nations, and is an assault upon the foundations of justice and morality and freedom, which, if destroyed, will destroy civilized governments. It is true a nation, by its abandonment of those principles and truths essential to national honor and international morality, may brand itself as an international outlaw; but its conduct insofar as it immediately affects other nations may not only justify but require individual and collective protests and international condemnation. It is not alone an attack upon a particular race, but it is an assault upon many races, and—what is detestable and unforgivable—it is a resurgence of wild passions and atavistic qualities which prevailed in savage and barbarous periods.

I have referred to the fact that our Government has not been indifferent to the wrongs inflicted by governments upon their nationals; indeed, it has frequently interceded in favor of nationals other than American citizens, where they have been subjected to persecution because of their religious beliefs. Some of our distinguished Secretaries of State, such as Blaine, Gresham, and Hay, declared that the suppressive measures against Hebrew nationals in Russia and Rumania were directly injurious to the interests of the United States in a manner which justified protests. The Nazi persecutions to which I have referred are forcing many German nationals to seek an asylum in the United States. We are familiar with the unemployment situation and the results of any great migration from other countries. By this statement I do not mean to infer that our Government, in connection with other governments, should refuse to aid in meeting a situation which the Secretary of State has declared to be most serious.

I invite attention to the position of our Government when Mr. John Forsythe was Secretary of State in 1840. A number of Hebrews who were American citizens had adopted a resolution expressing sympathy for "their brethren in Damascus because of the cruelties to which they had been subjected and the attention of which had been brought to the notice of the President of the United States by a communication from the American consul at Damascus." The Secretary of State pointed out that a letter of instructions had been written to the American consul at Alexandria, and he also addressed a letter to our Chargé d'Affaires at Constantinople, "instructing him to interpose his good offices in behalf of the oppressed and persecuted race of Jews in the Ottoman dominions, among whose kindred are found some of the most worthy and patriotic of our citizens; and the whole subject, which appeals so strongly to the universal sentiments of justice and humanity, was earnestly recommended to his zeal and discretion."

May I say in passing that there are thousands of American citizens whose kindred are among the groups persecuted and plundered by the Nazi government.

The Swiss constitution formerly permitted discriminations against the Jews, and some of the Swiss Cantons within their strict constitutional rights refused residence in their territories to believers in the Mosaic dispensation, on the ground that the Cantons did not desire an augmentation of the number of Jewish merchants. This discrimination involved citizens of the United States, and there was correspondence on the subject between our Government and Switzerland. In 1850 the American Minister was charged with the duty of negotiating a treaty of commerce between the two countries and President Fillmore forwarded to the Senate in 1851 a proposed general convention which had been signed at Berne, together with a copy of the instructions under which the American negotiators had acted, and also a despatch explanatory of the articles of the convention. President Fillmore, in his message to the Senate, expressed objection to a clause in the proposed convention which reads as follows:

> On account of the tenor of the federal constitution of Switzerland, Christians alone are entitled to the enjoyment of the privileges guaranteed by the present articles in the Swiss Cantons, but said Cantons are not prohibited from extending the same privileges to citizens of the United States or other religious persuasions.

The President further pointed out that—

It is quite certain that neither by law nor by treaty nor by any other official proceeding is it competent for the Government of the United States to establish any distinction between its citizens founded on differences in religious beliefs.

After some modifications the treaty was approved, but in 1857 the Secretary of State, Louis Cass, instructed the United States Minister at Switzerland as follows:

I am directed by the President to instruct you to use all the means in your power to effect the removal of the odious restrictions complained of, which it is understood are contained in the laws of but four of the Swiss Cantons. You are requested to inform the Department on this point, and to state the names of the Cantons in which these laws exist.

I should add that in the Canton of Basel a law was promulgated to the effect that no Jew, without exception, is permitted to settle, to carry on commerce, trade, or handicraft in the Canton. Other restrictive provisions were also enacted.

The American Minister, in his reply to Secretary Cass, stated that he would—

Endeavor to present the question in so clear a light as to demonstrate that a more liberal course is required by the dignity and even by the material interest of Switzerland herself.

Secretary Cass dispatched a further communication to our Minister stating:

The President learns with pleasure that your efforts in behalf of the American Israelites in Switzerland have not been relaxed. The removal of the restrictions contained in the cantonal laws so oppressive to Jewish citizens of the United States is, as you are aware, a matter which the President has much at heart; and he indulges the hope that the measures taken by you to secure that result may be successful.

The Swiss Confederation later adopted a new federal constitution which accorded full religious liberty to all.

It is apparent that the attitude of our Government in protesting against the discriminations by the Swiss Government against Jews not American citizens, but citizens and residents of Switzerland, was effective in removing such discriminations.

In 1857 the State Department received information as to the conviction of a Jew in the Two Sicilies for blasphemy. The American Minister, Mr. Chandler, joined with consuls from other countries in protesting against the conviction and execution of the Jew; and our Secretary of State, Mr. Cass, notified Mr. Chandler that his course "meets with the approval of the Government of the United States."

In 1878 the Secretary of State, Mr. Evarts, communicated with the American consul at Tangiers, stating that he was transmitting a copy of a letter addressed to the State Department by the president and vice president of the Board of Delegates of American Israelites in New York, requesting—

That you be instructed to inquire into the condition of the Jews in that empire, and to consult for the amelioration of their status. I also enclose a copy of the reply thereto of the Department, by which you will perceive that Mr. Isaacs has been informed that in view of the fact that the informal friendly offices of the United States have on similar occasions been exercised with good results, through their representatives abroad, you would be authorized to act in the sense of his request. You are consequently requested to take such steps toward the accomplishment of the end desired as may be consistent with your international obligations, and the efficiency of your official relations with the Government of Morocco.

Later, and during the same month, Secretary of State Evarts wrote to the president and vice president of the board of delegates of the American Israelites:

It is, as you are, of course, aware, difficult for a foreign government to make the full force of its influence felt in intervening for the protection of native subjects of the state addressed. Nevertheless, in view of the fact that the informal and friendly offices of the United States have, at times before now, been used with good effect, through the informal action of their representatives abroad, in the interest of humanity and of that full religious toleration and equity which form so conspicuous a base for our own enlightened institutions, I shall be happy to instruct the United States consul at Tangier that he is at liberty to act in the sense of your request so far as may be consistent with his international obligations and the efficiency of his official relations with the Scheriffian government.

In 1870, an American Hebrew, Benjamin F. Peixotto, was appointed American consul to Rumania, for the purpose, among other things, of promoting Jewish emancipation and cessation of anti-Jewish activity in that country. President Grant handed Mr. Peixotto his credentials, which read as follows:

Mr. Peixotto has undertaken the duties of his present office more as a missionary work for the benefit of the people he represents than for any benefit to accrue to himself—a work in which all citizens will wish him the greatest success. The United States, knowing no distinction of her own citizens on account of religion or nativity, naturally believes in a civilization the world over which will secure the same universal views.

I pause to remark that our Government today knows no distinction of her own citizens on account of religion or nativity and "naturally believes in a civilization the world over which will secure the same universal views."

Speaking for myself, I regret that the Nazi government does not approve the views of this former great President of the United States.

May I add that there had been in Rumania serious opposition to the Jews, and the American consul was appointed to promote Jewish emancipation and to secure cessation of Jewish persecutions.

In 1876 Secretary of State Hamilton Fish communicated with our Chargé d'Affaires at Madrid, stating in effect that the latter was instructed—

To act in concert with the British Minister, to confer with the Spanish Minister of State and impress upon him the deep interest which the question of religious liberty in Spain excites in the United States and to express the strong hope that the steps lately taken by the Spanish Government with reference to religious freedom and toleration may not be followed by others of a more retrograde character, and that the United States might rely upon the good faith of the Spanish Government to promptly and firmly suppress any attempt from any quarter to infringe upon these rights.

I am bringing attention to these instances, to show the interest which our Government has had in protecting the rights of the citizens and nationals of other countries with which we had diplomatic relations. Our Government has not hesitated to appeal to other governments in behalf of their own citizens, in order that their rights might not be infringed upon.

Our Secretary of State, Mr. Frelinghuysen, in 1882, brought to the attention of the Russian Government the claim of an American Bible society that it was forbidden to sell the Scriptures in Estonia or any part of the Russian empire, and also that it was also prohibited from distributing copies of the Scriptures published in the Armenian and Syriac languages.

In 1885, Austro-Hungary refused to accept the American Minister because he had married a Jewess. There was considerable correspondence between the two Governments growing out of the refusal of the Austro-Hungarian Government to receive our Minister because of his marriage to a Jewess. Our Government refused to recede from its position, and the interests of our Government were left in the hands of a Chargé d'Affaires. Secretary of State Bayard, in communicating with the Austro-Hungarian Government, declared that—

The supreme law of this land expressly declares that "no religious test shall ever be required as a qualification to any office or public trust under the United States," and by the same authority it is declared that "Congress shall make no law respecting an establishment of religion or prohibiting the free exercise thereof."

This is a Government of laws, and all authority exercised must find its measure and warrant thereunder.

It is not within the power of the President nor of Congress, nor of any judicial tribunal of the United States, to take, or even hear, testimony, or in any mode to inquire into or decide upon the religious belief of any official, and the proposition to allow this to be done by any foreign government is necessarily and a fortiori inadmissible.

* * * * * * *

It is not believed by the President that a doctrine and practice so destructive of religious liberty and freedom of conscience, so devoid of catholicity, and so opposed to the spirit of the age in

which we live, can for a moment be accepted by the great family of civilized nations or be allowed to control their diplomatic intercourse.

Certain it is, it will never, in my belief, be accepted by the people of the United States, nor by any administration which represents their sentiments. * * *

The letter of the Secretary of State is an eloquent statement of the creed of those who love liberty and respect the rights of all. It is a condemnation of the narrow and bigoted racial prejudices which find expression in the Nazi creed.

In 1890 the House of Representatives of the United States adopted a resolution requesting the President to communicate to it any information in his possession regarding the enforcement of proscriptive edicts against the Jewish people in Russia. The Russian Government at that time was subjecting the Russian Jews to most bitter persecutions. The relations between the Russian Government and the United States then were most friendly, as they had been since the early days of our Republic. The President responded to the resolution, and accompanied his communication with a report with reference to the rumors that new measures of oppression were about to be enforced, and he added in part that—

Such a step, if in reality contemplated, would not only wound the universal and innate sentiment of humanity but would suggest the difficult problem of affording an immediate asylum to a million or more of exiles without seriously deranging the conditions of labor and of social organization in other communities.

I repeat the words of the President, that the "rumored persecution of the Jewish people would wound the universal and innate sentiment of humanity." The persecution of the Jews by the Nazi government should wound the universal and innate sentiment of all civilized nations.

In 1891 Secretary of State Blaine, in his instructions to the American Minister to Russia, stated that while the Government of the United States does not assume to dictate the internal policy of other nations or to make suggestions as to what their municipal laws should be or as to the manner in which they should be administered—

Nevertheless, the mutual duties of nations require that each should use its power with due regard for the results which its exercise produces on the rest of the world. It is in this respect that the condition of the Jews in Russia is now brought to the attention of the United States, upon whose shores are cast daily evidences of the suffering and destitution wrought by the enforcement of the edicts against this unhappy people. I am persuaded that His Imperial Majesty the Emperor of Russia and his councilors can feel no sympathy with measures which are forced upon other nations by such deplorable consequences.

Our Minister to Russia wrote to Secretary Blaine in April of 1891 and stated in substance that Russian journals have stated that many Jewish families had been notified that they must remove from Moscow and other cities.

The plight of the Jewish people in Russia was referred to in President Harrison's message to Congress in December 1891. He stated that our—

Government has found occasion to express, in a friendly spirit but with much earnestness, to the Government of the Czar its serious concern because of the harsh measures now being enforced against the Hebrews in Russia. By the revival of anti-Semitic laws, long in abeyance, great numbers of those unfortunate people have been constrained to abandon their homes and leave the Empire by reason of the impossibility of finding subsistence within the pale to which it is sought to confine them.

He added that—

It is estimated that over 1,000,000 will be forced from Russia within a few years. The Hebrew is never a beggar; he has always kept the law—life by toil—often under severe and oppressive civil restrictions. It is also true that no race, sect, or class has more fully cared for its own than the Hebrew race. But the sudden transfer of such a multitude, under conditions that tend to strip them of their small accumulations and to depress their energies and courage, is neither good for them nor for us. The banishment, whether by direct decree or by not less certain indirect methods, of so large a number of men and women is not a local question. A decree to leave one country is, in the nature of things, an order to enter another—some other. This consideration, as well as the suggestions of humanity, furnishes ample ground for the remonstrances which we have presented to Russia, while our historic friendship for that Government cannot fail to give the assurance that our representations are those of a sincere well-wisher.

In 1902 the oppression of the Jews in Rumania was brought to the attention of our Government. I have referred to the fact that under the personal supervision of President Theodore Roosevelt, Secretary of State John Hay prepared an extensive note concerning the disabilities of the Jewish people in Rumania, which was despatched to our American Minister in Rumania. An extract from the note reads:

Starting from the arbitrary and convertible premise that the native Jews of Rumania domiciled there for centuries are "aliens not subject to foreign protection," the ability of the Jew to earn even the scanty means of existence that suffice for a frugal race has been constricted by degrees until nearly every opportunity to win a livelihood is denied and until the helpless poverty of the Jew has constrained an exodus of such proportions as to cause general concern.

The note then discusses the political disabilities imposed upon the Jews, including their exclusion from the public service and the learned professions, limitations upon their civil rights, and the imposition of exceptional taxes, involving as they do wrongs repugnant to the moral sense of liberal modern peoples, which should be condemned, as should also the attacks upon the inherent right of a man as a breadwinner in the ways of agriculture and trade. After referring to further injustices and discriminations, the note proceeds:

Human beings so circumstanced have virtually no alternatives but submissive suffering or flight to some land less unfavorable to them. Removal under such conditions is not and cannot be healthy, intelligent emigration of a free and self-reliant being. It must be, in most cases, the mere transplantation of an artificially produced disease growth to a new place. * * *

The United States offers asylum to the oppressed of all lands. But its sympathy with them in nowise impairs its just liberty and right to weigh the acts of the oppressor in the light of their effects upon this country and to judge accordingly.

May I say that our sympathy for the persecuted Jews in Germany and Austria does not impair our right to weigh the acts of their oppressors.

The note further proceeds:

* * * the right of remonstrance against the acts of the Rumanian Government is clearly established in favor of this Government. Whether consciously and of purpose or not, these helpless people, burdened and spurned by their native land, are forced by the sovereign power of Rumania upon the charity of the United States. This Government cannot be a tacit party to such an international wrong. It is constrained to protest against the treatment to which the Jews of Rumania are subjected, not alone because it has unimpeachable ground to remonstrate against the resultant injury to itself, but in the name of humanity. The United States may not authoritatively appeal to the stipulations of the treaty of Berlin, to which it was not and cannot become a signatory, but it does earnestly appeal to the principles consigned therein, because they are principles of international law and eternal justice, advocating the broad toleration which that solemn compact enjoins and standing ready to lend its moral support to the fulfillment thereof by its cosignatories, for the act of Rumania itself has effectively joined the United States to them as an interested party in this regard.

Instructions of the same character were transmitted by the Department of State to the representatives of the United States to Great Britain, Germany, France, Italy, Russia, and Turkey for submission to the Ministers of Foreign Affairs of those countries.

In 1903 there was an anti-Semitic outbreak in Kishineff, Russia, which resulted in the death of 47 Jews and injuries to several hundreds of the Jewish race. Seven hundred houses were destroyed, more than 600 stores looted, and many families ruined.

At a mass meeting held in Carnegie Hall, New York, to protest against the Jewish pogrom, one of the speakers was ex-President Grover Cleveland. Mayor Seth Low was also a speaker, as was the president of Cornell University, Hon. Jacob Schurman. A resolution was adopted to the effect that the people of the United States should exercise such influence with the Government of Russia to stay the spirit of persecution and redress the injuries inflicted upon the Jews, and to prevent the recurrence of outbreaks "such as have amazed the civilized world."

President Theodore Roosevelt directed the Secretary of State to instruct the American representative at St. Peters-

burg to ask for an audience with the Minister of Foreign Affairs and to communicate to him a petition addressed to the Russian Emperor relating to the condition of the Jews in Russia. The Czar declined to receive the communication, and in 1911 the Treaty of Commerce and Navigation concluded between the two Governments in 1832 was terminated, owing in a large measure to the discrimination against Jewish holders of American passports, and the persecution of Russian Jews.

The House passed a resolution in 1911 declaring the treaty between the two Governments to be terminated and of no further force and effect from the expiration of 1 year after the date of notification to the Russian Government. The resolution, among other things, stated:

That the Government of Russia has violated the treaty between the United States and Russia, concluded at St. Petersburg, December 18, 1832, refusing to honor American passports duly issued to American citizens, on account of race and religion; * * * that the rights of its citizens shall not be impaired at home or abroad because of race or religion; that the Government of the United States will not be a party to any treaty which discriminates, or which by one of the parties thereto is so construed as to discriminate, between American citizens on the ground of race or religion.

President Taft notified the Senate that the Russian Government had been given official notification of the intention of the Government of the United States to terminate the operation of the Treaty of Commerce and Navigation of December 18, 1832, and so forth.

I invite attention to a question that directly bears upon the matter under consideration. Article 63 of the treaty of peace between the Allied and Associated Powers and Austria, signed at St. Germain-en-Laye, September 10, 1919, contains the following stipulations:

Austria undertakes to insure full and complete protection of life and liberty to all inhabitants of Austria without distinction of birth, nationality, race, or religion.

All inhabitants of Austria shall be entitled to the free exercise, whether public or private, of any creed, religion, or belief, whose practices are not inconsistent with public order or public morals.

This treaty was signed by representatives of our Government but was not ratified by the Senate. However, another treaty "establishing friendly relations" was signed at Vienna on August 24, 1921, by the representatives of the United States and of the Republic of Austria. This treaty was duly ratified by both powers and proclaimed November 17, 1921. Article 1 of the treaty provides that—

Austria undertakes to accord to the United States, and the United States shall have and enjoy, all the rights, privileges, indemnities, reparations, or advantages specified * * * including all rights and advantages stipulated for the benefit of the United States in the Treaty of St. Germain-en-Laye, which the United States shall fully enjoy notwithstanding the fact that such treaty has not been ratified by the United States. The United States, in availing itself of the rights and advantages stipulated in the provisions of that treaty, will do so in a manner consistent with the rights accorded to Austria under such provisions.

It would seem that the terms of the treaty between Austria and the United States signed September 10, 1919, though not ratified by the Senate, were imported into and became a part of the treaty between the two Governments signed at Vienna August 24, 1921. At any rate, the undertakings by Austria to insure full and complete protection to life and liberty and the exercise of religion, and so forth, were and are a part of the treaty between Austria and the United States and were binding upon Austria.

There is no contention that Austria ignored the treaty or interfered in any way with the freedom or liberty of her nationals, including Jews. It will be contended, doubtless, by the Nazi government that, Austria having been conquered by force and made a part of the Nazi government, the treaties between Austria and other governments are terminated. I am advised that the Nazi government has repudiated the debts of Austria, and as I have indicated, doubtless will contend that the liberties guaranteed in the Austrian constitution no longer are in force, and that the residents of Austria are subject to the unrestrained power of the ruler of the Nazi government.

It is worthy of note that the German delegation at the Versailles conference in their comments on the conditions of peace which were presented to them at the conclusion of the World War by the Allied and Associated Powers, including the United States of America, submitted the following statement:

Germany advocates in principle the protection of national minorities. This protection may be settled to the best purpose within the scope of the League of Nations. Germany on her part, however, must demand such assurances as are already fixed by the peace treaty for those German minorities which, by cession, will pass over into alien sovereignty. Such minorities must be afforded the possibility of cultivating their German characteristics, especially through permission to maintain and attend German schools and churches, and to publish German papers. A still more extensive cultural autonomy based on national registration (Kataster) would be desirable. Germany on her part is resolved to treat minorities of alien origin in her territories according to the same principles.

If this declaration by Germany's representatives has any binding force upon the Nazi government, it would seem that the minorities, including the Jews in Germany, are entitled to the benefits received by all other German citizens.

A treaty between the United States and Germany was entered into on December 8, 1923, and proclaimed October 14, 1925. It provides that the—

Nationals of each of the High Contracting Parties shall be permitted to enter, travel, and reside in the territories of the other; to exercise liberty of conscience and freedom of worship; to engage in professional, scientific, religious, philanthropic, manufacturing, and commercial work of every kind without interference, * * * and generally to do anything incidental to or necessary for the enjoyment of any of the foregoing privileges upon the same terms as nationals of the state of residence or as nationals of the nation hereafter to be most favored by it, submitting themselves to all local laws and regulations duly established.

Under this treaty all American nationals, including Jews, are entitled to enter Germany and to enjoy the benefits of the terms of the treaty just referred to. I am advised that the Nazi government is interposing obstacles to American citizens of Jewish ancestry who seek to take advantage of the terms of this treaty.

During this discussion I have referred to the fact that Christians, as well as Jews, have been and are the victims of persecution at the hands of the Nazi government. When the Nazi movement first appeared it was not believed by some that it would attack religion or seek to undermine religion, or to interfere with the freedom of conscience and religion. The first persecutions were directed against the Jews, but it soon became manifest that a Frankenstein of paganism was being created, which would threaten to destroy all religion. An attack, especially by a state, upon one religion, is fundamentally an attack upon all religions, indeed, upon all freedom of conscience. Possibly the economic distress of the time prevented Christians, particularly those in the United States, from appreciating the nature and implications of the attacks upon the Jews. It was regarded by some as another of the historical outbreaks of anti-Semiticism, which would run its course and abate. The burning question of German refugees, consisting as it did of perhaps 80 percent Jews, while condemned by all good Christians, was regarded as substantially a Jewish problem, and the refugees themselves were considered as a whole merely Jewish refugees.

Contemporaneously with the religious oppression, economic spoliation and expulsion of Jews, the Nazis developed the pseudo-ethnological theory of Aryanism which greatly widened the human area of Judaism. While there were perhaps not more than 500,000 full-blooded Jews in Germany in 1933, there were perhaps three times that many citizens who either had, derivatively, some Jewish blood, or had intermarried with Aryans. A large majority of both these groups had become Christians and gradually, looking back, one might almost say inevitably, these groups also

came under the throttling ban on non-Aryanism. Thus, while the Christians were not alert to the situation, their enemies sowed tares in their wheat, and we are now faced with a common problem of great magnitude.

For Protestants, Catholics, and Jews alike are undergoing a frontal attack on the essence of Christian religion, and also the basis of Jewish religion. Indeed, religion, which for our purpose we may call Christianity, and Judaism, is perilously near the crossroads and, potentially at least, at death's grip with paganism.

There are many of the Christian faith, who because of atheistic attacks and the growth of crass materialism, fear that the Christian faith is faced by powerful foes. The view is entertained by some that we are facing a contest between spiritual and moral forces and the vital principles of Christianity and paganism in its worst form, which rides side by side with the deadly influence of secular nationalism.

Dr. Compton has stated:

> Civilization as we know it in America has been built up by the inspiration and energy of religious-minded people. Therefore, the crying, the indispensable, need of the hour is unity of outlook, coupled with unity of action.

May I call attention to the fact that there has been formed a national conference of Jews and Christians—Catholic and Protestant. Until his untimely death, Hon. Newton D. Baker was the president of this organization. It has sought to protect Christians and Jews alike from the paganistic philosophy of nazi-ism. It has challenged attention to the persecuted Christians as well as the oppressed Jews. It is not too much to say that the hope of a redeemed Germany lies with those millions of courageous, relentlessly persecuted Christians, who alone can stem the tide of ruthless paganism. These Christians, who are again aroused, richly deserve our outspoken moral and, if they will accept, our material support in every possible way. They have been terrorized by prisons, concentration camps, criminal prosecutions, by demagogues, swashbucklers, and a dictator. More than 500 brave and half-martyred pastors are still in prison camps.

I wonder what has been done by Christians here and elsewhere to encourage them and to give them aid. I have referred to the National Conference of Jews and Christians. It can be a vitally effective institution, and religious organizations can cooperate as one, and through them can afford relief and protection to the victims of nazi-ism.

The League of Nations took cognizance of conditions in Germany, and on October 26, 1933, appinted James G. McDonald, an American citizen of high standing, to—

> Negotiate and direct an international collaboration necessary to solve the economic, financial, and social problem of the Jewish and other refugees.

The persecutions to which many citizens of Germany were subjected inspired the League of Nations to devise some plan to meet the situation. It was apparent that the German Government was determined to continue its persecutions, not only of Jews, but of the—

> Non-Aryan Christians—Jews, Protestants, and Catholics—who in obedience to their faith and conscience dared to resist the absolute will of the national socialistic state.

As stated, it was apparent that the persecution would continue until all so-called non-Aryans were despoiled of their possessions and driven from Germany. It is interesting to recall that the Nazi government refers to provisions in various treaties dealing with minorities, and insists that in those countries in which there are German minorities, they shall enjoy not only protection but privileges, some of which are greater than those enjoyed by majorities. But the Nazi government refuses to accept the provisions of treaties which require the protection of minority groups in Germany.

The report of Mr. McDonald, as to conditions in Germany and the treatment accorded the non-Aryans, clearly demonstrates the objective sought by the Nazi government with respect to the non-Aryans.

Mr. McDonald for 2 years continued his investigations, and in his letter of resignation, submitted on the 27th of December 1935, he reveals the persecutions inflicted upon the Jews and Christians by the Nazi government, and indicates a situation which should arouse the protests of civilized nations against the injustices inflicted by the Nazi government upon citizens of Germany. Some of the statements in his letter are as follows:

> The intensified persecution in Germany threatens the pauperization or exile of hundreds of thousands of Germans—men, women, and children—not only Jews but also the "non-Aryan" Christians treated as Jews, and Protestants and Catholics who, in obedience to their faith and conscience, dare to resist the absolute will of the National Socialist State.
>
> 3. Apart from all questions of principle and religious persecution, one portentious fact confronts the community of states. More than half a million persons, against whom no charge can be made except that they are not what the National Socialists choose to regard as "Nordic," are being crushed. They cannot escape oppression by any act of their own free will, for what has been called "the membership of non-Aryan race" cannot be changed or kept in abeyance.
>
> Tens of thousands are today anxiously seeking ways to flee abroad, but except for those prepared to sacrifice the whole or greater part of their savings the official restrictions on export of capital effectively bar the road to escape, and the doors of most countries are closed against impoverished fugitives. Nevertheless, if the present pressure is not relieved it is inconceivable that those who can flee will remain within Germany.

I may say, in passing, that under the policy of the present German regime they will be forced out of Germany.

> The task of saving these victims calls for renewed efforts of the philanthropic bodies. The private organizations, Jewish and Christian, may be expected to do their part if the governments, acting through the League, make possible a solution. But in the new circumstances it will not be enough to continue the activities on behalf of those who flee from the Reich. Efforts must be made to remove or mitigate the causes which create German refugees. This could not have been any part of the work of the high commissioner's office; nor, presumably, can it be a function of the body to which the League may decide to entrust future administrative activities on behalf of the refugees. It is a political function, which properly belongs to the League itself.
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> * * * * * * *
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> 5. Progress has been made during the last 3 years in settling the refugees from Germany. Of the more than 80,000 who have already left the Reich, approximately three-fourths have now found new homes, more than half of these in Palestine. * * *
>
> This accomplishment has been primarily the work of the refugees themselves and of the philanthropic organizations—Jewish and Christian—whose devoted labors have been ceaselessly carried on in many parts of the world. Probably not more than 15,000 refugees now remain unplaced.
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> * * * * * * *
>
> The facts which arouse these apprehensions are indisputable. They are evidenced clearly in the German laws, decrees, judicial decisions, and party pronouncements and practices during the last 2 years. The culmination of these attacks on the Jews, the Christian "non-Aryans," and the political and religious dissenters was the new legislation announced at the party congress at Nuremberg last September. The core of that enactment was the law limiting citizenship to those who are "of German or cognate blood" and who also conform to the National Socialist conception of loyalty to the state. As the direct result in Germany not only the Jews, who now number about 435,000, but also tens of thousands of Christian "non-Aryans," who are classified as Jews, lost their citizenship, were disfranchised, and made ineligible to hold public office. Indirectly through this new law a constitutional basis was laid for unrestricted discriminations against all those whom the party may wish to penalize.
>
> The denationalization by the German Government of thousands of German citizens has added to the hardships both of those remaining in Germany and of the refugees, and it is an increasing burden on states which have admitted the refugees while in possession of German nationality.
>
> 7. Relentlessly the Jews and "non-Aryans" are excluded from all public offices, from the exercise of the liberal professions, and from any part of the cultural and intellectual life of Germany. Ostracized from social relations with "Aryans," they are subjected to every kind of humiliation. Neither sex nor age exempts them from discrimination. Even the Jewish and "non-Aryan" children do not escape cruel forms of segregation and persecution. In party publications, directly sponsored by the Government, "Aryan" children are stirred to hate the Jews and the Christian "non-Aryans," to spy upon them, and to attack them, and to incite their own parents to extirpate the Jews altogether.
>
> 8. It is being made increasingly difficult for Jews and "non-Aryans" in Germany to sustain life. Condemned to segregation within the four corners of the legal and social Ghetto which has now closed upon them, they are increasingly prevented from

earning their living. Indeed, more than half of the Jews remaining in Germany have already been deprived of their livelihood. In many parts of the country there is a systematic attempt at starvation of the Jewish population. In no field of economic activity is there any security whatsoever. For some time it has been impossible for Jewish businessmen and shopkeepers to carry on their trades in small towns. The campaign against any dealings with Jews is now systematically prosecuted in the larger towns. Despite the restrictions upon migration from the Provinces into the few largest cities where Jewish economic activity is not yet completely excluded, the Jews are fleeing to those cities, because there only can they hope to escape, at least for a time, from the more brutal forms of persecution.

This influx has exhausted already the resources of the Jewish philanthropic and educational institutions in Germany. The victims of the terrorism are being driven to the point where, in utter anguish and despair, they may burst the frontiers in fresh waves of refugees.

9. Again, as so often during their long, heroic, and tragic history, the Jewish people are used as the scapegoat for political and partisan purposes. The National Socialists level against them charges of the most outrageous and untenable kind. They ignore all of the facts of the continuous loyalty of the Jews in Germany; for example, during the Empire when Jews helped to unify Germany and to make it strong; during the war when a percentage of Jewish youths as high as that of any other religious community in the Reich gave their lives for the fatherland, and Jewish scientists and men of affairs helped so notably to enable Germany to prolong the struggle; and under the Republic when Jewish leaders aided in saving Germany from some of the worst effects of defeat. Instead, it has been found useful to attribute to the Jews the responsibility for the misery and dejection which the German people suffered during the last years of the war and the decade that followed. Though less than a one-hundredth part of the total population, the Jews are held responsible for all the adversity which the German people had to undergo. As in the Middle Ages, when they were massacred and expelled from the German states as the cause of the Black Death, so today they are eliminated from the economic and cultural life of Germany and degraded on the ground that they were the cause of the German humiliation. So far does this hatred extend that even the Jewish war veterans who fought and were wounded in the front-line trenches have been forced from their positions in the public services, and the names of the Jewish war dead may no longer be engraved on war memorials.

10. The attitude of the German Government is based not only on the theory of "Nordic race" supremacy and the desire to eliminate "foreign racial" elements in the life of the country; it rests also on the conception of the absolute subordination of the individual to the state. An influential section of the party is actually promoting a revival of neopaganism which sets itself against both the Old Testament and parts of the New Testament. The conceptions of "blood, race, and soil," propagated with fanatical enthusiasm, menace not alone the Jews but all those who remain defiantly loyal to the old ideals of religious and individual freedom.

Party leaders violently attack religious freedom in the state and threaten the church with political domination. Outstanding thinkers of the two great Christian communities in Germany and abroad raise their voices and protest against this attack which threatens to increase the number of refugees.

* * * * * * *

The growing sufferings of the persecuted minority in Germany and the menace of the growing exodus call for friendly but firm intercession with the German Government, by all pacific means, on the part of the League of Nations, of its member states, and other members of the community of nations.

Pity and reason alike must inspire the hope that intercession will meet with response. Without such response, the problems caused by the persecution of the Jews and the "non-Aryans" will not be solved by philanthropic action, but will continue to constitute a danger to international peace and a source of injury to the legitimate interests of other states.

* * * * * * *

17. I feel bound to conclude this letter on a personal note. Prior to my appointment as high commissioner for refugees coming from Germany, and in particular during the 14 years following the war, I gave in my former office frequent and tangible proof of my concern that justice be done to the German people, but, convinced as I am that desperate suffering in the countries adjacent to Germany, and an even more terrible human calamity within the German frontiers, are inevitable unless tendencies in the Reich are checked or reversed, I cannot remain silent. I am convinced that it is the duty of the high commissioner for German refugees, in tendering his resignation, to express an opinion on the essential elements of the task with which the Council of the League entrusted him. When domestic policies threaten the demoralization and exile of hundreds of thousands of human beings, considerations of diplomatic correctness must yield to those of common humanity. I should be recreant if I did not call attention to the actual situation and plead that world opinion, acting through the League and its member states and other countries, move to avert the existing and impending tragedies.

I invite attention to the statement that the intensified persecution in Germany threatens the pauperization or exile of hundreds and thousands of Germans—not only Jews, but also the "non-Aryan" Christians, treated as Jews, and Protestants and Catholics, who in obedience to their faith and conscience, dare to resist the absolute will of the national socialistic state. The further statement is made that more than half a million persons, against whom no charge can be made except that they are not Nordic, are being crushed.

The conditions revealed by Mr. McDonald are appalling and must excite profound sympathy among civilized peoples, and indignation, amounting to resentment, against a government that revives the worst forms of medievalism and manifests some of the characteristics of ancient Huns and barbarians. It seems incredible that the wrongs, cruelties, and atrocities referred to by Mr. McDonald could take place in a nation that has occupied so important a place in the family of nations during the past century; but the Nazi government, since the date of Mr. McDonald's resignation, has become, if possible, more sadistic and oppressive.

A report of the Committee for Catholic Refugees from Germany, under date of March 31, 1938, bears evidence of the cruel and criminal policies being pursued by the Nazi government. In part, the report is as follows:

In Germany, while less information is obtainable than heretofore, all evidence points to the fact that severely the iron hand of persecution is brought heavily upon those who through the possession of Jewish blood or loyalty to their religious conviction are declared enemies of the country. A large number of Catholic schools have been closed, and the Catholic teachers in public schools supplanted by non-Catholics. Gradually, surreptitiously, but surely, schools conducted by religions, one after the other, are being closed, and employment for the good sisters rendered impossible. Reference is being made especially to the Catholic schools in Bavaria and the Rhineland, which recently had been ordered closed. Two religious orders, e. g., the Englische Fraeulein and the Ursulines, have already appealed to us, and all too soon many appeals of this nature will be forthcoming, all, of course, with a view to establishment in America or elsewhere.

Priests, too, in uncountable numbers, we have reason to believe, have been placed in concentration camps or are otherwise severely persecuted. We may mention here as an example, Reverend Groesser, who, while now temporarily released from imprisonment, has only to await the judgment of the Gestapo.

To this has to be added the horrifying situation recently created in Austria. Here, too, information is only with difficulty obtainable due to strictest censorship and guarding of the border line. How many of those now detained or imprisoned will have opportunity to beg our help must necessarily remain questionable. But reports of so many having already crossed the border, only evidence that the future appeals will be most numerous.

No valid reason has ever been offered in justification of the Nazi government's oppression of the Jews. As I have indicated, the number of Jews of pure blood in Germany never exceeded 600,000. They discharged the duties and responsibilities resting upon them, as citizens, with fidelity to the Government and with honor to themselves. The last pre-war census in Germany established the fact that there were but 550,000 native Jews in Germany in a total population of 68,000,000. The Jews discharged their military duties in the World War; 96,000 of them were enrolled in the army—17.3 percent of the German-Jewish population, or every sixth German Jew. The German Jews in the army were in the front-line trenches. It should also be remembered that Austro-Hungary was a belligerent and an ally of Germany, and there were many thousands of Austro-Hungarian Jews who were fighting in the ranks of the Austro-Hungarian Army.

My information is that 35,000 Jews were decorated for bravery. There were more than 165 Jewish aviators who took part at the front, 30 of whom were killed in action. Gen. Berthold von Daimling stated that, "As commanding general I have seen many Jews in the trenches and I have made the observation that the Jewish soldiers and officers have done their duty to the same extent as their Christian comrades." Defense Minister Otto Gessler stated, "I have the highest respect for the many, many Jewish war dead."

With the defeat of the Central Powers, some Germans attempted to find an excuse for such defeat, and they began a vicious propaganda to arouse prejudice against the Jews, hoping thereby to excuse, perhaps, their own mistakes. If time permitted, an analysis of the slanderous statements and

the vicious propaganda would reveal the utter falsity of the same and cover with infamy those who tried to falsify history and to create prejudices against patriotic and faithful German citizens.

Prof. Hugo Valentin, of the University of Sweden, has submitted a study of anti-Semitism, historically and critically examined, in which there is a complete refutation of some of the foul and slanderous charges leveled by the Nazi regime against the Jews. He refers to the anti-Semitic statements as to the official posts occupied by the Jews, and states that in the 20 cabinets that held office from the inauguration of the Republic until January 30, 1933, there were but two Jewish Ministers, Preuss and Rathenau, and four of Jewish descent. That is to say, out of about 250 Ministers, all except 6 were pure Aryans. Professor Valentin continues:

> • • • Out of about 500 higher officials in the Ministries of the Reich, including secretaries of state and members of Government boards, there were before Hitler's victory at most 15 Jews or men of Jewish birth. The number of Jewish secretaries of state in the administration between 1918 and 1933 was just two. Out of about 300 higher officials in the Prussian ministries some 10 were Jews or of Jewish birth. In the other states of the Reich their number was still smaller. Out of Prussia's 12 Oberpraesidenten, 35 Regierungspraesidenten, and over 400 Landrate, until the reform of the administration in 1932 there was not a single Jew. • • • Of the 10 members of the general board of the reichsbank, it is true that 2 were Jews (Max Warburg and Oscar Wassermann) and one man of Jewish descent (Franz von Mendelssohn), but no Jew sat on its board of management, nor on that of the Prussian State Bank.
>
> Of all Government officials in Germany (in 1925), 0.16 percent were Jews; of the higher officials, 0.29 percent; of the intermediate and lower officials, 0.17 percent. In the administration and the judicial system they were relatively numerous, 1.67 percent and 0.34 percent, respectively. But, according to the German Ambassador to the United States, Dr. Luther (in the New York Times, May 25, 1933), nearly 50 percent of the governmental officeholders were Jews, and, according to a statement of Hitler's (in an interview in the New York Staats Zeitung, June 8, 1933), they amounted to 62 percent.

I have referred to Professor Valentin's statement in answering the charge made by Nazis that the Jews controlled the political offices of importance, and were responsible for Germany's condition following the war, prior to Hitler's control.

It should not be forgotten, however, that notwithstanding the many disadvantages to which the Jews were subjected, their genius and intellectual power gave to them fame in their own land and throughout the world. Professor Valentin refers to the fact that of Germany's 44 Nobel prizemen up to 1933, 7 were Jews, namely, the medical research workers Ehrlich and Meyerhof, and the scientists Wallach, Willstatter, Haber, Einstein, and Franck, to whom may be added the half Jews von Bayer, Heyse, Hertz, and Warburg. Three Jewish Nobel prizemen from Austria, Barany, Landsteiner, and Fried, belonged to the German sphere of culture.

I take the liberty of quoting a paragraph from Professor Valentin's work:

> It has already been pointed out that these Jewish men and women regarded Jewish qualities, apart from exceptional cases, as factors of minor, or often of no importance. And outside Germany they were everywhere looked upon as Germans. In most cases the world was unaware of their Jewish birth until in 1933 they were dismissed wholesale, boycotted, and driven into exile. Before that they had simply been celebrated "German" scientists, authors, musicians, actors, industrialists, and businessmen. Many of them by their achievements had shed honor and glory on the German name. It was not only in the Olympic Games that German Jews battled for the German colors. They did the same in science, literature, technology, industry, and commerce (especially when it was a question of capturing new markets for German goods), music, and the art of the cinema.

One of the fantastic theories of the Nazis rests upon the claim that the Germans belong to a superior race; that they are of the genuine Aryan race. Professor Radcliffe-Brown, of the University of Chicago, makes the following statement concerning the subject of Aryans:

> The Arya were the earliest invaders of India; they spoke an Indo-European language which later became Sanskrit, and which gave rise to certain modern Indian languages like Gengali. The people in Persia developed the Persian language, also of the Indo-European family. We do not know what the Arya were like racially; we just know something about their language. Furthermore, Indo-European languages are spoken in Europe by Nordics and Alpines and Mediterraneans. Therefore, who are the Aryans? All of them are. Anyone who speaks an Aryan language is an Aryan. Who are the Semites? Again, the people who speak Semitic languages. Who are the Hittites? They did not speak a Semitic language, they spoke an Aryan language. It seems fairly certain from an anthropological point of view that the Hebrews as they were in Palestine, contained large infiltrations of Hittite, as distinguished from Arab blood. If the Hittites spoke an Aryan language, they were Aryans, and if the Jews contain an infiltration of Hittite blood, they are Aryans.

No one denies the many fine qualities of the German race; their achievements in many fields have won for them world-wide acclaim. But their ambition for power, coupled with a disregard of the rights of others, affected their moral standing, and lessened the respect and regard in which they were held by many peoples of the world. The assaults upon religion and the efforts to establish neopaganism by the Nazis have aroused concern among those who wish for the German people happiness, peace, and prosperity.

Returning to the subject of the Aryan race: Professor Breasted declares that there is no such thing in the world as Aryan stock. "The terms 'Indo-European' and 'Aryan' were used by scientists and anthropologists to refer not to a race stock but to language origin."

Prof. Pitrin Sorokin in his Contemporary Social Origins refers to the "Aryan race theory as an unsubstantiated guess." Dr. W. Norman Brown, professor of Sanskrit, University of Pennsylvania, states:

> There still exists popular vestiges of a belief that the original Europeans were Nordic, a physical type which is long-headed, fairhaired, and blue-eyed. That belief is regarded by anthropologists and philologists alike as a myth.

Mr. Calvin Hoover, in his recent work, says that—

> The amusing side of this Nordic race theory is that it should be accepted with enthusiasm by the Bavarians who are Alpinic rather than Nordic, by the Saxons who have a heavy percentage of Slavic blood, and by the Prussians with their strong infusion of Slavic or Baltic blood.

Dr. Cyrus Adler, in a recent address, stated:

> The Germans are not Aryans. To a very great extent they are not even Teutons. The Prussians are in large proportion Slavs.

And Dr. W. Norman Brown, to whom I have referred, has stated that the word "Aryan" is sometimes used synonymously with Indo-European and designates—

> A group of many peoples, united by a common culture, in which the outstanding feature is the relationship of language.

Dr. Adler further states that—

> Many university professors in Germany have allowed themselves to be harnessed to this vehicle of falsehood, myth, and lying propaganda.

That Nazi paganism is an attempt to undermine Christianity is recognized by many. In a recent editorial by Prof. Raymond Moley the following appears:

> The persecution of the Catholic Church by Hitler has been so ruthless that the present Reichstag contains only three members who belonged to the former Catholic Centre Party. Catholics have been driven from practically all the public positions in the ministries, the judiciary, and the various administrative offices. One thousand Catholic burgomasters in Westphalia have been put out of office. Catholic public servants and university professors who participated in the German peace movement have been punished.

Time does not permit an examination of the various steps taken to destroy the Catholic religion, to punish Catholic priests and Protestant ministers, and to destroy the influence and moral force of the Christian churches. Nazi-ism seems to be the protagonist of a medieval cult, incongruous in this day of Christian civilization.

The problem that political and religious refugees forced upon Germany is not new. It was brought forcibly to our attention 5 years ago and has become more serious with the ruthless nazification of Austria. In a country which was formerly regarded as a country of culture, tolerance, and civilization, there is now being pursued a program of oppression of a people without parallel in history. Not only are non-Aryans subjected to persecution and spoliation but noble men and women who loved their country and desired

that it should be permitted to maintain its freedom and have a place in the family of nations are proscribed. Savage attacks are made upon people of standing, culture, and refinement, and every effort is made to humiliate and degrade citizens who have aided in maintaining the Austrian Government and in protecting the liberties of the Austrian people.

It is pertinent to inquire as to the number of Jews who were citizens of Austria at the beginning of this year. They numbered 167,000, a decrease of 18 percent from that of 220,208, which constituted the Jewish population of Austria 15 years ago. Economic and other conditions resulted in a reduction in the population of Austria, not only Jews but persons of other races. Austria's total population is approximately 6,000,000.

It is worthy of note that nazi-ism has become characteristically communistic. As it works today there is a complete disregard of the rights of persons and of property, and an overwhelming joy in humiliating people of higher standing and education than their persecutors. The proceedings are reminiscent of conditions which existed in Russia following the rise of communism. I am advised that many of the German people are not behind the campaign of cruelty and savagery which is being waged in Austria and Germany today and that saner and more conservative elements have taken heart and in some instances are expressing displeasure.

It is of grave concern to those who love liberty that human beings of all political faiths and of all religions are being degraded and cruelly punished under the guise of rejected racial theories and antidemocratic political concepts, but it has some bearing on the refugee proposal to which I have referred. It is hoped that among the 30 nations which have accepted the invitation extended by our Government there will be refugees admitted within the restrictions of present existing quotas. As I understand, the expenses of this emigration are to be borne not by the Government but by private organizations. My information is that the requirements which immigrants must satisfy in order to enter the United States will be continued and those seeking admittance will be required to meet the provisions of our immigration laws. The proposal to deal with the refugee problem has been warmly received by the press of the United States, and, as I am advised, has met with approval in various countries. English opinion is expressed in the following extract from the London Times of March 23, 1936:

> English life was enriched by the contributions of foreign immigrants, many of whom at different periods sought refuge here in circumstances very similar to those of today. Until the war, it was the deliberate policy of every successive British Government to turn away no one who sought to escape persecution or punishment on religious or political grounds. This right of asylum was granted to many whose activities commanded but little sympathy, and was stoutly maintained in face of the resentment of foreign governments who disliked seeing a way of escape kept open for their victims. Limits have since of necessity been set to this hospitality; but the tradition, a high and honorable tradition, remains, and most Englishmen would feel that something very valuable had been sacrificed if it were abandoned.

My information is that the Nazi government is not permitting departures from Germany or Austria of persons who may be capable of fomenting agitation against the Nazi regime. It would seem, therefore, that the refugee-aid proposal may be but a gesture doomed to failure because of the attitude of the Nazi government.

I am advised that the ruler of Germany has interpreted the proposal to aid refugees as a criticism of his course. Be that as it may, failure to express our opinion as to the cruelties imposed upon German and Austrian nationals is to condone forces that would avowedly destroy democracy the world over. It would be regarded by some as a confession that oppression may proceed apace wherever instituted, and it can result ultimately in repression of civil liberties and the overthrow of democracy in various countries.

A pertinent editorial comment on nazi-ism is found in the Kingston Record of April 14, 1938, entitled "Putting Democracy to Work:"

> In these times where fire-eating and swashbuckling dictators seem to be having their day, the still small voice of the democracies is not expected to be heard. Our country has therefore rendered a great service to the cause of democracy the world over by making that small voice articulate, thereby giving expression to one of its tenets which distinguishes it from the dictatorships of the world. * * *
>
> It is only fitting and proper that our country should have taken the lead in this move. The United States is the classical land of political liberty. Conceived in rebellion against political oppression our whole history has borne out this political trait which is the most distinguishing characteristic of a democracy. Those to whom political asylum was afforded in this country have amply repaid their hosts. They came from all countries and were adherents of all religions. * * * The forty-eighters of the last century, among whom Carl Schurz was only one of the leading lights, proved of inestimable benefit in the development of our democracy, and the ranks of the Union Army were filled with Jews and Christians who but recently arrived at these shores because of the political upheavals all over Europe in the middle of the last century.

If it be true that the ruler of Germany has no intention of permitting those who may cause him embarrassment to emigrate, then an answer is presented to some of his misleading arguments that have been advanced against the proposal. It has been said by some who have no appreciation of the situation in Europe that America will be flooded with Communists from Austria and Germany. This assumes that all those who are now being repressed are Communists, that Hitler has allowed Communists to exist until now, and that all refugees will come to the United States. These assumptions are without foundation.

With reference to the first assumption, that the United States will be flooded with refugees, under the combined quotas now obtaining for emigration from Austria and Germany a total of not more than 27,370 persons may enter the United States in any one year. Under the proposed plan the immigration quota will not be changed. During the past few years the quotas from Austria and Germany have been utilized only to the extent of about 40 percent. If the German ruler will allow refugees to leave Germany to the full extent of the quota, there would be admitted only an additional 13,500 persons per year; but if the proposal to aid the refugees succeeds, all refugees will not come to the United States. If that were true, the calling of a conference of 30 nations would have been without any reason. As I understand the design of the conference is to have all nations share the responsibility in the emigration work and admit the refugees to their own lands within the limits of their own quotas, and in that event each nation will absorb a part of the refugees. It is not intended that any one nation will admit all.

The statement that Communists will be admitted is without support. In the last election before the Hitler Government came into power there were approximately 6,000,000 votes for the Communist ticket. There were at that time not more than 600,000 Jews, and of that number only 275,000 had the right to vote. Only a limited number of Jews were Communists. The figures supplied by the Nazi Government, issued in 1933, declared that there was only 1 Jew among the 70 Communist deputies in the Reichstag in 1930, and not a single Jew among the 81 Communist deputies in the Reichstag of 1933. In Austria, which is an overwhelmingly Catholic country, there never was a Communist question. A sufficient answer is that those who were Communists are not at liberty today in Germany; they are confined in concentration camps.

Austria was a republic whose population, as I have indicated, was predominately Catholic, and whose national characteristic was predominantly German. As a result of the World War Austria was greatly reduced in size and its economic life materially impaired. However, its economic condition was not as serious as that in Germany during the twenties.

In 1930 there was an attempt at economic Anschluss with Germany which met with opposition from France and Britain. With the advent of Hitler to power in Germany, the Austrians were reminded that they were basically German in nationality, and the Nazi machine carried on a persistent

propaganda to undermine the Austrian Government and to bring about Germany's control of the Austrian Republic. An abortive effort was made in 1934 to overthrow the Austrian Government, and Dollfuss was slain by the Nazis. However, the machinations of the Nazis continued with the avowed purpose of destroying the Schuschnigg Government. However, in 1936 Germany recognized by treaty the political independence of Austria, but the Nazi block in Germany continued its efforts to strengthen the Nazi movement in Austria, which ultimately resulted in the overthrow of the Austrian Government and the annexation of Austria by Germany.

Both Dollfuss and Schuschnigg were Catholics, and their supporters were Catholics and Jews—not Communists—and the refugees from Austria are Jews and Catholics, together, of course, with some Protestants. There are many residents of Austria who desire to migrate because of the indignities and cruelties to which they are subjected. The Houston Post, commenting editorially on March 26, 1938, states:

> Jews are not the only victims of German political persecution. In Houston recently a campaign was organized to aid a large number of non-Aryan Christians who are being driven from Germany. In Austria the vilest indignities are being visited upon Germans who fought with Chancellor Schuschnigg to maintain the independence of their country. Their only offense was to fight for freedom and to oppose Hitler.

The Chicago News, in an issue December 16 last, contained an article describing the formation of a committee to aid Christian German refugees. Dr. Robert M. Hutchins, president of the University of Chicago, presided as chairman. Dr. Edgar De Witt Jones, of Detroit, president of the Federal Council of Churches of Christ in America, was the principal speaker. His address, in part, is as follows:

> This American campaign is to aid German Christians who have been driven from public life and from their privileges as citizens.
>
> Said Dr. Jones—
>
> Many of them are in dire want. Nazi laws oppress 1,300,000 persons in Germany of the Christian faith, of whom 300,000 are full-blooded Jews by birth and 750,000 are three-fourths Jewish and one-fourth Gentile. All of these are under bans similar to those imposed on Jews who belong to the synagogue.
>
> Then there are Gentile Christians who have married non-Aryans, or Jews, who are being forced into exile or destitution if they remain in Germany. In Czechoslovakia half of the refugees from Germany are non-Jews, and in Austria 35 percent. The refugee problem is Christian as well as Jewish.
>
> Since July Gentile men married to Jews must divorce their wives or lose their jobs and Nazi membership. Their children in many cases are turned adrift and become objects of hatred and ridicule as well as starvation.
>
> All the world knows there are thousands of Jews suffering terrible persecution in Germany. But they are not aware that the same is true of Christians.
>
> When these Christian mothers are in need and appeal to the authorities for relief, they are told they cannot have governmental aid but must go to Jewish agencies, which already have a crushing load to carry. In spite of that, Jews have given freely to Christian refugees without thought of proselyting.
>
> We should help now. These Christians, both Aryan and Jewish, are desperate exiles, driven out to find new homes, new occupations, new environments, in order to build themselves afresh in the world of living men. * * *

Aside from the fact that Austria, and Vienna in particular, has always been regarded as the center of German culture, we can get an idea of those who come in under the President's plan by looking at some who already are exiles from Germany. Outstanding among these is Professor Einstein, the world's foremost scientist. Another is Thomas Mann, probably the foremost novelist of this day and the Nobel Prize winner in 1929. Thomas Mann is a Lutheran, and in his public utterances he has been unsparingly critical of Hitler and the Hitlerian system. Dr. Heinrich Bruening, a Catholic, who for a long while was Chancellor of Germany, is now in the United States. There came to America within the last year one Dr. Alice Salomon, who, though born a Jew, was converted and considers herself a Lutheran today. She is 75 years old, an eminent sociologist, the vice president of the International Council of Women, and has been called the Jane Addams of Germany.

In May 1937, one Dr. Ernst Wilhelm Meyer resigned from the German diplomatic service. Dr. Meyer is a Lutheran and at the time of his resignation was counsellor of the German Legation in Washington. He was outspoken in his condemnation of Hitler and characterized Hitler as anti-Christian. Another refugee is Wilhelm Sollmann who for 15 years was a member of the Reichstag and who was secretary of the interior in the Stresemann cabinets. One of the more colorful expatriates is a young Catholic whose German citizenship was declared forfeited in 1935, Prince Hubert zu Loewenstein. The prince is a direct descendant of 12 Roman-German emperors and, in the course of numerous interviews and lectures in America, he gave Americans an insight into the various methods of torture the Nazis employ against those who do not agree with them.

And Germany's loss will be the world's gain. As the Manchester Guardian said editorially on March 26, 1938:

> Men of science and of scholarship, of art and letters, and humbler people who have voiced their religious or political faiths in the past and cannot deny them today are facing in Nazi Austria either the prison camp or that stifled life in which their talents cannot be used. It is not only they who suffer, for when such men are stopped in their work it is a loss to the entire world community. * * * But prudence counsels what humanity demands. Men of strong opinions and good abilities are valuable to the world and can be absorbed.

These are only a few of the people who have achieved world-wide recognition. There are many others whose names make an honor roll of artists, educators, and scientists. The contributions of these people and their forbears has created for Germany during the last 100 years the reputation of great scientific achievement and genius. But this reputation was created in great part by the people who are now being persecuted and banished from Germany.

With the announcement of the refugee aid plan, the American press explained our genesis and history as a nation. The Utica Press, in an editorial, March 28, 1938, stated:

> Secretary Hull's appeal in behalf of the victims of political, religious, and racial persecution in German-Austria is in accordance with this country's best traditions * * *
>
> From its earliest days this country has always been a place of refuge for the oppressed of other lands. The right of asylum is one of the fundamental tenets of the American faith. Not only that, but America has made herself richer and stronger by accepting those keen minds and sturdy souls whose very independence and originality made them appear a menace to autocratic regimes.
>
> We want more Einsteins and more Thomas Manns, more members of the "university in exile." Germany's loss of those men has most emphatically been our gain. The same will be true of the persecuted in Austria.
>
> In medicine, science, art, and music Vienna has long carried the torch of culture. Its very tolerance and freedom from religious and racial prejudices have made life there more worth living. * * *

America's historical tradition is that of a haven for the persecuted and oppressed. The Pilgrim Fathers came to this country, as did the Puritans, because in the England of their day they had not the freedom to practice their religion. The descendants of the Pilgrim Fathers and the earliest Puritans are the backbone of America. Where they would be if this country had not been available as a haven for their ancestors is a matter which might cause them a good deal of uncomfortable speculation considering the conservative America for Americans policy most of them see fit to follow.

The Revolution occurred because the colonists who lived in America at the time were themselves persecuted and oppressed by the British Government. The cry of the day was "Taxation without representation is tyranny!" and the sentiment of the colonists was reflected in Patrick Henry's famous statement. Thus the American Government itself was born of oppression and was dedicated to freedom. In consequence of its dedication, up until after the World War, no restrictions were placed upon those who might enter the country.

Following the disorders in central Europe in 1848, there was a wave of immigrants who were known in their homelands as liberals, and who proved to be valuable additions to our Nation. They brought with them a culture and civilization important to the advancement of this Republic. They

brought with them men who had been fighting the forces of reaction under the banner of liberalism and freedom for the individual.

Along with these "forty-eighters" came the parents of many men who today occupy high positions in government, business, and the arts. Considering their reputation as liberals in Europe, these immigrants, who because they came at a time when the population of America was nowhere near what it is today, might have proved a threat to the existence of this Government. Nevertheless, they became among its stanchest disciples. The similarity between the people who came in 1848 and in the years following and the people who are the refugees in Germany and Austria today is very striking. The fine example set by the older immigrants as American citizens should allay the fears harbored by some of our citizens who are anxious for the preservation of democratic institutions.

In the latter part of the nineteenth century emigration was heaviest from northwestern and western Europe, and since the turn of the century immigrants have been made up mainly of people fleeing from oppressive governments in the eastern and southern parts of Europe.

The whole background in American history is that of continued influx to these shores of persons persecuted elsewhere.

The bulk of the immigration to this country before the American Revolution was made up of those who sought freedom to worship God. A man who makes a point of that sort of freedom is apt to be a good citizen, and so were our Puritan Fathers. Other comers sought refuge from political tyranny which was then rife in Europe. They, too, were men of courage and strength, as are the refugees from Germany now under proscription.

Any refugees that may come from Austria and Germany, of course, can hardly be called friends of the Hitler regime. This is particularly important in connection with counteracting the imported propaganda of Nazis in the United States. Those who may come as refugees after having lived through the genesis of the Nazi movement—and they are undoubtedly well acquainted with its symptoms and the lines of action which it is most likely to adopt in this country—will prove invaluable in counteracting subversive activities here.

It should be noted that there is a real present danger of subversive activity by Nazi groups in the United States and the purpose of these groups is to create a German bloc in this country for political action according to German ideas. This was announced by Fritz Kuhn in the Deutscher Weckruf und Beobachter of May 5, 1938. The development of such a movement is being demonstrated in Czechoslovakia today. A similar movement was suppressed to some extent in Brazil where Nazi agents were deported and the government stated that Germany would not be allowed to create a minorities problem in Brazil, and also in the recent uprising which apparently is of German origin or at least of German support.

NELLIE A. KING

Mr. McKELLAR. Mr. President, will the Senator yield to me?

Mr. BURKE. I yield to the Senator from Tennessee.

Mr. McKELLAR. As in executive session, I ask that the nomination of Nellie A. King to be postmaster at Verplanck, N. Y., be considered at this time.

There being no objection, the Chief Clerk read the nomination of Nellie A. King to be postmaster at Verplanck, N. Y.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

FORECLOSURE OF MORTGAGES BY HOME OWNERS' LOAN CORPORATION

Mr. LEE. Mr. President, will the Senator from Nebraska yield to me?

Mr. BURKE. I yield to the Senator from Oklahoma.

Mr. LEE. Mr. President, tomorrow, when the Senate has adjourned, most of us will be turning toward our homes. It is appropriate that we think for a moment before leaving about a problem which has grown to tremendous proportions in recent months. This problem concerns the home owner who has tried valiantly for years to own his own home, who may return tomorrow to find it is no longer his; that the mortgage on it has been foreclosed by an agency of the Federal Government; that the equity in it, which represents his life savings, is sacrificed by the severity of the present economic recession.

I hold in my hand a headline from the Tulsa World of May 15, 1938. This headline is a streamer which goes across the entire width of the paper. It is in heavy type. It says, "Tulsa H. O. L. C. home sales hit $3,000,000."

In my State of Oklahoma the Home Owners' Loan Corporation has made 23,960 loans; 3,693 of these mortgages have been foreclosed and the owners evicted. Today, according to information just given me by H. O. L. C. officials, 3,695 are delinquent in payment and subject to eviction at an early date.

The Congress has recently made available several billions of dollars to combat this recession. We have passed legislation correcting some of the evils that brought about this temporary slump. Certainly it is consistent to insist that the Home Owners' Loan Corporation, an agency which the Congress created, cooperate to this end by instituting a temporary program of relief and assistance to the home owners who, through no fault of their own, are unable to bring up to date their H. O. L. C. payments.

This cooperation can be brought about by the adoption of the five-point program which has been outlined and submitted to the Home Owners' Loan Corporation by a committee from the House of Representatives. One of its major features is lowering the interest rate from 5 to 3½ percent.

Perhaps the private banks cannot lend to home owners and farmers at the same rates at which they lend to big business because they must meet certain requirements as to liquid assets; but the Government should be able to lend to the home owner at as low a rate as big business enjoys. The men who gamble on the stock market can borrow call money at less than 1 percent. I say the home owner should be able to borrow money at a much lower rate than is now possible.

These requests which have been presented to the Home Owners' Loan Corporation are timely. They are urgent. They require no additional legislation. I ask my colleagues in the Senate to join me in urging the H. O. L. C. to join in the spirit of the recession fight which we are making by adjusting the H. O. L. C. regulations to lower interest rates for the home owners, and to give maximum consideration to the honest man who is making every effort within the confines of the present economic possibilities to keep his home. The home is the heart of America. Let us preserve it.

Mr. President, I ask leave to have printed in the RECORD at this point the five-point petition which was addressed to the Board of Directors of the H. O. L. C. and signed by 93 Members of the House of Representatives of the Congress of the United States. The names appearing here are the names of the members of the subcommittee who drew up the petition.

There being no objection, the petition was ordered to be printed in the RECORD, as follows:

BOARD OF DIRECTORS, FEDERAL HOME LOAN BANK BOARD,
Acacia Building, Washington, D. C.

GENTLEMEN: Following the series of conferences held by the various Members of Congress, Mr. James Roosevelt and Mr. John H. Fahey and other members of the Home Owners' Loan Corporation, which conferences were held at the White House and offices of the Corporation for the purpose of formulating some means whereby the mortgagors of the Corporations, who are in need of assistance, might receive same, the Members of Congress submit to the Corporation the following proposals:

1. Reduction of the interest rate to 3½ percent, which reduction would place the home owner upon the same footing with regards to interest as farmers to whom Government loans have been made.

2. Creating of moratorium on principal payments for a period up to 3 years. This proposal would be in line with legislative action taken in New York and other States.

3. Abolition of deficiency judgments. This proposal is also similar to that which has come of a definite movement within the States.

4. The establishment of a quasi-judicial board of review, before which any mortgagor whose loan has been recommended for foreclosure may appear in person or through a duly authorized representative and have an opportunity to have the entire problem reviewed. It was suggested that the establishment of this board of review should be on a basis similar to the present Board of Appeals and Review of the Veterans' Administration and is designed to afford to the home owner every opportunity of having all the factors contributing to his distressed condition impartially reviewed. It is hoped that through this measure many foreclosures might be averted by cooperating with other Government agencies.

5. To permit foreclosed home owners to remain in their former homes as tenants provided they pay a reasonable rental.

The foregoing proposals have been submitted to the Corporation officials in accordance with the conclusions reached at the conferences, and it is hoped that the Corporation will immediately undertake to put into effect the proposals, most of which can be done without the enactment of further legislation.

The Members of Congress who have participated in the conferences and are submitting the proposal are: WILLIAM B. BARRY, MATTHEW J. MERRITT, of Queens; DONALD L. O'TOOLE, EUGENE J. KEOGH, of Brooklyn; JAMES J. LANZETTA, of New York; JAMES A. O'LEARY, of Staten Island; EDWARD L. O'NEILL, FRANK W. TOWEY, Jr., of New Jersey; D. WORTH CLARK, of Idaho; JAMES M. MEAD, of Buffalo, N. Y.; GEORGE B. KELLY, of Rochester, N. Y.; and ARTHUR D. HEALEY, of Massachusetts.

ACTION OR RESOLUTIONS BY COMMITTEE ON CAMPAIGN EXPENSES

Mr. WALSH. Mr. President——

Mr. BURKE. I yield to the Senator from Massachusetts.

Mr. WALSH. I ask unanimous consent that there may be printed in the RECORD any action taken or resolutions adopted by the Senate Committee on Campaign Expenses after the adjournment of Congress and before the publication of the last issue of the CONGRESSIONAL RECORD.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

INVESTIGATION OF LOBBYING ACTIVITIES

The Senate resumed the consideration of the motion of Mr. MINTON that the Senate proceed to the consideration of Senate Resolution 279.

Mr. BURKE. Mr. President——

Mr. MINTON. Mr. President, will the Senator from Nebraska yield to me?

Mr. BURKE. I yield to the Senator from Indiana.

Mr. MINTON. I merely wish to say, apropos of the statement I made a while ago regarding the Senator from Maryland [Mr. TYDINGS], and my recollection of what he said, that when I said I had no idea of making a general survey of the newspapers until the suggestion came to me, I did not know that the Senator from Maryland was in Havre de Grace. I would not have mentioned his name in that connection if I had not thought he was here, and could come upon the floor and make his own statement regarding the matter.

Mr. CONNALLY. Mr. President——

Mr. BURKE. I yield to the Senator from Texas.

Mr. CONNALLY. Allow me to state to the Senator from Nebraska and to the Senator from Indiana that I have no knowledge about the matter except that I was requested by my desk mate and colleague the senior Senator from Maryland [Mr. TYDINGS] to make that statement on the floor. I am expressing no opinion, either on the weight of the evidence or otherwise.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. BURKE. I yield to the Senator from Kentucky.

Mr. BARKLEY. I wish to ask the Senator from Indiana, in the time of the Senator from Nebraska, a question.

I understand that the motion which has been made by the Senator from Indiana on the resolution brought in by the Committee to Audit and Control the Contingent Expenses of the Senate has no effect upon the life of the special committee. It merely provides funds which it may use between now and the beginning of the next session of the Congress, if it shall see fit to use them. Is that correct?

Mr. MINTON. The Senator is correct. The committee has enough funds to pay throughout the summer the little corps it now has of two employees. Had we received additional funds, we had intended to employ some additional force; but with the funds we have we shall have ample funds to carry our little force along through the summer, and the life of the committee goes on.

Mr. BARKLEY. Under the circumstances, then——

Mr. BYRNES. Mr. President, will the Senator yield to me?

Mr. BARKLEY. The Senator from Nebraska has the floor.

Mr. BURKE. I yield to the Senator from South Carolina.

Mr. BYRNES. I should like to say to the Senator from Indiana that at the next session the Committee to Audit and Control the Contingent Expenses of the Senate will report a similar resolution providing funds, when we shall have time to discuss this matter at greater length, and give the Senator from Nebraska and the Senator from Indiana an opportunity to discuss it.

Mr. MINTON. I thank the Senator; and I shall welcome the opportunity, if the Senate wishes the Lobby Committee to continue its activities.

Mr. BYRNES. I promise the Senator that I shall do my best to have the resolution reported.

Mr. BURKE. I think the country will be able to survive the absence of the "objective study of newspapers" during the interim.

Mr. MINTON. I will say to the Senator from Nebraska that it may go on anyway. We have enough money to do it.

Mr. BARKLEY. Under the circumstances, which I am delighted to learn exist—that the committee does not die with this session, and that it has funds to carry on its work during the recess—I see no real purpose in prolonging the debate any further tonight, and if the Senator from Nebraska will yield to me for that purpose, I shall ask that the concurrent resolution providing for sine die adjournment be laid down.

Mr. SCHWELLENBACH. Mr. President, will the Senator yield to me?

Mr. BARKLEY. I yield, if I have the floor.

Mr. BURKE. I yield to the Senator from Washington.

Mr. SCHWELLENBACH. Mr. President, as a member of the committee appointed to investigate lobbying activities, I desire to make a very brief statement.

I have been disappointed tonight that it has not been possible to secure a vote of the Senate upon this question. I do not know how the Members of this body feel about the the activities of the special committee. I know, so far as the committee is concerned, that it has gone through the past 3 years trying, we believe faithfully and devotedly, to do its work.

So long as former Senator Black was a member of the committee and chairman of the committee, he was attacked from one end of the country to the other. The attack continued, even by those who last year said it was terrible to attack a member of the Supreme Court. The attack has continued throughout the country upon Mr. Justice Black as a member of the Supreme Court of the United States. It has been astounding to me to see the Members of this body who last year said that any attack upon the Supreme Court, or upon the membership of the Supreme Court, was an attack upon the fundamentals of our Government, joining and cheering the attacks which were made upon Mr. Justice Black since he has been a member of the Supreme Court.

Mr. BURKE. Will the Senator from Washington be a little more specific in that statement?

Mr. SCHWELLENBACH. No; the Senator from Nebraska knows who has been doing it.

Mr. BURKE. I know no Member of this body who has criticized Mr. Justice Black in any respect since he has been upon the Court.

Mr. SCHWELLENBACH. Since Mr. Justice Black left the committee and my colleague, the Senator from Indiana [Mr. MINTON], became its chairman, he has been subjected to

the same sort of a foul attack by the newspapers and the magazines of the country.

For myself, I wish to say that I have served upon the committee under these two chairmen. I know that both of them have honestly and sincerely and courageously tried to carry on a fight for the benefit of the people of the country. No matter what any other Member of this body may think, I am proud of my association upon the committee with Mr. Justice Black and with the junior Senator from Indiana [Mr. MINTON].

Mr. LEWIS. Mr. President, will the Senator yield?

Mr. BURKE. Just a moment, and then I will yield.

I desire to say for myself that I consider that one of the blackest pages in the history of Senate action took place under the direction of the Lobby Investigating Committee; and, so far as I am concerned, I propose to protest vigorously against any repetition of that kind of conduct. Further than that, and before I yield the floor, and as to the purpose behind this resolution——

Mr. MINTON. Will the Senator yield?

Mr. BURKE. I will yield in a moment. I want to read just a few words from the radio address made by the chairman of the Lobby Investigating Committee to indicate what really was in mind. I read from a radio address made on May 12, 1938:

I propose to tell you the story of how the press is used to deceive the people.

And then, going on, not reading the entire article——

Mr. MINTON. Why does not the Senator read it all? I should be glad to have the Senate hear it all.

Mr. BURKE. It is in the RECORD. Those can read it who wish to do so.

Mr. MINTON. Why does the Senator read any of it if he will not read all of it?

Mr. BURKE. Well, none of it is really worth reading.

Mr. MINTON. Why does the Senator read it at all, then?

Mr. CLARK. Mr. President, I make the point of order that a Senator is not allowed to interrupt the remarks of another Senator without addressing the Chair and obtaining permission to do so.

The PRESIDENT pro tempore. That is the rule.

Mr. BURKE. Mr. President, I am still reading from the radio address of the chairman of the Lobby Investigating Committee:

Last Friday a Senate investigating committee called the publisher of that magazine—

Referring to the magazine Rural Progress—

to Washington and asked him about its nonpartisanship, its advertising, etc. This investigation has been so greatly misrepresented to you in the newspapers that I want to give you briefly the evidence brought out at this hearing, and I am grateful to the National Broadcasting Co. for an opportunity to tell you something that some newspapers concealed from you.

Then, if I may be permitted to go to the end of the article—I hope everyone who is interested will read the entire speech as it appears in the CONGRESSIONAL RECORD Appendix, May 13, 1938:

That is all the Senate committee wants. We do not want to stop propaganda or criticism. All we want is that the critic shall stand before you with his sponsors, especially those that put up the bank roll. If you are satisfied with the propaganda and criticism when you know where it is coming from and who pays the bill, that is your business, not ours. So I have removed the mask of Rural Progress so you may know they were deceiving you about where the money came from to publish Rural Progress, and that they are not nonpartisan but just as partisan as the Republican Committee of One Hundred whose chairman is also the head of Rural Progress.

I understood that the purpose of this resolution was to provide funds so that the committee might go out in its own way to attempt to "remove the mask," as the Senator says, from all the editors and publishers of the papers of the country, or, at least, all of those who undertook to espouse a policy with which it may be the chairman of the Lobby Committee did not agree.

I now yield the floor.

Mr. BARKLEY obtained the floor.

Mr. MINTON. Mr. President, will the Senator yield to me for just a minute?

Mr. BARKLEY. I yield to the Senator from Indiana.

Mr. MINTON. I want to say a word about this magazine to which the distinguished Senator from Nebraska has just referred, and which was investigated by the Lobby Committee, known as Rural Progress.

It is a magazine which was sent out into seven so-called pivotal States—Indiana, Illinois, Ohio, Michigan, Wisconsin, Minnesota, and Iowa—seven pivotal States, so the publisher of the magazine said; pivotal on the question of farming. Of course, that would exclude the farming States of Nebraska, both the Dakotas, Kansas, Texas, Oklahoma, Missouri, and a whole host of others which are engaged in farming. The seven named were the seven pivotal political States. This magazine was sent out and put into the mail box of every mail-box holder in seven pivotal States free of charge, and it was represented to the people in the pages of the magazine that the magazine was paid for by the advertisers, that it was wholly nonpartisan, and that it had no ax at all to grind except just to help the farmer to solve his problem.

The facts were, as revealed by the hearing before the Lobby Committee, that it was not a nonpartisan magazine, but that it was consistently against everything that the administration stood for, and that the advertisers did not pay the bill. They lacked $951,000 of paying the bill of their operations for 3 years. In other words, they lost almost a million dollars; and who paid the bill? The "farmers" of Wall Street—Frank Vanderlip; Frank Vanderlip, Jr.; Frank Vanderlip's estate; George Ball, the millionaire manufacturer of Indiana; directors of the Allis-Chalmers Co. of Milwaukee; directors of the Westinghouse Electric Co. They paid the bill to put Rural Progress into the mail box of every farmer in seven pivotal States, under the specious plea that it was a nonpartisan sheet and had no ax to grind in politics, and that the advertisers paid the bill. They repeated time after time in their magazine the assertion that the advertisers paid the bill, when they did not pay the bill by almost a million dollars.

It was nonpartisan? Oh, yes; it was nonpartisan. Who was at the head of it? Mr. Glenn Frank was the editor and publisher of Rural Progress, at a salary of $25,000 a year, paid by a magazine which had never made a dollar during its existence.

The president and publisher, I say, was Mr. Glenn Frank, who directed the policy of Rural Progress, and Rural Progress was just as nonpartisan as Glenn Frank, and he is just as nonpartisan as the Republican Party. [Laughter.]

Mr. President, that is the story of Rural Progress, as it was revealed by the Lobby Committee in its investigation. All we wanted to do was to let the farmers in the seven pivotal States know that this magazine was not paid for by the advertisers, as the magazine said it was, but was paid for by the bankers of Wall Street, the "farmers" upon Wall Street; that it was not nonpartisan, as they represented it to be, but that it was just as partisan as the Republican Party, because Glenn Frank headed it up.

CONFIRMATION OF FRENCH W. GRAHAM AS POSTMASTER

Mr. REYNOLDS. Mr. President, as in executive session, I ask for the consideration of the nomination of French W. Graham to be postmaster at Elkin, N. C., with the explanation that I received several communications requesting that the matter be held up until proposed charges were preferred, and not having heard from them, I now ask that the Senate proceed to act on the nomination.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

ENROLLED BILLS AND JOINT RESOLUTION PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that today, June 16, 1938, that committee presented to the President of the United States the following enrolled bills and joint resolution:

S. 371. An act for the relief of William R. Kellogg;

S. 1043. An act for the relief of A. C. Williams;

S. 1294. An act to amend the act entitled "An act to authorize the President to provide housing for war needs," approved May 16, 1918, as amended;

S. 1478. An act conferring jurisdiction on the Court of Claims to hear and determine the claims of the Choctaw Indians of the State of Mississippi;

S. 2163. An act to authorize the deposit and investment of Indian funds;

S. 2505. An act for the relief of James J. Hogan;

S. 3337. An act to amend section 2 of the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1919, and for other purposes," approved July 1, 1918, to increase the authorized percentage of privates, first class, in the Marine Corps from 25 to 40 percent of the whole number of privates;

S. 3548. An act to amend section 9 of the Civil Service Retirement Act, approved May 29, 1930, as amended;

S. 3774. An act to authorize cooperation between the United States and the State of New York in the protection of the public interest and welfare inherent in certain forest lands in said State through provision for the acquisition and management of said lands;

S. 4007. An act authorizing the county of Lawrence, Ky., to construct, maintain, and operate a free highway bridge across the Big Sandy River at or near Louisa, Ky.;

S. 4011. An act to extend the time for completing the construction of a bridge across the Mississippi River at or near a point between Cherokee and Osage Streets, St. Louis, Mo.;

S. 4036. An act relating to the tribal and individual affairs of the Osage Indians of Oklahoma;

S. 4041. An act granting the consent of Congress to the State of New Jersey and the Commonwealth of Pennsylvania to enter into compacts or agreements with respect to constructing, maintaining, and operating a vehicular tunnel under the Delaware River;

S. 4044. An act to authorize the President to permit citizens of the American Republics to receive instruction at professional educational institutions and schools maintained and administered by the Government of the United States or by Departments or agencies thereof;

S. 4069. An act to authorize the Secretary of War to lend certain property to the reunion committee of the United Confederate Veterans to be used at their annual encampment to be held at Columbia, S. C., from August 30 to September 2, 1938;

S. 4070. An act to authorize the attendance of the Marine Band at the United Confederate Veterans' 1938 Reunion at Columbia, S. C., from August 30 to September 2, 1938, both dates inclusive;

S. 4132. An act limiting the hours of labor of certain officers and seamen on certain vessels navigating the Great Lakes and adjacent waters; and

S. J. Res. 308. Joint resolution to prescribe the acreage allotments for wheat for 1939.

ORDER OF BUSINESS

Mr. BARKLEY obtained the floor.

Mr. REYNOLDS. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. REYNOLDS. Mr. President, I ask unanimous consent that I be heard upon a motion for reconsideration. On the calendar of motions for reconsideration there is listed a motion made by the Senator from Utah [Mr. KING] for the reconsideration of the vote by which Senate bill 2206, to provide for the transfer of the enlisted men of the Coast Guard to the fleet naval reserve, was passed.

Mr. BARKLEY. Mr. President, I do not wish to yield to anything that will consume any time. Is it a motion to reconsider which the Senator desires to have called up?

Mr. REYNOLDS. It is a motion to reconsider which is on the calendar.

Mr. BARKLEY. What is the status of it?

Mr. REYNOLDS. The bill was passed by the Senate. The Senator from Utah [Mr. KING] asked for a reconsideration of the vote by which the bill was passed, and the motion is on the calendar. It was not called during the call of the calendar, and, as a result, I was not provided an opportunity to bring it to the attention of the Senate, and before the adjournment tonight I should like to have a vote on it.

Mr. KING. Mr. President, will the Senator from Kentucky yield,

Mr. BARKLEY. I yield.

Mr. KING. If this is to be taken up for discussion, it will take some time tonight. There are a large number of documents in my office relating to the matter, which I did not suppose would be called up tonight. Naval officials express opposition to the bill.

Mr. BARKLEY. Is this a bill which can be completed and sent to the President merely by a disposition of the motion to reconsider?

Mr. KING. No.

Mr. BARKLEY. What is to be accomplished by reconsidering the vote, then? It is a Senate bill, I am informed, and the House will not act upon it even though the motion to reconsider is defeated and the bill passed. There is no chance for it to be considered in the House, and it seems to me a waste of time to consume time on it now, because the House is not going to consider any further business tonight.

Mr. REYNOLDS. I should like to have a vote on it.

Mr. KING. There will be no vote, Mr. President.

Mr. BARKLEY. I think it is a futile effort. Under the circumstances, I feel that I cannot yield for that purpose.

FINAL ADJOURNMENT RESOLUTION

The PRESIDENT pro tempore. The Chair lays before the Senate a concurrent resolution from the House of Representatives, which will be read.

The Chief Clerk read the concurrent resolution (H. Con. Res. 67), as follows:

Resolved by the House of Representatives (the Senate concurring), That the two Houses of Congress shall adjourn on Thursday the 16th day of June 1938, and that when they adjourn on said day they stand adjourned sine die.

The concurrent resolution was agreed to.

ADJOURNMENT SINE DIE

Mr. BARKLEY. Mr. President, before I make the motion which I shall make in compliance with the concurrent resolution, I wish to express to my colleagues my grateful appreciation for the courtesies and the cooperation which I have received at their hands during this session of the Congress. I have been in Congress many years, but I do not recall a session of the Congress when the Members have been more industrious and more earnest in the performance of their duties than during the session which is now about to close. There have been many questions of difference, controversy, and disagreement. The Senate has disposed of practically all of them in fine spirit and in good humor. We have not indulged in any useless or unnecessary delays in the consideration of measures at this session, and I wish to thank my colleagues on this side of the Chamber for the uniform courtesy and consideration which I have received in the position which I have occupied during the session.

I wish also to express my grateful appreciation to the distinguished senior Senator from Oregon [Mr. MCNARY], the leader of the minority, for his unfailing cooperation and his generous courtesy and cooperation in the transaction of the business of the Senate.

I wish for all the Members of the Senate a joyous return to their homes and their constituents, and to those who may not return here—and there are some who are not asking for reelection—I wish to say that I hope that through the remainder of their years they may carry the happy memory of their association here in this great deliberative body.

I wish likewise to express my appreciation to the members of the press gallery for the forbearance and consideration

and unfailing courtesy which I have received at their hands in dealing with the publication of the news of the Senate.

I wish for all of you a happy return to your homes, a full meed of pleasure, and some repose among your friends and neighbors, and that we may return to the next session of Congress with renewed determination to serve our country with invigorated bodies and minds in the performance of our duties.

Mr. President, in compliance with the terms of the concurrent resolution just adopted, I move that the Senate adjourn.

The motion was agreed to; and (at 8 o'clock and 22 minutes p. m.) the Senate adjourned sine die.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED AND ALSO PRESENTED

Under the authority of House Concurrent Resolution 66, on June 18, 1938, the President pro tempore signed the following enrolled bills and joint resolution, which had previously been signed by the Speaker of the House of Representatives; and on the same date (June 18, 1938) they were presented to the President of the United States by the Committee on Enrolled Bills:

S. 252. An act to exempt publicly owned interstate highway bridges from local taxation;

S. 1532. An act to exempt retired officers of the Marine Corps and Coast Guard from certain restrictions with respect to holding office under the United States;

S. 2090. An act authorizing the naturalization of Vernice May McBroom, and for other purposes;

S. 2338. An act to authorize the Secretary of the Navy to proceed with the construction of certain public works and for other purposes;

S. 2412. An act for the relief of A. Pritzker & Sons, Inc.;

S. 2702. An act for the relief of James A. Ellsworth;

S. 2783. An act to amend the China Trade Act, 1922, as to the duration of the China Trade Act corporations;

S. 2811. An act to amend the act of June 20, 1936, so as to provide for the certification, authentication, and use in evidence of documents of record or on file in public offices in the State of the Vatican City;

S. 3062. An act for the relief of Thomas H. Eckfeldt;

S. 3064. An act for the relief of George Henry Levins;

S. 3171. An act for the relief of William Server Rhodes, chief boatswain's mate, United States Navy, retired;

S. 3189. An act for the relief of Earle Embrey;

S. 3255. An act to provide for the establishment of a mechanism of regulation among over-the-counter brokers and dealers operating in interstate and foreign commerce or through the mails, to prevent acts and practices inconsistent with just and equitable principles of trade, and for other purposes;

S. 3319. An act to authorize certain payments to the Veterans of Foreign Wars of the United States, Inc., and to the Disabled American Veterans of the World War, Inc.;

S. 3346. An act authorizing the Secretary of the Interior to pay salaries and expenses of the chairman, secretary, and interpreter of the Klamath General Council, members of the Klamath Business Committee, and other committees appointed by said Klamath General Council, and official delegates of the Klamath Tribe;

S. 3387. An act for the relief of Hubert J. Cuncannan;

S. 3525. An act to amend the act entitled "An act to extend the benefits of the Civil Service Retirement Act of May 29, 1930, as amended, to certain employees in the legislative and judicial branches of the Government," approved July 13, 1937;

S. 3628. An act to confer jurisdiction on the Court of Claims to hear, determine, and enter judgment upon the claims of Government contractors whose costs of performance were increased as a result of enactment of the National Industrial Recovery Act, June 16, 1933;

S. 3633. An act authorizing the naturalization of Albin H. Youngquist, and for other purposes;

S. 3682. An act for the relief of Lofts & Son;

S. 3763. An act to increase the period for which leases may be made for grazing and agricultural purposes of public lands donated to the States of North Dakota, South Dakota, Montana, and Washington by the act of February 22, 1889, as amended;

S. 3781. An act for the relief of the International Oil Co., of Minot, N. Dak.;

S. 3798. An act to amend the act entitled "An act to establish a Civilian Conservation Corps, and for other purposes," approved June 28, 1937;

S. 3805. An act to adjust the lineal positions on the Navy list of certain officers of the Supply Corps of the United States Navy;

S. 3810. An act to extend to Chief Quartermaster Clerk David C. Buscall, United States Marine Corps (retired), the benefits of the act of May 7, 1932, providing highest World War rank to retired warrant officers;

S. 3817. An act for the relief of John Haslam;

S. 3830. An act for the relief of William C. Willahan;

S. 3891. An act to provide for the reimbursement to certain enlisted men of the Navy for the value of personal effects lost in a fire at the Naval Air Station, Hampton Roads, Va., May 15, 1936;

S. 3937. An act conferring jurisdiction upon the Court of Claims of the United States to hear, determine, and render judgment upon the claim of the Wisconsin Bridge & Iron Co.;

S. 4005. An act for the relief of Ida May Swartz;

S. 4136. An act to facilitate the control of soil erosion and/or flood damage originating upon lands within the exterior boundaries of the Nevada and Toiyabe National Forests in Nevada and to promote efficiency and economy of administration of said national forests; and

S. J. Res. 114. A joint resolution for the relief of certain persons who suffered damages occasioned by the establishment and operation of the Aberdeen Proving Ground.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

Under the authority of House Concurrent Resolution 66, on June 20, 1938, the President pro tempore signed the following House enrolled bills and joint resolutions, which had previously been signed by the Speaker of the House of Representatives:

H. R. 342. An act for the relief of H. Ward Bell;

H. R. 344. An act for the relief of Ford O. Gotham and James McCumber;

H. R. 347. An act for the relief of W. Glenn Larmonth;

H. R. 656. An act for the relief of Elmer W. Haas;

H. R. 667. An act to correct the records of the War Department to show that Guy Carlton Baker and Calton C. Baker or Carlton C. Baker is one and the same person;

H. R. 1251. An act for the relief of Anna L. Andreas and Anita Andreas;

H. R. 1299. An act for the relief of William E. Rich;

H. R. 1768. An act for the relief of Olin J. Salley;

H. R. 2646. An act for the relief of Isabella Hooper Caraway and James Randolph Hooper, a minor;

H. R. 2716. An act to provide for the local delivery rate on certain first-class mail matter;

H. R. 2734. An act to authorize the coinage of 50-cent pieces in commemoration of the four hundredth anniversary of the journey and explorations of Francisco Vasquez de Coronado;

H. R. 3357. An act conferring jurisdiction upon the United States District Court for the Northern District of California to hear, determine, and render judgment upon the claim of Fred Owens;

H. R. 3618. An act to reestablish the longevity pay of warrant officers;

H. R. 3761. An act for the relief of Dudley E. Essary;

H. R. 3961. An act for the relief of the estate of Benjamin A. Pillsbury (William J. Pillsbury, executor);

H. R. 4115. An act for the relief of Roy M. Young;

H. R. 4540. An act authorizing the Red Lake Band of Chippewa Indians in the State of Minnesota to file suit in the Court of Claims, and for other purposes;

H. R. 4691. An act for the relief of Pompeo Ercolano;

H. R. 4996. An act for the relief of Sue VanRyn; Donald A. VanRyn, a minor; and the estate of Margaret Breseman, deceased;

H. R. 5804. An act to provide for the residence of the United States commissioners appointed for the national parks, and for other purposes;

H. R. 6168. An act to amend section 239 of the act of June 8, 1872 (17 Stat. 312, U. S. C., title 39, sec. 500);

H. R. 6178. An act to abolish appeals in habeas corpus proceedings brought to test the validity of orders of removal;

H. R. 6591. An act to exempt from cancelation certain desert-land entries in Riverside County, Calif.;

H. R. 6805. An act for the relief of William Moseley;

H. R. 6820. An act for the relief of Elizabeth Vresh (Yalga Vres), her son Frederick Vresh, and her daughter Sylvia Vresh Bronowitz;

H. R. 6925. An act to provide for a national cemetery in every State;

H. R. 7039. An act for the relief of Paul Hirschmann;

H. R. 7084. An act to provide that all cabs for hire in the District of Columbia be compelled to carry insurance for the protection of passengers, and for other purposes;

H. R. 7144. An act for the relief of the Curtiss Aeroplane & Motor Co., Inc.;

H. R. 7294. An act for the relief of Bartholemew Harrington;

H. R. 7369. An act to validate certain certificates of naturalization granted by the United States District Court for the District of Hawaii;

H. R. 7515. An act to authorize the sale of certain lands of the Eastern Band of Cherokee Indians, North Carolina;

H. R. 7854. An act for the relief of Joseph Gross;

H. R. 8047. An act to amend the Meat Inspection Act of March 4, 1907, as amended and extended, with respect to its application to farmers, retail butchers, and retail dealers;

H. R. 8199. An act for the relief of Mrs. Olive Fletcher Conklin;

H. R. 8434. An act to liberalize the laws providing pensions for the dependents of veterans whose death resulted from service prior to April 21, 1898;

H. R. 8753. An act for the relief of the Choctaw Cotton Oil Co., of Ada, Okla.;

H. R. 8799. An act for the relief of William B. Blaufuss;

H. R. 9012. An act for the relief of Joseph Webbe;

H. R. 9132. An act for the relief of Celia Koehler;

H. R. 9133. An act for the relief of William Monroe;

H. R. 9135. An act for the relief of Emons Wolfer;

H. R. 9171. An act directing the Court of Claims to reopen certain cases and to correct the errors therein, if any, by additional judgments against the United States;

H. R. 9199. An act for the relief of Helen M. Krekler and the estate of Kemp Plummer;

H. R. 9282. An act for the relief of the estate of D. B. Carter;

H. R. 9448. An act for the relief of Charles G. Bostwick;

H. R. 9516. An act for the relief of J. T. Herren and Billie Herren, a minor;

H. R. 9543. An act for the relief of Mr. and Mrs. Harold E. Theriault;

H. R. 9569. An act for the relief of Charles P. McCarthy and the Paul Revere Fire Insurance Co.;

H. R. 9731. An act for the relief of James J. Coyne;

H. R. 9739. An act to amend the Interstate Commerce Act, as amended, by amending certain provisions of part II of said act otherwise known as the Motor Carrier Act, 1935;

H. R. 9795. An act for the relief of Michael J. Muldowney;

H. R. 9859. An act for the relief of Victor H. Todaro;

H. R. 9868. An act for the relief of Harry J. Somerville;

H. R. 10024. An act to establish the Olympic National Park, in the State of Washington, and for other purposes;

H. R. 10043. An act for the relief of employees of the Works Progress Administration whose tools and personal property were damaged or destroyed by fire at Roosevelt Stadium, Jersey City, N. J.;

H. R. 10051. An act to provide for travel allowance to railway mail clerks assigned to road duty;

H. R. 10135. An act for the relief of James Philip Coyle;

H. R. 10136. An act for the relief of John Patrick Toth;

H. R. 10339. An act for the relief of Isaac Friedlander;

H. R. 10380. An act to amend the act entitled "An act to incorporate the Society of American Florists and Ornamental Horticulturists within the District of Columbia;

H. R. 10506. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River between St. Louis, Mo., and Stites, Ill.;

H. R. 10507. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near a point between Morgan and Wash Streets in the city of St. Louis, Mo., and a point opposite thereto in the city of East St. Louis, Ill.;

H. R. 10527. An act for the relief of the American National Bank, of Kalamazoo, Mich.;

H. R. 10540. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Arrow Rock, Mo.;

H. R. 10605. An act to authorize the appropriation of funds for the development of rotary-wing and other aircraft;

H. R. 10610. An act granting the consent of Congress to the Iowa State Highway Commission to reconstruct or construct, maintain, and operate a free highway bridge across the Des Moines River, at or near Keosauqua, Iowa;

H. R. 10632. An act authorizing the Port Authority of Duluth, Minn., and the Harbor Commission of Superior, Wis., to construct a highway bridge across the St. Louis River from Rice's Point in Duluth, Minn., to Superior in Wisconsin;

H. R. 10670. An act to extend the times for commencing and completing the construction of a bridge across the Wabash River at or near Merom, Sullivan County, Ind.;

H. R. 10752. An act to authorize Federal cooperation in the acquisition of the "Muir Wood Toll Road," located in Marin County, State of California, and for other purposes;

H. R. 10777. An act authorizing the village of Baudette, State of Minnesota, its successors and assigns, to construct, maintain, and operate a bridge across the Rainy River at Baudette, Minn.;

H. R. 10835. An act to authorize the county of Kauai to issue bonds of such county in the year 1938 under the authority of Act 186 of the Session Laws of Hawaii, 1937, in excess of 1 percent of the assessed value of the property in said county as shown by the last assessment for taxation;

H. R. 10842. An act creating the Cassville-Guttenberg Bridge Commission and authorizing said commission and its successors to construct, maintain, and operate a bridge or bridges across the Mississippi River at or near Cassville, Wis., and Guttenberg, Iowa;

H. R. 10851. An act making appropriations to supply deficiences in certain appropriations for the fiscal year ending June 30, 1938, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1938, and June 30, 1939, and for other purposes;

H. R. 10866. An act authorizing the States of Minnesota and Wisconsin, jointly or separately, to construct, maintain, and operate a free highway bridge across the Mississippi River at or near Winona, Minn.;

H. R. 10873. An act to authorize the conveyance to the Arthur Alexander Post, No. 68, the American Legion, of Belzoni, Miss., of the improvements and site containing 18 acres of land, more or less, at lock and dam No. 1 on the Sunflower River, Miss.;

H. R. 10895. An act to amend an act of Congress approved August 16, 1937, relating to death damage claims in the cases of Marshall Campbell and Raymond O'Neal;

H. R. 10907. An act to provide for the vesting of title and the disposition of personal property left or found upon premises used as Veterans' Administration facilities, and for other purposes;

H. R. 10935. An act to authorize the Secretary of War to lend War Department equipment for use at the convention of the American Legion of New York during the month of August 1938;

H. J. Res. 281. Joint resolution to authorize sales and exchanges by the State of Wisconsin, notwithstanding certain provisions in the act of August 22, 1912 (37 Stat. 324);

H. J. Res. 551. Joint resolution providing compensation for certain employees;

H. J. Res. 663. Joint resolution to provide for the operation of the Peru and Indianapolis Railway Post Office by motor vehicle over the public highways;

H. J. Res. 681. Joint resolution to amend the Naturalization Act of June 29, 1906 (34 Stat. 596), as amended;

H. J. Res. 707. Joint resolution requesting the President of the United tSates to proclaim the week of May 31, 1939, National Flood Prevention Week;

H. J. Res. 714. Joint resolution for the relief of certain aliens; and

H. J. Res. 723. Joint resolution to amend H. R. 10672, Seventy-fifth Congress, third session, entitled "An act to amend section 4197 of the Revised Statutes, as amended (U. S. C., 1934 ed., title 46, sec. 91), and section 4200 of the Revised Statutes (U. S. C., 1934 ed., title 46, sec. 92), and for other purposes," so as to correct a typographical error.

ENROLLED BILLS SIGNED, AND ALSO PRESENTED

Under the authority of House Concurrent Resolution 66, on June 20, 1938, the President pro tempore signed the following enrolled bills, which had previously been signed by the Speaker of the House of Representatives; and on June 21, 1938, they were presented to the President of the United States by the Committee on Enrolled Bills:

S. 3. An act to regulate commerce in firearms;

S. 662. An act for the relief of Jeanne Rich, a minor;

S. 1131. An act to amend the part of the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1921, and for other purposes," approved June 4, 1920, relating to the conservation, care, custody, protection, and operation of the naval petroleum and oil-shale reserves;

S. 2403. An act to prohibit the transportation of certain persons in interstate or foreign commerce during labor controversies, and for other purposes;

S. 3283. An act to authorize the Secretary of the Interior to place certain records of Indian tribes of Nebraska with the Nebraska State Historical Society, at Lincoln, Nebr., under rules and regulations to be prescribed by him;

S. 3403. An act for the relief of Leonard Braboski;

S. 3493. An act providing for the suspension of annual assessment work on mining claims held by location in the United States;

S. 3516. An act to alter the ratio of appropriations to be apportioned to the States for public employment officer affiliated with the United States Employment Service;

S. 3517. An act for the relief of David B. Monroe;

S. 3560. An act to revise the boundaries of the Colonial National Historical Park in the State of Virginia, and for other purposes;

S. 3684. An act to amend section 113 of the Judicial Code, as amended;

S. 3921. An act for the relief of Remigio Ortiz; and

S. 3957. An act for the relief of James Thow, Charles Thow, and David Thow.

APPROVAL OF SENATE BILLS AND JOINT RESOLUTION

The President of the United States, subsequent to the final adjournment of the third session of the Seventy-fifth Congress, notified the Secretary of the Senate that he had approved acts and a joint resolution of the Senate, as follows:

On June 20, 1938:

S. 213. An act for the relief of Ida A. Gunderson;

S. 606. An act for the relief of Mabel F. Hollingsworth;

S. 866. An act for the relief of the estate of James D. McEachern;

S. 2072. An act for the relief of Stuart C. Peterson;

S. 2629. An act to authorize an exchange of lands between the city of San Diego, Calif., and the United States;

S. 2876. An act for the relief of Mark H. Doty;

S. 2948. An act for the relief of A. J. Moses and Gladys Moses, a minor;

S. 3034. An act for the relief of Faye B. Millie;

S. 3227. An act for the relief of Mr. and Mrs. Chester A. Smith;

S. 3263. An act for the relief of the State of Georgia;

S. 3415. An act to purchase certain private lands within the Shoshone (Wind River) Indian Reservation;

S. 3426. An act to authorize an appropriation for repayment to the Middle Rio Grande Conservancy District, a subdivision of the State of New Mexico, of the share of the said district's construction and operation and maintenance costs applicable to certain properties owned by the United States, situated in Bernalillo County, N. Mex., within the exterior boundaries of the district; to authorize the Secretary of the Interior to contract with said district for future operation and maintenance charges against said lands; to authorize appropriation for extra construction work performed by said district for the special benefit of certain Pueblo Indian lands and to authorize appropriation for construction expenditures benefiting certain acquired lands of Pueblo Indians of the State of New Mexico;

S. 3469. An act to amend section 128 of the Judicial Code as amended;

S. 3470. An act for the relief of Lewis M. Foster;

S. 3512. An act for the relief of Elizabeth Cory;

S. 3561. An act for the relief of certain individuals in connection with the construction, operation, and maintenance of the Fort Hall Indian irrigation project, Idaho;

S. 3573. An act for the relief of William J. Pitochelli;

S. 3587. An act for the relief of Mr. and Mrs. P. F. Nixon, parents of Herschel Lee Nixon, deceased minor son;

S. 3719. An act for the relief of Manuel L. Clay;

S. 3739. An act for the relief of Alpha T. Johnson;

S. 3754. An act to amend sections 729 and 743 of the Code of Laws of the District of Columbia;

S. 3917. An act authorizing the President to present gold medals to Mrs. Richard Aldrich and posthumously to Anna Bouligny;

S. 4050. An act to repeal section 2 of the act of June 16, 1936, authorizing the appointment of an additional district judge for the eastern district of Pennsylvania; and

S. J. Res. 308. Joint resolution to prescribe the acreage allotments for wheat for 1939.

On June 21, 1938:

S. 2739. An act for the relief of certain employees of the Federal Emergency Administration of Public Works and the National Resources Committee;

S. 3005. An act to confer jurisdiction on the Court of Claims to hear and determine the claim of the A. C. Messler Co.;

S. 3540. An act for the relief of certain personnel of the Coquille River Coast Guard Station, Bandon, Oreg.;

S. 3734. An act for the relief of certain officers and enlisted men of the United States Coast Guard; and

S. 4070. An act to authorize the attendance of the Marine Band at the United Confederate Veterans' 1938 Reunion at Columbia, S. C., from August 30 to September 2, 1938, both dates inclusive.

On June 22, 1938:

S. 82. An act for the relief of F. A. Rumery & Sons, of Portland, Maine;

S. 652. An act for the relief of John B. Jones;

S. 1239. An act for the relief of John W. Beck;

S. 1272. An act relative to the military record of James Meagher, deceased;

S. 1346. An act for the relief of Stillwell Bros., Inc.;

S. 2532. An act for the relief of Mr. and Mrs. Guy R. Syth;

S. 2994. An act for the relief of Mrs. Morgan R. Butler;

S. 3031. An act for the relief of the Lima Locomotive Works, Inc.;

S. 3079. An act for the relief of George W. Breckenridge;

S. 3337. An act to amend section 2 of the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1919, and for other purposes," approved July 1, 1918, to increase the authorized percentage of privates, first-class, in the Marine Corps from 25 to 40 percent of the whole number of privates;

S. 3446. An act for the relief of Richard K. Gould;

S. 3490. An act for the relief of Benjamin H. Faith;

S. 3534. An act for the relief of Christ Rieber;

S. 3940. An act authorizing the Comptroller General of the United States to adjust and settle the claim of Oscar L. Mather; and

S. 4076. An act to amend the Federal Crop Insurance Act.

On June 23, 1938:

S. 1043. An act for the relief of A. C. Williams;

S. 2437. An act for the relief of Oscar Jones;

S. 2797. An act for the relief of Miriam Thornber;

S. 3548. An act to amend section 9 of the Civil Service Retirement Act, approved May 29, 1930, as amended;

S. 3584. An act for the relief of G. E. Maxwell;

S. 3845. An act to create a Civil Aeronautics Authority, and to promote the development and safety and to provide for the regulation of civil aeronautics; and

S. 4132. An act limiting the hours of labor of certain officers and seamen on certain vessels navigating the Great Lakes and adjacent waters.

On June 24, 1938:

S. 2163. An act to authorize the deposit and investment of Indian funds;

S. 2505. An act for the relief of James J. Hogan;

S. 4007. An act authorizing the county of Lawrence, Ky., to construct, maintain, and operate a free highway bridge across the Big Sandy River at or near Louisa, Ky.;

S. 4011. An act to extend the time for completing the construction of a bridge across the Mississippi River at or near a point between Cherokee and Osage Streets, St. Louis, Mo.;

S. 4036. An act relating to the tribal and individual affairs of the Osage Indians of Oklahoma; and

S. 4044. An act to authorize the President to permit citizens of the American republics to receive instruction at professional educational institutions and schools maintained and administered by the Government of the United States or by departments or agencies thereof.

On June 25, 1938:

S. 5. An act to prohibit the movement in interstate commerce of adulterated and misbranded food, drugs, devices, and cosmetics, and for other purposes;

S. 371. An act for the relief of William R. Kellogg;

S. 375. An act for the relief of Mrs. John Olson;

S. 824. An act for the relief of Sam Kimzey;

S. 1294. An act to amend the act entitled "An act to authorize the President to provide housing for war needs," approved May 16, 1918, as amended;

S. 1532. An act to exempt retired officers of the Marine Corps and Coast Guard from certain restrictions with respect to holding office under the United States;

S. 1987. An act for the relief of George J. Leatherwood;

S. 2052. An act for the relief of Henry E. Reents;

S. 2090. An act authorizing the naturalization of Vernice May McBroom, and for other purposes;

S. 2338. An act to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes;

S. 2475. An act to provide for the establishment of fair labor standards in employments in and affecting interstate commerce, and for other purposes;

S. 2624. An act for the relief of Emmett Lee Payne;

S. 2702. An act for the relief of James A. Ellsworth;

S. 2783. An act to amend the China Trade Act, 1922, as to the duration of the China Trade Act corporations;

S. 2811. An act to amend the act of June 20, 1936, so as to provide for the certification, authentication, and use in evidence of documents of record or on file in public offices in the State of the Vatican City;

S. 2819. An act to create a Committee on Purchases of Blind-Made Products, and for other purposes;

S. 2890. An act for the relief of Clarence Daniel, a minor;

S. 2895. An act for the relief of Leona Draeger;

S. 3057. An act for the relief of John Fanning;

S. 3062. An act for the relief of Thomas H. Eckfeldt;

S. 3064. An act for the relief of George Henry Levins;

S. 3142. An act for the relief of Lt. Comdr. Robert R. Blaisdell and Lt. Edward W. Hawkes (retired), Supply Corps, United States Navy;

S. 3171. An act for the relief of William Server Rhodes, chief boatswain's mate, United States Navy, retired;

S. 3189. An act for the relief of Earle Embrey;

S. 3255. An act to provide for the establishment of a mechanism of regulation among over-the-counter brokers and dealers operating in interstate and foreign commerce or through the mails to prevent acts and practices inconsistent with just and equitable principles of trade, and for other purposes;

S. 3346. An act authorizing the Secretary of the Interior to pay salaries and expenses of the chairman, secretary, and interpreter of the Klamath General Council, members of the Klamath business committee and other committees appointed by said Klamath General Council, and official delegates of the Klamath Tribe;

S. 3387. An act for the relief of Hubert J. Cuncannan;

S. 3403. An act for the relief of Leonard Graboski;

S. 3517. An act for the relief of David B. Monroe;

S. 3525. An act to amend the act entitled "An act to extend the benefits of the Civil Service Retirement Act of May 29, 1930, as amended, to certain employees in the legislative and judicial branches of the Government," approved July 13, 1937;

S. 3628. An act to confer jurisdiction on the Court of Claims to hear, determine, and enter judgment upon the claims of Government contractors whose costs of performance were increased as a result of enactment of the National Industrial Recovery Act, June 16, 1933.

S. 3633. An act authorizing the naturalization of Albin H. Youngquist, and for other purposes;

S. 3763. An act to increase the period for which leases may be made for grazing and agricultural purposes of public lands donated to the States of North Dakota, South Dakota, Montana, and Washington by the act of February 22, 1889, as amended;

S. 3781. An act for the relief of the International Oil Co., of Minot, N. Dak.;

S. 3793. An act to amend the act entitled "An act to establish a Civilian Conservation Corps, and for other purposes," approved June 28, 1937;

S. 3805. An act to adjust the lineal positions on the Navy list of certain officers of the Supply Corps of the United States Navy;

S. 3810. An act to extend to Chief Quartmaster Clerk David C. Buscall, United States Marine Corps (retired), the benefits of the act of May 7, 1932, providing highest World War rank to retired warrant afficers;

S. 3817. An act for the relief of John Haslam;

S. 3830. An act for the relief of William C. Willahan;

S. 3846. An act relating to the levying and collecting of taxes and assessments, and for other purposes (5 p. m., E. S. T.);

S. 3891. An act to provide for the reimbursement of certain enlisted men of the Navy for the value of personal effects lost in a fire at the naval air station, Hampton Roads, Va., May 15, 1936;

S. 3921. An act for the relief of Remijio Ortiz;

S. 3929. An act to authorize the Legislature of Puerto Rico to create public corporate authorities to undertake slum clearance and projects, to provide dwelling accommodations for families of low income, and to issue bonds therefor; to au-

thorize the legislature to provide for financial assistance to such authorities by the government of Puerto Rico and its municipalities, and for other purposes;

S. 3937. An act conferring jurisdiction upon the Court of Claims of the United States to hear, determine, and render judgment upon the claim of the Wisconsin Bridge & Iron Co.;

S. 3957. An act for the relief of James Thow, Charles Thow, and David Thow;

S. 4005. An act for the relief of Ida May Swartz;

S. 4024. An act authorizing advancements from the Federal Emergency Administration of Public Works for the construction of certain municipal buildings in the District of Columbia, and for other purposes;

S. 4041. An act granting the consent of Congress to the State of New Jersey and the Commonwealth of Pennsylvania to enter into compacts or agreements with respect to constructing, maintaining, and operating a vehicular tunnel under the Delaware River;

S. 4069. An act to authorize the Secretary of War to lend certain property to the reunion committee of the United Confederate Veterans to be used at their annual encampment to be held at Columbia, S. C., from August 30 to September 2, 1938; and

S. 4136. An act to facilitate the control of soil erosion and/or flood damage originating upon lands within the exterior boundaries of the Navada and Toiyabe National Forests in Nevada and to promote efficiency and economy of administration of said national forests.

On June 28, 1938:

S. 2412. An act for the relief of A. Pritzker & Sons, Inc.; and

S. 3560. An act to revise the boundaries of the Colonial National Historical Park in the State of Virginia, and for other purposes.

On June 29, 1938:

S. 662. An act for the relief of Jeanne Rich, a minor;

S. 2403. An act to prohibit the transportation of certain persons in interstate or foreign commerce during labor controversies, and for other purposes;

S. 3283. An act to authorize the Secretary of the Interior to place certain records of Indian tribes of Nebraska with the Nebraska State Historical Society, at Lincoln, Nebr., under rules and regulations to be prescribed by him;

S. 3493. An act providing for the suspension of annual assessment work on mining claims held by location in the United States;

S. 3516. An act to alter the ratio of appropriations to be apportioned to the States for public-employment officers affiliated with the United States Employment Service; and

S. 3684. An act to amend section 113 of the Judicial Code, as amended.

On June 30, 1938:

S. 3. An act to regulate commerce in firearms; and

S. 1131. An act to amend the part of the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1921, and for other purposes," approved June 4, 1920, relating to the conservation, care, custody, protection, and operation of the naval petroleum and oil-shale reserves.

DISAPPROVAL OF SENATE BILLS

The President of the United States, subsequent to the final adjournment of the third session of the Seventy-fifth Congress, transmitted to the Secretary of the Senate lists of bills and a joint resolution of the Senate disapproved by him, with his reasons for such action, as follows:

On June 20, 1938:

S. 988. An act to amend an act entitled "An act to establish in the Bureau of Foreign and Domestic Commerce of the Department of Commerce a Foreign Commerce Service of the United States, and for other purposes," approved March 3, 1927, as amended.

"I have withheld approval of S. 988, Seventy-fifth Congress, entitled 'An act to amend an act entitled "An act to establish in the Bureau of Foreign and Domestic Commerce of the Department of Commerce a Foreign Commerce Service of the United States, and for other purposes," approved March 3, 1927, as amended.'

"The major purposes of the bill are (1) the establishment of a retirement system for the members of the Foreign Commerce Service, (2) provision for automatic promotions in salary within grades for the personnel of this service having satisfactory or better ratings, and (3) authorization, at posts outside the continental limits of the United States, for the payment to these officers of compensation, in addition to salaries and other allowances, to meet unusual or excessive costs of living.

"It is apparently the intention of this legislation to make provision for the members of the Foreign Commerce Service of the Department of Commerce similar to that provided by the act of February 23, 1931, for the Foreign Service officers of the Department of State.

"I am in hearty accord with legislation tending to bring all Government service to a common basis as far as this may be practicable, but feel constrained to withhold approval of this bill for the following reasons:

"The retirement system provided in section 9 of the bill is practically identical with and financed in precisely the same manner as that provided by the act of February 23, 1931, for the Foreign Service officers of the Department of State. The means prescribed in the 1931 act for financing the retirement system established for Foreign Service officers of the State Department will not provide a fund adequate to meet eventual requirements. There has been in process for some time, at my direction, a compilation of basic actuarial data required to formulate, for submission to the Congress, proposed legislation necessary to provide a sound and permanently solvent fund for payment of retired officers of that Service. It follows that the enactment of S. 988 into law would establish for the Foreign Commerce Service a retirement system definitely known to be defective in its financial provisions and not therefore in the interest of the public or the personnel concerned.

"The whole subject of coordinating the work of several departments and agencies of the Government which relates to foreign service is under study, and I believe should be acted on comprehensively at the next session of the Congress. Disapproval of this measure is recommended by the State Department, the Civil Service Commission, and the Director of the Budget."

S. 2208. An act for the relief of Bruce G. Cox and Harris A. Allister.

"I have withheld by approval of S. 2208, entitled 'An act for the relief of Bruce G. Cox and Harris A. Allister.'

"This bill would release Bruce G. Cox and Harris A. Allister, respectively, from liability to refund to the United States such moneys as have been paid them, pursuant to certain dental authorizations issued and vouchers approved in connection therewith, between April 1, 1926, and January 12, 1933, and further would reimburse them for such refundments to the United States as they may have already made.

"After consideration of the entire record in this case, I feel that persons who knowingly make untrue certificates in Government vouchers should under the law be held accountable therefor and that there appear to be no facts or circumstances which would justify singling out the beneficiaries named in the bill for preferential treatment."

On June 22, 1938.

S. 44. An act for the relief of Edward N. Jerry.

"I am withholding my approval of S. 44, Seventy-fifth Congress, third session, 'An act for the relief of Edward N. Jerry.'

"The purpose of this measure is to authorize the said Edward N. Jerry to file with the Veterans' Administration within 6 months from date of approval of the above bill an application for benefits under the Emergency Officers' Retirement Act of 1928, Mr. Jerry originally having failed to file within the 12 months' time limit fixed in that act.

"I have given this case careful and sympathetic consideration and recognize, too, the propriety of affording relief in

exceptional and meritorious cases where a technicality results in denial of benefits otherwise authorized. However, Mr. Jerry's case is one of failure to file within 1 year of the passage of the Emergency Officers' Retirement Act, and in that respect differs in no way from that of others who are specifically excluded from emergency officer retirement benefits by reason of failure to apply within the time limit fixed by the law. There would, therefore, seem to be no justification for granting preferment in this particular instance."

S. 1168. An act for the relief of Joseph W. Bollenbeck.

"I have withheld my approval of S. 1168, which provides that in the administration of any laws conferring rights, privileges, or benefits upon retired officers of the United States Army, Joseph W. Bollenbeck, captain, United States Army, shall be held and considered, notwithstanding any other provision of law, to have been classified in class A and to have been retired on May 31, 1935, under section 1251 of the Revised Statutes for incapacity which was a result of an accident of service. The measure further provides that no back pay, allowance, compensation, or other benefit shall be held to have accrued prior to the passage of this act.

"From the facts in this case on record in the War Department, it appears that Captain Bollenbeck, who was born February 16, 1891, served in the Army for more than 17 years and was retired from active service May 31, 1935, under the provisions of section 24b of the act of June 4, 1920, as amended. Proper authority having determined that his retirement was not due to his neglect, misconduct, or avoidable habits, he receives retired pay at the rate of $1,593.75 per annum.

"Briefly stated, this bill would nullify the action of legally constituted agencies of the War Department that have functioned in this officer's case. It would change his status to that of an officer retired under section 1251, Revised Statutes, which provides for retirement of officers who have been found incapacitated by an Army retiring board, without making provision for his appearance before such board. It further appears from the records of the War Department that his retirement was accomplished in strict accordance with the provisions of existing law, that his rights were duly safeguarded, and the records do not indicate that he had any incapacitating disability at the time of his retirement.

"Therefore, I can see no reason for singling Captain Bollenbeck out for preferential treatment at this time for the purpose of changing his retired status, and thereby increasing his retired pay."

S. 2408. An act for the relief of John H. Balmat, Jr.

"I am withholding my approval of S. 2408, Seventy-fifth Congress, third session, 'An act for the relief of John H. Balmat, Jr.'

"The purpose of this measure is to authorize the said John H. Balmat, Jr., to file with the Veterans' Administration within 6 months from date of approval of the above bill an application for benefits under the Emergency Officers' Retirement Act of 1928, Mr. Balmat originally having failed to file within the 12 months time limit fixed in that act.

"I have given this case careful and sympathetic consideration and recognize, too, the propriety of affording relief in exceptional and meritorious cases where a technicality results in denial of benefits otherwise authorized. However, Mr. Balmat's case is one of failure to file within 1 year of the passage of the Emergency Officers' Retirement Act, and in that respect differs in no way from that of others who are specifically excluded from emergency officer retirement benefits by reason of failure to apply within the time limit fixed by the law. There would, therefore, seem to be no justification for granting preferment in this particular instance."

S. 2594. An act authorizing the President of the United States to summon Sam Alexander before an Army retiring board, and for other purposes.

"I have withheld approval of the bill S. 2594 entitled 'An act authorizing the President of the United States to summon Sam Alexander before an Army retiring board, and for other purposes.'

"This bill would authorize me to summon Sam Alexander, formerly a field clerk, Quartermaster Corps, United States Army, and major, Signal Corps, United States Army, before a retiring board for the purpose of hearing his case and inquiring whether at the time of his separation from the service he was incapacitated for active service and whether such incapacity was a result of an incident of service and if, as a result of such hearing and inquiry, it is found that he was so incapacitated that I be authorized to appoint him a warrant officer, Regular Army, and place him immediately thereafter upon the retired list of the Army, with the same privileges and retired pay as are now or may hereafter be provided by law or regulation for warrant officers of the Regular Army.

"The official records of the War Department show that Mr. Alexander served as an enlisted man in the Regular Army from June 12, 1900, to June 7, 1901, as a field clerk, Quartermaster Corps, United States Army, from December 27, 1916, to February 10, 1918, and as an emergency officer during the World War from February 11, 1918, to February 9, 1920, on which last named date he was discharged, for his own convenience, from his commission as an emergency officer.

"At none of the times when Mr. Alexander was separated from the military service was he entitled under the law to be placed on any retired list of the Regular Army for any reason whatsoever.

"Irrespective of any determination which might now be made of the extent of any disability which existed at the time of Mr. Alexander's separation from the service on February 9, 1920, I cannot give my approval to special legislation designed to confer upon an individual retirement rights not accorded under the general laws in effect at the time the individual is separated from service. The retirement system of the military services is maintained primarily as a means of vitalizing the active list and its use as a means for conferring a private benefit or gratuity upon an individual not entitled to such under the general laws is contrary to sound policy."

On June 23, 1938:

S. 667. An act for the relief of William E. Jones, Walter M. Marston, William Ellery, Richard P. Hallowell, 2d, and Malcolm Donald as executors under the will of Frank W. Hallowell; and Malcolm Donald as executor under the will of Gordon Donald.

"I have found it necessary to withhold my approval of S. 667 for the relief of William E. Jones, Walter M. Marston, William Ellery, Richard P. Hallowell, 2d, and Malcolm Donald, as executors under the will of Frank W. Hallowell; and Malcolm Donald as executor under the will of Gordon Donald.

"S. 667 is a bill to authorize and direct the Commissioner of Internal Revenue to receive, consider, and determine, in accordance with law, but without regard to any statute of limitations, any claims filed by the above-named individuals for refund of income and excess-profits taxes in excess of tax properly due for the year 1917.

"Under the provisions of the Revenue Act of 1917 a partnership was required to file a return and pay income and excess-profits tax. Treasury regulations provided that in computing the amount of income to be taxed to the partners as individuals a credit to the extent of the excess-profits tax paid by the partnership was to be allowed against the total partnership income. On this basis the claimants and decedents as members of a partnership paid their tax for the year 1917. Long after the period of limitation for filing refund claims by these individuals had expired, the Circuit Court of Appeals for the Second Circuit, in a case involving another taxpayer, held that a proportionate amount of the total excess-profits tax paid by the partnership was again to be credited on the individual returns of the respective partners. No claims for the refund of tax alleged to have been overpaid were filed at any time by claimants or decedents nor was any obstacle placed in their way to file such claims. The failure on the part of claimants and decedents to pursue the legal remedies prescribed by statute in the matter of filing refund claims and instituting court proceedings upon

a possible rejection of their claims was wholly voluntary on the part of these individuals.

"Consequently, in this regard S. 667 does not differ from other bills to except certain taxpayers from the operation of the statutes of limitations, a number of which bills I have disapproved. On those occasions, I expressed my accord with the enacted policy of Congress that it is sound to include in all revenue acts, statutes of limitations, and by the operation of which, after a fixed period of time, it becomes impossible for the Government to collect additional taxes or for the taxpayer to obtain a refund of an overpayment of taxes. I pointed out in each instance that such legislation selects an individual taxpayer, or a small class of taxpayers, for special treatment by excepting them from that policy, thus discriminating against the whole body of Federal taxpayers and establishing a precedent which would open the door to relief in all cases in which the statute operates to the prejudice of a particular taxpayer, while leaving the door closed to the Government in those cases in which the statute operates to the disadvantage of the Government.

"I must again express my belief that the field of special legislation should not be opened to relieve special classes of taxpayers from the consequences of their failure to perfect their claims for the refund of taxes within the period fixed by law."

S. 945. An act for the relief of the Community Investment Co., Inc.

"I have found it necessary to withhold my approval of S. 945, for the relief of the Community Investment Co., Inc., of Burbank, Calif.

"This bill would authorize and direct the Secretary of the Treasury to pay to the Community Investment Co., Inc., the sum of $1,896.69, in settlement of a claim against the United States for a refund of income taxes for the year 1926, which claim was disallowed by the Treasury Department on the ground of failure to file within the statutory period of limitations.

"I have on several occasions in the past expressed my accord with the enacted policy of Congress that it is sound to include in all revenue acts, statutes of limitations, by the operation of which, after a fixed period of time, it becomes impossible for the Government to collect additional taxes or for a taxpayer to obtain a refund of an overpayment of taxes. In each instance I have pointed out that legislation, such as the proposed bill, which selects an individual taxpayer, or a small class of taxpayers, for special treatment by excepting them from that policy, discriminates against the whole body of Federal taxpayers, and establishes a precedent which would open the door to relief in all cases in which the statute operates to the prejudice of a particular taxpayer, while leaving the door closed to the Government in those cases in which the statute operates to the disadvantage of the Government.

"In this regard, the instant measure, S. 945, does not differ in principle from the prior bills which I have disapproved. I know of no circumstances which would justify the exception made by S. 945 to the long-continued policy of Congress, and reiterate my belief that the field of special legislation should not be opened to relieve special classes of taxpayers from the consequences of their failure to perfect their claims for the refund of taxes within the period fixed by law."

S. 2541. An act for the relief of the estate of George Ehret, Jr.

"I have found it necessary to withhold my approval of S. 2541, entitled 'An act for the relief of the estate of George Ehret, Jr.,' late of the State of New York.

"S. 2541 authorizes and directs the Commissioner of Internal Revenue to receive, consider, and determine, in accordance with law but without regard to any statute of limitations, any claim filed within 60 days after the enactment of S. 2541 into law by and on behalf of the estate of George Ehret, Jr., for refund of Federal estate tax in excess of the tax properly due.

"The decedent died on March 27, 1929, and in due course a Federal estate-tax return was filed. In April 1934 the local surrogate's court entered an order fixing the amount of inheritance tax due the State of New York, and in September 1934 the total amount of estate tax due the United States was fixed by stipulation in excess of the amount shown on the original Federal estate-tax return. The estate was allowed a credit against the Federal estate tax in the amount fixed by the surrogate's court. Subsequently, and in January 1936, the New York State Tax Commission instituted proceedings to recover an additional amount of estate tax due the State of New York, which amount, in the sum of $19,942.47, was paid by the estate in February 1937. S. 2541 is designed to give the estate of George Ehret, Jr., relief by allowing the estate to file an additional claim for credit against the Federal estate tax in the sum of $19,942.47, inasmuch as in 1936 the period of limitation in which the estate under provisions of the Federal estate-tax law could file a claim for additional credit of taxes paid the State of New York had expired.

"The estate requests relief on the ground that its failure to file such claim for additional relief was in nowise due to its own disregard of the Federal statutory requirements. Under the law of New York existing at the time of the decedent's death that State was entitled to death duties equal to 80 percent of the Federal estate tax paid. Under that law and the regulations issued by the State tax commission it was the duty of the estate to advise the proper local taxing authorities of the additional Federal estate tax paid by virtue of the stipulation entered into between the estate and the Commissioner of Internal Revenue in 1934. If that duty had been discharged and the procedure prescribed by local law followed, a timely claim for additional credit against Federal estate tax could have been filed.

"In this regard, therefore, S. 2541 does not differ in principle from other bills to except certain taxpayers from the operation of the statutes of limitation, a number of which bills I have disapproved. I have on such occasions expressed my accord with the enacted policy of Congress that it is sound to include in all revenue acts statutes of limitation, by the operation of which after a fixed period of time it becomes impossible for the Government to collect additional taxes or for the taxpayer to obtain a refund of an overpayment of tax. I pointed out that such legislation selects an individual taxpayer or a small class of taxpayers for special treatment by excepting them from that policy, thus discriminating against the whole body of Federal taxpayers and thus establishing a precedent for affording relief to taxpayers in cases in which statutes operate to their prejudice, whereas there would be no opportunity to afford relief to the Government where the same statutes operate to its disadvantage.

"I must again express my belief that the field of special legislation should not be opened to relieve special classes of taxpayers from the consequences of their own failure to perfect their claims within the period fixed by law."

S. 2883. An act for the relief of George H. Lowe, Jr.

"I am withholding my approval of S. 2883, Seventy-fifth Congress, third session, 'An act for the relief of George H. Lowe, Jr.'

"The purpose of this bill is to hold and consider George H. Lowe, Jr., to have entered the commissioned service of the United States Army prior to November 11, 1918, in order to enable him to become eligible for emergency officer retirement benefits.

"The Administrator of Veterans' Affairs, after carefully considering this case, advises me that there are several other cases in which veterans are barred from the benefits of the Emergency Officers' Retirement Act because they were not commissioned until after November 11, 1918, although they suffered a 30-percent or greater permanent disability in service prior to that date, that there is no particular reason why this officer should be granted benefits denied to others similarly circumstanced, and that he is unable to recommend approval of the measure.

"During the Seventy-fourth Congress a relief bill of this character received my approval, but at that time I addressed letters, dated March 19, 1936, to the chairmen of the Senate and House Committees on Military Affairs, respectively, in which I said:

" 'I am therefore advising you that while I have approved this particular relief bill it should under no condition be considered as a precedent for any similar legislation, and I earnestly hope that any future bills of this character will not receive the approval of the committee.'

"After giving this case careful consideration and in view of the foregoing, I am compelled to withhold my approval of this bill."

On June 24, 1938:

S. 4126. An act to amend the act authorizing the construction of a bridge at South Sioux City, Nebr.

"I have withheld my approval of S. 4126, entitled 'An act to amend the act authorizing the construction of a bridge at South Sioux City, Nebr.'

"I cannot give my approval to this bill because of the inclusion therein of the following provision:

" 'Such bridges, and the bonds issued in connection therewith, and the income derived therefrom, shall be exempt from any Federal, State, municipal, and local taxation.'

"Under date of June 30, 1936, I withheld my approval of S. 3107, Seventy-fourth Congress, a bill to exempt publicly owned interstate highway bridges from State, municipal, and local taxation, for reasons stated in my press release of that date, as follows:

" 'The effect of this bill would be that, by declaring publicly owned interstate highway bridges to be Federal instrumentalities, such bridges would thereby be exempt from all State and local taxation. I cannot give my approval to this bill, first, because I can find no compelling reason for making publicly owned interstate highway bridges Federal instrumentalities, and, secondly, because relieving such bridges of all State and local taxation would, in the majority of cases, result in loss of revenue by States and their political subdivisions, necessitating material curtailment of necessary activities, or the imposition of increased tax burdens upon other taxpayers to make up the deficit.'

"For the same reasons, and the added reason that the present bill, S. 4126, would exempt Federal taxation in addition to State, municipal, and local taxation, I cannot give the bill my approval."

On June 25, 1938:

S. 252. An act to exempt publicly owned interstate highway bridges from local taxation.

"I have withheld my approval of S. 252, entitled 'An act to exempt publicly owned interstate highway bridges from local taxation.'

"This bill is designed to accomplish the same purpose as S. 3107, Seventy-fifth Congress, with respect to which I withheld my approval for reasons set forth in a memorandum of disapproval dated June 30, 1936, as follows:

" 'I am withholding my approval of S. 3107, to exempt publicly owned interstate highway bridges from State, municipal, and local taxation, for the following reasons:

" 'The effect of this bill would be that, by declaring publicly owned interstate highway bridges to be Federal instrumentalities, such bridges would thereby be exempt from all State and local taxation. I cannot give my approval to this bill, first, because I can find no compelling reason for making publicly owned interstate highway bridges Federal instrumentalities; and secondly, because relieving such bridges of all State and local taxation would, in the majority of cases, result in loss of revenue by States and their political subdivisions, necessitating material curtailment of necessary activities, or the imposition of increased tax burdens upon other taxpayers to make up the deficit.'

"For the same reasons I cannot give my approval to the present bill, S. 252."

S. 1478. An act conferring jurisdiction on the Court of Claims to hear and determine the claims of the Choctaw Indians of the State of Mississippi.

"I have withheld my approval of the Senate bill (S. 1478) entitled 'Conferring jurisdiction on the Court of Claims to hear and determine the claims of the Choctaw Indians of the State of Mississippi.'

"Unlike other Indian jurisdictional bills, this measure does not relate to claims of any tribe against the United States, but is concerned with the claims of certain individual members of the Choctaw Tribe, who assert that they were erroneously denied the right to share in the distribution of certain tribal properties. If they had received the property to which they claim to have been entitled, it would have been a share in the tribal properties. Nevertheless, the bill under consideration, instead of seeking to permit them to secure an award against the tribe, or against other members of the tribe who, on the theory of the claimants, received an excessive share of the properties, in effect proposes that the Government should assume the tribal liability and should pay to the claimants the value of the share that they might have received on the distribution of the tribal properties.

"The enactment of this legislation might result in assumption of a liability by the Government aggregating several millions of dollars. No reason appears why in equity and good conscience this burden should be borne by the United States.

"Moreover, the effect of this legislation would be to reopen matters that were settled more than 30 years ago by a quasi-judicial commission. It does not appear desirable to take such action after a long lapse of time, when most of the pertinent evidence is no longer available."

S. 3319. An act to authorize certain payments to the Veterans of Foreign Wars of the United States, Inc., and to the Disabled American Veterans of the World War, Inc.

"I have withheld my approval of S. 3319, an act to authorize certain payments to the Veterans of Foreign Wars of the United States, Inc., and to the Disabled American Veterans of the World War, Inc.

"This bill would appropriate from the Treasury of the United States the sum of $196,568.64, to be divided equally between the two organizations named above for use in aiding and assisting disabled, destitute, or unemployed veterans and/or their dependents.

"Last year I withheld my approval of S. 1516, which was passed at the first session of the Seventy-fifth Congress. That bill differed from the present one only in that it appropriated a larger sum of money, $294,852.97, and provided for distribution of this money among four organizations, which included the two designated to receive the funds appropriated by the present bill. In withholding my approval last year of S. 1516 I stated:

" 'While the money to be appropriated represents the unexpended balance of certain funds accumulated by military organizations during the World War, Congress has already provided that, because of the impossibility of returning this money to the sources from which it originated, it be covered into the general fund of the Treasury and has authorized an equivalent amount to be appropriated, in the event of war, for the recreation, amusement, comfort, contentment, and health of the enlisted personnel of the Military Establishment.

" 'The reports of the committees of Congress which considered this bill stressed the fact that a portion of the money formerly in this fund was authorized to be appropriated to the American Legion to be used in connection with the liquidation of indebtedness against Pershing Hall Memorial in Paris, thereby implying that other national organizations engaged in aiding and assisting veterans and their dependents are likewise entitled to share in this fund. The premise on which this argument is based seems to me an incorrect one. The appropriation which was made to the Secretary of the Treasury to liquidate the indebtedness connected with Pershing Hall was conditioned on the vesting of the legal title to the property in the Government of the United States for the use and benefit of all American veterans of the World War. In no sense could this former appropriation be considered as being for the benefit of any one organization of

veterans. The purpose of that appropriation was entirely different from the one authorized by the pending bill.

" 'I find myself unable to agree with the present proposal to provide out of the general fund of the Treasury for the donation to private agencies of funds to which they have no claim, and to the expenditure of which the usual governmental safeguards would not apply.'

"The statement which I made in connection with S. 1516 is entirely applicable to the present bill. The change in the amount and method of distribution of the appropriated funds does not in any way affect the reasons for my disapproval of this type of legislation. Expenditures by the Government for the aid and assistance of war veterans and their dependents should be made from appropriations for that purpose under the administrative control of the Veterans' Administration. At the present time large sums are expended each year by the Veterans' Administration for that purpose. The benefits to be derived from the relatively small amounts proposed to be paid to the Veterans of Foreign Wars of the United States, Inc., and the Disabled American Veterans of the World War, Inc., would necessarily be restricted to but a small proportion of the war veterans and their dependents. There is, therefore, no assurance that the enactment of this legislation would not evoke the charge of discrimination in the treatment of veterans and their dependents. The War and Treasury Departments and the Budget Bureau recommend disapproval."

S. 3682. An act for the relief of Lofts & Son.

"I have withheld approval of S. 3682, entitled 'An act for the relief of Lofts & Son.'

"This bill awards the sum of $33,500 to the claimants in full satisfaction of their claims against the United States for alleged damages resulting from the loss of their sand and gravel plant at the mouth of Hood River, Oreg., and their inability to further carry on the operations of removing sand and gravel on land now leased from the Oregon Lumber Co. because such land will be flooded by the backwaters of the Bonneville Dam, Columbia River, Oreg.

"The record in this case shows that the claimants, Loft & Son, for some 30 years have operated a sand and gravel plant on land within the Bonneville Dam area under a year-to-year lease with the Oregon Lumber Co.; that by virtue of easements purchased on October 13, 1937, the United States acquired from the Oregon Lumber Co. perpetual flowage rights over the land occupied by the claimants' plant; that the lease held by claimants expired on December 31, 1937, but was renewed for the term of 1 year, ending December 31, 1938, subject to the flowage rights which had been acquired by the United States on October 13, 1937, from the owners of the land; and that no damage by overflow was sustained to the leasehold of claimants prior to December 31, 1937.

"Under the above conditions I fail to see that Lofts & Son have a just claim for damages against the United States."

S. 3774. An act to authorize cooperation between the United States and the State of New York in the protection of the public interest and welfare inherent in certain forest lands in said State through provision for the acquisition and management of said lands.

"I am withholding approval of S. 3774, a bill entitled 'An act to authorize cooperation between the United States and the State of New York in the protection of the public interest and welfare inherent in certain forest lands in said State through provision for the acquisition and managament of said lands.'

"This bill authorizes and directs the Secretary of Agriculture to acquire by purchase or otherwise certain described lands now in private ownership in Herkimer and Hamilton Counties, State of New York, and appropriates the sum of $3,000,000 therefor. It further provides that after said lands are acquired the Secretary shall enter into a cooperative agreement with the State of New York for their development, protection, administration, and management by the conservation department of the State of New York and at the expense of said State, which agreement shall specifically provide that said lands shall be forever kept as wild forest lands, not subject to be leased, sold, exchanged, nor the timber thereon sold, removed, or destroyed. The act still further provides that the Secretary of Agriculture shall convey to the State of New York all rights, titles, and interests of the United States in the lands acquired by him, if the State of New York shall formally advise the Secretary of its desire to acquire title to any or all of said lands and shall reimburse the United States for its expenditures.

"I cannot give my approval to this bill for the following reasons:

"It appears from the record in this case that the real purpose of the bill is to add to the Adirondack State Forest Preserve (which is in reality a natural park) certain lands within the boundaries thereof now held in private ownership and heretofore managed by the owners in conformity with the general objectives of such forest preserve; that there is great possibility that such private owners, or some of them, will either sell their holdings, or at least dispose of the marketable timber resources thereon, which would adversely affect the holdings of the State of New York; that the State of New York has no funds immediately available for the purchase of these lands and that some time may elapse before additional funds for that purpose can be obtained, since a new bond issue would be necessary and such bond issue must first be authorized by the State legislature and then approved by referendum of the electorate. To overcome this difficulty it is proposed that the taxpayers of the Nation in general shall advance the required funds. This, it seems to me, would establish a bad precedent and commit the United States to come to the relief of any State which might be temporarily unable to finance State projects of public interest.

"It is true that the bill makes it possible for the United States to be reimbursed for its expenditures, but without interest thereon, if the State of New York should elect to do so. Since the bill provides that the lands in question shall be administered the same as other lands of the Adirondack State Forest Preserve, it would appear that there would be no incentive for the State of New York to exercise its prerogative.

"This is not a proposal to add private forest lands to a State or National forest in the interest of conserving our national timber resources in order to insure adequate supplies of timber for posterity by the application of scientific sustained-yield management practices, but is one to add to and protect a State natural park, which is not a proper function of the Federal Government.

"For the above reasons, I do not feel that I would be justified in giving my approval to this bill."

S. 3892. An act creating the City of Dubuque Bridge Commission and authorizing said commission and its successors to purchase and/or construct, maintain, and operate a bridge or bridges across the Mississippi River at or near Dubuque, Iowa, and East Dubuque, Ill.

"I have withheld my approval of S. 3892, entitled 'An act creating the City of Dubuque Bridge Commission and authorizing said commission and its successors to purchase and/or construct, maintain, and operate a bridge or bridges across the Mississippi River at or near Dubuque, Iowa, and East Dubuque, Ill.'

"I cannot give my approval to this bill because of the inclusion therein of the following provision:

" 'The bridge or bridges purchased or constructed under the authority of the act shall be deemed to be Federal instrumentalities for interstate commerce, the Postal Service, and military and other purposes authorized by the Government of the United States, and said bridge or bridges and the bonds issued in connection therewith and the income derived therefrom shall be exempt from all Federal, State, municipal, and local taxation.'

"Under date of June 30, 1936, I withheld my approval of S. 3107, Seventy-fourth Congress, a bill to exempt publicly owned interstate highway bridges from State, municipal, and

local taxation, for reasons stated in my press release of that date, as follows:

" 'The effect of this bill would be that, by declaring publicly owned interstate highway bridges to be Federal instrumentalities, such bridges would thereby be exempt from all State and local taxation. I cannot give my approval to this bill, first, because I can find no compelling reason for making publicly owned interstate highway bridges Federal instrumentalities, and, secondly, because relieving such bridges of all State and local taxation would, in a majority of cases, result in loss of revenue by States and their political subdivisions, necessitating material curtailment of necessary activities or the imposition of increased tax burdens upon other taxpayers to make up the deficit.'

"For the same reasons, and the added reason that the present bill, S. 3692, would exempt Federal taxation in addition to State, municipal, and local taxation, I cannot give the bill my approval."

On June 29, 1938:

S. J. Res. 114. Joint resolution for the relief of certain persons who suffered damages occasioned by the establishment and operation of the Aberdeen Proving Ground.

"I have withheld my approval of Senate Joint Resolution 114, Seventy-fifth Congress, third session, entitled 'Joint resolution for the relief of certain persons who suffered damages occasioned by the establishment and operation of the Aberdeen Proving Ground.'

"Stripped of all nonessentials, the measure authorizes and directs the Secretary of the Treasury to pay F. O. Mitchel & Bro., $19,000; W. E. Boeschel, representative of the J. H. Emmord estate, $7,500; Samuel L. Fyle, $4,250; John W. Bay & Co., $30,000; Harry C. Holloway, $2,500; Mrs. Emma W. Bay, $1,500; and Mrs. Emma A. Wirsing, $8,000, for consequential damages suffered by them in connection with the establishment and operation by the United States of the Aberdeen Proving Ground in Harford and Baltimore Counties, Maryland.

"The Aberdeen Proving Ground was established by the act of Congress approved October 6, 1917 (40 Stat. 345, 352), followed by two proclamations of the President, namely, on October 16, 1917, and December 14, 1917, (40 Stat. 1707, 1731). In compliance with the above laws and proclamations, the Secretary of War appointed a commission to negotiate and deal with the property owners concerned. Claims for property taken were paid by the commission, but no compensation was paid for consequential or indirect damages. Subsequently, in a suit brought by R. F. and G. H. Mitchell against the United States, the refusal by the commission to pay consequential or indirect damages was sustained by the Supreme Court (267 U. S. 341). In the years following, several bills were introduced in Congress for the relief of various persons who alleged that they had suffered consequential and indirect damages as a result of the establishment of the proving ground. One of these bills, S. 4415 (72d Cong., 1st sess.), which provided for direct payments to approximately 100 claimants and which included all of the claimants, except Mrs. Emma A. Wirsing, named in the measure now under consideration, was referred to the Court of Claims by Senate Resolution No. 250 (72d Cong., 1st sess.). Subsequently the petitions of F. O. Mitchel & Bro. and the estate of John H. Emmord were dismissed upon motion by the respective claimants, and the petition of Samuel L. Fyle was dismissed in open court upon motion by the United States. The claims of John W. Bay & Co., Harry C. Holloway, and Mrs. Emma W. Bay were heard by the court and decided on November 9, 1936. The court, in each case, arrived at the following conclusion:

"Upon the foregoing special findings of fact the court decided as a conclusion that the claim herein is neither a legal nor equitable one, and that payment thereof rests in the discretion of Congress.

"With respect to the claim of Mrs. Wirsing, the War Department has reported to me that in 1920 Mr. Wirsing, the deceased husband of the claimant, accepted $540 in full settlement for damages to his property by reason of the explosion of shells in the proving ground during June and July 1919, and that the allegations as to low-flying Army aircraft carrying loaded bombs over Mrs. Wirsing's property are not in accordance with the facts as found by the War Department.

"In the preamble of the measure, the decision of the United States Supreme Court in the case of *Peabody* v. *The United States* (231 U. S. 531), is quoted in part. This extract does not clearly reveal the holding of the Court in that case. An examination of this case reveals that the Court also declared that 'consequential damages incident to a public undertaking * * * must be borne without any right of compensation.'

"The essence of the matter contained in the preamble of the measure is that, inasmuch as representatives of the War Department promised the people interested, both before and after the passage of the act authorizing the taking of the land for the Aberdeen Proving Ground, that compensation would be made by the Government for loss of business of persons residing on and in the vicinity of the land, the Government should now make compensation for such loss, notwithstanding the fact that the Court of Claims and the Supreme Court have construed the act of Congress as authorizing only damage for lands taken. In support of this contention, besides calling attention to certain statements of representatives of the War Department, reference is made to what is known as the Urgent Deficiency Act, approved on October 6, 1917, by which $7,000,000 were appropriated for 'increasing the facilities for the proof and test of ordnance material, including necessary buildings, construction, equipment, land, and damages and losses to persons, firms, and corporations, resulting from the procurement of the land for this purpose.'

"Notwithstanding any statements made by representatives of the War Department as to allowance of damages for the destruction of business by reason of the taking of the land and the clause in the Urgent Deficiency Act, the law providing for the taking of the land did not include such damages. It is clear that the sums awarded to the several claimants by Joint Resolution No. 114 are mere gratuities.

"Granting of such claims by Congress as an act of grace would constitute a dangerous precedent, as the principle involved in the proposed legislation would be pertinent to any instance where the Government has condemned or otherwise acquired property as the result of which the business or activities of the persons in the vicinity are adversely affected.

"Inasmuch as the present bill is limited to damages claimed by seven claimants on account of the establishment of the Aberdeen Proving Ground it is discriminatory against other claimants who have claims arising out of the establishment of this reservation.

"I am aware of the fact that several of the claimants may have suffered real damages in the operation of this particular exercise of the right of eminent domain, but I do not feel that their losses have been so extensive or material as to warrant my approval of this measure, which is such an extraordinary departure from the principles heretofore defining the Government's liability in such matters."

CONFIRMATIONS

Executive nominations confirmed by the Senate June 16 (legislative day of June 7), 1938

JUDGES OF THE UNITED STATES CIRCUIT COURT OF APPEALS

William Clark to be judge of the United States Circuit Court of Appeals for the Third Circuit.

Albert Branson Maris to be judge of the United States Circuit Court of Appeals for the Third Circuit.

UNITED STATES DISTRICT JUDGE

Edward A. Conger to be United States district judge for the southern district of New York.

CIRCUIT COURTS, TERRITORY OF HAWAII

John A. Matthewman to be fifth judge of the first circuit, circuit courts, Territory of Hawaii.

DISTRICT COURT FOR THE DISTRICT OF COLUMBIA

Bolitha J. Laws to be an associate justice of the District Court of the United States for the District of Columbia.

UNITED STATES ATTORNEY

Douglas W. McGregor to be United States attorney for the southern district of Texas.

UNITED STATES PUBLIC HEALTH SERVICE

Marion B. Noyes to be passed assistant surgeon, United States Public Health Service, to rank as such from July 1, 1938.

POSTMASTERS

FLORIDA

Sidney E. Livingston, Homestead.

IOWA

Anthony F. Schrup, Dubuque.
Harold G. Everett, Nodaway.

MONTANA

Walter J. McManus, Augusta.
Ludwig S. Rigler, East Helena.
George Clarence Moore, Harlowton.
Margaret M. Colligan, Walkerville.

NORTH CAROLINA

French W. Graham, Elkin.

NEW JERSEY

John F. Sinnott, Jr., Newark.
William T. Johnson, Point Pleasant.
Thomas Whittington, Sea Isle City.
Edward J. Lennon, Stone Harbor.

NEW YORK

John H. Moore, North Cohocton.
Nellie A. King, Verplanck.

PENNSYLVANIA

Arthur B. Clark, Altoona.
William J. Cannon, Lansford.

HOUSE OF REPRESENTATIVES

THURSDAY, JUNE 16, 1938

(Legislative day of Tuesday, June 14, 1938)

The recess having expired, the House was called to order by the Speaker at 10 o'clock a. m.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed without amendment bills, joint resolutions, and a concurrent resolution of the House of the following titles:

H. R. 9888. An act for the relief of William Henry Johnston, Jr., a minor;

H. R. 10127. An act to regulate interstate commerce by establishing an unemployment insurance system for individuals employed by certain employers engaged in interstate commerce, and for other purposes;

H. R. 10846. An act to create the office of the Librarian Emeritus of the Library of Congress;

H. J. Res. 711. Joint resolution providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution of the class other than Members of Congress;

H. J. Res. 712. Joint resolution providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution of the class other than Members of Congress; and

H. Con. Res. 65. Concurrent resolution providing for the printing and binding of the prayers offered by the Rev. James Shera Montgomery, Chaplain of the House of Representatives, during the opening of the daily sessions of the Seventy-fourth and Seventy-fifth Congresses.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2716) entitled "An act to provide for the local delivery rate on certain first-class mail matter."

The message also announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 2505. An act for the relief of James J. Hogan; and

S. 4036. An act relating to the tribal and individual affairs of the Osage Indians of Oklahoma.

The message also announced that the Senate had passed, with amendments, in which a concurrence of the House is requested, a bill of the House of the following title:

H. R. 10851. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1938, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1938, and June 30, 1939, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House thereon, and appoints Mr. ADAMS, Mr. GLASS, Mr. MCKELLAR, Mr. BYRNES, Mr. HALE, and Mr. TOWNSEND to be the conferees on the part of the Senate.

The message also announced that the Senate had adopted the following order:

Ordered, That the Secretary be directed to return to the House of Representatives the bill (H. R. 146) to require contractors on public-building projects to name their subcontractors, materialmen, and supply men, and for other purposes.

The message also announced that the Senate had passed, with an amendment, in which the concurrence of the House is requested, a joint resolution of the House of the following title:

H. J. Res. 702. Joint resolution to provide that the United States extend to foreign governments invitations to participate in the Third International Congress for Microbiology to be held in the United States during the calendar year 1939, and to authorize an appropriation to assist in meeting the expenses of the session.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H. J. Res. 679) entitled "An act making appropriations for work relief, relief, and otherwise to increase employment by providing loans and grants for public-works projects."

The message also announced that the Senate agrees to the amendment of the House to the amendment of the Senate No. 72 to the foregoing joint resolution, with an amendment.

The message also announced that the Senate having proceeded, in pursuance of the Constitution, to reconsider the bill (H. R. 10530) entitled "An act to extend for 2 additional years the 3½-percent interest rate on certain Federal land-bank loans, and to provide for a 4-percent interest rate on land bank commissioner's loans until July 1, 1940," returned by the President of the United States to the House of Representatives, in which it originated, with his objections, and sent by the House of Representatives to the Senate with the message of the President returning same, it is

Resolved, That the bill do pass, two-thirds of the Senators present having voted in the affirmative.

SECOND DEFICIENCY BILL

Mr. WOODRUM. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 10851) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1938, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1938, and June 30, 1939, and for other purposes, with Senate amendments, disagree to the Senate amendments and agree to the conference asked by the Senate; and I also ask unanimous consent, Mr. Speaker, that the conferees may have permission to agree to Senate amendments notwithstanding clause 2 of rule XX.

The SPEAKER. Is there objection to the request of the gentleman from Virginia? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. WOODRUM, BOYLAN of New York, CANNON of Missouri, LUDLOW, SNYDER of Pennsylvania, TABER, BACON, and WIGGLESWORTH.

EXTENSION OF REMARKS

Mr. MAVERICK. Mr. Speaker, I ask unanimous consent to insert in the RECORD a speech Mr. Harry Hopkins made in South Carolina. I am obtaining an estimate from the Printing Office which I think will not exceed the usual or proper amount although it may. But inasmuch as this is the last day of the Congress I am mentioning this so there may be no trouble about printing it.

Mr. RICH. Mr. Speaker, reserving the right to object, did Mr. Hopkins make any reference in that speech to the effect that he would use money that comes to him for relief of the suffering or for the general benefit of the country in politics?

Mr. MAVERICK. No; but he did talk about things down in South Carolina to the effect that Mr. MAVERICK, of Texas, your good friend, came from a good old South Carolina family and also mentioned my book in it. However, outside that he made a good speech. I suggest the gentleman read it.

Mr. RICH. We know you are a good fellow, we all admit that, but what we want to know is whether Harry Hopkins said anything about politics in his speech?

Mr. MAVERICK. As a matter of fact, there is no politics in this—it is all economics.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There as no objection.

J. WALTER LAMBETH

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection?

Mrs. ROGERS of Massachusetts. Mr. Speaker, in these days when Congress is spending enormous sums of money and there has been such an orgy of spending, I think great credit is due the gentleman from North Carolina [Mr. LAMBETH], chairman of the Committee on Printing, for the consolidation he made of certain governmental printing activities, thereby making a great saving. He had the very able support of the gentleman from Pennsylvania [Mr. RICH] as well as the other members of his committee. [Applause.]

I have had the pleasure of serving on the Committee on Foreign Affairs with Mr. LAMBETH and know his outstanding work there. In fact, Mr. LAMBETH is such an able statesman and a gentleman in every sense of the word; I know all the Members of the House will be very sorry to lose him. It seems especially hard to lose a Member who has been able to save money for the Government in these days. Mr. LAMBETH has been able not only to save money but it is estimated that his plan will increase the sale of Government publications to $3,000,000 in 3 years.

Mr. MAVERICK. Did the gentlewoman from Massachusetts say we are going to lose Mr. RICH?

Mrs. ROGERS of Massachusetts. No; Mr. LAMBETH. I am glad we are not going to lose the gentleman from Pennsylvania [Mr. RICH]. We all know his efforts to save the taxpayers money. [Applause.]

The following is the article which appeared on the front page of the Washington Star last Sunday, June 12, 1938:

[From the Washington Star of June 12, 1938]

BIG SAVING SEEN AS PRINTING WORK OF GOVERNMENT IS POOLED—REORGANIZATION EFFECTED ON INITIATIVE OF REPRESENTATIVE LAMBETH—SALE OF PUBLICATIONS EXPECTED TO SOAR

(By Will P. Kennedy)

Pooling of public printing and processing in the numerous Government branches, a step expected to result in a saving of hundreds of thousands of dollars, has been effected, it was learned yesterday. The new set-up also is viewed as a means of increasing the sale of Government publications to $3,000,000 within 3 years.

A recent study, the outgrowth of much controversy and complaint about wholesale processing in Government agencies, showed there is $1,040,114 worth of equipment for such work, with the annual cost of labor estimated at $800,000. Hereafter the work will be zoned, consolidated, and pooled under competent technical management.

This work of reorganization resulted from the initiative of Representative LAMBETH, of North Carolina, chairman of the Joint Committee on Printing. As a result of his efforts and the cooperation of the Budget Bureau and heads of Departments a special committee was organized to study the problem. That committee was composed of Ansel Wold, executive clerk to the Joint Committee on Printing; Russell H. Herrell, Government Printing Office; Alton P. Tisdel, Superintendent of Documents, Government Printing Office; J. T. Burns, General Accounting Office; V. L. Almond, Bureau of the Budget; M. S. Eisenhower, Department of Agriculture; W. D. Boutwell, Department of the Interior; L. C. Spangler, Treasury Department; Thomas F. McKeon, Department of Commerce; and Sidney Morgan, United States Tariff Commission.

VOLUME ENORMOUS

The scope and volume of the Government printing and processing is enormous, the committee discloses. Government activities and personnel have multiplied. The Government must report to the citizens on new as well as on old established work. There has been a staggering increase in report forms, copies of contracts and agreements, and thousands of necessary daily items. New agencies especially must make known directly to individuals, comprising a large percentage of the population, facts about benefits, requirements of law and regulations. For example, the recently established Social Security Board deals directly with more than 30,000,000 employees and employers under the old-age benefits.

It has been charged (a) that matter which obviously should have been printed has been processed with needlessly elaborate illustrations and costly make-up and binding; (b) that neither printed nor processed publications have been confined to those required in carrying out functions authorized by law; (c) that the distribution of such publications has been uncontrolled and therefore wasteful; and (d) that the very large increase in the volume of franked and penalty mail has contributed substantially to the increase in the operating deficit of the Post Office Department. Complaints were found to be general that much Government printed and processed matter is reaching individuals who have not requested it and have no use for it.

An essential feature of the "reorganization" was to make a definition of "printing" which would decide whether work should be done at the Government Printing Office or might be processed by mimeograph, multigraph, multilithograph, or otherwise duplicated by the various units of the Government. This definition was approved by the Comptroller General on June 1, and the economy-efficiency recommendations of the interdepartmental survey board are now being put into active force.

MEASURE IS DRAFTED

A bill has been drafted which Chairman LAMBETH will introduce in the next session, to be made applicable to all Government agencies, including emergency agencies and Government corporations, to meet the criticism that processing is being used to supplant printing and that propaganda is being distributed. The fact that organic acts establishing certain agencies and corporations and the emergency appropriation acts permit, in addition to other exemptions, the unrestricted use of funds for printing and processing without regard to existing law has intensified such criticism.

The new system provides that in addition to the specific controls for printing and binding now vested in the Joint Committee on Printing and in the Bureau of the Budget, the Budget Bureau shall coordinate printing and processing generally in the executive branch of the Government by establishing uniform policies and procedures consistent with law for the efficient and economical utilization of printing and processing. It is also directed that a permanent interdepartmental committee on printing and processing be set up to advise and to act with the Budget Bureau in these matters. This committee will be composed of departmental employees and a representative of the Government Printing Office.

TO HAVE BROAD AUTHORITY

Each department is to maintain a centralized service to act as a contact between the bureaus, offices, and services of the department and the Government Printing Office, the Bureau of the Budget, and the Joint Committee on Printing of Congress. This service is to have broad authority:

1. Review manuscripts proposed for publication in order to determine (a) whether under existing law and regulations they must be printed or may be processed; (b) if processing is legally permissible, whether in view of the number of copies required or for other reasons printing would be more economical and efficient, and (c) whether each manuscript warrants the cost of printing or processing.

2. To determine the frequency of issue of periodicals, especially to reduce the frequency of issue to the minimum required in meeting the constructive purposes of such periodicals.

3. Eliminate from all manuscripts submitted matter not necessary in carrying out authorized functions.

4. Restrict the number of copies of publications printed or processed to the minimum necessary in carrying out authorized functions.

5. Determine questions of distribution and especially to cooperate with the Superintendent of Documents in promoting the sale of publications.

INCREASED SALE FORECAST

(6) Employ at least one person trained and experienced in printing and processing techniques to deal with printing and processing problems and to act as technical adviser.

As one feature of the sales promotion drive it is proposed to place on sale at all post offices post cards addressed to the Superintendent of Documents. On the reverse side is an order blank for certain documents. These cards would be of various colors for the varying prices of the documents to be ordered. These cards would be sold for the price of the desired document. All a person would have to do is affix a 1-cent stamp and in due time receive the document. This would be a great convenience for the public. It is estimated that this would soon increase the sale of documents several millions of dollars annually.

Mr. RICH. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker, may I say in reference to our colleague from North Carolina, who of his own choice is not coming back to us, J. WALTER LAMBETH, chairman of our Joint Printing Committee, that of all the men I have known in my life, J. WALTER LAMBETH is one of the finest, cleanest-cut, a hard worker, attentive, and the most conscientious I have ever known. [Applause.] He has worked diligently to try to run the office for which he was selected in the very best and most efficient manner. He has been interested in doing everything he could to see that business principles were applied, and I may say here that he will be missed from that office. He has been a most valuable Member of Congress. He is the first Member of the House ever to be elected as chairman of the Joint Committee on Printing.

I hope during his journey through life that all the things that are good will come to him, because he is a man who deserves them; and as a final word, I do not know of a man I have ever enjoyed associating with more than I have with J. WALTER LAMBETH. [Applause.]

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. RICH. I yield.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to insert in the RECORD an editorial about Mr. LAMBETH and the Committee on Printing.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mr. McREYNOLDS. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. McREYNOLDS. Mr. Speaker, there are not many men who leave the House of their own volition, but we are having some at this time, and I especially want to speak of Mr. J. WALTER LAMBETH, who is a member of the Foreign Affairs Committee, of which I am chairman.

I have had every occasion to know and appreciate his work. When he leaves Congress he will not only be a great loss to his own district and State, but to the Nation, and a great personal loss to me as chairman of that committee. He has always been on hand. He has worked hard and his advice has been of great service. He is a man of standing, he is a man of parts, and the character of man we need in the service of the Government. I hope at some future time he may agree to permit his services to be used in governmental affairs. [Applause.]

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. RAYBURN. Mr. Speaker, I do not often indulge in fulsome compliments or rise on occasions like this, but when a man like J. WALTER LAMBETH is being talked about and being eulogized, I feel I would be derelict to my sentiments and to my loyalty if I did not say a word.

I regret deeply that J. WALTER LAMBETH is quitting the public service in the House of Representatives. He has been one of the most valuable men I have known to serve in the House of Representatives. He is gentle, he is fine, he is intelligent, and we may well say about him, as has been said truly about few men, that when he was made they put into him about all that could be put into a gentleman. [Applause.]

LENDING TENTS, ETC., TO AMERICAN LEGION

Mr. LORD. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 10935) to authorize the Secretary of War to lend War Department equipment for use at the convention of the American Legion of New York during the month of August 1938.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of War is authorized to lend, at his direction, to the American Legion of New York, for use at the convention of the American Legion of New York to be held at Johnson City, N. Y., in the month of August 1938, such tents, cots, blankets, and other available stock out of the Army and National Guard supplies as such organization may require to house properly Legionnaires attending such convention: *Provided*, That no expense shall be caused the United States Government by the delivery and return of such property, the same to be delivered at such time prior to the holding of such convention as may be agreed upon by the Secretary of War and the American Legion of New York: *Provided further*, That the Secretary of War, before delivering such property, shall take from such organization a good and sufficient bond for the safe return of such property in good order and condition, and the whole without expense to the United States.

The SPEAKER. Is there objection?

There was no objection.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

REPRESENTATIVES LUCAS, O'BRIEN OF ILLINOIS, CHAMPION, AND LONG

Mr. SABATH. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. SABATH. Mr. Speaker, I regret that the House will lose the Members heretofore referred to by others today and yesterday. Unfortunately, the State of Illinois and the House will lose service of four outstanding Members from my State. Mr. SCOTT LUCAS, though he has been a Member for only 4 years, he has demonstrated he is a gentleman of real ability and attainments. He has been nominated for the Senate from that State, and I am confident the people will recognize his service to them and will make him their next Senator. Mr. O'BRIEN has been nominated for the high office of sheriff of Cook County, and undoubtedly in the near future will enforce the laws in that county. Mr. CHAMPION, who is Member at Large, will not come back to us because of his important affairs and businesses at home. While he has appreciated and enjoyed his services here, he felt obliged to refuse renomination, and consequently will be no longer with us.

The other Member from Illinois is Mr. LONG, and he was one of the outstanding Members from our State also as Member at Large. Neither will he be with us in the next Congress, I regret to say. I regret that the House, the country, and the State of Illinois will lose because these gentlemen will not be with us henceforth. I wish them all well.

I know the House will miss them, and I feel the House regrets their going exceedingly because it will be denied their

splendid fellowship, companionship, and cooperation, and I am sure I express the sentiments of all here when I say we wish you well and look forth to Mr. LUCAS and Mr. O'BRIEN attaining still greater honors in their new official positions, and Mr. CHAMPION and Mr. LONG great success in their private pursuits. [Applause.]

ARTHUR ALEXANDER POST, AMERICAN LEGION, BELZONI, MISS.

Mr. WHITTINGTON. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 10873) to authorize the conveyance to the Arthur Alexander Post, No. 68, the American Legion, of Belznni, Miss., of the improvements and sites containing 18 acres of land, more or less, at lock and dam No. 1, on the Sunflower River, Miss., which I send to the desk.

The SPEAKER. Is there objection?

Mr. RICH. Mr. Speaker, I reserve the right to object. Will the gentleman please explain what the bill is?

Mr. WHITTINGTON. There is a favorable report upon this from the War Department. I have talked to the chairman and ranking member of the committee on both sides of the House.

Mr. RICH. The War Department is willing to have this done?

Mr. WHITTINGTON. Yes, and I shall insert the report in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of war is authorized and directed to convey by quitclaim deed to the Arthur Alexander Post, No. 68, the American Legion, of Belzoni, Miss., for the sum of $2,050, 18 acres of land, more or less, consisting of two parcels—one a tract of 16.53 acres on the west bank and the other a tract of 1.83 acres on the east bank of the Sunflower River, Miss., and the improvements thereon consisting of one dwelling, three cottages, a shop, a boiler house, an oil house, a garage, a coal house, a telephone line, and a water tank, at Lock and Dam No. 1, on the Sunflower River in Mississippi, for use by such post for the purposes of the organization, with discretion in the organization to grant the use thereof to Rotary clubs, Boy Scouts, Girl Scouts, women's clubs, or any other civic or community organization, subject to the perpetual right of the United States of America to flood such part of such land as may be necessary from time to time in the interest of flood control or navigation.

SEC. 2. The deed of conveyance shall contain the following conditions:

That in the event the grantee shall cease to use the property for the purposes of the organization and as herein provided, or shall alienate or attempt to alienate such property, title thereto shall revert to the United States.

That the grantee shall bear all expenses (other than the preparation of the deed of conveyance) necessary to accomplish the conveyance.

Mr. WHITTINGTON. Mr. Speaker, I offer the following amendment which I send to the desk.

The Clerk read as follows:

Strike out all after the enacting clause and insert:

"That the Secretary of War is authorized and directed to convey by quitclaim deed to the Arthur Alexander Post No. 68, the American Legion, of Belzoni, Miss., for the sum of $2,050, a tract of land, together with the improvements thereon, including one dwelling, three cottages, a shop, a boiler house, an oil house, a garage, a coal house, a telephone line, and a water tank, situated on the west bank of the Big Sunflower River, at lock and dam No. 1, in Washington County, Miss., being a part of lot 6 of section 2, township 15 north, range 5 west, and more specifically described as follows:

"Beginning at a point on the west bank of the Big Sunflower River, which point is west 2,931.4 feet, and south 4,584 feet from the northeast corner of section 2, township 15 north, range 5 west; thence north 82°48'30" west, 600 feet, to the southwest corner of the tract marked by a piece of square iron set in concrete; thence north 6°20' east, 1,200 feet to the northwest corner of the tract, marked by a piece of square iron set in concrete; thence south 82°48'30" east to the Big Sunflower River; thence along the Big Sunflower River following its meanderings about 1,200 feet to the intersection of the river and a line which bears south 82°48'30", east from the beginning point; thence north 82°48'30", west to the beginning point (all bearings being true bearings), containing 16.53 acres, more or less;

and a tract of land situated on the east bank at the locality, being a part of lot 7, section 2, range 5 west, township 15 north, and more specifically described as follows:

"Beginning at the northeast corner of section 2, township and range as above, thence west 2,350.1 feet; south 3,851 feet, to the northwest corner of tract acquired, thence south 82°48'30" east, 100 feet to northeast corner of tract, thence south 5°11'30" west, 800.5 feet to the southeast corner of tract, thence north 82°48'30" west, 100 feet to the southwest corner of tract, thence along left bank of Big Sunflower River, north 5°17' east, 300.2 feet; north 5°07' east, 500.3 feet to the northwest corner of tract, containing 1.83 acres, more or less;

for use by such post for the purposes of the organization, with discretion in the organization to grant the use thereof to Rotary clubs, Boy Scouts, Girl Scouts, women's clubs, or any other civic or community organization, subject to the perpetual right of the United States of America to flood such part of such land as may be necessary from time to time in the interest of flood control or navigation.

"SEC. 2. The deed of conveyance shall contain the following conditions:

"That in the event the grantee shall cease to use the property for the purposes of the organization and as herein provided, or shall alienate or attempt to alienate such property, title thereto shall revert to the United States.

"That the grantee shall bear all expenses (other than the preparation of the deed of conveyance) necessary to accomplish the conveyance."

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to, and the bill as amended was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider laid on the table.

Mr. WHITTINGTON. Mr. Speaker, at this point in the RECORD I ask unanimous consent to insert the report from the Secretary of War.

The SPEAKER. Is there objection?

There was no objection.

The report is as follows:

WAR DEPARTMENT,
Washington, June 14, 1938.

Hon. ANDREW J. MAY,
Chairman, Committee on Military Affairs,
House of Representatives, Washington, D. C.

DEAR MR. MAY: The Department refers to H. R. 10873, Seventy-fifth Congress, third session, entitled "A bill to authorize the conveyance to the Arthur Alexander Post, No. 68, the American Legion, of Belzoni, Miss., of the improvements and site containing 18 acres of land, more or less, at lock and dam No. 1 on the Sunflower River, Miss."

The bill authorizes and directs the Secretary of War to convey, by quitclaim deed, to the Arthur Alexander Post, No. 68, the American Legion, of Belzoni, Miss., for the sum of $2,050, a parcel of land together with the improvements thereon situated on the west bank of the Big Sunflower River, Miss., containing 16.53 acres of land, and a parcel of land on the east bank at the locality containing 1.83 acres of land. The bill reserves to the United States the perpetual right to flood such part of the lands as may be necessary in the interest of flood control and navigation, and provides that in the event the property shall cease to be used for the purposes of the organization or of Rotary clubs, Boy Scouts, Girl Scouts, women's clubs, or other civic or community organizations, title shall revert to the United States, and that the grantee shall bear all expenses other than the preparation of the deed of conveyance necessary to accomplish the conveyance.

The lands in question were acquired by the United States in connection with the construction of a lock and dam at the site, authorized by an act of Congress approved July 25, 1912. The larger tract was acquired by purchase from George T. and Frank B. Houston in October 1913 for $1,653. The smaller tract was acquired by purchase from F. O. Arthur and Retta Arthur in August 1913 for $300.

The improvements on the larger tract, all of which were constructed by the United States after purchase of the land, include the buildings and utilities listed in the bill, and in addition a small warehouse and storage shed of wood construction. The tract is centrally located on the eastern boundary of lands owned by Horace K. Houston, the son of George T. Houston. Mr. Horace K. Houston is interested in acquiring this tract and has submitted to the Department an offer of $2,000 for the tract and all improvements thereon. The small tract on the opposite side of the river is not improved and its present value is nominal.

Under the provisions of the act of Congress approved August 26, 1937, operation and maintenance of this lock and dam has been abandoned and the property is surplus to the needs of the Department. The property in question may therefore be disposed of under authority of section 7 of the River and Harbor Act approved August 30, 1935, in such manner as the Secretary of War may direct. In a recent and somewhat similar case, H. R. 9014, Seventy-fifth Congress, third session, a bill to authorize the conveyance without compensation of property at lock and dam No. 6,

Kanawha River, to the Lane S. Anderson Post, No. 97, veterans of Foreign Wars of the United States, the Bureau of the Budget held that the best interests of the Government would be served if the bill were revised to incorporate the principles of the act of August 26, 1935 (49 Stat. 800), which act authorizes the disposition for public purposes by sale of certain Federal buildings and sites under the control of the Treasury Department at a price not less than 50 percent of the appraised value of the land and improvements thereon. The consideration stated in the bill is in excess of 50 percent of the appraised value of the lands and improvements described therein.

It appears desirable to include within the bill a description of the lands to be conveyed, and the bill has been modified accordingly. If amendment as indicated in red, the Department has no objection to its favorable consideration by Congress.

This report was submitted to the Bureau of the Budget which states that there would be no objection to its submission to Congress.

Sincerely yours,

LOUIS JOHNSON,
Acting Secretary of War.

AMENDING NAVAL APPROPRIATIONS ACT, 1921

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 1131) to amend the part of the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1921, and for other purposes," approved June 4, 1920, relating to the conservation, care, custody, protection, and operation of the naval petroleum and oil-shale reserves, which I send to the desk.

The Clerk read as follows:

Be it enacted, etc., That the part of the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1921, and for other purposes," approved June 4, 1920 (41 Stat. 813), relating to the conservation, care, custody, protection, and operation of the naval petroleum and oil-shale reserves, contained in the paragraph entitled "Investigation of Fuel Oil and Other Fuel," and embodied in the United States Code, title 34, section 524, be amended so as to read as follows:

"The Secretary of the Navy is directed to take possession of all properties within the naval petroleum reserves, naval oil-shale reserves, and other naval fuel reserves as are or may become subject to the control and use by the United States for naval purposes; to conserve, develop, use, and operate the same in his discretion, directly or by contract, lease, or otherwise, such use and operation to be for the protection of the aforesaid reserves or for carrying out the provisions of this act; and to use, store, exchange, or sell the oil and gas products thereof, and those from all royalty oil and gas from lands in the naval reserves, for the benefit of the United States, subject to the applicable limitations and restrictions of this act; and to exercise exclusive jurisdiction and control over those lands within the borders of naval petroleum reserves Nos. 1 and 2 which are embraced by leases granted pursuant to the provisions of the act of Congress approved February 25, 1920, entitled 'An act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain' (41 Stat. 437).

"In order to consolidate and protect the oil lands owned by the Government, the Secretary of the Navy is authorized to contract with owners and lessees of land within or adjoining such reserves for conservation in the ground of oil and gas and for compensation for estimated drainage in lieu of drilling or operating offset wells, and to exchange Government land in naval petroleum reserve No. 1, the right to royalty production from any of the naval petroleum reserves, and the right to any moneys due to the Government as a result of the wrongful extraction of petroleum products from lands within naval petroleum reserve No. 1, for privately owned land or leases within naval petroleum reserve No. 1: *Provided*, That no lease of any portion of the naval petroleum reserves, no contract to alienate the use, control, or possession thereof from the United States, no contract to sell the oil and gas products thereof, other than royalty oil and gas products, no contract for conservation or for compensation for estimated drainage, and exchange of any kind, any right to royalty production, or any right to any moneys as hereinabove authorized shall become effective until approved by the President: *Provided further*, That the Secretary of the Navy shall report annually to the Congress all agreements entered into under the authority herein granted.

"In the event of the inability of the Secretary of the Navy to make satisfactory exchanges of land or agreements for the conservation of naval petroleum with the private owners of lands or leases within or adjoining naval petroleum reserve No. 1, as provided for in this act, he is hereby authorized, with the approval of the President, to acquire such privately owned lands or leases in naval petroleum reserve No. 1 by purchase or condemnation. There is hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this act. Such sums shall be expended under the direction of the President, who shall submit to the Congress estimates therefor in the manner prescribed by law: *Provided*, That the Secretary of the Navy shall report annually to the Congress all purchase and condemnation proceedings entered into under the authority herein granted.

"Leases of lands of the United States within the naval petroleum reserves, in existence prior to July 1, 1936, excepting those leases which have become a part of an approved unit or cooperative plan and agreement, shall terminate at the expiration of their initial 20-year periods, and the lands covered by such terminated leases may be re-leased upon such reasonable terms and conditions as the Secretary of the Navy may prescribe, with the preferential right in the former lessees to leases of the same if and when the lands are re-leased: *Provided*, That every unit or cooperative plan of development and operation entered into after July 1, 1937, and every lease entered into subsequently to July 1, 1937, with respect to lands owned by the United States within the naval petroleum reserves, shall contain a provision whereby authority, limited as provided in such plan or lease, is vested in the Secretary of the Navy to alter or modify from time to time in his discretion the rate of prospecting and development on, and the quantity and rate of production from, such lands of the United States under said plan or lease, any law to the contrary notwithstanding.

"Citizens of another country, or corporations controlled by citizens of another country, the laws, customs, or regulations of which deny the privilege of leasing their public lands to citizens or corporations of this country, shall not by contract made subsequently to July 1, 1937, or by stock ownership, holding, or control, acquire or own any interest in or right to any benefit from any lease of land in the naval petroleum, naval oil shale, or other naval fuel reserves at any time made under the provisions of the Mineral Leasing Act of February 25, 1920, or of this act, and in the event of any violation of any of these provisions, the Secretary of the Navy shall have the right to cancel such lease forthwith.

"The Secretary of the Navy is hereby authorized to prescribe necessary rules and regulations and to do any and all things necessary or proper to accomplish the purposes of this act. All statements, reports, and representations required thereby shall be under oath, unless otherwise specified, and in such form as the Secretary of the Navy may require.

"Except as otherwise provided in this act, all moneys which may accrue to the United States under the provisions of this act, or of the said act of February 25, 1920 (41 Stat. 437), from lands within the naval petroleum reserves, naval oil-shale reserves, or other naval fuel reserves on account of the petroleum products extracted therefrom shall be deposited in the Treasury of the United States as miscellaneous receipts; and any or all oil, gas, gasoline, or other hydrocarbon substances accruing to the United States as royalties from leases of lands within the naval petroleum reserves, the naval oil-shale reserves, or other naval fuel reserves under authority of this act shall be paid for in money or be paid in kind as the Secretary of the Navy may elect.

"Any lease issued under the provisions of this act may be forfeited and canceled by an appropriate proceeding in the United States district court for the district in which the property, or some part thereof, is located, whenever the lessee fails to comply with any of the provisions of this act, of the lease, or of the regulations promulgated under this act and in force at the date of the lease; and the lease may provide for resort to appropriate methods for the settlement of disputes and for remedies for breach of specified conditions thereof."

SEC. 2. All acts or parts thereof in conflict with the provisions of this act are hereby repealed.

With the following committee amendments:

Page 2, change lines 4 and 5, to read as follows: "of all properties within the naval petroleum reserves and other naval fuel reserves as are or."

Page 2, line 8, after the comma after the word "discretion", insert "subject to approval by the President."

Page 5, line 1, insert a comma after the word "authority", and a comma after the word "lease."

Page 5, line 2, after the word "Navy", insert a comma and add "subject to approval by the President."

Page 5, line 14, strike out "naval oil-shale."

Page 5, line 20, after the word "Navy", insert a comma and "subject to approval by the President."

Page 6, line 5, strike out "naval oil-shale reserves."

Page 6, line 11, strike out "the naval oil-shale reserves."

Page 6, line 24, change the period to a colon and add before the quotation marks the following proviso: "*Provided*, That nothing herein contained shall be construed to permit the development, or operation of the naval oil-shale reserves."

Page 6, after line 24, add the following section:

"SEC. 2. Nothing herein contained shall be construed as validating, acquiescing in, or giving color to any claim of any person, natural, governmental, or corporate, other than the United States, to any right, title, or interest in any lands or interests therein claimed, or which may be claimed, by the United States, or as preventing or interfering with the accrual of any right to damages or cause of action in favor of the United States against any person whomsoever."

Page 7, line 1, strike out "Sec. 2" and insert in lieu thereof "Sec. 3."

The SPEAKER. Is there objection?

Mr. SNELL. Mr. Speaker, I reserve the right to object. I think the gentleman should make a short statement and tell us what is in the bill.

Mr. VINSON of Georgia. Mr. Speaker, in September 1912 President Wilson set aside certain lands as naval oil reserves, in Kern County, Calif., known as Elk Hills. Some 30,000 acres in Kern County are owned by the Government, and 4,662 acres are owned by or alleged to be owned by the Standard Oil Co. The purpose of the legislation is to control and preserve the oil in the ground, keeping it from being drained out by the drilling of wells. As will be seen from the map which I hold in my hand, all of the brown section is Government land. This land here seems to be owned by the Standard Oil Co. The purpose of the legislation is to promote two things, either to permit the Government to condemn and buy the land owned by the Standard Oil Co., or else enter into an agreement whereby they can exchange certain lands and concentrate the Standard Oil land all in one section, thereby keeping the land from being drained. On May 28 the President wrote the following letter to the Secretary of the Navy:

THE WHITE HOUSE,
Washington, May 27, 1938.

Hon. CLAUDE A. SWANSON,
Secretary of the Navy, Washington, D. C.

MY DEAR MR. SECRETARY: This is to acknowledge receipt of your letter of May 18, 1938, concerning S. 1131, to further protect the naval petroleum reserves, which has passed the Senate and is now pending in the House.

In February 1936 the draft of legislation regarding this subject proposed by you was given careful attention by me and was then considered as necessary in the interest of the national defense. With the exception of some minor changes S. 1131 appears to be in the same form as the draft of bill which I had before me in 1936. In view of the conditions described by you as existing at this time, it appears highly advisable that Congress pass this bill, or similar legislation, at an early date.

Sincerely yours,

FRANKLIN D. ROOSEVELT.

We have so amended the bill that we do not surrender any of our title to any of the land claimed by the Standard Oil Co. We preserve whatever rights or interest we have or may have in the hope that further development in the Department of Justice, and through a subcommittee that will be appointed, may enable the Government to bring suit to recover title to these lands.

Mr. SNELL. This is an absolutely fair proposition to take care of the Government lands and also the lands in private ownership?

Mr. VINSON of Georgia. Absolutely.

Mr. SNELL. I am entirely in favor of the general principle of conservation, but I do not want to see anything done that will not be fair to all parties concerned.

Mr. VINSON of Georgia. It is, absolutely. Some of us do not think the Standard Oil Co. has good title. Inquiry is being made to determine this. The pending bill will not confer good title upon the Standard Oil Co., but if they do have good title, and the title is finally held to be good by the courts, then it is in the interest of the Government either to buy out the Standard Oil Co. holdings in this area or consolidate their holdings in one section so they will not drain the oil reserve.

Mr. SNELL. This bill is not prejudicial to the private ownership?

Mr. VINSON of Georgia. Not a bit.

Mr. SNELL. If it is a bill in the interest of conservation, I cannot see any objection to it.

Mr. VINSON of Georgia. It is.

Mr. PHILLIPS. Mr. Speaker, reserving the right to object, I just came in. I understand unanimous consent has been asked for the consideration of this bill. The Committee on Naval Affairs reported out this bill over the objection of the gentleman from California [Mr. SCOTT] and myself. I do not see the gentleman from California here.

Mr. VINSON of Georgia. Mr. Speaker, will the gentleman yield?

Mr. PHILLIPS. I yield.

Mr. VINSON of Georgia. I may state to the gentleman from Connecticut that the gentleman from California [Mr. SCOTT] has informed me he has no objection to the consideration of this bill.

Mr. PHILLIPS. When the Committee on Naval Affairs agreed to report out this bill the chairman told us he was going to try to get a rule making its consideration in order. Those of us who were against it then, the gentleman from California and myself, are against it now. If the bill is to be considered, it should be considered in such a way that full opportunity for discussion will be afforded those opposed to the bill. I have notified the chairman of the Rules Committee, the gentleman from New York [Mr. O'CONNOR] to this effect.

Mr. O'CONNOR of New York. Mr. Speaker, will the gentleman yield?

Mr. PHILLIPS. Just a minute. So many factors are involved in this question that the House ought to know about that I do not think the bill ought to be considered in this fashion, and I shall have to object to the request.

Mr. CHURCH. Mr. Speaker, will the gentleman reserve his objection?

Mr. PHILLIPS. I will reserve it to permit the gentleman to make a statement.

Mr. VINSON of Georgia. Mr. Speaker, I demand the regular order.

The SPEAKER. The regular order is demanded. The regular order is, Is there objection to the request of the gentleman from Georgia?

Mr. PHILLIPS. Mr. Speaker, I object.

Mr. GILCHRIST. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD at this point and to include a short statement by Dr. Black, of the Bureau of Agricultural Economics.

The SPEAKER. Without objection it is so ordered.

There was no objection.

The matter referred to follows:

REFUND OF THE HOG-PROCESSING TAX TO THE FARMER

The Federal Government is under the same obligation to refund to farmers the hog-processing tax, paid by them under an unconstitutional law as to refund to packers and processors, railroads, or other corporations' taxes that they may have paid under laws held unconstitutional by the Supreme Court of the United States.

Congress has followed a policy of making refunds to all other groups of our citizens, including corporations, of taxes erroneously, illegally, and otherwise wrongfully collected or of taxes levied and collected under unconstitutional laws. Up to date Congress has discriminated against the farmer. He has not received the same consideration from Congress that other groups have received with respect to refunds of the illegally collected processing tax on hogs.

THE HISTORY OF THE HOG-PROCESSING TAX

The Agricultural Adjustment Act became law on May 12, 1933. Under its provisions and under the regulations of the Secretary of Agriculture a processing tax was levied on the first domestic processing of live hogs, beginning on November 5, 1933, at the rate of 50 cents a hundredweight—live weight. On December 1, 1933, this tax was increased to $1 a hundredweight. On February 1, 1934, it was increased to $1.50 a hundredweight, and on March 1, 1934, it was increased again to $2.25. It continued in effect at that rate until January 6, 1936, when the Supreme Court of the United States held the processing taxes to be unconstitutional.

Three types of processing taxes were levied with respect to hogs, namely a tax on the first domestic processing of hogs sold to processors by domestic producers; second, a tax on the first domestic processing of imported hogs; and third, a processors' floor-stock tax.

Taking these three types of hog-processing taxes in inverse order, it appears that during the effective period of the tax the processors paid floor-stocks taxes in the aggregate sum of $6,321,640.97; import compensation taxes in the aggregate sum of $528,576.45, and processing taxes in the aggregate sum of $263,230,867.47. In addition to this last-named sum the processors collected from the producers approximately $98,000,000, which on January 6, 1936, when the tax was declared invalid, they had not paid over to the Government. These two last-named sums, totaling $361,230,867.47, represent the amount the processors collected from the producers in the form of lowered prices paid by them for live hogs.

THE THEORY OF THE TAX

The theory of the tax and the intent of Congress was that the tax would be collected from the packers and processors by adding

it to the wholesale and retail price of the products and paid by the consumer, but this was not done.

The theory of the law did not work out in practice. The intent of the act was perverted, the tax was collected from the processors, but what the packers actually did in this case of hogs was to deduct the amount of the tax from the price the packers paid to the producers and they thus charged the full amount of the tax back to the producer in a lower price for his hogs.

This is not essentially true with respect to the other commodities on which a tax was levied under the Agricultural Adjustment Act, but in the case of hog producers there is no dispute about the facts. The hog producers bore the full burden of the hog-processing tax.

The packers, when they appeared before the House Agricultural Committee of which I am a member, not only prophesied that they would charge the amount of the processing tax back to the producers, but after the tax had been in effect they definitely stated to our committee that that was precisely what they were doing.

A most significant document was prepared by Dr. A. G. Black, Chief of the Bureau of Agricultural Economics, on May 10, 1937, entitled "An Analysis of the Effects of the Processing Taxes Levied Under the Agricultural Adjustment Act." It proves (1) that the processors did not pay the tax; (2) that the distributors did not pay the tax; (3) that the consumers did not pay the tax; but (4) that the producers did pay the tax. Dr. Black has this further to say: "Since the total amount paid for hog products by consumers apparently was no greater with the tax than it would have been if the tax had not been in effect, and since the processors and distributors did not absorb any appreciable proportion of the tax, it follows that the prices received by producers for hogs were lower by the amount of the tax than they would have been if the tax had not been in effect." Dr. Black further says: "It follows that live-hog prices were lower by about the amount of the processing tax than they would have been if no tax had been imposed but all other conditions had been the same. * * *" The evidence presented in the foregoing analysis indicates that the direct effect of the hog-processing tax was to cause prices received by hog producers to be lower than they otherwise would have been by approximately the amount of the tax. The evidence indicates moreover, that processors of hogs and distributors and consumers of hogs were not materially affected by the tax."

The hog producers knew at the time the tax was levied that they were paying the tax. The farmers know now that they bore the full burden of the processing tax on hogs. The processors stated publicly before our committee that they were going to charge the processing tax back to the farmers. They stated before our committee that they were doing it and now the United States Department of Agriculture, through its own Bureau of Agricultural Economics, after making a scientific study of the facts, admits that the processing tax on hogs was charged back to and paid by the producers of hogs.

THE HISTORY OF REFUNDS OF OTHER ILLEGAL TAXES

The Congress has been very generous to the processors in making refunds to them of that portion of the processing tax on cotton, on jute and paper, on wheat, on tobacco, on corn, on hogs, on sugar, on peanuts, on rice, and on rye, whether it be on processing tax or on floor stocks taxes of which they bore the burden and which they could prove were not passed on to the consumer or passed back to the farmer in the form of lower prices for their products.

The provisions for such refunds are contained in titles 4 and 7 of the Revenue Act of 1936. Titles 4 and 7 authorize that the necessary appropriations be made by the Congress and provides the procedure under which the processors, including the packers, might file claims for refunds with the Bureau of Internal Revenue of the Federal Government.

Fifteen million dollars was included in the Budget for the 1938 fiscal year, recommended by the President and approved by the Bureau of the Budget, and $15,000,000 was actually appropriated for that purpose. In the Budget recommended by the President for the 1939 fiscal year, $50,000,000 was included for the purpose of making those refunds to processors and the $50,000,000 appropriation was included in the second deficiency appropriation which passed the Congress in the closing hours of the present session. I do not complain about this.

The railroads have been taken care of too. The 150 railroad corporations were subject to a tax under the Railroad Retirement Act of 1934. The Railroad Retirement Act became effective in June 1934, and on May 6, 1935, it was declared unconstitutional by the Supreme Court of the United States.

In the intervening period these 150 railroads paid to the Railroad Retirement Board approximately $138,411.89. Through the influence of the American Association of Railways a bill was introduced in Congress some time in March 1938. The bill authorized and directed the Secretary of the Treasury to refund to the railroads the $138,411.89 which these 150 railroads had paid in the form of an illegal tax under the 1934 Railroad Retirement Act. This bill passed both Houses of Congress and was signed by the President within 2 months after it was first introduced in the Congress. I am not complaining of this.

FARMERS NOT TREATED SO GENEROUSLY

The farmers are not treated so generously as the corporations are treated by the Congress. They are not treated as fairly or as justly. This is especially true with reference to the hog producers where there is neither disagreement nor dispute of the fact that the processing tax on hogs was borne by the farmers.

In September 1937 a bill was introduced in Congress making provision for the refund of the processing taxes on hogs to the farmers. Under the provisions of the bill the farmer would be required to prove that he marketed hogs for slaughter during the period the tax was in effect.

This bill was referred to the Committee on Agriculture of the House of Representatives. It was referred to a subcommittee for hearings. I am a member of this subcommittee, and farmers came in from seven or eight States and testified in favor of the passage of this bill. No one appeared in opposition to the bill. I voted to report the bill to the full committee, and the bill was so reported, with a recommendation that the full committee report it out for passage. In a number of meetings I urged the full committee to take action and report the bill out for passage. No action has been taken to date. The minutes of the Committee on Agriculture of the House show that I entered the motion to have the bill reported with a favorable recommendation for its passage.

The hog producers were unjustly and illegally taxed. The Treasury of the United States was unjustly enriched by the amount of the tax collected from the hog producers of the Nation. Congress has the same moral obligation to enact the necessary legislation to make refund to the farmers of this tax as it has to refund any other tax which has been levied and collected under an unconstitutional law to others of our citizens, be they individuals or corporations. It is just as necessary to enact remedial legislation in behalf of the farmers to authorize and make provision for the refund of the hog-processing tax as it has been for the Congress by special legislation to authorize and make provision for the refund to the railroads, to the processors and packers, and to countless others over the years.

It is an old principle and a well-established policy recognized by both the courts and by the Congress. It has been my purpose to see that the farmers were included in this policy of government. The Federal court in considering the railroad retirement case said, in considering the Railroad Retirement Act, when the question of further payment of the tax by the railroads to the Government was under consideration: "The sum of $5,000 to be paid by some corporations or individuals might cause great damage or injury, but I do not think it will work great damage to most of these plaintiffs here. Moreover, if it is true that the law should turn out to be unconstitutional, I cannot conceive that Congress would refuse to reimburse the railroads."

By the same token of elemental logic and by the plain principles of equity, I cannot conceive that Congress could or can refuse to reimburse the farmers. This wrong must be remedied.

ASSESSMENT WORK ON MINING CLAIMS

Mr. MURDOCK of Arizona. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 3493) providing for the suspension of annual assessment work on mining claims held by location in the United States.

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, is this bill on the Consent Calendar?

Mr. MURDOCK of Arizona. No; it is not.

Mr. RICH. Mr. Speaker, reserving the right to object, why should this assessment work on mining claims be suspended?

Mr. MURDOCK of Arizona. Mr. Speaker, for several years during this depression, the $100 worth of assessment work required on unpatented mining claims has been suspended. The moratorium has been extended, now, I believe, since 1932. I feel that conditions in the mining communities are as bad now or worse than they have been in the intervening years. This is for the benefit of the small-claim owners, who, if we do not pass this bill, or if they do not do $100 worth of work on each claim prior to July 1, will probably lose their claims; that is, possibly have their claims jumped.

Although we should end this suspension sometime, certainly, I feel we ought to extend this moratorium another year. We have extended aid to other classes in distress; now let us aid these small-claim owners. It will not cost the Government to do so, and it will help thousands of our most courageous citizens in their desperate struggle.

Mr. RICH. It is simply an extension of time; it is not a grant to them? Does the bill give any rights or privileges to them other than an extension of time?

Mr. MURDOCK of Arizona. No. We are simply extending the moratorium 1 year. It is similar to bills that have been passed in the last few years.

Mr. THOMASON of Texas. Mr. Speaker, will the gentleman yield?

Mr. MURDOCK of Arizona. I yield.

Mr. THOMASON of Texas. Is it not a fact that this will not cost the Government anything; that it is a measure of relief to these men. It is an entirely meritorious bill I may say to the gentleman from Pennsylvania, and does not affect anybody adversely.

Mr. MURDOCK of Arizona. Your statement is correct. It will cost the Government nothing. My friend from El Paso knows full well the need and what this bill means to small mining men.

Mr. THOMASON of Texas. Absolutely.

Mr. RICH. If it provides only for an extension of time and extends no additional rights or privileges I shall not object, but if it goes beyond this I do not think the bill should be considered by unanimous consent.

Mr. SNELL. Mr. Speaker, reserving the right to object, as I understand the situation, this bill is in the interest of the small prospector?

Mr. MURDOCK of Arizona. Yes; the gentleman is exactly right.

Mr. SNELL. Why? I do not like the principle; if it is purely in the interest of the poor man, I shall not object.

Mr. CASE of South Dakota. Mr. Speaker, reserving the right to object, will the gentleman tell me whether or not this has been passed upon by the House Committee on Mines and Mining?

Mr. MURDOCK of Arizona. Not formally. It passed the Senate on June 7. Perhaps there has not been a meeting of the Committee on Mines and Mining meanwhile. I spoke to the chairman and one or two other members of that committee and apparently they are not opposed to the bill, considering the evident need today of this relief.

Mr. CASE of South Dakota. Yesterday I talked with the clerk of the Committee on Mines and Mining of the House, of which I am a member, and the clerk informed me that the committee was not going to report the bill, that information was had to the effect the President was opposed to the bill. The gentleman will recall that last year when we had this bill up for consideration the House committee in its report at that time asked the House to pass the bill with the definite understanding it would not be asked to do so again this year.

In justice to the position of the committee, I desire to insert at this point a letter from the President to Chairman JOE SMITH of the Committee on Mines and Mining at the time legislation was passed last year:

THE WHITE HOUSE,
Washington, June 24, 1937.

Hon. JOE L. SMITH,
Chairman, Committee on Mines and Mining,
House of Representatives.

MY DEAR MR. CHAIRMAN: I have today approved Senate bill 187, providing for the suspension of annual assessment work on mining claims held by location in the United States.

I have noted with interest the following paragraph in the House report on the bill:

"Notwithstanding the report of the Department, the committee recommends the passage of the bill, because prospectors were not put on notice that the practice of granting moratoriums from year to year would be discontinued. The committee agreed that any further attempt to waive the annual assessment work or payment will not be considered."

I have been much gratified by this fine cooperation on the part of the committees. Indeed, if it had not been for this assurance, I would have felt compelled to return this bill without my approval.

Sincerely yours,

FRANKLIN D. ROOSEVELT.

On this basis the committee, I think, has felt itself estopped from asking for exemptions again this year.

Personally, I feel that the situation has changed from last year, but yesterday I was informed by a member of the committee that the chairman had received a letter saying this bill would not be approved by the White House. He may have been mistaken or the President may have taken note of changed conditions. We should have information on that point if it is available.

Mr. THOMASON of Texas. If the situation has changed, is it worse now than it was at that time?

Mr. CASE of South Dakota. Yes; as far as I am concerned.

Mr. THOMASON of Texas. This is not new legislation. It is simply a moratorium for the little man.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the provision of section 2324 of the Revised Statutes of the United States, which requires on each mining claim located, and until a patent has been issued therefor, not less than $100 worth of labor to be performed or improvements aggregating such amount to be made each year, be, and the same is hereby, suspended as to all mining claims in the United States during the year beginning at 12 o'clock m. July 1, 1937, and ending at 12 o'clock m. July 1, 1938: *Provided*, That the provisions of this act shall not apply in the case of any claimant not entitled to exemption from the payment of a Federal income tax for the taxable year 1937: *Provided further*, That every claimant of any such mining claim, in order to obtain the benefits of this act, shall file, or cause to be filed, in the office where the location notice or certificate is recorded, on or before 12 o'clock m. July 1, 1938, a notice of his desire to hold said mining claim under this act, which notice shall state that the claimant, or claimants, were entitled to exemption from the payment of a Federal income tax for the taxable year 1937: *Provided further*, That such suspension of assessment work shall not apply to more than 6 lode-mining claims held by the same person, nor to more than 12 lode-mining claims held by the same partnership, association, or corporation: *And provided further*, That such suspension of assessment work shall not apply to more than 6 placer-mining claims not to exceed 120 acres (in all) held by the same person, nor to more than 12 placer-mining claims not to exceed 240 acres (in all) held by the same partnership, association, or corporation.

Mr. DIMOND. Mr. Speaker, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. DIMOND: On page 1, line 9, after the words "United States", insert "including the Territory of Alaska."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. ROBERTSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a brief statement from the Bureau of Mines on the subject of manganese, foreign and domestic.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. PLUMLEY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an address by the Honorable W. Arthur Simpson, chairman of the Old Age Commission of Vermont.

The SPEAKER. Is there objection to the request of the gentleman from Vermont?

There was no objection.

Mr. GRAY of Indiana. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on the subjects of rural electrification, the wage and hour bill, and the Post Office bill.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

EXEMPTION FROM TAXATION OF PUBLICLY OWNED INTERSTATE HIGHWAY BRIDGES

Mr. O'NEAL of Kentucky. Mr. Speaker, I move to suspend the rules and pass the bill (S. 252) to exempt publicly owned interstate highway bridges from local taxation.

The SPEAKER. Is a second demanded?

Mr. SNELL and Mr. THOMPSON of Illinois demanded a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER. The gentleman from Kentucky [Mr. O'NEAL] will be recognized for 20 minutes and the gentleman

from New York [Mr. SNELL] will be recognized for 20 minutes.

Mr. SNELL. I do that largely to find out a little bit about this bill.

Mr. SNELL. Mr. Speaker, will the Speaker kindly recognize the gentleman from Michigan [Mr. MAPES] to control the time in opposition?

The SPEAKER. The gentleman from Michigan.

Mr. MAPES. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. THOMPSON].

Mr. THOMPSON of Illinois. Mr. Speaker, there is nothing particularly new about this measure. Exactly 2 years ago a similar bill was before the House in the closing hours of the Seventy-fourth Congress. The bill passed in the late hours of the evening and was subsequently vetoed by the President of the United States and did not become law.

It seems to me this measure attempts to inject the Federal Government into a subject in which it has no moral or possibly lawful right. There is no reason why a State or a subdivision of one State should go into another State and acquire land for an approach to a toll bridge and be relieved from taxes in that other State. Very often a State acquires property which is most valuable in the State across the river from it, and the local taxing body suffers seriously because of that loss of revenue.

Let me read just what the President of the United States said when he vetoed the simiar bill 2 years ago:

> I am withholding my approval of S. 3107, to exempt publicly owned interstate highway bridges from State, municipal, and local taxation, for the following reasons:
>
> The effect of this bill would be that, by declaring publicly owned interstate highway bridges to be Federal instrumentalities, such bridges would thereby be exempt from all State and local taxation. I cannot give my approval to this bill, first, because I can find no compelling reason for making publicly owned interstate highway bridges Federal instrumentalities, and secondly, because relieving such bridges of all State and local taxation would, in the majority of cases, result in loss of revenue by States and their political subdivisions, necessitating material curtailment of necessary activities, or the imposition of increased tax burdens upon other taxpayers to make up the deficit.

Mr. Speaker, it seems to me the way to handle this matter would be by a system of State compacts or reciprocal agreements between the States involved. I do not believe the Congress of the United States should inject itself into a problem such as is here presented when it can be worked out, I am sure, by the various States that are affected.

Mr. LUCAS. Mr. Speaker, will the gentleman yield?

Mr. THOMPSON of Illinois. I yield to the gentleman from Illinois.

Mr. LUCAS. If I correctly understand the message of the President of the United States, the primary reason for the veto is the fact that the Federal Government is going into a State and attempting in a legislative way to do something it has no right or business to do.

Mr. THOMPSON of Illinois. Absolutely. It is injecting itself into purely local matters.

There are a number of bridges between Illinois and Missouri, Illinois and Iowa, and Illinois and Kentucky. I am sure, if the State officials desired, they could bring about a series of reciprocal agreements that would result in the clearing up of this problem, thus letting the Federal Government stay entirely out of the picture. I do not see any excuse for a bill of this kind at this time. The cities and States operate these toll bridges. When the loans on the bridges have been amortized, naturally, the bridges will become free bridges and the lands involved removed from the tax rolls of the various States or subdivisions thereof in which they may be located.

Therefore, Mr. Speaker, I hope the House will see fit to vote down the motion to suspend the rules, and let the States retain their rights over matters of purely local taxation and local interest.

Mr. O'NEAL of Kentucky. Mr. Speaker, I yield 2 minutes to the gentleman from Missouri [Mr. COCHRAN].

Mr. COCHRAN. Mr. Speaker, there is no community in this country more affected by reason of taxes levied on a free bridge than the city of St. Louis. The first bridge ever built across the Mississippi River was built at St. Louis by James Eads, the great engineer. Tolls have been collected on the Eads bridge ever since it was constructed. The city of St. Louis spent approximately $14,000,000 putting up a bridge and approaches, floated the bonds, and made it a free bridge because of this situation. We have never been able to get an agreement with the State of Illinois on taxing this free bridge. Illinois taxes this free bridge today. This bill in its present form is not entirely satisfactory to the officials of St. Louis, but as you know it is not subject to amendment as it is being considered under suspension of the rules. The gentleman from Kentucky advises me in a long-distance telephone conversation with the legal authorities of St. Louis this morning they assured him they were willing to let the bill pass and if an amendment is needed it will be taken care of next year.

As I said, Illinois taxes our free bridge, although the bridge has brought to the people of Illinois many benefits including millions of dollars in trade, and, more than that, has enabled their people to get across the Mississippi River at St. Louis without toll, with the possible exception of a few years when they started collecting a toll of 10 cents, the entire proceeds going for relief purposes.

Mr. LUCAS. Mr. Speaker, will the gentleman yield?

Mr. COCHRAN. I yield.

Mr. LUCAS. Does the gentleman believe that that bridge has been of any commercial value to St. Louis in bringing people from Illinois to trade there?

Mr. COCHRAN. I do not believe St. Louis or Missouri has benefited to the extent that Illinois has. You know, all race tracks are right across the river from St. Louis and you know you cannot get across that bridge at times owing to the congestion. Thousands of people working in St. Louis now live in your State. Your farmers use our bridge. The gentleman knows further they are going to build another bridge there to relieve the congestion, and, further than that, the city of St. Louis today is trying to get hold of the Eads Bridge and make that bridge also a free one, which Illinois will tax if this bill is not passed.

Mr. MAPES. Mr. Speaker, I have no further requests for time.

Mr. O'NEAL of Kentucky. Mr. Speaker, I yield 3 minutes to the gentleman from Kentucky [Mr. VINCENT].

Mr. VINCENT of Kentucky. Mr. Speaker, this inconceivable attitude on the part of the State of Illinois is one that I simply cannot understand. Kentucky about 7 or 8 years ago took a forward step and spent around $30,000,000 in building toll bridges into the States of Indiana, Ohio, Illinois, and West Virginia. We have five toll bridges going into the great State of Ohio and they do not even ask or attempt to put any local tax on the river bank and the abutment on that side of the river, neither does the great State of Indiana, but the gentlemen from Illinois say they can get $150,000 a year from the investment that other States have made in the toll bridges that go into their State. They are built for their convenience, because our people go over there and spend their money. They buy seed corn and garden seed and hay and grain, and, of course, everyone knows that Illinois has two of the greatest retail establishments in the world, Montgomery Ward and Sears, Roebuck, and yet the great rich State of Illinois wants to reach down here and tax these toll bridges when they extend over to their bank. It will have this effect, Mr. Speaker. In 1940 our toll bridges will be free by the payment of these tolls—free to everybody. They are public bridges owned by the State of Kentucky. Now, if Illinois can levy a tax upon these bridges they will never be free to the people of the United States.

Mr. Speaker, I like these gentlemen and they are fine fellows, but this would be the same thing as putting a tax on a church building or a school house, because these bridges are for the public.

Then they say this is a local matter. I have always been taught that whenever commerce moves from one State over to another, whenever there is a question of jurisdiction between one State and another, it is a Federal question if it goes into the courts, as it is a question of interstate commerce.

Mr. LUCAS. Mr. Speaker, will the gentleman yield?

Mr. VINCENT of Kentucky. I yield.

Mr. LUCAS. The gentleman has been a pretty faithful follower of the President since he has been in Congress and he is now discussing an issue and taking a side with which the President does not agree, and I would like to have the gentleman discuss the veto message of the President.

[Here the gavel fell.]

Mr. O'NEAL of Kentucky. Mr. Speaker, I yield the gentleman 2 additional minutes.

Mr. VINCENT of Kentucky. I understand that this same bill was passed at the last session and our boys went back home and never thought anything about it, and some of you fellows brought to bear information or a whispering campaign to the President and got him to veto the bill after we had gone home. [Laughter.]

Now, let us pass it again and give us the same chance to go to the President and present our argument to him, and I am sure he will not want to penalize the State of Iowa or the State of Missouri, or the State of Kentucky, in favor of Illinois.

Mr. THOMPSON of Illinois. Mr. Speaker, will the gentleman yield?

Mr. VINCENT of Kentucky. I yield.

Mr. THOMPSON of Illinois. I just want to point out to my friend from Kentucky that the Illinois delegation never conducts any whispering campaign.

Mr. BIERMANN. Mr. Speaker, will the gentleman yield?

Mr. VINCENT of Kentucky. I will be glad to yield to the gentleman.

Mr. BIERMANN. The gentleman from Illinois said that they wanted to levy taxes while the tolls are being collected, but after the tolls are stopped there will be no such taxes levied. If it is just to levy taxes while tolls are being collected, it would be equally as just to levy taxes afterward, because thereafter Kentucky would have to put up the money out of its own taxes.

Mr. VINCENT of Kentucky. That is right.

Mr. BIERMANN. And Iowa would have to do the same thing.

Mr. VINCENT of Kentucky. Yes; they will not be free in 1940, and they never will be free, because the great State of Illinois will say, "We want to levy a tax on them; we want to reap where we have not sown." And that is not right.

Mr. MASON. Would there be anything to stop the State of Illinois from relinquishing these taxes the minute the bridge became a free bridge?

Mr. VINCENT of Kentucky. I do not think, from the attitude that they have assumed, that they will have any inclination to release it once they get the right to do it.

Mr. MASON. I have a different opinion about that.

The SPEAKER. The time of the gentleman from Kentucky has expired.

Mr. O'NEAL of Kentucky. Mr. Speaker, it appears that when you mention either one of two subjects, bridges or taxes, everyone becomes a little bit excited. This bill does not touch, top, side, or bottom, any privately owned bridge, whether it collects tolls or collects its revenue in any form. It does not touch any bridge publicly owned where tolls are applied to any purpose other than freeing the bridge, or paying maintenance and upkeep. This bill deals entirely with publicly owned bridges; if there is a revenue, it must be for retiring existing debts, to free the bridge or to use it for maintenance and upkeep. Therefore, where a publicly owned toll bridge or publicly owned bridge crosses an interstate stream, this bill provides that it is deemed an instrumentality of interstate commerce, and shall be free from taxation. There could be nothing that more clearly approaches an instrumentality of interstate commerce than a bridge publicly owned, reaching from one State to another. That is the essence of interstate business. Therefore, it is properly nontaxable by any State or municipality. There could be nothing more clearly of Federal interest than an interstate instrumentality, such as an interstate bridge.

The practical effect of this bill is in the interest of the people. This is not taking advantage of anybody as has been alleged. It is helping the public to pass from one State to another, without having to pay toll. There are 109 publicly owned bridges in the United States, between twenty-odd States of the Union. This bill will mean that some bridges will one day be free which could never be tax free if some community across the river would decide to levy a tax on the bridge. If this bill passes, as soon as any debt on a publicly owned bridge is paid, the bridge will become free and the public will pass without paying toll. If you do not have a law that exempts from taxation, it will be possible for some community where a part of the bridge approaches are in that community to put such a tax on the bridge that the bridge can never be free. It would mean that the State or municipality that owns the bridge would have to take from its coffers taxes to pay the community across the river, or it would mean that they would have to continue tolls for the life of the taxes, to pay that little community that is sitting there trying to impose on the traveling public.

Mr. SPENCE. Mr. Speaker, will the gentleman yield?

Mr. O'NEAL of Kentucky. Yes.

Mr. SPENCE. Does not this act really declare legislatively as a fact what the Supreme Court has already held that an interstate bridge is an instrument of interstate commerce.

Mr. O'NEAL of Kentucky. Yes.

Mr. SPENCE. That an interstate bridge is an instrumentality of interstate commerce?

Mr. O'NEAL of Kentucky. The gentleman is correct.

Mr. CREAL. Mr. Speaker, considering the gigantic wealth of the State of Illinois, compared with the poor State of Kentucky, is it not rather poor sportsmanship to ask Kentucky citizens indirectly to upkeep the local government of the adjoining State?

Mr. O'NEAL of Kentucky. I agree with that viewpoint. I do not want to say that is the sentiment of all of the people of Illinois. This bill was considered in the last session by a House committee and reported favorably, as I recall unanimously, and also by a Senate committee of the Seventy-fourth Congress and by the Senate of the Seventy-fifth Congress, also the House committee of the Seventy-fifth Congress. It was not objected to by the official objectors when it was on the Consent Calendar. I do not think there was any objection from them. This matter has had thorough study, and has had the approval of the House and Senate, and that indicates that the subject has been gone into very carefully.

As to the President's veto, I would not be here today advocating this bill and ask you to pass it if I did not feel reasonably sure that this bill would not be vetoed. I have reason for thinking that. I know how it was vetoed in the Seventy-fourth Congress. I know that the matter has been presented to the President, and I know that he is desirous of seeing this bill again passed.

Mr. LUCAS. Mr. Speaker, is the gentleman now telling the House that the President of the United States will not veto this bill if it is passed?

Mr. O'NEAL of Kentucky. I have made my statement and I think it is clear that I do not believe the President will veto it.

Mr. LUCAS. Is the gentleman telling the House that he will not veto it, in view of his previous action?

Mr. O'NEAL of Kentucky. I think I have explained the matter sufficiently.

Mr. DONDERO. Is the gentleman satisfied that the Federal Government has a legal right to exempt real estate in any State that is used for a commercial enterprise?

Mr. O'NEAL of Kentucky. I may say to the gentleman that Federal buildings are exempt.

Mr. DONDERO. That is a Federal enterprise.

Mr. WADSWORTH. We own them.

Mr. O'NEAL of Kentucky. I do not believe the Supreme Court would uphold the proposition that an interstate bridge could be taxed by a local municipality.

Mr. DONDERO. The land on which a Federal building is built is, of course, property of the Federal Government and is exempt under our law, but I do not believe the Federal Government has the constitutional right to exempt real estate in any State when the land is used for commercial purposes. Is the gentleman satisfied the Government has that right?

Mr. O'NEAL of Kentucky. I do not admit that this is a commercial enterprise. The lower courts have held that a bridge and the approaches thereto serving interstate traffic is not subject to local taxation because it is an instrumentality of interstate commerce.

I hope you will vote unanimously for this bill.

[Here the gavel fell.]

The SPEAKER. The time of the gentleman from Kentucky has expired; all time has expired. The question is, Shall the rules be suspended and the bill be passed?

The question was taken; and two-thirds having voted in favor thereof, the rules were suspended, and the bill was passed.

A motion to reconsider was laid on the table.

CIVILIAN CONSERVATION CORPS

Mrs. NORTON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 3798) to amend the act entitled "An act to establish a Civilian Conservation Corps, and for other purposes", approved June 28, 1937.

The Clerk read the title of the bill.

Mr. SNELL. Mr. Speaker, reserving the right to object, will the chairman of the committee explain the bill briefly and whether it adds any expense?

Mrs. NORTON. I may say to the gentleman from New York that it does not add any expense.

Mr. SNELL. What are its purposes?

Mrs. NORTON. The purpose of the bill is to exempt enrollees in the Conservation Corps from Territories and insular possessions from making mandatory allotments to dependents. I may say that such exemption already applies to Indian enrollees on Indian Reservations. The same condition exists with reference to the Territories and insular possessions.

The SPEAKER. Is there objection to the request of the gentlewoman from New Jersey?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 9 of the act entitled "An act to establish a Civilian Conservation Corps, and for other purposes", approved June 28, 1937 (50 Stat. 319), is amended by inserting in the first proviso thereof, after the word "Indians", the following: "and enrollees in the Territories and insular possessions of the United States."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

UNITED STATES EMPLOYMENT SERVICE

Mrs. NORTON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 3516) to alter the ratio of appropriations to be apportioned to the States for public employment officers affiliated with the United States Employment Service.

The Clerk read the title of the bill.

Mr. SNELL. Mr. Speaker, reserving the right to object, will the chairman of the committee make a short statement relative to the bill so the House may understand exactly what it is acting upon?

Mrs. NORTON. I shall be pleased to do so.

Mr. Speaker, the original Wagner-Peyser Act establishing the United States Employment Service apportions the appropriations it receives so that 75 percent must be divided among the States and 25 percent to the Federal office. Until the Social Security Act became effective this was quite sufficient, but since that time there has been so much more work thrown on this Service that it is now necessary to make a different apportionment. Since the Federal Security Act became effective, with its unemployment-insurance benefits, the United States Employment Service requires more money for its Federal office and less for the States; because in order to receive unemployment insurance, a person must have been registered with the United States Employment Service for a specified time. In other words, the Federal office has very much more work to do, and this work we expect will continue to increase. The bill does not increase the total of the appropriation; it merely gives the President the right to reapportion the allotments. The only effect of this bill is to remove the arbitrary ratio of 3 to 1 which now exists in the Wagner-Peyser Act. I think that explains the bill.

Mr. SCOTT. Mr. Speaker, will the gentlewoman yield?

Mrs. NORTON. I yield.

Mr. SCOTT. Does this in any way transfer the administration of the offices? Does it affect the administration as between the Federal administration and the State administration?

Mrs. NORTON. Not at all.

Mr. SCOTT. Does it not put the Service more under the control of the States?

Mrs. NORTON. Not in the least, and it does not increase the appropriation one cent. It merely gives the President the right to divide the appropriation more equitably.

Mr. SCOTT. So that the Federal Government would contribute more or the States more?

Mrs. NORTON. So that more money would be apportioned to the Federal office in order to make appropriations on the basis of the facts without the existing arbitrary limitation upon judgment and merit.

Mr. LUCAS. Mr. Speaker, will the gentlewoman yield?

Mrs. NORTON. I yield.

Mr. LUCAS. The question involves $4,000,000 for administrative expenses. Under the present law $3,000,000 goes to the States and $1,000,000 to the Unemployment Service in the District of Columbia.

Mrs. NORTON. Yes.

Mr. LUCAS. The effect of the bill is to make the appropriations more flexible, giving the Washington office the right to make the distribution according to their own discretion.

Mrs. NORTON. The gentleman has stated it correctly.

Mr. LUCAS. The gentlewoman said there was more administrative work to do in Washington as a result of the Social Security Act. Is it not true that there is more work also in the State employment offices as a result of the Social Security Act?

Mrs. NORTON. I do not think so.

Mr. LUCAS. I disagree with the gentlewoman from New Jersey. Is it not a fact if this bill passes the agencies here in Washington, if they so desire, can take any amount of that $4,000,000 for Federal administration expenses?

Mrs. NORTON. Oh, no. No State will receive less than $10,000, of course, contingent on an equal appropriation by the State.

Mr. LUCAS. No State will receive less than $10,000, but insofar as the 75 percent is concerned that is out of the picture?

Mrs. NORTON. It leaves it in the discretion of the President.

Mr. LUCAS. It leaves it discretionary with him as to how much money any particular State shall receive? And I do not want claimants to receive less than the previous distribution, as it will seriously disturb the efficiency of the State administration machinery.

Mrs. NORTON. But not less than $10,000.

Mr. LUCAS. Mr. Speaker, I object.

RELIEF OF CERTAIN ALIENS

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent for the present consideration of House Joint Resolution 714.

The Clerk read the title of the House joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. SNELL. Mr. Speaker, reserving the right to object, may we have an explanation?

Mr. DICKSTEIN. Mr. Speaker, this is similar to a request made yesterday, but the gentleman who objected told me he has no objection. He did not understand that this only affects a limited number temporarily and affects those with respect to whom we have reported out bills and those included in omnibus bills which are now on the calendar but cannot be brought up for consideration before the House.

Mr. SNELL. This does not set any precedent?

Mr. DICKSTEIN. Not at all.

Mr. SNELL. We are not going to continue putting through bills exempting people who should be deported?

Mr. DICKSTEIN. No; this just affects a handful of cases which we have favorably considered.

Mr. SNELL. I will join with the gentleman this time.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There being no objection, the Clerk read the House joint resolution, as follows:

Resolved, etc., That the Secretary of Labor is authorized and directed to continue in force the stay of deportation in the case of each alien for whose relief a bill or joint resolution, providing for the cancelation of the warrant of arrest and order of deportation in his case, is, on June 8, 1938, pending before the Senate Committee on Immigration or before the House Committee on Immigration and Naturalization or is pending on either the Senate Calendar or House Calendar; but such stay shall not be effective during the Seventy-sixth Congress unless a bill or joint resolution for the relief of such alien is introduced prior to March 1, 1939.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDMENT OF SECTION 4197 OF THE REVISED STATUTES AS AMENDED

Mr. BLAND. Mr. Speaker, I offer a joint resolution and ask unanimous consent consideration for its consideration, House Joint Resolution 723, to amend H. R. 10672, Seventy-fifth Congress, third session, entitled "An act to amend section 4197 of the Revised Statutes, as amended (U. S. C., 1934 ed., title 46, sec. 91), and section 4200 of the Revised Statutes (U. S. C., 1934 ed., title 46, sec. 92), and for other purposes," so as to correct a typographical error.

The Clerk read the title to the joint resolution.

The SPEAKER. Is there objection to the present consideration of the joint resolution?

Mr. BLAND. Mr. Speaker, I may say that where a period appeared in the bill we passed the other day there should have been a comma. It may be that in an interpretation of this act some question may arise and in order to correct the matter, this changes a period to a comma.

The SPEAKER. Is there objection to the present consideration of the joint resolution?

There being no objection, the Clerk read the joint resolution, as follows:

Resolved, etc., That section 2 of H. R. 10672, Seventy-fifth Congress, third session, entitled "An act to amend section 4197 of the Revised Statutes, as amended (U. S. C., 1934 ed., title 46, sec. 91), and section 4200 of the Revised Statutes (U. S. C., 1934 ed., title 46, sec. 92), and for other purposes," be amended by striking out the first period in the proviso in said section, and by changing the capital "U" in the word "upon" to a small "u," so that the said proviso will read as follows:

"*Provided*, That in order that the commerce of the United States may move with expedition and without undue delay, the Secretary of Commerce is hereby authorized to make regulations permitting the clearance of a vessel having on board cargo destined to a foreign port or to a port in noncontiguous territory belonging to the United States, before delivery to the collector of customs of shippers' manifests or export declarations of the cargo laden on board, upon receipt by the collector of a bond with security approved by him in the penal sum of $1,000, conditioned that the complete shippers' manifests or export declarations of all cargo laden aboard such vessel shall be filed with him not later than the fourth business day after the clearance of the vessel. In the event that all of the shippers' manifests or export declarations are not filed as required by the provisions of this section and the regulations made by the Secretary of Commerce in pursuance hereof, then a penalty of $50 for each day's delinquency beyond the allowed period of 4 days for filing all of the shippers' manifests or export declarations shall be exacted, and if all of the shippers' manifests or export declarations are not filed within the 3 days following the 4-day period, then for each succeeding day of delinquency, a penalty of $100 shall be exacted. Suit may be instituted in the name of the United States against the principal and surety on the bond for the recovery of any penalties that may accrue and be exacted in accordance with the terms of the bond."

The joint resolution was agreed to, and a motion to reconsider was laid on the table.

COINAGE OF 50-CENT PIECES IN COMMEMORATION OF FOUR HUNDREDTH ANNIVERSARY OF JOURNEY OF FRANCISCO VASQUEZ DE CORONADO

Mr. PARSONS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 2734) to authorize the coinage of 50-cent pieces in commemoration of the four hundredth anniversary of the journey and explorations of Francisco Vasquez de Coronado.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in commemoration of the four-hundredth anniversary of the journey and explorations of Francisco Vasquez de Coronado there shall be coined at a mint of the United States to be designated by the Director of the Mint not to exceed 100,000 silver 50-cent pieces of standard size, weight, and composition, and of a special appropriate single design to be fixed by the Director of the Mint, with the approval of the Secretary of the Treasury, but the United States shall not be subject to the expense of making the necessary dies and other preparations for this coinage.

SEC. 2. The coins herein authorized shall bear the date 1940, irrespective of the year in which they are minted or issued, shall be legal tender in any payment to the amount of their face value, and shall be issued only upon the request of the chairman or secretary of the Coronado Cuarto Centennial Corporation upon payment by him of the par value of such coins. Such coins may be disposed of at par value or at a premium by such committee and the net proceeds shall be used by it in defraying the expenses incidental and appropriate to the commemoration of such event.

SEC. 3. All laws now in force relating to the subsidiary silver coins of the United States and the coining or striking of the same, regulating and guarding the process of coinage, providing for the purchase of material and for the transportation, distribution, and redemption of coins, for the prevention of debasement or counterfeiting, for the security of the coins, or for any other purposes whether such laws are penal or otherwise, shall, so far as applicable, apply to the coinage herein authorized.

With the following committee amendments:

Page 2, line 9, strike out the period, insert a comma and the following: "But not less than 25,000 such coins shall be issued to the corporation at any one time and no such coins shall be issued after December 31, 1940."

Page 2, line 10, strike out "committee" and insert the word "corporation."

The Committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

OLYMPIC NATIONAL PARK, WASH.

Mr. DEROUEN. Mr. Speaker, I call up the conference report on the bill (H. R. 10024) to establish the Olympic National Park, in the State of Washington, and for other purposes.

The Clerk read the conference report and statement, as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10024) having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate numbered 1.

That the House recede from its disagreement to the amendment of the Senate numbered 2.

That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment, insert the following:

"The President may after 8 months from the approval of this act by proclamation add to the Olympic National Park any lands within the boundaries of the Olympic National Forest, and any lands which may be acquired by the Government by gift or purchase, which he may deem it advisable to add to such park; and any lands so added to such park shall, upon their addition thereto, become subject to all laws and regulations applicable to other lands within such park: *Provided*, That the total area to be added to the said park shall not exceed 898,292 acres: *Provided further*, That before issuing any such proclamation, the President shall consult with the Governor of the State of Washington, the Secretary of the Interior, and the Secretary of Agriculture and advise them of the lands which he proposes to add to such park, and shall afford them a reasonable opportunity to consult with and communicate to him their views and recommendations with respect to the addition of such lands to such park."

And the Senate agree to the same.

RENÉ L. DEROUEN,
J. W. ROBINSON,
F. L. CRAWFORD,
HARRY L. ENGLEBRIGHT,
KNUTE HILL,
Managers on the part of the House.

ALVA B. ADAMS,
KEY PITTMAN,
CARL HATCH,
JOSEPH O'MAHONEY,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10024) to establish the Olympic National Park, in the State of Washington, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report:

On amendment No. 1: This strikes all after the word "wit", page 7, line 6, down to and including "(surveyed)" in line 18, page 5, and revises the boundaries of the area sought to be included in the park.

On amendment No. 2: This strikes all after the word "Forest", page 7, line 12, down to and including "Park" in line 16, which contained provision eliminating certain portion of the Olympic National Forest from the park area.

On amendment No. 3: This prohibits the President from adding by proclamation any lands to the Olympic National Park until 8 months after the approval of this act and restricts the acreage to be included in the park to 898,292 acres, being the same acreage contained in the bill as passed by the House.

RENÉ L. DEROUEN,
J. W. ROBINSON,
F. L. CRAWFORD,
HARRY L. ENGLEBRIGHT,
KNUTE HILL,
Managers on the part of the House.

The conference report was agreed to, and a motion to reconsider was laid on the table.

ORDER OF BUSINESS

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent that it may be in order at this time to call the individual bills on the Private Calendar, and following that to call the bills on the Consent Calendar.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. SNELL. Mr. Speaker, reserving the right to object, I would like to make a suggestion to the majority leader that the Senate bills on the Private Calendar be called first for the reason I doubt that the Senate will take up any private bills we may pass at this late hour.

Mr. RAYBURN. Mr. Speaker, I think practically all of them are Senate bills. I think the suggestion made by the gentleman is a wise one and I will include that in my unanimous-consent request.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. EBERHARTER. Mr. Speaker, reserving the right to object, the last time the bills on the Consent Calendar were before the House for consideration there was a very important measure called up. There were quite a few Members who were determined to object to that particular measure.

It appears that yesterday in an unguarded moment someone called up that bill. I want to register my protest, because the particular bill involved what I consider one of the fundamental principles upon which this democracy rests. That is the right of the American citizen to be free in his home and secure from unreasonable searches and seizures.

This particular bill to which I refer gives the Department of Justice the right to tap telephone wires and to go into the private homes of any American citizen of whom they are suspicious, including a Congressman or anyone else.

Mr. Speaker, I believe the calling up and passage of that particular measure was a violation of the accepted practice in this House and I register my protest. If there is anything the Seventy-fifth Congress should be ashamed of, it is that action of the House.

I wonder if the gentleman can give me any assurance that any measure that is objected to on the Consent Calendar today will not be brought up in the same manner as this particular measure?

Mr. RAYBURN. I cannot answer the gentleman's inquiry. Recognition for unanimous consent requests and for suspensions is a matter entirely in the hands of the Speaker.

Mr. EBERHARTER. I also understand that the official objectors were not notified that this very important matter was being brought up at that time.

Mr. O'CONNOR of New York. Mr. Speaker, will the gentleman yield?

Mr. EBERHARTER. I yield to the gentleman from New York.

Mr. O'CONNOR of New York. I was here, and, as I understand, the bill was not brought up under unanimous consent. If I had thought it was being brought up under unanimous consent I would have objected to its consideration, because in the debate yesterday I pronounced wiretapping the most fundamental interference with the rights of our people that I have ever seen in Congress. I agree thoroughly with the gentleman. I do not believe the President could sign such a bill. The measure never should have been brought up here. It was not brought up under unanimous consent, or, if it was, I was not aware of it, because its consideration would have been stopped by many a Member here. The gentleman must not have the idea the bill was slipped in here.

Mr. EBERHARTER. A remark made by one of the objectors yesterday gave me the impression that the bill was put through by unanimous consent and the objectors were not notified. I have not searched the RECORD and I do not know exactly how the bill was brought up or in what manner it was passed, but I believe a very fair proportion of the membership of the House would like to have an important measure like that debated, and not brought up in the closing days of the session and rushed through.

Mr. CELLER. Mr. Speaker, will the gentleman yield?

Mr. EBERHARTER. I yield to the gentleman from New York.

Mr. CELLER. We in New York are having a constitutional convention for the revision of the Constitution of the State of New York. Efforts are now being made to lodge in the Constitution of the State of New York an absolute prohibition against the tapping of telephonic communications. I heartily endorse what the gentleman says. We do ill to the Nation by allowing to pass through this House without let or hindrance a provision which would allow an official of any department, merely with the consent of the head of the Bureau, to tap wires. It undoubtedly is an interference with the rights of the people. If it is possible, we should recall the bill we passed yesterday in order to afford an opportunity for the House at least to debate the measure. I do believe the leadership of the House ought to take some steps in that regard to remedy the evil we did yesterday.

The SPEAKER. In view of what has been said on the floor in reference to this matter, the Chair, apart from the usual practice with reference to criticism of which bills are brought up, will state that the RECORD will show that the

gentleman from Pennsylvania [Mr. QUINN] asked unanimous consent for the present consideration of the bill now in controversy. There was a reservation of objection by some Member on the minority side, and the purport of the bill was explained, as the Chair recalls it, by the gentleman from Pennsylvania [Mr. QUINN]. There was nothing unusual or extraordinary in the Chair's recognizing a Member for a unanimous-consent request upon a bill that had been reported favorably by the Committee on Interstate and Foreign Commerce. The Chair is sure the RECORD will disclose the facts the Chair has stated are correct.

Mr. RICH. Reserving the right to object, Mr. Speaker, the gentleman from Pennsylvania [Mr. EBERHARTER] is certainly doing a great service in asking whether bills on the Consent Calendar which are objected to, if they are objected to, are to be permitted to be brought up by unanimous consent. I think we ought to know something about that, so we shall not have to keep our ears cocked all the time to find out whether some of the bills that have been objected to are permitted to be brought up by unanimous consent.

Mr. WOLCOTT. Mr. Speaker, will the gentleman yield?

Mr. RICH. I yield to the gentleman from Michigan.

Mr. WOLCOTT. Mr. Speaker, I wish to make a unanimous-consent request.

The SPEAKER. A unanimous-consent request is still pending, the request of the gentleman from Texas.

Mr. EBERHARTER. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. EBERHARTER. My inquiry is whether or not the Speaker would recognize me for the purpose of making a motion that the House request the Senate to return that bill to the House.

The SPEAKER. The Chair is not in position to give an answer to that inquiry.

Mr. WOLCOTT. Reserving the right to object, Mr. Speaker, is it possible for the House to take this action, that somebody ask unanimous consent that the action taken by the House be rescinded and that the affixing of the signature of the Speaker on the bill be reconsidered?

The SPEAKER. The bill is still pending in the Senate.

Mr. RAYBURN. Mr. Speaker, I demand the regular order.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. RICH. Mr. Speaker, we have not been informed by the Chair whether bills on the Consent Calendar that are objected to are going to be permitted to be brought up by unanimous consent.

Mr. RAYBURN. I do not believe that is a fair request to make of the Speaker. The Speaker might recognize a Member to move to suspend the rules, despite the fact that some one Member had knocked the bill off the Consent Calendar.

Mr. RICH. May I ask the majority leader if some arrangements cannot be made by the majority leader so we may know whether or not such bills are going to be brought up again?

Mr. SNELL. As I understood the gentleman's request it only referred to the Private Calendar?

Mr. RAYBURN. No; following that the Consent Calendar was to be considered. They were both embraced in the same request.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

PROHIBITION OF USE OF COMMUNICATION FACILITIES FOR CRIMINAL PURPOSES

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that the proceedings by which the bill (S. 3756) to prohibit the use of communication facilities for criminal purposes, passed the House on the calendar day of yesterday be vacated and that the Senate be requested to return the bill to the House.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

Mr. PEARSON. Mr. Speaker, reserving the right to object, is that the bill that has just been under discussion with reference to wire tapping?

Mr. WOLCOTT. Yes.

Mr. PEARSON. Mr. Speaker, further reserving the right to object, this measure was thoroughly considered by the Committee on Interstate and Foreign Commerce. There is not anything in this bill which would result in the invasion of the rights of the home of any American citizen who is observing the law. The act was intended, and is so worded, as to protect the homes of American citizens from men who might invade them for unlawful purposes. Under existing law the organized underworld is at full liberty to make unrestricted use of wire and radio facilities of the Nation to carry on their rackets and schemes. This measure will put a stop to such practices.

It is a salutary measure, a measure which should be upon the statute books for the protection of American homes.

In addition to murderers and others there are counterfeiters and gangs operating nationally and internationally in the smuggling and disposition of narcotic drugs and other contraband, as well as gangs engaged in kidnaping, violating the internal-revenue laws, and racketeers of high and low degree who are now at liberty to plan and carry out their schemes through the use of wire- and radio-communication facilities of the Nation without fear of detection by the interception of their communications, or punishment based on evidence secured by that means. In this connection it should not be overlooked that the prohibition against interception of communications applies to officers of the Secret Service of the United States, an agency of the Treasury Department, charged with responsibility for the safety of the President. Such officers are forbidden today under the interpretation of section 605 in the Nardone decision, to intercept any communications, even if in possession of the most reliable information of a plot to harm the President. Obviously, in such a situation the officers of the Secret Service should have authority to intercept communications of suspected persons.

Of course, any person not an officer of the Government, or an officer in the absence of proper certification, who unlawfully intercepts or uses a communication, would be subject to the penalties prescribed in section 501 of the Communications Act. That section provides that violations of the Communications Act shall be punished by a fine of not more than $10,000 or by imprisonment for a term of not more than 2 years, or both.

The enactment of this bill is desired and recommended by all Departments and agencies of the Federal Government engaged in law-enforcement activities. In addition, your committee is advised that the legislation is not in conflict with the program of the President.

I am constrained to object to the gentleman's request.

Mr. CELLER. Mr. Speaker, will the gentleman withhold his objection a moment?

Mr. PEARSON. I yield.

Mr. CELLER. Does not that bill run counter to the forthright and most illuminating opinion rendered by the Supreme Court on the rights of the private citizen to be kept intact and free from molestation by wire tapping?

Mr. PEARSON. I do not think so.

Mr. CELLER. Would it not also endanger the rights of innocent people as well as those who might be guilty of infractions of a statute?

Mr. PEARSON. No; because the act itself contains provisions which will protect them.

Mr. CELLER. What remedy has a private citizen in the event somebody does tap his telephone wire and he is innocent of any violation of the law?

Mr. PEARSON. The act provides that those who are given the privilege shall violate the law themselves in the

event they use the information which they receive for any purpose other than the purpose set out in the act itself, and they become criminally liable for such violation.

Mr. CELLER. How do we know the individual uses the information for that purpose? He may so disguise his actions as to escape detection. We have had great difficulty in my own State in this regard when the privileges accorded to the police and detective bureaus were greatly abused and the citizenry in New York suffered immeasurably thereby, and I am sure that that experience has been duplicated in many States, and I wonder if the gentleman will not withhold his objection so we may have at least an opportunity to debate the question in the House?

Mr. PEARSON. I object, Mr. Speaker.

Mr. EBERHARTER. Mr. Speaker, will the gentleman withhold his objection a moment?

Mr. PEARSON. Yes.

Mr. EBERHARTER. Does not the gentleman think this is a very important measure and one that every Member of the House is interested in and also one in which the entire American public, as well as the Department of Justice, and the enforcement officers are interested in? I do not believe the matter was discussed on the floor of the House.

Mr. PEARSON. Mr. Speaker, the measure was called up and was discussed.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

Mr. PEARSON. I object, Mr. Speaker.

Mr. WOLCOTT. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. WOLCOTT. I would like to ask the Speaker whether it is in order, subject to being recognized for that purpose, today, this being the same legislative day as yesterday, calendar day, to move to take from the Speaker's table the motion to reconsider this bill?

The SPEAKER. That motion would not be in order, because upon yesterday a motion to reconsider the action of the House was laid upon the table.

Mr. WOLCOTT. My inquiry was whether such a motion would be in order?

The SPEAKER. The only way to reach this matter, as the Chair understands it, is by unanimous consent.

Mr. CELLER. Mr. Speaker, I ask unanimous consent to address the House for one-half minute.

Mr. RAYBURN. No, Mr. Speaker; I demand the regular order.

THE PRIVATE CALENDAR

The SPEAKER. The Clerk will call the first Senate bill on the Private Calendar.

WILLIAM SERVER RHODES

The Clerk called the bill (S. 3171) for the relief of William Server Rhodes, chief boatswain's mate, United States Navy, retired.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provisions of section 2 of the act approved May 23, 1930 (46 Stat. 375; U. S. C., title 34, sec. 790), William Server Rhodes, chief boatswain's mate, United States Navy, retired, shall be held and considered to have completed 30 years' service, including naval service, time in the Fleet Naval Reserve, and double time for Spanish-American War service from April 21, 1898, to April 11, 1899, for the purpose of transfer to the retired list of the United States Navy, on December 8, 1936, and the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the said William Server Rhodes the sum of $184.25, which sum represents allowances at $15.75 per month, covering the period from December 8, 1936, to November 29, 1937, authorized by existing law (U. S. C., title 34, sec. 431) to be paid to enlisted men upon transfer to the retired list of the Navy upon completion of 30 years' service.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DAVID C. BUSCALL

The Clerk called the bill (S. 3810) to extend to Chief Quartermaster Clerk David C. Buscall, United States Marine Corps (retired), the benefits of the act of May 7, 1932, providing highest World War rank to retired warrant officers.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Chief Quartermaster Clerk David C. Buscall, United States Marine Corps, retired, is hereby placed on the retired list of the United States Marine Corps with the rank of captain: *Provided further*, That no increase in active or retired pay or allowances shall result from the passage of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

GEORGE HENRY LEVINS

The Clerk called the bill (S. 3064) for the relief of George Henry Levins.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, at anytime within 1 year after the date of enactment of this act, George Henry Levins (U. S. Department of Labor file No. 23-30675), of Cambridge, Mass., who filed a declaration of intention to become a citizen of the United States in the District Court of the United States at Boston, Mass., in December 1917, but who failed to take such further action as was required to enable him to become a citizen of the United States because of erroneous advice given to him by an official of the United States, may be naturalized as a citizen of the United States by taking the oath of allegiance in the manner prescribed in the naturalization laws before any court having jurisdiction of the naturalization of aliens.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

VERNICE MAY M'BROOM

The Clerk called the bill (S. 2090) authorizing the naturalization of Vernice May McBroom, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of Labor is authorized and directed to permit Vernice May McBroom, a native-born citizen of the United States, who involuntarily lost her citizenship during her minority by reason of the naturalization of her father as a citizen of Canada, to remain in the United States.

SEC. 2. Notwithstanding any other provision of law, said Vernice May McBroom may be naturalized as a citizen of the United States by filing a declaration of intention and taking the oath of allegiance in the manner prescribed in the naturalization laws before any court having jurisdiction of the naturalization of aliens.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

ALBIN H. YOUNGQUIST

The Clerk called the bill (S. 3633) authorizing the naturalization of Albin H. Youngquist, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the immigration laws Albin H. Youngquist, a native-born citizen of the United States who involuntarily lost his citizenship at the age of 5 years by reason of the naturalization of his father as a citizen of Canada, shall be held and considered to have been legally admitted to the United States for permanent residence.

SEC. 2. Notwithstanding any other provision of law, said Albin H. Youngquist may be naturalized as a citizen of the United States by filing a declaration of intention and taking the oath of allegiance in the manner prescribed in the naturalization laws before any court having jurisdiction of the naturalization of aliens.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A. PRITZKER & SONS, INC.

The Clerk called the bill (S. 2412) for the relief of A. Pritzker & Sons, Inc.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to A. Pritzker & Sons, Inc., of Boston, Mass., the sum of $2,951.48 in full satisfaction of its claim against the United States for an adjustment in the price of 3,973 coats delivered by it to the United States under a contract No. I-1-ind-6702, dated June 30, 1933, the cost of manufacturing such coats having been increased after the contract was entered into because of changes in costs of materials, hours of labor, and rates of pay resulting from the provisions of the National Industrial Recovery

Act: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JAMES A. ELLSWORTH

The Clerk called the bill (S. 2702) for the relief of James A. Ellsworth.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the provisions and limitations of sections 15 to 20, both inclusive, of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended, are hereby waived in the case of James A. Ellsworth, of Brooklyn, N. Y., and the United States Employees' Compensation Commission is authorized and directed to consider and act upon any claim for benefits filed under the provisions of such act, as amended, within 1 year after the date of enactment of this act, by the said James A. Ellsworth on account of injuries alleged to have been incurred by him on January 8, 1933, while he was employed at the United States naval magazine at Fort Lafayette, N. Y.: *Provided*, That no benefits shall accrue prior to the enactment of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THOMAS H. ECKFELDT

The Clerk called the bill (S. 3062) for the relief of Thomas H. Eckfeldt.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Thomas H. Eckfeldt, of Fitchburg, Mass., the sum of $3,684.85 in full satisfaction of his claim against the United States for damages resulting from injuries sustained by him when the automobile in which he was riding as a passenger collided with a National Park Service truck, operated by Philip W. Mathieu, an enrollee in the Civilian Conservation Corps, in Princeton Road, in Westminster, Mass., on February 21, 1936: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with such claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with such claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

ALICE MINNICK

The Clerk called the bill (S. 3251) for the relief of Alice Minnick.

Mr. COSTELLO and Mr. HANCOCK of New York objected and the bill was recommitted to the Committee on Claims.

ESTATE OF REXFORD M. SMITH

The Clerk called the next bill, S. 3405, conferring jurisdiction upon the Court of Claims of the United States to hear, examine, adjudicate, and render judgment on the claim of the legal representative of the estate of Rexford M. Smith.

Mr. COSTELLO and Mr. HANCOCK of New York objected, and, under the rule, the bill was recommitted to the Committee on Claims.

LOFTS & SON

The Clerk called the next bill, S. 3682, for the relief of Lofts & Son.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Lofts & Son, of Hood River, Oreg., the sum of $33,500 in full satisfaction of all its claims against the United States for damages resulting from the loss of its sand and gravel plant at the mouth of the Hood River and its inability to further carry on the operations of removing sand and gravel on land now leased from the Oregon Lumber Co., because such land will be flooded by the backwaters of the Bonneville Dam: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with such claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with such claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHN HASLAM

The Clerk called the next bill, S. 3817, for the relief of John Haslam.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to John Haslam, Fort Totten, N. Dak., the sum of $403.89. The payment of such sum shall be in full settlement of all claims of the said John Haslam against the United States for reimbursement for caskets, furnished by him at the request of officers of the United States, for the burial of certain Indians: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WILLIAM C. WILLAHAN

The Clerk called the next bill, S. 3830, for the relief of William C. Willahan.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to allow credit in the accounts of William C. Willahan, as superintendent and special disbursing agent at the Sisseton Indian Agency, Sisseton, S. Dak., in the amount of $3,384.28 representing disallowances in the accounts of William C. Willahan because of the embezzlement of funds by a subordinate employee.

SEC. 2. The Secretary of the Treasury is hereby authorized and directed to pay to William C. Willahan the sum of $421.65, representing amounts withheld from him in the settlement of charges made against his accounts by reason of disallowances in settlement No. F-24532-IN, dated July 14, 1934.

SEC. 3. The Secretary of the Treasury is hereby authorized and directed to pay to William C. Willahan not to exceed the sum of $292.89, which amount is alleged to have been deposited in the Treasury from personal funds by the said William C. Willahan to replace losses of Federal funds and the overpayment of an employee's salary: *Provided*, That before any payment is made under this section the said William C. Willahan shall furnish to the Secretary of the Interior authenticated records of the actual deposits alleged to have been made, and any other supporting information that may be required by the said Secretary of the Interior.

SEC. 4. The Secretary of the Treasury is hereby authorized and directed to credit the official trust fund account of William C. Smith, superintendent of the Sisseton Indian Agency, with the sum of $140.69, of which the sum of $120.69 will thereafter be deposited to the credit of the United States in lieu of repayments by sundry Indians on account of sales of reimbursable property, and the sum of $20 will be credited on the books of the Sisseton Indian Agency as individual Indian money for the use and benefit of the estate of Wiynkpawin, deceased Sisseton Indian.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COMPENSATE ENLISTED MEN OF NAVY FOR FIRE LOSS

The Clerk called the next bill, S. 3891, to provide for the reimbursement of certain enlisted men of the Navy for the

value of personal effects lost in a fire at the Naval Air Station, Hampton Roads, Va., May 15, 1936.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, such sum or sums, amounting in the aggregate not to exceed $86.45, as may be required by the Secretary of the Navy to reimburse, under such regulations as he may prescribe, certain enlisted men of the United States Navy for the value of personal effects lost in a fire at the Naval Air Station, Hampton Roads, Va., on May 15, 1936: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claims. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claims, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REMIJIO ORTIZ

The Clerk called the next bill, S. 3921, for the relief of Remijio Ortiz.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized to pay, out of any money in the Treasury not otherwise appropriated, the sum of $500 to Remijio Ortiz, in full settlement of his claim for compensation for the loss of private claim No. 82, parcel 1, Cochiti Pueblo Grant, New Mexico: *Provided*, That no payment shall be made until certification by the Secretary of the Interior that the claimant has entered into an agreement satisfactory to the Secretary of the Interior to vacate the lands within private claim No. 82, parcel 1, Cochiti Pueblo Grant, within a period to be specified in said agreement after payment shall have been made.

With the following committee amendments:

In line 5, strike out the figures "$500" and insert "$150."

In line 5, after the name "Ortiz", insert "of Nambe, N. Mex."

In line 6, after the word "claim", insert "against the United States."

At the end of the bill, add: "*Provided further*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

IDA MAY SWARTZ

The Clerk called the next bill, S. 4005, for the relief of Ida May Swartz.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Ida May Swartz, of Elko, Nev., the sum of $40.45, in full satisfaction of her claim against the United States for services rendered as United States commissioner in the district of Nevada, for the quarter beginning September 1, 1937, and ending November 30, 1937, for which services she has received no compensation.

SEC. 2. For the purpose of determining the amount of compensation to which said Ida May Swartz is entitled for any services rendered by her as United States commissioner in the district of Nevada during the quarter beginning December 1, 1937, and ending February 28, 1938, said Ida May Swartz shall be deemed to have been reappointed as United States commissioner in the district of Nevada, effective September 8, 1937.

SEC. 3. No part of any sum paid to said Ida May Swartz by reason of the enactment of this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with the claim of said Ida May Swartz for compensation for services rendered by her as United States commissioner in the district of Nevada. Any person violating any provision of this section shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WATERTON OIL, LAND & POWER CO., BUTTE, MONT.

The Clerk called the next bill, S. 190, to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Waterton Oil, Land & Power Co., of Butte, Mont., against the United States.

Mr. HANCOCK of New York and Mr. COSTELLO objected, and, under the rule, the bill was recommitted to the Committee on the Public Lands.

The SPEAKER. The Clerk will call the House bills on the Private Calendar.

C. R. HENDERSON

The Clerk called the next bill, H. R. 8318, for the relief of C. R. Henderson.

Mr. HANCOCK of New York and Mr. COSTELLO objected, and, under the rule, the bill was recommitted to the Committee on Claims.

ADJUSTING LINEAL POSITIONS ON THE NAVY LIST

The Clerk called the next bill, H. R. 10659, to adjust the lineal positions on the Navy list of certain officers of the Supply Corps of the United States Navy.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the President is hereby authorized to assign to Lt. (Jr. Gr.) Hugie Lee Foote, Jr., Supply Corps, United States Navy; Lt. (Jr. Gr.) Alfred Thomas Magnell, Supply Corps, United States Navy; Lt. (Jr. Gr.) Donald Orr Lacey, Supply Corps, United States Navy; Lt. (Jr. Gr.) Howard Troutman Bierer, Supply Corps, United States Navy; and Lt. (Jr. Gr.) Francis L. Blakelock, Supply Corps, United States Navy, such running mates in the line of the Navy as the said officers would have on the date of approval of this act had they been originally commissioned in the Supply Corps of the United States Navy upon their graduation from the United States Naval Academy: *Provided*, That no back pay or allowances shall be held to have accrued prior to the date of approval of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GIUSEPPE QUERCIA

The Clerk called the next bill, H. R. 9729, for the relief of Giuseppe Quercia.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of Labor is hereby authorized and directed to cancel the outstanding order and warrant of deportation in the case of Giuseppe Quercia, any provision of existing law to the contrary notwithstanding. From and after the date of the approval of this act, Giuseppe Quercia shall not again be subject to deportation by reason of the same fact upon which the outstanding proceedings rest.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CANCELATION OF DEPORTATION PROCEEDINGS IN THE CASE OF APOSTOLOS VASILI PERCAS

The Clerk called the next bill, H. R. 6754, to authorize the cancelation of deportation proceedings in the case of Apostolos Vasili Percas.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of Labor is hereby authorized and directed to cancel the outstanding order and warrant of deportation issued pursuant to sections 19 and 20 of the Immigration Act of February 5, 1917 (39 Stat. 889, 890; U. S. C., title 8, secs. 155 and 156), in the case of Apostolos Vasili Percas, any provision of existing law to the contrary notwithstanding. From and after the date of the approval of this act, Apostolos Vasili Percas shall not again be subject to deportation by reason of the same fact upon which the outstanding proceedings rest.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARSHALL CAMPBELL AND RAYMOND O'NEAL

The Clerk called the next bill, H. R. 10895, to amend an act of Congress approved August 16, 1937, relating to death damage claims in the cases of Marshall Campbell and Raymond O'Neal.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 1 of the act of Congress entitled "An act conferring jurisdiction upon the United States District Court for the Middle District of Georgia to hear, determine, and render judgment upon the claims of the estates of Marshall Campbell and Raymond O'Neal," approved August 16, 1937, is hereby amended to read as follows:

"That jurisdiction is hereby conferred upon the United States District Court for the Middle District of Georgia to hear, determine, and render judgment, as if the United States were suable in tort, upon the claims of Hattie Giles Campbell, the mother of Marshall Campbell, and Echalie O'Neal, the mother of Raymond O'Neal, of Greene County, Ga., for damages resulting from the deaths of said Marshall Campbell and Raymond O'Neal by reason of an automobile collision involving a Civilian Conservation Corps truck on August 30, 1935, on the highway between Greensboro and Union Point, Ga.: *Provided*, That the suits filed, prior to the enactment of this amendatory proviso, in said district court by the respective mothers and the respective administrators of the estates of the said deceased persons may continue and be maintained by the said respective mothers: *Provided further*, That in the case of the death of either mother before final judgment in her suit, such suit may continue and be maintained by the administrator of the estate of such mother who shall be substituted as plaintiff in her stead: *Provided further*, That the measure of damages to govern in said suits shall be the same as is provided and authorized by the laws of the State of Georgia in the case of a suit by a mother for the homicide of a child: *Provided further*, That the judgment, if any, shall not exceed, in the case of the said mother of Marshall Campbell, $5,000; and in the case of the said mother of Raymond O'Neal, $5,000."

SEC. 2. The title of such act of August 16, 1937, is hereby amended to read as follows: "An act conferring jurisdiction upon the United States District Court for the Middle District of Georgia to hear, determine, and render judgment upon the claims for damages on account of the deaths of Marshall Campbell and Raymond O'Neal."

With the following committee amendment:

Page 1, line 8, after the date "August 16, 1937", insert "(Private Act No. 300, 75th Cong.)."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill to amend the act approved August 16, 1937, entitled 'An act conferring jurisdiction upon the United States District Court for the Middle District of Georgia to hear, determine, and render judgment upon the claims of the estates of Marshall Campbell and Raymond O'Neal'."

A motion to reconsider was laid on the table.

AMERICAN NATIONAL BANK OF KALAMAZOO, MICH.

The Clerk called the next bill, H. R. 10527, for the relief of the American National Bank of Kalamazoo, Mich.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the American National Bank of Kalamazoo, Mich., the sum of $1,255, in full satisfaction of its claim against the United States resulting from the issuance of certain fraudulent United States postal money orders in 1936 by Fred S. Hall, a former postmaster at East Leroy, Mich.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read a third time and passed, and a motion to reconsider was laid on the table.

INTERNATIONAL OIL CO.

The Clerk called the next bill, H. R. 10180, for the relief of the International Oil Co., of Minot, N. Dak.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that the Senate bill, S. 3781, may be substituted for the House bill.

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the International Oil Co., of Minot, N. Dak., the sum of $47, representing the net proceeds of check No. 343572 in the amount of $66, drawn November 16, 1934, to the order of Anne Erlandson, International Harvester Co. of America, Westlie-Nordbye Co., and Governor, Farm Credit Administration, under symbol No. 78-240 of John R. Elliott, after deducting $5 due the United States by Anne Erlandson and $14 due the Westlie-Nordbye Co. The amount so paid to the International Oil Co. shall be in full settlement of its claim against the United States for money withheld to apply against an alleged indebtedness of the International Oil Co. to the United States because of payments made on vouchers 591 and 638 in the amounts of $283.61 and $107.06, June 1933 accounts of Halle D. McCullough, former disbursing officer of the Fort Berthold Indian Agency, N. Dak.

SEC. 2. To carry into effect the purpose of the act of July 16, 1937 (Private, No. 240, 75th Cong.), the Comptroller General of the United States is hereby authorized and directed to release the said International Oil Co. from further liability for the repayment of the amounts heretofore paid to it on vouchers 591 and 638, referred to in the first section of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 10180) was laid on the table.

WISCONSIN BRIDGE & IRON CO.

The Clerk called the next bill, H. R. 10497, conferring jurisdiction upon the Court of Claims of the United States to hear, determine, and render judgment upon the claim of the Wisconsin Bridge & Iron Co.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER. Without objection, a similar Senate bill (S. 3937) will be substituted for the House bill.

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That jurisdiction is hereby conferred upon the Court of Claims of the United States to hear, determine, and render judgment upon the claim of the Wisconsin Bridge & Iron Co., of Milwaukee, Wis., arising out of contract No. ER-W6-97 eng. 23, dated December 14, 1935, for the reconstruction of three highway bridges over the Chesapeake and Delaware Canal, for damages alleged to be the result of misrepresentations contained in the specifications and plans for said work, for work performed on orders from the contracting officer for the Government in addition to that required by said contract, and for losses alleged to be the result of delays because of orders from the contracting officer for the Government requiring the performance of additional and experimental work not required by the contract and the payment to claimant of a penalty deducted from the final payment for alleged failure to complete the work within the contract time.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 10497) was laid on the table.

HUBERT J. CUNCANNAN

Mr. KENNEDY of Maryland. Mr. Speaker, I have several bills that have passed the Senate, which are not on the Consent Calendar.

I ask unanimous consent for the present consideration of the bill (S. 3387) for the relief of Hubert J. Cuncannan.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

Mr. HANCOCK of New York. Mr. Speaker, reserving the right to object, have the bills been referred to the committee?

Mr. KENNEDY of Maryland. I notified the gentleman from California [Mr. COSTELLO] about the bills and he has full knowledge of them.

Mr. HANCOCK of New York. Nobody on this side has seen any of those bills.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Hubert J. Cuncannan, of Grand Rapids, Mich., the sum of $2,500, in full satisfaction of his claim against the United States for the value of stock of the Eagle-Ottawa Leather Co., a corporation, of Grand Haven, Mich., in that amount deposited by him to secure the appearance of Richard Husty in the United States District Court for the Western District of Michigan and forfeited to the United States on or about September 12, 1935, after his failure to appear, although said Richard Husty had been apprehended and sentenced: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LEONARD GRABOSKI

Mr. KENNEDY of Maryland. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 3403) for the relief of Leonard Graboski.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Leonard Graboski the sum of $925.35, said sum representing the amount of an unpaid judgment and costs for $925.35, entered on 6059 Law Docket in the District Court of the United States in and for the District of Maryland in the case of Leonard Graboski against James W. Rogers for and on account of an assault alleged to have been committed upon the body and person of the said Leonard Graboski on May 8, 1936, by the said James W. Rogers, an investigator of the Alcohol Tax Unit of the Bureau of Internal Revenue of the Treasury Department of the United States, when he, the said James W. Rogers, arrested the said Leonard Graboski for an offense against the internal-revenue laws of the United States, which he, the said James W. Rogers, had probable cause to believe the said Leonard Graboski was then and there committing: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. COSTELLO. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COSTELLO: Page 1, line 6, after the figures and comma, strike out "said sum representing the amount" and insert in lieu thereof "in full satisfaction and discharge."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JAMES, CHARLES, AND DAVID THOW

Mr. KENNEDY of Maryland. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 3957) for the relief of James Thow, Charles Thow, and David Thow.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to James Thow the sum of $1,583, to Charles Thow the sum of $178, and to David Thow the sum of $56, in full satisfaction of their claims against the United States for damages resulting from property damage, personal injuries, and medical expenses sustained by them, as a result of the automobile in which they were riding having been struck by a United States Army truck on Route 14 near Barre, Vt., on September 2, 1936: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with such claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RELIEF OF CERTAIN PERSONS WHO SUFFERED DAMAGES BY THE ESTABLISHMENT AND OPERATION OF THE ABERDEEN PROVING GROUND

Mr. KENNEDY of Maryland. Mr. Speaker, I ask unanimous consent for the immediate consideration of Senate Joint Resolution 114, for the relief of certain persons who suffered damages occasioned by the establishment and operation of the Aberdeen Proving Ground.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There being no objection, the Clerk read the Senate joint resolution, as follows:

Whereas in order to pay the losses for property taken and damages to citizens occasioned by the Government establishing a proving ground on Kent Island, Md., for the proof and test of ordnance material, the Secretary of War submitted an estimate of $3,000,000, but said proposed site on Kent Island was abandoned because of objections many persons interposed, claiming that such proving ground would destroy their business, which necessitated the War Department selecting a new site for such proving ground in Harford and Baltimore Counties, Md., where the War Department by promises made to affected citizens through its representative, Col. C. L'H. Ruggles that they would be fully compensated by the Government for their losses, caused said citizens to withdraw their objections, such citizens believing and relying on such assurance that they would be fully paid for all damages, an estimate for an additional $4,000,000 was made by said War Department to pay the damages occasioned to the affected citizens by establishing said proving ground in said two counties; and

Whereas in response to a Senate resolution referred to the Court of Claims of the United States on November 9, 1936, relating to the establishment of said proving ground and the assurance given by said War Department to affected citizens that the Government would pay them the damages they suffered, such Court of Claims of the United States found the following to be facts:

"After the hearing before the Committee on Military Affairs of the Senate on the Kent Island site, General Crozier, the Chief of Ordnance, sent Colonel Ruggles to look over the site in Harford and Baltimore Counties, Md.

"While examining the site in Harford and Baltimore Counties as to its suitability for a proving ground and inquiring as to the value of the properties there, the colonel met a number of representative citizens of the neighborhood and told them what his mission was and discussed the probable conditions under which the Government would take over the land if authorized to do so by Congress. He told them in personal conversation or at a public meeting that the intention of the War Department was to pay all legitimate damages done to the inhabitants by the taking over of the land.

"On September 21, 1917, General Crozier telegraphed one of the persons whose property lay outside of the proposed site: 'I have recommended that provision be made for compensation for other damages sustained other than that covered by the value of real estate only in taking land which must be had for a proving ground.'

"Both before and after the passage of the act of October 6, 1917 (40 Stat. 345, 352) providing for the establishment of the Aberdeen Proving Ground, a number of citizens whose property and business would be affected by the proving ground being located near Aberdeen called on the Secretary of War relative to the location of the proving ground in their neighborhood. The Secretary informed them that the Government needed the land for a proving ground and expressed his belief that the Government in taking land of that kind should act generously; that it was far better for the Government to pay the owners of the land the fair value of the land, generously appraised, than to be exacting about it and have the owners forced to lose a lot of their money in litigation.

"On the evening of September 25, 1917, Major Stockham had arranged a meeting, to be addressed by Colonel Ruggles, at Perryman, adjacent to the proposed site, for the purpose of explaining to interested persons the needs of the War Department and what and how compensation was to be made to those who might suffer losses and damages by the establishment of the proving ground.

"After the public meeting on September 25, which was addressed by Colonel Ruggles, the organized opposition to the establishment of the proving ground ceased. On October 6, 1917, the act carrying an appropriation for $7,000,000 was passed (40 Stat. 345, 352) reading in part as follows: 'Proving ground: For increasing facilities for the proof and test of ordnance material, including necessary buildings, construction, equipment, land, and damages and losses to persons, firms, and corporations, resulting from the procurement of the land for this purpose.'

"On December 14, 1917, the President of the United States, pursuant to the power vested in him by the said act, by proclamation took over the site in Harford County for the proving ground, and the War Department at once proceeded with the necessary work for the establishment of the Aberdeen Proving Ground according to its plans.

"Thereafter the President established a commission to determine the payment of the just compensation provided for in the act, and claims were presented to the Commission for compensation for consequential and indirect damages. Claims for property taken were considered and paid by the Commission, but under a ruling by the Judge Advocate General the Commission held that it had no authority to consider or make awards for consequential or indirect losses and damages. There has been no compensation made to the various claimants for this last mentioned class of losses and damages.

"The site acquired in Harford County was on the shores of Chesapeake Bay and the Gunpowder and Bush Rivers. This section of the county was thickly populated and had been occupied as a thriving and prosperous agricultural community from the early days of colonial Maryland. In connection with the agricultural pursuits, there had grown up in the community long prior to 1917 a large and active canning industry that was mostly dependent upon the territory subsequently acquired and known as the Aberdeen Proving Ground for the agricultural products for canning. The community generally was a busy, thriving, and prosperous community, many persons located outside the area of the proving ground doing a large or major part of their business with those within the area of the proving ground.

"Some of the canning houses were located on the site of the proving ground, and others outside of its limits, some of which were dependent to a great extent upon the crops grown within the proving-ground area. This area was particularly adapted by climatic and soil conditions to the raising of crops for canning, with a trained and adequate labor supply for the canning industry.

"The canning industry continues to be the principal industry in the vicinity of the proving ground and surrounding country.

"The Government took possession of the whole tract of land as described in the proclamation of December 14, 1917, and all persons living within that area were required to vacate the lands. Many were compelled to abandon their farms and business and to move to other parts. Many persons engaged in one form or another of business who did not reside on the tract taken over by the Government were to a great extent dependent upon the persons formerly living within the area for their business and professional livelihood, and as a result of the taking of the land required for the proving ground the returns from their businesses and professions were decreased and in some instances destroyed through the dispersion of the population living within the proving-ground area.

"Prior to December 1917, the Bay farm fronted along the main through county road running between Michaelsville and Perryman, and the several small farmers and tenants on property south of the Emma W. Bay farm had means of access to the aforesaid public road by way of public or private rights-of-way through the lands afterward acquired as and for the Aberdeen Proving Ground.

"Upon the acquisition of the land and the establishment of the Aberdeen Proving Ground, the roads just referred to lying within the proving ground area were closed by means of gates or barriers, and no other road was opened by the United States to give these farmers and tenants access to a public road. As a result of the establishing of the Aberdeen Proving Ground and the closing of the public road by the United States, as aforesaid, the small farmers and tenants living south of the Bay farm and between it and the lines of the proving ground were deprived of any means of access to the public road";

and concerning citizens who suffered consequential damages the said Court of Claims of the United States on November 9, 1936, reported to said Senate that payment of such damages "rests in the discretion of Congress"; and

Whereas by authority of an act of the General Assembly of the State of Maryland, a commission was duly appointed by the Governor of Maryland to hear evidence and determine the amount of damages actually suffered and sustained by citizens occasioned by the establishment of said Aberdeen Proving Ground, the chairman of such commission now being a justice of the supreme court of Baltimore, which commission sat for months as a court and heard evidence on all cases of losses sustained, and determined the amount of damages affected citizens living just without said proving ground had sustained, and the printed official report of said commission determining such damages was duly filed with said Governor, and was by said Gov. Albert C. Ritchie approved on January 10, 1923, urging that payment of such damages be made by the United States Government; and

Whereas, respecting damages suffered by F. O. Mitchel & Bro., they claimed to be $52,684.50, said Commission determined such losses to be $29,937 and officially reported the following:

"The claimants in this case operate a canning factory, the business of which is the canning of shoe-peg corn. This factory is located about a half a mile south of Perryman, on the line of the Philadelphia, Wilmington & Baltimore Railroad, its location directly on the line of the road, switch tracks from which run to the factory, greatly facilitates the handling of all supplies required for its successful operation.

"The business conducted is large, the average pack being about sixty to sixty-five thousand cases of canned corn. Qualified experts testified that the acreage thus lost cannot be secured elsewhere.

"The Commission recommends this claim for $29,937"; and

Whereas, respecting damages suffered and sustained by John H. Emmord, now deceased, the said Commission determined and officially reported such losses as follows:

"This claimant is a resident of Perryman, a village of 300 inhabitants. Since the establishment of the proving grounds, three churches, three public schools, and four canning houses have been abandoned; one of the stores has been closed, and the rest have sold out at a loss, and the rural mail routes have been discontinued.

"Claimant has lived there for 44 years, owns a dwelling house there with the usual outbuildings, also a storehouse, barn and stable, shed 60 feet long, a wheelwright shop, a barber and shoemaker shop, and a corner lot, which last was worth $3,500 but is now worth about $500, and was also the owner of a blacksmith shop, which has since been torn down. Claimant occupied the storehouse for many years, conducting a general store, the gross sales of which averaged about $25,000 a year.

"This claimant suffered severe financial loss from the establishment of the reservation. This Commission therefore recommends this claim for $15,000"; and

Whereas, respecting damages suffered and sustained by Samuel L. Fyle, whose claim approximated $30,000, the said Commission determined and fixed his injuries at $9,500, and officially reported his losses as follows:

"This claimant conducted a store in Perryman, his business estimated at from thirty to thirty-five thousand dollars a year. He was obliged to give up his store and was actually deprived of all of his customers in the area taken over by the proving grounds, being 89 customers, who in the 3 years previous to their removal had dealt with him to the estimated amount of $24,650 annually. He had to abandon his store; his opportunity to trade with the inhabitants which had been his for 11 years was taken away from him, and his loss is real. The Commission recommends his claim for $9,500"; and

Whereas, respecting damages suffered and sustained by the copartnership of John W. Bay & Co., whose $125,000 claim for damages was filed with the Government Land Commission on February 12, 1918, the said Maryland State Commission determined and fixed their losses at $44,300 and officially reported such damages as follows:

"The Bay farm of 260 acres, within a quarter of a mile of the westerly line of the reservation, is improved by a comfortable dwelling house, six tenant houses, a large barn, the usual farm outbuildings, a canning factory, warehouse, and other outbuildings, the canning factory being an up-to-date sanitary plant newly erected at a cost of about $14,000. The annual pack prior to 1918 was from sixteen to eighteen thousand cases of tomatoes.

"The canning house of John W. Bay Co. had contracts with 48 farmers residing on the land taken over by the proving ground, who in 1917 produced 183 acres of tomatoes and employed 63 persons, who lived within the reservation in said canning factory. The taking over of the reservation by the Government, therefore, and the consequent removal of the inhabitants deprived the claimants of the source of supply of the bulk of the raw material required by them, and the opportunity to secure the requisite labor to operate the factory, the supply of both of which obtainable outside of the reservation was totally inadequate for the purposes of the business, and the business was, therefore, destoryed and the valuable factory is now almost a total loss.

"At the proving grounds all sizes of cannon are tested, enormous quantities of ammunition are stored and tested, and bombing airplanes assembled and tested. These airplanes, owing to the quantities of explosives stored in said proving grounds, and the consequent danger from falling bombs, were not allowed to fly over the proving grounds, but were required to take their course outside thereof, and the course adopted was over the Bay tracts and the tracts of land adjacent thereto and in general line therewith.

"On April 19, 1919, an airplane carrying explosive bombs accidentally dropped a bomb within 300 yeards of the dwelling house on the farm, blowing a hole in the ground 6 yards in diameter and 10 feet deep, knocking down the plaster, and breaking a number of window lights in the house.

"From June 14 to June 19, 1919, there were successive explosions of shells stored on the proving grounds about 1¼ miles from said dwelling house. The explosion on June 14 was so violent that a son was thrown into convulsions and has since had an impediment in his speech, and fragments of shrapnel were found on the farm, yet the airplane course has never been permanently changed. The terror of the inhabitants produced by these conditions was such that help would not stay on the farm, and its activities were so seriously interfered with that it now produces no net revenue.

"A fair estimate of the farm and lot before 1918 was approximately $50,000. The recommendation of the Commission is: Dam-

ages to land, $19,300; damages to canning business, $20,000; loss sustained to farming rights, $5,000; total, $44,300"; and

Whereas, respecting the $6,875 claim for damages sustained by Harry C. Holloway for loss of dairy business, the Court of Claims of the United States, on November 9, 1936, found the following to be facts:

"From the year 1900 to the year 1918 Harry C. Holloway had conducted for his own account a dairy; upon the disposal of his herd and dairy equipment he suffered a loss of $1,400, with the net annual revenue of $600 from the dairy, and the further loss of $500 from the value of the manure, being compelled to discontinue his dairy business and dispose of his cows at great sacrifice"; and

Whereas, respecting a small farm purchased in 1915 by Mrs. Emma W. Bay from Millicent L. Young, said Court of Claims of the United States, on November 9, 1936, found the following to be facts:

"Prior to 1917 the Bay farm fronted along the main through county road running between Michaelsville and Perryman, and the several small farmers and tenants on property south of the Emma W. Bay farm had means of access to the aforesaid public road by way of public or private rights-of-way through the lands afterward acquired for the Aberdeen Proving Grounds.

"Upon the acquisition of the land and the establishment of the Aberdeen Proving Ground, the roads just referred to lying within the proving-ground area were closed by means of gates or barriers, and no other road was opened by the United States to give these farmers and tenants access to a public road, and as a result they have been deprived of any means of access to the public road except through and over this meadow, and have used this meadow as a way of necessity to reach the public road, and have torn down and destroyed the fences";

and the said Mrs. Emma W. Bay has been deprived of all revenue from said land since December 1917, such loss and damages actually sustained by her being $3,355, which has been reduced to $2,100; and

Whereas, respecting the 150-acre farm of Mrs. Emma A. Wirsing, which was very fertile and highly productive property in 1917, and whose claim was reduced from $34,000 to $16,000, the Government attempted to take only part of it, and ran about 20 telephone poles across the farm but finally decided not to take any of it, but ricked a large number of explosive shells on property a short distance from the Wirsing residence, which ricked shells began to explode, and for the first few days the explosions were terrific, and then continued off and on for a month, until 77 acres of said Wirsing farm had parts of explosive shells and unexploded shells sprayed and buried over same, some of such shells falling within 250 feet of said residence, and some went underground, and some left on top of the ground. Some of these shells were shrapnel and some were mustard-gas shells. Such explosions broke the windowpanes, jarred loose the putty, broke the plaster on the walls, caused nails to withdraw in places from walls and roofs of dwelling, tenant house, and outhouses, and generally damaged the buildings and wrecked the nerves of the occupants. Explosions due to target practice and experimental purposes have continued weekly since 1919, and occur within a half to three-quarters of a mile from said Wirsing residence, and Government airplanes are constantly flying over the farm, many times not higher than to clear the buildings, which frightens the stock as well as the labor, and it has been impossible to keep help on said farm, and because of its close proximity to said proving ground, and the dangers therefrom, it has been impossible to get even a small loan on such property, and because of the danger of striking an unexploded shell underground the owner and employees are afraid to plow in said field, and the property has been unproductive and has furnished no profit since 1917, and the chemicals in said exploded shells have destroyed the fertility of the soil, and said property is practically valueless as a farm home, and said widow, Mrs. Emma A. Wirsing, has lost the annual revenue from same since December 1917; and

Whereas said Maryland State Commission, created by the General Assembly of Maryland to determine such damages, officially reported the following:

"Aberdeen Proving Grounds comprises about 50 square miles. Before the necessary legislation was passed, several meetings of the inhabitants of the desired territory were held and at these meetings Colonel Ruggles, the War Department representative, assured the people that the Government would compensate them for all actual loss in any manner arising from its occupancy of the territory. He made similar representations by letter to various individuals.

"At the outset there was great opposition to the project, but after such assurances general opposition was withdrawn.

"Thereafter on October 6, 1917, 6 months after the declaration of war, the Sixty-fifth Congress passed what is known as the Urgent Deficiency Act, by which $7,000,000 were appropriated for 'increasing the facilities for the proof and test of ordnance material, including necessary buildings, construction, equipment, land and damages and losses to persons, firms, and corporations resulting from the procurement of the land for this purpose.'

"As has been stated, the finally adopted site of the Proving Grounds contained about 50 square miles of territory. A large portion of this territory was composed of farm lands, on which corn, wheat, and tomatoes were grown, and a special kind of sugar corn, called shoe-peg corn, was here produced, which is not capable of successful cultivation in quantity anywhere else in this country. Owing to the excellence of the soil for the growth of tomatoes and shoe-peg and other sugar corn, the tomato and corn canning industry had flourished for many years in this portion of the State of Maryland.

"In the territory finally taken there was a grown population of about 1,500 persons, approximately 500 families. They were forced to move, and were scattered in every direction, with the result that the farming and canning industries, and the business of the stores conducted by country merchants and that of the other tradesmen which in whole or in part depended upon the products or population of this territory, were either entirely destroyed or seriously and permanently injured.

"The activities incident to the operation of the proving grounds necessitated the storage there of great quantities of ammunition, the assembling and firing of cannon, and ammunition, the testing of war planes, and the manufacture and testing of gases, all of which seriously affected the property rights and the comfort of the inhabitants of the territory adjacent to that actually taken;" and

Whereas in the case of *Peabody* v. *United States* (231 U. S. 531) it was held: "The subjection of land to the burden of governmental use by constantly discharging heavy guns from a battery over it in time of peace in such a manner as to deprive the owner of its profitable use would constitute such a servitude as would amount to a taking of the property within the meaning of the fifth amendment": Now, therefore, be it

Resolved, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to claimants in this act named the several sums appropriated herein, which shall be in full settlement of all claims they may have respectively for damages against the United States Government occasioned by the establishment and operation of the Aberdeen Proving Ground, namely: F. O. Mitchel & Bro., $19,000; W. E. Boeschel, representative of the J. H. Emmord estate, $7,500; Samuel L. Fyle, $4,250; John W. Bay & Co., $30,000; Harry C. Holloway, $2,500; Mrs. Emma W. Bay, $1,500; Mrs. Emma A. Wirsing, $8,000; representing the amount of consequential damages suffered by the above-named persons in connection with the establishment and operation by the United States Government of the Aberdeen Proving Ground, in Harford and Baltimore Counties, Md.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. KENNEDY of Maryland. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 3189) for the relief of Earle Embrey.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Earle Embrey, general contractor, of New Albany, Ind., such amount not in excess of $3,855.06 as may be approved by the Secretary of the Treasury, but exclusive of any allowance for profit, in full settlement of all claims against the United States for repairs made by the said Earle Embrey to the new post-office building at Tell City, Ind., as a result of flood damages to such building beginning on January 20, 1937, while such building was under construction in accordance with contract No. Tipw-4625, dated June 4, 1936: *Provided*, That no part of the amount allowed by virtue of this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary, notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THE WORK OF THE CLAIMS COMMITTEE

Mr. O'CONNOR of New York. Mr. Speaker, I ask unanimous consent to insert in the RECORD at this point some remarks of respect for the wonderful work which has been done during this Congress by our Committee on Claims and by the official objectors on both sides of the aisle. I think their work is well known here and deserves the highest commendation. [Applause.]

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. O'CONNOR of New York. Mr. Speaker, before this House adjourns sine die it may not be inappropriate to call attention to the remarkable work which has been done by the Committee on Claims of the House under the leadership of the chairman of that committee, the distinguished Representative from Maryland, Mr. AMBROSE J. KENNEDY.

For many years I have had an interest in the conduct of the affairs of that committee and I am sometimes referred to as the author of the Private Calendar rule, under which the House has operated during recent years.

Before the adoption of that rule one objection, arbitrarily or otherwise, would prevent consideration of a claim bill, large or small, and often great injustices resulted to our citizens at the hands of their own Government.

The rule now requires two objections, and thereafter an opportunity is afforded for a consideration of the bill by a majority vote of the House if the bill be reported in an omnibus bill. I doubt if anyone will say that the new rule is not a great improvement on the old system, which was so objectionable to many Members. The results speak for themselves, as evidenced by the work which this Committee on Claims has done. I know of no more arduous work, unheralded, than this committee performs. It has more legislation referred to it than any committee in the House. Its members must write more reports than the members of any other committee.

For instance, during this Seventy-fifth Congress approximately 2,400 bills and resolutions were referred to that committee. Of these, 875 were reported favorably and 425 were reported adversely or rejected, making a total of 1,300 individual bills considered by the committee, a record unequaled or even unapproached by any other committee of the House.

In spite of some opinions to the contrary, the provision for the consideration of omnibus bills is a very important feature of the new rule. Personally I regret that opposition still continues in some places to these bills, and I am sure that such opposition would not persist if there were a thorough understanding of how the Committee on Claims acts in reference to bills put in an omnibus bill. When there are two objections to an individual bill on the Private Calendar and the bill is recommitted to the Committee on Claims, before the bill is put in an omnibus bill the proponents and the objectors are notified and a subcommittee of five of the Committee on Claims hears the arguments for the placing of the bill in an omnibus bill. Often the objections only lay to certain features of the bill, and often this is worked out by reporting the bill in an omnibus bill with amendments.

So thoroughly has the Committee on Claims done this work during this Congress that of the bills reported by the committee no individual bills are now on the Private Calendar awaiting action. There are several omnibus bills still pending. Of the bills favorably reported by the committee, over 650 have been passed and are in the process of becoming a law. About 177 bills are pending before the Senate or the Senate Claims Committee after having passed the House.

Never before in the history of this committee has so much work been done. The results are attributable to the industrious work by the committee's chairman and each and every member and clerk, and to the fixed rules and policies which the committee has adopted in reference to the procedure and consideration of bills referred to it.

Mr. Speaker, it would not be fair or appropriate if my résumé of the work of the Committee on Claims failed to include reference to the so-called official objectors on the Private Calendar. Nor more thankless or personally hazardous appointment exists than in this body. These objectors review the bills reported by the Claims Committee and other bills on the Private Calendar. That requires countless hours of careful study. No one ever seeks such an appointment as that of "official objector," and most Members refuse to take it, but this House is well aware of the intelligent, industrious, and conscientious work done during this Congress by the official objectors on the Private Calendar, and I know everybody here appreciates their industry and fairness. The Democratic objectors have been these distinguished gentlemen, Mr. JOHN M. COSTELLO, of California; Mr. GRAHAM A. BARDEN, of North Carolina; Mr. Ross A. COLLINS, of Mississippi; and Mr. J. HAROLD FLANNERY, of Pennsylvania. The Republican objectors have been Mr. CLARENCE E. HANCOCK, of New York; Mr. CHARLES A. HALLECK, of Indiana; and Mr. JAMES W. MOTT, of Oregon.

Without the intelligence, industry, and cooperative work of these objectors, and the legislative clerks assisting them, the Committee on Claims would not have established the unparalleled record it has made in the Seventy-fifth Congress.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD immediately following the remarks of the gentleman from New York [Mr. O'CONNOR] complimenting the gentleman from Maryland [Mr. KENNEDY], and the official objectors.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, I desire to take this opportunity to pay my personal tribute to an outstanding and valuable Member of this House, the distinguished chairman of the Committee on Claims, AMBROSE J. KENNEDY.

Mr. KENNEDY has converted, through his energy, wisdom, and sincerity, a heretofore practically inactive committee into a committee which acts on a greater volume of work than any other committee of this House. The statistics to substantiate this statement are included in this same RECORD in the remarks of Hon. JOHN O'CONNOR, who has also made significant and notable reference to Mr. KENNEDY.

Mr. KENNEDY is of transcendant worth to the membership of this House and through us to many hundreds of citizens of the United States whose only source of relief in a varied field of private claims is through his committee. Clearly it is an unselfish and humane quality which prompts a man to consider others' problems as his own.

In addition to performing his duties so ably as chairman of the Committee on Claims, Mr. KENNEDY is an active member on the important Merchant Marine and Fisheries Committee, and the District of Columbia Committee, and is recognized as possessing a thorough knowledge of the affairs of these committees.

Five and a half years ago, the people in Mr. KENNEDY'S district wisely chose a Representative whose aggressiveness has placed him in the high esteem of the membership of this House, and he in turn has the value which might well accompany a Member of many more years' experience. Mr. KENNEDY is one of our younger Members destined to render through his indefatigable efforts an even greater service to the House of Representatives.

I am frankly proud of the fact that I was one of Mr. KENNEDY'S first admirers here in the House and his enviable record has more than convinced me that my expectations were not misplaced.

Our colleague is entitled to the gratitude of the entire membership of the House.

THIRD INTERNATIONAL CONGRESS FOR MICROBIOLOGY

Mr. BLOOM. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the joint resolution (H. J. Res. 702) to provide that the United States extend to foreign governments invitations to participate in the Third International Congress for Microbiology to be held in the United States during the calendar year 1939, and to authorize an appropriation to assist in meeting the expenses of the session, with a Senate amendment, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as folows:

Page 1, strike out lines 8 and 9 and lines 1 to 17, inclusive.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, will the gentleman tell us just what this amendment does?

Mr. BLOOM. This amendment strikes out completely the authorization for the appropriation. The bill is now without the appropriation instead of with the appropriation.

Mr. MARTIN of Massachusetts. That is the only change that is made?

Mr. BLOOM. It is the only change.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. BLOOM. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including an address of the Honorable Alexander I. Rorke on the Need for Religion in the Life of Every American, delivered at the Holy Name rally, held at the Chaminade High School Bowl in Mineola, Long Island, on Sunday, May 15, 1938; also an appeal to the citizens of the world, made by the World Peace Crusaders.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

CONSENT CALENDAR

The SPEAKER. The Clerk will call the first bill on the Consent Calendar.

Mr. COSTELLO. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. COSTELLO. I wish to inquire whether the agreement was that Senate bills should be called first on the Consent Calendar, the same as on the Private Calendar?

The SPEAKER. The Chair so understood.

Mr. COSTELLO. My thought was that the agreement referred only to the Private Calendar.

Mr. MARTIN of Massachusetts. I understood the agreement referred only to the Private Calendar. I did not understand it included the Consent Calendar.

The SPEAKER. The Chair is advised that the notes made by the Journal clerk show that the request of the gentleman from Texas included calling first Senate bills on the Consent Calendar.

The Clerk will call the first Senate bill on the Consent Calendar.

WESTERN BANDS OF THE SHOSHONE NATION OF INDIANS

The Clerk called the first Senate bill on the Consent Calendar (S. 68) authorizing the Western Bands of the Shoshone Nation of Indians to sue in the Court of Claims.

Mr. COCHRAN, Mr. TABER, and Mr. BACON objected.

INDIANS ON THE QUINAIELT RESERVATION, STATE OF WASHINGTON

The Clerk called the next bill, S. 1517, authorizing the payment of attorney fees contracted to be paid by certain Indians allotted on the Quinaielt Reservation, State of Washington.

Mr. COCHRAN, Mr. TABER, and Mr. BACON objected.

Mr. COFFEE of Washington. Mr. Speaker, if the gentlemen will withhold their objection, I should like to make a brief observation on this case, which has been bandied about in the House for the last several months.

This is a bill which passed the Senate and has been on the House Calendar for about 4 months. It involves the payment of attorney fees contracted to be paid by Indians allotted on the Quinaielt Reservation, in the State of Washington. It seems that the attorneys were employed during certain litigation and were allowed to file a lien upon timberland upon the Quinaielt Reservation. Out of this timber they hoped to have their attorney fees paid. Subsequent to their employment, however, the Wheeler-Howard Act was passed, and that prevented the sale of the very timberland out of which the attorneys hoped to receive their attorney fees. This is a peculiar case. It is sui generis. I hope the gentlemen will withhold their objection.

Mr. Speaker, this is the situation involved in this bill: The Department denied 81 Indian allotments on the Quinaielt Reservation. The Indians employed Stuart H. Elliott and the Rowland brothers to prosecute their claims to allotments. Suits were filed in the United States District Court, Western District of Washington, and judgments obtained in favor of 64 of the claimants, the trial of the remaining 17 cases being suspended pending appeals from the decrees entered in favor of the 64. The United States prosecuted an appeal to the United States Court of Appeals, Ninth Circuit, which reversed the decrees of the district court in Washington. Webster Ballinger was then employed in the cases and the United States Supreme Court granted certiorari. The cases were consolidated and heard as one case and the decrees of the United States Circuit Court of Appeals in the cases were, by decree of the United States Supreme Court, reversed and the decrees of the district court affirmed (283 U. S. 753). Thereafter the United States District Court, Western District of Washington, entered decrees in the remaining 17 cases following the ruling of the United States Supreme Court. The Secretary of the Interior approved the fees of the attorneys in the sum of 15 percent of the value of the allotments and timber in the 64 cases that went to the United States Supreme Court and allowed 10 percent of the value of the land and timber on those allotments in which decrees were obtained in the United States district court unappealed. Fifty-eight of the allotments and timber thereon have been appraised by the Department and the amount of the fees definitely determined in those cases. On the remaining cases the fees are now computed.

The necessity for the relief asked in the bill is:

When the attorneys were employed, and during the litigation, the Indians, under the then existing law, could, with the approval of the Secretary, sell their land and timber. The litigation was concluded about the commencement of the depression. Before a market for the land and timber was available Congress passed the Wheeler-Howard Act that prevents the sale of any land allotted an Indian. By departmental regulations now in force the timber on the Quinaielt Reservation can only be sold at such times and in such amounts as the Department deems for the best interests of the Indians to authorize. Each sale authorized is for the timber within a limited area and very few sales have been authorized. As a result of the Wheeler-Howard Act, and the regulations, the attorneys could not hope to receive compensation during their natural lives. Because of these changes in governmental policies the bill authorizes an appropriation from the Public Treasury sufficient to pay the fees and makes the amount reimbursable to the United States as and when the timber is sold. Both Collier and Zimmerman, of the United States Indian Service, approved this bill.

Mr. COCHRAN. I may say to the gentleman I happen to have known personally for many years one of the attorneys involved in this case. He is a fine gentleman and deserves to be paid, but I have a letter from the Director of the Budget in reference to this case. Mr. Speaker, I ask unanimous consent that I may place that letter in the RECORD at this point.

The SPEAKER pro tempore (Mr. O'CONNOR of New York). Is there objection to the request of the gentleman from Missouri?

There was no objection.

The letter is as follows:

BUREAU OF THE BUDGET,
Washington, March 2, 1938.

Hon. JOHN J. COCHRAN,
House of Representatives.

MY DEAR MR. COCHRAN: I have your letter of February 24, 1938, requesting an expression of my views regarding S. 1517, a bill "authorizing the payment of attorney fees contracted to be paid by certain Indians allotted on the Quinaielt Reservation, State of Washington, and for other purposes."

Before the report of the Secretary of the Interior on this bill was presented to the chairman of the Committee on Indian Affairs it was referred to this office and, as indicated in House Report No. 1771 also transmitted with your letter, the Secretary was advised that the proposed legislation would not be in accord with the program of the President. It is unnecessary to review

the facts of this case, as they are set forth in considerable detail in the above-mentioned House report.

There does not appear to be any satisfactory justification for the advancement by the United States of the moneys necessary to pay the attorney fees in this case, nor is there, so far as I know, any precedent for such action. The contention that the act of June 18, 1934 (the Indian Reorganization Act) has deferred the time when funds would be available for the payment of these fees rests upon a more or less conjectural basis. As a matter of fact, the attorneys had received no payments during the 3-year period from the date of the judgment, June 1, 1931, to the date of the Reorganization Act, June 18, 1934. The case was taken by the attorneys on a contingent-fee basis with the fees to be paid from the proceeds of the sale of timber on the Indian allotments; and, while the Reorganization Act prohibits the sale of allotments, it not only did not prohibit the sale of timber on such allotments, but, in fact, made such provision for the operation and management of Indian forestry units on the principle of sustained-yield management as would gradually increase the value of forest-land allotments, and thus more fully insure the eventual payment of attorney fees.

In view of the foregoing, I cannot recommend the enactment of this legislation.

Very truly yours,

D. W. BELL, *Acting Director.*

Mr. COCHRAN. If this bill passes it will simply mean that the Government will pay a bill where the Government is neither morally nor legally responsible. As I said, I have known for many years one of the attorneys in the case. However, I feel it my duty to object to this bill. Many Members have appealed to me today to let some of the Indian claims bills pass, bills to which I have heretofore voiced my objection.

It is not a pleasant duty to object to bills your friends are interested in. I have talked with the chairman of the Committee on Indian Affairs, and many times urged that his committee not only secure reports on the bills from the Attorney General and the Comptroller General, who has the records. Still all the reports ever carry are the views of the Department of the Interior. It is my opinion now, if my suggestion is followed, bills can be amended to protect the Government and then in many cases can be passed, but so long as I am a Member of the House I am going to continue to at least try and prevent bills from passing which are advanced by attorneys that practically deny to the Government a proper defense.

The SPEAKER pro tempore. Three objections are heard, and the bill is stricken from the calendar.

CLAIMS OF DELAWARE INDIANS

The Clerk called the next bill, S. 2326, to amend the act, as amended, entitled "An act to refer the claims of the Delaware Indians to the Court of Claims, with the right of appeal to the Supreme Court of the United States," approved February 7, 1925.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. COCHRAN, Mr. TABER, and Mr. BACON objected, and, under the rule, the bill was stricken from the calendar.

CLAIMS OF SHOSHONE OR BANNOCK INDIANS

The Clerk called the next bill, S. 2253, conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and render final judgment on any and all claims of whatsoever nature, which the Shoshone or Bannock Indians living on the Fort Hall Indian Reservation, in the State of Idaho, or any tribe or band thereof, may have against the United States, and for other purposes.

Mr. O'MALLEY. Mr. Speaker, reserving the right to object, I desire to offer some amendments to the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. BACON, Mr. TABER, Mr. WOLCOTT, and Mr. COCHRAN objected; and, under the rule, the bill was stricken from the calendar.

RESTRICTIONS ON HOLDING OFFICE OF RETIRED OFFICERS OF THE MARINE CORPS AND COAST GUARD

The Clerk called the next bill, S. 1532, to exempt retired officers of the Marine Corps and Coast Guard from certain restrictions with respect to holding office under the United States.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. FADDIS and Mr. EBERHARTER objected.

There being no further objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the second sentence of section 2 of the Legislative, Executive, and Judicial Appropriation Act, approved July 31, 1894, as amended, is amended by striking out the words "Army or Navy" and inserting in lieu thereof the words "Army, Navy, Marine Corps, or Coast Guard."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PAYMENT TO SAN CARLOS APACHE INDIANS

The Clerk called the next bill, S. 1231, authorizing payment to the San Carlos Apache Indians for the lands ceded by them in the agreement of February 25, 1896, ratified by the act of June 10, 1896, and reopening such lands to mineral entry.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. COCHRAN. Mr. Speaker, reserving the right to object, this bill was recommitted to the Committee on Indian Affairs when I opposed its passage, and the committee again reported the bill so amended that it now carries the amount recommended by the Bureau of the Budget.

Mr. MURDOCK of Arizona. That is right. When the House committee first reported this bill the amount involved was for all the land concerned at $1.25 per acre. The second report reduced it.

Mr. COCHRAN. And those amendments are in the bill and no attempt is going to be made to raise it to the old figure?

Mr. MURDOCK of Arizona. I cannot say positively as to that, Mr. Speaker. I feel that, although the amount ought to be increased, there would be no opportunity now to make any change.

Mr. COCHRAN. There is always an opportunity to send it to conference and have the original Senate bill agreed to. As far as I am concerned, if I can get some assurance there is going to be no attempt to go back to the old figure, I am agreeable, as the objections of the Director of the Budget and the Attorney General have been taken care of, to allow the bill to pass as now amended.

Mr. MURDOCK of Arizona. Mr. Speaker, I feel the original amount was fair, but it has now been reduced to about $33,000, and surely that is better for the Indians than letting it remain as at present. I hope there will be no objection to it, because it is a meritorious matter.

Mr. TABER, Mr. RICH, and Mr. ALLEN of Illinois objected, and, under the rule, the bill was stricken from the calendar.

PAPERS OF CHARLES COTESWORTH PINCKNEY AND THOMAS PINCKNEY

The Clerk called the next bill, S. 3699, authorizing the Library of Congress to acquire by purchase, or otherwise, the whole, or any part, of the papers of Charles Cotesworth Pinckney and Thomas Pinckney, including therewith a group of documents relating to the Constitutional Convention of 1787, now in the possession of Harry Stone, of New York City.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. TREADWAY, Mr. RICH, and Mr. TABER objected, and, under the rule, the bill was stricken from the calendar.

ADDITIONAL MIDSHIPMAN, UNITED STATES NAVAL ACADEMY

The Clerk called the bill (S. 2276) to provide for an additional midshipman at the United States Naval Academy, and for other purposes.

Mr. TABER, Mr. RICH, and Mr. ALLEN of Illinois objected, and the bill was stricken from the calendar.

TERMS OF HOLDING DISTRICT COURT, WEST VIRGINIA

The Clerk called the bill (S. 3684) to provide for the holding of terms of the district courts of the United States for West Virginia, at Fairmont and Beckley.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the district judge for the northern and southern districts of West Virginia, appointed under the act approved June 22, 1936, shall hold regular terms of court at Fairmont at least once in each calendar year, at such times as may be fixed by rules of the court, when suitable rooms and accommodations for holding terms of the court shall be provided at Fairmont free of cost to the United States or a Federal building containing such suitable rooms and accommodations shall be erected at such place.

SEC. 2. The present district judge for the southern district of West Virginia shall hold regular terms of court at Beckley at least once in each calendar year, at such times as may be fixed by rules of the court, when suitable rooms and accommodations for holding terms of the court shall be provided at Beckley free of cost to the United States or a Federal building containing such suitable rooms and accommodations shall be erected at such place.

With the following committee amendment:

Strike out all after the enacting clause and insert:

"That section 113 of the Judicial Code, as amended (U. S. C., title 28, sec. 194), be, and it is hereby, amended to read as follows:

" 'The State of West Virginia is divided into two districts, to be known as the northern and southern districts of West Virginia. The northern district shall include the territory embraced on the 1st day of July, 1910, in the counties of Hancock, Brooke, Ohio, Marshall, Tyler, Pleasants, Wood, Wirt, Ritchie, Doddridge, Wetzel, Monongalia, Marion, Harrison, Lewis, Gilmer, Calhoun, Upshur, Barbour, Taylor, Preston, Tucker, Randolph, Pendleton, Hardy, Grant, Mineral, Hampshire, Morgan, Berkeley, and Jefferson, with the waters thereof.

" 'The district judge for the northern district of West Virginia shall hold regular terms of court in said northern district at the following places and times, that is to say:

" '(a) At the city of Martinsburg on the first Tuesday in April and the fourth Tuesday in September in each year;

" '(b) At the city of Wheeling on the third Tuesdays in April and October in each year;

" '(c) At the city of Elkins on the first Tuesday in June and the third Tuesday in November in each year;

" '(d) Said judge shall also hold such special terms as may be necessary for the orderly dispatch of the business of said court; the same to be held at said places and at such times as he shall appoint.

" 'The southern district shall include the territory embraced on the 1st day of July 1910 in the counties of Jackson, Roane, Clay, Braxton, Webster, Nicholas, Pocahontas, Greenbrier, Fayette, Boone, Kanawha, Putnam, Mason, Cabell, Wayne, Lincoln, Logan, Mingo, Raleigh, Wyoming, McDowell, Mercer, Summers, and Monroe with the waters thereof.

" 'The district judge for the southern district of West Virginia shall hold regular terms of court in said southern district at the following times and places, that is to say:

" '(a) At the city of Bluefield on the third Tuesdays in January and June in each year;

" '(b) At the city of Lewisburg on the first Tuesdays in March and September in each year; when suitable rooms and accommodations for holding terms of the court shall be provided at Lewisburg free of cost to the United States or until, subject to the recommendation of the Attorney General of the United States with respect to providing such rooms and accommodations for holding court at Lewisburg, a public building shall have been erected or other Federal space provided for court purposes in said city;

" '(c) At the city of Charleston on the second Tuesday in April and on the third Tuesday in November in each year;

" '(d) At the city of Beckley at least once in each calendar year, at such times as may be fixed by rules of the court, when suitable rooms and accommodations for holding terms of the court shall be provided at Beckley free of cost to the United States or until, subject to the recommendation of the Attorney General of the United States with respect to providing such rooms and accommodations for holding court at Beckley, a Federal building containing such suitable rooms and accommodations for holding court shall be erected at such place;

" '(e) Said judge shall also hold such special terms as may be necessary for the orderly dispatch of the business of said court, the same to be held at said places and at such times as he shall appoint.

" 'The district judge for the northern and southern districts of West Virginia shall hold regular terms of court in said northern and southern districts at the following places and times; that is to say:

" '(a) At the city of Clarksburg in said northern district on the first Tuesday in January and on the fourth Tuesday in August in each year;

" '(b) At the city of Parkersburg in said northern district on the third Tuesday in March and on the first Tuesday in October in each year;

" '(c) At the city of Huntington in said southern district on the second Tuesday in May and on the third Tuesday in October in each year;

" '(d) At the city of Fairmont at least once in each calendar year, at such times as may be fixed by rules of the court, when suitable rooms and accommodations for holding terms of the court shall be provided at Fairmont free of cost to the United States or until, subject to the recommendation of the Attorney General of the United States with respect to providing such rooms and accommodations for holding court at Fairmont, a Federal building containing such suitable rooms and accommodations for holding court shall be erected at such place;

" '(e) Said judge shall also hold such special terms as may be necessary for the orderly dispatch of the business of said courts; the same to be held at said places and at such times as he shall appoint.' "

Mr. KEE. Mr. Speaker, I offer the following amendment to the amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. KEE to the committee amendment: Page 4, line 10, strike out lines 10 to 18, inclusive.

The SPEAKER. The question is on agreeing to the amendment offered by the gentleman from West Virginia.

The question was taken; and on a division (demanded by Mr. WALTER) there were—ayes 3, noes 18.

So the amendment to the committee amendment was rejected.

The committee amendment was agreed to; and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "An act to amend section 113 of the Judicial Code, as amended."

GENERAL CLAIMS CONVENTION, SEPTEMBER 8, 1923

The Clerk called the bill (S. 3104) for the payment of awards and appraisals heretofore made in favor of citizens of the United States on claims presented under the General Claims Convention of September 8, 1923, United States and Mexico.

Mr. BEAM, Mr. KELLY of Illinois, and Mr. COSTELLO objected, and the bill was stricken from the calendar.

WAPATO SCHOOL DISTRICT, YAKIMA COUNTY, WASH.

The Clerk called the bill (S. 1325) to provide funds for cooperation with Wapato School District No. 54, Yakima County, Wash., for extension of public-school buildings to be available for Indian children of the Yakima Reservation.

The SPEAKER pro tempore. Is there objection?

Mr. WOLCOTT. Mr. Speaker, I object.

Mr. TABER. Mr. Speaker, I object.

Mr. HILL. Mr. Speaker, will the gentlemen withhold their objections, please? A similar bill to this (S. 2638) was passed not long ago, and no objection was made to that.

Mr. WOLCOTT. Out of 1,591 children, there are 64 Indian children and 226 Japanese.

Mr. HILL. There are 477 white children who are living on land that is not taxed.

Mr. WOLCOTT. I do not see why the Federal Government should educate the white children living on Indian lands.

Mr. HILL. This city of Wapato is entirely on the reservation.

Mr. WOLCOTT. They are educating all of these children at the expense of the other whites.

Mr. HILL. How does the gentleman explain that the other bill was passed?

Mr. WOLCOTT. I do not explain. For instance, a bill went through yesterday when I happened not to be here. If I had been here, it would not have gone through. Two wrongs do not make a right. It is not right for the Federal Government to pay for educating 1,300 children merely because there are 64 Indian children attending the schools. It is much more economical to pay the tuition of the 64 than to educate the other 1,300 white children.

Mr. HILL. It is only a part that the Federal Government will pay just as in the other bill.

The SPEAKER pro tempore. Is there objection?

Mr. WOLCOTT. Mr. Speaker, I object.

TRANSPORTATION OF CERTAIN PEOPLE IN INTERSTATE COMMERCE

The Clerk called the bill (S. 2403) to prohibit the transportation of certain persons in interstate or foreign commerce during labor controversies, and for other purposes.

Mr. LAMNECK, Mr. TABER, and Mr. RICH objected, and the bill was stricken from the calendar.

APACHE TRIBE, MESCALERO RESERVATION

The Clerk called the bill (S. 2827) to authorize the purchase of certain lands for the Apache Tribe of the Mescalero Reservation, N. Mex.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection?

There was no objection.

NAVAL APPROPRIATION ACT, 1921

The Clerk called the next bill, S. 1131, to amend the part of the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1921, and for other purposes," approved June 4, 1920, relating to the conservation, care, custody, protection, and operation of the naval petroleum and oil-shale reserves.

Mr. WOLCOTT. Mr. Speaker, was not this bill passed earlier in the day?

The SPEAKER pro tempore. The gentleman from Georgia sought to call it up under unanimous consent, but the request was objected to.

Mr. PHILLIPS. Mr. Speaker, reserving the right to object, this matter has been discussed at length by the Committee on Naval Affairs. The committee voted to bring this bill out. The gentleman from California [Mr. SCOTT], and I opposed it. We asked the right to come on the floor and discuss it if a rule should be provided. I feel that further information should be in our hands before we pass this bill.

Mr. MAAS. Mr. Speaker, will the gentleman yield?

Mr. PHILLIPS. I yield.

Mr. MAAS. The committee has gone into this very thoroughly. We have put every possible protection in it. If this bill is passed we waive none of the rights we have now but we do give the Navy a chance to protect their reserves. If we do not pass this bill there is likely to be another Teapot Dome scandal. We have preserved every right the Government has and have sought to protect these rights. We want to give additional protection to these reserves so they may not be invaded.

Mr. CHURCH. Mr. Speaker, will the gentleman yield?

Mr. PHILLIPS. I yield.

Mr. CHURCH. I hope the gentleman will not at this time insist on his objection to this bill. I realize the gentleman feels that full discussion is necessary. If the gentleman objects to the passage of this bill at this time he will be taking a responsibility that I think he would not really like to take.

Mr. HOBBS. Mr. Speaker, will the gentleman yield?

Mr. PHILLIPS. I yield.

Mr. HOBBS. Does not the gentleman think that the questions he has in mind were largely if not wholly gone into by Senator WALSH in his investigation, and if that report does not fully meet his objection?

Mr. PHILLIPS. I have not had a chance to study the report, and I cannot answer the gentleman. That is exactly the point. The Committee on Naval Affairs has asked certain information from the Attorney General of the United States which we have not had in full. It is true we have gotten certain information from the Navy Department, but I feel that I am conscientiously doing my duty in objecting to consideration of this bill at this time.

The SPEAKER pro tempore. Objection is heard.

COMMERCE IN FIREARMS

The Clerk called the next bill, S. 3, to regulate commerce in firearms.

Mr. WEST and Mr. GREEVER objected.

CHINA TRADE ACT CORPORATIONS

The Clerk called the next bill, S. 2783, to amend the China Trade Act, 1922, as to the duration of the China Trade Act corporations.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, I wonder if we can have some explanation of the necessity for this bill.

Mr. SATTERFIELD. This bill amends the China Trade Act, 1922, with reference to the duration of the China Trade Act corporations. Under the China Trade Act corporations may not be chartered for a longer period than 25 years.

Mr. WOLCOTT. What is the purpose of the China Trade Act?

Mr. SATTERFIELD. People who do business in China are incorporated under the China Trade Act. These corporations find themselves handicapped in the negotiation of long-time contracts, franchises, and long-time financing in competition with corporations organized under the laws of other countries. It will give these corporations perpetual duration.

Mr. WOLCOTT. What negotiations has the China Trade Corporation had with the Bank of England concerning China?

Mr. SATTERFIELD. I cannot answer the question.

Mr. WOLCOTT. May I say to the gentleman it is not proper for us to continue the China Trade Act corporations for the purpose of increasing our exports to China? Because of a very fallacious and inadvisable silver policy we have forced China, if they want to buy American products, to go through the Bank of England to do it. We have forced China to tie itself to the English pound when, if we had not adopted this silly silver policy of the present administration, we would have been dealing directly with China. I do not see any objection to the bill, but I think it is an open gesture of the country. There is absolutely no sense in trying to encourage trade with the China Trade Act corporations under the China Trade Act when we have nullified the very desirable set-up which we could have created with China. That country is now a frontier nation. We could have increased our exports to China by hundreds of millions of dollars every year if it had not been for the desire on the part of this administration to subsidize a few silver miners in the western part of this country. By giving them a very few million dollars in subsidies we have sacrificed the possibility of hundreds of millions of dollars of foreign trade with China. Hereafter your foreign trade with China is going to be through the back door of the Bank of England.

Mr. SATTERFIELD. The gentleman will not object to the extension of this charter under the China Trade Act?

Mr. WOLCOTT. No; because I think it is the most harmless thing we can do under the circumstances.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That paragraph (5) of subdivision (b) of section 4 of the China Trade Act, 1922, as amended, is amended to read as follows:

"(5) The duration of the corporation, which may be perpetual or for a limited period."

SEC. 2. The amendment made by section 1 of this act shall apply to every China Trade Act corporation created after the date of the enactment of this act. Any China Trade Act corporation existing on the date of the enactment of this act may make its existence perpetual only upon application to the Secretary of Commerce to amend its charter in that respect and upon payment of a fee equivalent to the incorporation fee. Upon receipt of such application and the payment of such prescribed fee, the Secretary shall approve such application and the charter of the corporation shall be amended accordingly.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

INDIAN TRIBES OF NEBRASKA

The Clerk called the next bill, S. 3233, to authorize the Secretary of the Interior to place certain records of Indian tribes of Nebraska with the Nebraska State Historical Society, at Lincoln, Nebr., under rules and regulations to be prescribed by him.

Mr. RICH. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

NATIONAL FOREST UNITS (MONTANA)

The Clerk called the next bill, S. 3157, to empower the President of the Untied States to create new national forest units and make additions to existing national forests in the State of Montana.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. RICH. Mr. Speaker, I object.

Mr. O'CONNELL of Montana. Will the gentleman withhold his objection?

Mr. RICH. I withhold it, but I expect to object.

Mr. O'CONNELL of Montana. Mr. Speaker, if the gentleman will read the report, I think he will find there is nothing objectionable to this bill. It is approved by the Budget and by the Bureau. It is absolutely desired by the forest interests and people up in that section of the country.

Mr. RICH. Mr. Speaker, this is an act to empower the President of the United States to create new national forest units and make additions to existing national forests in the State of Montana. The State of Montana has a lot of national forests now. It seems to me that under the present conditions all we are doing is making playgrounds. It is time that we stopped playing and get down to work, get down to brass tacks and get down to doing things because if we do not, this Nation is never going to survive. I think it is time to object, and I do object.

PUBLIC LANDS DONATED TO THE STATES OF NORTH DAKOTA, SOUTH DAKOTA, MONTANA, AND WASHINGTON

The Clerk called the next bill, S. 3763, to increase the period for which leases may be made for grazing and agricultural purposes of public lands donated to the States of North Dakota, South Dakota, Montana, and Washington by the act of February 22, 1889, as amended.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. TABER. Mr. Speaker, reserving the right to object, what has the Congress to do with regulating leases of lands belonging to the States? I cannot understand that.

Mr. GREEVER. Under the laws under which the States lease their lands they are limited to making grazing leases for 5 years. Under the Taylor Grazing Act and under the forest leases the leases are generally made for 10 years. This bill is to allow the States to make leases upon their public lands for the same length of time as the other leases are made. The idea is to give stability through extending the length of time for which leases are granted on State lands, in order that the leases may run for the same length of time as the Federal leases. That is all there is to the bill.

Mr. TABER. It is simply to modify the provisions in the organic act?

Mr. GREEVER. The gentleman is correct.

Mr. RICH. Reserving the right to object, Mr. Speaker, is this not going to increase the number of acres the Interior Department will now supervise for grazing purposes?

Mr. GREEVER. No; it has nothing to do with that. For instance, here is a section, 640 acres of State lands, and opposite it are 640 acres of Federal lands. The man who leases that land can lease the State land for only 5 years, whereas he leases the Federal land for 10 years, and it is difficult for him to base his stock-raising operations upon two different kinds of leases.

Mr. RICH. The fact of the matter is that the State lands are going to be leased by the Interior Department for grazing?

Mr. GREEVER. No; the States lease their lands.

Mr. RICH. Is the State going to handle the lands entirely by itself? The lands will not be handled by the Interior Department?

Mr. GREEVER. No; the State land commissioner handles the lands.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That so much of the second paragraph of section 11 of the act relating to the admission into the Union of the States of North Dakota, South Dakota, Montana, and Washington, approved February 22, 1889, as amended, as reads "but leases for grazing and agricultural purposes shall not be for a term longer than 5 years", is amended to read as follows: "but leases for grazing and agricultural purposes shall not be for a term longer than 10 years."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NEVADA AND TOIYABE NATIONAL FORESTS IN NEVADA

The Clerk called the next bill, S. 4136, to facilitate the control of soil erosion and/or flood damage originating upon lands within the exterior boundaries of the Nevada and Toiyabe National Forests in Nevada and to promote efficiency and economy of administration of said national forests.

Mr. TABER. Reserving the right to object, Mr. Speaker, I wish someone would explain this bill, and tell us what it does and what it will cost.

Mr. GREEVER. The bill applies to two national forests in the State of Nevada, and simply provides that $10,000 a year will be taken out of the receipts from those forests for the purchase of privately owned lands within the body of the forests. I may say to the gentleman that the reason for this is that in the early days when the lands were taken up a great deal of the water of the streams and springs, and so forth, was taken up by private parties, and it is necessary to have some of those lands in order to handle the forest grazing.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of Agriculture be, and is hereby, authorized in his discretion to acquire by purchase any lands within the boundaries of the Nevada and Toiyabe National Forests in the State of Nevada which, in his judgment, should become the property of the United States in order that they may be so managed with other lands of the United States as to minimize soil erosion and flood damage or promote efficiency and economy of administration and to pay for said lands from the receipts from the sale of natural resources, other than mineral, and from occupancy of public lands within the Nevada and Toiyabe National Forests, to which end appropriations of said receipts not exceeding $10,000 per annum are hereby authorized until said lands have been acquired, the funds so appropriated to be available until expended for that purpose.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COMMERCE IN FIREARMS

Mr. WADSWORTH. Mr. Speaker, I ask unanimous consent to return to Calendar 876, the bill (S. 3) to regulate commerce in firearms.

The SPEAKER pro tempore. Let the Chair state that he thinks it fair that the entire calendar should be completed before requests are made to return to the consideration of certain bills.

Mr. WADSWORTH. I thought the call of the calendar was completed, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will now call the House bills on the calendar.

AMENDMENT OF THE WISCONSIN CHIPPEWA JURISDICTIONAL ACT

The Clerk called the first House bill on the Consent Calendar, H. R. 8502, to amend the Wisconsin Chippewa Jurisdictional Act of August 30, 1935 (49 Stat. L. 1049).

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

SIOUX INDIANS

The Clerk called the joint resolution (H. J. Res. 438) restoring the right of appeal to the Supreme Court in certain cases involving claims of the Sioux Indians.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this joint resolution be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

CLAIMS OF GRAIN ELEVATORS AND GRAIN FIRMS

The Clerk called the next joint resolution, House Joint Resolution 421, authorizing and directing the Comptroller General of the United States to certify for payment certain claims of grain elevators and grain firms to cover insurance and interest on wheat during the years 1919 and 1920 as per a certain contract authorized by the President.

Mr. COCHRAN and Mr. COSTELLO objected.

APPOINTMENT OF POSTMASTERS

The Clerk called the next bill, H. R. 8037, to amend the law relating to appointment of postmasters.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that in view of the action of the House the other day on a similar bill, that this bill be stricken from the calendar and recommitted to the Committee on the Post Office and Post Roads.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

CLAIMS OF SEMINOLE NATION OR TRIBE OF INDIANS

The Clerk called the next bill, H. R. 7271, authorizing the District Court of the United States for the Eastern District of Oklahoma to hear and determine certain claims of the Seminole Nation or Tribe of Indians.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

LONGEVITY PAY OF WARRANT OFFICERS

The Clerk called the next bill, H. R. 3618, to reestablish the longevity pay of warrant officers.

There being no objection the Clerk read the bill, as follows:

Be it enacted, etc., That such part of section 4a of the act approved June 4, 1920 (41 Stat. L. 759), amending the National Defense Act, which provides that warrant officers of the Army shall be entitled to longevity pay "under the same conditions as commissioned officers," who then received for that purpose an addition of 10 percent of their base pay for each 5 years of service, not to exceed 40 percent, and that such part of chapter IX of the act approved July 9, 1918 (40 Stat. L. 881–882), establishing the grade of warrant officers of the Army, Army Mine Planter Service, which provided that such warrant officers "shall receive longevity pay as now provided by law for officers of the Army" shall, on and after the approval of this act, be reestablished, in lieu of the addition provided for in section 9 of the act approved June 10, 1922 (42 Stat. L. 629), which provides that warrant officers shall receive as a permanent addition to their pay, an increase of 5 percent of their base pay, for each 4 years of service, not to exceed 25 percent.

SEC. 2. Retired warrant officers of the Army and those on the retired list entitled to the pay of warrant officers on account of World War service as commissioned officers shall have their pay readjusted on the basis of section 1 of this act.

Mr. EDMISTON. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. EDMISTON: Page 2, line 9, strike out all of section 2, lines 9 to 12, inclusive.

Mr. EDMISTON. Mr. Speaker, this amendment striking out section 2 of the bill I offer, not that I personally agree with what the amendment does, because I think it does an injustice to a great number of men who have been retired as warrant officers of the Army who rendered valuable services during the World War as commissioned officers, but I offer the amendment because the Senate Committee on Military Affairs has reported a bill as this bill will be if the amendment is adopted and believing when I cannot get a whole loaf I should take a half loaf, which is better than no bread at all, I shall go along with the Senate committee.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. EDMISTON. I yield.

Mr. McCORMACK. Has the Senate bill been passed by that body?

Mr. EDMISTON. It has not, but it has been reported out in this form by the Senate Military Affairs Committee.

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDMENT OF INLAND WATERWAYS CORPORATION ACT

The Clerk called the next bill, H. R. 10464, to amend the Inland Waterways Corporation Act, approved June 3, 1924, as amended, authorizing the Secretary of War to extend the services and operations of the Inland Waterways Corporation to the Cape Fear River and connecting waterways.

Mr. CHURCH, Mr. RICH, and Mr. TABER objected, and, under the rule, the bill was stricken from the calendar.

EXTENSION OF FOREIGN AIR-MAIL CONTRACTS

The Clerk called House Joint Resolution 650 to authorize the extension of existing foreign air-mail contracts for a period not exceeding 1 year in each case.

Mr. FADDIS. Mr. Speaker, I object.

ABSAROKA AND GALLATIN NATIONAL FORESTS

The Clerk called the next bill, H. R. 4548, to repeal the proviso of, and amend, the act of May 18, 1928 (ch. 626, 45 Stat. 603), making additions to the Absaroka and Gallatin National Forests and improving and extending the winter-feed facilities of the elk, antelope, and other game animals of Yellowstone National Park and adjacent land, and for other purposes.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

AMENDING MERCHANT MARINE ACT, 1936

The Clerk called the bill (H. R. 9811) to amend the Merchant Marine Act, 1936, and for other purposes.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection?

There was no objection.

CANCELATION OF CERTIFICATE OF CITIZENSHIP

The Clerk called the bill (H. R. 10119) to amend section 15 of the act of June 29, 1906, as amended (U. S. C., title 8, sec. 405).

The SPEAKER pro tempore. Is there objection?

Mr. TABER. Mr. Speaker, I object.

TEMPORARY OPERATION OF STEAMSHIPS BY THE UNITED STATES

The Clerk called the joint resolution (H. J. Res. 685) to provide for temporary operation by the United States of certain steamships, and for other purposes.

Mr. RICH, Mr. COSTELLO, and Mr. RIGNEY objected, and the bill was striken from the calendar.

MIDSHIPMEN APPOINTED AT LARGE

The Clerk called the bill (H. R. 7276) to increase the number of midshipmen allowed at the United States Naval Academy, appointed at large.

The SPEAKER pro tempore. Is there objection?

Mr. TABER. Mr. Speaker, I object.

SUBSIDY FOR INTERCOASTAL VESSELS

The Clerk called the bill (H. R. 10573) to authorize operating subsidy contracts for vessels engaged in intercoastal commerce of the United States, and for other purposes.

Mr. O'MALLEY, Mr. RICH, and Mr. LUECKE of Michigan objected, and the bill was striken from the calendar.

ORGANIC ACT, VIRGIN ISLANDS

The Clerk called the bill (H. R. 10649) to amend sections 7, 14, and 20 of the Organic Act of the Virgin Islands of the United States (49 Stat. 1807).

The SPEAKER pro tempore. Is there objection?

Mr. RICH. Mr. Speaker, I would like to have some explanation of this bill.

Mr. LANZETTA. Mr. Speaker, this bill will give to the Governor of the Virgin Islands the privilege of the floor of the various legislative bodies together with the right to introduce legislation. The reason for this bill is that the Governor has been unsuccessful in having certain legislation introduced which he has recommended.

Mr. RICH. It seems to me that if the legislative body has any regard for the Governor who was appointed by the President of the United States, it would give consideration to the recommendations that he makes. Suppose we had to permit the President of the United States to come into the House of Representatives and say that he wants certain legislation. Naturally the gentleman would expect then that everybody would stand up and support the President of the United States. The legislative body ought to be free, and ought to be permitted to act in accordance with what it thinks is for the best interests of the islands and not be coerced.

Mr. LANZETTA. It is not a question of coercion. It is a question of passing legislation which will be of benefit to the islands.

Mr. CHURCH. Mr. Speaker, I demand the regular order.

The SPEAKER pro tempore. Is there objection?

Mr. CHURCH. Mr. Speaker, I object.

COMPLETION OF NAVY AND MARINE MEMORIAL

The Clerk called House Joint Resolution 403, to provide for the completion of the Navy and marine memorial.

Mr. TABER. Mr. Speaker, I ask unanimous consent that the bill go over without prejudice.

The SPEAKER pro tempore. Is there objection?

There was no objection.

SURVEY VESSELS FOR COAST AND GEODETIC SURVEY

The Clerk called the next bill, H. R. 10690, to authorize the construction of certain vessels for the Coast and Geodetic Survey, Department of Commerce, and for other purposes.

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, will not the gentleman from Virginia explain the necessity for the expenditure of $1,425,000 for this purpose, and state whether he thinks it advisable to authorize the appropriation of this much money by unanimous consent.

Mr. BLAND. I certainly do, because these vessels are so urgently needed. When the bill was previously called on the Consent Calendar this question was gone into. We have gone into it again and we find such vessels are not available. There are 1,000 miles of the Alaska coast line, along the Aleutian Islands, that ought to be charted because it is so dangerous. The gentleman from Alaska can explain that. We went into it very fully. There is imperative need for these vessels and it is hoped they will be able to get some money out of the bill that passed.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. McCORMACK. I join with the gentleman from Virginia in stating that there is imperative need for a special type of vessel for this work. Authorization for the construction of these vessels will result in enabling a needed service to be rendered. I have looked into the matter thoroughly and know there is need for it.

Mr. WOLCOTT. Mr. Speaker, in view of the statements made by the gentleman from Virginia and the gentleman from Massachusetts I withdraw any objection I have.

Mr. RICH. Mr. Speaker, reserving the right to object, I dislike very much to spend $1,445,000 to build vessels when we are spending a billion and a quarter now on the Navy. I cannot understand why the Navy with its thousands of boats has not got some that it can devote to this service. The Delegate from Alaska explained the matter to me. I have also talked with the gentleman from Virginia. I have taken the statements of these gentlemen in good faith, but I cannot quite fathom why when we are spending a billion and a half on naval vessels, we cannot get some of the naval vessels to do this work. I know the work is important but I really think the Navy Department should be more willing to cooperate in doing this work. There ought to be better cooperation between these two branches of the Government.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated not to exceed $1,425,000 to be expended by the Secretary of Commerce for the construction of one main surveying ship of not over 1,500 tons light displacement tonnage and of one auxiliary surveying vessel of not over 125 tons light displacement tonnage, including purchase or construction of complete equipment and outfit and including cost of preparation of plans, specifications, and inspection during construction, said ships to be designed and equipped for Coast and Geodetic Survey duties in Alaska.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. BLAND. Mr. Speaker, I ask unanimous consent to insert at this point in the RECORD a letter from the Director of the Coast and Geodetic Survey showing the necessity for these vessels.

The SPEAKER pro tempore. Without objection it is so ordered.

There was no objection.

The letter referred to follows:

DEPARTMENT OF COMMERCE,
UNITED STATES COAST AND GEODETIC SURVEY,
Washington, June 9, 1938.

Hon. S. O. BLAND,
United States House of Representatives, Washington, D. C.

MY DEAR JUDGE BLAND: In connection with bill H. R. 10690 to authorize construction of certain vessels for the Coast and Geodetic Survey, I wish to furnish you with information on the particular needs of this Bureau for a modern surveying vessel of new construction. I wish to show you that it is neither practical, efficient, nor in the interest of the safety of personnel to attempt to make use of any vessel other than one especially constructed for the hazardous assignment to duty in the Aleutian Islands. Ordinarily a nondescript vessel can no more be used in surveying operations that can a tramp steamer be used by the Navy as a battleship. In this particular location there are exceptional hazards to be encountered by the personnel of the surveying ships. These waters have never been surveyed, the depths are unknown, and there are undiscovered rocks which lie close to the surface. The area is isolated, and immediate assistance cannot be expected from other vessels in the event of a grounding.

The vessel must be particularly heavily built, well divided into a number of watertight compartments so that accidental striking of the vessel on an uncharted rock in the progress of its necessarily hazardous surveying operations will not endanger the safety of the vessel or the lives of its personnel. The vessel must have ample power to proceed through these dangerous areas, but it also must be of a type which will be very efficient in its operation in view of the small appropriation for operating expenses.

A very large vessel cannot be used safely for maneuvering in the harbors and in close proximity to this rocky coast. Therefore it cannot be larger than about 1,500 tons, but, at the same time must be so designed that adequate space will be available to perform the varied surveying functions required. The survey vessel must have suitable quarters for a staff of surveyors, officers, and crew, including adequate drafting space. Such a vessel must have moderate draft to enable it to enter harbors and channels and at the same time must be sufficiently stanch and seaworthy to ride with safety the heavy gales prevailing in that locality.

A survey vessel is of a highly specialized type. The surveying equipment, such as echo sounding, radio-acoustic ranging, sounding machines, and much other equipment, must either be built

in or specially designed. Provision must be made to blanket out all extraneous electrical or radio waves in order that the precise acoustic equipment may be properly operated.

It is considered that the need for the survey of the Aleutian Islands is so important to the merchant marine, to the Coast Guard, and the Navy that it is unnecessary to enter into a discussion of the needs for charts of this chain of islands which extends nearly a thousand miles from the Alaska Peninsula toward Japan.

The proposed bill, H. R. 10690, is simply an authorization for a construction project. The matter of obtaining funds will be undertaken if the authorization is approved. If this authorization is not made and the Bureau thus becomes ineligible for P. W. A. funds under an established project, the matter must be resubmitted for an allocation from the regular appropriations to the Department. The amount is a moderate one, considering the construction cost for modern ships. It is in keeping with the recognized efficiency and economy of the Coast and Geodetic Survey in all its operations.

Respectfully yours,

L. O. COLBERT, *Director.*

Mr. DIMOND. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD at this point on the bill just passed and to include therein excerpts from certain letters relating to the subject.

Mr. Speaker, it is a matter of great satisfaction that the bill recently under consideration (H. R. 10690) to authorize the construction of two vessels for the Coast and Geodetic Survey, Department of Commerce, at a cost of not to exceed $1,425,000, was not objected to and has now been passed by the House. I earnestly hope that it will receive similar consideration in the Senate. An identical bill (S. 4055) has been introduced in the Senate, has received a favorable report from the Senate Committee on Commerce, and is now on the Senate Calendar. I am informed that the Senate Calendar will be called today and thus an opportunity will be afforded for the substitution of the House bill, which we have just passed, for the Senate bill which is already on the Senate Calendar and thus the legislation can be successfully completed.

As pointed out by the distinguished chairman of the House Committee on Merchant Marine and Fisheries [Mr. BLAND] the bill is of the highest merit. As shown by the House report on the bill a large area still remains unsurveyed in the western part of Alaska and a distance of more than 1,000 miles in the Aleutian Islands alone is uncharted. This condition exists by reason of the fact that the United States Coast and Geodetic Survey has never had a sufficient number of vessels to undertake the work, nor have sufficient funds therefor been available. At the present time the work being done in that region is carried on by the *Surveyor*, which is now more than 20 years old and is really not suitable for the work. Another old wooden ship, the *Explorer*, which was built in 1904, is also used in Alaska survey work but that vessel is old and unseaworthy and should be decommissioned in the interests of safety, as well as efficiency and economy. The work is not without hazard and unnecessary peril should not be entailed upon the personnel by the use of vessels which are unseaworthy or unsafe for any reason.

It seems certain that the expenditure of the sum authorized by the bill will, in the long run, be a real economy for the United States Government, for by surveying and charting the unknown area, vessels of the United States as well as merchant vessels will be safe from destruction. In 1914 the Coast Guard cutter *Tahoma* was lost through striking a reef in the Aleutian Islands while on patrol duty. The reef upon which the vessel was stranded is about 50 miles due west of Kiska Island and is now known as Tahoma Reef. The Navy mine sweeper *Swallow* was stranded on Kanaga Island within the past year. The stranding of vessels on reefs is a poor and expensive way in which to discover their existence. I suppose that eventually, if no surveys are made, all of the reefs and bars and dangerous places in the Aleutian Islands and in the entire western area of Alaska will be discovered through the loss of vessels, and thus their presence can be indicated on charts with a fair degree of accuracy. But that method of having a survey made of the coast and of having the charts of the region reveal the hidden dangers can scarcely be called economical or scientific—or even civilized. It is far better to provide the very modest sum desired in order to undertake the work in a systematic manner with the least possible danger to those involved in the survey and the greatest possible benefit to all who have occasion to visit the waters involved.

This bill was called on the calendar some days ago and on that occasion the gentleman from Pennsylvania [Mr. RICH] objected to its consideration and so it was passed over. Shortly thereafter I discussed the subject with the gentleman from Pennsylvania at some length and he suggested that I get information from the Navy Department as to whether or not it would be possible to secure the use of Navy vessels for doing the desired work and whether the Navy itself could not undertake it. Accordingly, I made careful inquiry of the Navy Department and was informed positively that no naval vessel was available for the service; that the type of vessel used in survey work must necessarily be of special construction and that the only survey vessel now in use in the Navy is the *Hannibal*, now 43 years old, a coal burner with an approximate radius of 500 miles. The Navy officials further pointed out to me that by provisions of permanent law the duty of making surveys of the coasts of the United States is imposed upon the United States Coast and Geodetic Survey and that the Navy is not authorized to make any such surveys except in case of emergency, and that consequently it would be in contravention of law for the Navy to undertake the work at this time of surveying western Alaska and the Aleutian Islands.

Further information on the subject is contained in the following excerpts of a letter written by the Director of the United States Coast and Geodetic Survey:

The work in the Aleutian Islands, which has already been started from the eastern end, as indicated in blue on the composite chart, would include a survey of the proposed new route between the Pacific Northwest and the Orient, which passes into the Bering Sea through Unimak Pass at the eastern end of the Aleutian Islands, follows along the north side of the chain and then passes through from Bering Sea to the Pacific again at the western end of the chain of islands. A survey of this proposed route has been repeatedly requested by the merchant marine. It is not only the shortest in distance but would enable eastbound vessels to make a safer and time-saving passage by avoiding the strong easterly setting current and the strong westerly gales over the present route south of the islands. Because of the lack of surveys over the proposed new route north of the Aleutian chain these vessels now have to follow the more hazardous route south of the islands.

* * * * * * *

The survey of the Aleutian Islands is a difficult task. The area is extremely isolated, the weather exceptionally stormy, and harbors of refuge are few and widely scattered, making it necessary for a survey vessel to make long runs to port for fuel and provisions. The Coast and Geodetic Survey, through lack of a suitable survey vessel, has been unable to take up this work at any great distance to the westward. The few surveying vessels now working in Alaskan waters are over 20 years old, and except for surveys in the vicinity of Dutch Harbor, at the eastern end of the islands, they cannot be used safely on this survey extending to the westward almost to the Siberian coast, and further, we have no suitable vessels which can be transferred to this duty from any other section.

Recently, as indicated in Committee Report 2427 accompanying H. R. 10690, dated May 23, 1938, this Bureau has endeavored to obtain suitable vessels from other services, such as the Coast Guard and the Navy, but has found none available that would in any sense of the word be suitable for surveying in this area.

A survey vessel is of a highly specialized type. The surveying equipment, such as echo soundings, radio acoustic ranging, sounding machines, and much other equipment must either be built in or specially designed. The survey vessel must have suitable quarters for a staff of surveyors, officers, and crew, including adequate drafting space. Such a vessel must have moderate draft to enable it to enter harbors and channels and at the same time must be sufficiently stanch and seaworth to ride out with safety the heavy gales prevailing in that locality.

A very large vessel cannot be used with safety for maneuvering in the harbors and in close proximity to the coast. Therefore it should not be larger than about 1,500 tons and at the same time must be so designed that adequate space will be available for the varied operations on board. Such a vessel must have ample power for these dangerous areas, but in view of the small size of the Bureau's operating appropriations, it must be very efficient in operation.

The vessel must be particularly heavily built, well divided into a number of watertight compartments so that accidental striking of the vessel on an uncharted rock in the progress of its necessarily hazardous surveying operations will not endanger the safety of the vessel or the lives of its personnel. The surveying vessel

must have many other features impossible to obtain in any vessel not especially designed for surveying purposes. Such features are too numerous to mention and to explain without unduly lengthening this report. A nondescript vessel can no more be used in surveying operations than can a tramp steamer be used by the Navy as a battleship.

It must be borne in mind that, unlike other vessels which are furnished complete charts for their various routes, the surveying vessel during the whole of the surveying season is traversing wholly unsurveyed areas and is therefore continually subject to hidden dangers which have not yet been discovered and charted. It is obvious, therefore, that the surveying vessel must be especially stanchly constructed.

The two vessels, authorization for which is requested in the proposed bill, H. R. 10690, meet these conditions, and together will enable this Bureau to chart this important area efficiently and expeditiously, the larger vessel for deep-water work and the smaller one to act as tender for surveying in more shallow sections.

RELIEF OF OFFICERS AND EMPLOYEES OF THE UNITED STATES

The Clerk called the next bill, H. R. 9202, for the relief of certain disbursing officers of the United States and certain officers and employees of the Interior Department.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. TABER. Can anyone explain the bill? If not, I ask that the bill go over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

COLUMBIAN FOUNTAIN, WASHINGTON, D. C.

The Clerk called the joint resolution (H. J. Res. 664) authorizing the selection of a site and the erection thereon of the Columbian Fountain in Washington, D. C.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that the joint resolution may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

THOMAS JEFFERSON MEMORIAL

The Clerk called the next bill, H. R. 10217, to provide for the competitive selection, subject to the approval of Congress, of the design for the Thomas Jefferson Memorial.

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, do I understand that the President has already approved a memorial design? If no one is here to explain the bill, I ask unanimous consent that it be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

NATIONAL CEMETERIES

The Clerk called the next bill, H. R. 6925, to provide for a national cemetery in every State.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War is authorized to accept (on behalf of, and without cost to, the United States) from any State title to such land as he deems suitable for national-cemetery purposes. Upon the acquisition of such land by the United States, the Secretary of War is authorized to establish thereon a national cemetery and to provide for the care and maintenance of such national cemetery.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COLONIAL NATIONAL HISTORICAL PARK

The Clerk called the next bill, H. R. 9875, to revise the boundaries of the Colonial National Historical Park in the State of Virginia, and for other purposes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

Mr. BLAND. Mr. Speaker, I ask unanimous consent to substitute for the House bill a similar Senate bill (S. 3560) to revise the boundaries of the Colonial National Historical Park in the State of Virginia, and for other purposes.

Mr. RICH. Mr. Speaker, reserving the right to object, can the gentleman from Virginia tell us if this is not going to authorize the construction of a new parkway similar to the Blue Ridge Parkway or the Natchez-Trace Parkway, except that the one authorized by this bill will run between Jamestown and the islands along the river? I think the Government is building enough Blue Ridge Parkways and Natchez-Trace Parkways between national monuments. I question whether we should permit this bill to go through at this time.

Mr. BLAND. It is a continuation of the plan which was adopted some years ago in establishing colonial national monuments. The bill, so far as the parkway is concerned, simply changes the alternate route. It allows for another route.

Mr. RICH. This will require the Federal Government to make the purchase and construct and maintain a highway 800 feet wide.

Mr. BLAND. That is already provided in the bill passed by the Congress.

Mr. RICH. If we do not let this bill go through, we will not have to spend the money to build it.

Mr. BLAND. The appropriation has to be gotten from the Appropriations Committee, of which the gentleman is a very distinguished member.

Mr. RICH. I think we have gone far enough. Mr. Speaker, I object.

The SPEAKER pro tempore. The Chair may state the parliamentary situation. No objection was made to the consideration of the House bill. To the unanimous-consent request to substitute the Senate bill the gentleman from Pennsylvania reserved the right to object. Does the gentleman now insist upon his objection?

Mr. RICH. Yes; I tried to get recognition.

The SPEAKER pro tempore. It required three objections to the consideration of the House bill. If the gentleman presses his objection, the House may still pass the House bill.

Is there objection to the request of the gentleman from Virginia [Mr. BLAND] to substitute the Senate bill for the House bill?

Mr. RICH. Mr. Speaker, reserving the right to object, I do not object to this parkway any more than I do any park; but I will tell you right now, you fellows ought to be responsible. Where are you going to get the money? [Laughter.] That may be a laughing matter to some of you, but when you fellows go back home to your constituents you will have to tell them of the money you have been squandering.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

Mr. RICH. Mr. Speaker, I object.

The SPEAKER pro tempore. The Clerk will report the House bill.

The Clerk read the House bill, as follows:

Be it enacted, etc., That subject to all the laws and regulations applicable to the Colonial National Historical Park, the boundaries of said historical park as established by the act of June 5, 1936 (49 Stat. 1483), and as defined by Presidential Proclamation No. 2055, dated August 22, 1933 (48 Stat. 1706), are hereby revised by the elimination of the parkway area described in said proclamation as running north and west of the city of Williamsburg to Jamestown Island, and the substitution therefor of a parkway area running southerly through the city of Williamsburg, thence continuing south of said city to the James River and thence along said river and connecting waters to Jamestown Island, the exact location of which shall be determined by the Secretary of the Interior: *Provided*, That said parkway area shall not exceed an average of 500 feet in width outside the city of Williamsburg: *And provided further*, That condemnation proceedings shall not be had, exercised, or resorted to as to any lands in the city of Williamsburg except such lands as may be required for a right-of-way not exceeding 200 feet in width through said city to connect with highways or parkways leading from Williamsburg to Jamestown and Yorktown.

SEC. 2. The Secretary of the Interior is hereby authorized, in his discretion, to acquire by purchase, donation, or otherwise, in behalf of the United States, such lands or interests in lands, easements, and buildings comprising the following: Glass House Point, in James City County; the area known as The Hook, including the site of the action of October 3, 1781, in Gloucester County; and such additional lands as are desirable for the proper rounding out of the boundaries and for the administrative control of the Colonial

National Historical Park: *Provided*, That the total acreage of lands to be added to the park, with the exception of parkways under the terms hereof shall not exceed 750 acres: *Provided further*, That the said acquisition of lands or improvements shall be made from such funds as may be appropriated pursuant to the authorization of the act of March 3, 1931 (46 Stat. 1490), or from such other funds as may be appropriated from time to time by the Congress.

With the following committee amendment:

Page 3, line 4, strike out "or from such other funds as may be appropriated from time to time by the Congress."

The committee amendment was agreed to.

Mr. BLAND. Mr. Speaker, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. BLAND: Page 2, line 1, after the word "through", insert "or around."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TRAVEL ALLOWANCE TO RAILWAY MAIL CLERKS

The Clerk called the next bill, H. R. 10051, to provide for travel allowance to railway mail clerks assigned to road duty.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. FADDIS. Mr. Speaker, I object.

There being no further objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the eighth paragraph of section 7 of the act entitled "An act reclassifying the salaries of postmasters and employees of the Postal Service, readjusting their salaries and compensation on an equitable basis, increasing postal rates to provide for such readjustment, and for other purposes," approved February 28, 1925, as amended (43 Stat. 1062; U. S. C., 1934 edition, title 39, sec. 633), is amended to read as follows:

"In addition to the salaries provided by law, the Postmaster General shall make travel allowance in lieu of actual expenses, at fixed rates per annum, to railway postal clerks, acting railway postal clerks, and substitute railway postal clerks, including substitute railway postal clerks for railway postal clerks granted leave with pay on account of sickness, assigned to duty in railway-post-office cars, after beginning duty at the initial terminal of run, unless returning to initial terminal within six hours, under such regulations as he may prescribe, and in no case shall such an allowance exceed $3 per day: *Provided*, That all regulations relating to travel allowance and any amendments thereto shall be published in the General Orders of all divisions of the Railway Mail Service."

With the following committee amendment:

Page 2, line 9, after the word "within", strike out "six" and insert "eight."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RELIEF OF GOVERNMENT CONTRACTORS

The Clerk called the next bill, H. R. 10306, to confer jurisdiction on the Court of Claims to hear, determine, and enter judgment upon the claims of Government contractors whose costs of performance were increased as a result of the National Industrial Recovery Act, June 16, 1933.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mr. WALTERS. Mr. Speaker, I object.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. COSTELLO. Mr. Speaker, I object.

The SPEAKER pro tempore. Without objection, a similar Senate bill, S. 3628, will be substituted for the House bill.

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That jurisdiction is hereby conferred upon the Court of Claims to hear, determine, and enter judgments against the United States upon the claims of contractors, including completing sureties and all subcontractors and materialmen performing work or furnishing material to the contractor or another subcontractor, whose contracts were entered into on or before August 10, 1933, for increased costs incurred as a result of the enactment of the National Industrial Recovery Act: *Provided*, That (except as to claims for increased costs incurred between June 16, 1933, and August 10, 1933) this section shall apply only to such contractors, including completing sureties and all subcontractors and materialmen, whose claims were presented within the limitation period defined in section 4 of the act of June 16, 1934 (41 U. S. C., secs. 28–33).

SEC. 2. Suits upon such claims may be instituted at any time within 6 months after the enactment of this act or, at the option of the claimant, within 6 months after the completion of the contract. Proceedings for the determination of such claims, and appeals from and payment of any judgment thereon, shall be in the same manner as in the cases of claims over which such court has jurisdiction, as provided by law.

SEC. 3. Judgments or decrees, if any, under this act shall be allowed upon a fair and equitable basis, and notwithstanding the bars or defenses of any alleged settlement or adjustment heretofore made, res adjudicata, laches, or any provisions of Public Act No. 369, as enacted on June 16, 1934.

SEC. 4. This act shall not be interpreted as raising any presumption or conclusion of fact or law, but shall be held solely to provide for trial upon facts as may be alleged.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ACQUISITION OF THE MUIR WOOD TOLL ROAD, CALIFORNIA

The Clerk called the next bill, H. R. 10752, to authorize Federal cooperation in the acquisition of the Muir Wood Toll Road, located in Marin County, State of California, and for other purposes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. TABER. Mr. Speaker, I object.

There being no further objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized to expend, out of any roads and trails funds available to the National Park Service, Department of the Interior, the sum of not to exceed $25,000 to match, dollar for dollar, such sum as may be required to be expended by the Department of Public Works, State of California, for the purpose of acquiring, as a part of the State or county free-road system, the road known as the "Muir Wood Toll Road", extending from the Marin County Panorama Highway to the Muir Woods National Monument and from there down the Frank Valley to its junction with the State highway near Muir Beach, Marin County, Calif.: *Provided*, That no such funds shall be expended until the State or county shall have taken action necessary to insure that title to the road will be acquired and until the State or county shall have agreed to assume full responsibility for the future maintenance and operation of the road in proper condition to accommodate the traffic thereon.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LOUISIANA VICKSBURG BRIDGE COMMISSION

The Clerk called the next bill, H. R. 10791, creating the Louisiana Vicksburg Bridge Commission; defining the authority, power, and duties of said commission; and authorizing said commission and its successors and assigns to purchase, maintain, and operate a bridge across the Mississippi River at or near Delta Point, La., and Vicksburg, Miss.

Mr. CHURCH, Mr. MCGEHEE, Mr. COLMER, and Mr. SNELL objected.

OBLIGATIONS TO CERTAIN ENROLLED INDIANS UNDER TRIBAL AGREEMENT

The Clerk called the next bill, H. R. 3464, to carry out certain obligations to certain enrolled Indians under tribal agreement.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that the bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

TAXES ON ALLOTTED INDIAN LANDS

The Clerk called the next bill, H. R. 10644, for the relief of Indians who have paid taxes on allotted lands for which patents in fee were issued without application by consent

of the allottees and subsequently canceled, and for other purposes.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that the bill may be passed over without prejudice.

Mr. CASE of South Dakota. Reserving the right to object, Mr. Speaker, this is a bill which has been worked out as a result of three trials to correct a situation for which the Indians themselves are not responsible. The units which tax them are not responsible. The report of the Department itself states that the only reason for the situation is an erroneous interpretation of law by the officers of the Interior Department.

The situation is this: During a period of time following 1917 some 10,000 patents were shoved out to trust Indians scattered through the various Western States without their application and without their consent, prior to the expiration of the trust period. Two Coeur d'Alene Indians attacked in the Federal courts the right of the Department of the Interior to issue these patents, with the result that the United States district court held that they were "forced patents," issued without either the application or the consent of the Indians, and were invalid patents. While these patents were in existence the local taxing units had no alternative but to levy and collect the taxes, and then distribute them to the various tax-levying bodies, so the taxes have passed beyond the hands of the counties which collected them.

The report of the Department states the following:

Clearly the local authorities were not at fault for taxing such lands while patents in fee were outstanding.

There have been some lands that have been mortgaged, encumbered, or sold. In such cases it is recognized that the Indian has tacitly accepted the issuance of the patents. However, in a few hundred cases it has been determined that these patents were forced upon the Indians without their consent, and that they have lost or are in danger of losing the land in such situations for unpaid taxes which the courts now say are illegal whenever the matter is taken to court.

First, we introduced a bill to investigate the title situation. It was the same bill that was offered by another Member in the previous Congress. That bill called for an authorization of $100,000. The gentleman from Missouri very properly, I believe, objected to that bill on the ground that it was going to cost a lot of money for some needless study of records and would simply open the way for further appropriations to provide the relief indicated in these situations. Therefore, we went back and, for my immediate case, I offered a relief bill for the counties in my State. It went to the Claims Committee. That was the second approach.

The Department came back and stated that if relief is to be granted it should be granted to the Indians in all the Western States, wherever they may be. They went into the situation and recommended an amendment which is the bill verbatim that I then introduced and is now before us. The Department's recommendation placed a maximum limit of $75,000, and they said that that amount would provide the amount needed to provide the relief for these trust Indians who are losing their lands, and who had the patents forced upon them.

It will relieve the situation where judgments have been taken against local taxing units where they lack legal authority to pay the judgment. Many of them lack funds and face bankruptcy by the loss of these lands taken from their tax rolls and the judgments taken for the taxes collected. Further, the funds are not in their possession, having been passed out to the towns or school districts or whoever it might be for whom the taxes were levied.

I realize that I am taking time now by courtesy of the House and that we do not yet have a direct Budget report on this bill. I assure the Members, however, that this is a matter of simple equity and justice.

Mr. Speaker, I hope this bill may be passed.

Mr. COCHRAN. Mr. Speaker, I am going to be required to object to the bill or ask that the bill go over without prejudice, because I have not had time to get the report on this new bill that just came in the other day. The Department has not reported on it. The old bill was strongly opposed by the Bureau of the Budget.

PERU AND INDIANAPOLIS RAILWAY POST OFFICE

The Clerk called the joint resolution (H. J. Res. 663) to provide for the operation of the Peru and Indianapolis railway post office by motor vehicle over the public highways.

Mr. RICH. Mr. Speaker, I ask unanimous consent that the joint resolution may be passed over without prejudice.

Mr. MEAD. Mr. Speaker, I hope the gentleman will withdraw his request. We discussed this joint resolution the other day. It will not cost the Department one cent. On the other hand, it will afford a fine laboratory to determine whether or not this is a beneficial service. It is discretionary with the Department, and the rates are fixed by the Interstate Commerce Commission.

This is the only place in the entire country where we have a sponsor ready to furnish this equipment. We have been wanting to try out this plan of operation for years, and here is the opportunity without any outlay of funds on the part of the Government.

I wish the gentleman would allow the joint resolution to go through and let the Senate act on it, if it will. No expense is involved, and expeditious mail service may result from this experiment.

The SPEAKER pro tempore. Is there objection to the present consideration of the joint resolution?

There being no objection, the Clerk read the joint resolution, as follows:

Resolved, etc., That upon the abandonment of the electric railway service between Peru and Indianapolis, Ind., the Postmaster General, for the purpose of continuing the postal service now afforded by the Peru and Indianapolis Railway Post Office, is authorized to contract for the transportation, including facilities for distribution in transit, of mail matter by means of motor vehicle or motor-vehicle mail compartments operated over the public highways between Peru and Indianapolis. Such service shall, for administrative purposes, be a part of the Railway Mail Service, and compensation to the contracting carrier shall be at the rates in force for the transportation of mail by railroad.

Mr. MEAD. Mr. Speaker, I offer a committee amendment. I sent this amendment to the desk on yesterday. This language was left out of the joint resolution when the joint resolution was rewritten.

The Clerk read as follows:

Amendment offered by Mr. MEAD: On page 2, line 2, after the word "rates", insert "fixed by the Interstate Commerce Commission."

The amendment was agreed to.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CUSTODIAL-SERVICE EMPLOYEES EMPLOYED BY THE POST OFFICE DEPARTMENT

The Clerk called the next bill, H. R. 9803, to extend to custodial-service employees employed by the Post Office Department certain benefits applicable to postal employees.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that the bill may be passed over without prejudice.

Mr. MEAD. If the gentleman will withhold his request so I may make an explanation, I will deeply appreciate it.

Mr. COSTELLO. I will do so, Mr. Speaker.

Mr. MEAD. Let me say to the membership of the House that in 1933, when the custodial employees of the Government were transferred from the Treasury to the Post Office Department, it was the endeavor of our committee to place them under the rules, regulations, and working conditions then obtaining in the Postal Service. In the Treasury Department, where these employees were formerly engaged, they were promoted by what is known as the classification method. In the Postal Service the postal employees are promoted by the automatic method, and it was our plan to treat

these custodial employees the same as other postal employees. This bill merely substitutes the automatic method of promotion for the classification method now in vogue. The committee went further than this and established definite salary ranges so that they cannot be promoted over a certain maximum grade.

I believe this is good legislation because it supplants the old method of merit plus favoritism in some instances, and discrimination in others, for the automatic method which, in my judgment, is the fairest.

Mr. McCORMACK. Mr. Speaker, reserving the right to object, everything the gentleman from New York has said is absolutely correct.

If the unanimous-consent request of the gentleman from California [Mr. COSTELLO] is complied with we all know that the granting of that request would create a laughable situation at this time, as that will mean that the bill will not be acted upon, and I therefore hope the gentleman will not object. I shall be compelled to object to his request, and I hope he will not object to the consideration of the bill.

Mr. COSTELLO. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. Yes, surely.

Mr. COSTELLO. My request was made because of the report coming from the Post Office Department which shows that if this legislation is passed you are going to take the custodial employees of the Post Office Department and give them treatment different from that which other custodial employees in other departments are receiving; in other words, you are possibly going to throw out of line the salaries which Post Office employees are receiving as compared with salaries of other persons doing exactly the same type of work. I do not believe the custodial employees of the Post Office Department should be put upon a particular pay scale that in any way is different from the regular scale throughout the other departments. I think the treatment should be uniform.

Mr. MEAD. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from New York.

Mr. MEAD. The custodial employees engaged in the care and maintenance of our Federal buildings housing postal activities were transferred to the Postal Service in 1933. They comprise about 90 percent of the entire custodial force in the Government service. In my judgment, these men who are working in the post offices of the country ought to be treated the same as other postal employees.

Mr. McCORMACK. Especially where they are under the same jurisdiction.

Mr. MEAD. They are under the same jurisdiction, being under the postmaster in these towns.

Mr. McCORMACK. I hope my friend will not press his request that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California [Mr. COSTELLO] that the bill be passed over without prejudice?

Mr. McCORMACK. I object, Mr. Speaker.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. FADDIS. Mr. Speaker, I object.

AMENDMENT OF UNIFORM SYSTEM OF BANKRUPTCY ACT

The Clerk called the next bill, H. R. 10753, to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplemental thereto.

Mr. WILCOX. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

OMAHA-COUNCIL BLUFFS BRIDGE

The Clerk called the bill (H. R. 10726) to provide that the Omaha-Council Bluffs Missouri River Bridge Board of Trustees shall be composed wholly of public officers.

Mr. CHURCH. Mr. Speaker, I ask unanimous consent that the bill go over without prejudice.

The SPEAKER pro tempore. Is there objection?

There was no objection.

BRIDGE ACROSS RAINY RIVER, AT BAUDETTE, MINN.

The Clerk called the bill (H. R. 10777) authorizing the village of Baudette, State of Minnesota, its successors and assigns, to construct, maintain, and operate a bridge across the Rainy River at Baudette, Minn.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in order to facilitate international commerce, improve the postal service, and provide for military and other purposes the village of Baudette, Minn., its successors and assigns, be, and it is hereby, authorized to construct, maintain, and operate a bridge and approaches thereto across the Rainy River, so far as the United States has jurisdiction over the waters of such river, at a point suitable to the interests of navigation at Baudette, Minn., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, subject to the conditions and limitations contained in this act, and subject to the approval of the proper authorities in Canada.

There is hereby conferred upon the village of Baudette, Minn., its successors and assigns, all such rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use real estate and other property in the State of Minnesota, needed for the location, construction, operation, and maintenance of such bridge and its approaches as are possessed by railroad corporations for railroad purposes or by bridge corporations for bridge purposes in the State of Minnesota upon making just compensation therefor to be ascertained and paid according to the laws of such State, and the proceedings therefor shall be the same as in the condemnation or expropriation of property for public purpose in such State.

That the said village of Baudette, Minn., its successors and assigns, are hereby authorized to fix and charge tolls for transit over such bridge in accordance with any laws of Canada applicable thereto, and the rates of toll so fixed shall be the legal rates until changed by the Secretary of War under the authority contained in the act of March 23, 1906.

The right to sell, assign, transfer, and mortgage all the rights, powers, and privileges conferred by this act is hereby granted to the village of Baudette, Minn., its successors and assigns; and any corporation to which or any person to whom such rights, powers, and privileges may be sold, assigned, or transferred, or who shall acquire the same by mortgage foreclosure or otherwise, is hereby authorized and empowered to exercise the same as fully as though conferred herein directly upon such corporation or person.

The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following amendment:

Page 1, line 4, strike out the words "military and."

The committee amendment was agreed to; and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

BRIDGE ACROSS MISSISSIPPI, CASSVILLE, WIS.

The Clerk called the bill (H. R. 10842) creating the Cassville-Guttenberg Bridge Commission and authorizing said commission and its successors to construct, maintain, and operate a bridge or bridges across the Mississippi River at or near Cassville, Wis., and Guttenberg, Iowa.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in order to facilitate interstate commerce, improve the postal service, and provide for military and other purposes, the Cassville-Guttenberg Bridge Commission (hereinafter created, and hereinafter referred to as the "Commission"), and its successors and assigns, be, and are hereby, authorized to construct, maintain, and operate a bridge or bridges and approaches thereto across the Mississippi River at or near the town of Cassville, Wis., and the town of Guttenberg, Iowa, at a point suitable to the interest of navigation, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, subject to the conditions and limitations contained in this act.

SEC. 2. There is hereby conferred upon the Commission and its successors and assigns the right and power to enter upon such lands and to acquire, condemn, occupy, possess, and use such real estate and other property in the State of Wisconsin and the State of Iowa, including real estate and other property acquired for or devoted to a public use or other purposes by the State of Wisconsin or the State of Iowa, or any governmental or political subdivisions thereof, as may be needed for the location, construction, operation, and maintenance of any such bridge and its

approaches, upon making just compensation therefor, to be ascertained and paid according to the laws of the State in which such real estate or other property is situated, and the proceedings therefor shall be the same as in the condemnation of private property for public purpose in said States, respectively.

SEC. 3. The Commission and its successors and assigns are hereby authorized to fix and charge tolls for transit over such bridge or bridges in accordance with the provisions of this act, subject to the approval of the Secretary of War as provided by the act of Congress approved March 23, 1906.

SEC. 4. The Commission and its successors and assigns are hereby authorized to provide for the payment of the cost of such bridge or bridges as may be constructed, as provided herein, and approaches (including the approach highways which, in the judgment of the Commission, it is necessary or advisable to construct or cause to be constructed to provide suitable and adequate connection with existing improved highways) and the necessary land, easements, and appurtenances thereto, by an issue or issues of negotiable bonds of the Commission, bearing interest at the rate or rates of not more than 6 percent per annum, the principal and interest of which bonds, and any premium to be paid for retirement thereof before maturity, shall be payable solely from the sinking fund provided in accordance with this act, and such payments may be further secured by mortgage of the bridge or bridges. All such bonds may be registerable as to principal alone or both principal and interest, shall be in such form not inconsistent with this act, shall mature at such time or times not exceeding 25 years from their respective dates, shall be in such denominations, shall be executed in such manner, and shall be payable in such medium and at such place or places as the Commission may determine. The Commission may repurchase and may reserve the right to redeem all or any of said bonds before maturity in such manner and at such price or prices, not exceeding 105 and accrued interest, as may be fixed by the Commission prior to the issuance of the bonds. The Commission, when it deems it to be to the best interest of the Commission, may issue refunding bonds to repurchase and redeem any outstanding bonds, before the maturity thereof: *Provided*, That the refunding bonds shall mature at such time or times, not exceeding 50 years from the date of approval of this act, as the Commission may determine. The Commission may enter into an agreement with any bank or trust company in the United States, as trustee having the power to make such agreement, setting forth the duties of the Commission in respect to the construction, maintenance, operation, repair, and insurance of the bridge or bridges, the conservation and application of all funds, the security for the payment of the bonds, the safeguarding of money on hand or on deposit, and the rights and remedies of said trustee and the holders of the bonds, restricting the individual right of action of the bondholders as is customary in trust agreements respecting bonds of corporations. Such trust agreement may contain such provisions for protecting and enforcing the rights and remedies of the trustee and the bondholders as may be reasonable and proper and not inconsistent with the law.

The bridge or bridges constructed under the authority of the act shall be deemed to be Federal instrumentalities for interstate commerce, the Postal Service, and military and other purposes authorized by the Government of the United States, and said bridge or bridges and the bonds issued in connection therewith and the income derived therefrom shall be exempt from all Federal, State, municipal, and local taxation. Said bonds shall be sold in such manner and at such time or times and at such price as the Commission may determine, but no such sale shall be made at a price so low as to require the payment of more than 6-percent interest on the money received therefor, computed with relation to the absolute maturity of the bonds in accordance with standard tables of bond values, and the face amount thereof shall be so calculated as to produce, at the price of their sale, the cost of the bridge or bridges, constructed, and approaches and the land, easements, and appurtenances used in connection therewith when added to any other funds made available to the Commission for the use of said purposes. The cost of the bridge to be constructed as provided herein, together with approaches and approach highways, shall be deemed to include interest during construction of the said bridge, and for 12 months thereafter, and all engineering, legal, architectural, traffic surveying, and other expenses incident to the construction of the bridge and the acquisition of the necessary property, incident to the financing thereof. If the proceeds of the bonds issued shall exceed the cost as finally determined, the excess shall be placed in the sinking fund hereinafter provided. Prior to the preparation of definite bonds the Commission may, under like restrictions, issue temporary bonds or interim certificates, with or without coupons, of any denomination whatsoever, exchangeable for definite bonds when such bonds that have been executed are available for delivery.

SEC. 5. In fixing the rates of toll to be charged for the use of such bridge or bridges, in accordance with the act of Congress approved March 23, 1906, the same shall be so adjusted as to provide a fund sufficient to pay for the reasonable cost of maintaining, repairing, and operating the bridge or bridges and approaches under economical management, and to provide a sinking fund sufficient to pay the principal and interest of such bonds as the same shall fall due and the redemption or repurchase price of all or any thereof redeemed or repurchased before maturity as herein provided. All tolls and other revenues from said bridge or bridges are hereby pledged to such uses and to the application thereof as hereinafter in this section required. After payment or provision for payment therefrom of all such cost of maintaining, repairing, and operating and the reservation of an amount of money estimated to be sufficient for the same purpose during an ensuing period of not more than 6 months, the remainder of tolls collected shall be placed in the sinking fund, at intervals to be determined by the Commission prior to the issuance of the bonds. An accurate record of the cost of the bridge or bridges and approaches; the expenditures for maintaining, repairing, and operating the same; and of the daily tolls collected, shall be kept and shall be available for the information of all persons interested. The Commission shall classify in a reasonable way all traffic over the bridge or bridges so that the tolls shall be so fixed and adjusted by it as to be uniform in the application thereof to all traffic falling within reasonable classes, regardless of the status or character of any person, firm, or corporation participating in such traffic, and shall prevent all use of such bridge or bridges for traffic except upon payment of tolls so fixed and adjusted. No toll shall be charged officials or employees of the Commission, nor shall toll be charged officials of the Government of the United States while in the discharge of duties incident to their office or employment, nor shall toll be charged members of the fire department or peace officers when engaged in the performance of their official duties.

Within a reasonable time after the construction of any bridge or bridges, or the purchase of any bridge or bridges, the Commission shall file with the Bureau of Public Roads of the United States Department of Agriculture a sworn itemized statement showing the cost of constructing its approaches, the cost of acquiring any interest in real or other property necessary therefor, and the amount of bonds, debentures, or other evidence of indebtedness issued in connection with the construction of said bridge or bridges.

SEC. 6. After payment of the bonds and interest, or after a sinking fund sufficient for such payment shall have been provided and shall be held for that purpose, the Commission shall deliver deeds or other suitable instruments of conveyance of the interest of the Commission in and to the bridge or bridges extending between the State of Iowa and the State of Wisconsin, that part of said bridge or bridges within Iowa to the State of Iowa or any municipality or agency thereof as may be authorized by or pursuant to law to accept the same (hereafter referred to as the "Iowa interest") and that part of said bridge or bridges within Wisconsin to the State of Wisconsin or any municipality or agency thereof as may be authorized by or pursuant to law to accept the same (hereinafter referred to as the "Wisconsin interests"), under the condition that the bridge or bridges shall thereafter be free of tolls and be properly maintained, operated, and repaired by the Iowa interests and the Wisconsin interests, as may be agreed upon; but if the Iowa, or Wisconsin interests, as the case may be, fail to accept, or are not authorized to accept, their respective portions of said bridge or bridges, then the Commission may deliver deeds, or other suitable instruments or conveyance of said portions, to any other interest which may accept and may be authorized to accept the same, under the condition that the bridge or bridges shall thereafter be free of toll and be properly maintained, operated, and repaired by said interests to whom said conveyances are delivered; but if either the Iowa interests or the Wisconsin interests, or any other interest hereinabove mentioned, shall not be authorized to accept or shall not accept the same under such conditions, then the bridge or bridges shall continue to be owned, maintained, operated, and repaired by the Commission, and the rates of tolls shall be so adjusted as to provide a fund of not to exceed the amount necessary for the proper maintenance, repair, and operation of the bridge or bridges and approaches under economical management, until such time as the Iowa interests, the Wisconsin interests, or any other interest hereinabove mentioned, shall be authorized to accept and shall accept such conveyance under such conditions.

(a) Notwithstanding any restrictions or limitation imposed by the act entitled "An act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes," approved July 11, 1916, or by the Federal Highway Act, or by an act amendatory of or supplemental to either thereof, the Secretary of Agriculture or any other Federal department or agency of the United States Government may extend Federal aid under such acts for the construction of said bridge or bridges out of any moneys allocated to the State of Iowa with the consent of the State Highway Commission of said State, and out of moneys allocated to the State of Wisconsin with the consent of the Department of Highways of said State.

SEC. 7. For the purpose of carrying into effect the objects stated in this act, there is hereby created the Cassville-Guttenberg Bridge Commission, and by that name, style, and title said body shall have perpetual succession; may contract and be contracted with, sue and be sued, implead and be impleaded, complain and defend in all courts of law and equity; may make and have a common seal; may purchase or otherwise acquire and hold or dispose of real estate and other property; may accept and receive donations or gifts of money or property and apply same to the purposes of this act; and shall have and possess all powers necessary, convenient, or proper for carrying into effect the objects stated in this act.

The Commission shall consist of Ray J. Eckstein, of Cassville, Wis.; Foster Porter, of Bloomington, Wis.; Hugh Harper, of Lancaster, Wis.; John Adams and Cletus Saeugling, of Guttenberg, Iowa; such Commission shall be a public body corporate and politic. Each member of the Commission shall qualify within 30 days after the approval of this act by filing in the office of the

Secretary of Agriculture an oath that he will faithfully perform the duties imposed upon him by this act, and each person appointed to fill a vacancy shall qualify in like manner within 30 days after his appointment. Any vacancy occurring in said Commission by reason of death or resignation shall be filled by the Secretary of Agriculture. Before the issuance of bonds as hereinabove provided, each member of the Commission shall give such bond as may be fixed by the Chief of the Bureau of Public Roads of the Department of Agriculture, conditioned upon the faithful performance of all duties required by this act, the cost of such surety prior to and during the construction of the bridge shall be paid or reimbursed from the bond proceeds and thereafter such costs shall be deemed an operating expense. The Commission shall elect a chairman and a vice chairman from its members, and may establish rules and regulations for the government of its own business. A majority of the members shall constitute a quorum for the transaction of business.

SEC. 8. The Commission shall have no capital stock or shares of interest or participation, and all revenues and receipts thereof shall be applied to the purposes specified in this act. The members of the Commission shall be entitled to a per diem compensation for their services of $10 for each day actually spent in the business of the Commission, but the maximum compensation of the chairman in any year shall not exceed $1,200, and of each other member shall not exceed $600. The members of the Commission shall also be entitled to receive traveling-expense allowance of 10 cents a mile for each mile actually traveled on the business of the Commission. The Commission may employ a secretary, treasurer, engineers, attorneys, and other such experts, assistants, and employees as they may deem necessary, who shall be entitled to receive such compensation as the Commission may determine. All salaries and expenses shall be paid solely from the funds provided under the authority of this act. After all bonds and interest thereon shall have been paid and all other obligations of the Commission paid or discharged, or provision for all such payment shall have been made as hereinbefore provided and after the bridge or bridges shall have been conveyed to the Iowa interests, and the Wisconsin interests, as herein provided, or otherwise disposed of as provided herein, the Commission shall be dissolved and shall cease to have further existence by an order of the Chief of the Bureau of Public Roads made upon his own initiative or upon application of the Commission or any member or members thereof, but only after a public hearing in the town of Cassville, Wis., notice of the time and place of which hearing and the purpose thereof shall have been published once, at least 30 days before the date thereof, in a newspaper of general circulation published in Grant County, Wis. At the time of such dissolution all moneys in the hands of or to the credit of the Commission shall be divided and distribution made between the interests of the States, as may be determined by the Chief of the Bureau of Public Roads of the United States.

SEC. 9. Notwithstanding any of the provisions of this act, the Commission shall have full power and authority to negotiate and enter into a contract or contracts with the State Highway Commission of Iowa and the State Highway Department of Wisconsin, or any county or municipality in the State of Iowa or the State of Wisconsin, or both, whereby the Commission may receive financial aid in the construction or maintenance of a bridge or bridges and approaches thereto, and said Commission in its discretion may avail itself of all of the facilities of the State Highway Commission of the State of Iowa and the State Highway Department of Wisconsin with regard to the construction of said proposed bridge or bridges, and the Commission may make and enter into any contract or contracts, which it deems expedient and proper with the State Highway Commission of Iowa and the State Highway Department of Wisconsin, whereby said highway departments or either of them may construct, operate, and maintain or participate with the Commission in the construction, operation, maintenance of said bridge or bridges to be constructed hereunder, and approaches. It is hereby declared to be the purpose of Congress to facilitate the construction of a bridge and proper approaches across the Mississippi River at or near the town of Cassville, Wis., and the town of Guttenberg, Iowa, and to authorize the Commission to promote said object and purposes, with full power to contract with either the State Highway Commission of Iowa or the State Highway Department of Wisconsin or with any agency or department of the Federal Government, or both, in relation to the purchase or condemnation, construction, operation, and maintenance of said bridges and approaches.

SEC. 10. Nothing herein contained shall be construed to authorize or permit the Commission or any member thereof to create any obligation or incur any liability other than such obligations and liabilities as are dischargeable solely from funds contemplated to be provided by this act. No obligation created or liability incurred pursuant to this act shall be a personal obligation or liability of any member or members of the Commission but shall be chargeable solely to the funds herein provided, nor shall any indebtedness created pursuant to this act be an indebtedness of the United States.

SEC. 11. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

SALARIES OF JUDGES UNDER ACT OF MAY 31, 1938

The Clerk called House Joint Resolution 715, in respect to salaries of judges and justices appointed under the act of May 31, 1938.

The SPEAKER. Is there objection?

Mr. TABER. Mr. Speaker, I object.

Mr. WALTER. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. WALTER. When this bill was called yesterday it was objected to. Are there three objections required this morning?

The SPEAKER. Three objections are not required. This concludes the calling of the Consent Calendar.

REGULATION OF COMMERCE IN FIREARMS

Mr. WADSWORTH. Mr. Speaker, I ask unanimous consent that the House return to 876 on the calendar, S. 3, to regulate commerce in firearms.

The SPEAKER. The Clerk will report the title of the bill.

The Clerk reported the title of the bill.

The SPEAKER. Is there objection?

Mr. CASE of South Dakota. Mr. Speaker, I reserve the right to object. Is this the bill that provides for registry of firearms by those who now own them?

Mr. WADSWORTH. It is not. May I say to the gentleman, and to others interested, that this bill is supported by the National Rifle Association, and generally by the sportsmen's clubs of the United States. It does not contain that very-much-objected-to provision for registration of individual firearms in the hands of the possessors.

Mr. GREEVER. This bill merely requires the registration of a dealer with the Treasury Department in order that track may be kept of the gun?

Mr. WADSWORTH. By the manufacturers and dealers. The manufacturer will be required to stamp a serial number on each piece, and the dealer keeps a record of the receipt of these guns and as he disposes of them to the public at retail he keeps a record of the number of each gun that he has sold to such and such a person. The object of the whole thing is to keep track of the guns so that when they are found in the hands of gangsters or fugitives from justice, who are defined in the act, the police authorities can have better control over the illegal traffic in guns by criminals.

Mr. CRAWFORD. And there is nothing in this bill which requires the owner of a rifle or a six-shooter, or a pistol, automatic or otherwise, to register his gun. That is entirely left up to the States?

Mr. WADSWORTH. That is entirely left out.

Mr. McCORMACK. In connection with that, the gentleman's statement is correct. There is a bill pending now in the Ways and Means Committee. My mind is open upon it as to whether it is advisable.

I wanted to make the observation so that no Member would feel that this legislation is connected with the so-called licensing or registry bill which is pending in the Committee on Ways and Means.

Mr. WADSWORTH. The gentleman is correct.

Mr. O'MALLEY. Does this bill in any way restrict the dealer in his sales?

Mr. WADSWORTH. It does not.

Mr. O'MALLEY. Except to criminals. Does it restrict sales to criminals?

Mr. WADSWORTH. If he sells knowingly to criminals he, is, of course, liable to punishment.

Mr. O'MALLEY. But it does not restrict his sales of ordinary arms to ordinary people.

Mr. WADSWORTH. No.

Mr. MICHENER. Mr. Speaker, reserving the right to object, this is not the bill asked for by the Department of Justice.

Mr. WADSWORTH. It is not.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That as used in this act—

(1) The term "person" includes an individual, partnership, association, or corporation.

(2) The term "interstate or foreign commerce" means commerce between any State, Territory, or possession (including the Philippine Islands), or the District of Columbia, and any place outside thereof; or between points within the same State, Territory, or possession (including the Philippine Islands), or the District of Columbia, but through any place outside thereof; or within any Territory or possession or the District of Columbia.

(3) The term "firearm" means any weapon, by whatever name known, which is designed to expel a projectile or projectiles by the action of an explosive and a firearm muffler or firearm silencer.

(4) The term "manufacturer" means any person engaged in the manufacture or importation of firearms, or ammunition or cartridge cases, primers, bullets, or propellent powder for purposes of sale or distribution; and the term "licensed manufacturer" means any such person licensed under the provisions of this act.

(5) The term "dealer" means any person engaged in the business of selling firearms or ammunition or cartridge cases, primers, bullets or propellent powder, at wholesale or retail, or any person engaged in the business of repairing such firearms or of manufacturing or fitting special barrels, stocks, trigger mechanisms, or breach mechanisms to firearms, and the term "licensed dealer" means any such person licensed under the provisions of this act.

(6) The term "crime of violence" means murder, manslaughter, rape, mayhem, kidnaping, burglary, housebreaking; assault with intent to kill, commit rape, or rob; assault with a dangerous weapon, or assault with intent to commit any offense punishable by imprisonment for more than 1 year.

(7) The term "fugitive from justice" means any person who has fled from any State, Territory, the District of Columbia, or possession of the United States to avoid prosecution for a crime of violence or to avoid giving testimony in any criminal proceedings.

(8) The term "ammunition" shall include all pistol or revolver ammunition except .22-caliber rim-fire ammunition.

SEC. 2. (a) It shall be unlawful for any manufacturer or dealer, except a manufacturer or dealer having a license issued under the provisions of this act, to transport, ship, or receive any firearm or ammunition in interstate or foreign commerce.

(b) It shall be unlawful for any person to receive any firearm or ammunition transported or shipped in interstate or foreign commerce in violation of subdivision (a) of this section, knowing or having reasonable cause to believe such firearms or ammunition to have been transported or shipped in violation of subdivision (a) of this section.

(c) It shall be unlawful for any licensed manufacturer or dealer to transport or ship any firearm in interstate or foreign commerce to any person other than a licensed manufacturer or dealer in any State the laws of which require that a license be obtained for the purchase of such firearm, unless such license is exhibited to such manufacturer or dealer by the prospective purchaser.

(d) It shall be unlawful for any person to ship, transport, or cause to be shipped or transported in interstate or foreign commerce any firearm or ammunition to any person knowing or having reasonable cause to believe that such person is under indictment or has been convicted in any court of the United States, the several States, Territories, possessions (including the Philippine Islands), or the District of Columbia of a crime of violence or is a fugitive from justice.

(e) It shall be unlawful for any person who is under indictment or who has been convicted of a crime of violence or who is a fugutive from justice to ship, transport, or cause to be shipped or transported in interstate or foreign commerce any firearm or ammunition.

(f) It shall be unlawful for any person who has been convicted of a crime of violence or is a fugutive from justice to receive any firearm or ammunition which has been shipped or transported in interstate or foreign commerce, and the possession of a firearm or ammunition by any such person shall be presumptive evidence that such firearm or ammunition was shipped or transported or received, as the case may be, by such person in violation of this act.

(g) It shall be unlawful for any person to transport or ship or cause to be transported or shipped in interstate or foreign commerce any stolen firearm or ammunition, knowing, or having reasonable cause to believe, same to have been stolen.

(h) It shall be unlawful for any person to receive, conceal, store, barter, sell, or dispose of any firearm or ammunition or to pledge or accept as security for a loan any firearm or ammunition moving in or which is a part of interstate or foreign commerce, and which while so moving or constituting such part has been stolen, knowing, or having reasonable cause to believe the same to have been stolen.

(i) It shall be unlawful for any person to transport, ship, or knowingly receive in interstate or foreign commerce any firearm from which the manufacturer's serial number has been removed, obliterated, or altered, and the possession of any such firearm shall be presumptive evidence that such firearm was transported, shipped, or received, as the case may be, by the possessor in violation of this act.

SEC. 3. (a) Any manufacturer or dealer desiring a license to transport, ship, or receive firearms or ammunition in interstate or foreign commerce shall make application to the Secretary of Commerce, who shall prescribe by rules and regulations the information to be contained in such application. The applicant shall, if a manufacturer, pay a fee of $100, and if a dealer, shall pay a fee of $1.

(b) Upon payment of the prescribed fee, the Secretary of Commerce shall issue to such applicant a license which shall entitle the licensee to transport, ship, and receive firearms and ammunition in interstate and foreign commerce unless and until the license is suspended or revoked in accordance with the provisions of this act: *Provided*, That no license shall be issued to any applicant within 2 years after the revocation of a previous license.

(c) Whenever any licensee is convicted of a violation of any of the provisions of this act, it shall be the duty of the clerk of the court to notify the Secretary of Commerce within 48 hours after such conviction and said Secretary shall revoke such license: *Provided*, That in the case of appeal from such conviction the licensee may furnish a bond in the amount of $1,000, and upon receipt of such bond acceptable to the Secretary of Commerce he may permit the licensee to continue business during the period of the appeal, or should the licensee refuse or neglect to furnish such bond, the Secretary of Commerce shall suspend such license until he is notified by the clerk of the court of last appeal as to the final disposition of the case.

(d) Licensed dealers shall maintain such permanent records of importation, shipment, and other disposal of firearms and ammunition as the Secretary of Commerce shall prescribe.

SEC. 4. The provisions of this act shall not apply with respect to the transportation, shipment, receipt, or importation of any firearm, or ammunition, sold or shipped to, or issued for the use of, (1) the United States or any department, independent establishment, or agency thereof; (2) any State, Territory, or possession, or the District of Columbia, or any department, independent establishment, agency, or any political subdivision thereof; (3) any duly commissioned officer or agent of the United States, a State, Territory, or possession, or the District of Columbia, or any political subdivision thereof; (4) or to any bank, public carrier, express, or armored-truck company organized and operating in good faith for the transportation of money and valuables; (5) or to any research laboratory designated by the Secretary of Commerce: *Provided*, That such bank, public carriers, express, and armored-truck companies are granted exemption by the Secretary of Commerce; nor to the transportation, shipment, or receipt of any antique or unserviceable firearms, or ammunition, possessed and held as curios or museum pieces.

SEC. 5. Any person violating any of the provisions of this act or any rules and regulations promulgated hereunder, or who makes any statement in applying for the license or exemption provided for in this act, knowing such statement to be false, shall, upon conviction thereof, be fined not more than $2,000, or imprisoned for not more than 5 years, or both.

SEC. 6. This act shall take effect 30 days after its enactment.

SEC. 7. The Secretary of Commerce may prescribe such rules and regulations as he deems necessary to carry out the provisions of this act.

SEC. 8. Should any section or subsection of this act be declared unconstitutional, the remaining portion of the act shall remain in full force and effect.

SEC. 9. This act may be cited as the Federal Firearms Act.

With the following committee amendments:

Page 1, line 8, after the word "Islands", insert "but not including the Canal Zone."

Page 1, line 11, after the word "Islands", insert "but not including the Canal Zone."

Page 2, line 6, before the period, insert a comma and the following: "or any part or parts of such weapon."

Page 5, line 24, strike out "Commerce" and insert "the Treasury."

Page 6, line 2, strike out "$100" and insert "$25 per annum."

Page 6, line 2, before the period, insert "per annum."

Page 6, line 4, strike out "Commerce" and insert "the Treasury."

Page 6, line 13, strike out "Commerce" and insert "the Treasury."

Page 6, line 18, strike out "Commerce" and insert "the Treasury."

Page 6, line 21, strike out "Commerce" and insert "the Treasury."

Page 7, line 1, strike out "Commerce" and insert "the Treasury."

Page 7, line 17, strike out "Commerce" and insert "the Treasury."

Page 7, line 19, strike out "Commerce" and insert "the Treasury."

Page 7, line 22, before the period, insert a colon and the following: "*Provided*, That nothing herein contained shall be construed to prevent shipments of firearms and ammunition to institutions, organizations, or persons to whom such firearms and ammunition may be lawfully delivered by the Secretary of War, nor to prevent the transportation of such firearms and ammunition so delivered by their lawful possessors while they are engaged in military training or in competitions."

Page 8, line 7, strike out "Commerce" and insert "the Treasury."

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. LUTHER A. JOHNSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection it is so ordered.

MR. LAMBETH AND MR. UMSTEAD

Mr. LUTHER A. JOHNSON. Mr. Speaker, I wish to pay a brief, but deserved, tribute to one of our colleagues who is voluntarily retiring as a Member of this House. I refer to the gentleman from North Carolina [Mr. LAMBETH].

For 8 years I have served with him as a member of the Foreign Affairs Committee and have, therefore, been closely associated with him in the performance of duty, and have come to know him intimately and well, and have for him great admiration and a deep and affectionate regard.

To my mind, he is the ideal type of man to serve as a Member of the Congress of the United States, courteous and tactful, possessing intellectual ability in a marked degree, a high sense of justice, sound judgment, a good stock of common sense and a pleasing personality, combined with a courageous and determined will to carry out his convictions of what he conceives to be right. He has breadth of vision, the love of country, and a devotion to the ideals and best traditions of our Republic. The Nation will lose an able, faithful, and conscientious servant when he retires, and the entire membership of this House, on both sides of the aisle, will miss him; and I am sure that I speak not only my own sentiment but yours as well when I say he carries with him, as he voluntarily retires to private life, the esteem, affection, good will, and best wishes of this House.

What I have said of him can just as truly be said of his able colleague from North Carolina [Mr. UMSTEAD], who is also voluntarily retiring.

I do not know who the successors of these two able gentlemen from North Carolina will be, but I seriously doubt whether the electorate of their districts can find two men who will measure up to the high standard of statesmanship displayed by them as Members of this House, and I know that none can ever command in a higher degree the warmth of affection and esteem that this House entertains for WALTER LAMBETH and BILL UMSTEAD. May the future hold in store for them the full measure of health, happiness, and prosperity which they both so richly deserve.

Mr. MAAS. Mr. Speaker, I ask unanimous consent to return to Calendar 874, S. 1131, as I understand objection has been withdrawn.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

AMENDING PART OF NAVAL APPROPRIATIONS ACT, 1921

Mr. MAAS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 1131) to amend the part of the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1921, and for other purposes", approved June 4, 1920, relating to the conservation, care, custody, protection, and operation of the naval petroleum and oil-shale reserves.

The Clerk read the title of the bill.

Mr. PHILLIPS. Mr. Speaker, reserving the right to object, assurance has been given me that the Senate will not change the House bill as it now stands with the protecting amendments the Committee on Naval Affairs has thrown around it. This being the case I shall not object.

Mr. DIES. Mr. Speaker, reserving the right to object, will the gentleman explain this bill?

Mr. MAAS. This is the bill that protects the oil reserves. At the present time there is no protection and offset wells are about to be drilled.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the part of the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1921, and for other purposes," approved June 4, 1920 (41 Stat. 813), relating to the conservation, care, custody, protection, and operation of the naval petroleum and oil-shale reserves, contained in the paragraph entitled "Investigation of fuel oil and other fuel," and embodied in the United States Code, title 34, section 524, be amended so as to read as follows:

"The Secretary of the Navy is directed to take possession of all properties within the naval-petroleum reserves, naval oil-shale reserves, and other naval fuel reserves as are or may become subject to the control and use by the United States for naval purposes; to conserve, develop, use, and operate the same in his discretion directly or by contract, lease, or otherwise, such use and operation to be for the protection of the aforesaid reserves or for carrying out the provisions of this act; and to use, store, exchange, or sell the oil and gas products thereof, and those from all royalty oil and gas from lands in the naval reserves, for the benefit of the United States, subject to the applicable limitations and restrictions of this act; and to exercise exclusive jurisdiction and control over those lands within the borders of naval petroleum reserves Nos. 1 and 2 which are embraced by leases granted pursuant to the provisions of the act of Congress approved February 25, 1920, entitled 'An act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain' (41 Stat. 437).

"In order to consolidate and protect the oil lands owned by the Government the Secretary of the Navy is authorized to contract with owners and lessees of land within or adjoining such reserves for conservation in the ground of oil and gas and for compensation for estimated drainage in lieu of drilling or operating offset wells, and to exchange Government land in naval-petroleum reserve No. 1, the right to royalty production from any of the naval-petroleum reserves, and the right to any moneys due to the Government as a result of the wrongful extraction of petroleum products from lands within naval-petroleum reserve No. 1, for privately owned land or leases within naval-petroleum reserve No. 1: *Provided*, That no lease of any portion of the naval-petroleum reserves, no contract to alienate the use, control, or possession thereof from the United States, no contract to sell the oil and gas products thereof, other than royalty oil and gas products, no contract for conservation or for compensation for estimated drainage, and no exchange of any land, any right to royalty production or any right to any moneys as hereinabove authorized shall become effective until approved by the President: *Provided further*, That the Secretary of the Navy shall report annually to the Congress all agreements entered into under the authority herein granted.

"In the event of the inability of the Secretary of the Navy to make satisfactory exchanges of land or agreements for the conservation of naval petroleum with the private owners of lands or leases within or adjoining naval-petroleum reserve No. 1, as provided for in this act, he is hereby authorized, with the approval of the President, to acquire such privately owned lands or leases in naval-petroleum reserve No. 1 by purchase or condemnation. There is hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this act. Such sums shall be expended under the direction of the President, who shall submit to the Congress estimates therefor in the manner prescribed by law: *Provided*, That the Secretary of the Navy shall report annually to the Congress all purchase and condemnation proceedings entered into under the authority herein granted.

"Leases of lands of the United States within the naval-petroleum reserves, in existence prior to July 1, 1936, excepting those leases which have become a part of an approved unit or cooperative plan and agreement, shall terminate at the expiration of their initial 20-year periods, and the lands covered by such terminated leases may be re-leased upon such reasonable terms and conditions as the Secretary of the Navy may prescribe, with the preferential right in the former lessees to leases of the same if and when the lands are re-leased: *Provided*, That every unit or cooperative plan of development and operation entered into after July 1, 1937, and every lease entered into subsequently to July 1, 1937, with respect to lands owned by the United States within the naval-petroleum reserves, shall contain a provision whereby authority, limited as provided in such plan or lease, is vested in the Secretary of the Navy, to alter or modify from time to time in his discretion the rate of prospecting and development on, and the quantity and rate of production from, such lands of the United States under said plan or lease, any law to the contrary notwithstanding.

"Citizens of another country, or corporations controlled by citizens of another country, the laws, customs, or regulations of which deny the privilege of leasing their public lands to citizens or corporations of this country shall not by contract made subsequently to July 1, 1937, or by stock ownership, holding, or control, acquire or own any interest in or right to any benefit from any lease of land in the naval petroleum, naval oil shale, or other naval fuel reserves at any time made under the provisions of the Mineral Leasing Act of February 25, 1920, or of this act, and in the event of any violation of any of these provisions, the Secretary of the Navy shall have the right to cancel such lease forthwith.

"The Secretary of the Navy is hereby authorized to prescribe necessary rules and regulations and to do any and all things necessary or proper to accomplish the purposes of this act. All statements, reports, and representations required thereby shall be under oath, unless otherwise specified, and in such form as the Secretary of the Navy may require.

"Except as otherwise provided in this act, all moneys which may accrue to the United States under the provisions of this act, or of the said act of February 25, 1920 (41 Stat. 437), from lands within the naval petroleum reserves, naval oil-shale reserves, or other naval fuel reserves on account of the petroleum products extracted therefrom shall be deposited in the Treasury of the United States as miscellaneous receipts; and any or all oil, gas, gasoline, or other hydrocarbon substances accruing to the United States as royalties from leases of lands within the naval petroleum reserves, the naval oil-shale reserves, or other naval fuel reserves under authority of this act shall be paid for in money or be paid in kind as the Secretary of the Navy may elect.

"Any lease issued under the provisions of this act may be forfeited and canceled by an appropriate proceeding in the United States district court for the district in which the property, or some part thereof, is located, whenever the lessee fails to comply with any of the provisions of this act, of the lease, or of the regulations promulgated under this act and in force at the date of the lease; and the lease may provide for resort to appropriate methods for the settlement of disputes and for remedies for breach of specified conditions thereof.

SEC. 2. All acts or parts thereof in conflict with the provisions of this act are hereby repealed.

With the following committee amendments:

Page 2, change lines 4 and 5, to read as follows: "of all properties within the naval petroleum reserves and other naval fuel reserves as are or."

Page 2, line 8, after the comma after the word "discretion", insert "subject to approval by the President."

Page 5, line 1, insert a comma after the word "authority" and a comma after the word "lease."

Page 5, line 2, after the word "Navy", insert a comma and add "subject to approval by the President."

Page 5, line 14, strike out "naval oil-shale."

Page 5, line 20, after the word "Navy", insert a comma and "subject to approval by the President."

Page 6, line 5, strike out "naval oil-shale reserves."

Page 6, line 11, strike out "the naval oil-shale reserves."

Page 6, line 24, change the period to a colon and add before the quotation marks the following proviso: "*Provided*, That nothing herein contained shall be construed to permit the development or operation of the naval oil-shale reserves."

Page 6, after line 24, add the following section:

"SEC. 2. Nothing herein contained shall be construed as validating, acquiescing in, or giving color to any claim of any person—natural, governmental, or corporate—other than the United States, to any right, title, or interest in any lands or interests therein claimed, or which may be claimed, by the United States, or as preventing or interfering with the accrual of any right to damages or cause of action in favor of the United States against any person whomsoever."

Page 7, line 1, strike out "SEC. 2" and insert in lieu thereof "SEC. 3."

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NEBRASKA INDIAN TRIBES

Mrs. HONEYMAN. Mr. Speaker, I ask unanimous consent to return to the consideration of S. 3283, to authorize the Secretary of the Interior to place certain records of Indian tribes of Nebraska with the Nebraska State Historical Society, at Lincoln, Nebr., under rules and regulations to be prescribed by him.

The SPEAKER. Is there objection to the request of the gentlewoman from Oregon?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized, in his discretion and under such rules and regulations as he may prescribe, to place any records of Indian tribes which are within the confines of the State of Nebraska and which are not desired for tribal or official use with the Nebraska State Historical Society, at Lincoln, Nebr. The historical society shall receive the custody of such records and matters of historical interest as custodian for the United States of America and the Secretary of the Interior, and upon the request of said Secretary any of such records so placed with the said Nebraska State Historical Society shall be immediately returned to the Government official designated by him to receive the same.

Copies of any such records or papers in the possession and custody of the said Nebraska State Historical Society, when certified to by the secretary or chief clerk thereof (or in case of a vacancy in such office or position, then by the person acting in such capacity), under its seal, shall be evidence equally with the original, and in making such certified copies such secretary or chief clerk or such person acting in such capacity shall be acting as a Federal agent, and such certified copies shall have the same force and effect as those made by the Secretary of the Interior under seal of his office to records in his immediate custody. Whenever certified copies of such Indian records are desired by the Government for use by it, they shall be furnished without cost.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COLONIAL NATIONAL HISTORICAL PARK, VA.

Mr. BLAND. Mr. Speaker, I ask unanimous consent that the proceedings by which the bill (H. R. 9875) to revise the boundaries of the Colonial National Historical Park in the State of Virginia, and for other purposes, was passed be vacated, and that a similar Senate bill, S. 3560, be passed.

The SPEAKER. Is there objection to the consideration of the Senate bill?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That subject to all the laws and regulations applicable to the Colonial National Historical Park, the boundaries of said historical park as established by the act of June 5, 1936 (49 Stat. 1483), and as defined by Presidential Proclamation No. 2055, dated August 22, 1933 (48 Stat. 1706), are hereby revised by the elimination of the parkway area described in said proclamation as running north and west of the city of Williamsburg to Jamestown Island, and the substitution therefor of a parkway area running southerly through the city of Williamsburg, thence continuing south of said city to the James River and thence along said river and connecting waters to Jamestown Island, the exact location of which shall be determined by the Secretary of the Interior: *Provided*, That said parkway area shall not exceed an average of 500 feet in width outside the city of Williamsburg: *And provided further*, That condemnation proceedings shall not be had, exercised, or resorted to as to any lands in the city of Williamsburg except such lands as may be required for a right-of-way not exceeding 200 feet in width through said city to connect with highways or parkways leading from Williamsburg to Jamestown and Yorktown.

SEC. 2. The Secretary of the Interior is hereby authorized, in his discretion, to acquire by purchase, donation, or otherwise, in behalf of the United States, such lands or interests in lands, easements, and buildings comprising the following: Glass House Point, in James City County; the area known as the Hook, including the site of the action of October 3, 1781, in Gloucester County; and such additional lands as are desirable for the proper rounding out of the boundaries and for the administrative control of the Colonial National Historical Park: *Provided*, That the total acreage of lands to be added to the park, with the exception of parkways under the terms hereof shall not exceed 750 acres: *Provided further*, That the said acquisition of lands or improvements shall be made from such funds as may be appropriated pursuant to the authorization of the act of March 3, 1931 (46 Stat. 1490).

Mr. BLAND. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BLAND: On page 2, line 1, after the word "through", insert the words "or around."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider and a similar House bill (H. R. 9875) were laid on the table.

By unanimous consent, the proceedings by which the bill (H. R. 9875) was passed were vacated.

PICKWICK LANDING DAM

Mr. PIERCE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 10787) to change the name of "Pickwick Landing Dam" to "Rankin Dam."

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request?

Mr. SNELL. Mr. Speaker, reserving the right to object, if the name of this dam is going to be changed, and I do not know that I have any objection, it should be changed by Executive order, the same way they changed the name of the Hoover Dam. I think that was one of the most outrageous acts of the present administration. Mr. Speaker, for the present, I object.

PYRAMID LAKE INDIAN RESERVATION, NEV.

Mr. O'MALLEY. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 840) to authorize the Secretary of the Interior to issue patents for certain lands to certain settlers in the Pyramid Lake Indian Reservation, Nev.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

Mr. CASE of South Dakota. Mr. Speaker, reserving the right to object, as the gentleman knows, I feel if this consideration is given to the farmers to issue these patents they should pay interest to the Indians. Does the gentleman intend to offer an amendment which I proposed when this bill was before our committee?

Mr. O'MALLEY. Mr. Speaker, I have the amendment on the Clerk's desk and I will offer it. The amendment provides that these farmers shall pay interest on the unpaid balances on their land.

Mr. HANCOCK of New York. Mr. Speaker, reserving the right to object, is this bill on the Private Calendar?

Mr. O'MALLEY. This bill was reported by our committee.

Mr. HANCOCK of New York. Mr. Speaker, this is an item in an omnibus bill. If we are going to take various items out of these omnibus bills, or consider them one by one, I am going to object.

Mr. OMALLEY. This is a Senate bill.

Mr. HANCOCK of New York. But it is in an omnibus bill now pending before the House and I object.

UNITED STATES EMPLOYMENT SERVICE

Mrs. NORTON. Mr. Speaker, I ask unanimous consent for the immediate consideration of S. 3516. This bill was brought up before and objected to, but I understand the gentleman from Illinois [Mr. LUCAS] has withdrawn his objection.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 5 (a) of the so-called Wagner-Peyser Act, act of June 6, 1933 (ch. 49; 48 Stat. 113, 114), as amended by the act of May 10, 1935 (49 Stat. 216), be amended by striking out the words "Seventy-five percent of the amounts appropriated under this act shall" at the beginning of the second sentence thereof and inserting the following: "The annual appropriation under this act shall designate the amount to"; and by striking out from the proviso at the end of such sentence the words "said 75 percent of amounts appropriated after January 1, 1935, under this act" and inserting the following: "the said amount among the several States", so that as amended section 5 (a) shall read as follows:

"SEC. 5. (a) For the purpose of carrying out the provisions of this act there is hereby authorized to be appropriated (1) the sum of $1,500,000 for the fiscal year ending June 30, 1934, (2) $4,000,000 for each fiscal year thereafter up to and including the fiscal year ending June 30, 1938, (3) and thereafter such sums annually as the Congress may deem necessary. The annual appropriation under this act shall designate the amount to be apportioned by the Director among the several States in the proportion which their population bears to the total population of the States of the United States according to the next preceding United States census, to be available for the purpose of establishing and maintaining systems of public employment offices in the several States and the political subdivisions thereof in accordance with the provisions of this act: *Provided, however*, That in apportioning the said amount among the several States, the Director shall apportion not less than $10,000 to each State. No payment shall be made in any year out of the amount of such appropriations apportioned to any State until an equal sum has been appropriated or otherwise made available for that year by the State, or by any agency thereof, including appropriations made by local subdivisions, for the purpose of maintaining public employment offices as a part of a State-controlled system of public employment offices; except that the amounts so appropriated by the State shall not be less than 25 percent of the appointment according to population made by the Director for such State in the current year, and in no event less than $5,000. The balance of the amounts appropriated under this act shall be available for all the purposes of this act other than for apportionment among the several States as herein provided."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PAYMENT TO VETERANS OF FOREIGN WARS AND DISABLED AMERICAN VETERANS OF THE WORLD WAR

Mr. THOMASON of Texas. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 3319) to authorize certain payments to the Veterans of Foreign Wars of the United States, Inc., and to the Disabled American Veterans of the World War, Inc.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. SNELL. Mr. Speaker, reserving the right to object, will the gentleman tell us what this bill is about?

Mr. THOMASON of Texas. Mr. Speaker, this is a bill for the distribution of the so-called Stars and Stripes or recreation fund. The last Congress authorized the payment of about $400,000 of this money that is now impounded in the Treasury to the American Legion. This money belongs to the World War veterans, and the Treasury has been holding it as trustee. This involves some $400,000, as I recall the amount, of the fund which came about by donations, subscriptions, and collections during the war from mess funds, company funds, and sale of the A. E. F. newspaper, the Stars and Stripes. It was built up as a sort of recreation fund for the veterans and was and is their money. There is still in that fund two or three hundred thousand dollars.

By agreement and consent of practically all veteran organizations—and I have copy of the agreement here—two-thirds of that sum which remains impounded in the Treasury is to be divided equally between the Disabled American Veterans and the Veterans of Foreign Wars for the purpose of relief not only to veterans but to their dependents.

Mr. SNELL. This is to be used for relief?

Mr. THOMASON of Texas. Yes. This bill has passed the Senate.

Mr. DIRKSEN. The gentleman says it has the support of the veterans' organizations. How about the American Legion?

Mr. THOMASON of Texas. I am advised it is agreeable to the American Legion. In fact, by a previous act of Congress half of the fund, or at least a large sum, has already been released to them and went into Pershing Hall in Paris. This will give two-thirds of the balance to the Disabled American Veterans and the Veterans of Foreign Wars. The bill has passed the Senate, and I have an agreement here from practically all the other veterans' organizations approving this bill. I believe, too, there is another bill here that disposes of the balance of the fund to certain other World War organizations.

This is a meritorious bill. These are two great humane and patriotic organizations that can be depended upon to use this money in a way to bring about the greatest possible good.

This agreement is as follows:

JUNE 3, 1938.

Re: S. 3319.

Hon. ANDREW J. MAY,
Chairman, Committee on Military Affairs,
House of Representatives, Washington, D. C.

MY DEAR MR. CHAIRMAN: We, the undersigned, officially representing the organizations indicated, hereby earnestly urge the Military Committee immediately favorably to report S. 3319, already passed by the Senate, to give the Veterans of Foreign Wars, and the Disabled American Veterans each one-third of the remaining balance in the so-called Recreation fund, Army.

Respectfully yours,

Jewish War Veterans, Geo. G. Cohen, Washington representative; Military Order of the Purple Heart, Herbert A. Church, national legislative chairman; Disabled American Veterans of the World War, Thomas Kirby, national legislative chairman; Veterans of Foreign Wars, Millard W. Rice, national legislative representative; American War Mothers, Inc., Mrs. William H. Marshall, national chairman, legislation; Service Star Legion, Inc., National, Mrs. J. C. Mellichamp, national president; American Gold Star Mothers of the World War, Inc., Mathilda Burling, national president.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to set aside as a special fund in the Treasury the sum of $196,568.64, representing nearly two-thirds of $294,852.97, the unexpended balance of the sum transferred from the funds "Stars and Stripes" and "Other funds," by the act of March 4, 1933 (47 Stat. 1573), to the fund entitled "Recreation fund, Army," which latter fund was covered into the surplus fund of the Treasury by the Permanent Appropriation Repeal Act, 1934 (48 Stat. 1229).

SEC. 2. The special fund created pursuant to this act is hereby appropriated, and the Secretary of the Treasury is hereby authorized and directed to divide said special fund into two equal parts and to pay one such part to the Veterans of Foreign Wars of the United States, Inc., and to the Disabled American Veterans of the World War, Inc.

SEC. 3. Each such corporation shall use the funds so received to aid and assist disabled, destitute, or unemployed veterans, and/or their dependents; and shall make a full and complete report to the Congress not later than the 1st day of January of each year of the amount so expended during the preceding fiscal year.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ADJUSTMENT OF LINEAL POSITIONS ON THE NAVY LIST

Mr. COLMER. Mr. Speaker, I ask unanimous consent that the proceedings whereby the bill H. R. 10659 was read a third time and passed, and a motion to reconsider laid on the table, be vacated, and that the bill S. 3805 may be substituted therefor.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

Mr. SNELL. Mr. Speaker, let us find out what this is.

Mr. COLMER. Mr. Speaker, I may say there were two companion bills introduced, one by the gentleman from Minnesota [Mr. MAAS] and one by myself. The Senate bill was passed by the House, and this morning the bill to which I am now referring was on the Private Calendar and was passed by the House. We are merely trying to substitute the Senate bill.

The SPEAKER. The Chair would suggest that the gentleman ask unanimous consent for the immediate consideration of the bill S. 3805.

Mr. COLMER. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 3805) to adjust the lineal positions on the Navy list of certain officers of the Supply Corps of the United States Navy.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the President is hereby authorized to assign to Lt. (Jr. Gr.) Hugie Lee Foote, Jr., Supply Corps, United States Navy; Lt. (Jr. Gr.) Alfred Thomas Magnell, Supply Corps, United States Navy; Lt. (Jr. Gr.) Donald Orr Lacey, Supply Corps, United States Navy; Lt. (Jr. Gr.) Howard Troutman Bierer, Supply Corps, United States Navy; and Lt. (Jr. Gr.) Francis L. Blakelock, Supply Corps, United States Navy, such running mates in the line of the Navy as the said officers would have on the date of approval of this act had they been originally commissioned in the Supply Corps of the United States Navy upon their graduation from the United States Naval Academy: *Provided*, That no back pay or allowances shall be held to have accrued prior to the date of approval of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

By unanimous consent, the proceedings by which the bill H. R. 10659 was passed were vacated and the bill laid on the table.

CORN CONTROL ACT

Mr. MICHENER. Mr. Speaker, I ask unanimous consent to extend these remarks at this point in the RECORD and include therein statements by and concerning farmers in Michigan.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. MICHENER. Mr. Speaker, the farmers of Michigan are much concerned over the Corn Control Act. Yes; they are more than concerned, they are alarmed.

When this control bill was before the House on December 9, 1937, in debate in opposition to the bill, I said in part as follows:

Compulsory control has been tried on cotton under the Bankhead Cotton Act. It did not work successfully.

Compulsory control was attempted under the Potato Act, about which I addressed the Congress at the time of its consideration. Because of the demand of the family-size farmers of the country, that act was voluntarily repealed by Congress before the farmer and his wife, who grew a few potatoes in the back yard, were sent to jail. The control in this bill will be just as unpopular with the small producer of corn as was the potato law with the average small farmer. Who is for this legislation?

The farmers themselves are not demanding it. The National Grange, with its 800,000 paid members, is almost unanimously opposed. The National Farmers' Union is unalterably opposed. All national dairy organizations and all local organizations that have been heard from are opposed.

The Secretary of Agriculture and the administration alone seem to be for the entire bill.

I am opposed to this bill because—

First. It will not and cannot accomplish that which the farmers are promised it will accomplish.

Second. It regiments and controls the farmers in the operation of their farms. For noncompliance with compulsory quotas they may be fined, prosecuted, and deprived of benefits.

Third. It is unfair and unjust and discriminates against farmers within the quota area as against farmers outside the quota area.

Fourth. It will cause more dissatisfaction, more jealousy, envy, and hatred among farmers themselves than any legislation yet enacted concerning agriculture.

Fifth. It gives more power to a bureau in Washington to control the destinies of the farmer.

Sixth. It has possibilities of ruining the dairy industry of the North, if the South is permitted to rent its cotton land to the Government in order to conserve the soil and then operate dairies on the same land, utilizing alfalfa and other soil-conserving crops to produce dairy products to compete with northern dairies not subsidized by the Government.

All the apprehension I expressed at that time has since been shown to have been well founded. There are 83 counties in Michigan. At the time the bill was before the Congress I was advised by the Department of Agriculture that but three counties in Michigan would be included in the commercial corn-producing area. Since the bill was enacted into law, two additional counties have been added, so that 5 of the 83 counties in the State must now come under corn marketing control regulations.

The general feeling of the farmers in Michigan with reference to this act perhaps finds best expression in Lenawee County. This is one of the finest agricultural counties in the Union, made up of family-sized farms, with diversified crops, where soil conservation in crop rotation has been practiced long before soil conservation in Washington was ever dreamed of. These farmers are not radicals and, generally speaking, there is little distinction between farm tenants and farm owners. All of these farmers represent our highest type of citizen. I make this observation to show the background of the people of this particular county.

So incensed are these Lenawee County farmers over the operation of this new corn-control venture on the part of the Federal Government that a mammoth mass meeting was recently held at the county seat of Adrian. More than 600 farmers filled the courthouse to overflowing, and loudspeakers were installed so that those not able to gain admission could hear the proceedings. Resolutions were unanimously adopted by the meeting as follows:

Resolutions

Whereas crop control is being gradually thrust upon the American farmers and we will soon be told just what crops we can raise and how much of such crops we can sell; and

Whereas the corn-allotment law is especially obnoxious to Lenawee County farmers because we never raise as much corn as we consume; and

Whereas we, the farmers of Lenawee County, cannot comply with this type of regimentation and bitterly denounce any law that interferes with or takes from us the management of our farms: Now, therefore, be it

Resolved, That the farmers of Lenawee County form a protective league to guard our rights as American citizens and to instruct our servants in the Federal employ that the farmers of this county know better what crops their farms should produce than any Government agent committee or other civil employee; and be it further

Resolved, That a copy of this resolution and the sentiment of this meeting be presented to our two Senators, Arthur H. Vandenburg and Prentice M. Brown; to our Congressman, Earl C. Michener; our Governor, Frank Murphy; and our Michigan State commissioner of agriculture, John B. Strange.

These resolutions headed petitions later circulated among the actual farmers of the county, and more than 2,700 farmers have signed such petitions and forwarded them to Washington.

Mr. E. R. Illenden, a typical farmer, with a typical Michigan farm set-up, addressed a letter to the Secretary of Agriculture, in which he said:

Of all the fool things that the Government has ever done, putting Lenawee County, Mich., in the corn-allotment area is the worst. Lenawee County has 37,000 milk cows and annually feeds about 80,000 lambs and many cattle.

No corn is sold out of the county, but annually several thousand bushels are shipped in from Ohio and Indiana.

I have a farm of 200 acres near Adrian which is the county seat. I always raise from 40 to 45 acres of corn, and the other day I received my corn allotment which was 24.9 acres, and the conservation committee told me if I followed Government orders I would receive $175. In my regular rotation of crops I expected to plant 40 acres of corn and I shall disregard Government orders and plant 40 acres, because 15 acres of corn is worth more to me than $175.

I have lived on this farm I now own for 64 years, and in that time there was never any corn sold off the place. I have 10 cows, raise and fatten 100 hogs a year, and feed 600 to 800 lambs annually.

I never raise enough corn for my own use. I buy every year from 500 to 1,000 bushels of corn.

There are hundreds of farmers in the county in the same fix that I am.

We are going to disregard the law and feed our corn.

I am personally acquainted with Mr. Illenden. He is one of the outstanding, progressive, law-abiding citizens of the congressional district which I have the honor to represent in the Congress. I am sure Mr. Illenden did not arrive at a hasty decision in this matter. I am just as sure that he believes in law and order and law enforcement, and that this corn problem, which confronts the farmers of Lenawee County, is most distressing and impossible, or Mr. Illenden would not have addressed this letter to the Secretary of Agriculture.

Upon receipt of these resolutions and petitions, I immediately contacted Mr. Claude R. Wickard, Secretary Wallace's administrator, in an effort to have these Michigan counties excluded from the operation of this law, because they do not produce corn to sell in commerce, as suggested in the above letter to the Secretary of Agriculture. I have been unable to get assurance of any relief from this act so far as Lenawee County is concerned. The Department of Agriculture advises me as follows:

Under the Agricultural Adjustment Act of 1938, a county is considered a commercial corn-producing county if the production of corn is 450 bushels or more per farm, and the yield of corn is 4 bushels or more per acre of farm land. It is to be noted that Lenawee County, Mich., is considerably above each of such requirements. In fact, Lenawee County is one of the good corn-producing counties in the commercial-corn area.

In these circumstances, I know of nothing that can be done for the relief of these Michigan counties until the Congress repeals or amends the law passed in December 1937.

What has transpired in Lenawee County is transpiring in different degrees in every part of agricultural United States. Farmers resent this New Deal regimentation. We should all be greatly disturbed when our farmers feel that it is necessary to form protective leagues to protect themselves against bureaucrats coming out from Washington and telling them whether or not they may feed to their own stock the grain and produce they have produced by their own toil on the land which they bought and paid for and own.

Such philosophy of regulation and scarcity does not find its origin in constitutional American democracy. Such philosophy, put into practice, will not succeed among free people. The whole theory back of this doctrine of producing less and having more is doomed to failure. These punitive, unreasonable, regulatory laws and regulations, taking away from the farmers the right to work, produce, and enjoy the profits of their own labor will not, and should not, succeed. The petitions referred to above have been referred to the Committee on Agriculture in the Senate, and will be referred to the Committee on Agriculture in the House. However, the Congress expects to adjourn sine die sometime tonight. I, therefore, know that there is nothing that can be done in this matter at this time; but in view of the seriousness of the situation, I feel constrained to call this matter to the attention not only of the Congress but of the country, and to express the hope that no effort will be made by the Department of Agriculture to put into effect the compulsory quota provisions of this corn-control law, insofar as counties like Lenawee, which are not one-crop producing counties, are concerned. The farmers in my district make their farms better. They do not attempt to take out all of the fertility of the soil even though immediate profits might suggest such a course. It is all wrong to place a penalty on soil-conserving farmers for the purpose of benefiting soil-depleting farmers in wheat, corn, or cotton one-crop areas. Our farmers milk cows the year around. They work the year around. They are thinking of tomorrow and the generations yet to come, and plant crops accordingly. I know that few Members of Congress pay any attention to remarks of this kind during the closing days of the session, but I express the fervent hope, Mr. Speaker, that every one of you will take the time to read the resolutions which I have inserted in the RECORD, and give pause to the effect that this regimentation and regulation from Washington is having upon the sane, sensible, liberty-loving law-abiding citizens of our great country.

TERM OF COURT AT KALISPELL, MONT.

Mr. O'CONNELL of Montana. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 3204) to amend section 92 of the Judicial Code to provide for a term of court at Kalispell, Mont.

Mr. MICHENER. Reserving the right to object, Mr. Speaker, when was this bill reported out?

Mr. CELLER. If the gentleman will yield, I may say that the Committee on the Judiciary met specially yesterday morning and reported out the bill.

Mr. MICHENER. I had no notice of any such meeting. Was a quorum present?

Mr. CELLER. About 14 members were present, which was a quorum.

Mr. MICHENER. What I am objecting to is that after the committee has ceased holding meetings for the session, a few men get together and hold a meeting and report out legislation without the knowledge of the other Members. I have been here on the floor all the time. If the genteman can show I had notice of any such meeting I will not object, but if meetings are held like this, I believe it is a wrong custom and there should be objection.

Mr. SNELL. I object, Mr. Speaker.

Mr. CELLER. Will the gentleman withhold his objection?

Mr. SNELL. I will withhold the objection, Mr. Speaker.

Mr. CELLER. I may say to the gentleman from Michigan in explanation of the holding of the meeting of the committee that the chairman, as I understand, notified all members of the committee by telephone that they would meet at a special meeting held in the Speaker's office, and 14 members responded.

Mr. MICHENER. John L. Lewis may meet in the Speaker's office on short notice, but I object to the Judiciary Committee meeting on such notice, especially when all of the members of the committee have not had notice.

Mr. SCHULTE. Regular order, Mr. Speaker.

Mr. SNELL. I object.

EXTENSION OF REMARKS

Mr. LUCKEY of Nebraska. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein certain tables dealing with production, price, and sale of wheat and corn.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

SETTLERS IN THE PYRAMID LAKE INDIAN RESERVATION, NEV.

Mr. O'MALLEY. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk for immediate considera-

tion the bill (S. 840) to authorize the Secretary of the Interior to issue patents for certain lands to certain settlers in the Pyramid Lake Indian Reservation, Nev.

I may say I have an amendment on the Clerk's desk.

The Clerk read the title of the bill.

Mr. SNELL. Reserving the right to object, Mr. Speaker, let us have an explanation, so we may find out what this bill is.

Mr. O'MALLEY. This bill provides for five farmers out of a hundred who, because of the depression, were unable to complete their payments on certain lands, and allows them 1 year in which to pay up certain amounts. The gentleman from South Dakota [Mr. CASE] offered an amendment requiring them to pay interest on the unpaid amounts, to which the committee agreed. This land is at the south end of the Pyramid Lake Indian Reservation. These people have been on that land for 40 years. Because they lapsed in one payment, unless this bill is passed, they will lose the land and all the money they have paid in. It is a very pathetic case. One man has his home on unpaid-for land and his corrals on other land. The court has been giving these people extensions of 30 days at a time in the hope we can pass this bill.

Mr. SNELL. If you are going to start that practice why should you not take care of home owners' loans in the same way? There are a lot of people who are losing their homes.

Mr. O'MALLEY. I would say to the gentleman if I could I would take care of the home owners in my town, but I have no control over that. This is a just and fair matter.

Mr. COSTELLO. Reserving the right to object, Mr. Speaker, do I understand this bill is one contained in an omnibus bill?

Mr. O'MALLEY. This bill is on the Speaker's table, coming from the Senate. It has passed the Senate. I hope the gentleman will not object.

Mr. COSTELLO. In view of the fact this bill is contained in an omnibus bill, and that there are perhaps 14 or 15 omnibus bills on the calendar also containing Senate bills, it seems to me to be unfair to allow one of the Senate bills to come up if similar consideration is not given to the others. For that reason, I feel constrained to object.

Mr. SNELL. If this bill is in an omnibus bill, I also object, Mr. Speaker.

PRINTING OF ADDITIONAL COPIES OF THE SLIP LAW ON THE BILL (H. R. 8046)

Mr. LAMBETH. Mr. Speaker, I send to the desk a privileged resolution and ask for its immediate consideration.

The Clerk read as follows:

House Resolution 537

That there be printed 8,500 additional copies of the slip law on the bill (H. R. 8046) entitled "An act to amend an act entitled 'An act to establish a uniform system of bankruptcy throughout the United States', approved July 1, 1898, and acts amendatory thereof and supplementary thereto; and to repeal section 76 thereof and all acts and parts of acts inconsistent therewith", of which 8,000 copies shall be for the use of the House document room, and 500 copies for the Committee on the Judiciary of the House.

The resolution was agreed to, and a motion to reconsider was laid on the table.

POSTAGE ON ENVELOPES SENT OTHERWISE THAN BY MAIL

Mr. MEAD. Mr. Speaker, I present a unanimous report of the Committee on the Post Office and Post Roads on the bill (H. R. 6168) to amend section 239 of the act of June 8, 1872 (17 Stat. 312; U. S. C., title 39, sec. 500), and ask unanimous consent for the present consideration of the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 239 of the act of June 8, 1872 (17 Stat. 312; U. S. C., title 39, sec. 500), be, and the same is hereby, amended to read as follows:

"All letters enclosed in envelopes with embossed postage thereon, or with postage stamp or stamps affixed thereto, by the sender, or with the metered indicia showing that the postage has been prepaid, if the postage thereon is of an amount sufficient to cover the postage that would be chargeable thereon if the same were sent by mail, may be sent, conveyed, and delivered otherwise than by mail, provided such envelope shall be duly directed and properly sealed, so that the letter cannot be taken therefrom without defacing the envelope, and the date of the letter or of the transmission or receipt thereof shall be written or stamped upon the envelope, and that where stamps are affixed they be canceled with ink by the sender. But the Postmaster General may suspend the operation of this section or any part thereof upon any mail route where the public interest may require such suspension."

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. SNELL. Reserving the right to object, Mr. Speaker, I believe the gentleman from New York should explain this bill.

Mr. MEAD. Under existing law the Post Office Department allows certain merchants, banks, and other companies, as well as individuals, to deliver mail provided they send their letters in Government stamped envelopes, and such mail never enters the Postal Service. By this bill we allow them to meter the mail or to stamp it; in other words, we just add another privilege.

Mr. SNELL. It does not in anywise change the amount that is paid into the Post Office Department?

Mr. MEAD. No; it does not change the amount at all or affect any mail that enters the Postal Service.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. HART. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include a short editorial from the Jersey Journal.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. FISH. Mr. Speaker, I ask unanimous consent to proceed for 3 minutes.

Mr. RAYBURN. Mr. Speaker, reserving the right to object, I hope the gentleman will let that go over. Everybody wants the House to stand in recess subject to the call of the Chair.

Mr. FISH. We have been very patient and very courteous in permitting unanimous-consent requests of the entire Democratic side to go through——

Mr. RAYBURN. I think there have been just as many requests, in proportion to numbers, from the gentleman's side.

Mr. FISH. Mr. Speaker, I modify my request and ask unanimous consent to proceed for 2 minutes.

Mr. SCHULTE. I object, Mr. Speaker.

Mr. FISH. Mr. Speaker, I make the point of no quorum.

Mr. SCHULTE. So the gentleman from New York may not become angry, I withdraw my objection, Mr. Speaker.

Mr. FISH. I withdraw the point of no quorum, Mr. Speaker.

The SPEAKER. "Behold how good and how pleasant it is for brethren to dwell together in unity." [Laughter.]

Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FISH. Mr. Speaker, the Congress will probably adjourn today, ending a session remarkable for its irresponsibility and its squandering of the people's money, which has never been approached by any other Congress.

It is the habit, when Congress adjourns, for the leaders to proclaim its triumphs and glorious achievements, but it will take a great deal of imagination to depict the virtues of the present Congress with its deplorable record of doing nothing to help restore confidence, stimulate business activities, or to end the Roosevelt depression.

The Congress should not adjourn without adopting legislation to help the railroads in their present critical condition, brought about by the failure of the New Deal economic policies. The Democratic Congress has a direct obligation to

extend a helping hand to the railroads in this crisis, so that they can continue to operate and employ labor, at least until Congress reconvenes in January.

Some 20 railroads are in a virtual state of bankruptcy and are not making their operating expenses under present conditions, and have nowhere to turn in this emergency for further loans. It is essential that the railroads be permitted to continue their services on an efficient basis and that their employees be paid. I am not often in agreement with the President, but on this vital issue I believe it would be the height of folly for this irresponsible Congress to adjourn without extending temporary relief by way of loans to the railroads to keep them going for the next 6 months. If the railroads stop operating because of their inability to pay their employees, it would be the duty of the President to call an extra session of Congress, should the present Congress refuse to enact a rail bill before adjournment.

I also hold the leadership of this Congress responsible for failure to permit the enactment of legislation reducing the rate of interest on Home Owners' Loan Corporation loans from 5 to 3½ percent, and extend the amortization time from 15 to 25 years. We are in the midst of a Government-made Roosevelt depression, and Congress has a duty to reduce the interest in order to stop the wholesale eviction of American home owners.

If this condition continues, the Government will become the largest and greatest real-estate landlord, to the detriment of the real-estate market throughout the Nation. I see no reason why, when the Government obtains money under 3 percent it should charge more than 3½ percent to home owners and to the farmers for loans.

I believe the best way to combat the spread of communism in America is to promote and maintain ownership of private property, particularly the ownership of homes.

When the Congress adjourns it will have appropriated approximately $12,000,000,000, which will be the all-time high in times of peace. These huge appropriations mean that the national debt will be in excess of $40,000,000,000 before the Congress convenes again in January. For the first time during my 18 years in Congress, I have lost faith in the Congress on financial matters, on account of its complete subserviency to the executive branch of the Government, and because of the utter irresponsibility of its leadership. Money is appropriated and turned over to the President, leaving Congress with no more legislative control over these funds than Ghandi has clothing.

Both branches of the Congress refuse even to place any check on the use of relief funds for political purposes. This shocking and disgraceful partisan action practically encourages the use of relief money to prime primary and election pumps and to help elect 100-percent supporters of the New Deal.

I charge that the last year of the New Deal administration has been the most dismal failure in American history, with 13,000,000 unemployed and with no program to either restore confidence or put American wage earners back to work.

The truth is that neither President Roosevelt nor the Congress has any plan to revive industry and employment, and no financial policy except to pile debt upon debt, deficit upon deficit by borrowing more billions of dollars through the issuance of additional tax-exempt securities. [Applause.]

EXTENSION OF REMARKS

Mr. CASE of South Dakota. Mr. Speaker, I ask unanimous consent to extend my remarks at the point where I interrogated the gentleman from Arizona [Mr. MURDOCK], and insert therein a letter from the President to the Committee on Mines and Mining.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. CULKIN. Mr. Speaker, I ask unanimous consent to extend my own remarks and include therein a letter from the attorney general of Wisconsin.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. DOWELL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. DOWELL. Mr. Speaker, on the adjournment of this Congress this House will lose one of its most valuable Members in the person of my friend and colleague, Hon. LLOYD THURSTON, of the Fifth Congressional District of Iowa.

Mr. THURSTON came to this House some 14 years ago, and like all new Members, was assigned to a number of minor committees. His work and worth, however, soon became known, and he was advanced to the most important committees of the House—that of Appropriations and later to membership on the great Ways and Means Committee. On all these committees, he served with distinction and honor.

This year he voluntarily determined not to become a candidate to succeed himself in the House, but to become a candidate for the office of United States Senator from Iowa.

For a number of years LLOYD THURSTON has been a prominent figure on this floor. His good judgment and wise counsel have been of inestimable value in shaping legislation, and will be greatly missed.

I know I voice the sentiment of every Member of this House when I express my sincere good wishes to Mr. THURSTON and his good wife, for a bountiful measure of success, good health, and happiness in the years to come. [Applause.]

EXTENSION OF REMARKS

Mr. SCOTT. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include a letter I addressed to Mr. Clark Eichelberger, director of the Committee for Concerted Peace Efforts, and his reply to that letter.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

RECESS

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent that the House stand in recess subject to the call of the Chair.

The SPEAKER. The gentleman from Texas asks unanimous consent that the House stand in recess subject to the call of the Chair. Is there objection?

There was no objection.

Accordingly (at 1 o'clock and 19 minutes p. m.) the House stood in recess subject to the call of the Speaker.

AFTER THE RECESS

The recess having expired, the House was called to order by the Speaker at 5 o'clock and 1 minute p. m.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. St. Claire, one of its clerks, announced that the Senate had passed without amendment bills and joint resolutions of the House of the following titles:

H. R. 2646. An act for the relief of Isabella Hooper Caraway and James Randolph Hooper, a minor;

H. R. 3761. An act for the relief of Dudley E. Essary;

H. R. 4691. An act for the relief of Pompeo Ercolano;

H. R. 4996. An act for the relief of Sue VanRyn; Donald A. VanRyn, a minor; and the estate of Margaret Breseman, deceased.

H. R. 6925. An act to provide for a national cemetery in every State;

H. R. 8047. An act to amend the Meat Inspection Act of March 4, 1907, as amended and extended, with respect to its application to farmers, retail butchers, and retail dealers.

H. R. 9012. An act for the relief of Joseph Webbe;

H. R. 9132. An act for the relief of Celia Koehler;

H. R. 9133. An act for the relief of William Monroe;

H. R. 9135. An act for the relief of Emons Wolfer;

H. R. 9516. An act for the relief of J. T. Herren and Billie Herren, a minor;

H. R. 9731. An act for the relief of James J. Coyne;

H. R. 9795. An act for the relief of Michael J. Muldowney;

H. R. 9859. An act for the relief of Victor H. Todaro;

H. R. 10135. An act for the relief of James Philip Coyle;

H. R. 10339. An act for the relief of Isaac Friedlander;

H. R. 10777. An act authorizing the village of Baudette, State of Minnesota, its successors and assigns, to construct, maintain, and operate, a bridge across the Rainy River at Baudette, Minn.;

H. R. 10835. An act to authorize the county of Kauai to issue bonds of such county in the year 1938 under the authority of Act 186 of the Session Laws of Hawaii, 1937, in excess of 1 percent of the assessed value of the property in said county as shown by the last assessment for taxation;

H. R. 10907. An act to provide for the vesting of title, and the disposition of personal property left or found upon premises used as Veterans' Administration facilities, and for other purposes;

H. J. Res. 281. Joint resolution to authorize sales and exchanges by the State of Wisconsin notwithstanding certain provisions in the act of August 22, 1912 (37 Stat. 324);

H. J. Res. 707. Joint resolution requesting the President of the United States to proclaim the week of May 31, 1939, National Flood Prevention Week; and

H. J. Res. 723. Joint resolution to amend H. R. 10672, Seventy-fifth Congress, third session, entitled "An act to amend section 4197 of the Revised Statutes, as amended (U. S. C., 1934 ed., title 46, sec. 91), and section 4200 of the Revised Statutes (U. S. C., 1934 ed., title 46, sec. 92), and for other purposes," so as to correct a typographical error.

The message also announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 9171. An act directing the Court of Claims to reopen certain cases and to correct the errors therein, if any, by additional judgments against the United States.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10024) entitled "An act to establish the Olympic National Park, in the State of Washington, and for other purposes."

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 2822. An act granting an increase of pension to Grizelda Hull Hobson.

The message also announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 3. An act to regulate commerce in firearms;

S. 2338. An act to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes;

S. 2811. An act to amend the Judicial Code by adding thereto a new section, to be numbered 659 (1), relating to the certification, authentication, and use in evidence of documents of record or on file in public offices in the state of Vatican City;

S. 3255. An act to provide for the establishment of a mechanism of regulation among over-the-counter brokers and dealers operating in interstate and foreign commerce or through the mails, to prevent acts and practices inconsistent with just and equitable principles of trade, and for other purposes;

S. 3346. An act authorizing the Secretary of the Interior to pay salaries and expenses of the chairman, secretary, and interpreter of the Klamath General Council, members of the Klamath Business Committee and other committees appointed by said Klamath General Council, and official delegates of the Klamath Tribe;

S. 3403. An act for the relief of Leonard Graboski;

S. 3493. An act providing for the suspension of annual assessment work on mining claims held by location in the United States;

S. 3525. An act to amend the act entitled "An act to extend the benefits of the Civil Service Retirement Act of May 29, 1930, as amended, to certain employees in the legislative and judicial branches of the Government," approved July 13, 1937;

S. 3684. An act to provide for the holding of terms of the district courts of the United States for West Virginia at Fairmont and Beckley; and

S. 3921. An act for the relief of Remijio Ortiz.

The message also announced that the Senate had passed the following concurrent resolution, in which the concurrence of the House is requested:

S. Con. Res. 42. Concurrent resolution authorizing the Clerk of the House of Representatives to make certain corrections in the enrollment of the bill (H. R. 10024) to establish the Olympic National Park in the State of Washington, and for other purposes.

PHOSPHATE RESOURCES

The SPEAKER. Pursuant to the provisions of public resolution 112, Seventy-fifth Congress, the Chair appoints as members of the joint committee to investigate the adequacy and use of the phosphate resources of the United States, the following Members of the House:

Mr. PETERSON of Florida, Mr. LEAVY, Mr. CASE of South Dakota.

WORK RELIEF AND PUBLIC BUILDINGS BILL

Mr. WOODRUM. Mr. Speaker, I present a conference report and statement upon House Joint Resolution 679 making appropriations for work relief, relief, and otherwise to increase employment by providing loans and grants for public-works projects for printing under the rule.

SECOND DEFICIENCY APPROPRIATION BILL, FISCAL YEAR 1938

Mr. WOODRUM. Mr. Speaker, I present a conference report and statement upon the bill H. R. 10851, making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1938, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1938, and June 30, 1939, and for other purposes, for printing under the rule.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10851) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1938, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1938, and June 30, 1939, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 42, 85, and 89.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 6, 7, 8, 9, 10, 11, 12, 13, 14, 16, 17, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 45, 48, 49, 53, 54, 57, 60, 62, 63, 64, 65, 66, 68, 69, 70, 71, 72, 73, 76, 77, 78, 80, 82, 83, 88, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, and 104, and agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

"For attendant authorized by Senate Resolution Numbered 252 adopted May 13, 1938, fiscal year 1939, $1,500."

And the Senate agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following:

"For expenses of inquiries and investigations ordered by the Senate, including compensation to stenographers of committees, at such rate as may be fixed by the Committee to Audit and Control the Contingent Expenses of the Senate, but not exceeding 25 cents per hundred words, fiscal year 1938, $70,000: *Provided*,

That no part of this appropriation shall be expended for per diem and subsistence expenses except in accordance with the provisions of the Subsistence Expense Act of 1926, approved June 3, 1926, as amended."

And on page 2 of the bill after line 15 insert the following:

"Contingent expenses: For an additional amount for expenses of special and select committees authorized by the House, fiscal year 1939, $70,000."

And the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following:

"For payment to William Madden, Preston L. George, and William S. Houston, messengers on night duty during the third session of the Seventy-fifth Congress, $900 each; in all $2,700, to be paid from the appropriation for printing and binding for Congress for the fiscal year 1939."

And the Senate agree to the same.

Amendment numbered 18: That the House recede from its disagreement of the Senate numbered 18, and agree to the same with an amendment, as follows: In line 4 of the matter inserted by said amendment strike out "$150,000" and insert in lieu thereof "$125,000"; and the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment, as follows: In line 4 of the matter inserted by said amendment strike out "$275,000" and insert in lieu thereof "$250,000"; and the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment, as follows: In line 10 of the matter inserted by said amendment strike out "$100,000" and insert in lieu thereof "$75,000"; and the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following:

"NORTHWEST TERRITORY CELEBRATION COMMISSION

"For an additional amount for the expenses of participation of the Government of the United States in the Northwest Territory Celebration Commission, in accordance with Public Resolution Numbered 101, approved May 31, 1938, fiscal year 1939, $15,000, to be immediately available and to remain available until April 15, 1939."

And the Senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment, insert "$15,000"; and the Senate agree to the same.

Amendment numbered 23: That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment, as follows: In line 5 of the matter inserted by said amendment strike out "1938" and insert in lieu thereof "1939"; and the Senate agree to the same.

Amendment numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "$500,000"; and the Senate agree to the same.

Amendment numbered 25: That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment, as follows: In line 8 of the matter inserted by said amendment strike out "Title I of H. J. Res. 679" and insert in lieu thereof the following: "section 1 (1) of the Emergency Relief Appropriation Act of 1938"; and at the end of the matter inserted by said amendment and before the period insert the following: ": *Provided further*, That not to exceed $50,000 may be expended on any one project"; and the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment, as follows: In the matter inserted by said amendment strike out the sum of "$14,820" and insert in lieu thereof "$10,000"; and the Senate agree to the same.

Amendment numbered 46: That the House recede from its disagreement to the amendment of the Senate numbered 46, and agree to the same with an amendment, as follows: In lines 8 and 9 of the matter inserted by said amendment strike out "such sums as he deems necessary" and insert in lieu thereof: "not to exceed $50,000"; and the Senate agree to the same.

Amendment numbered 47: That the House recede from its disagreement to the amendment of the Senate numbered 47, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following:

"Fish cultural station: For the establishment of a fish cultural station, fiscal year 1939, $6,500."

And the Senate agree to the same.

Amendment numbered 50: That the House recede from its disagreement to the amendment of the Senate numbered 50, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following:

"MOUNT RUSHMORE NATIONAL MEMORIAL COMMISSION

"Mount Rushmore National Memorial Commission: For carrying into effect the provisions of the Mount Rushmore Memorial Act of 1938, fiscal year 1939, $50,000: *Provided*, That no part of this appropriation shall be expended for work on any figure, in addition to the four figures authorized by law, upon which work had not commenced as of June 22, 1936."

And the Senate agree to the same.

Amendment numbered 51: That the House recede from its disagreement to the amendment of the Senate numbered 51, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following:

"NATIONAL BITUMINOUS COAL COMMISSION

"Salaries and expenses: For an additional amount for all necessary expenditures of the National Bituminous Coal Commission in performing the duties imposed upon said Commission by the Bituminous Coal Act of 1937, approved April 26, 1937 (50 Stat. 72), including the same objects specified under this head in the Interior Department Appropriation Act for the fiscal year 1939 and including the purchase of a passenger-carrying automobile for use in the District of Columbia, fiscal year 1939, $250,000: *Provided*, That expenditures during the fiscal year 1939 under this head and under the head 'Salaries and expenses, office of consumers' counsel, National Bituminous Coal Commission,' shall not exceed an amount equal to the aggregate receipts covered into the Treasury under the provisions of section 3 of the Bituminous Coal Act of 1937."

And the Senate agree to the same.

Amendment numbered 52: That the House recede from its disagreement to the amendment of the Senate numbered 52, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$3,500,000"; and the Senate agree to the same.

Amendment numbered 55: That the House recede from its disagreement to the amendment of the Senate numbered 55, and agree to the same with an amendment, as follows: In lieu of sum named in said amendment insert "$250,000"; and the Senate agree to the same.

Amendment numbered 56: That the House recede from its disagreement to the amendment of the Senate numbered 56, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$975,000"; and the Senate agree to the same.

Amendment numbered 59: That the House recede from its disagreement to the amendment of the Senate numbered 59, and agree to the same with an amendment, as follows: In the last line of the matter inserted by said amendment strike out the sum "$300,000", and insert in lieu thereof the following: "the sum of $300,000 is hereby made available from the amount allocable for Federal projects under section 201 of the Public Works Administration Appropriation Act of 1938"; and the Senate agree to the same.

Amendment numbered 61: That the House recede from its disagreement to the amendment of the Senate numbered 61, and agree to the same with an amendment, as follows: In lieu of sum named in said amendment insert "$400,000"; and the Senate agree to the same.

Amendment numbered 67: That the House recede from its disagreement to the amendment of the Senate numbered 67, and agree to the same with an amendment, as follows: Strike out all of the matter inserted by said amendment after the word "authorized" in line 13, and insert in lieu thereof the following: "to be appropriated by the enactment into law of either or both of the aforesaid acts, fiscal year 1939, $11,750"; and the Senate agree to the same.

Amendment numbered 74: That the House recede from its disagreement to the amendment of the Senate numbered 74, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following:

"Third Pan-American Highway Conference: For the expenses of participation by the United States in the Third Pan-American Highway Conference, to be held in Chile during the fiscal year 1939, as authorized by and in accordance with the Public Resolution of May 20, 1938, fiscal year 1939, $15,000."

And the Senate agree to the same.

Amendment numbered 75: That the House recede from its disagreement to the amendment of the Senate numbered 75, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following:

"SECRETARY OF WAR

"Educational orders: For placing educational orders to familiarize private manufacturing establishments with the production of munitions of war of special or technical design, noncommercial in character, as authorized by law, fiscal year 1939, a sum or sums not exceeding a total of $2,000,000 may be transferred from appropriations available for other Military Activities for fiscal year 1939 and not required for such activities and may be utilized for the purposes of this paragraph."

And transfer the amended paragraph to page 81 of the bill after line 20; and the Senate agree to the same.

Amendment numbered 79: That the House recede from its disagreement to the amendment of the Senate numbered 79 and agree to the same with an amendment as follows: Omit the mat-

ter inserted and restore the matter stricken out amended to read as follows: "Not to exceed $4,200,000 of the"; and the Senate agree to the same.

Amendment numbered 81: That the House recede from its disagreement to the amendment of the Senate numbered 81, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following:

"For the refunding, which is hereby authorized, in accordance with rules and regulations to be prescribed by the Commissioner of Internal Revenue with the approval of the Secretary of the Treasury, of all amounts collected by any collector of internal revenue as tax (including penalties and interest) under the Bankhead Cotton Act of 1934 (48 Stat. 598), as amended, the Kerr Tobacco Act (48 Stat. 1275), as amended, and the Potato Act of 1935 (49 Stat. 750), fiscal year 1939, so much of the appropriation in the immediately preceding paragraph as may be requisite is hereby made available for the purposes of and in accordance with the provisions of this paragraph: *Provided*, That no refund shall be made or allowed of any amount paid by or collected from any person as tax under such Acts, unless, after the date of the enactment of this Act, and prior to July 1, 1939, a claim for refund has been filed by such person: *Provided further*, That no refund shall be denied upon the ground that a proceeding to recover had become barred by the limitation provisions of such Acts, or by the provisions of section 3226, as amended, of the Revised Statutes, or by the provisions of section 608 of the Revenue Act of 1928: *Provided further*, That in the absence of fraud all findings of fact and conclusions of law of the Commissioner of Internal Revenue upon the merits of any such claim for refund, and the mathematical calculations made in connection therewith, shall not be subject to review by any court or by any other officer, employee, or agent of the United States: *Provided further*, That no refund of any tax shall be made under this paragraph unless liability for the payment of such tax was satisfied by the payment of money: *Provided further*, That no interest shall be allowed in connection with any refund made under the authority of this paragraph: *Provided further*, That in the case of amounts paid as tax under the Bankhead Cotton Act of 1934 with respect to the ginning of cotton (a) refund shall be allowed to the ginner of the cotton only to the extent that the ginner has not shifted the burden of the tax by including it in any charge or fee for ginning, or by collecting it from the owner or owners of the cotton ginned, or in any manner whatsoever, and (b) refund shall be allowed to the owner or owners of the cotton at the time of ginning, to the extent that the amount of tax was shifted to such owner or owners by the cotton ginner and was not shifted by such owner or owners to other persons, and in such cases, but only for the purposes of this paragraph, the tax shall be considered to have been paid by the ginner to the United States for the account of such owner or owners. No part of the amount of any refund made under this paragraph in excess of 10 per centum of the amount of such refund shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with such refund, and the same shall be unlawful, any contract to the contrary notwithstanding; and any person violating the provisions of this sentence shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

And the Senate agree to the same.

Amendment numbered 84: That the House recede from its disagreement to the amendment of the Senate numbered 84, and agree to the same with an amendment, as follows: In line 5 of the matter inserted by said amendment strike out "Title I, Section 1," and insert in lieu thereof "section 1"; and the Senate agree to the same.

Amendment numbered 86: That the House recede from its disagreement to the amendment of the Senate numbered 86, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment and after the sum "$10,815,000" add the following: "; and such sum of $3,000,000 is hereby made available from the appropriation of $965,000,000 in section 201 (a) of the Public Works Administration Appropriation Act of 1938 and is hereby transferred to the Procurement Division, Treasury Department, for the purposes of this paragraph: *Provided*, That such sum of $3,000,000 shall not be subject to any of the other provisions of such Act"; and the Senate agree to the same.

Amendment numbered 87: That the House recede from its disagreement to the amendment of the Senate numbered 87, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment and after the sum "$14,250,000" add the following: "; and such sum of $3,000,000 is hereby made available from the appropriation of $965,000,000 in section 201 (a) of the Public Works Administration Appropriation Act of 1938 and is hereby transferred to the Procurement Division, Treasury Department, for the purposes of this paragraph: *Provided*, That such sum of $3,000,000 shall not be subject to any of the other provisions of such Act"; and the Senate agree to the same.

Amendment numbered 90: That the House recede from its disagreement to the amendment of the Senate numbered 90, and agree to the same with an amendment, as follows: After the word "attendants" in the last line of the matter inserted by said amendment insert the following: ", and for their food and shelter at Gettysburg"; and the Senate agree to the same.

Amendment numbered 91: That the House recede from its disagreement to the amendment of the Senate numbered 91, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following: "Flood control, Mississippi River and tributaries: The Secretary of War, upon approval by the President, is authorized to transfer not to exceed a total of $6,000,000 from the sum of $18,000,000 made available by the War Department Civil Appropriation Act, 1939, from the appropriation in section 1 (1) of the Emergency Relief Appropriation Act of 1938, to the appropriation contained in such War Department Civil Appropriation Act, 1939, for 'Flood control, Mississippi River and tributaries': *Provided*, That such authorization for transfer of funds shall not become effective unless and until there is enacted into law the provisions under the heading 'Lower Mississippi River' contained in H. R. 10618, Seventy-fifth Congress, entitled 'An Act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes' "; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 43, 44, and 58.

C. A. WOODRUM,
JOHN J. BOYLAN,
CLARENCE CANNON,
LOUIS LUDLOW,
J. BUELL SNYDER,
ROBERT L. BACON,
Managers on the part of the House.

ALVA B. ADAMS,
CARTER GLASS,
KENNETH MCKELLAR,
CARL HAYDEN,
JAMES F. BYRNES,
FREDERICK HALE,
JOHN G. TOWNSEND, JR.,
Managers on the part of the Senate.

Mr. WOODRUM. Mr. Speaker, I call up the conference report upon the bill H. R. 10851, the deficiency appropriation bill.

The SPEAKER. The Clerk will report the conference report.

The Clerk read the conference report.

Mr. WOODRUM. Mr. Speaker, the conference report on the deficiency bill, which is now before the House, is a complete report, and a complete agreement among the conferees of the two bodies, with the exception of three amendments which will be called up in a few moments. Amendment numbered 43, having to do with the purchase of land in Tahoe National Park, amendment numbered 44, having to do with the cooperative farm-forestry program, and amendment numbered 58, relating to the Reclamation Service, are still in disagreement. Otherwise it is a complete report and agreement, not a unanimous agreement, but an agreement. I do not wish to take the time of the House in going over these 104 amendments. I think we all know pretty well what is in the report, and if there is anything that any gentleman is particularly interested in, I should be very glad to yield briefly to questions.

There is one matter included in the conference report which the conferees on both sides agreed should be given attention in the making of this report. The Senate provided extra compensation to four night messengers of the Government Printing Office on congressional work. This extra allowance, in addition to their regular pay, has been a custom for some years. One messenger included by the Senate had never received it, and he has been excluded in the conference agreement. It was the opinion of the conferees that the allowance should not be made for any of them at this time, but inasmuch as this custom has prevailed, that it would be included this once and final time, and that hereafter it would be discontinued.

Mr. STEFAN. Mr. Speaker, will the gentleman yield?

Mr. WOODRUM. Yes.

Mr. STEFAN. Is the item of $50,000 for an appropriation for road work in Central American countries in the conference report, and is this money to be used for road construction or for engineering?

Mr. WOODRUM. It is limited to engineering purposes only.

Mr. STEFAN. There will be no steel and cement or material bought to build roads in South and Central American countries?

Mr. WOODRUM. No.

Mr. DOXEY. Mr. Speaker, I understand that there is a disagreement on amendment No. 44, which relates to cooperative farm forestry.

Mr. WOODRUM. Yes.

Mr. DOXEY. And that the gentleman is going to move the previous question on the conference report, and will then later take up the amendments in relation to forestry?

Mr. WOODRUM. Yes.

Mr. ROBINSON of Utah. What about the item put in by the Senate with reference to the Bureau of Mines?

Mr. WOODRUM. It is in the bill, with provision that the funds come out of the Public Works Administration money.

Mr. ROBINSON of Utah. And as I understand it, that fund is so earmarked?

Mr. WOODRUM. Yes.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. WOODRUM. Yes.

Mr. RICH. What was done with the shelterbelt forest area in the West?

Mr. WOODRUM. That is in disagreement and will come up after the conference report is disposed of.

Mr. RICH. Has the Senate asked for money to continue the planting of trees in that shelterbelt?

Mr. WOODRUM. One million three hundred thousand dollars.

Mr. RICH. And the gentleman is going to take that up later, as far as the House is concerned?

Mr. WOODRUM. Yes.

Mr. RICH. What was done about reclamation?

Mr. WOODRUM. There are a number of items in respect to reclamation.

Mr. RICH. And they are in disagreement?

Mr. WOODRUM. No; they are disposed of in the conference report, with one exception. With respect to a great many of them we did something and with respect to others we did nothing.

Mr. WHITTINGTON. Mr. Speaker, will the gentleman yield?

Mr. WOODRUM. Yes.

Mr. WHITTINGTON. What about amendment No. 91, with respect to $12,000,000 for flood work in the lower Mississippi?

Mr. WOODRUM. That is reduced to $6,000,000, and it is provided that the funds shall come out of the W. P. A. money, which was earmarked in the War Department civil appropriation bill.

Mr. WHITTINGTON. In other words, that is not to come out of the regular appropriations for the next fiscal year?

Mr. WOODRUM. That is correct.

Mr. WHITTINGTON. And this will be for purposes generally under the act as submitted in the amendment?

Mr. WOODRUM. Yes.

Mr. TARVER. Will the gentleman explain the action the conferees took in regard to the refunding of taxes under the Bankhead bill, cotton-gin taxes, tobacco, and potatoes?

Mr. WOODRUM. The processing tax refunds as they passed the House are agreed to in the Senate.

Mr. TARVER. I am not referring to the processing tax, but to the cotton-gin taxes.

Mr. WOODRUM. Provision is made for the payment of these taxes. I yield 5 minutes to the gentleman from New York [Mr. TABER].

Mr. GREEVER. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. GREEVER. Will the gentleman from Virginia tell us what was done in conference about Senate amendment No. 55 dealing with the Tucumcari project?

Mr. WOODRUM. The amount was split in half.

Mr. GREEVER. Two hundred and fifty thousand dollars was allowed?

Mr. WOODRUM. Yes.

Mr. TABER. Mr. Speaker, I am opposed to this conference report.

The House has yielded to the Senate on almost everything. The only item on which the Senate yielded to the House was the two buildings for the War Department and the Social Security Board, but instead of increasing the amount of the direct appropriations in this bill these items are taken out of the relief bill. The total amount to come out of the relief bill will be $6,300,000.

The Senate increases allowed amount to $14,314,000, including in the things that are allowed such ridiculous items as this Tucumcari reclamation point in New Mexico which even the reclamation-minded Department of the Interior refuses to approve. The Tucumcari proposition is absolutely ridiculous. Two hundred and fifty thousand dollars is carried in this bill to start it. If we start it, it means that we have got to appropriate the balance of $8,000,000. It will bring 45,000 acres under cultivation in a place where they cannot produce enough to make a living. I do not think it is an economical performance or anything that ought to be allowed.

Another thing they did, and I am giving only the high spots, is to include the toy-balloon item, this so-called dirigible. Let me read you what Admiral Leahy, Chief of Operations of the Navy Department said about it:

> Have you seen anything to indicate that they had any military value?
>
> Admiral LEAHY. I have not.

Mr. PHILLIPS. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. PHILLIPS. Will the gentleman tell the House what the Assistant Secretary of the Navy said?

Mr. TABER. Oh, he wanted it; but he did not know why he wanted it.

Mr. PHILLIPS. I disagree with the gentleman. Will the gentleman read his testimony before the Naval Affairs Committee?

Mr. TABER. He did not tell us any reason in our committee. Admiral Cook, in charge of the Bureau of Aeronautics told us that he would like it, but when it came to cross-questioning him his ideas of what it could be used for did not show it to be of any military value.

Mr. KELLER. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. KELLER. Is not that very true of the beginnings of almost all these new things that afterward succeeded all over the world?

Mr. TABER. I expect the gentleman wants to be a party to criminally creating more ships of this kind to blow up just like the *Macon* and the *Akron* did. Now, I do not want to be a party to doing any such thing as that. These things have been a failure. The Bureau of Aeronautics told us that they were structurally defective, that they were built by Germans imported from the Zeppelin outfit. That is just what will happen on these things. They have no military value whatever in view of the development that is taking place with reference to trans-Atlantic flights of heavier-than-air craft. They have absolutely no commercial value, because they cannot come within 25 percent of the speed of heavier-than-air craft crossing the Atlantic. I do not want to be a party to anything of that kind.

This item for continuing these roads in Central America is absolutely ridiculous. Fifty thousand dollars is carried to pay engineers who have nothing to do. Why, they have gone down there and built a bridge in Honduras that has cost them over $1,000,000. They put in their report of the contributions that Honduras made, and all they amount to is a refund of the duty that Honduras otherwise would have collected on the steel that has gone into the construction of the bridge. Furthermore, the bridge is not in a place where it can be used, because Honduras has decided to make the road go through her capital and not where the bridge is. [Laughter.]

I hope this sort of operation will be disapproved. We cannot go on with this kind of thing in the last days of the session and get anywhere.

[Here the gavel fell.]

Mr. WOODRUM. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the conference report.

The question was taken; and on a division (demanded by Mr. TABER) there were—ayes 246, noes 31.

So the conference report was agreed to.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Amendment No. 43, page 31, line 11, insert:

"Acquisition of lands for national forests, Tahoe National Forest: To enable the Secretary of Agriculture to carry into effect the provisions of sections 1 to 4, inclusive, of the act entitled 'An act to provide for the acquisition of certain lands for and the addition thereof to the Tahoe National Forest, in the State of Nevada, and the acquisition of certain other lands for the completion of the acquisition of the remaining lands within the limits of the great Smoky Mountains National Park in east Tennessee,' approved February 12, 1938, $325,000."

Mr. WOODRUM. Mr. Speaker, I move that the House further insist on its disagreement to the amendment of the Senate No. 11.

Mr. O'MALLEY. Mr. Speaker, I offer a privileged motion.

The SPEAKER. The gentleman from Virginia moves that the House further insist on its disagreement to the amendment of the Senate No. 43. The gentleman from Wisconsin offers a preferential motion which the Clerk will report.

The Clerk read as follows:

Mr. O'MALLEY moves that the House recede from its disagreement to the amendment of the Senate No. 43 and concur in the same.

Mr. WOODRUM. Mr. Speaker, the item in disagreement is for $325,000 for the purchase of additional land in the Tahoe National Forest. There is an authorization but the matter has not been presented to any of the regular committees of either body by a Budget estimate. There is no more reason for putting this item in the bill than there would be some hundreds of other authorized items that the Members of the House and Senate are interested in, for which there are no Budget estimates and which are not included in the appropriations for this session of Congress. There is $325,000 involved in this.

The House conferees are unanimous in their opposition to it. I hope very much that my motion to further insist on disagreement will prevail. I may say that if the House further insists upon its disagreement, the matter will be very quickly disposed of in the other body.

Mr. Speaker, I yield 5 minutes to the gentleman from Wisconsin [Mr. O'MALLEY].

Mr. O'MALLEY. Mr. Speaker, I offered a motion to recede and concur in the Senate amendment because, in contacting the Bureau of the Budget a little while ago, the Bureau indicated to me it was not necessary for them to make an estimate. They also said they had not made an estimate.

This forest land bordering Lake Tahoe is being picked up and purchased by real-estate sharks right now; and, unless this item is agreed to, the time will come very shortly when the Nevada side of the lake will be closed to public entry and this watershed will be lost. The only things that seem to have gotten the axe in this conference report are those having to do with land and forests, things that belong to the people. They have stricken out the $200,000 for the forest-products laboratory in my State that has for years added much to the material wealth of this country through study and experimentation with forest products. They propose to strike out this amendment 44, which has to do with forestry work of the Department of Agriculture.

The plea I make to the Congress here is, do not let the land in the great watershed bordering Lake Tahoe get into the hands of these real-estate sharks who are now purchasing it in small parcels, because the time will come when the Government and this Congress will be compelled, if they wish to preserve this wonderful lake and its border lands for the public, to buy this land back at 10 or 20 times what it may be obtained for now.

Mr. O'CONNOR of New York. Will the gentleman yield?

Mr. O'MALLEY. I yield to the gentleman from New York.

Mr. O'CONNOR of New York. The gentleman from Virginia [Mr. WOODRUM] moved to further disagree with this amendment. The gentleman from Wisconsin moved to recede and concur in the amendment.

Mr. O'MALLEY. That is right.

Mr. O'CONNOR of New York. If the motion offered by the gentleman from Wisconsin carries, this matter does not have to go back for further conference?

Mr. O'MALLEY. Yes. Therefore, we will not be delayed at all, at least not as much as if we further insist on the amendment. The plea I make is if you are a friend of our forests, if you are a friend of this beautiful lake, where many of you have been, and you want the public to get this land at the cheapest price at which the Government can get it, do not delay this matter, because I know that today there are men out there buying this up in small parcels. This is a small amount for the hundreds of acres of lake land that this Government can purchase cheaply, and I hope the House will agree to my motion.

[Here the gavel fell.]

Mr. WOODRUM. Mr. Speaker, I yield 5 minutes to the gentleman from Missouri [Mr. CANNON].

Mr. TABER. Will the gentleman yield for a question?

Mr. CANNON of Missouri. I yield to the gentleman from New York.

Mr. TABER. The failure of the Budget to send up an estimate here is always regarded by the Appropriations Committee as tantamount to a disapproval of appropriation of the money at this time?

Mr. CANNON of Missouri. No other view can be taken. Failure of the Budget Bureau to submit an estimate is necessarily regarded as disapproval by the Department having jurisdiction, and the committee declines to consider such proposals except in emergencies.

Mr. WOODRUM. Will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Virginia.

Mr. WOODRUM. Will the gentleman confirm the fact that if the House further insists upon its disagreement to this amendment it will not be necessary to go back to conference, but the matter will be disposed of in the Senate very speedily?

Mr. CANNON of Missouri. The gentleman is correct. While technically, further conference would be required, assurance may be given that the action taken by the House is final.

Mr. Speaker, the problem involved here is very simple. It is merely a question of whether we will comply with the law and follow the established routine of a quarter of a century or annul the law and disregard established priorities; whether we will proceed in an orderly manner and determine the order in which acquisitions are made on their merits or arbitrarily set aside the functions of the national commission and favor one project and one State at the expense of all other projects and all other States in the Union.

The National Forestry Conservation Commission was established in 1911 with authority to pass upon all purchases, and from that day to this has discharged its functions without criticism or objection from either House of Congress. Upon its decisions and approval the Department has expended the funds provided for the purpose and has purchased from year to year, in the priority indicated by needs of the country, such lands as were required in the order of their respective merit.

I do not believe there is a Member on the floor of the House today who will not agree that is the way it ought to be bought.

There must be some responsible, experienced, authoritative agency of the Government authorized to say where we should buy land and when it should be bought. The National Forestry Reservation Commission is just such an agency, and in that capacity it has functioned for 25 years to the entire satisfaction of the Department and the Congress. And certainly there is no occasion at this late day to repudiate the Commission or arbitrarily disrupt its program.

Mr. O'MALLEY. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to my friend, the gentleman from Wisconsin.

Mr. O'MALLEY. I agree with the gentleman, but this Commission seems to me to be taking so long to make up its mind on this land that the real-estate sharks will have their hands on the land, as they are doing now, before the Commission gets around to getting the land for the Government.

Mr. CANNON of Missouri. The Commission is following the same routine followed for years, and if it has not approved a purchase there must be some good reason for its delay.

Mr. DOXEY. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the distinguished author of the Doxey-Norris law, the gentleman from Mississippi.

Mr. DOXEY. As a member of the Commission, of course, I am very much interested in this matter. May I ask the distinguished gentleman from Wisconsin if this matter has ever been presented to the Commission? The Commission cannot function until we have an agenda and matters are placed on the docket. When this question comes up on the docket it will be considered, but I, as a member of that Commission, and the gentleman from Michigan [Mr. WOODRUFF], who is also a member, will bear me out on this, will tell you that we have never had a chance to consider it.

Mr. O'MALLEY. My answer is that this matter was submitted to the Commission.

Mr. DOXEY. We cannot consider it until it is brought up.

Mr. CANNON of Missouri. As the gentleman from Wisconsin says, the matter has been submitted to the Commission. I want you to understand that this proposal here is to disregard the regularly constituted tribunal and override the decision of the Commission and the law under which it is operating, and has operated so long and so satisfactorily. I do not believe the Congress wishes to take that drastic step simply because some pet project has not been given special favors regardless of its merits, and at the expense of every other project and every other section of the country.

The Forestry Reservation Commission not only has authority to approve the purchase of this particular parcel of land but it has the money. In addition to the unexpended funds on hand at the end of the fiscal year, the agricultural appropriation bill just sent to the President carries $3,000,000 additional for this exclusive purpose. The Commission has ample authority and ample funds to take care of this special project if it is a meritorious proposition. It can do it under the law without this amendment or any further legislation of any kind. The very fact that the amendment is offered naturally leads us to wonder if it has any merit or if circumstances are such as to make it an emergency. If so, all that is necessary is to bring it regularly before the Commission, and the Commission can authorize immediate purchase. The attempt to force the item into this bill, where it has no place, is tantamount to an acknowledgment that the land ought not to be bought.

He that entereth not by the door into the sheepfold but climbeth up some other way * * *.

But the most serious effect of this amendment is its disregard for the rights of other States. What effect would it have on proposed purchases of land in your own State? You are observing the proprieties. You are submitting requests for the purchase of land in your State and your district to the Commission instituted for that purpose. And suddenly, without rhyme or reason, this amendment strong-arms its way into the bill and pushes out your projects and delays by at least a year purchases of land which otherwise would have been made in their regular order.

Mr. Speaker, the House conferees have considered this amendment conscientiously. They can find no single reason why the law should not take its course and why the Commission should not pass upon the claims of this project in exactly the same way they have passed on the claims of every other project for the last 25 years. To do otherwise is to invite chaos in which there will be a mad scramble by representatives from all sections seeking to secure approval through appeal to political considerations regardless of the needs of the country and the carefully considered program under which such satisfactory progress has been made ever since the establishment of the Commission. I trust the House will sustain the conferees and reject the amendment.

Mr. WOODRUM. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the preferential motion offered by the gentleman from Wisconsin [Mr. O'MALLEY].

The motion was rejected.

The SPEAKER. The question recurs on the motion offered by the gentleman from Virginia [Mr. WOODRUM].

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The clerk read as follows:

Senate amendment No. 44: On page 31, line 21, insert the following:

"MISCELLANEOUS

"Cooperative farm forestry: For carrying out the provisions of the Cooperative Farm Forestry Act (50 Stat. 188), approved May 18, 1937, $1,300,000, which amount shall be available for the employment of persons and means in the District of Columbia and elsewhere: *Provided*, That not more than 20 percent of this amount shall be expended on the prairie States forestry project in the prairie plains region."

Mr. WOODRUM. Mr. Speaker, I move that the House insist upon its disagreement to the Senate amendment.

The SPEAKER. The Clerk will report the motion of the gentleman from Virginia.

The Clerk read as follows:

Mr. WOODRUM moves that the House insist upon its disagreement to Senate amendment No. 44.

Mr. DOXEY. Mr. Speaker, I offer a preferential motion that the House recede and concur in Senate amendment No. 44.

The SPEAKER. The Clerk will report the motion of the gentleman from Mississippi.

The Clerk read as follows:

Mr. DOXEY moves that the House recede and concur in Senate amendment No. 44.

Mr. WOODRUM. Mr. Speaker, I yield myself 5 minutes.

Mr. DOXEY. May I ask the distinguished gentleman who has charge of the time; how much time he is going to yield me on this very important proposal?

Mr. WOODRUM. According to our conversation a moment ago, I anticipate yielding 20 minutes to the gentleman for his side of the controversy, to be yielded by him to others as he sees fit.

Mr. DOXEY. The gentleman knows I want to cooperate and agree when I can. I will have 20 minutes, and the gentleman is going to close?

Mr. WOODRUM. The gentleman from Missouri [Mr. CANNON] will close.

Mr. Speaker, this amendment involves the program of cooperative farm forestry. The Budget sent an item to the Committee on Appropriations for $1,300,000 for farm forestry. The subcommittee of the House Committee on Appropriations considered the matter and appropriated $100,000. This action was confirmed by the House when the agricultural bill was before the House for considera-

tion. The Senate Committee on Appropriations also considered the Budget item of $1,300,000 and failed to increase the item in the regular agricultural bill in the Senate. No action was taken in the Senate, so the regular agricultural bill passed both Houses and has become a law with no further action having been taken on this matter because of very serious and strenuous objections to it.

When the deficiency bill, this bill, was before the House a short time ago, an amendment was offered on the floor of the House undertaking to insert this item in the bill.

Mr. DOXEY. Mr. Speaker, will the gentleman yield?

Mr. WOODRUM. I yield to the gentleman from Mississippi.

Mr. DOXEY. Will the gentleman inform me who offered that amendment?

Mr. LUCKEY of Nebraska. I offered the amendment, I may say to the gentleman.

Mr. DOXEY. When the agricultural bill was before the House?

Mr. WOODRUM. No; when this deficiency bill was before the House.

The matter was then discussed and considered by the Committee of the Whole, and the amendment was defeated.

Now, Mr. Speaker, that is the situation. This is not an emergency matter. There is nothing in the nature of a deficiency about it. The matter has been carefully considered by both committees of the Congress at this session, and the conferees of the House, unanimously, are very anxious that the House sustain our action in objecting to it, but we made the promise to the conferees of the Senate that we would bring the matter back here for a vote, and your vote will determine it. If you sustain the motion I have made to further insist upon our disagreement, the matter will go out of the bill and it will not be necessary to go back into conference again.

Mr. Speaker, I yield 20 minutes to the gentleman from Mississippi [Mr. DOXEY].

Mr. DOXEY. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, to my mind this is a most important situation, and I may say to you frankly that if it were not it would not be my purpose to take up the time of the House in discussing it at this time. I think I know the temper of this House, and I know you want to adjourn. However, on account of my tremendous interest in the matter, I hope you will not think I am imposing upon the House because I do not believe I have been guilty of taking the time of this House unnecessarily on any proposition; but, Mr. Chairman, the distinguished chairman of this committee told you in general the legislative history of this matter. In May 1937, what is known as the Norris-Doxey bill passed this House, passed the Senate, and was signed by the President. At that time the agricultural appropriation bill for 1937 had been taken up and fashioned, and when that bill came up for consideration this year the Budget had recommended $1,200,000, or $1,300,000, I have forgotten which, but I believe the gentleman from Virginia said $1,200,000. Under the Norris-Doxey Act, however, the Budget put a provision in there that $1,000,000 should go into the shelterbelt, leaving only $200,000 for the rest of the country. I oppose this.

This caused some dissension for the reason that this farm-cooperative measure was for the farm-forest program throughout the United States, from the Great Lakes to the Gulf and from the Atlantic to the Pacific.

We were friends of the shelterbelt, and we still are, and we realize the importance of doing something out there, but it was left out of the appropriation bill, and when the agricultural appropriation bill came up on the floor this year this was the situation. I think I have been one of those who has tried to cooperate with all the committees, including the shelterbelt fellows, but I may say frankly I opposed $1,000,000 for the shelterbelt and just $200,000 for the rest of the country. I want an equal and equitable provision to prevail, but we said we would not offer an amendment to the appropriation bill in the House but we would work out our differences and agree when it would be considered in the Senate. We did agree on an 80–20 percent division of funds. I cannot tell you why it was not put on the agricultural appropriation bill in the Senate, but it was not. The gentleman from Virginia is right about that. It was not put on the agricultural appropriation bill and I did not know until this very moment that my distinguished friend from Nebraska [Mr. LUCKEY] offered his amendment to the deficiency bill when it was considered here in the House. I do know that together with the gentleman from Nebraska and my colleague from Mississippi [Mr. COLMER] and the Florida boys I went before this deficiency appropriation committee and they did not put it on then because the committee said it was not an emergency. However, we did our best.

Mr. Speaker, there are all kinds of degrees of emergency, and I may say that the Senate considered this matter and voted to put this item in the bill by a record vote of 61 to 15. If you will read the remarks of Senator NORRIS, of Nebraska—that grand old man, that great statesman—in the RECORD of last Tuesday night, June 14, you will see the necessity and the absolute impending necessity and emergency for this item to be included in this deficiency bill.

Mr. Speaker, the farm cooperative forestry program is one that has a far-reaching effect. Today 185,000,000 acres of farm forest lands are not being treated properly, but even as they are being handled now they bring a national revenue of over $64,000,000 annually. There are two and a half million farm people interested in this great forest program and as I have said to you, the Senate has included it in this deficiency bill by a record vote of 61 to 15. They believe in this program.

I was not apprised of the announcement made by my distinguished friend from Virginia [Mr. WOODRUM], or the distinguished gentleman from Missouri [Mr. CANNON], that the Senate conferees had agreed that no matter what happened on the floor here they were going to lay down and agree with the House conferees. I do not know whether they are or not, but I know they were admonished in the Senate when the Senate put this item on there to let it mean something, and I believe it will mean something and I know there is something to it, and I know that if you recede and concur in the Senate amendment there will be no doubt about our adjourning immediately. Not being a conferee on this bill I am not otherwise informed.

I do not want anything here but what we are entitled to. Now, I will tell you who are in favor of this. The Budget recommended it, all the departments are for it, all the farm organizations, so far as I know, are for it, but the nurseries, not all of them but some of them, have carried on an organized fight and spread all kinds of propaganda here and this has had a telling effect. It has blocked this appropriation thus far or at least had much to do with its defeat.

Frankly, I am going to see, if I can, that we have a record vote, because I do not want the American people to feel that some of the nursery people, on account of a powerful lobby, can control legislation—rather, appropriations—in the House of Representatives. I have never done anything here to put anybody on the spot, but spot or no spot, I feel that a show-down should happen on this, because the nursery people—not all of them—have bitterly opposed this provision. It was put into the RECORD that some of them were writing people to compliment the Congress, because they kept this appropriation from being made. The nurseries who are opposing this are in their own light. Eventually it will help nurseries.

Mr. MICHENER rose.

Mr. DOXEY. Oh, I knew the gentleman from Michigan would rise, but I gladly yield to him for a question.

Mr. MICHENER. Not to exceed 20 percent of this is to be used for the shelterbelt. A part of this money, as I say, is to be used in connection with the shelterbelt to be built in the Middle West, and which has been declared and admitted to be a failure, even by the gentleman.

Mr. DOXEY. I do not yield any further. Twenty percent of it is to be used in the shelterbelt. Whoever said the shelterbelt is a failure said so because he does not know anything about it. I can show you pictures, and Senator NORRIS showed pictures where a crop was planted, where the shelterbelt had been developed, and the crop grew, because the trees held the moisture. If you want to be selfish about it, vote it down. If you want to be constructive and help future generations, vote for my motion.

Mr. McFARLANE. Mr. Speaker, will the gentleman yield?

Mr. DOXEY. Yes; with pleasure.

Mr. McFARLANE. I just want to say that part of this shelterbelt program is in the west end of my district, and in the district of the gentleman from Texas [Mr. JONES], and throughout that area, and pictures I have in my possession clearly show that it has been a tremendous success.

Mr. DOXEY. People may have an honest difference of opinion, but I am willing to leave this as to the possibility of the shelterbelt in the hands of this Congress. The shelterbelt gets 20 percent of this appropriation, and we are very glad they do; the rest of the country gets 80 percent. The legislation is definite and specific. The other 80 percent goes to every farmer that is interested in the farm-forestry program throughout the country, and no man will deny, in my humble judgment, that we have not a real farm-forestry program throughout the length and breadth of the United States. If you are for a farm-forestry program vote for this motion of mine. The Senate put it in for $1,300,000. As far as the merits and the purposes of cooperative farm-forestry is concerned, that was discussed by the able senior Senator from Nebraska [Mr. NORRIS]. I could not begin to discuss the merits of the Norris-Doxey Farm Forestry Act within the time allotted me here tonight. I have promised to yield others here some time on this important motion.

Mr. LUCAS. Mr. Speaker, will the gentleman yield?

Mr. DOXEY. Yes; certainly.

Mr. LUCAS. Will the gentleman explain to the House how this money is distributed among the farmers?

Mr. DOXEY. I shall be delighted to. The nursery people are against it because they tried to get the Department of Agriculture to guarantee that they would buy the trees from them. The Department of Agriculture said "No, we will give you a chance; we will buy some from you, and use some of the trees from our own nurseries."

If the nurserymen knew what was good for them, they would be in favor of this because no ornamental trees will be sold. If I were in the nursery business, and I certainly am not—but if I was, I think I would not fight this motion, but I am not going to legislate here for the nurserymen or a part of them when we are trying to legislate for the farmers. We should try to help the farmer be forest minded.

The SPEAKER. The gentleman from Mississippi has used 10 minutes.

Mr. DOXEY. Mr. Speaker, I thank you—I yield 4 minutes to the gentleman from Nebraska [Mr. STEFAN].

Mr. STEFAN. Mr. Speaker, I have taken the floor many times in favor of this particular project. This amendment should remain in this deficiency appropriation bill because of the good it has accomplished, because I believe the farmers in my district who have seen the results of the work want it continued. I shall merely cover one phase of the argument in this debate, and that is in connection with what my colleague, Mr. DOXEY, had to say about the nurserymen. I want to settle that question. My very distinguished chairman, a man for whom I have a great deal of respect, Mr. WOODRUM, said that there is a serious and strenuous objection to the amendment. By whom? One of the objections comes from the nursery people, as explained by Mr. DOXEY. I would not do anything to injure any private industry. I want to tell you what the Forest Service has to say about that. Listen to this:

It would not permit the planting of stock owned by the Federal Government or in cooperation with States. It will not permit the use of planting stock for landscaping or ornamental purposes, or on private land. Where established commercial nursery facilities are available, the Forest Service will not develop federally owned nurseries for the production of planting stock to be distributed to farmers or others.

I think that settles the question so far as the objections are made by the nurserymen of the country. If you could have listened to the hearings, the interesting and educational arguments for this particular project by the people from Nebraska, which show that this project is successful, you would have no doubt about the matter. Seventy percent of the trees are growing, and where these trees have been planted by the farmers, they have been able even during the drought to produce a crop, whereas on those farms where trees were not planted, there was no crop produced during droughts. I think the nurserymen can profit by this by killing this amendment. I think they are killing the goose that lays their golden eggs.

Mr. DOXEY. Mr. Speaker, the gentleman is familiar with the whole situation?

Mr. STEFAN. Yes.

Mr. DOXEY. Does the gentleman know of anybody that is against this bill outside of the nurserymen?

Mr. STEFAN. I have not heard any reasonable complaint. I have had letters from some nurserymen favoring this, and from some who oppose it. I do not want to injure private business. I feel this may help nurserymen.

Mr. WOODRUM. The gentleman, of course, knows that both committees of the House and Senate refused to put it in the agricultural appropriation bill?

Mr. STEFAN. The Senate voted 16 to 62 to put it back in. The committee was not unanimous against it.

Mr. JOHNSON of Oklahoma. Simply because the House made a mistake once is no reason why they cannot correct it later.

Mr. STEFAN. Certainly not. We, from Nebraska, originated tree planting. We know the value of a tree. We are just learning what grade of tree will grow in certain soil. This is a farm cooperative program and not a wild dream of gigantic shelterbelts. It is done by and with the consent and cooperation of the farmer himself.

[Here the gavel fell.]

Mr. DOXEY. Mr. Speaker, I yield 4 minutes to the gentleman from Kansas [Mr. HOPE].

Mr. HOPE. Mr. Speaker, I hope the House will recede and concur in this amendment. This amendment covers a large field, because farm forestry is becoming more important all the time. I feel that it offers a helpful approach toward a solution of some of our farm problems, and I hope the committee which is appointed to investigate the forestry situation in this country will give careful consideration to the matter of farm forestry. We have millions of acres of farm land in this country which is going to be taken out of the production of some of our surplus crops. Farm forestry offers an avenue through which farmers can put that land to some profitable use.

What I want to talk to you about particularly is the shelterbelt program. I know a great many of the Members think the shelterbelt program has been a failure. Within the last 10 minutes half a dozen Members of the House have told me so. I am speaking now as one who lives in the shelterbelt area, who has seen hundreds of acres of trees planted in the shelterbelt during the last 3 years, when conditions were more adverse from the standpoint of weather than they have ever been in any similar period in the history of the country; yet from 80 to 85 percent of those trees survived and are growing thriftily and vigorously today.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. HOPE. I am sorry, but I have not time.

Mr. DOXEY. Mr. Speaker, will the gentleman yield?

Mr. HOPE. I yield.

Mr. DOXEY. It is not a fact that the farm organizations are behind this appropriation for the shelterbelt program?

Mr. HOPE. As far as I know they are. I know I have a resolution from the Kansas State Board of Agriculture warmly commending and endorsing this program, and urging the continuance of the shelterbelt, and they are men who are speaking from actual observation and experience.

The only organized opposition to this program that I know of comes from the nurserymen. As has already been said by others, the only reason they are opposing it is because they think they ought to sell these trees instead of the Government supplying them. They do not question the value of the program. As a matter of fact, the Government has purchased from private nursery interests millions of trees for this program. The nursery interests of this country have not been able to furnish all of the trees of the kind and character the Forest Service wanted, and they have been compelled to raise these trees in their own nurseries. The nursery interests, of course, cannot furnish these trees as cheaply as the Government can raise and furnish them in large quantities, and so I assume that in the future the Government is going to produce its own trees very largely. But let me tell you something else as far as the nursery interests are concerned: They are ultimately going to benefit from this program because of the stimulus which it is giving forestry in this country. Out in the shelterbelt farmers are just beginning to learn that they can grow trees. All that are being furnished by the Government are forest trees. They are learning also that they can grow fruit and shade trees and ornamental trees of all types. So what the Government is doing will furnish a tremendous stimulus to the nursery business.

The shelterbelt is only a small part of the farm forestry program. I have discussed it because it is of particular concern to my district and because of the splendid work which has been done in that connection. Farm forestry, however, is a matter that concerns every one of the 48 States. It is a well-worked-out program which has been authorized by Congress under the Norris-Doxey Act. The appropriation has been approved by the Budget Bureau. The shelterbelt work will go on through the use of relief funds whether this amendment is adopted or not, but a general farm forestry program cannot be started until this appropriation is made. Such a worth-while program should not be longer delayed.

[Here the gavel fell.]

Mr. DOXEY. Mr. Speaker, I yield the balance of my time to the gentleman from Nebraska [Mr. LUCKEY].

Mr. LUCKEY of Nebraska. Mr. Speaker, I offered this amendment at the time when the deficiency bill was up for consideration in the House because I felt that it was absolutely necessary to provide the funds to carry out this cooperative Farm Forestry Act.

There is a tremendous amount of misunderstanding and misinformation in regard to what is known as the shelterbelt. Some Members of Congress have a wrong conception of what we are trying to do. They have an idea that we are planting rows of trees along the State lines from Canada down to Mexico. That is not the case.

This measure provides that trees be furnished to farmers to plant for wood lots, for windbreaks, for protection, and the like. The amendment calls for these funds to be distributed throughout the entire United States and sets aside only 20 percent for the Great Plains section, which constitutes the Dakotas, Nebraska, Kansas, Oklahoma, and Texas. These States have 500,000 farms, practically all of which lack tree protection for their croplands.

I have personally seen plantings that have been made under this program. They have made excellent growth under Government supervision in spite of adverse weather conditions.

Mr. ZIMMERMAN. Mr. Speaker, will the gentleman yield?

Mr. LUCKEY of Nebraska. I yield.

Mr. ZIMMERMAN. Do I understand that the Government, in addition to buying these trees, also digs the holes and plants the trees for the farmers?

Mr. LUCKEY of Nebraska. No; that work is done by the farmers. The Government gives instructions in order that this work will be carried out in a successful way.

You have already heard the history of this appropriation and you may hear more about it before the vote is taken. Let me point out just one thing in regard to the history of this appropriation. The President recommended it, the Bureau of the Budget recommended it, but the agricultural subcommittee of the Appropriations Committee refused to include it in the agricultural supply bill. That action was taken because of opposition to the shelterbelt and because of a well-organized nurserymen's lobby that has openly boasted that they have killed this item. You will notice that the amendment now before us has a limitation which provides that not more than 20 percent of this money can be expended on the Prairie States' forestry project. If the Appropriations Committee is so anxious to help the cooperative farm forestry committee, as they would seem to appear, then why did they not insert a provision striking out the Prairie States' forestry project entirely and report an item for the Cooperative Farm Forestry Act alone?

My friends, we need farm forestry. We who live in the Great Plains States need this work far more than many of you who have heavily wooded districts can imagine. Fields protected by shelterbelts of trees do not suffer from water and wind erosion. Yet this Congress has consistently refused to appropriate money to carry out the work of the Norris-Doxey Act. All you hear about is the old shelterbelt project and how it has already been condemned by this body. What you are really going to decide in this vote is whether or not you are going to bow down before an arrogant lobby of some misguided nurserymen and let the farmers down or whether you are going to carry out the Farm Forestry Act.

This whole Nation is soil-conservation conscious. We all know the extent of the recent dust storms which have denuded many fields of their fertility. Here this afternoon we have a chance to help stop that scourge of dust, not in a single State or in a few States but in many States, and we must keep up the good fight. This small amount of money, spread out all over the United States, will do more to help our farmers than any equal amount that you can spend. With all the sincerity that is humanly possible and in all good faith I say to you that we must not let the farmers down. I ask that you support this appropriation.

Mr. WOODRUM. Mr. Speaker, I yield 10 minutes to the gentleman from Missouri [Mr. CANNON].

Mr. TABER. Will the gentleman yield for a question?

Mr. CANNON of Missouri. I yield to the gentleman from New York.

Mr. TABER. How much would this program cost to start with?

Mr. CANNON of Missouri. There have been various estimates. All have involved the expenditure of large sums of money. Carried to its ultimate completion as originally projected it has been estimated to involve an expenditure of from a quarter of a billion dollars on up.

Mr. TABER. The committee went into that pretty thoroughly and decided we ought not to embark on this project any further than we have.

Mr. CANNON of Missouri. The committee has considered the shelterbelt, carried in the Senate amendment every year since 1935. When first presented the committee approached it in a rather sympathetic frame of mind on account of the drought extant at the time, but after holding hearings, did not feel warranted in recommending it, and has reached the same conclusion each year since. The House has considered it every year since 1935 and has defeated it by overwhelming vote each time it has been offered.

Mr. LAMBERTSON. Will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Kansas.

Mr. LAMBERTSON. Is it not true that 2 or 3 years ago we provided a liquidation of the shelterbelt?

Mr. CANNON of Missouri. Yes; Congress provided an appropriation to be used for that express purpose.

Mr. LAMBERTSON. The Forest Service refused to liquidate. It never gave up its rooms in Lincoln and refused to abide by the mandate of Congress. That is one thing against this.

I may say that trees in western Kansas and Nebraska were experimented with 40 years ago. I was out there and homesteaded 30 years ago. They have had experience with growing trees around the windmills, so this is nothing new that they have discovered. Further, last year trees died in western Kansas and western Nebraska that had been in existence for 15 years. I do not see how 85 percent of the new trees lived, when old trees that were 15 or 20 years old died.

Mr. CANNON of Missouri. The gentleman from Kansas [Mr. LAMBERTSON] has probably made a closer study of the subject and is perhaps as well qualified to pass on its merits as any Member of either House. His statement as to the impracticability of the shelterbelt have all been fully borne out by the evidence submitted to the committee.

Mr. Speaker, the real question at issue here is the shelterbelt. It is a perennis question which has come before us each year since its inception. Strangely enough, it has never had legislative sanction. It was not authorized by Congress. It has never been aprpoved by Congress, and no committee of the House or Senate has ever reported it favorably to either House. On the contrary, it has been emphatically repudiated every year, and both the Committee on Appropriations and the House itself have repeatedly issued "cease and desist" orders against it. But, like the desert thistle of its native habitat, it comes back each year. Let us hope we can dispose of it so conclusively this year as to eradicate it from future supply bills, especially the deficiency bills, where it has least excuse of all.

Mr. DOXEY. Will the gentleman yield in order to keep the record straight? This Norris-Doxey Farm Cooperative Act, which does not touch the shelterbelt, but is an incident to it, was not passed until May 1937. Do not confuse this with the entire shelterbelt proposition. It has never been defeated.

Mr. CANNON of Missouri. There is no occasion to confuse it. Every year they dress it in new language and incorporate it in a different item in the bill. Every year they give it a new name and insert it in a different place in the supply bills, but each year it is the same old shelterbelt in a different garb. This year they incorporated it in an appropriation for farm cooperation, but the proposal would not be before the House were it not for the fact that it was needed as a vehicle for the shelterbelt, and the debate in the Senate frankly discloses that fact.

The shelterbelt is not only one of the wildest Utopian dreams ever presented to a legislative body but it has the most remarkable history of any proposition ever submitted in the House within my recollection. It was instituted without congressional approval through allocation of $15,000,000,000 from emergency funds in 1935. The Comptroller refused to approve the amount but finally consented to the use of a million dollars in starting the project. The following session of Congress application was made for a large appropriation for the purpose but was denied. Again funds were allocated from relief money. Two years ago the resentment of the House was so pronounced that it was determined to liquidate the entire shelterbelt proposition and $170,000 was appropriated expressly to close it up and dispose of all remaining assets. We took for granted that was the end of it, but again provision was made from relief funds and instead of complying with directions from the legislative branch of the Government to liquidate it, a policy of expansion was started, and now they are bringing it in at this late date in the closing hours of the Congress embodied in an appropriation for forestry cooperation, in the hope that everybody is too tired and too anxious to start home to give it attention.

Mr. Speaker, so far as any appropriation for forestry cooperation or other activities under the Norris-Doxey Act is concerned, we are ready and willing to consider it and report it out of the regular committees in the regular way, but the proposition before us now is primarily the shelterbelt. Other proposals in the amendment are incidental. They are carried merely to afford an opportunity to secure legislative authorization of the shelterbelt and if the camel once gets his nose under the tent it will be the signal for huge continuing appropriations without end. If they have spent $5,000,000 up to this time without congressional approval or consent and in the face of 4 years of repudiation and orders to liquidate, what can we expect once legislative authorization is secured. The whole matter resolves itself into a question of whether policies of government are to be determined by Congress or by appointive officials in administrative departments. I trust the House will not surrender its prerogatives and abdicate its constitutional duties and functions by yielding on this amendment in the last legislative act of the session. [Applause.]

Mr. DOXEY. Mr. Speaker, I am going to ask the distinguished chairman to yield me 1 minute; that is all.

Mr. WOODRUM. I yield the gentleman 1 minute, Mr. Speaker.

Mr. DOXEY. Let me say I am amazed that my good friend puts this proposition squarely on a shelterbelt basis, when the Nooris-Doxey Cooperative Farm Forestry Act applies to every State in the Union. It was reported out by my Committee on Agriculture and brought to the floor of the House and passed. The very language of this bill refers to it as the Cooperative Farm Forestry Act of May 18, 1937. The gentleman is trying to lay the whole thing on the shelterbelt proposition, and it is absolutely not a shelterbelt proposition. The only way the shelterbelt comes into it is on their word and the Budget estimate, and you know it. This appropriation is for the entire country, and only a portion of it will be spent in the shelterbelt.

Mr. WOODRUM. Mr. Speaker, I yield 1 minute to the gentleman from Missouri [Mr. CANNON].

Mr. LAMBERTSON. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Kansas.

Mr. LAMBERTSON. All the noise on this proposition is coming from the shelterbelt.

Mr. CANNON of Missouri. I thank the gentleman. And I am certain it is understood that there is nothing personal in the opposition of the conferees to the Senate amendment. In fact, it is hardly necessary to explain the proposition. It has been before the House so often and has been debated so frequently that it is a matter of common knowledge. This year when it came up in the estimates for the agricultural appropriation bill the House committee rejected it, the Senate Committee on Appropriations rejected it, and neither the House nor the Senate included it. When it came up again on the deficiency bill both the House and Senate committees rejected it, and the House rejected it by a formal vote. Every phase of it is too well known and understood by Members to require debate or discussion. So far as appropriations for other purposes of the Doxey-Norris Act are concerned, I again assure everybody concerned that the committee will be glad to consider them in the regular bill. Nothing in the debate on the shelterbelt is intended to apply to such appropriations. But like dog Tray, they are in bad company, and if we allowed a single dollar of this appropriation it would be taken as an authorization of the shelterbelt and be made a basis for requests for appropriations in every future Department of Agriculture bill. I trust the House will take a position on the amendment consistent with its position on the question over the past 4 years.

Mr. WOODRUM. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the preferential motion of the gentleman from Mississippi [Mr. DOXEY] to recede and concur.

The question was taken; and on a division (demanded by Mr. WOODRUM) there were—ayes 72, noes 171.

Mr. DOXEY. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were refused.

Mr. DOXEY. Mr. Speaker I object to the vote on the ground a quorum is not present.

The SPEAKER. The Chair has just counted the attendance upon the floor of the House. Two hundred and forty-three Members are present, a quorum.

Mr. DOXEY. I withdraw my request, Mr. Speaker.

The SPEAKER. The question recurs on the motion of the gentleman from Virginia [Mr. WOODRUM] that the House insist on its disagreement to the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 58: On page 51 insert the following: "General investigations: The unexpended balance of the appropriation of $200,000 to enable the Secretary of the Interior, through the Bureau of Reclamation, to carry on engineering and economic investigations of proposed Federal reclamation projects, surveys for reconstruction, rehabilitation, or extension of existing projects and studies of water conservation and development plans contained in the Interior Department Appropriation Act, fiscal year 1938, is hereby continued available for the same purposes for the fiscal year 1939."

Mr. WOODRUM. Mr. Speaker, I move that the House recede and concur in the Senate amendment and yield 2 minutes to the gentleman from New York.

Mr. TABER. Mr. Speaker, this appropriates $100,000 without any authority of law for investigations on reclamation. Authority of law exists to appropriate this money out of the reclamation fund, but this takes the money out of the Treasury.

I hope the motion will not be agreed to.

The SPEAKER. The question is on the motion of the gentleman from Virginia to recede and concur in the Senate amendment.

The motion was agreed to.

A motion to reconsider the several votes by which the several motions were acted upon was laid on the table.

WORK RELIEF AND PUBLIC WORKS APPROPRIATION BILL

Mr. WOODRUM. Mr. Speaker, I call up conference report on the joint resolution (H. J. Res. 679) making appropriations for work relief, relief, and otherwise to increase employment by providing loans and grants for Public Works projects.

The Clerk read the conference report.

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on certain amendments of the Senate to the joint resolution (H. J. Res. 679) "making appropriations for work relief, relief, and otherwise to increase employment by providing loans and grants for public-works projects" having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendments of the House to the amendments of the Senate Numbered 74, 75, and 76, and agree to such House amendments.

The committee of conference report in disagreement Senate amendment Numbered 72 with the amendments of the House thereto.

C. A. WOODRUM,
CLARENCE CANNON,
LOUIS LUDLOW,
J. BUELL SNYDER,
JOHN TABER,
ROBERT L. BACON,
R. B. WIGGLESWORTH,
Managers on the part of the House.

ALVA B. ADAMS,
KENNETH MCKELLAR,
CARL HAYDEN,
JAMES F. BYRNES,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the further conference on the disagreeing votes of the two Houses on the amendments of the Senate Nos. 72, 74, 75, and 76, and the amendments of the House thereto, to the joint resolution (H. J. Res. 679) entitled "Joint resolution making appropriations for work relief, relief, and otherwise to increase employment by providing loans and grants for public works projects" submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

On No. 74: The Senate accepts the amendment of the House to the amendment of the Senate providing an appropriation of $212,000,000 for making price-adjustment payments to producers of wheat, cotton, corn, tobacco, and rice.

On No. 75: The Senate accepts the amendment of the House to the Senate amendment, the only effect of the House amendment being to strike out the section number and make the short title reference to title V a part of section 501 instead of a separate section.

On No. 76: The Senate accepts the amendment of the House to Senate amendment 76, the only effect of the House amendment being to change the section number.

Amendment in disagreement

The committee of conference report in disagreement Senate amendment No. 72 and the amendment of the House thereto. The Senate amendment appropriates $1,000,000 for administrative expenses of the Rural Electrification Administration. The House concurred in the Senate amendment by providing $500,000 in lieu of the $1,000,000 and making the appropriation available for printing and binding in addition to the other purposes covered by the Senate amendment.

C. A. WOODRUM,
CLARENCE CANNON,
LOUIS LUDLOW,
J. BUELL SNYDER,
JOHN TABER,
ROBERT L. BACON,
R. B. WIGGLESWORTH,
Managers on the part of the House.

Mr. WOODRUM. Mr. Speaker, the only item involved in the conference report is amendment No. 74, which was the farm parity amendment. The Senate has receded and accepted the House amendment, so that is not in disagreement.

Amendments 75 and 76 are merely technical amendments with respect to section numbers.

Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

The SPEAKER. The Clerk will report the first Senate amendment in disagreement.

The Clerk read as follows:

Senate amendment to the House amendment to the Senate amendment No. 72: That the Senate agree to the amendment of the House of Representatives to the amendment of the Senate numbered 72 and in lieu of the sum named in the amendment of the House insert the following: "$700,000: *Provided*, That no part of any appropriation contained in this or any other act for the fiscal year ending June 30, 1939, shall be available for the payment of enlistment allowance to enlisted men for reenlistment within a period of 3 months from date of discharge as to reenlistments made during the fiscal year ending June 30, 1939, notwithstanding the applicable provisions of sections 9 and 10 of the act entitled 'An act to readjust the pay and allowances of the commissioned and enlisted personnel of the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, and Public Health Service', approved June 10, 1922 (37 U. S. C. 13, 16)."

Mr. WOODRUM. Mr. Speaker, I move that the House agree to the amendment of the Senate to the amendment of the House to Senate amendment No. 72.

Mr. Speaker, this sounds very complicated, but what it really means is that we are increasing the expenses of the Rural Electrification Administration, I will say to the gentleman from Pennsylvania [Mr. RICH], as I know it will gladden his heart [laughter], and at the same time we are providing a further inhibition for 1 year against payment of the reenlistment allowances in the military and naval services.

No reenlistment allowances have been paid for the past 5 fiscal years in any of the services, and in the absence of permanent law stopping it, the inhibition has been shuttled about in economy bills and appropriation bills at one time or another. We have not paid them for 5 years, and the latter part of this amendment now before the House is a Senate amendment which discontinues for another year the payment of the reenlistment allowances.

Mr. Speaker, I yield 3 minutes to the gentleman from Mississippi [Mr. RANKIN].

Mr. RANKIN. Mr. Speaker, the adoption of this amendment completes our power program for the session. This Congress has done more for the farmers of this country, so far as rural electrification is concerned, than any other Congress in history.

A GREAT YEAR FOR THE AMERICAN FARMER

With this amount added for administrative expenses, with $140,000,000 provided for rural electrification for the coming year, with the American people becoming educated on this great question which means more for the farmers of the nation than anything else Congress has ever done, I am encouraged to look forward to a great year for the rural people of this nation, and to the time when we will be able to electrify every farm home in America. [Applause.]

HOUSE LOSES VALUABLE MEMBER

Mr. Speaker, since this is probably the last opportunity I will have to address the House at this session of the Congress, I want to take this opportunity to thank the Members for their support of our power program, and for their uniform courtesy and consideration.

It is a matter of profound regret to us all that we are to lose one of the most valuable Members of this committee, the gentleman from North Carolina [Mr. UMSTEAD], who has declined to stand for reelection.

This is most regrettable for the reason that he has been in the House just long enough for his ability and usefulness to be recognized.

MEMBER'S USEFULNESS INCREASES WITH SERVICE

If a Member is honest, intelligent, courageous, and industrious, the longer he remains in Congress, the more valuable his services become.

This Government is the biggest institution on earth, and it takes a Member a long time to familiarize himself with all the rules of parliamentary procedure, the details of legislation, and the organization and workings of the various and sundry departments, bureaus, and commissions with which he has to deal. That is one of the reasons for the rule of seniority which obtains in both the House and in the Senate.

A Member not only becomes more useful and more effective by virtue of his experience here in the House and in dealing with the various departments of the Government, but his seniority causes him to gradually rise to a position of power and influence that cannot be attained in any other way.

I know it is common practice for candidates running against Members of Congress to point to the Member's long tenure of office, and urge that as a reason he should not be returned; when, as a matter of fact, if he has the other qualifications to which I have referred, it is one of the very reasons he should be returned.

The framers of our Constitution never advocated the principle of rotation in office as a reason for turning out efficient men and electing new ones in their places; but they did provide in the Constitution that the people should have the right to change if they so desired. They limited the term of office of a Member of this House to 2 years, in order that the people might have the right to change if the services of their representatives did not meet with their approval.

A few years ago, when the so-called "lame duck amendment" was before the Congress, an amendment was offered to change the term of Congressmen from 2 to 4 years. I led the fight against that amendment; I said that one of the most salutary provisions of the Constitution was that which gave the people a check on their Representatives in Congress and enabled them to get rid of an undesirable Member at the end of 2 years.

But that does not mean that worthy Members of Congress who serve a long time should be replaced, because, as I said, the longer they serve, the more valuable their services become.

Besides, the chairmanship of a committee carries with it great power and influence in shaping legislation, and chairmanships are only attained by seniority. I happen to be chairman of a committee myself, that of the Committee on World War Veterans' Legislation. If I were to go out of the House, that chairmanship would go to another State, and the chances are that no representative from my State would occupy that position again for at least a generation. The same thing is true of other chairmanships. Because it would take many years for a new man to ever rise to a chairmanship, or to attain the position of ranking member on an important committee.

Take the Committee on Appropriations, one of the most powerful committees, if not the most powerful committee, in the House. Its chairman, Hon. EDWARD T. TAYLOR, of Colorado, has been a Member of the House for 30 years. The chairman of the powerful Committee on Ways and Means, Hon. ROBERT L. DOUGHTON, of North Carolina, has been a Member of the House for 28 years. The Chairman of the Committee on the Judiciary, Hon. HATTON W. SUMNERS, of Texas, and the distinguished Majority Leader, Hon. SAM RAYBURN, of that State, have both been in the House for 26 years. The chairman of the Committee on Naval Affairs, the gentleman from Georgia, Hon. CARL VINSON, has been a Member of the House for 25 years. The chairman of the Committee on Banking and Currency, Hon. HENRY B. STEGALL, of Alabama, has been in the House 24 years, and so has the distinguished Minority Leader, Hon. BERTRAND H. SNELL, of New York.

Our distinguished Speaker, Hon. WILLIAM B. BANKHEAD, of Alabama, has been in the House for 22 years, and so has the chairman of the Committee on Merchant Marine and Fisheries, Hon. SCHUYLER OTIS BLAND, of Virginia, as well as the chairman of the Committee on Agriculture, Hon. MARVIN JONES, of Texas, the Chairman of the Committee on Interstate and Foreign Commerce, Hon. CLARENCE F. LEA, of California, and also the chairman of the Committee on Rivers and Harbors, Hon. JOSEPH J. MANSFIELD, of Texas.

The ranking minority Members on these various committees are also men who have been in the House for many terms. If there should be a change in the party complexion of the House, they would automatically become chairman of their various committees. The ranking Republican member on the Ways and Means Committee, Hon. ALLEN T. TREADWAY, of Massachusetts, has served in the House for 26 years, as has also the gentleman from Michigan [Mr. MAPES], the ranking member of the Committee on Interstate and Foreign Commerce.

IMPORTANCE OF CHAIRMANSHIPS

Changing Members who are high up in committee assignments merely sets back the State from which that Member of Congress comes, and especially his district, so far as committee assignments are concerned.

I see before me the gentleman from Ohio, Hon. BROOKS FLETCHER, chairman of the Committee on the Census, one of the most important committees in the House, especially for the next 2 years. It is the only chairmanship, by the way, held by a Member of Congress from that State. If he were to retire from Congress, that chairmanship would be lost, so far as his State is concerned. And the same thing is true with reference not only to the chairman, but to the ranking members, whose years of service have caused them to rise in the committee and whose experiences in the House have rendered them more capable of discharging the duties and responsibilities which fall to their lot.

So, I regret, Mr. Speaker, to see our distinguished friend from North Carolina [Mr. UMSTEAD] decline to stand for reelection, and I believe I express the feelings of every Member of the House when I say that it would have been much better for his country, for his State, and for his district, if he could have made up his mind to remain in the service, especially during these trying times, when men of his ability, his courage and experience are so much needed in public life. [Applause.]

Mr. WOODRUM. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. SCOTT].

Mr. SCOTT. Mr. Speaker, I almost hate to do this, but for 3 years this thing has been going on. In 1933 they put a proviso on the Treasury-Post Office appropriation bill

stopping reenlistment allowance. I made a point of order against that in the Treasury-Post Office bill in 1937 and the point of order was sustained. At the end of the year they put the same proviso on the deficiency-appropriation bill. It came in as a conference report and you could not make a point of order against it. This year they put it in the deficiency-appropriation bill in the House again. The gentleman from New York [Mr. BACON] made a point of order against it and it was knocked out. It went over to the Senate, and they offered it as an amendment to put it in the deficiency-appropriation bill over there. A point of order was made against it there and the point of order was sustained. Now the conferees turn it back over to the Senate again and they put the reenlistment-allowance ban on the relief bill. I heard the gentleman from Missouri [Mr. CANNON] just a little while ago speak on the proposal offered by the gentleman from Mississippi [Mr. DOXEY] saying, do not put it in here, this is the deficiency-appropriation bill. Put it where it belongs. Where in the name of goodness can you find reason in putting on a relief bill a ban against payment of reenlistment allowances to the armed forces of the United States Government? But they finally drag it in here now on this third method in the relief bill.

When we had this subject under consideration in the House, and it was knocked out on the point of order, I offered four successive amendments, one to pay to the Navy, and the committee knocked it out, voted it down; then one to pay the Marine Corps, and the committee voted that down; then the Coast Guard, and the committee voted it down; and then to the Army and the committee voted it up. They voted for the amendment. It came on to a vote in the House, and on a roll call held in the House the vote was 205 to 121 to sustain the amendment. That showed that the House overwhelmingly is in favor of paying these reenlistment allowances to at least one branch of the service, after they found out what it was, and who was behind it, and what the law said on the subject. Now it goes to the conferees again, and is stricken out on the point of order. Let me say this to the gentleman from Missouri [Mr. CANNON] who should be down here defending this side of the proposition, that the House has expressed itself on this subject in an overwhelming manner. Here is the situation you will be in if you will just vote no on this amendment. It is not necessary for us to do anything about providing money, because the departments have to pay it. The law says they have to pay it. The law passed in 1922, in effect now, and only circumscribed by this proviso they keep sticking in here in every kind of a parliamentary procedure to get it up, says that it must be paid. It is not subject to a point of order on a conference report and still if you vote it down, it will not mean that you will have to appropriate any more money in this bill, it will not mean that you will have to go back to conference. You just say no, we do not want to put that in the relief bill. Maybe it does have a little bit to do with relief, because it is a relief in the form of $75 to $150 to the men of the armed forces as a result of the fact that they reenlist after their period of enlistment is ended. I ask you to vote this amendment down.

Mr. WOODRUM. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. IZAC].

Mr. IZAC. Mr. Speaker, I feel sincere on this question. I have never been an enlisted man, but I have served with them and I know what this means to them. The total sum that it will cost the Government of the United States is $6,000,000 in 1 year, and that $6,000,000 will be amply repaid, because you will not have to train new recruits, you will not have to give them clothing allowances, both of which will add up to a whole lot more than $6,000,000 in 1 year. I do not like the way this is brought in on this floor. The other day we beat this proposition, this prohibition against paying to the enlisted men the thing that is justly their right, and now, under subterfuge, this committee joins with conferees of the other body and brings in something in a relief bill where it does not belong. That is not keeping faith with this House.

Mr. O'MALLEY. Mr. Speaker, will the gentleman yield?

Mr. IZAC. Yes.

Mr. O'MALLEY. The conferees did not have to be under any misapprehension as to how the House felt about it, because the will of the House was expressed in a roll-call vote.

Mr. IZAC. By a vote of 205 to 121 we threw out this prohibition that has existed for the last 5 years. This is the only thing that remains of the old economy bill, as it affects the armed services of the country. It is unjust to the men, even if you do not think of economy; and it means both economy for the taxpayers and justice to the men. I ask you to vote down this amendment.

Mr. WOODRUM. Mr. Speaker, this amendment not only affects the reenlistment pay, about which the gentleman from California [Mr. SCOTT] has spoken, but it provides $200,000 more for the administrative expenses of the Rural Electrification Administration, which I should hate very much to see defeated.

Mr. Speaker, I move the previous question on the amendment.

The previous question was ordered.

The SPEAKER. The question is on the motion of the gentleman from Virginia.

The question was taken; and on a division (demanded by Mr. WOODRUM) there were—ayes 147, noes 43.

So the motion was agreed to.

A motion to reconsider the vote by which the amendment was agreed to was, on motion of Mr. WOODRUM, laid on the table.

SINE DIE ADJOURNMENT RESOLUTION

Mr. RAYBURN. Mr. Speaker, I offer a privileged resolution and ask for its immediate consideration.

The Clerk read as follows:

House Concurrent Resolution 67

Resolved by the House of Representatives (the Senate concurring), That the two Houses of Congress shall adjourn on Thursday, the 16th day of June 1938, and that when they adjourn on said date they stand adjourned sine die.

The SPEAKER. The question is on the resolution.

Mr. GRAY of Indiana. Mr. Speaker, I demand the yeas and nays.

The SPEAKER. Those who favor taking this vote by the yeas and nays will rise and stand until counted. [After counting.] One Member has arisen, not a sufficient number. The yeas and nays are refused.

So the resolution was agreed to.

DELIVERY RATE ON CERTAIN FIRST-CLASS MAIL MATTER

Mr. HAINES. Mr. Speaker, I call up the conference report on the bill (H. R. 2716) to provide for local delivery rates on certain first-class mail matter and for other purposes, and move its adoption.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2716) to provide for the local delivery rate on certain first-class mail matter, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment to the text of the bill.

That the Senate recede from its amendment to the title.

HARRY L. HAINES,
HENRY C. LUCKEY,
N. M. MASON,
PAUL W. SHAFER,
Managers on the part of the House.

KENNETH MCKELLAR,
CARL HAYDEN,
LYNN J. FRAZIER,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 2716) to provide for the local delivery

rate on certain first-class mail matter submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The House bill extended the 2-cent rate of postage to letters posted for delivery within the county of mailing, provided the county had a population of over 1,000,000 and was entirely within a corporate city.

The Senate amendment struck out the language of the House bill and inserted in lieu thereof a provision establishing in the county of Queens, N. Y., a Queens County post office which would embrace within its delivery limits all points within the boundaries of the county. All existing post offices in the county would be abolished and established as branch offices.

The conferees adopted the language of the House bill.

HARRY L. HAINES,
HENRY C. LUCKEY,
N. M. MASON,
PAUL W. SHAFER,
Managers on the part of the House.

The conference report was agreed to.

BERTRAM RICH

Mr. KENNEDY of Maryland. Mr. Speaker, I call up the conference report on the bill (S. 662) for the relief of Bertram Rich.

The Clerk read the conference report.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 662) entitled "An act for the relief of Bertram Rich" having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House numbered 3, and agree to the same with an amendment, as follows: In lieu of the figures "$750" insert "$1,274"; and the House agree to the same.

That the Senate recede from its disagreement to the amendments of the House numbered 1, 2, 4, 5, and to the amendment to the title and agree to the same.

AMBROSE J. KENNEDY,
FRANCIS H. CASE,
HERMAN P. EBERHARTER,
Managers on the part of the House.
PRENTISS M. BROWN,
JOHN G. TOWNSEND, Jr.,
J. W. BAILEY,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 662) for the relief of Bertram Rich, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report:

The Senate passed this bill allowing claimant $1,574 for personal injuries suffered by his minor daughter, Jeanne Rich, when the automobile in which she was riding was struck by a United States mail truck. Though the child's injuries were of a minor character, except a permanent disfiguring scar on the left side of her face, we reduced the allowance in the bill to $750. At the conference, the Senate insisted on its allowance but the House effected a compromise allowance of $1,274, the $74 representing medical expense, to which all conferees have agreed. A picture of the child, not previously viewed by the House, justifies this compromise allowance for the permanent scarring.

The remainder of the House amendments were simply form corrections to the bill, to which the Senate has agreed.

AMBROSE J. KENNEDY,
HERMAN P. EBERHARTER,
FRANCIS H. CASE,
Managers on the part of the House.

The conference report was agreed to, and a motion to reconsider was laid on the table.

REOPENING OF CERTAIN CASES IN COURT OF CLAIMS

Mr. TOWEY. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 9171) directing the Court of Claims to reopen certain cases and to correct the errors therein, if any, by additional judgments against the United States, with Senate amendments, and concur in the Senate amendments.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The Clerk read the Senate amendments, as follows:

On page 2, line 19, strike out the rate of 3 percent per annum and insert "proper rate."

Page 3, lines 15 and 16, strike out the words "3 percent" and insert "proper rate."

The amendments were agreed to, and a motion to reconsider was laid on the table.

OLYMPIC NATIONAL PARK

Mr. WALLGREN. Mr. Speaker, I ask unanimous consent for the present consideration of Senate Concurrent Resolution No. 42.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

The Clerk read as follows:

Concurrent Resolution 42

Resolved by the Senate (the House of Representatives concurring), That the Clerk of the House of Representatives be, and he is hereby, authorized and directed, in the enrollment of the bill (H. R. 10024) to establish the Olympic National Park, in the State of Washington, and for other purposes, to make the following corrections, namely:

In Senate amendment No. 3, as agreed to by the conferees, strike out the words "to be added to" appearing in the first proviso reading as follows: "*Provided*, That the total area to be added to the said park shall not exceed 898,292 acres:" and insert in lieu thereof the word "of", so that the first proviso shall read as follows: "*Provided*, That the total area of the said park shall not exceed 898,292 acres:"

The resolution was agreed to, and a motion to reconsider was laid on the table.

PERMISSION TO ADDRESS THE HOUSE

Mr. McGRANERY. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. McGRANERY. Mr. Speaker, as a member of the Committee on Banking and Currency which held hearings on proposed amendments to the United States Housing Act, I was considerably disturbed by several questions which were directed at Administrator Straus and which were intended to demonstrate that little work had been accomplished by the United States Housing Authority. I do not propose at this time to show how much the Authority has actually accomplished.

I merely want to point out that at a time when we are seeking as many ways as possible to accelerate the housing program, the conferees reported out the Senate amendments with one important amendment deleted. The omitted amendment would have authorized the United States Housing Authority to make loans equal to 100 percent of a project's cost, provided that not more than 90 percent of such bonds were held by the Authority at the time annual contributions were made.

This amendment differed from the present provisions of the law in that the local housing authorities are now required initially to raise 10 percent of the project's cost from sources other than the U. S. H. A., because the U. S. H. A. is limited to a 90-percent loan on projects in which it participates. In this connection, I want to say that there never was any doubt in my mind that this 10 percent could be raised by the local housing authorities through the sale to others of 10 percent of the bonds issued in connection with a project. As a member of the Banking and Currency Committee, I have attended the hearings on both the original Housing Act and the amendments, and I have found it to be the general consensus, with but a few dissents, that the local housing authorities would be permitted to raise their 10 percent in this manner. It seems clear from the testimony that this is the only feasible means for the local housing authorities to obtain this 10 percent. In providing first $500,000,000, and now an additional $300,000,000 for hous-

ing, we certainly do not intend, and never did intend, to bar this method of enabling the local housing authorities to raise their 10 percent of the project cost; otherwise there would be no practical purpose in this legislation.

The Senate 10-percent amendment was intended as an accelerator of the U. S. H. A. program. The testimony before the committee was clear. The Administrator pointed out that the necessity of having a local housing authority issue bonds to raise its 10-percent participation inevitably resulted in delays and difficulties because there were two bond purchasers involved. I mention these things now only because I think in all fairness we must recognize that we will have little cause to complain when next we examine the activities of the United States Housing Authority, if we find that the progress has not been as rapid as we anticipated.

The Administrator, Mr. Straus, deserves the commendation of the Congress for the splendid and capable handling of this most difficult problem. The U. S. H. A. under his leadership has made and is making a great contribution not only toward recovery but to the social uplift given many of our less fortunate citizens.

The conferees, in agreeing to several amendments, intended to accelerate the United States Housing Authority's program have done a good job. I supported their report hoping that the failure to agree on the Senate 10-percent amendment will not unduly retard the program of the U. S. H. A.

EXTENSION OF REMARKS

Mr. SUMNERS of Texas. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD by incorporating a brief report of the Committee on the Judiciary on the rules of civil procedure promulgated by the Supreme Court under authority of the act of 1934.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

TRANSPORTATION OF CERTAIN PERSONS IN INTERSTATE OR FOREIGN COMMERCE DURING LABOR CONTROVERSIES

Mr. RAMSAY. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 2403) to prohibit the transportation of certain persons in interstate or foreign commerce during labor controversies, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

Mr. SNELL. Mr. Speaker, reserving the right to object, I think we had better have a little explanation of this bill.

Mr. RAMSAY. Mr. Speaker, this bill amends the present law in two slight particulars. First, it includes aiders and abettors, which were not included in the original bill and, secondly, the bill is amended so that it does not include common carriers. At the present time there is much confusion about the act. It was poorly drawn and this bill only rewrites the present act with those two features in it.

Mr. SNELL. What committee does this come from?

Mr. RAMSAY. The Judiciary Committee.

Mr. SNELL. It has the unanimous report of the Committee on the Judiciary?

Mr. RAMSAY. Very close if it was not. I would not want to say unanimous.

Mr. MICHENER. Is the real purpose of this to except common carriers?

Mr. RAMSAY. Yes; that is right.

Mr. MICHENER. As I understand the bill, it exempts from this law a common carrier?

Mr. RAMSAY. That is correct.

Mr. MICHENER. In other words, it liberalizes the law in the direction that we would be surprised to see the gentleman from West Virginia attempting to have it changed?

Mr. RAMSAY. I do not know that I attempted. It was voted in by the Judiciary Committee of the House.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act entitled "An act making it a felony to transport in interstate or foreign commerce persons to be employed to obstruct or interfere with the right of peaceful picketing during labor controversies," approved June 24, 1936, is amended to read as follows:

"That (a) it shall be unlawful to transport or cause to be transported in interstate or foreign commerce any person who is employed or is to be employed for the purpose of obstructing or interfering by force or threats with (1) peaceful picketing by employees during any labor controversy affecting wages, hours, or conditions of labor; or (2) the exercise by employees of any of the rights of self-organization, or collective bargaining, or other concerted activities for mutual aid or protection.

"(b) Any person who willfully violates or aids or abets any person in violating any provision of this act, and any person who is knowingly transported in or travels in interstate or foreign commerce for any of the purposes enumerated in this act, shall be deemed guilty of a felony, and shall, upon conviction thereof, be fined not more than $5,000 or imprisoned not more than 2 years, or both."

With the following committee amendments:

Page 2, line 5, after the word "organization", insert the word "or", and after the word "bargaining" strike out the remainder of line 5 and all of line 6.

Page 2, line 13, after the word "or", strike out the word "both" and insert "both. (c) The provisions of this act shall not apply to common carriers."

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DAVID B. MONROE

Mr. BIERMANN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 3517) for the relief of David B. Monroe.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That notwithstanding the provisions of section 1118 of the Revised Statutes, as amended, the Secretary of War is hereby authorized to reenlist in the United States Army David B. Monroe (Army serial No. 6799024), now a sergeant, Signal Corps, United States Army, upon the expiration of the present enlistment and upon the expiration of any future enlistment of said David B. Monroe.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TAXICABS IN THE DISTRICT OF COLUMBIA

The SPEAKER. The Chair desires to make an announcement with reference to a request sent to the House this morning by the Senate of the United States. The Clerk will report the order of the Senate of the United States.

The Clerk read as follows:

Ordered, That the Secretary be directed to request the House of Representatives to return to the Senate the engrossed bill (H. R. 7084) to provide that all cabs for hire in the District of Columbia be compelled to carry insurance for the protection of passengers, and for other purposes, together with all accompanying papers.

The SPEAKER. The Chair thinks it is proper to state that as a matter of comity between the two branches, when a request of this character comes over from the other body to this body, it is the duty of the House to comply with such order and it is under the precedents a matter of privilege.

Mr. O'MALLEY. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. O'MALLEY. What will be the status of the measure when it returns to the Senate?

The SPEAKER. The Chair cannot answer that question. We are simply returning the bill to the Senate.

Mr. O'MALLEY. It does not go to conference by reason of this order?

The SPEAKER. It does not. Without objection, the request of the Senate will be complied with.

There was no objection.

EXTENSION OF REMARKS

Mr. O'NEILL of New Jersey. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a letter from the president of the American Federation of Labor.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

Mr. O'CONNELL of Montana. Mr. Speaker, reserving the right to object, I want to know if there is any personal attack on me in this so-called insertion as there was in another insertion? I shall object if there is such an attack.

Mr. O'NEILL of New Jersey. This letter is from the president of the American Federation of Labor and there is no reference in it to the gentleman from Montana [Mr. O'CONNELL].

Mr. O'CONNELL of Montana. I think in the future, when the gentleman puts an insertion of remarks in the RECORD, if he attacks me, he ought to have the courage to do it on the floor and not put it in in the way he did. It is cowardly, unethical, and yellow.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey [Mr. O'NEILL]?

There was no objection.

COMMUNICATION FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER. The Chair thinks it proper to lay before the House the following communication to the Speaker from the President of the United States:

JUNE 16, 1938.

MY DEAR MR. SPEAKER: In these closing hours of the 1938 session of the Seventy-fifth Congress I want to extend through you to the Members of the House of Representatives of the United States my sincere good wishes.

I am confident that the country joins with me in the belief that this session of the Congress has resulted in much constructive legislation for the benefit of the people. Definitely, we are making progress in meeting the many new problems which confront us.

With appreciation of all that you have done,

Faithfully yours,

FRANKLIN D. ROOSEVELT.

Hon. WILLIAM B. BANKHEAD,
Speaker of the House of Representatives,
Washington, D. C.

PERMISSION TO ADDRESS THE HOUSE

Mr. LUCAS. Mr. Speaker, I ask unanimous consent to address the House for 6 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. LUCAS. Mr. Speaker, the Seventy-fifth Congress is rapidly coming to a close, and this day marks the close of a very unusual, interesting, and educational chapter in my life. I seize this opportunity of expressing a few farewell remarks to the Members of this House.

It was my good fortune to come to this legislative hall some 4 years ago, succeeding the late Henry T. Rainey, former beloved Speaker of the House, who died in the zenith of a brilliant legislative career after serving the people of the Twentieth Congressional District of the State of Illinois 32 successive years, save and except in 1920, when he went down to defeat in the Harding landslide. During the 4 years I have been a Member of this House I have attempted diligently to apply a conscience, my judgment, and my ability to the many vexing governmental problems which have appeared before the Members of this House from time to time. In debate, in conference, and in informal discussions the membership, irrespective of political affiliation, have exhibited to me a measure of gratitude and forbearance that I shall never forget.

Obviously there are many regrets as I leave the House on this day. However, I have an ambition to go into new and untried political fields, there to test fortune's smile and brave her frowns; but irrespective of what may happen to me in the future from the standpoint of politics, under whatever skies I may dwell or whatever soil over which my feet may tread, I shall always cherish and remember the contacts, the associations, and the kindly feelings which have been exhibited to me by all Members of the House during my two terms.

Companionship, Mr. Speaker, is a human element which has existed among all races of people since the dawn of civilization, yet I dare say there is no group of individuals any place under the shining sun where there is a more genuine affection and feeling for one another than exists in the House of Representatives. This touch of fellowship is inherently American and exists in all great leaders whether they be in political life or on the outside and beyond the pale of politics. I am very proud and happy to have been in the Halls of Congress and to have served under that type of leadership. The late lamented Joe Byrns, of Tennessee, the brilliant and beloved Speaker of this House, the gentleman from Alabama, Mr. BANKHEAD [applause], the courteous and able floor leader, the gentleman from Texas, Mr. RAYBURN [applause], and the distinguished and fighting minority leader, the gentleman from New York, Mr. SNELL [applause] meet that test. We have not always agreed upon the method of approach in the solution of the tremendous economic problems which have been before the American people during the last few years, but I undertake to say there is not a single individual in the House of Representatives who does not believe and hope from the inmost recesses of his heart that this great country of ours is on the road to progress, and that the future of America will bring to all of her citizens progress, happiness, and contentment. That is the human type of leadership that has made America great. That is the type of leadership that has been the envy of all other nations on the globe during the 150 years of our existence.

While I know that economic storms are with us at the present time and know what strife and trouble are in this great Nation of ours, yet I undertake to say there are few citizens of the 130,000,000 Americans who would trade places at this particular point in their American life with any citizen living under another flag and under another sovereignty. [Applause.]

I have the utmost confidence in the future of this great Republic of ours. Just remember, my colleagues, that America is young, America is virile, America is courageous, and she always conquers when her cause is just. This great cause in which our beloved President of the United States, every Member of Congress, and the great mass of the people of America are fighting to conquer—the cause of humanity—is a just, a sacred, and a righteous cause, and America will make every sacrifice necessary ultimately to conquer in that cause.

In these closing hours, notwithstanding all the woe and the trouble which exist in this great land of ours, I lift my eyes to the heavens above and thank God I am an American; and my prayers and my hopes are that these United States of America shall continue down through the ages of time, living under the Constitution of the United States founded and created by the Federal Fathers, and protected not only by the Stars and Stripes which hangs in the heavenly breeze over this National Capitol, but by many other American factors, including a great and unusual destiny. [Applause.]

PAPERS OF CHARLES COTESWORTH PINCKNEY AND THOMAS PINCKNEY

Mr. CHAPMAN. Mr. Speaker, I ask unanimous consent for the present consideration of the bill S. 3699 authorizing the Library of Congress to acquire by purchase, or otherwise, the whole, or any part, of the papers of Charles Cotesworth Pinckney and Thomas Pinckney, including therewith a group of documents relating to the Constitutional Convention of 1787, now in the possession of Harry Stone, of New York City.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. SNELL. I object, Mr. Speaker.

Mr. CHAPMAN. Will the gentleman withhold his objection?

Mr. SNELL. No; not on that.

EXTENSION OF REMARKS

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the question of the administration costs of the United States Housing Administration.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. POLK. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including therein a copy of a telegram addressed to Pearl J. Tiveanan, president, Central Labor Union, Portsmouth, Ohio, by Hon. William Green, president of the American Federation of Labor.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. AMLIE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including a copy of a resolution adopted by the Anti-War Congress which recently met in this city.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. BERNARD. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a statement by a United States veteran.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. CROWTHER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD at this point and include a short editorial from my home paper.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CROWTHER. Mr. Speaker, many reasons have been advanced for the depression which developed in September 1937 and has been rapidly growing more serious up to the present hour. Mr. Eccles, of the Federal Reserve Board, blamed it upon the payment of the bonus. The President's supporters charged that big business was "ganging up" against the administration. Enemies of labor tried to place the blame on their doorstep. Even the Supreme Court was held up to ridicule and criticism. Whether or not any or all these reasons can be substantiated is an open question.

The burden of proof is upon the administration. I believe that one of the outstanding reasons for the slowing up of industrial activity is the depressing effect of the trade treaties, signed and pending, upon thousands of American manufacturers. With 17 trade agreements entered into and the British Empire agreement pending, no manufacturer knows when his particular product will be put on the bargain counter of the State Department tagged with a reduced-tariff ticket.

That is just another of the weird methods used by this administration to inspire confidence in business. How far the President and Secretary of State Hull seem willing to go with this ridiculous policy can be estimated by the facts contained in the following editorial from the Leader-Republican, of Gloversville, N. Y. It appears that the campaign for increasing imports is to be carried on in the high schools of New York State through the aid of a Syllabus on Foreign Trade, prepared in Secretary of Commerce Roper's division by the United States Bureau of Foreign and Domestic Commerce.

Citizens of Johnstown and Gloversville who recently accepted a 10-percent wage reduction following the tariff reduction on leather and fabric gloves in the trade agreement with Czechoslovakia will probably not be overenthusiastic regarding this New Deal policy.

HOW NEW DEALISM HELPS AMERICAN LABOR

During the 5 long years of the Rooseveltian reign in Washington we have heard much about the administration's deep concern over American labor and American industry, accompanied by prodigious promises, particularly in election years when labor's votes are needed, of governmental aid in bringing a return of prosperity to American workers and their employers alike.

At the same time we have heard much about the administration's deep concern over trade relations with foreign countries and the Presidential hobby of spreading the "good neighbor" gospel through the establishment of trade treaties which are supposed to build up our export trade and prove a boon to all American manufacturers which, of course, means more work and a demand for more workers in our wide and varied fields of industry.

And now the Department of Commerce, headed by the President's right-hand man, Secretary Daniel C. Roper, has played its ace card by sponsoring a so-called Syllabus on Foreign Trade prepared by the United States Bureau of Foreign and Domestic Commerce to be used as a part of the curriculum in the high schools of New York. The magnitude of the potential value of this course of instruction as an upbuilder of American industry is found in this paragraph D, on page 1, of Suggestions to Teachers, which declares:

"All of us are attracted by new and novel things; also, we believe that imported goods are better than our own. This further encourages trade between nations."

Of all the amazing things that have come out of the New Deal cauldron, there has been nothing that can equal this. While thousands of real Americans are preaching the gospel of buying only merchandise bearing the label "Made in the U. S. A.," as are the glove manufacturers and glove makers of Fulton County, the New Deal begins a campaign to use our schools to teach young America that "imported goods are better than our own"; in other words, that the products of American workers in American factories are inferior to those produced in other countries.

We had hoped that the limit in idiotical proposals had been reached in Washington. But all hopes are shattered by this bombshell, which is nothing more nor less than outright disloyalty to American business and American workers. However, it proves our oft-repeated contentions of how deeply New Dealism is concerned in the welfare of American labor. Let this sink into your soul: "Buy foreign-made goods because they are better than ours."

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD at this point and include two letters from the Port of New York Authority regarding a syllabus, which has been used in the New York schools, which teaches the children that foreign trade is better than our own.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

The matter referred to follows:

THE PORT OF NEW YORK AUTHORITY,
New York, June 14, 1938.

Hon. EDITH NOURSE ROGERS,
House Office Building, Washington, D. C.

DEAR MRS. ROGERS: My attention has been drawn to a discussion in the CONGRESSIONAL RECORD of Tuesday, June 7, relative to a syllabus on foreign trade prepared by the New York National Foreign Trade Committee and the High School Principals' Association of New York City. In the course of the discussion you expressed an interest in the Port of New York Authority's connection with the syllabus, prompted by an acknowledgment printed on the cover by the authors to the Port Authority for certain data.

For your information, I am inclosing copy of a letter dated May 23, which I sent to Mr. F. X. A. Eble, managing director, Made in America Club, Inc., which is self-explanatory.

Very truly yours,

J. E. RAMSEY, *General Manager.*

MAY 23, 1938.

Mr. F. X. A. EBLE,
Managing Director, Made-in-America Club, Inc.,
420 Lexington, Avenue, New York, N. Y.

DEAR SIR: This is in reply to your letter of May 20 referring to a syllabus on foreign trade prepared by the New York National Foreign Trade Week Committee and the High School Principals' Association for use in the New York City schools.

The port authority's cooperation in this matter extended to furnishing factual material to the committee, at its request, the same courtesy that we would extend to any inquiry. The facts that we furnished pertained to the facilities, commerce, and shipping at the port of New York. The committee's reference to the cooperation of the port authority merely acknowledges this assistance.

We do not wish to enter into any controversy with you over the organization of the syllabus, since this is the responsibility of the National Foreign Trade Week Committee and the High School Principals' Association.

Very truly yours,

J. E. RAMSEY, *General Manager.*

COMMITTEE TO NOTIFY THE PRESIDENT

Mr. RAYBURN. Mr. Speaker, I offer a resolution which I send to the Clerk's desk.

The Clerk read as follows:

House Resolution 538

Resolved, That a committee of two Members be appointed by the House to join a similar committee appointed by the Senate to wait

upon the President of the United States and inform him that the two Houses have completed the business of the session and are ready to adjourn unless the President has some other communication to make to them.

The resolution was agreed to; and the Speaker appointed the gentleman from Texas [Mr. RAYBURN] and the gentleman from New York [Mr. SNELL] as members of the committee.

EXTENSION OF REMARKS

Mr. GEARHART. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and include therein a short speech by Mr. Ferdinand Frazier of Washington, D. C.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. SCHNEIDER of Wisconsin. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a short editorial from the Capital Times of Madison, Wis.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. CREAL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Kenucky?

There was no objection.

Mr. DORSEY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include a radio address delivered by Governor Earle of Pennsylvania.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. BRADLEY. Mr. Speaker, I ask unanimous consent to extend my own remarks and include therein several letters from certain of my colleagues and an exchange of correspondence between Rabbi Stephen Wise and myself.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

PUMP PRIMING NO INNOVATION

Mr. DINGELL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD at this point and include therein a brief newspaper clipping.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. DINGELL. Mr. Speaker, the spending-lending program of the Roosevelt administration involving the amount of $3,750,000,000, intended as a pump-priming aid toward recovery, has been attacked most energetically and I should say unfairly. It has been misrepresented and abused for the sake of partisan political advantage to such an extent that further silence on my part becomes an impossibility.

I want to cover in a short discourse some of the more flagrant charges made on the floor of the House and in the Republican newspapers which are intended to mislead the people to believe that pump priming and subsidies are revolutionary innovations of the Democratic Party and of the New Deal and that it is a dead irrecoverable loss. I want to call to the attention of my people the glaring oversight of the Republican partisans who charge that all moneys loaned for public improvements, homes, and farms are an obligation of the United States Government and a part of the national debt and then deliberately fail to offset these obligations with the billions in mortgages and other valuable securities which as collateral more than balance these loans and advances.

An unfair or blind partisan press working hand in hand with the Republican National Committee attempts to conceal or ignore the billions of dollars in collateral held as security for the repayment of obligations by such agencies as the Reconstruction Finance Corporation, the Public Works Administration, the Farm Loan Corporation, and the Home Owners' Loan Corporation. These securities include home and farm mortgages, preferred bank and rail stocks, securities of insurance companies, revenue bonds, and tax anticipation warrants of sovereign States and municipalities, including revenue bonds issued by the State of Michigan and the city of Detroit.

Obviously for political reasons they point out the tremendous total responsibility assumed by the Federal Government and insist that the gross amount is the total debt. They fail to tell the people, however, that the assets held by some of the principal Government agencies mentioned here amount to billions of dollars which is deductible from the gross sum.

Home Owners' Loan Corporation:		
Total loans to home owners		$3,093,424,244
Of this amount actually repaid		400,000,000
Leaving unpaid secured loans amounting to		2,693,424,244
NOTE.—The interest differential between 5 percent paid on loans and the average 2.6 percent paid out on bonds will carry the complete overhead on cost of the entire Corporation during its entire life.		
Federal Farm Mortgage Corporation: Government guaranteed bonds secured by farm mortgages outstanding		1,409,865,000
Reconstruction Finance Corporation:		
Authorized loans and investments	$9,496,000,000	
Withdrawn after approval of the loan because money borrowed from other sources	1,785,000,000	
Actual loans	6,977,600,000	
Amount repaid	5,104,500,000	
Amount to be repaid		1,873,100,000
Plus profit put to surplus		190,000,000
Public Works Administration:		
Loans for permanent public improvements, including $200,974,500		$789,961,072
Profit of the Treasury Department and revaluation of gold now being used as a stabilization fund		2,500,000,000
Offset against the public debt amounting to		9,456,351,216

The opposition would insult the public intelligence by a feigned belief and dissemination of false propaganda that pump priming is a new departure and that subsidies were never heard of during Republican administration. As a matter of record, the Harding, Coolidge, Hoover administrations primed the pumps of foreign governments and foreign industries through the medium of fake bonds which were sold with the approval of the Treasury Department, under Secretary Mellon, to the American people and which will never be redeemed in the stupendous amount of $13,000,000,000. The railroads received a priming—not a loan but an outright gift—of $600,000,000 under the Esch-Cummins law.

Industries received a gratuity as compensation for unfulfilled wartime contracts amounting to more than $200,000,000.

Republican campaign contributors received tax refunds from their friend Mellon, for the most part unsolicited, to the tune of over $2,000,000,000.

The only pump which the Republican administrations failed to prime and which was inexcusably left to this administration to pay, was the priming money for the soldiers' bonus, amounting to $2,500,000,000. So determined were they to pass the buck and evade responsibility that Hoover actually called out the Army to "shoot hell out of the brazen veterans." The bonus payment is now a part of the national debt.

It is a most interesting calculation which discloses that the pump priming of the Roosevelt administration, not secured and irrecoverable, amounts to date to a far lesser sum than the nonrecoverable pump priming of the Republican administrations. The real difference between the two is in the fact that such amounts as are not recoverable under the Roosevelt plan were used for direct relief of the starving and needy or were outright grants in cash to relieve unemployment and for much-needed public improvements, such as schools, libraries, fire houses, hospitals, other utilitarian buildings,

roads, and dams, for the benefit of all the people. Secured loans in connection with these projects will be repaid with interest to the American people without the loss of one cent.

The pump-priming sum of nearly $16,000,000,000 under the Republican administration was used for the benefit of the railroads, favored campaign contributors, and industrialists who made huge wartime profits, and for the pump priming of foreign governments and their industries whose bonds were sold to a gullible American public who cannot hope ever to get back one dime.

The Democrats expended the money for the benefit of millions of people—all our own people. The Republicans expended the money for the benefit of a few people and billions for the benefit of foreign governments, for their armaments and to build up competitive industries in foreign lands.

Bonds sold to save the millions of homes, farms, industries, banks, and insurance companies by the Roosevelt administration are as good as gold and will, just as sure as the sun rises and sets in the heavens, be repaid to the American bondholders; but the fake bonds sold to our people under the previous administrations are irretrievably lost. It is a subject for further discussion which I cannot cover at the present time, but the holding of these foreign, worthless, and defaulted bonds on the part of our banks was the real cause for the collapse of our banking structure and the cause of the Hoover depression.

While the practice of gratuitous tax refunds under Harding, Coolidge, and Hoover reached scandalous proportions, nothing could be done to stop the pernicious practice of pilfering the Public Treasury. The brazen attitude of Mr. Mellon had the approval of three Republican Presidents and of the Republican controlled Congress. Times have changed, however, and taxes levied by this administration are not only being collected fairly, equitably, and honestly, but are being retained and expended for the general welfare. More than that, reexamination of tax returns collected during the Republican administrations have yielded millions of additional revenue. Naturally there would be resentment toward an administration, the policy of which not only levies taxes upon those best able to pay them but in addition reexamines and collects back taxes which were either evaded or overlooked. Under such policy gratuitous and unsolicited refunds of tax moneys cannot be tolerated by the Democratic administration. As a matter of fact, they are so rare as to be almost unknown.

Since I have been obliged to refer to the Hoover depression, it may be proper to mention the recent recession referred to by the Republican partisans and their kept press as the Roosevelt depression, and analyze the reason for the phenomenon. There is nothing that the Roosevelt administration has done or said to bring about the temporary though serious economic set-back. Quite the contrary, the tragic decline was brought about in spite of the superhuman efforts of President Roosevelt and of the Democratic Congress to maintain the steady upward trend. The economic quake was brought about through the combined and premeditated efforts of calamity howlers and panicmongers who in their determination to destroy the Roosevelt administration almost destroyed themselves and the Nation. Their rebellion against the payment of just taxes and a concerted effort to shift the tax burden to the shoulders of those least able to bear them almost scuttled the ship of state. In their effort to retain within the coffers of their corporate treasuries excessive profits squeezed from the employees and the consuming public while denying at the same time the distribution of dividends rightfully belonging to the stockholders, this same element prostituted the free press to misrepresent the purposes and intent of the duly constituted government and thus to undermine the public confidence. In this they, to whom the President referred as copperheads, succeeded beyond their wildest dream and expectation, but at what cost to themselves, to their stockholders, and to the great mass of innocent suffering humanity. Traitors to the Nation which protects them, they must be proud of the suffering, the trail of broken hearts and suicides which their damnable propaganda brought about. Let us see what the Commentator of the Detroit News has to say about taxes under date of May 31, 1938. It is well worth reading:

THE COMMENTATOR

(By W. K. Kelsey)

Corporation reports for the first quarter of 1938 have been discouraging. With few exceptions, they report net income less than that for the corresponding quarter of 1937; and in an extraordinary number of cases there was no net income at all, but a loss. It may be believed that business which is losing money is trying to cut expenses, and that these efforts will be revealed next March when individual income-tax statements show reduced salaries and wages. Which means that Uncle Sam's proceeds from corporate and individual income taxes next year will be far under the estimates of the Budget Director, made last January. Which, in turn, will mean a huge deficit, and another addition to the national debt—since the Government does not seem at all inclined to cut expenses proportionately to the reduction in contemplated revenue.

The peak year in income-tax collections in this country was that ending June 30, 1930, when Uncle Sam collected $1,147,000,000 from corporations and $1,263,000,000 from individuals. The stock-market slump had started, but business had not yet begun to feel its effects. Then the depression steadily deepened, until in the year ending June 30, 1933, corporations paid only $352,574,000, and individuals only $394,218,000. That is, 3 years after the peak they were paying in taxes less than one-third of what they had paid in the high-piping times of prosperity.

THE BRITISH SYSTEM

Turn now to Great Britain. That country also suffered depression and heavy unemployment. In the fiscal year ending March 31, 1930, the income-tax collections amounted to $1,189,000,000. They increased the following year, and in the year after that reached the peak of $1,442,000,000. Then the slump hit, and in the year ending March 31, 1934, Great Britain collected only $1,143,000,000. But while, from peak to trough, American income collections fell 70 percent, British collections fell only 21 percent.

Why? There are several reasons.

One is that Great Britain raised the tax rate. In 1930 the basic tax was 20 percent; in 1932 it was 25 percent; it remained at that figure for 3 years. When recovery began to assert itself, the rate was dropped to 22½ percent, and at that figure it brought in a slightly larger revenue. In 1936-37 the rate was raised to 23¾ percent, and it netted $100,000,000 more. Last year it was boosted again to 25 percent, and it brought in an additional $200,000,000. For the current year, Chancelor of the Exchequer Sir John Simon added another 2½ percent, and estimated that this will add $105,000,000 to the receipts.

Yes; but we also hiked the income tax. In 1929 it was 1½ percent on the first $4,000, 3 percent on the next $4,000, then 5 percent, and the surtax began at $10,000. In 1932 it was 4 percent on the first $4,000, 8 percent on the rest, and the surtax began at $6,000. In 1934 the surtax began after the first $4,000, at 4 percent. In 1936 the surtax on the higher brackets was increased. Nevertheless, Uncle Sam collected in individual income taxes last year slightly less than he took in in 1929.

So let's look for other reasons.

MORE STABLE INCOMES

One is to be found in the fact that probably a much larger proportion of British incomes is derived from foreign investments, chiefly in bonds—a revenue which doesn't fluctuate much from year to year.

Another is that wages and salaries are much more stable in Great Britain than they are here. The pay goes to the position, rather than to the person who occupies it; and it remains much the same in prosperity and in depression, a sort of fixed charge on the business.

Still another (and it is important) is that although Great Britain has about one-third as many people as the United States, she has had, in recent years, twice as many individual income taxpayers. That is due to the fact that Great Britain begins the taxation of incomes at a lower level than do we.

The Englishman, single, with an income of $2,000, paid last year $162.50. If he was married and had no children, he paid $62.50; if he had three children, nothing. The American, single, paid $40 on $2,000 income; if married, he paid nothing.

The comparable taxes on a $5,000 salary were:

	British	American
Single	$762.50	$160
Married, no children	662.50	100
Married, one child	587.50	84
Married, three children	437.50	52

MORE BRITISH TAXPAYERS

In 1935-36 some 8,000,000 persons made tax returns in Great Britain; in the calendar year 1934, only 4,094,420 made returns in the United States. Exemptions cut down the number of actual income taxpayers in Great Britain to 3,350,000, compared with 1,795,000 in this country. Yet the British incomes of $10,000 and more were only 45,113 in number, while in the United States there

were 131,823. Still Great Britain collected $1,187,000,000, while the United States took in, in individual and corporation income taxes, only $817,025,000.

The conclusion is irresistible that by taxing smaller incomes than we do, Great Britain not only takes in a larger revenue during times of slack business, but can also count on a more stable revenue.

ASSESSMENT AND PAYMENT

There are a few more differences.

In Great Britain the taxpayer doesn't figure his own tax. He is visited by an assessor, who wants to know how much he thinks he will make in the current year; and the assessor fixes the amount of tax. Then, although the year doesn't end until March 31, he has to pay his tax by the preceding January 1—that is, out of current earnings, not out of next year's earnings, as we do. If it turns out on March 31 that the Britisher didn't make the amount estimated, he can file a claim and argue for a rebate.

Business taxes are paid the same way, so that out of current revenues the businessman sets aside what he knows he will need for taxes. He doesn't have to worry for fear he will have no income next year out of which to pay last year's assessment.

Surtaxes, however, are billed separately and are not due until the following January 1. That fact, too, helps to even up the revenue, for the Government gets part of the current year's tax on January 1 and the rest the following January 1. Guessing the tax yield is thus by no means the gambie for the Chancelor of the Exchequer that it is for our Budget Director.

Some day Congress may take a look at the British system and begin to wonder if it wouldn't be advisable to take a few tips from it.

A most interesting statement of facts relating to taxes, worthy of reprinting, though colored by the injection of partisan editorial comment entwined with the subject as news matter, appears in the rock-ribbed and consistently one-sided Republican Detroit Free Press under date of April 27, 1938:

BRITAIN RAISES INCOME TAXES—LEVIES REACH A HIGH FOR 17 YEARS

LONDON, April 26.—Great Britain hiked her income tax to a staggering levy, averaging 27½ percent, today, to help balance a budget, swollen by armament costs, that is the biggest in peacetime history.

Vast, secret food purchases to feed Britain's people for the "early months" of a war were disclosed by Sir John Simon, Chancelor of the Exchequer, who announced to the House of Commons that the Government needed 944,389,000 pounds ($4,721,990,000) for the year ending March 31, 1939.

The gap between arms expenses and expected income is to be filled by the 2½-percent income-tax increase, which won't hit the little fellow, and by tea and oil duty boost, which will.

EXPENSES TO INCREASE

Sir John warned that the peak year of defense expenditure would not be reached until next year, possibly the year after.

The income tax of five shillings sixpence to the pound ($1.375 per $5) becomes the highest in 17 years, since the 1921–22 peak of six shillings of the pound, or 30 percent.

Here is how a married man living with his wife and with one child fares under the new British income tax, under the old one and under the Federal income tax in the United States:

Salary	New tax	Old tax	United States tax
$2,500	$92.62	$87.50	Nothing
$3,000	200.62	177.50	Nothing
$5,000	640.62	587.50	$64.00
$10,000	1,878.12	1,722.50	379.00
$25,000	7,720.87	7,314.37	2,361.00

In the case of the British taxpayer no allowance for deductions is made on such items as insurance, servants, support of other relatives, and so forth.

BORROWING ALSO REQUIRED

The budget did not cover the whole of the huge arms bill, the 5-year cost of which originally was set at $7,500,000,000, and later estimated unofficially at $11,250,000,000. It provided for $1,225,250,000 for armaments expenditures but left out an extra $450,000,000 which is to be borrowed.

After a brief opposition attack, charging that the budget had not been balanced, Commons adopted resolutions implementing the tea, oil, and income-tax increases.

The tea-tax increase, from the present 4d. to 6d. (12 cents) a pound, which will hit nearly every home in the land, becomes effective tomorrow.

Gasoline, which now costs about 37 cents a gallon with a tax of 16 cents, will have a tax of 18 cents, effective tonight.

Two million small-income taxpayers were granted a concession. Everyone in the United Kingdom who earns $750 a year or more pays income tax, but the rates will remain the same for single persons making up to $1,450 and married men with one child earning up to $2,000.

The Government's food stock purchases—of wheat, sugar, and whale oil for margarine—were made secretly so as not to disturb the market, Sir John said.

There will always be some arguments, more or less partisan, to be sure, as to who is or was to blame for the recession. Let us see what the far-sighted business magazine Fortune has to say in the matter of placing the blame. I submit, Mr. Speaker, another clipping from the Detroit News under date of May 25, 1938:

PUTS BLAME ON BUSINESS—FORTUNE SCORES LACK OF SOCIAL VIEWPOINT

NEW YORK, May 25.—Only business is to blame for Government "interference" in its affairs, the business magazine Fortune said today in its June issue.

The magazine asserted that "in operating the capitalist economy American business has consistently misappropriated the principles of democracy."

"American business has made use of those principles to its own enormous profit," the magazine said, "but it has failed entirely to grasp the social implications of its profit making.

OBLIGATION OF BUSINESS

"As representing the capitalist economy, business has an obligation to build a workable economic system. But by 1932 it was evident that it had failed to do this. It had failed, and it has since failed, to provide approximately one-third of the American people with work, and hence failed to provide them with a livelihood, to say nothing of democratic opportunity.

"So business is confronted with a realistic political fact; namely, that a majority of the American people, with the penniless third as a nucleus, are beginning to measure the virtue of their Government mainly in terms of the guaranties it makes concerning their income.

"This bloc of citizens possesses more votes than any other single bloc, but excepting the far less solid South. These votes are economic votes—dollar votes. And business has delivered them into Government's hands."

Fortune asserted that the "failure of the marriage between the free capitalism and political democracy has not been a failure of the principle of private enterprise or the Democratic principle. These are still intact. What failed was the doctrine of laissez faire, which made the fundamental assumption that the economic system was not the concern of the Government."

The advance of industrialism made the laissez faire system less effective, according to Fortune, and today "the controls appear to operate sometimes in reverse."

SAVING THE SITUATION

"Today," the magazine said, "although there is scarcity on every hand, modern industry limits its production, and although the demand is slight, it raises or maintains boomtime prices. The results are half-speed operation and masses of unemployed."

If both democracy and private enterprise are to be preserved, Fortune concluded, "it is evident that private enterprise must admit into its affairs, as representative of the people, a Government profoundly concerned with the successful operation of the economic system.

"It should in the future be the object of business not to obstruct Government intervention at any cost," the magazine said, "but to see to it that the intervening Government is enlightened in economic matters. At this crucial point not only has business let the New Deal down, but the New Deal has let business down, and the result has been a number of profound economic errors.

"There are, of course, two alternatives. If the present system is allowed to work badly enough for long enough it is conceivable that the people, seizing the economic power, will rise up against the principle of capitalism and abolish it in favor of public ownership of all industry and finance. This would be a 'solution' along the lines of communism, effected at the expense of private enterprise.

"THE FASCIST WAY

"Or again, if the system is allowed to work badly enough for long enough, it is conceivable that the people will tire, not of capitalism, but of democracy itself, and will accept the leadership of some powerful person who, by controlling alike the industrial forces and the political forces, will be able to guarantee them a livelihood.

"This utter sacrifice of liberty for security would be a 'solution' along the lines of fascism.

"Between those two unpalatable extremes lies an American economy. It is not an economy that any single man, any bright economist, can now define. It is not an economy that can be found by good luck, or by a single victory at the polls. It can be established only by business working with government and government working with business, over a long period of years, toward a progressively higher standard of living derived from incentives of private enterprise.

"It is the only course open to business of government which does not lead inevitably into the fallacies of totalitarianism or

state collectivism. And if business and government cannot find it together, nobody else can."

Let us take a few moments to read an interesting clipping by that able, partisan, democratic director of publicity for the Democratic National Committee, Charles Michelson, which appeared in the Washington Star under date of June 19, 1938. It is another evidence of the "fairness" of our "nonpartisan" and "independent" and "free press."

DISPELLING THE FOG

(By Charles Michelson, director of publicity, Democratic National Committee)

Nowadays, when the newspapers of the country are full of political forecasts, straw votes, and real or invented surveys of the American trend of thought, it might be supposed that when an authority produces one of these estimates it would be prominently displayed.

Sad to say, the headlines and editorial comments in the anti-administration press appear to be confined to such forecasts as imply a recession from President Roosevelt's popularity and criticism of the New Deal measures.

The other day Fortune magazine, which can hardly be suspected either of great admiration for the President or a devotion to the emergency and reform measures that were the striking elements in the proceedings of the Seventy-fifth Congress, went into the survey business rather elaborately. The editors announced that their quarterly survey, to be published next month, indicates "that 54.7 percent of the population approve Mr. Roosevelt, while 34.4 percent disapprove, and 10.9 percent 'don't know.' The survey even indicates a possible majority disapproval of the phenomenon of a rebellious Congress; 47.2 percent think that Congress should work more closely with the President, while 40.6 percent prefer it to show an independent spirit, and 12.2 percent 'don't know.'"

Fortune is a big-business magazine. Suppose it had announced that its survey had shown an opposite trend of public sentiment. The anti-New Deal newspapers would have screamed the result in big headlines on every first page. As it was, the few of them that mentioned the conclusions of the Fortune poll printed just a little bit of it, very deep in the back of the paper. Most of the big newspapers ignored the whole account, although advance copies were furnished them by the magazine. One of the great metropolitan journals passed up Fortune's survey and the accompanying editorial, though it gave a long account of a sectional bankers' conference in Springfield, Ill., in which the New Deal was attacked.

Curiously enough, not one of the prominent newspaper columnists, who seize with avidity on anything that seems to throw doubt on the success of the New Deal measures and who see in everything evidences of revolt and disintegration in the Democatic Party, also paid any attention to the magazine's story or its editorial. They were too busy denouncing Relief Administrator Hopkins' statement that, were he a voter in Iowa, his native State, he would favor Representative WEARIN as against Senator GILLETTE, who won the senatorial nomination in the recent primary. They also had a great deal to say about the unimportance of the congratulatory telegrams received by Mr. GILLETTE from Cabinet officers and others as bearing on the question of whether the administration was mixing in local primary fights.

WHY THE STORY WAS NOT PUBLISHED

Of course, nobody can question the authority of the owner of a newspaper to print what he likes and omit what he likes, even if it does not seem quite square to his readers that they should not have all the news. You could hardly expect the New York Herald Tribune or the Chicago Tribune, for example, to republish such matter as this, even though uttered by the foremost business publication in the country: "At the moment it does not look as if the Republicans could win more than three or four new senatorships this fall, and even the most sanguine of John Hamilton's dopesters has not dared to claim more than 75 new seats in the House of Representatives. The Democrats will still have a heavy majority in both Houses of Congress. Moreover, the conservative Democrats will still be a minority in their own party." And it goes on to say: "And the chances that any important number of Mr. Roosevelt's men will be defeated in the primaries this year are very thin."

The text of the editorial that accompanied the article referred to might have come from a New Deal textbook instead of from the most luxurious of the publications devoted to the practical affairs of commerce and industry. The theme is the necessity of actual cooperation between business and government.

"Whether the present situation is permanent or temporary," says Fortune, "is beside the point. Every businessman who is not kidding himself knows that he does not know how to guarantee, without government intervention, the markets with which alone his free, competitive capitalism can function. Every businessman who is not kidding himself knows that, if left to its own devices, business would sooner or later run headlong into another 1930. And every businessman who is not kidding himself ought to know that as long as these things are so the electorate will force government into his affairs. It is neither possible nor desirable for a democratic government to sit by while a third of its citizens starve and almost as many more fear for their jobs."

WHEN IS NEWS NOT NEWS?

As a newspaperman it seems to me that such an opinion coming from such a source is news. It is news particularly because it departs from the impression which the administration's political foes have been so diligent in spreading—that all business regards the New Deal as a direct assault on American institutions and as indicating that the administration is an enemy to business. So also is news the concluding paragraph of that editorial, which runs this way:

"Between these two unpalatable extremes—communism and dictatorship—lies an American economy. It is not an economy that any single man, any bright economist, can now define. It is not an economy that can be found by good luck or by a single victory at the polls. On the contrary, it can be established only by business working with government, and government working with business over a long period of years toward a progressively higher standard of living derived from the incentive of private enterprise. It is the only course open to business or government that does not lead inevitably into the fallacies of totalitarianism and state collectivism. And if these two cannot find it together nobody else can."

Giving substance to the statement of Mr. Michelson is the letter received from Mr. C. B. Yorke, which follows:

FORTUNE,
New York, June 16, 1938.

The Honorable JOHN D. DINGELL,
18021 Woodingham Drive, Detroit, Mich.

HONORABLE SIR: Just exactly what occupational and income groups make up Mr. Roosevelt's present following, and just exactly which of his policies are approved and which are disapproved by each of these groups is revealed in the Fortune quarterly survey for July which will be published on June 23.

Under separate cover I am mailing you a complete copy of this survey, and I would like to call your attention particularly to the balance sheet of opinions. In these 12 tables and 12 charts you will find some 300 facts that will tell you almost everything you would like to know about public opinion on Mr. Roosevelt and his major policies.

This is the first time in American history that the popularity of a President and his policies has been broken down into its component parts by scientific sampling of public opinion.

Briefly, this Fortune quarterly survey shows:

A clear majority approves of Mr. Roosevelt and his objectives—but disapproves of his methods and his advisers.

Mr. Roosevelt's still tremendous majority is due entirely to his overwhelming popularity among the poor and the Negroes.

Mr. Roosevelt no longer has a majority in the Northeast and the Northwest Plains, which have a total of 191 votes in the electoral college, and his majority has declined in the Middle West.

The two Roosevelt policies which command the strongest popular support are his rearmament and international policies—without exception every group favors these.

It is interesting to note that for 3 years the Fortune survey has mirrored the unequivocal popular approval of the New Deal's main objectives. But as far back as April 1936, it discovered and declared that "there is political dynamite in appealing to the Nation to curtail the powers of the (Supreme) Court."

And this month's survey again reveals the deep-seated American opposition to any change in the balance of power between the three branches of the Government. I think you will want to study the evidence presented by this survey much more thoroughly than I have been able to present it in this letter.

This survey will be published in the July issue of Fortune on June 23 and I would appreciate your holding it in confidence until then.

Sincerely,

C. B. YORKE.

In conclusion, Mr. Speaker, let me state that I believe the Nation is headed definitely in the direction of unprecedented prosperity and happiness.

The present recession, temporarily interrupting the consistent upward trend begun in 1933, should convince all American citizens that it is dangerous and damaging to tamper with and to undermine the public confidence for partisan political advantage. Let us altogether resolve to swat the panic monger and the calamity howler. He is a slacker in this economic war; he is a traitor to the Nation, and should be treated accordingly.

The people of the United States, grateful for an honest administration, will sustain the hand of our great President and will return men to Congress who will work with him for the good of all.

EXTENSION OF REMARKS

Mr. DIXON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein two short letters from my colleagues.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. KELLER. Mr. Speaker, I would like to inquire what are the rights of Members as to the placing in the RECORD of their communications or speeches during the next few days and how long will any such right exist?

The SPEAKER. The gentleman from Illinois propounds an inquiry as to how late Members will have the privilege of presenting their remarks to be included in the RECORD. The Chair has been advised that the CONGRESSIONAL RECORD tomorrow will contain a statement of the date upon which the last issue of the RECORD will be issued, and Members will have until that time to offer extensions of their own remarks.

Mr. O'CONNOR of New York. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. O'CONNOR of New York. Is not that usually about 10 days?

The SPEAKER. It is.

Mr. KELLER. I ask unanimous consent that I be permitted at its proper place to answer the remarks made by the gentleman from New York [Mr. TABER] in relation to the autogiro.

The SPEAKER. Is there objection?

There was no objection.

THE WORK OF CONGRESS

Mr. KNUTSON. Mr. Speaker, I ask unanimous consent to proceed for 3 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. KNUTSON. Mr. Speaker, it is evident from the resolution that has just been adopted to appoint a committee to wait upon the President to inform him that the two Houses of Congress are ready to adjourn that we are about to bring our deliberations to a close without having done anything during the past 8 months that we have been in session to relieve unemployment, to liberalize our treatmen of the aged, or to make some provision for the railroads. We met in the middle of November and have been in constant session since that time, but nothing has been done for their relief. Here we have the railroads hanging on, all but bankrupt, an industry that employs over a million and in normal times employs 2,000,000 people, and we are going to adjourn without doing anything for them. You New Dealers want to adjourn without amending the Social Security Act and without an attempt being made to make suitable provision for the aged.

Mr. O'TOOLE. Mr. Speaker, will the gentleman yield?

Mr. KNUTSON. Yes.

Mr. O'TOOLE. Will the gentleman kindly inform the House just what his contribution has been to offset these things?

Mr. KNUTSON. Mr. Speaker, let me say to the gentleman from New York, who, I understand, is a big importer of foreign pork, that I belong to the minority. You gentlemen on the other side of the aisle outvote us 4 to 1, hence we are powerless to stop your mad raids. The responsibility for not having done anything for the unemployed, for the railroads, and for the old people of the country rests upon you alone.

Mr. O'TOOLE. Mr. Speaker, will the gentleman yield?

Mr. KNUTSON. I do not have time to yield further. Over a year ago the Republican members of the Ways and Means Committee, on a motion made by the gentleman from Massachusetts [Mr. TREADWAY], voted to hold hearings on H. R. 4199, the general welfare bill, and all other measures that had been introduced to help the aged, but because the President was opposed to this being done you unanimously voted against all efforts on our part to liberalize the present law. Mr. TREADWAY's motion was voted down by a straight party vote—the Republicans voting to hold hearings, the Democrats voting against holding hearings on these measures. The responsibility is yours. We Republicans did all we could, but were outvoted 2½ to 1. Now you folks want to adjourn. What are you going to say to the voters when you get back home? All you have done this winter is to spend money, and more money. You have not done a thing for the aged, the unemployed, or the railroads. What a miserable record. If you want to go before the people on that record, well and good.

Only on yesterday the President vetoed the bill passed by Congress to continue the lowered interest rates on farm loans because it would cost the Treasury a little over $200,000,000, but I have not heard him say a word against the useless spending of hundreds of millions for projects that will help none but land speculators. I am glad that we were able to override the President's veto so our farmers will continue to get their money at the present rate. That is about all you have done for the "underprivileged."

The SPEAKER. The time of the gentleman from Minnesota has expired.

COPY OF THE BOOK PROSPERITY THROUGH EMPLOYMENT

Mr. KELLER. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. KELLER. Mr. Speaker, it is needless to say that the gentleman who has just spoken has been asleep for 8 months and is not aware of the fact that the Democratic Party is the party which gave this country its first old-age pension law. The gentleman ought at least to wake up to that fact. But I have not risen to answer what the gentleman from Minnesota [Mr. KNUTSON] might have said, but to suggest that a number of my colleagues have expressed a desire to read the book Prosperity Through Employment, by KENT E. KELLER. A number of these books have been given to my colleagues with genuine pleasure. To those other colleagues who may desire it, I shall be glad to furnish a copy with my compliments. I would offer to send it to all, but I do not want to put anything into your hands unless you want it. Therefore I suggest that those who desire a copy shall drop me a note saying as much, and I shall be delighted to deliver it to them.

EXTENSION OF REMARKS

Mr. MOSER of Pennsylvania. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

THE SEVENTY-FIFTH CONGRESS

Mr. PHILLIPS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

CALL UPON YOUR CONGRESSMAN

Mr. PHILLIPS. Mr. Speaker, under leave to extend my remarks in the RECORD I append an effusion which I have affectionately dedicated to the Seventy-fifth Congress:

If you're needing drought or rain,
Call upon your Congressman!
If your pay check doesn't come,
Find a pad of paper, home,
And without a thought or plan,
Write it to your Congressman!

If your gal's another man's,
Hurry to your Congressman!
If your children run away
With the circus for a day,
Don't repine—or give a damn—
Write it to your Congressman!

If your baby's late again,
Call upon your Congressman!
If you want the latest news
About airships, shoes, or booze,
Telephone or telegram
To your patient Congressman!

If your clock or cow "don't" work,
Call your district's statesman-clerk;
If you've lost a sheep or hog,
If your newest hunting dog
Bites your latest hired man—
Quickly write your Congressman!

L'ENVOI

We are leaving, we are leaving
For the spot we call our home
Again to see our loved ones
In the places whence we come.
We've really tried to help them,
No matter what they say,
And keep the flag aflying
O'er the good old U. S. A.
Here's a greeting and a parting
As we separate today—
We will know each other better
When * the mists have rolled away!

*(After the first Tuesday after the first Monday in November.)

EXTENSION OF REMARKS

Mr. LORD. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include therein a short editorial.

The SPEAKER. Without objection it is so ordered.

PERMISSION TO ADDRESS THE HOUSE

The Chair recognizes the gentleman from Pennsylvania [Mr. DUNN] for 1 minute, without objection.

There was no objection.

Mr. DUNN. Mr. Speaker, I disagree with those who maintain that this Congress has not done anything in the last 8 months. Had this Congress passed only the wage and hour bill, this bill alone, in my opinion, would have been a wonderful accomplishment. The passage of this measure is a tremendous step forward. I commend the Republicans as well as all the Democrats, Farmer-Laborites, and Progressives for bringing about this humanitarian legislation. [Applause.]

EXTENSION OF REMARKS

Mr. WALLGREN. Mr. Speaker, I ask unanimous consent to extend my remarks and to include a short editorial from the Seattle Star on the subject of the Swedish Tercentenary Celebration.

The SPEAKER. Without objection it is so ordered.

There was no objection.

LEST WE FORGET

Mr. MOTT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection it is so ordered.

Mr. MOTT. Mr. Speaker, a few moments ago the gentleman from California [Mr. SCOTT], in the course of the debate upon the reenlistment pay amendment, observed that the persistent withholding of reenlistment pay to our soldiers, who are clearly entitled to it under the plain provisions of existing law, was the last vestige that remained of the Economy Act.

This recalls to my mind, Mr. Speaker, that the Seventy-fifth Congress, which will adjourn sine die within a few minutes, is adjourning upon the fifth anniversary of the adjournment of the first session of the Seventy-third Congress. The adjournment of that session occurred 5 years ago today at 1:25 o'clock in the morning. It was that session which witnessed the enactment of the economy bill which, while it was in force, brought so much distress and injustice and tragedy to the disabled veterans of our country. It was the following session which witnessed the beginning of the repeal of that act by a much disillusioned and repentant Congress. Subsequent sessions have completed its repeal.

During the past 5 years it has been my privilege to have had a part in most of the important debates connected with the legislation which brought about repeal of the Economy Act. Those debates tell the story of how and why the disabled veteran was disinherited by the Congress and how and why he was restored by the Congress to his rightful status. It may be well worth while for us and for all veterans on this occasion to review the fateful events of that session which adjourned 5 years ago today, and to remind ourselves again of their significance—lest we forget.

I ask unanimous consent, Mr. Speaker, to extend my remarks by including therein excerpts from some of the speeches I have been privileged to make in the debates on this legislation.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The matter referred to is as follows:

THE ECONOMY BILL—THE CONGRESS SURRENDERS ITS JURISDICTION OVER THE DISABLED VETERANS

Thursday, March 16, 1933

The House had under consideration the report of the committee of conference on the Senate amendments to the bill H. R. 2820, entitled "An act to maintain the credit of the United States Government"

Mr. MOTT. Mr. Speaker, I oppose this legislation now just as I opposed it when it came into the House last week. I voted against it then. If I had an oportunity to vote against it now, even with the Senate amendments, I would do so again. Unfortunately, we have no such opportunity. The only question which is now presented or which will be presented to the House, so far as this bill is concerned, is the question of concurrence in the Senate amendments.

Mr. Speaker, the people of the country even yet have little conception of what the Congress did when it passed this bill. The people fondly believe that the bill is what its title says it is—an act to maintain the credit of the United States. They refer to it by its short title and call it the economy bill. They have had no opporunity to read it. All they know about it is what they have learned from the propaganda which accompanied the bill into the House and which has never left it. They do not know, for example, that it passed this body on a wave of admitted hysteria; that it was not referred to any standing committee of this House; that no hearing of any kind was held upon it; and that it came in under a gag rule which prohibited any amendment and which limited debate to 2 hours.

Never before in the history of this body have the people affected by important legislation received such scant consideration at the hands of Congress. Never before have those opposed to legislation of this scope and magnitude been denied at least a reasonable opportunity to express their views. Never before has this parliamentary body been directed by the Executive immediately and without consideration to do a thing which no Member of it had ever before even contemplated doing.

The deliberate, insidious propaganda to which I have referred has made the people think that Congress, at the behest of the President, has passed legislation cutting down compensation to veterans who may not reasonably be entitled to it. They believe Congress at the most has broadened the Executive power so that, like a judge in equity, the President may dispense justice and correct evils in those particular cases wherein the law by reason of its inflexibility is inadequate. I know that is the belief of many of the people I represent, because it is the opinion clearly expressed in the multitude of letters and telegrams I have received from them.

But what, in fact, are the provisions of this bill which the House has passed within the space of 48 hours from the time it first received the President's message on the subject? What are the provisions of the law set forth under the bold title "An act to maintain the credit of the United States"? What is actually provided in this legislation which has been blazoned forth in every newspaper in the country as the Economy Act? In the first place, it provides that in a single enormous step and by a single roll call every piece of veteran legislation that has been enacted by the Congress of the United States since the close of the World War shall be repealed—not amended or changed or corrected, but repealed. Under the specific terms of the bill not a single shred of the veteran legislation, which it has taken 14 years to build, remains. Every statutory right of compensation given to any disabled veteran of the World War is taken away. There is no exception. So far as the disabled is concerned, this bill, as it was originally passed by the House, makes but one concession, and that a qualified one. It provides that if a veteran is now disabled as a result of injury or aggravation of injury incurred in line of duty, he may be paid a pension. Mark that word "may." Not even the permanently and totally disabled veteran suffering after 14 years from a battle wound is guaranteed a pension by this bill. It provides only that such a veteran may be given a pension in the discretion of the President.

The pension in such a case may be given or withheld, just as the Executive chooses, and in case he does choose to grant it, then such a disabled veteran, under the terms of this bill, may be given a pension of as little as $6 per month. As to every other class of disabled veteran this measure, as the House passed it, denied to them the right even to have a claim for pension considered. It put them without the pale even of Executive mercy. Among the veteran outcasts created by this bill, veterans who are admittedly disabled, are the poor, the helpless, the jobless, and the starving. They are to be turned back to private charity or to the charity of the municipalities, the counties, and the States, that are now staggering under a burden of debt and poverty compared to which, and in proportion to its resources, the lot of the Federal Government is light indeed.

I repeat, Mr. Speaker, let no one misapprehend either the purpose or the scope of this bill. By it we are amending no existing veteran legislation. We are correcting none of the particular evils which have been the subject of criticism either in the law itself or in its administration by the Veterans' Bureau. We are making

no specific reductions in compensation or pensions paid to any disabled veteran of the World War. We are not attempting any specific economies in the administration of the Veterans' Bureau. We are not eliminating any of the useless personnel of that Bureau. By this bill we are simply repealing all World War veteran legislation and are surrendering all jurisdiction, legislative and otherwise, over the 4,000,000 men who offered their bodies as breastworks to the Nation in the hour of that Nation's greatest need.

And this brings me to the second ground of my objection to this bill, which from the viewpoint of government, at least, is the most serious objection of all. Where, I ask, is the emergency which demands that in peacetime the legislative branch of our Government should abdicate all of its constitutional authority in this regard? Do gentlemen seriously contend that the Congress is either unwilling or unable to effect by legislation whatever economies the exigencies of the situation may demand? That assertion has been made here. But the very fact that the House has passed this bill, which gives to the executive branch of the Government the power and authority to effect such alleged economy by cutting pensions and compensation without limit and even to deny the right of compensation or pensions altogether, gives the lie to any such contention.

The Members of this body are just as anxious to effect economies and to cure whatever evils there may be in existing veterans' laws as the President is. Let the President say what economies he wants. Let him name the evils and abuses he wants corrected. I will go as far as the President desires to go in correcting any abuses, faults, or inequalities in the matter of the payment of compensation to veterans, if he will tell me what they are. But, as a Member of the legislative branch of our Government, charged by the Constitution with both the duty and the responsibility of helping to make its laws, I demand to know what reductions, what curtailments, and what specific economies he desires; and then I demand that those economies and reductions, whatever they are, shall be effected by legislative enactment and not by an order or proclamation either of the Chief Executive or of any subordinate to whom, under the provisions of this bill, he may delegate his power. I am willing to give him any law which is necessary to enable him, as the head of the executive branch of the Government, to meet any real emergency. I am willing to give him whatever Executive power may be necessary to enable him to enforce and administer that law. But, as a Member of Congress, I am not willing to surrender to him the right or the power to make law, either on this or any other subject. That is the right and the duty imposed by the fundamental law of the land upon the Congress, not upon the President. To contend that the Congress, composed, as this one is, of men whose desire is to cooperate with the President, is not capable of effecting legislation to meet this emergency without abdicating all its legislative jurisdiction over veterans is to admit that parliamentary government in America has failed.

Mr. Speaker, I see in the enactment of this law the distinct indication of a first step toward Executive dictatorship. It is entirely possible that the people may never regain the power they have this day surrendered. Under the sweeping provisions of this law it would require, in event of the Presidential veto, a two-thirds vote of both the House and the Senate not only to repeal this grant of power itself but to repeal even an order or a regulation made by the Chief Executive in regard to a disabled veteran.

The iniquity and the inhumanity of this law is almost beyond my comprehension. It makes a violation of an executive or bureaucratic regulation punishable by fine or imprisonment. To the veteran whose claim is disallowed by a bureau chief it denies even the right of appeal to the courts of the country for whose safety and welfare that veteran has offered his life. By this act the power of the people to deal justly or even humanely with the sick, the injured, and the helpless among the 4,000,000 of their defenders of a decade ago is gone. By it the future and the destiny of these same millions have been entrusted to a bureau created years ago by Congress to administer the acts of Congress, but which, under the provisions of this law, is no longer responsible, either to Congress or to the people.

And for what, pray, has the Congress done this thing? For the purpose of saving to the Federal income-tax payers a sum not exceeding $200,000,000 per year? Oh, I am well aware that propaganda has gone out to that effect, but that was propaganda only.

Mr. Speaker, this immediate annual saving to the Federal income-tax payer is only a part of the reason for this law. It is but the shadow cast before the real substance and the purpose of the law. If it were a matter merely of saving $200,000,000 per year to income-tax payers, that could easily be brought about by eliminating the useless activities of useless bureaus, which have become the scandal of the country. But the real forces behind this revolutionary act have made no such demand for economy. They have not considered that such a step was necessary in order to maintain the credit of the Government. That, I say, is not their purpose here. The comparatively few comprising the very wealthy and the prosperous of the country realize two great facts. They know that the Federal income-tax law, out of which practically all of the expenditures for payment of veterans' pensions and compensation must come, will never be repealed.

They know that if in the future the disabled, the aged, and the indigent veteran is to be cared for, that the cost of that care will necessarily have to be borne by them. They know also that it has been the historic policy of this Nation, from the American Revolution down to and including the Spanish-American War, to pay to those of its citizens who have borne the battle a reasonable compensation to help to maintain them in the twilight and evening of their lives. They know that, just as in the case of the Civil War veteran, a grateful people will not deny this aid to the Nation's defenders when they are in need of it, if the people have power to give that aid. They know that if the people, through their elected Representatives in the Congress still maintain the power to give it they will not deny it to the old and needy and the deserving veteran. To do so would be unthinkable and repugnant to the whole history and tradition and desire of our people.

It is for this reason that a small, selfish, highly organized group of those who under the present law must bear the burden, have struck now, upon the flood tide of the most vicious and successful campaign of propaganda that has ever been waged in this country, at the very foundations of representative Government. It is for this reason that, taking full advantage of the flame of hysteria and despair that has swept the country since the 4th of March, they have persuaded Congress, under a demand from the President, to abdicate its legislative jurisdiction over the veteran; to make a wholesale repeal of its pension law; to deny by statute the right of compensation to any veteran at any time in the future, and to make the veteran's right to compensation or pension dependent entirely upon the will of the Executive. This law so long as it stands forecloses even the bare right of Congress to legislate upon this subject.

Mr. Speaker, the business of this day will return to plague the Congress and the President as well. An act so inherently and so fundamentally wrong cannot endure the awakened conscience of the people when they realize, as at last they must, what they have done. Already the whirlwind of hysteria which made possible the enactment of this law is passing. Already regrets are heard from those who have thought it incumbent upon them to support this bill. I hope and I believe that in the not distant future the country will be ready to stand behind us in an effort to undo this wrong; to bring back at least within the scope of legislative jurisdiction the veterans who have this day been disinherited by their Congress and to again restore constitutional and parliamentary government to the United States.

Thursday, March 1, 1934

The bill H. R. 6663, the independent offices appropriation bill, was messaged from the Senate with sundry amendments relative to veterans' disability compensation and pensions, and the Speaker announced the same had been referred to the Committee on Appropriations.

THE HOUSE FIGHT FOR THE REPEAL OF THE ECONOMY ACT BEGINS

Mr. MOTT. Mr. Chairman, I want to take this opportunity to make some observations on the amazing procedure that transpired in this House a few minutes ago. I mean the reference to the Appropriations Committee of the Senate veteran amendments to the independent offices supply bill. I wish first to comment very briefly upon what I conceive to be the issue raised by the Senate amendments to this bill, which was reported in the House today, and then I want to voice my most emphatic protest against the manner in which the issue raised by the Senate amendments has been disposed of by the Speaker of the House.

The Senate on Monday and Tuesday adopted a series of amendments to the independent offices supply bill. Those amendments in the aggregate, as every gentleman here is aware, take the cruelty and injustice out of the Economy Act insofar as the service-connected disabled veterans of the World War are concerned. Those Senate amendments, if concurred in by the House, will not only effectively repeal the provisions of the Economy Act as to service-connected disabled World War veterans, but they will reinstate the pension status of the Spanish War veterans and restore their pensions to the extent of 90 percent of the amount they received prior to the passage of the Economy Act.

There is an issue that is fairly and squarely drawn, that is unambiguous, and that is understood by everybody. That issue should have been decided here upon the floor of this House, and by the membership of the House, which is the only legislative agency that has any moral right to decide it. It should have been decided in the usual, orderly, and customary manner, by a motion to concur in the Senate amendments, or by sending them to a conference.

THE MAJORITY LEADERS ATTEMPT TO PREVENT A VOTE

Instead of that what happened? That little group of Members who comprise the entire Democratic leadership, I dare say not more than a dozen men altogether, decided last night that the 435 Members of the House of Representatives should not be permitted to vote upon concurrence in the Senate amendments and that they should not be permitted even to send the amendments to conference. They decided this secretly, without a caucus, and without consulting, even informally, the rank and file of their own party membership.

In order to prevent a vote on the Senate amendments they resurrected an ancient rule which, I understand, has not been used for more than 20 years—a rule which permits the Speaker to refer Senate amendments to a House bill to a standing committee of the House. The oldest Member here cannot remember when that forgotten rule has ever been used before. But the Speaker used it—

used it to throttle the House on an issue that was directly before the House for decision, an issue that everyone was ready to vote on and expected to vote on. And mark this, no one knew that he was to be denied that right. None knew that secretly he had already been denied that right until it was actually announced from the Speaker's chair a few minutes ago that the issue had been settled and that the Senate amendments had been referred, without leave of anyone, to the Committee on Appropriations.

THE VETERAN ISSUE

And what was the issue that the Members of this House have thus been denied the right even to consider? It involves no less a thing than the welfare and the destiny of every disabled World War veteran and every Spanish-American war veteran.

You are all familiar, I know, with these Senate amendments. I am going to discuss them briefly, not so much for the purpose of informing you of their provisions but for the purpose of showing you the clear issue that it was the duty and responsibility of this House to face and decide and the issue which the majority leadership of this House has disposed of without giving the membership of this House any opportunity to meet.

So far as the Spanish-American War veterans are concerned, the Senate amendments to the House bill reinstate the pension status of these veterans; the amendments put them back in the precise position they occupied under the law as it existed prior to the passage of the Economy Act, and restored their pensions to the extent of 90 percent of what they had been receiving prior to March 20, 1933. I ask whether any issue can be clearer than that, and whether the House is not competent to decide it on the usual motion to concur?

As to veterans actually disabled in line of duty in the World War, the Senate amendments restore that class of disabled veterans to their full rights as they existed prior to the passage of the Economy Act. As to the so-called "presumptive" cases, the Senate amendments put them back upon the statute books and reinstate their right to compensation in those cases, and those only, where the service connection of their disability had been already established by law prior to the passage of the Economy Act.

There are some other minor amendments, but in the main the amendments are just as I have stated them to you. Every actual abuse that has ever been complained of in the original veterans' laws has been eliminated by these amendments. Every sensible, legitimate objection has been removed.

There was an issue clearly drawn, and which this House had a right to decide for itself, instead of having the amendments referred to the Committee on Appropriations. For what purpose were they referred to that committee without the consent of the House? For the purpose of killing them, or mutilating them, or both? So far as I am concerned I am satisfied that was exactly the purpose of this reference, and I shall never be of any different opinion until the Appropriations Committee, within a reasonably speedy time, reports those amendments back to this House just as it received them.

I have said that everybody in this House is prepared to meet the issue of restoring compensation to service-connected disabled veterans and Spanish War veterans, and prepared to meet it fairly and squarely. To those of us who voted against the Economy Act last March, the issue presents nothing new, nothing that we have not hoped for and worked for ever since that time. To those of you who voted for it, believing that the passage of the Economy Act was right, the Senate amendments present nothing new. You are certainly qualified to vote now, and do it honestly. There is another group of Members in this House in addition to the two groups I have mentioned.

The CHAIRMAN. The time of the gentleman from Oregon has expired.

Mr. SINCLAIR. Mr. Chairman, I yield 2 additional minutes to the gentleman from Oregon.

Mr. MOTT. In regard to this last group of Members, almost every one of them has already gone on record publicly since last March, both in this Chamber and outside of it, as saying that he voted for the Economy Act under a misapprehension, or that he voted for the Economy Act believing in the representations made by the President that he would administer it justly and humanely, or that he voted upon it too hastily. Almost without exception this large group of Members have publicly expressed their desire to be given an opportunity to correct the great wrong that they did to the veterans by voting for the Economy Act. They have declared they wanted to restore compensation to the war-disabled veterans and to the Spanish War veterans. I say they have been denied this chance by the Democratic leadership of this House; I say that action in this regard was deliberate and that it was shot through and through with politics. I believe it was taken for the purpose of preventing the Membership of this House from doing what a majority of the Membership has pledged itself to do. I believe further that it was taken to prevent embarrassment to the President in the matter of deciding whether or not he should veto the bill carrying the Senate amendments if they were concurred in by the House.

THE REMEDY

There is a remedy, however. The four-point Legion bill has already been introduced in the House. It has been here nearly a month, yet we have had no action whatever from the committee. We can correct the wrong that has been done the veteran today by immediately circulating a petition to discharge the committee from the consideration of that bill and then bring the original four-point bill out on the floor of the House as quickly as it can be done and decide it upon its merits. We should also discharge the committee and bring out upon the floor the Spanish War veterans' pension bill. If this is done, the House yet has an opportunity of meeting its responsibility. If these bills should reach the floor at this session, I am satisfied there is no doubt as to what action the House will take in the matter of restoring compensation to World War veterans having service-connected disabilities, as well as restoring the pensions to the veterans of the Spanish War. [Applause.]

[Here the gavel fell.]

Friday, March 2, 1934

THE MOTION TO DISCHARGE THE COMMITTEE

Mr. MOTT. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes, to make an announcement.

The SPEAKER. Is there objection?

There was no objection.

Mr. MOTT. Mr. Speaker, I desire to announce that I have filed with the Clerk a petition to discharge the Committee on Veterans' Legislation from consideration of the American Legion's four-point bill, H. R. 7151.

I have also filed with the Clerk a petition to discharge the committee from consideration of H. R. 6548, a bill to reinstate the pension status of the Spanish-American War veterans, and to restore those pensions. Both of these bills have been in committee more than 30 days and no action whatever has been taken on either of them.

I have done this on account of the peculiar and unusual action taken yesterday in the reference of the Senate amendments to the independent offices supply bill to the Appropriations Committee, instead of giving the House an opportunity to vote directly on the Senate amendments, either by way of a motion to concur or by reference to a conference. So far as veteran legislation is concerned H. R. 7151 and 6584 cover the same subject as the Senate amendments which were referred to the Appropriations Committee.

Mr. BYRNS. Will the gentleman yield?

Mr. MOTT. I yield to the able leader of the majority.

Mr. BYRNS. There is nothing peculiar or unusual in the reference of the bill to the Appropriations Committee. It may be unusual insofar as the actual practice is concerned, but the rule specifically provides for the bill to be referred to the committee as it was referred under the general rules of the House.

The gentleman implies that it was done for the purpose of depriving Members of the House from voting on the several amendments. The Members will have full opportunity when the bill is reported back to the House to vote on every amendment.

Mr. MOTT. The distinguished gentleman from Tennessee is entitled to his opinion. My own opinion is that it was a most unusual thing, and that it was done for the purpose of preventing the House from voting on a direct issue. I have inquired of many Members, and some of the oldest Members say they cannot remember any instance where that rule was invoked in a case of this kind. The issue was presented for a direct vote to restore the compensation to service-connected disabled World War veterans and to reinstate the pension status of Spanish War veterans. It was not ambiguous, everybody understood it, and everybody was ready to vote upon it. They were entitled to that vote yesterday—not at some future date when the Appropriations Committee gets through with it. I say by referring it to the Appropriations Committee the House was denied that opportunity, and that is the reason I have filed these petitions.

Mr. BYRNS. I want to say to the gentleman as emphatically as he says that it was the purpose to deny the House a vote, that the House will be given an opportunity to vote on every amendment when the bill is reported back. Now, I will say to the gentleman that in the Seventy-first Congress Speaker Nicholas Longworth referred the Interior Department bill on Senate amendments to the Committee on Appropriations, exactly as was done by the Speaker on this occasion. So the gentleman sees there was a very recent precedent for this action taken when the gentleman's party was in control of the House. There are other precedents prior to that action.

Mr. BULWINKLE. I would like to ask the gentleman from Oregon a question. Does he know what the Senate amendments provide?

Mr. MOTT. Yes.

Mr. BULWINKLE. What is it?

Mr. MOTT. I will tell the gentleman. In the first place, the Senate amendment restores to World War service-connected disability cases the status that these cases had prior to the enactment of the Economy Act.

In the second place, it puts the presumptive cases, so-called, back on the statute books with certain specific limitations, giving to them their former rates of compensation, provided they had already established the service connection of their disability by law. Thirdly, the Senate amendments reinstate the pension statutes of Spanish-American War veterans as it existed prior to the passage of the Economy Act.

[Here the gavel fell.]

Mr. BULWINKLE. Mr. Speaker, I ask unanimous consent that the gentleman may have 2 additional minutes to answer questions.

Mr. BLANTON. Mr. Speaker, I want to ask the gentleman——

[Cries of "Regular order!"]

Mr. BLANTON. If it is to be the regular order, I object.

Saturday, March 3, 1934

Mr. MOTT. Mr. Speaker, I stated yesterday in reply to the question of the gentleman from North Carolina [Mr. BULWINKLE] what the provisions of the Senate amendments to the independent offices appropriation bill were in regard to disabled veterans of the World War and the Spanish War veterans. Expiration of the time allotted me for this purpose prevented me from summarizing the remaining veteran provisions of the amendments. I desire to do this now.

In addition to the World War and Spanish War veterans' provisions, the Senate amendments include remedial legislation in regard to hospitalization, to death compensation of World War veterans' widows and children, and to disability retirement pay of emergency officers actually disabled in line of duty.

The widow's pension amendment provides that in no event shall death compensation being paid to widows, children, or dependent parents of deceased veterans be reduced or discontinued, whether the death of the veteran on whose account compensation is being paid was directly or presumptively connected with service. The amendment excludes from its provisions any case where death compensation was or is being paid through fraud, misrepresentation of a material fact, or unmistakable error; and this, in my opinion, is an all-sufficient safeguard and disposes of every reason for continuing the inhuman provisions of the Economy Act in regard to death compensation to dependents, under which thousands of helpless widows and orphans of disabled veterans were left destitute.

The Senate amendments also reinstate about 1,900 emergency officers actually disabled in line of duty during the war, and whose disability allowance was cut off by the Economy Act. This restoration includes only those officers whose injury or disease was made a matter of official record by competent military authority during the period of actual service in wartime, and to whom a disability allowance was being paid at the time of the passage of the Economy Act.

HOUSE UNDERSTANDS THE ISSUE

Finally, the Senate amendments provide that any honorably discharged veteran of any war who is suffering from disability or disease requiring hospitalization or domiciliary care and who is unable to defray the necessary expenses thereof, shall be entitled to hospitalization or domiciliary care in any veterans' hospital within the limitations existing in such hospital.

Now, Mr. Speaker, I repeat, there is nothing vague and nothing ambiguous in any of these amendments, nothing which the Members of the House do not understand and which they have not been perfectly familiar with ever since the Legion four-point bill and the Spanish War veterans bill were introduced in January. I say the House is entitled to vote on these amendments now, and that it is competent to vote on them, without the intervention or advice of the Appropriations Committee.

There are gentlemen here who honestly believe that these amendments are not proper. They voted for the Economy Act in the first place, knowing what it would do and what it has done for the sick and disabled veterans, both in the hospitals and out of them. I have no quarrel with them. If they are against the amendments, either in whole or in part, let them vote according to their convictions and their conscience. I do not deny them the right to vote against the amendments, but, Mr. Speaker, neither shall they deny me the right to vote for them, if I can help it. And that is why I have filed these motions to discharge the committees.

In closing, let me say this. If, as the distinguished majority leader assured me on the floor yesterday, it is the intention of the Appropriations Committee to report out these Senate amendments within a reasonable time, and in the exact form in which they received them, I have no great objection to that committee's doing so. In that case, however, I am wholly unable to see any reason for the reference of the amendments to the Appropriations Committee. If that committee is simply going to hold the amendments for 3 or 4 days and then send them into the House without any change, for what purpose was the reference to that committee?

The astute, capable, and intelligent leaders of the majority, who, by the way, are opposed to these amendments, do not do meaningless or futile things. If the Appropriations Committee report the amendments out unchanged, within a reasonable time, and allow the House a direct vote upon each one of them separately, my opinion is that it will not be because the majority leaders want them to—otherwise, they never would have had them referred to that committee—but it will be because the pressure of sentiment both within this body and without it, forces them to do so.

That such sentiment exists and exists strongly, I think there can be no possible doubt. Therefore, whatever the reason may have been for referring the amendments to the committee, we are willing to wait a reasonable time, and no more, for those amendments to come out. If they do not, then by the motions for discharge which I have filed, we intend to force consideration of both the American Legion four-point bill and the Spanish War veterans' bill, notwithstanding the wishes either of the majority leaders or the committee.

Friday, March 16, 1934

The Committee on Appropriations reported back the bill H. R. 6663, the independent offices appropriations bill, as amended by the Senate, and Mr. TABER, of New York, offered sundry amendments thereto which were adopted. The Senate, having reported to the House that it insisted upon the Senate amendments, the question on this day was upon concurrence in the Senate amendments.

THE HOUSE WINS THE RIGHT TO VOTE ON THE AMENDMENTS

Mr. MOTT. Mr. Speaker, the chance for which we have been fighting here ever since March 1 has come. We are about to vote directly upon the motion to concur in the Senate amendments restoring full compensation to disabled veterans of the World War and reinstating the pension status of Spanish-American War veterans.

Whether this motion prevails or whether the House decides to insist upon the Taber amendment adopted day before yesterday, and which provides only for partial restoration, the disabled and the aged veterans of all wars have won an outstanding victory by our action here, for we have at least gained the opportunity to vote yes or no upon the Senate amendments—an opportunity which the administration leaders have sought heretofore to deny us.

The fate of these veterans is in your hands on this motion, and I have only one word now to say, that is to remind you that throughout this debate no one has advanced the argument that the Senate amendments give the disabled veteran too much and no one has contended that the pensions of Spanish War veterans should not be restored to the extent the Senate amendments provide.

The sole argument advanced against adoption of the Senate amendments is that if they are adopted the President will veto the bill. As to that argument let me say this: Nobody knows what the President will do. He has not indicated what he will do. He has not authorized anyone to say for him here what he will do.

But the question here is not what the President might do. This motion is not before the President for decision. It is before us. And the sole question is whether we believe the veterans are entitled to the relief the Senate amendments provide.

I say that the Senate amendments which are before us now are fair and just, and I repeat that no legitimate argument has been advanced in this debate against any of them. Who, I ask you, has said anything about the amendments that would cause a single one of you to vote against them, except the bare assertion that if the Senate amendments are adopted the President will veto this bill? And as to that assertion I challenge not only its truth but I also challenge the right of any Member to make it, except as a statement of his own opinion. It is not legitimate debate. No evidence has been produced here as to what the views of the President are upon this legislation.

And in this connection let me say further that no matter what the views of the President may or may not be, that is certainly no reason and no excuse for any Member of this body to vote against his own convictions when the roll is called on this motion. If the House of Representatives is to vote favorably only on that which the President shall approve of in advance, and if we are to be restrained, gagged, and subdued in our voting privilege by threats of a veto from the White House, then I say Congress had better adjourn permanently and go home. [Applause.]

The Senate amendments are not only fair and just; they are merciful as well. They take the cruelty and the inhumanity out of the Economy Act. You have the opportunity now for the first time to vote in favor of them. The great decisive moment for which the sick and disabled and the aged veterans have been waiting ever since the passage of the Economy Act is here. Let us not pass them by. Let us not give them less than they deserve. Let us vote for the Senate amendments. [Applause.]

[Here the gavel fell.]

Wednesday, April 18, 1934

VETERAN LEGISLATION PASSED OVER THE VETO—WHAT IT IS AND WHAT IT IS NOT

Mr. MOTT. Mr. Speaker, it has now been nearly a month since we passed over the President's veto the veteran legislation which was the subject of so much debate here and so much discussion throughout the country and which virtually repeals the entire Economy Act insofar as disabled veterans of the World War and the veterans of the Spanish War are concerned.

One would think, after all this debate and discussion, that the people generally would know just what this legislation is about. The fact is, however, that newspaper editorials, correspondence with our constituents, and even news articles which we have been receiving for 3 weeks, indicate that the people have been just as much misinformed about this legislation as they were about the Economy Act at the special session.

The legislation on which the President's veto was overridden has been referred to in some of this correspondence, and in these articles and editorials, as everything from the bonus to the restoration of the non-service-connected cases, and it may not be out of place to state again, for the benefit of some of our constituents, just what this legislation is.

The Senate amendments provided for full restoration of service-connected World War disability cases, both those whose service connection appeared on the face of the veteran's war record and those whose service connection had been established by law by competent proof outside the record. The latter were the so-called "presumptive cases." The Senate amendments also provided for the reinstatement of the pension status of veterans of the Spanish War and the

restoration of their pensions to the extent of 90 percent of what they were receiving prior to the passage of the Economy Act. The Senate amendments proposed to restore the right of hospitalization to those veterans who were financially unable to pay for their own hospitalization. Restoration of the disability allowance of a limited class of World War emergency officers was also proposed. It provided for reinstatement of the pension rights of widows and children of disabled veterans who have died since the passage of the Economy Act and who would have been entitled to such pensions except for the Economy Act.

The Senate original amendments were not adopted as a whole, but only in part. By a margin of one vote, the Taber amendment was substituted, and, after the Senate receded from its original amendments and adopted the Taber amendment, the House concurred.

THE DIFFERENCE BETWEEN THE SENATE AMENDMENTS AND THE TABER AMENDMENT

The difference between the original Senate amendments and the Taber amendment thereto is principally a difference in the amount of restoration. The Taber amendment contained nothing contrary in principle to the original Senate amendments; and, so far as that is concerned, I think everyone agrees now that complete restoration is inevitable and that we will accomplish that through subsequent legislation in the very near future.

No nonservice cases were involved in any of this legislation. In fact, there has never been any legislation introduced in Congress for that purpose. And, of course, the payment of the bonus was not involved, either.

The inaccurate statements that have been made in regard to this legislation have not been made through ignorance. They have been made deliberately, for the purpose of misinforming the people, and they are a part of the original propaganda of the National Economy League. The ridiculous statements as to the cost of this legislation are also propaganda. The total additional cost, according to the official statement of the Veterans' Administration, will be $83,000,000, and not any of the fanciful figures that have been variously stated in newspaper stories and editorials. These imaginary figures have run all the way from $125,000,000 to $250,000,000, and have been repeated continuously and deliberately in the face of the Veterans' Administration's official statement. But we need not be disturbed by this. In time the people will learn the falsity of this propaganda, just as they ultimately learned that the propaganda used to pass the Economy Act was false.

Altogether this has been a great victory, a just victory, and a humane victory. It will redound to the benefit not only of the sick, the disabled, and the aged veterans, but to the benefit of their States and their communities and to everyone with whom they come in daily contact.

EXTENSION OF REMARKS

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein certain letters regarding the New York Syllabus.

The SPEAKER. Without objection it is so ordered.

There was no objection.

RECESS

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent that the House stand in recess subject to the call of the Chair, the bells to be rung 10 minutes before the House is called to order.

Mr. SNELL. Mr. Speaker, reserving the right to object, has the gentleman any idea how long the recess will be?

Mr. RAYBURN. No one can tell. I am going over to the other end of the Capitol now to find out just what the situation is.

The SPEAKER. Is there objection to the request of the gentleman from Texas that the House stand in recess subject to the call of the Chair, the bells to be rung 10 minutes before the House is called to order?

There was no objection.

Thereupon (at 7 o'clock and 11 minutes p. m.) the House stood in recess subject to the call of the Chair.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 8:35 p. m.

FURTHER MESSAGE FROM THE SENATE

A still further message from the Senate by Mr. St. Claire, one of its clerks, announced that the Senate had passed without amendment bills, joint resolutions, and concurrent resolutions of the House of the following titles:

H. R. 342. An act for the relief of H. Ward Bell;

H. R. 344. An act for the relief of Ford O. Gotham and James McCumber;

H. R. 347. An act for the relief of W. Glenn Larmonth;

H. R. 656. An act for the relief of Elmer W. Haas;

H. R. 667. An act to correct the records of the War Department to show that Guy Carlton Baker and Calton C. Baker or Carlton C. Baker is one and the same person;

H. R. 1251. An act for the relief of Anna L. Andreas and Anita Andreas;

H. R. 1299. An act for the relief of William E. Rich;

H. R. 1768. An act for the relief of Olin J. Salley;

H. R. 2734. An act to authorize the coinage of 50-cent pieces in commemoration of the four hundredth anniversary of the journey and explorations of Francisco Vasquez de Coronado;

H. R. 3357. An act conferring jurisdiction upon the United States District Court for the Northern District of California to hear, determine, and render judgment upon the claim of Fred Owens;

H. R. 3618. An act to reestablish the longevity pay of warrant officers;

H. R. 3961. An act for the relief of the estate of Benjamin A. Pillsbury (William J. Pillsbury, executor);

H. R. 4115. An act for the relief of Roy M. Young;

H. R. 5804. An act to provide for the residence of the United States commissioners appointed for the national parks, and for other purposes;

H. R. 6168. An act to amend section 239 of the act of June 8, 1872 (17 Stat. 312; U. S. C., title 39, sec. 500);

H. R. 6178. An act to abolish appeals in habeas corpus proceedings brought to test the validity of orders of removal;

H. R. 6591. An act to exempt from cancelation certain desert-land entries in Riverside County, Calif.;

H. R. 6805. An act for the relief of William Moseley;

H. R. 6820. An act for the relief of Elizabeth Vresh (Yalga Vres), her son, Frederick Vresh, and her daughter, Sylvia Vresh Bronowitz;

H. R. 7039. An act for the relief of Paul Hirschmann;

H. R. 7144. An act for the relief of the Curtiss Aeroplane & Motor Co., Inc.;

H. R. 7294. An act for the relief of Bartholemew Harrington;

H. R. 7369. An act to validate certain certificates of naturalization granted by the United States District Court for the District of Hawaii;

H. R. 7854. An act for the relief of Joseph Gross;

H. R. 8199. An act for the relief of Mrs. Olive Fletcher Conklin;

H. R. 8434. An act to liberalize the laws providing pensions for the dependents of veterans whose death resulted from service prior to April 21, 1898;

H. R. 8753. An act for the relief of the Choctaw Cotton Oil Co., of Ada, Okla.;

H. R. 8799. An act for the relief of William B. Blaufuss;

H. R. 9199. An act for the relief of Helen M. Krekler and the estate of Kemp Plummer;

H. R. 9282. An act for the relief of the estate of D. B. Carter;

H. R. 9448. An act for the relief of Charles G. Bostwick;

H. R. 9543. An act for the relief of Mr. and Mrs. Harold E. Theriault;

H. R. 10043. An act for the relief of employees of the Works Progress Administration whose tools and personal property were damaged or destroyed by fire at Roosevelt Stadium, Jersey City, N. J.;

H. R. 10051. An act to provide for travel allowance to railway-mail clerks assigned to road duty;

H. R. 10136. An act for the relief of John Patrick Toth;

H. R. 10380. An act to amend the act entitled "An act to incorporate the Society of American Florists and Ornamental Horticulturists within the District of Columbia";

H. R. 10506. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River between St. Louis, Mo., and Stites, Ill.;

H. R. 10507. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near a point between Morgan and Wash Streets in the city of St. Louis, Mo., and a point opposite thereto in the city of East St. Louis, Ill.;

H. R. 10527. An act for the relief of the American National Bank, of Kalamazoo, Mich.;

H. R. 10540. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Arrow Rock, Mo.;

H. R. 10605. An act to authorize the appropriation of funds for the development of rotary-winged and other aircraft;

H. R. 10610. An act granting the consent of Congress to the Iowa State Highway Commission to reconstruct or construct, maintain, and operate a free highway bridge across the Des Moines River at or near Keosauqua, Iowa;

H. R. 10632. An act authorizing the Port Authority of Duluth, Minn., and the Harbor Commission of Superior, Wis., to construct a highway bridge across the St. Louis River from Rices Point in Duluth, Minn., to Superior in Wisconsin;

H. R. 10670. An act to extend the times for commencing and completing the construction of a bridge across the Wabash River at or near Merom, Sullivan County, Ind.;

H. R. 10752. An act to authorize Federal cooperation in the acquisition of the "Muir Wood Toll Road" located in Marin County, State of California, and for other purposes;

H. R. 10842. An act creating the Cassville-Guttenberg Bridge Commission and authorizing said commission and its successors to construct, maintain, and operated a bridge or bridges across the Mississippi River at or near Cassville, Wis., and Guttenberg, Iowa;

H. R. 10866. An act authorizing the States of Minnesota and Wisconsin, jointly or separately, to construct, maintain, and operate a free highway bridge across the Mississippi River at or near Winona, Minn.;

H. R. 10873. An act to authorize the conveyance to the Arthur Alexander Post, No. 68, the American Legion of Belzoni, Miss., of the improvements and site containing 18 acres of land, more or less, at lock and dam No. 1 on the Sunflower River, Miss.;

H. R. 10895. An act to amend the act approved August 16, 1937, entitled "An act conferring jurisdiction upon the United States District Court for the Middle District of Georgia to hear, determine, and render judgment upon the claims of the estates of Marshall Campbell and Raymond O'Neal."

H. R. 10935. An act to authorize the Secretary of War to lend War Department equipment for use at the convention of the American Legion of New York during the month of August 1938;

H. J. Res. 551. Joint resolution providing compensation for certain employees;

H. J. Res. 663. Joint resolution to provide for the operation of the Peru and Indianapolis Railway post office by motor vehicle over the public highways;

H. J. Res. 681. Joint resolution to amend the Naturalization Act of June 29, 1906 (34 Stat. 596), as amended;

H. Con. Res. 66. Concurrent resolution authorizing the President of the Senate and the Speaker of the House of Representatives to sign enrolled bills or joint resolutions notwithstanding any recesses of the Senate and House of Representatives or adjournment of the third session of the Seventy-fifth Congress; and

H. Con. Res. 67. Concurrent resolution providing that when the two Houses of Congress shall adjourn on Thursday, the 16th day of June 1938, they stand adjourned sine die.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills and a joint resolution of the House of the following titles:

H. R. 4540. An act authorizing the Red Lake Band of Chippewa Indians in the State of Minnesota to file suit in the Court of Claims, and for other purposes;

H. R. 7515. An act to authorize the sale of certain lands of the Eastern Band of Cherokee Indians, North Carolina;

H. R. 9569. An act for the relief of Charles P. McCarthy;

H. R. 9739. An act to amend the Interstate Commerce Act, as amended, by amending certain provisions of part II of said act, otherwise known as the Motor Carrier Act, 1935;

H. R. 9868. An act for the relief of Harry J. Somerville; and

H. J. Res. 714. Joint resolution for the relief of certain aliens.

The message also announced that the Senate had passed bills and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 1404. An act for the relief of Charlotte E. Hunter:

S. 1946. An act to facilitate the control of soil erosion and flood damage originating upon lands within the exterior boundaries of the Angeles National Forest in the State of California;

S. 3332. An act to provide for recognizing the services rendered by civilian officers and employees in the construction and establishment of the Panama Canal and the Canal Zone;

S. 3489. An act authorizing the appointment of John Sneed Adams as a second lieutenant in the Army;

S. 3600. An act to amend section 503 of the Revenue Act of 1936 so as to authorize the use of accounting and registering devices for paying or collecting certain revenue taxes;

S. 3692. An act to authorize and direct the Comptroller General of the United States to allow credit for all outstanding disallowances and suspensions in the accounts of the disbursing officers or agents of the Government for payments made to certain employees appointed by the United States Employees' Compensation Commission;

S. 3888. An act for the relief of Charles L. Kee;

S. 4173. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Arrow Rock, Mo.; and

S. 4174. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near St. Charles, Mo.

S. Con. Res. 33. Concurrent resolution authorizing congressional representation at the exercises incident to the dedication of the Thousand Islands Bridge across the St. Lawrence River.

The message also announced that the Senate had agreed to the amendments of the House to bills of the Senate of the following titles:

S. 662. An act for the relief of Jeanne Rich, a minor; and

S. 2403. An act to prohibit the transportation of certain persons in interstate or foreign commerce during labor controversies, and for other purposes.

The message also announced that the Senate recedes from all of its amendments to the bill (H. R. 7084) entitled "An act to provide that all cabs for hire in the District of Columbia be compelled to carry insurance for the protection of passengers, and for other purposes."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10851) entitled "An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1938, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1938, and June 30, 1939, and for other purposes."

The message also announced that the Senate recedes from its amendments Nos. 43 and 44 to the foregoing bill.

The message also announced that the Senate had adopted the following orders:

Ordered, That the Secretary be directed to inform the House of Representatives that the Chair has appointed Mr. POPE, Mr. PEPPER, and Mr. NORRIS members on the part of the Senate of the Special Joint Congressional Committee to Investigate the Adequacy and Use of the Phosphate Resources of the United States, as provided for in Senate Joint Resolution 298, approved June 16, 1938.

Ordered, That the Secretary be directed to inform the House of Representatives that the Chair has appointed Mr. O'MAHONEY, Mr.

KING, and Mr. BORAH members on the part of the Senate of the temporary National Economics Committee as provided for in Senate Joint Resolution 300, approved June 16, 1938.

The message also announced that the Senate had passed the following resolution:

Senate Resolution 305

Resolved, That a committee of two Senators be appointed by the President of the Senate to join a similar committee appointed by the House of Representatives to wait upon the President of the United States and inform him that the two Houses, having completed the business of the present session, are ready to adjourn unless the President has some further communication to make to them.

COMMITTEE TO NOTIFY THE PRESIDENT

Mr. RAYBURN. Mr. Speaker, your committee appointed to join with a committee of the Senate to inform the President that Congress was ready to adjourn and to ask him if he had any other communications to make to the Congress, has performed that duty. The President has directed us to say that he has no further communications to make to the Congress.

Mr. LANZETTA. Mr. Speaker, I ask unanimous consent to take from the Speaker's table House Joint Resolution 714, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the House joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. SNELL. Mr. Speaker, reserving the right to object, I understood there was no more business to come before the House. If there is any more business to come up, let us take it all.

The SPEAKER. The Chair may say to the gentleman from New York that these are minor matters involving Senate amendments only.

Mr. SNELL. I have no objection.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

MOTOR CARRIER ACT OF 1935

Mr. SADOWSKI. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 9739, to amend the Interstate Commerce Act, as amended, by amending certain provisions of part II of said act, otherwise known as the Motor Carrier Act, 1935, with Senate amendment thereto and agree to the Senate amendment.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

Mr. HOLMES. Mr. Speaker, reserving the right to object, is this the amendment which the Senate inserted in one of the sections, the House Committee on Interstate and Foreign Commerce having stricken out?

Mr. SADOWSKI. No.

Mr. HOLMES. Will the gentleman please tell the House what it does contain?

Mr. SADOWSKI. It contains minor amendments that are inconsequential. We want to take care of a local situation in New Jersey and another situation with respect to certain farmers who are afraid that certain rates might be increased. The Senate agreed with the House Committee on Interstate and Foreign Commerce. I have consulted with the members of the committee, and they have agreed to it.

Mr. HOLMES. Section 3 has not been reinserted in the bill?

Mr. SADOWSKI. No.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

Mr. BUCKLER of Minnesota. Mr. Speaker, I ask unanimous consent to take from the Speaker's table H. R. 4540, with a Senate amendment thereto, and agree to the Senate amendment.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. SUMNERS of Texas. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a brief report by the Committee on the Judiciary with reference to the discharge of its responsibilities under House Resolution 287.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

EASTERN BAND OF CHEROKEE INDIANS, NORTH CAROLINA

Mr. ROGERS of Oklahoma. Mr. Speaker, I ask unanimous consent to take from the Speaker's table H. R. 7515, with a Senate amendment thereto, and agree to the Senate amendment.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The Senate amendment was concurred in, and a motion to reconsider was laid on the table.

CONFERENCE REPORT ON S. 1831

Mr. ROGERS of Oklahoma filed the following conference report and statement on the bill S. 1831:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1831) to provide for the payment of attorneys' fees from Osage tribal funds, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its amendment.

WILL ROGERS,
KNUTE HILL,
F. L. CRAWFORD,
Managers on the part of the House.

B. K. WHEELER,
LYNN J. FRAZIER,
Managers on the part of the Senate.

STATEMENT

We, the conferees of the House on Senate bill No. 1831, agree to recede from the amendment of the House, thereby restoring to the bill attorney fees, not to exceed 12½ percent of the amount recovered, as originally provided for in the original Senate bill.

WILL ROGERS,
F. L. CRAWFORD,
Managers on the part of the House.

CHARLES P. M'CARTHY

Mr. KENNEDY of Maryland. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 9569) for the relief of Charles P. McCarthy, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid of the table.

HARRY J. SOMERVILLE

Mr. KENNEDY of Maryland. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 9868) for the relief of Harry J. Somerville, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. O'MALLEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein extracts from certain letters received by me on certain matters of legislation.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. McFARLANE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein certain letters and excerpts.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

HON. WILLIAM B. BANKHEAD

The SPEAKER. Will the gentleman from Texas [Mr. RAYBURN] kindly take the chair for a moment?

Mr. RAYBURN assumed the chair.

The SPEAKER pro tempore. The Chair recognizes the gentleman from New York [Mr. SNELL].

Mr. SNELL. Mr. Speaker, I offer a resolution and ask for its immediate consideration.

The Clerk read as follows:

House Resolution 539

Resolved, That the thanks of the House are presented to the Honorable WILLIAM B. BANKHEAD, Speaker of the House of Representatives, for the able, impartial, and dignified manner in which he has presided over the deliberations and performed the arduous duties of the Chair.

Mr. SNELL. Mr. Speaker, I deem it a privilege and a personal favor for myself, in behalf of the minority, to offer this resolution expressing our faith and confidence in the great Speaker of the House of Representatives. [Applause.] Two years ago I offered a somewhat similar resolution, but there was a certain shade of sadness over the House at that time on account of the sudden and untimely death of the beloved Speaker, Joe Byrns. At that time I made certain predictions as to the future work of the present Speaker of this House. I am pleased to say to the Members he has fulfilled those predictions more than 100 percent. [Applause.] He has presided over this House with great dignity and has brought honor to himself and to the party he represents. [Applause.] He has proven himself an able, efficient, and respected Speaker of the House of Representatives, and he is entitled to have his name go down among the great Speakers of recent years. [Applause.] To my friend, BILL BANKHEAD, may I say I wish you and yours every good fortune in the future that your life, your ability, and your character deserve. [Applause.]

To my good friend the majority leader, the Honorable SAM RAYBURN, of Texas [applause], I want to express my sincere appreciation for the courtesy and consideration he has always shown me in connection with the work of the House. Of course, he has not always told me everything I would like him to have told me, but I believe perhaps he has told me as much as he ought to have told the leader of the opposition. It has been a pleasure to work with Sam, and I want to extend him my cordial good wishes. [Applause.]

May I say to the Republican minority that I sincerely appreciate the loyal support you have given me during the Seventy-fifth Congress. You have been generous to my shortcomings and constant in your support of my endeavor to do what is right for the party and for the country at large.

In fact, I want to extend my sincere good wishes to every Member of this House on both sides of the aisle. [Applause.] I consider that you have done your duty in accordance with the dictates of your own conscience and your own judgment, and that is all that can be asked of any public man.

While I appreciate the fact we are all eager to get away from here and go to our homes, and I hope each and every one of you has a pleasant and enjoyable vacation, nevertheless, there is always a sense of sadness in the closing of the last session of a Congress. No one knows what is in the future for him, but some of us will not be here to answer the next roll call.

In closing, I wish to say this: You all have my sincere and most friendly and kindly feeling. As we close here tonight, I bid you all an affectionate good night. [Applause, the Members rising.]

The SPEAKER pro tempore. The Chair recognizes the gentleman from New York [Mr. O'CONNOR].

Mr. O'CONNOR of New York. Mr. Speaker pro tempore, and especially Mr. Speaker BANKHEAD, as this Seventy-fifth Congress is about to adjourn—permanently, I hope—I desire to express to you as its great Presiding Officer the appreciation which I personally feel toward the distinction you have at all times contributed to our Assembly. That all the Members of this body, irrespective of political party, join with me in this tribute, I am confident.

To my close friends, the distinguished majority leader and the distinguished minority leader, every man and woman here will pay their respects. To all the other Members of this House, permit me to personally say all of us who have had any responsibility appreciate your patience, your spirit of cooperation toward the common good of the Nation, and your intimate personal friendships.

Life is short. The scene often changes. Some of us here may never meet again.

Retirement, defeat—yea, even death—may part our ways; but those of us who deeply and keenly appreciate the opportunity afforded to only 435 men and women out of the 130,000,000 of our people to serve as Representatives in Congress of our people will always treasure the close personal relations which have been cemented among us.

Neither time nor tide of events can ever sever these ties.

To say I love you all would be gratuitous. To say I shall always affectionately remember each and every one of you is not necessary. You all know it.

Whether we serve our country together again, whether we shall ever meet again, each and every one of you will always be enshrined in a niche in my heart. [Applause, the Members rising.]

The SPEAKER pro tempore. The question is on the adoption of the resolution.

The resolution was unanimously agreed to.

The SPEAKER pro tempore. The Chair recognizes the Representative from Alabama [Mr. BANKHEAD]. [Applause, the Members rising.]

Mr. BANKHEAD. Mr. Speaker, Mr. Minority Leader SNELL, Chairman of the Rules Committee O'CONNOR, I fear that it will be somewhat difficult for me to undertake to say a few words to you because of the stress of the very deep emotions that have been stirred in my heart and soul by this generous manifestation of your confidence, your esteem, and, I believe, of your personal affection. [Applause.]

I am very deeply indebted to my friend of many years' standing, the distinguished Representative from New York [Mr. SNELL], for the very kindly and most complimentary sentiments he has expressed with reference to my service in this body, and particularly with reference to the manner in which I have attempted to discharge the exacting duties of the Speakership since you honored me with that high trust and responsibility. There has existed between him and me for a great number of years a very candid and a very cordial understanding and warm friendship.

I believe that on one occasion, upon the anniversary of the birthday of Representative TAYLOR of Colorado, while I was undergoing a very desperate illness in Alabama 3 or 4 years ago, I undertook to say that he was one of the very finest minority leaders I had ever known, and out of my great admiration and affection for him I trusted that he would continue to serve in that capacity for a number of years [laughter and applause]; but if by the fortuities of politics to which we are all subject the tide of our political fortunes should change so that the opposition party should come into the control of the House, I knew of no man possessing higher qualifications of character and mental attainments than he to preside over the destinies of this House

[applause]; and I am most grateful for the generous expression of my long-time friend, JOHN O'CONNOR of New York, with whom I served for many years upon the very powerful Committee on Rules. I shall always cherish with a heart full of gratitude and appreciation the sentiments you have so kindly and so generously expressed.

I am not going to undertake to deliver any extended statement tonight. I have taken occasion more than once, and if God spares me to live I expect to repeat it on other occasions, to express my sentiments and appreciation of the dignity and personnel of the House of Representatives. I have served in this House now for 22 years, and during that period of service there has been a tremendous turnover in the personnel of the membership of this House. I had some statistics placed in the RECORD a few months ago, prepared by Mr. Tyler Page, which showed that since the Sixty-third Congress there have been more than 1,200 men who have served here in the House of Representatives, and, of course, I have known them all. I have had opportunity to observe them, their character, and the dignity and zeal with which they have almost universally performed the duties of their office, and I do not make this statement simply because I am speaking to my colleagues here in the House of Representatives, but I make it because it is the truth and will bear investigation and analysis anywhere and everywhere—that you cannot find anywhere in America a finer cross-section of patriotism, intelligence, devotion to duty, and high character than you will find in the House of Representatives of the Congress of the United States [applause], although I realize, of course, that this statement may be challenged by some gentlemen who seem to take great delight in undertaking to degrade the Congress of the United States in the public esteem.

The duties of the speakership of the House are exacting, they are onerous, they are multitudinous in all of their amplifications, and until I was promoted to this high position of trust and responsibility I really had no conception of what the duties of the speakership were, but I am happy to have had the assurance here tonight, particularly from the leader on the minority side, that I have so conducted the duties of that office as to show that I have endeavored at all times to be absolutely fair and impartial to every group of public opinion in this House and to every individual Member of it. [Applause.]

I shall not undertake to speak now of the accomplishments of this session of the Congress. This is not the time or the place to undertake that. What we have done here, its wisdom or its unwisdom, will be judged in a few months by the electorate of the country, and under our great system of public opinion the dominant party must be content to have its action weighed at the bar of the electorate, and we will abide that result with confidence. [Applause.]

That is all, I think, my friends, that it is proper for me to say on this occasion.

I desire simply to reiterate as earnestly as words can express, my deep and heartfelt appreciation for the generous words of praise that have been spoken in my behalf tonight, far more than I deserve, and to wish each Member of this body a safe return to his or her home, a safe adventure at the polls in November, and a happy recess looking forward to seeing as many of you as possible when we meet again. [Applause, the Members rising.]

Mr. RAYBURN. Mr. Speaker——

The SPEAKER. The Chair recognizes the gentleman from Texas [Mr. RAYBURN]. [Applause, the Members rising.]

Mr. RAYBURN. Mr. Speaker and my beloved colleagues on both sides of the aisle, you all, 434 of you, have been so kind and so fine to me in a very difficult position that I want to say to you tonight that I love you, everyone. [Applause.]

To you, Mr. Speaker, I want to say that of all the grand array of men who have presided over the destinies of this House in the more than a century and a half of its illustrious history none will rate greater than yourself. My affection for WILL BANKHEAD is like the affection of brother for brother.

To you, Mr. Minority Leader, I want to say that you have been as cooperative as anyone in your position could possibly be. [Applause.] And you have been helpful to me by your intelligent, your fine, and your patriotic cooperation.

To you ladies and gentlemen on my right: In a position that has been arduous, that has been onerous, your cooperation, your consideration, and your friendship have helped me to get along.

I had a little talk with the President of the United States this afternoon—I am talking to the people on my right for the moment—and he said that even though we had not done one or two things we started out to do, that he thought the Congress of the United States was closing in a blaze of glory. [Applause.]

To all of you who have been so kind and fine to me, I offer my sincere and heartfelt thanks. I trust that at least 434 of you will be back here on next January. [Applause, the Members rising.]

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills and joint resolutions of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 146. An act to require contractors on public-building projects to name their subcontractors, materialmen, and supply men, and for other purposes;

H. R. 733. An act for the relief of George E. Titter;

H. R. 736. An act for the relief of Mallery Toy;

H. R. 1995. An act to add certain lands on the island of Hawaii to the Hawaii National Park, and for other purposes;

H. R. 3162. An act conferring jurisdiction upon the United States Court of Claims to hear, examine, adjudicate, and render judgment on any and all claims which the Ute Indians or any tribe or band thereof may have against the United States, and for other purposes;

H. R. 4571. An act for the relief of the widow and children of James Patrick Mahar;

H. R. 5379. An act for the relief of Mrs. B. E. Hennigan and her dependent minor children;

H. R. 5690. An act to amend the Longshoremen's and Harbor Workers' Compensation Act;

H. R. 7344. An act for the relief of Eddie Walker;

H. R. 7759. An act for the relief of Susan Lawrence Davis;

H. R. 7844. An act to amend the act of Congress entitled "An act to establish an Alaska Game Commission, to protect game animals, land fur-bearing animals, and birds in Alaska, and for other purposes," approved January 13, 1925, as amended;

H. R. 9721. An act authorizing the disbursement of funds appropriated for compensation of help for care of material, animals, armament, and equipment in the hands of the National Guard of the several States, Territories, and the District of Columbia, and for other purposes;

H. R. 9801. An act to provide for the retirement, rank, and pay of Chiefs of Naval Operations, Chiefs of Bureau of the Navy Department, the Judge Advocates General of the Navy, and the Major Generals Commandant of the Marine Corps;

H. R. 9888. An act for the relief of William Henry Johnston, Jr., a minor;

H. R. 9997. An act to regulate the distribution, promotion, and retirement of officers of the line of the Navy, and for other purposes;

H. R. 10127. An act to regulate interstate commerce by establishing an unemployment-insurance system for individuals employed by certain employers engaged in interstate commerce, and for other purposes;

H. R. 10432. An act to amend an act approved June 14, 1906 (34 Stat. 263), entitled "An act to prevent aliens from fishing in the waters of Alaska";

H. R. 10594. An act to provide for the creation, organization, administration, and maintenance of a Naval Reserve and a Marine Corps Reserve;

H. R. 10785. An act to amend the Perishable Agricultural Commodities Act, 1930, as amended;

H. R. 10618. An act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes;

H. R. 10846. An act to create the office of the Librarian Emeritus of the Library of Congress;

H. J. Res. 679. Joint resolution making appropriations for work relief, relief, and otherwise to increase employment by providing loans and grants for public-works projects;

H. J. Res. 699. Joint resolution to amend sections 101, 102, 103, 104, and 859 of the Revised Statutes of the United States relating to congressional investigations;

H. J. Res. 702. Joint resolution to provide that the United States extend to foreign governments invitations to participate in the Third International Congress for Microbiology to be held in the United States during the calendar year 1939, and to authorize an appropriation to assist in meeting the expenses of the session;

H. J. Res. 711. Joint resolution providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution of the class other than Members of Congress; and

H. J. Res. 712. Joint resolution providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution of the class other than Members of Congress.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 371. An act for the relief of William R. Kellogg;

S. 1294. An act to amend the act entitled "An act to authorize the President to provide housing for war needs," approved May 16, 1918, as amended;

S. 2163. An act to authorize the deposit and investment of Indian funds;

S. 2505. An act for the relief of James J. Hogan;

S. 3337. An act to amend section 2 of the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1919, and for other purposes," approved July 1, 1918, to increase the authorized percentage of privates, first class, in the Marine Corps from 25 to 40 percent of the whole number of privates;

S. 3548. An act to amend section 9 of the Civil Service Retirement Act, approved May 29, 1930, as amended;

S. 3774. An act to authorize cooperation between the United States and the State of New York in the protection of the public interest and welfare inherent in certain forest lands in said State through provision for the acquisition and management of said lands;

S. 4007. An act authorizing the county of Lawrence, Ky., to construct, maintain, and operate a free highway bridge across the Big Sandy River at or near Louisa, Ky.;

S. 4011. An act to extend the time for completing the construction of a bridge across the Mississippi River at or near a point between Cherokee and Osage Streets, St. Louis, Mo.;

S. 4041. An act granting the consent of Congress to the State of New Jersey and the Commonwealth of Pennsylvania to enter into compacts or agreements with respect to constructing, maintaining, and operating a vehicular tunnel under the Delaware River;

S. 4036. An act relating to the tribal and individual affairs of the Osage Indians of Oklahoma;

S. 4044. An act to authorize the President to permit citizens of the American Republics to receive instruction at professional educational institutions and schools maintained and administered by the Government of the United States or by Departments or agencies thereof;

S. 4069. An act to authorize the Secretary of War to lend certain property to the reunion committee of the United Confederate Veterans to be used at their annual encampment to be held at Columbia, S. C., from August 30 to September 2, 1938;

S. 4070. An act to authorize the attendance of the Marine Band at the United Confederate Veterans' 1938 Reunion at Columbia, S. C., from August 30 to September 2, 1938, both dates inclusive; and

S. 4132. An act limiting the hours of labor of certain officers and seamen on certain vessels navigating the Great Lakes and adjacent waters.

BILLS AND JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills and joint resolutions of the House of the following titles:

H. R. 146. An act to require contractors on public-building projects to name their subcontractors, materialmen, and supply men, and for other purposes;

H. R. 733. An act for the relief of George E. Titter;

H. R. 736. An act for the relief of Mallery Toy;

H. R. 1995. An act to add certain lands on the island of Hawaii to the Hawaii National Park, and for other purposes;

H. R. 3162. An act conferring jurisdiction upon the United States Court of Claims to hear, examine, adjudicate, and render judgment on any and all claims which the Ute Indians or any tribe or band thereof may have against the United States, and for other purposes;

H. R. 4571. An act for the relief of the widow and children of James Patrick Mahar;

H. R. 5379. An act for the relief of Mrs. B. E. Hennigan and her dependent minor children;

H. R. 5690. An act to amend the Longshoremen's and Harbor Workers' Compensation Act;

H. R. 7344. An act for the relief of Eddie Walker;

H. R. 7759. An act for the relief of Susan Lawrence Davis;

H. R. 7844. An act to amend the act of Congress entitled "An act to establish an Alaska Game Commission, to protect game animals, land fur-bearing animals, and birds in Alaska, and for other purposes," approved January 13, 1925, as amended;

H. R. 9721. An act authorizing the disbursement of funds appropriated for compensation of help for care of material, animals, armament, and equipment in the hands of the National Guard of the several States, Territories, and the District of Columbia, and for other purposes;

H. R. 9801. An act to provide for the retirement, rank, and pay of Chiefs of Naval Operations, Chiefs of Bureau of the Navy Department, the Judge Advocates General of the Navy, and the Major Generals Commandant of the Marine Corps;

H. R. 9888. An act for the relief of William Henry Johnston, Jr., a minor;

H. R. 9997. An act to regulate the distribution, promotion, and retirement of officers of the line of the Navy, and for other purposes;

H. R. 10432. An act to amend an act approved June 14, 1906 (34 Stat. 263), entitled "An act to prevent aliens from fishing in the waters of Alaska";

H. R. 10594. An act to provide for the creation, organization, administration, and maintenance of a Naval Reserve and a Marine Corps Reserve;

H. R. 10127. An act to regulate interstate commerce by establishing an unemployment insurance system for individuals employed by certain employers engaged in interstate commerce, and for other purposes;

H. R. 10618. An act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes;

H. R. 10785. An act to amend the Perishable Agricultural Commodities Act, 1930, as amended;

H. R. 10846. An act to create the office of the Librarian Emeritus of the Library of Congress;

H. J. Res. 699. Joint resolution to amend sections 101, 102, 103, 104, and 859 of the Revised Statutes of the United States relating to congressional investigations;

H. J. Res. 702. Joint resolution to provide that the United States extend to foreign governments invitations to participate in the Third International Congress for Microbiology to be held in the United States during the calendar year 1939, and to authorize an appropriation to assist in meeting the expenses of the session;

H. J. Res. 711. Joint resolution providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution of the class other than Members of Congress; and

H. J. Res. 712. Joint resolution providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution of the class other than Members of Congress.

ADJOURNMENT SINE DIE

Mr. RAYBURN. Mr. Speaker, I move that the House do now adjourn.

The SPEAKER. The question is on the motion of the gentleman from Texas.

The motion was agreed to.

The SPEAKER. Pursuant to the provisions of House Concurrent Resolution 67, the Chair declares the third session of the Seventy-fifth Congress adjourned sine die.

Thereupon (at 9 o'clock and 9 minutes p. m.), the House adjourned sine die.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED SUBSEQUENT TO SINE DIE ADJOURNMENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills and joint resolutions of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 342. An act for the relief of H. Ward Bell;

H. R. 344. An act for the relief of Ford O. Gotham and James McCumber;

H. R. 347. An act for the relief of W. Glenn Larmonth;

H. R. 656. An act for the relief of Elmer W. Haas;

H. R. 667. An act to correct the records of the War Department to show that Guy Carlton Baker and Calton C. Baker or Carlton C. Baker is one and the same person;

H. R. 1251. An act for the relief of Anna L. Andreas and Anita Andreas;

H. R. 1299. An act for the relief of William E. Rich;

H. R. 1768. An act for the relief of Olin J. Salley;

H. R. 2646. An act for the relief of Isabella Hooper Caraway and James Randolph Hooper, a minor;

H. R. 2716. An act to provide for the local delivery rate on certain first-class mail matter;

H. R. 2734. An act to authorize the coinage of 50-cent pieces in commemoration of the four hundredth anniversary of the journey and exploration of Francisco Vasquez de Coronado;

H. R. 3357. An act conferring jurisdiction upon the United States District Court for the Northern District of California to hear, determine, and render judgment upon the claim of Fred Owens;

H. R. 3618. An act to reestablish the longevity pay of warrant officers;

H. R. 3761. An act for the relief of Dudley E. Essary;

H. R. 3961. An act for the relief of the estate of Benjamin A. Pillsbury (William J. Pillsbury, executor);

H. R. 4115. An act for the relief of Roy M. Young;

H. R. 4540. An act authorizing the Red Lake Band of Chippewa Indians in the State of Minnesota to file suit in the Court of Claims, and for other purposes;

H. R. 4691. An act for the relief of Pompeo Ercolano;

H. R. 4996. An act for the relief of Sue VanRyn; Donald A. VanRyn, a minor; and the estate of Margaret Breseman, deceased;

H. R. 5804. An act to provide for the residence of the United States commissioners appointed for the national parks, and for other puposes;

H. R. 6168. An act to amend section 239 of the act of June 8, 1872 (17 Stat. 312; U. S. C., title 39, sec. 500);

H. R. 6178. An act to abolish appeals in habeas corpus proceedings brought to test the validity of orders of removal;

H. R. 6591. An act to exempt from cancelation certain desert-land entries in Riverside County, Calif.;

H. R. 6805. An act for the relief of William Moseley;

H. R. 6820. An act for the relief of Elizabeth Vresh (Yalga Vres), her son, Frederick Vresh, and her daughter, Sylvia Vresh Bronowitz;

H. R. 6925. An act to provide for a national cemetery in every State;

H. R. 7039. An act for the relief of Paul Hirschmann;

H. R. 7084. An act to provide that all cabs for hire in the District of Columbia be compelled to carry insurance for the protection of passengers, and for other purposes;

H. R. 7144. An act for the relief of the Curtiss Aeroplane & Motor Co., Inc.;

H. R. 7294. An act for the relief of Bartholemew Harrington;

H. R. 7369. An act to validate certain certificates of naturalization granted by the United States District Court for the District of Hawaii;

H. R. 7515. An act to authorize the sale of certain lands of the Eastern Band of Cherokee Indians, North Carolina;

H. R. 7854. An act for the relief of Joseph Gross;

H. R. 8047. An act to amend the Meat Inspection Act of March 4, 1907, as amended and extended, with respect to its application to farmers, retail butchers, and retail dealers;

H. R. 8199. An act for the relief of Mrs. Olive Fletcher Conklin;

H. R. 8434. An act to liberalize the laws providing pensions for the dependents of veterans whose death resulted from service prior to April 21, 1898;

H. R. 8753. An act for the relief of the Choctaw Cotton Oil Co., of Ada, Okla.;

H. R. 8799. An act for the relief of William B. Blaufuss;

H. R. 9012. An act for the relief of Joseph Webbe;

H. R. 9132. An act for the relief of Celia Koehler;

H. R. 9133. An act for the relief of William Monroe;

H. R. 9135. An act for the relief of Emons Wolfer;

H. R. 9171. An act directing the Court of Claims to reopen certain cases and to correct the errors therein, if any, by additional judgments against the United States;

H. R. 9199. An act for the relief of Helen M. Krekler and the estate of Kemp Plummer;

H. R. 9282. An act for the relief of the estate of D. B. Carter;

H. R. 9448. An act for the relief of Charles G. Bostwick;

H. R. 9516. An act for the relief of J. T. Herren and Billie Herren, a minor;

H. R. 9543. An act for the relief of Mr. and Mrs. Harold E. Theriault;

H. R. 9569. An act for the relief of Charles P. McCarthy;

H. R. 9731. An act for the relief of James J. Coyne;

H. R. 9739. An act to amend the Interstate Commerce Act, as amended, by amending certain provisions of part II of said act, otherwise known as the Motor Carrier Act, 1935;

H. R. 9795. An act for the relief of Michael J. Muldowney;

H. R. 9859. An act for the relief of Victor H. Todaro;

H. R. 9868. An act for the relief of Harry J. Somerville;

H. R. 10024. An act to establish the Olympic National Park, in the State of Washington, and for other purposes;

H. R. 10043. An act for the relief of employees of the Works Progress Administration whose tools and personal property were damaged or destroyed by fire at Roosevelt Stadium, Jersey City, N. J.;

H. R. 10051. An act to provide for travel allowance to railway-mail clerks assigned to road duty;

H. R. 10135. An act for the relief of James Philip Coyle;

H. R. 10136. An act for the relief of John Patrick Toth;

H. R. 10339. An act for the relief of Isaac Friedlander;

H. R. 10380. An act to amend the act entitled "An act to incorporate the Society of American Florists and Ornamental Horticulturists within the District of Columbia";

H. R. 10506. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River between St. Louis, Mo., and Stites, Ill.;

H. R. 10507. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near a point between Morgan and Wash Streets in the city of St. Louis, Mo., and a point opposite thereto in the city of East St. Louis, Ill.;

H. R. 10527. An act for the relief of the American National Bank, of Kalamazoo, Mich.;

H. R. 10540. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Arrow Rock, Mo.;

H. R. 10605. An act to authorize the appropriation of funds for the development of rotary-wing and other aircraft;

H. R. 10610. An act granting the consent of Congress to the Iowa State Highway Commission to reconstruct or construct, maintain, and operate a free highway bridge across the Des Moines River at or near Keosauqua, Iowa;

H. R. 10632. An act authorizing the Port Authority of Duluth, Minn., and the Harbor Commission of Superior, Wis., to construct a highway bridge across the St. Louis River from Rices Point in Duluth, Minn.., to Superior, in Wisconsin;

H. R. 10670. An act to extend the times for commencing and completing the construction of a bridge across the Wabash River at or near Merom, Sullivan County, Ind.;

H. R. 10752. An act to authorize Federal cooperation in the acquisition of the "Muir Wood Toll Road," located in Marin County, State of California, and for other purposes;

H. R. 10777. An act authorizing the village of Baudette, State of Minnesota, its successors and assigns, to construct, maintain, and operate a bridge across the Rainy River at Baudette, Minn.;

H. R. 10835. An act to authorize the county of Kauai to issue bonds of such county in the year 1938 under the authority of Act 186 of the Session Laws of Hawaii, 1937, in excess of 1 percent of the assessed value of the property in said county as shown by the last assessment for taxation;

H. R. 10842. An act creating the Cassville-Guttenberg Bridge Commission and authorizing said commission and its successors to construct, maintain, and operate a bridge or bridges across the Mississippi River at or near Cassville, Wis., and Guttenberg, Iowa;

H. R. 10851. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1938, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1938, and June 30, 1939, and for other purposes;

H. R. 10866. An act authorizing the States of Minnesota and Wisconsin, jointly or separately, to construct, maintain, and operate a free highway bridge across the Mississippi River at or near Winona, Minn.;

H. R. 10873. An act to authorize the conveyance to the Arthur Alexander Post, No. 68, the American Legion, of Belzoni, Miss., of the improvements and site containing 18 acres of land, more or less, at lock and dam No. 1 on the Sunflower River, Miss.;

H. R. 10895. An act to amend the act approved August 16, 1937, entitled "An act conferring jurisdiction upon the United States District Court for the Middle District of Georgia to hear, determine, and render judgment upon the claims of the estates of Marshall Campbell and Raymond O'Neal";

H. R. 10907. An act to provide for the vesting of title and the disposition of personal property left or found upon premises used as Veterans' Administration facilities, and for other purposes;

H. R. 10935. An act to authorize the Secretary of War to lend War Department equipment for use at the convention of the American Legion of New York during the month of August 1938;

H. J. Res. 281. Joint resolution to authorize sales and exchanges by the State of Wisconsin notwithstanding certain provisions in the act of August 22, 1912 (37 Stat. 324);

H. J. Res. 551. Joint resolution providing compensation for certain employees;

H. J. Res. 663. Joint resolution to provide for the operation of the Peru and Indianapolis railway post office by motor vehicle over the public highways;

H. J. Res. 681. Joint resolution to amend the Naturalization Act of June 29, 1906 (34 Stat. 596), as amended;

H. J. Res. 707. Joint resolution requesting the President of the United States to proclaim the week of May 31, 1939, National Flood Prevention Week;

H. J. Res. 714. Joint resolution for the relief of certain aliens; and

H. J. Res. 723. Joint resolution to amend H. R. 10672, Seventy-fifth Congress, third session, entitled "An act to amend section 4197 of the Revised Statutes, as amended (U. S. C., 1934 ed., title 46, sec. 91), and section 4200 of the Revised Statutes (U. S. C., 1934 ed., title 46, sec. 92), and for other purposes," so as to correct a typographical error.

The SPEAKER announced his signature to enrolled bills and a joint resolution of the Senate of the following titles:

S. 3. An act to regulate commerce in firearms;

S. 252. An act to exempt publicly owned interstate highway bridges from local taxation;

S. 662. An act for the relief of Jeanne Rich, a minor;

S. 1131. An act to amend the part of the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1921, and for other purposes," approved June 4, 1920, relating to the conservation, care, custody, protection, and operation of the naval petroleum and oil-shale reserves;

S. 1532. An act to exempt retired officers of the Marine Corps and Coast Guard from certain restrictions with respect to holding office under the United States;

S. 2090. An act authorizing the naturalization of Vernice May McBroom, and for other purposes;

S. 2338. An act to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes;

S. 2403. An act to prohibit the transportation of certain persons in interstate or foreign commerce during labor controversies, and for other purposes;

S. 2412. An act for the relief of A. Pritzker & Sons, Inc.;

S. 2702. An act for the relief of James A. Ellsworth;

S. 2783. An act to amend the China Trade Act, 1922, as to the duration of the China Trade Act corporations;

S. 2811. An act to amend the Judicial Code by adding thereto a new section to be No. 659 (1), relating to the certification, authentication, and use in evidence of documents of record or on file in public offices in the State of Vatican City;

S. 3062. An act for the relief of Thomas H. Eckfeldt;

S. 3064. An act for the relief of George Henry Levins;

S. 3171. An act for the relief of William Server Rhodes, chief boatswain's mate, United States Navy, retired;

S. 3189. An act for the relief of Earle Embrey;

S. 3255. An act to provide for the establishment of a mechanism of regulation among over-the-counter brokers and dealers operating in interstate and foreign commerce or through the mails, to prevent acts and practices inconsistent with just and equitable principles of trade, and for other purposes;

S. 3283. An act to authorize the Secretary of the Interior to place certain records of Indian tribes of Nebraska with the Nebraska State Historical Society, at Lincoln, Nebr., under rules and regulations to be prescribed by him;

S. 3319. An act to authorize certain payments to the Veterans of Foreign Wars of the United States, Inc., and to the Disabled American Veterans of the World War, Inc.;

S. 3346. An act authorizing the Secretary of the Interior to pay salaries and expenses of the chairman, secretary, and interpreter of the Klamath General Council, members of the Klamath Business Committee and other committees appointed by said Klamath General Council, and official delegates of the Klamath Tribe;

S. 3387. An act for the relief of Hubert J. Cuncannan;

S. 3403. An act for the relief of Leonard Graboski;

S. 3493. An act providing for the suspension of annual assessment work on mining claims held by location in the United States;

S. 3516. An act to alter the ratio of appropriations to be apportioned to the States for public employment offices affiliated with the United States Employment Service;

S. 3517. An act for the relief of David B. Monroe;

S. 3525. An act to amend the act entitled "An act to extend the benefits of the Civil Service Retirement Act of May 29, 1930, as amended, to certain employees in the legislative and judicial branches of the Government," approved July 13, 1937;

S. 3560. An act to revise the boundaries of the Colonial National Historical Park in the State of Virginia, and for other purposes;

S. 3628. An act to confer jurisdiction on the Court of Claims to hear, determine, and enter judgment upon the claims of Government contractors whose costs of performance were increased as a result of enactment of the National Industrial Recovery Act, June 16, 1933;

S. 3633. An act authorizing the naturalization of Albin H. Youngquist, and for other purposes;

S. 3682. An act for the relief of Lofts & Son;

S. 3684. An act to amend section 113 of the Judicial Code, as amended;

S. 3763. An act to increase the period for which leases may be made for grazing and agricultural purposes of public lands donated to the States of North Dakota, South Dakota, Montana, and Washington by the act of February 22, 1889, as amended;

S. 3781. An act for the relief of the International Oil Co., of Minot, N. Dak.;

S. 3798. An act to amend the act entitled "An act to establish a Civilian Conservation Corps, and for other purposes," approved June 28, 1937;

S. 3805. An act to adjust the lineal positions on the Navy list of certain officers of the Supply Corps of the United States Navy;

S. 3810. An act to extend to Chief Quartermaster Clerk David C. Buscall, United States Marine Corps (retired), the benefits of the act of May 7, 1932, providing highest World War rank to retired warrant officers;

S. 3817. An act for the relief of John Haslam;

S. 3830. An act for the relief of William C. Willaham;

S. 3891. An act to provide for the reimbursement of certain enlisted men of the Navy for the value of personal effects lost in a fire at the naval air station, Hampton Roads, Va., May 15, 1936;

S. 3921. An act for the relief of Remijio Ortiz;

S. 3937. An act conferring jurisdiction upon the Court of Claims of the United States to hear, determine, and render judgment upon the claim of the Wisconsin Bridge & Iron Co.;

S. 3957. An act for the relief of James Thow, Charles Thow, and David Thow;

S. 4005. An act for the relief of Ida May Swartz;

S. 4136. An act to facilitate the control of soil erosion and/or flood damage originating upon lands within the exterior boundaries of the Nevada and Toiyabe National Forests in Nevada and to promote efficiency and economy of administration of said national forests; and

S. J. Res. 114. Joint resolution for the relief of certain persons who suffered damages occasioned by the establishment and operation of the Aberdeen Proving Ground.

JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on Friday, June 17, 1938, present to the President, for his approval, a joint resolution of the House of the following title:

H. J. Res. 679. Joint resolution making appropriations for work relief, relief, and otherwise to increase employment by providing loans and grants for public-works projects.

BILLS PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on June 21, 1938, present to the President, for his approval, bills and joint resolutions of the House of the following titles:

H. R. 342. An act for the relief of H. Ward Bell;

H. R. 344. An act for the relief of Ford O. Gotham and James McCumber;

H. R. 347. An act for the relief of W. Glenn Larmonth;

H. R. 656. An act for the relief of Elmer W. Haas;

H. R. 667. An act to correct the records of the War Department to show that Guy Carlton Baker and Calton C. Baker or Carlton C. Baker is one and the same person;

H. R. 1251. An act for the relief of Anna L. Andreas and Anita Andreas;

H. R. 1299. An act for the relief of William E. Rich;

H. R. 1768. An act for the relief of Olin J. Salley;

H. R. 2646. An act for the relief of Isabella Hooper Caraway and James Randolph Hooper, a minor;

H. R. 2716. An act to provide for the local delivery rate on certain first-class mail matter;

H. R 2734. An act to authorize the coinage of 50-cent pieces in commemoration of the four hundredth anniversary of the journey and explorations of Francisco Vasquez de Coronado;

H. R. 3357. An act conferring jurisdiction upon the United States District Court for the Northern District of California to hear, determine, and render judgment upon the claim of Fred Owens;

H. R. 3618. An act to reestablish the longevity pay of warrant officers;

H. R. 3761. An act for the relief of Dudley E. Essary;

H. R. 3961. An act for the relief of the estate of Benjamin A. Pillsbury (William J. Pillsbury, executor);

H. R. 4115. An act for the relief of Roy M. Young;

H. R. 4540. An act authorizing the Red Lake Band of Chippewa Indians in the State of Minnesota to file suit in the Court of Claims, and for other purposes;

H. R. 4691. An act for the relief of Pompeo Ercolano;

H. R. 4996. An act for the relief of Sue VanRyn; Donald A. VanRyn, a minor; and the estate of Margaret Breseman, deceased;

H. R. 5804. An act to provide for the residence of the United States commissioners appointed for the national parks, and for other purposes;

H. R. 6168. An act to amend section 239 of the act of June 8, 1872 (17 Stat. 312; U. S. C., title 39, sec. 500);

H. R. 6178. An act to abolish appeals in habeas corpus proceedings brought to test the validity of orders of removal;

H. R. 6591. An act to exempt from cancelation certain desert-land entries in Riverside County, Calif.;

H. R. 6805. An act for the relief of William Moseley;

H. R. 6820. An act for the relief of Elizabeth Vresh (Yalga Vres), her son, Frederick Vresh, and her daughter, Sylvia Vresh Bronowitz;

H. R. 6925. An act to provide for a national cemetery in every State;

H. R. 7039. An act for the relief of Paul Hirschmann;

H. R. 7084. An act to provide that all cabs for hire in the District of Columbia be compelled to carry insurance for the protection of passengers, and for other purposes;

H. R. 7144. An act for the relief of the Curtiss Aeroplane & Motor Co., Inc.;

H. R. 7294. An act for the relief of Bartholemew Harrington;

H. R. 7369. An act to validate certain certificates of naturalization granted by the United States District Court for the District of Hawaii;

H. R. 7515. An act to authorize the sale of certain lands of the Eastern Band of Cherokee Indians, North Carolina;

H. R. 7854. An act for the relief of Joseph Gross;

H. R. 8047. An act to amend the Meat Inspection Act of March 4, 1907, as amended and extended, with respect to its application to farmers, retail butchers, and retail dealers;

H. R. 8199. An act for the relief of Mrs. Olive Fletcher Conklin;

H. R. 8434. An act to liberalize the laws providing pensions for the dependents of veterans whose death resulted from service prior to April 21, 1898;

H. R. 8753. An act for the relief of the Choctaw Cotton Oil Co., of Ada, Okla.;

H. R. 8799. An act for the relief of William B. Blaufuss;

H. R. 9012. An act for the relief of Joseph Webbe;

H. R. 9132. An act for the relief of Celia Koehler;

H. R. 9133. An act for the relief of William Monroe;

H. R. 9135. An act for the relief of Emons Wolfer;

H. R. 9171. An act directing the Court of Claims to reopen certain cases and to correct the errors therein, if any, by additional judgments against the United States;

H. R. 9199. An act for the relief of Helen M. Krekler and the estate of Kemp Plummer;

H. R. 9282. An act for the relief of the estate of D. B. Carter;

H. R. 9448. An act for the relief of Charles G. Bostwick;

H. R. 9516. An act for the relief of J. T. Herren and Billie Herren, a minor;

H. R. 9543. An act for the relief of Mr. and Mrs. Harold E. Theriault;

H. R. 9569. An act for the relief of Charles P. McCarthy;

H. R. 9731. An act for the relief of James J. Coyne;

H. R. 9739. An act to amend the Interstate Commerce Act, as amended, by amending certain provisions of part II of said act, otherwise known as the Motor Carrier Act, 1935;

H. R. 9795. An act for the relief of Michael J. Muldowney;

H. R. 9859. An act for the relief of Victor H. Todaro;

H. R. 9868. An act for the relief of Harry J. Somerville;

H. R. 10024. An act to establish the Olympic National Park, in the State of Washington, and for other purposes;

H. R. 10043. An act for the relief of employees of the Works Progress Administration whose tools and personal property were damaged or destroyed by fire at Roosevelt Stadium, Jersey City, N. J.;

H. R. 10051. An act to provide for travel allowance to railway mail clerks assigned to road duty;

H. R. 10135. An act for the relief of James Philip Coyle;

H. R. 10136. An act for the relief of John Patrick Toth;

H. R. 10339. An act for the relief of Isaac Friedlander;

H. R. 10380. An act to amend the act entitled "An act to incorporate the Society of American Florists and Ornamental Horticulturists within the District of Columbia."

H. R. 10506. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River between St. Louis, Mo., and Stites, Ill.;

H. R. 10507. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near a point between Morgan and Wash Streets, in the city of St. Louis, Mo., and a point opposite thereto in the city of East St. Louis, Ill.;

H. R. 10527. An act for the relief of the American National Bank, of Kalamazoo, Mich.;

H. R. 10540. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Arrow Rock, Mo.;

H. R. 10605. An act to authorize the appropriation of funds for the development of rotary-wing and other aircraft;

H. R. 10610. An act granting the consent of Congress to the Iowa State Highway Commission to reconstruct or construct, maintain, and operate a free highway bridge across the Des Moines River, at or near Keosauqua, Iowa;

H. R. 10632. An act authorizing the Port Authority of Duluth, Minn., and the Harbor Commission of Superior, Wis., to construct a highway bridge across the St. Louis River from Rices Point in Duluth, Minn., to Superior, in Wisconsin;

H. R. 10670. An act to extend the times for commencing and completing the construction of a bridge across the Wabash River at or near Merom, Sullivan County, Ind.;

H. R. 10752. An act to authorize the Federal cooperation in the acquisition of the "Muir Wood Toll Road," located in Marin County, State of California, and for other purposes;

H. R. 10777. An act authorizing the village of Baudette, State of Minnesota, its successors and assigns, to construct, maintain, and operate a bridge across the Rainy River at Baudette, Minn.;

H. R. 10835. An act to authorize the county of Kauai to issue bonds of such county in the year 1938 under the authority of Act 186 of the Session Laws of Hawaii, 1937, in excess of 1 percent of the assessed value of the property in said county as shown by the last assessment for taxation;

H. R. 10842. An act creating the Cassville-Guttenberg Bridge Commission and authorizing said commission and its successors to construct, maintain, and operate a bridge or bridges across the Mississippi River at or near Cassville, Wis., and Guttenberg, Iowa;

H. R. 10851. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1938, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1938, and June 30, 1939, and for other purposes;

H. R. 10866. An act authorizing the States of Minnesota and Wisconsin, jointly or separately, to construct, maintain, and operate a free highway bridge across the Mississippi River at or near Winona, Minn.;

H. R. 10873. An act to authorize the conveyance to the Arthur Alexander Post, No. 68, the American Legion, of Belzoni, Miss., of the improvements and site containing 18 acres of land, more or less, at lock and dam No. 1 on the Sunflower River, Miss.;

H. R. 10895. An act to amend the act approved August 16, 1937, entitled "An act conferring jurisdiction upon the United States District Court for the Middle District of Georgia to hear, determine, and render judgment upon the claims of the estates of Marshall Campbell and Raymond O'Neal";

H. R. 10907. An act to provide for the vesting of title, and the disposition of personal property left or found upon premises used as Veterans' Administration facilities, and for other purposes;

H. R. 10935. An act to authorize the Secretary of War to lend War Department equipment for use at the convention of the American Legion of New York during the month of August 1938;

H. J. Res. 281. Joint resolution to authorize sales and exchanges by the State of Wisconsin notwithstanding certain provisions in the act of August 22, 1912 (37 Stat. 324);

H. J. Res. 551. Joint resolution providing compensation for certain employees;

H. J. Res. 663. Joint resolution to provide for the operation of the Peru and Indianapolis railway post office by motor vehicle over the public highways;

H. J. Res. 681. Joint resolution to amend the Naturalization Act of June 29, 1906 (34 Stat. 596), as amended;

H. J. Res. 707. Joint resolution requesting the President of the United States to proclaim the week of May 31, 1939, National Flood Prevention Week;

H. J. Res. 714. Joint resolution for the relief of certain aliens; and

H. J. Res. 723. Joint resolution to amend H. R. 10672, Seventy-fifth Congress, third session, entitled "An act to amend section 4197 of the Revised Statutes, as amended (U. S. C., 1934 ed., title 46, sec. 91), and section 4200 of the Revised Statutes (U. S. C., 1934 ed., title 46, sec. 92), and for other purposes," so as to correct a typographical error.

APPROVAL OF HOUSE BILLS AND JOINT RESOLUTIONS

The President of the United States, subsequent to the final adjournment of the third session of the Seventy-fifth Congress, notified the Clerk of the House of Representatives that he had approved acts and joint resolutions of the House, as follows:

On June 15, 1938:

H. R. 1476. An act for the relief of Mrs. W. E. Bouchey;

H. R. 1737. An act for the relief of Marie Frantzen McDonald;

H. R. 2347. An act for the relief of Drs. M. H. DePass and John E. Maines, Jr., and the Alachua County Hospital;

H. R. 3313. An act for the relief of William A. Fleek;

H. R. 4033. An act for the relief of Antonio Masci;

H. R. 4232. An act for the relief of Barber-Hoppen Corporation;

H. R. 4304. An act for the relief of Hugh O'Farrell and the estate of Thomas Gaffney;

H. R. 4544. An act to divide the funds of the Chippewa Indians of Minnesota between the Red Lake Band and the remainder of the Chippewa Indians of Minnesota, organized as the Minnesota Chippewa Tribe;

H. R. 4668. An act for the relief of James Shimkunas;

H. R. 5166. An act to relinquish the title or interest of the United States in certain lands in Houston (formerly Dale) County, Ala., in favor of Jesse G. Whitfield or other lawful owners thereof;

H. R. 5592. An act to amend an act entitled "An act extending the homestead laws and providing for right-of-way for railroads in the district of Alaska, and for other purposes," approved May 14, 1898 (30 Stat. 409, 414);

H. R. 5957. An act for the relief of LeRoy W. Henry;

H. R. 6404. An act for the relief of Martin Bevilacque;

H. R. 6508. An act for the relief of Gladys Legrow;

H. R. 6646. An act for the relief of Dr. A. J. Cottrell;

H. R. 6689. An act for the relief of George Rendell, Alice Rendell, and Mabel Rendell;

H. R. 6847. An act for the relief of the Berkeley County Hospital and Dr. J. N. Walsh;

H. R. 6936. An act for the relief of Joseph McDonnell;

H. R. 7421. An act for the relief of E. D. Frye;

H. R. 7560. An act to authorize alterations and repairs to certain naval vessels, and for other purposes;

H. R. 7639. An act for the relief of Al D. Romine and Ann Romine;

H. R. 7734. An act conferring jurisdiction upon the United States District Court for the Southern District of Ohio to hear, determine, and render judgment upon the claim of A. L. Eldridge;

H. R. 7761. An act for the relief of Sibbald Smith;

H. R. 7834. An act to amend the act entitled "An act to provide compensation for disability or death resulting from injuries to employees in certain employments in the District of Columbia, and for other purposes";

H. R. 7855. An act for the relief of Frieda White;

H. R. 7933. An act to facilitate the control of soil erosion and/or flood damage originating upon lands within the exterior boundaries of the San Bernardino and Cleveland National Forests in Riverside County, Calif.;

H. R. 8192. An act for the relief of Herbert Joseph Dawson;

H. R. 8193. An act for the relief of the Long Bell Lumber Co.;

H. R. 8665. An act to amend section 3336 of the Revised Statutes, as amended, pertaining to brewers' bonds, and for other purposes;

H. R. 8835. An act for the relief of Fred H. Kocor;

H. R. 9014. An act to authorize the conveyance to the Lane S. Anderson Post, No. 297, Veterans of Foreign Wars of the United States, of a parcel of land at lock No. 6, Kanawha River, South Charleston, W. Va.;

H. R. 9227. An act to amend an act entitled "An act to authorize boxing in the District of Columbia, and for other purposes";

H. R. 9374. An act for the relief of the Robert E. Lee Hotel;

H. R. 9417. An act to amend the District of Columbia Alcoholic Beverage Control Act;

H. R. 9523. An act to add certain lands to the Ochoco National Forest, Oreg.;

H. R. 9557. An act to authorize the Secretary of Commerce to dispose of material of the Bureau of Lighthouses to the sea scout department of the Boy Scouts of America;

H. R. 9611. An act to permit sales of surplus scrap materials of the Navy to certain institutions of learning;

H. R. 9683. An act to amend the act of June 25, 1910, relating to the construction of public buildings, and for other purposes;

H. R. 9848. An act to require that horses and mules belonging to the United States which have become unfit for service be destroyed or put to pasture;

H. R. 10154. An act to authorize the Secretary of War to lend War Department equipment for use at the 1938 National Encampment of Veterans of Foreign Wars of the United States to be held in Columbus, Ohio, from August 21 to August 26, 1938;

H. R. 10459. An act to amend certain provisions of law relative to the production of wines, brandy, and fruit spirits, so as to remove therefrom certain unnecessary restrictions; to facilitate the collection of internal-revenue taxes thereupon; and to provide abatement of certain taxes upon wines, brandy, and fruit spirits where lost or evaporated while in the custody and under the control of the Government without any fault of the owner;

H. R. 10462. An act to amend the act entitled "An act creating the Mount Rushmore National Memorial Commission and defining its purposes and powers," approved February 25, 1929, as amended;

H. R. 10488. An act to provide for allowing to the Gem irrigation district and Ontario-Nyssa irrigation district of the Owyhee project terms and payment dates for charges deferred under the Reclamation Moratorium Acts similar to those applicable to the deferred construction charges of other projects under said acts, and for other purposes; and

H. R. 10722. An act to authorize the attendance of the Marine Band at the national encampment of the Grand Army of the Republic to be held at Des Moines, Iowa, September 4 to 8, inclusive, 1938.

On June 16, 1938:

H. R. 1744. An act for the relief of Grant H. Pearson, G. W. Pearson, John C. Rumohr, and Wallace Anderson;

H. R. 4258. An act for the relief of Barbara Jean Matthews, a minor;

H. R. 5904. An act for the relief of L. P. McGown;

H. R. 6243. An act to authorize a survey of the old Indian trail and the highway known as "Oglethorpe Trail" with a view of constructing a national roadway on this route to be known as the "Oglethorpe National Trail and Parkway";

H. R. 6246. An act to provide for placing educational orders to familiarize private manufacturing establishments with the production of munitions of war of special or technical design, noncommercial in character;

H. R. 6950. An act for the relief of Andrew J. McGarraghy;

H. R. 7040. An act for the relief of Forest Lykins;

H. R. 7158. An act to except yachts, tugs, towboats, and unrigged vessels from certain provisions of the act of June 25, 1936, as amended;

H. R. 7297. An act for the relief of Gordon L. Cheasley;

H. R. 7548. An act for the relief of J. Lafe Davis and the estate of Mrs. J. Lafe Davis;

H. R. 7590. An act to quiet title and possession to certain islands in the Tennessee River in the counties of Colbert and Lauderdale, Ala.;

H. R. 7606. An act for the relief of Albert Richard Jeske;

H. R. 7817. An act for the relief of C. G. Bretting Manufacturing Co.;

H. R. 7880. An act to amend Veterans' Regulation No. 10, pertaining to "line of duty" for peacetime veterans, their widows and dependents, and for other purposes;

H. R. 7998. An act for the relief of The First National Bank & Trust Co. of Kalamazoo, Kalamazoo, Mich.;

H. R. 8134. An act to quiet title and possession to certain lands in the Tennessee River in the counties of Colbert and Lauderdale, Ala.;

H. R. 8252. An act to quiet title and possession to a certain island in the Tennessee River in the county of Lauderdale, Ala.;

H. R. 8275. An act for the relief of Stanley Kolitzoff and Marie Kolitzoff;

H. R. 8376. An act for the relief of James D. Larry, Sr.;

H. R. 8543. An act for the relief of Earl J. Lipscomb;

H. R. 8565. An act defining the compensation of persons holding positions as deputy clerks and commissioners of United States district courts, and for other purposes;

H. R. 8673. An act for the relief of certain persons at certain projects of the Farm Security Administration, United States Department of Agriculture;

H. R. 8743. An act for the relief of Louis Michael Bregantic;

H. R. 8773. An act to authorize the Secretary of the Interior to dispose of surplus buffalo and elk of the Wind Cave National Park herd, and for other purposes;

H. R. 8916. An act for the relief of N. W. Ludowese;

H. R. 9200. An act for the relief of Filomeno Jiminez and Felicitas Dominguez;

H. R. 9201. An act for the relief of the Federal Land Bank of Berkeley, Calif., and A. E. Colby;

H. R. 9203. An act for the relief of certain postmasters and certain contract employees who conducted postal stations;

H. R. 9214. An act for the relief of C. O. Hall;

H. R. 9258. An act to authorize the Secretary of the Navy to accept on behalf of the United States certain land in the city of Los Angeles, Calif., with improvements thereon;

H. R. 9400. An act for the relief of Adolph Arendt;

H. R. 9475. An act to create a commission to procure a design for a flag for the District of Columbia, and for other purposes;

H. R. 9610. An act to amend the National Firearms Act;

H. R. 9707. An act to authorize the conveyance of the old lighthouse keeper's residence in Manitowoc, Wis., to the Otto Oas Post, No. 659, Veterans of Foreign Wars of the United States, Manitowoc, Wis.;

H. R. 10155. An act to permit articles imported from foreign countries for the purpose of exhibition at the Seventh World's Poultry Congress and Exposition, Cleveland, Ohio, 1939, to be admitted without payment of tariff, and for other purposes;

H. R. 10238. An act making appropriations for the Department of Agriculture and for the Farm Credit Administration for the fiscal year ending June 30, 1939, and for other purposes;

H. R. 10312. An act to amend section 3 of the act entitled "An act to protect the lives and health and morals of women and minor workers in the District of Columbia, and to establish a Minimum Wage Board, and to define its powers and duties, and to provide for the fixing of minimum wages for such workers, and for other purposes," approved September 19, 1918 (40 Stat. 961, 65th Cong.);

H. R. 10346. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Niobrara, Nebr.;

H. R. 10652. An act to provide for the ratification of all joint resolutions of the Legislature of Puerto Rico and of the former legislative assembly;

H. R. 10672. An act to amend section 4197 of the Revised Statutes, as amended (U. S. C., 1934 ed., title 46, sec. 91), and section 4200 of the Revised Statutes (U. S. C., 1934 ed., title 46, sec. 92), and for other purposes; so as to correct a typographical error.

H. R. 10673. An act to exempt the property of the Young Women's Christian Association in the District of Columbia from national and municipal taxation;

H. R. 10772. An act to amend certain sections of the act entitled "An act providing for the public printing and binding and the distribution of public documents," approved January 12, 1895, as amended;

H. J. Res. 631. Joint resolution to provide for the erection of a monument to the memory of Gen. Peter Gabriel Muhlenberg;

H. J. Res. 655. Joint resolution amending paragraph (4) of subsection (n) of section 12B of the Federal Reserve Act, as amended;

H. J. Res. 683. Joint resolution to provide for a floor-stock tax on distilled spirits, except brandy; and

H. J. Res. 688. Joint resolution creating the Niagara Falls Bridge Commission and authorizing said commission and its successors to construct, maintain, and operate a bridge across the Niagara River at or near the city of Niagara Falls, N. Y.

On June 20, 1938:

H. R. 152. An act to add certain lands to the Rio Grande National Forest, Colo.;

H. R. 1252. An act for the relief of Ellen Kline;

H. R. 1995. An act to add certain lands on the island of Hawaii to the Hawaii National Park, and for other purposes;

H. R. 7826. An act to make available for national-park purposes certain lands within the boundaries of the proposed Isle Royale National Park, and for other purposes;

H. R. 7982. An act to regulate the manufacturing, dispensing, selling, and possession of narcotic drugs in the District of Columbia;

H. R. 8165. An act to add certain lands to the Trinity National Forest, Calif.;

H. R. 9844. An act providing for the zoning of the District of Columbia, and the regulation of the location, height, bulk, and uses of buildings and other structures and of the use of land in the District of Columbia, and for other purposes;

H. R. 10298. An act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes;

H. R. 10846. An act to create the office of the Librarian Emeritus of the Library of Congress;

H. J. Res. 620. Joint resolution for the observance of the celebration of the one hundred and twenty-fifth aniversary of the Battle of Lake Erie;

H. J. Res. 711. Joint resolution providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution of the class other than Members of Congress; and

H. J. Res. 712. Joint Resolution providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution of the class other than Members of Congress.

On June 21, 1938:

H. R. 6586. An act to regulate the transportation and sale of natural gas in interstate commerce, and for other purposes;

H. R. 8480. An act for the relief of Commander James T. Mathews;

H. R. 10536. An act authorizing the United States Maritime Commission to sell or lease the Hoboken Pier Terminals, or any part thereof, to the city of Hoboken, N. J.;

H. J. Res. 679. Joint resolution making appropriations for work relief, relief, and otherwise to increase employment by providing loans and grants for public-works projects.

On June 22, 1938:

H. R. 4717. An act for the relief of Bernard Knopp;

H. R. 5260. An act for the relief of Col. William H. Noble;

H. R. 5615. An act for the relief of the administrator of the estate of Capt. B. B. Barbee;

H. R. 6952. An act for the relief of Hattie Doudna;

H. R. 7520. An act for the relief of members of the Navy or Marine Corps who were discharged from the Navy or Marine Corps during the Spanish-American War, the Philippine Insurrection, and the Boxer uprising because of minority or misrepresentation of age;

H. R. 7607. An act for the relief of Frank B. Decker;

H. R. 7688. An act to authorize the addition of certain lands to the Modoc, Shasta, and Lassen National Forests, Calif.;

H. R. 7689. An act to authorize the addition of certain lands to the Shasta and Klamath National Forests, Calif.;

H. R. 7690. An act to authorize the addition of certain lands to the Plumas, Tahoe, and Lassen National Forests, Calif.;

H. R. 7764. An act to authorize the sale of surplus power developed under the Uncompahgre Valley reclamation project, Colorado.

H. R. 7793. An act for the relief of Nicholas de Lipski;

H. R. 8046. An act to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto; and to repeal section 76 thereof and all acts and parts of acts inconsistent therewith;

H. R. 8571. An act granting 6 months' pay to Mrs. Vallie M. Current;

H. R. 9801. An act to provide for the retirement, rank, and pay of Chiefs of Naval Operations, Chiefs of Bureau of the Navy Department, the Judge Advocates General of the Navy, and the Major Generals Commandant of the Marine Corps;

H. R. 9888. An act for the relief of William Henry Johnston, Jr., a minor.

H. R. 9916. An act to provide for the establishment of a Coast Guard station at or near Shelter Cove, Calif.;

H. J. Res. 699. Joint resolution to amend sections 101, 102, 103, 104, and 859 of the Revised Statutes of the United States relating to congressional investigations; and

H. J. Res. 703. Joint resolution to authorize the acceptance of title to the dwelling house and property, the former residence of the late Justice Oliver Wendell Holmes, located at 1720 Eye Street NW., in the District of Columbia, and for other purposes.

On June 23, 1938:

H. R. 447. An act for the relief of Alpha Vint;

H. R. 1141. An act for the relief of J. W. Beams;

H. R. 1250. An act for the relief of Emilie Dew, Jack Welsh, Mary Jane Bowden, and Henry U. Gaines, Jr.;

H. R. 2191. An act for the relief of Roberta Carr;

H. R. 2362. An act for the relief of Henry M. Hyer;

H. R. 2560. An act for the relief of the State of New York Insurance Department, as liquidator;

H. R. 2650. An act for the relief of Veracunda O'Brien Allen;

H. R. 2779. An act for the relief of Lilly Bundgard and Gloria Bundgard;

H. R. 4032. An act for the relief of the New Amsterdam Casualty Co.;

H. R. 4830. An act for the relief of Mrs. D. O. Benson;

H. R. 5153. An act for the relief of George F. Anderson and Vera D. Anderson;

H. R. 5597. An act for the relief of Luigi Mazza;

H. R. 6186. An act for the relief of Moses Red Bird;

H. R. 6296. An act for the relief of Dr. A. C. Antony and others;

H. R. 6618. An act for the relief of Miriam Grant;

H. R. 6727. An act for the relief of Edward E. Brown, Charles Walker, Frank Parr, John Moyer, and Lynford P. Fowles;

H. R. 6846. An act for the relief of Harvey and Carrie Robinson;

H. R. 7012. An act for the relief of J. Anse Little;

H. R. 7060. An act for the relief of James Mohin and Joseph Lercara;

H. R. 7166. An act for the relief of the estate of Raymond Finklea;

H. R. 7344. An act for the relief of Eddie Walker;

H. R. 7460. An act for the relief of Mr. and Mrs. Roy Blessing;

H. R. 7693. An act to authorize the Secretary of War to transfer to the Government of Puerto Rico certain real estate of the War Department;

H. R. 7874. An act to provide for the leasing of State, county, and privately owned lands for the purpose of furthering the orderly use, improvement, and development of grazing districts;

H. R. 7960. An act for the relief of Wilma Artopoeus;

H. R. 8123. An act for the relief of Sonia M. Bell;

H. R. 8241. An act for the relief of Fred J. Christoff;

H. R. 8391. An act for the relief of Frances M. Heinzelmann;

H. R. 8479. An act for the relief of Jane Murrah;

H. R. 8492. An act for the relief of Robert Doty, a minor;

H. R. 8544. An act for the relief of Alba C. Mitchell;

H. R. 8858. An act for the relief of Joseph Brum and Gussie Brum;

H. R. 9130. An act for the relief of Marshall Carver;

H. R. 9196. An act for the relief of J. T. Burt and Alice Burt;

H. R. 9674. An act for the relief of John Borowski, Benjamin H. Hammack, and Eber A. Wean;

H. R. 9825. An act for the relief of Raymond Pledger and Thomas P. Giacomini, Jr.;

H. R. 9981. An act for the relief of the State of Connecticut;

H. R. 9997. An act to regulate the distribution, promotion, and retirement of officers of the line of the Navy, and for other purposes;

H. R. 10315. An act to amend the Merchant Marine Act, 1936, to further promote the merchant marine policy therein declared, and for other purposes; and

H. R. 10785. An act to amend the Perishable Agricultural Commodities Act, 1930, as amended.

On June 24, 1938:

H. R. 2149. An act for the relief of Capt. Guy L. Hartman;

H. R. 2358. An act for the relief of Dwain D. Miles;

H. R. 2368. An act for the relief of the estate of Catherine Harkins, deceased, and

H. R. 5763. An act to provide for the extension of the boundaries of the Hot Springs National Park in the State of Arkansas, and for other purposes.

On June 25, 1938:

H. R. 599. An act for the relief of W. J. Steckel;

H. R. 1531. An act extending the classified civil service to include postmasters of the first, second, and third classes, and for other purposes;

H. R. 1861. An act for the relief of the firm of Schmidt, Garden & Martin, architects, of Chicago, Ill.;

H. R. 1872. An act for the relief of Martin Bridges;

H. R. 2231. An act for the relief of Charles E. Black;

H. R. 2429. An act for the relief of Engene Nicholas;

H. R. 2665. An act for the relief of W. D. Presley;

H. R. 2767. An act for the relief of George L. Stone;

H. R. 3225. An act for the relief of Roland Stafford;

H. R. 3610. An act to adjust the salaries of rural letter carriers;

H. R. 3747. An act for the relief of George O. Wills;

H. R. 4169. An act to carry out the findings of the Court of Claims in the case of the Atlantic Works, of Boston, Mass.;

H. R. 4227. An act for the relief of Mrs. R. A. Smith;

H. R. 4367. An act for the relief of Perry Walker;

H. R. 5308. An act for the relief of Anna Caporaso;

H. R. 5379. An act for the relief of Mrs. B. E. Hennigan and her dependent minor children;

H. R. 5471. An act to amend the laws relating to the distribution of public documents to depository libraries;

H. R. 5690. An act to amend the Longshoremen's and Harbor Workers' Compensation Act;

H. R. 5805. An act to amend an act entitled "An act to provide for the exercise of sole and exclusive jurisdiction by the United States over the Hawaiian National Park in the Territory of Hawaii, and for other purposes," approved April 19, 1930;

H. R. 6016. An act for the relief of Lavina Karns;

H. R. 6327. An act for the relief of Edward J. Thompson;

H. R. 6461. An act for the relief of William F. Bourland;

H. R. 6669. An act for the relief of Augusta L. Collins;

H. R. 6710. An act conferring jurisdiction upon the United States District Court for the Eastern District of Louisiana to hear, determine, and render judgment upon the claims of Anna Lee Hebert, Mrs. Nicholas Hebert, Mr. and Mrs. Dossie E. Worrell, Mr. and Mrs. C. B. McClure, and W. F. Cobb;

H. R. 6753. An act for the relief of the Derby Oil Co.;

H. R. 6842. An act for the relief of Frank M. Schmitt, Antonio Salas, Victoria Griego, and Victor Coco;

H. R. 7143. An act for the relief of the Curtiss Aeroplane & Motor Co., Inc.;

H. R. 7198 An act for the relief of Fred Johnson;

H. R. 7424. An act for the relief of certain persons whose cotton was destroyed by fire in the Ouachita Warehouse, Camden, Ark.;

H. R. 7429. An act for the relief of Muriel C. Young;

H. R. 7537. An act for the relief of certain stevedores employed on the United States Army transport docks in San Francisco, Calif.;

H. R. 7759. An act for the relief of Susan Lawrence Davis;

H. R. 7844. An act to amend the act of Congress entitled "An act to establish an Alaska Game Commission, to protect game animals, land fur-bearing animals, and birds in Alaska, and for other purposes," approved January 13, 1925, as amended;

H. R. 7868. An act to provide for conveying to the State of North Dakota certain lands within Burleigh County, within that State, for public use;

H. R. 7890. An act for the relief of Brooks-Callaway Co.;

H. R. 8051. An act for the relief of Roswell H. Haynie;

H. R. 8055. An act for the relief of Helry P. McCaig;

H. R. 8098. An act conferring jurisdiction upon the Court of Claims to hear and determine the claims of Edward Forbes and others;

H. R. 8099. An act to amend certain administrative provisions of the Tariff Act of 1930, and for other purposes;

H. R. 8365. An act for the relief of the North Mississippi Oil Mills of Holly Springs, Miss.;

H. R. 8375. An act for the relief of Roscoe B. Huston;

H. R. 8380. An act for the relief of Glenn R. Martin;

H. R. 8417. An act for the relief of John B. Dollison;

H. R. 8423. An act for the relief of Frank W. Lohn;

H. R. 8424. An act for the relief of John F. Dailey and Ethel M. Dailey;

H. R. 8271. An act to confer jurisdiction upon the Court of Claims of the United States to hear, determine, and render judgment upon the claims of the attorneys for the Russian Volunteer Fleet;

H. R. 8643. An act for the relief of Kate Durham Thomas;

H. R. 8672. An act for the relief of Fergus County, Mont.;

H. R. 8683. An act for the relief of Gus Vakas;

H. R. 8696. An act for the relief of Ruby Z. Winslow;

H. R. 8723. An act for the relief of Spencer D. Albright, Jr.;

H. R. 9084. An act for the relief of John Lawson and Roy Webb;

H. R. 9142. An act for the relief of J. J. B. Hilliard & Son;

H. R. 9215. An act for the relief of the Read Machinery Co., Inc.;

H. R. 9277. An act for the relief of James M. Wright;

H. R. 9297. An act for the relief of Dr. Samuel A. Riddick;

H. R. 9516. An act for the relief of J. T. Herren and Billie Herren, a minor;

H. R. 9535. An act for the relief of Amy M. Ghent;

H. R. 9640. An act for the relief of Shoshone Garage;

H. R. 9721. An act authorizing the disbursement of funds appropriated for compensation of help for care of material, animals, armament, and equipment in the hands of the National Guard of the several States, Territories, and the District of Columbia, and for other purposes;

H. R. 9795. An act for the relief of Michael J. Muldowney;

H. R. 9881. An act to amend section 23 of the act to create the California Debris Commission, as amended;

H. R. 10043. An act for the relief of employees of the Works Progress Administration whose tools and personal property were damaged or destroyed by fire at Roosevelt Stadium, Jersey City, N. J.;

H. R. 10127. An act to regulate interstate commerce by establishing an unemployment-insurance system for individuals employed by certain employers engaged in interstate commerce, and for other purposes;

H. R. 10171. An act to amend the act entitled "An act giving jurisdiction to the Court of Claims to hear and determine the claim of the Butler Lumber Co., Inc.";

H. R. 10432. An act to amend an act approved June 14, 1906 (34 Stat. 263), entitled "An act to prevent aliens from fishing in the waters of Alaska";

H. R. 10594. An act to provide for the creation, organization, administration, and maintenance of a Naval Reserve and a Marine Corps Reserve;

H. R. 10642. An act to amend an act entitled "District of Columbia Alley Dwelling Act," approved June 12, 1934, and for other purposes;

H. R. 10851. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1938, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1938, and June 30, 1939, and for other purposes;

H. R. 10907. An act to provide for the vesting of title, and the disposition of personal property left or found upon premises used as Veterans' Administration facilities, and for other purposes; and

H. J. Res. 702. Joint resolution to provide that the United States extend to foreign governments invitations to participate in the Third International Congress for Microbiology to be held in the United States during the calendar year 1939, and to authorize an appropriation to assist in meeting the expenses of the session.

On June 28, 1938:

H. R. 1299. An act for the relief of William E. Rich;

H. R. 1768. An act for the relief of Olin J. Salley;

H. R. 3162. An act conferring jurisdiction upon the United States Court of Claims to hear, examine, adjudicate, and render judgment on any and all claims which the Ute Indians or any tribe or band thereof may have against the United States, and for other purposes;

H. R. 3761. An act for the relief of Dudley E. Essary;

H. R. 4115. An act for the relief of Roy M. Young;

H. R. 4540. An act authorizing the Red Lake Band of Chippewa Indians in the State of Minnesota to file suit in the Court of Claims, and for other purposes;

H. R. 4691. An act for the relief of Pompeo Ercolano;

H. R. 5804. An act to provide for the residence of the United States commissioners appointed for the national parks, and for other purposes;

H. R. 6820. An act for the relief of Elizabeth Vresh (Yalga Vres), her son, Frederick Vresh, and her daughter, Sylvia Vresh Bronowitz;

H. R. 7515. An act to authorize the sale of certain lands of the Eastern Band of Cherokee Indians, North Carolina;

H. R. 8434. An act to liberalize the laws providing pensions for the dependents of veterans whose death resulted from service prior to April 21, 1898;

H. R. 9731. An act for the relief of James J. Coyne;

H. R. 10135. An act for the relief of James Philip Coyle;

H. R. 10136. An act for the relief of John Patrick Toth;

H. R. 10339. An act for the relief of Isaac Friedlander;

H. R. 10618. An act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes;

H. R. 10752. An act to authorize Federal cooperation in the acquisition of the "Muir Wood Toll Road," located in Marin County, State of California, and for other purposes;

H. R. 10866. An act authorizing the States of Minnesota and Wisconsin, jointly or separately, to construct, maintain, and operate a free highway bridge across the Mississippi River at or near Winona, Minn.;

H. R. 10895. An act to amend the act approved August 16, 1937, entitled "An act conferring jurisdiction upon the United States District Court for the Middle District of Georgia to hear, determine, and render judgment upon the claims of the estates of Marshall Campbell and Raymond O'Neal"; and

H. J. Res. 281. Joint resolution to authorize sales and exchanges by the State of Wisconsin notwithstanding certain provisions in the act of August 22, 1912 (37 Stat. 324).

On June 29, 1938:

H. R. 342. An act for the relief of H. Ward Bell;

H. R. 344. An act for the relief of Ford O. Gotham and James McCumber;

H. R. 347. An act for the relief of W. Glenn Larmonth;

H. R. 1251. An act for the relief of Anna L. Andreas and Anita Andreas;

H. R. 2646. An act for the relief of Isabella Hooper Caraway and James Randolph Hooper, a minor;

H. R. 3961. An act for the relief of the estate of Benjamin A. Pillsbury (William J. Pillsbury, executor);

H. R. 4996. An act for the relief of Sue Van Ryn; Donald A. Van Ryn, a minor; and the estate of Margaret Breseman, deceased;

H. R. 6168. An act to amend section 239 of the act of June 8, 1872 (17 Stat. 312; U. S. C., title 39, sec. 500);

H. R. 6178. An act to abolish appeals in habeas corpus proceedings brought to test the validity of orders of removal;

H. R. 6591. An act to exempt from cancelation certain desert-land entries in Riverside County, Calif.;

H. R. 6805. An act for the relief of William Moseley;

H. R. 6925. An act to provide for a national cemetery in every State;

H. R. 7039. An act for the relief of Paul Hirschmann;

H. R. 7084. An act to provide that all cabs for hire in the District of Columbia be compelled to carry insurance for the protection of passengers, and for other purposes;

H. R. 7144. An act for the relief of the Curtiss Aeroplane & Motor Co., Inc.;

H. R. 7294. An act for the relief of Bartholemew Harrington;

H. R. 7369. An act to validate certain certificates of naturalization granted by the United States District Court for the District of Hawaii;

H. R. 7854. An act for the relief of Joseph Gross;

H. R. 8047. An act to amend the Meat Inspection Act of March 4, 1907, as amended and extended, with respect to its application to farmers, retail butchers, and retail dealers;

H. R. 8199. An act for the relief of Mrs. Olive Fletcher Conklin;

H. R. 8753. An act for the relief of the Choctaw Cotton Oil Co., of Ada, Okla.;

H. R. 9012. An act for the relief of Joseph Webbe;

H. R. 9132. An act for the relief of Celia Koehler;

H. R. 9133. An act for the relief of William Monroe;

H. R. 9135. An act for the relief of Emmons Wolfer;

H. R. 9199. An act for the relief of Helen M. Krekler and the estate of Kemp Plummer;

H. R. 9282. An act for the relief of the estate of D. B. Carter;

H. R. 9543. An act for the relief of Mr. and Mrs. Harold E. Theriault;

H. R. 9569. An act for the relief of Charles P. McCarthy;

H. R. 9739. An act to amend the Interstate Commerce Act, as amended, by amending certain provisions of part II of said act, otherwise known as the Motor Carrier Act, 1935;

H. R. 9859. An act for the relief of Victor H. Todaro;

H. R. 9868. An act for the relief of Harry J. Somerville;

H. R. 10024. An act to establish the Olympic National Park, in the State of Washington, and for other purposes;

H. R. 10380. An act to amend the act entitled "An act to incorporate the Society of American Florists and Ornamental Horticulturists within the District of Columbia";

H. R. 10506. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River between St. Louis, Mo., and Stites, Ill.;

H. R. 10507. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near a point between Morgan and Wash Streets, in the city of St. Louis, Mo., and a point opposite thereto in the city of East St. Louis, Ill.;

H. R. 10527. An act for the relief of the American National Bank, of Kalamazoo, Mich.;

H. R. 10540. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Arrow Rock, Mo.;

H. R. 10610. An act granting the consent of Congress to the Iowa State Highway Commission to reconstruct or construct, maintain, and operate a free highway bridge across the Des Moines River at or near Keosauqua, Iowa;

H. R. 10670. An act to extend the times for commencing and completing the construction of a bridge across the Wabash River at or near Merom, Sullivan County, Ind.;

H. R. 10777. An act authorizing the village of Baudette, State of Minnesota, its successors and assigns, to construct, maintain, and operate a bridge across the Rainy River at Baudette, Minn.;

H. R. 10835. An act to authorize the county of Kauai to issue bonds of such county in the year 1938 under the authority of Act 186 of the Session Laws of Hawaii, 1937, in excess of 1 percent of the assessed value of the property in said county as shown by the last assessment for taxation;

H. R. 10873. An act to authorize the conveyance to the Arthur Alexander Post, No. 68, the American Legion, of Belzoni, Miss., of the improvements and site containing 18 acres of land, more or less, at lock and dam No. 1 on the Sunflower River, Miss.;

H. J. Res. 551. Joint resolution providing compensation for certain employees;

H. J. Res. 681. Joint resolution to amend the Naturalization Act of June 29, 1906 (34 Stat. 596), as amended;

H. J. Res. 707. Joint resolution requesting the President of the United States to proclaim the week of May 31, 1939, National Flood Prevention Week;

H. J. Res. 714. Joint resolution for the relief of certain aliens; and

H. J. Res. 723. Joint resolution to amend H. R. 10672, Seventy-fifth Congress, third session, entitled "An act to amend section 4197 of the Revised Statutes, as amended (U. S. C., 1934 ed., title 46, sec. 91), and section 4200 of the Revised Statutes (U. S. C., 1934 ed., title 46, sec. 92), and for other purposes," so as to correct a typographical error.

On June 30, 1938:

H. R. 667. An act to correct the records of the War Department to show that Guy Carlton Baker and Calton C. Baker or Carlton C. Baker is one and the same person;

H. R. 9171. An act directing the Court of Claims to reopen certain cases and to correct the errors therein, if any, by additional judgments against the United States;

H. R. 10605. An act to authorize the appropriation of funds for the development of rotary-wing and other aircraft; and

H. R. 10632. An act authorizing the Port Authority of Duluth, Minn., and the Harbor Commission of Superior, Wis., to construct a highway bridge across the St. Louis River from Rices Point in Duluth, Minn., to Superior, in Wisconsin.

DISAPPROVAL OF HOUSE BILLS

The President of the United States, subsequent to the final adjournment of the third session of the Seventy-fifth Congress, transmitted to the Clerk of the House of Representatives a list of House bills and a House joint resolution disapproved by him, with his reasons for such action, as follows:

H. R. 146. I find it necessary to withhold my approval of the bill H. R. 146 to require contractors on public-building projects to name their subcontractors, materialmen, and supply men, and for other purposes.

This bill apparently is intended to prevent so-called "bid shopping" practices of general contractors which appear to be prevalent in connection with public-building contracts of the Federal Government. The proposed requirement is that all contracts in excess of $5,000, for the construction, alteration, or repair of any public building of the United States or of the District of Columbia—

Shall be awarded only to bidders whose bids are submitted within 60 days after the date of the invitation for bids, and are accompanied by a statement containing the names and addresses of the subcontractors, material men, and supply men whose services the bidder intends to utilize in the performance of the work—

Except with respect to subcontracts not exceeding $500. A further requirement is that all general contracts of this character shall—

Contain provisions for withholding from, or payment by, the contractor of such penalties as may be fixed in the contract for failure to utilize such subcontractors, material men, and supply men in the performance of the work, as well as for failure to pay such subcontractors, material men, and supply men (in proportion to the amounts due them, respectively, in relation to the amount due the contractor on any payment date), as the contractor is paid by the United States.

These penalties may be remitted or refunded only if it is shown to the satisfaction of the head of the contracting Federal agency—

That substitution for a subcontractor, material man, or supply man, as the case may be, was justified by reason of the inability or unwillingness of such subcontractor, material man, or supply

man to furnish the materials or supplies, or properly to perform the work, as the case may be, in accordance with previous agreements.

It will be noted that the provision quoted above for the imposition of penalties for failure of the general contractor to make prompt payment to subcontractors during the performance of his contract presents a second and distinct purpose designed to be accomplished by the bill. There is no provision for the remission of a penalty imposed on this ground.

While I recognize the evils of "bid-shopping" and favor any provision which will promote the prompt payment of the obligations of contractors for labor and materials, it is believed that this bill will have no tendency to accomplish either of its objects and will merely create a multitude of administrative difficulties. The provisions for the imposition of penalties, apart from their failure to provide any formula or guide to be followed in fixing the amount of such penalties, are also believed unfair to general contractors in several respects.

I believe that the enactment of this bill would greatly hamper the administration of the new public building and public-works programs and would result in many unavoidable delays in getting these programs under way. First, the bill makes it mandatory to allow a period of 60 days between advertisements and openings of bids, an unnecessary length of time. Second, the administrative difficulties bound to arise because of its provisions may well necessitate the readvertisement of many projects, apart from those to be expected after contracts are awarded. I do not feel that the objects of the bill are of sufficient importance to justify the retarding of these programs, even if there were a substantial likelihood that the bill would effectively promote them.

Nor will these objects justify the increased cost of Government construction, impossible to estimate because of the many uncertainties presented by the bill, but, I feel sure, inevitably to follow from its enactment. Legislation to accomplish these objects, however desirable, should not, in my opinion, be at the expense of the Government or tend to confusion and delay in Government construction.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 25, 1938.*

H. R. 656. I have withheld my approval of H. R. 656, entitled "An act for the relief of Elmer W. Haas."

This bill provides that in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers Elmer W. Haas be held and considered to have been enlisted May 5, 1898, in Company H, Twenty-first Regiment Kansas Volunteer Infantry, and honorably discharged from said company on August 4, 1898.

The official records show that Elmer Haas was enrolled as a private of Company H, Twenty-first Kansas Infantry; that he was treated for measles and typhoid fever and acute colitis between May 22 and July 25, 1898; and that he was dropped from the rolls of the company July 29, 1898, at Camp Thomas, Ga., as having been erroneously taken up before his second physical examination, at which time he was rejected. Not having been mustered into service, his medical treatment was as a recruit.

I note from the legislative history of the case that the claimant considers himself a member of Company H, Twenty-first Kansas Infantry, because he wore a uniform and had medical treatment. However, the Secretary of War informs me that in the absence of any record of his muster in, service, payment for service, or discharge, he is not regarded as having been in the military service of the United States as a member of that organization. He never attained the status of a soldier.

To approve this act would be a direct discrimination against many other persons who have claimed service with the military forces and who did not occupy a military status.

The Secretary of War strongly recommends that this act be not favorably considered, and I find nothing in the facts of the case or in the report of the committee which would justify different action on my part.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 29, 1938.*

H. R. 733. I have withheld approval of H. R. 733, entitled "An act for the relief of George E. Titter."

It is proposed by said act to authorize and direct the Secretary of the Treasury to pay the sum of $10,000 to Mr. George E. Titter, Chesapeake City, Md., in full settlement of all claims arising from the construction by the War Department of a wharf in front of his land, which, it is stated, made the property inaccessible.

In the performance of work incident to the improvement of the Chesapeake & Delaware Canal, authorized by Congress in the River and Harbor Act of March 2, 1919, it became necessary in the interest of navigation to construct mooring dolphins in the navigable waters of the canal in front of the property of Agnes A. Titter, mother of George E. Titter. The moorings consisted of a row of pile dolphins connected by a walkway, and were placed below the high-water mark under the authority of the United States in the interest of navigation.

Mrs. Titter's property was separated from the navigable channel in the canal by a mud flat, which was bare at low tide. This condition, combined with the presence of the mooring dolphins, precluded any substantial use of the water front of her property. However, her son was advised by the War Department on August 22, 1931, that should he desire to develop the property so as to permit its utilization by navigation, the piling would be removed or modified in such a way as to afford convenient access to the water front. No request for modification of the obstruction was received by the War Department.

Since then, in 1937, the entire tract of water-front property has been acquired by the War Department through condemnation proceedings from Mrs. Titter at a cost of $5,500.

The chain of title to the property in question does not disclose ownership at any time by George E. Titter, and the record does not indicate that either Agnes A. Titter or George E. Titter has suffered any damage for which the United States may properly be held liable. I conclude that payment of the proposed amount is not a justifiable charge against public funds on either a legal or equitable basis.

For the above reasons I am withholding my approval of enrolled enactment H. R. 733.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 25, 1938.*

H. R. 736. I have withheld approval of H. R. 736, entitled "An act for the relief of Mallery Toy."

It is proposed by said act to authorize and direct the Secretary of the Treasury to pay to Mallery Toy, of Chesapeake City, Md., the sum of $5,000 in settlement of all claims against the United States for injuries sustained by reason of the depositing of dredged material by the War Department on and in front of land owned by Mr. Toy.

The War Department records indicate that, during the construction of the Chesapeake & Delaware Canal, certain dredged material was deposited on and in front of the land owned by Mr. Toy. Although the United States was within its legal rights in depositing dredged material between high- and low-water marks, before any material was deposited on this property, Mr. Toy was contacted and he stated verbally that he had no objection to the proposed operations by the Government. The change of the natural original condition of the mud flats by the deposition of the spoil was slight. Instead of causing any damage to the riparian rights of Mr. Toy, the placing of the dredged material on the mud flats below the high-water mark was an improvement rather than a detriment to Mr. Toy's property, for the reason that the act of the Government extended the land above the high-water mark channelward, thereby increasing the acreage of

the land then owned by Mr. Toy and subject to sale or transfer by deed.

In the absence of protest or other indication by Mr. Toy that he objected to the action of the Government, it was considered that such action was satisfactory to him. However, a bill (H. R. 7842) was introduced January 15, 1932 (72d Cong., 1st sess.), which provided for payment to Mr. Toy in the amount of $5,000 in settlement of all claims against the United States arising from injuries sustained by reason of the depositing of dredged material and the placing of dolphins on and in front of land owned by Mr. Toy. Under date of April 12, 1932, the Secretary of War addressed a report to the chairman, Committee on Claims, House of Representatives, in which the facts recited above were set forth and recommended that the proposed legislation be not passed. The measure appears to have died at that time.

In 1937 the property referred to in H. R. 736, the present bill, was acquired by the United States through condemnation proceedings. The highest United States appraisal for this land was $1,270. The award under condemnation proceedings was in the amount of $3,500. Since the property has been purchased through condemnation at a cost in excess of the highest United States appraisal, and in the absence of any specific showing that any damage was done to this property through action of the Government for which the United States may properly be held liable, it is not considered that the sum of $5,000 proposed to be paid to Mr. Toy by H. R. 736 is a proper charge against public funds.

For the above reasons I am withholding my approval of enrolled enactment H. R. 736.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 25, 1938.*

H. R. 738. I have withheld approval of H. R. 738, entitled "An act for the relief of Asa C. Ketcham."

It is proposed by said act to authorize and direct the Secretary of the Treasury to pay the sum of $1,000 in full satisfaction of the claim of Asa C. Ketcham, Fairmount, Md., for loss of his vessel, *J. J. Underhill,* which was beached in August 1933.

The vessel *J. J. Underhill,* loaded with oyster shells, ran into a submerged pile while approaching a dock in Alexandria, Va., on June 17, 1933. It was ascertained that Mr. Ketcham had never previously visited the dock. Instead of using the regular channel leading thereto, he steered his boat into an area in which there were numerous piles, the remains of an old wharf. Mr. Ketcham subsequently requested aid from the Commissioners of the District of Columbia, who furnished a tug and a fireboat. The *J. J. Underhill* was pumped out, and it was towed toward a marine railway in Washington Channel. As it entered the channel the vessel commenced to leak and sank in about 20 feet of water. In its sunken position it constituted a serious interference to navigation as would warrant its immediate removal by the War Department.

Section 20 of the River and Harbor Act of March 3, 1899, provides—

> That under emergency, in the case of any vessel, boat, water craft, or raft, or other similar obstruction, sinking or grounding, or being unnecessarily delayed in any Government canal or lock, or in any navigable waters mentioned in section 19, in such manner as to stop, seriously interfere with, or specially endanger navigation, in the opinion of the Secretary of War, or any agent of the United States to whom the Secretary may delegate proper authority, the Secretary of War or any such agent shall have the right to take immediate possession of such boat, vessel, or other water craft, or raft, so far as to remove or to destroy it and to clear immediately the canal, lock, or navigable waters aforesaid of the obstruction thereby caused, using his best judgment to prevent any unnecessary injury; and no one shall interfere with or prevent such removal or destruction: *Provided,* That the officer or agent charged with the removal or destruction of an obstruction under this section may in his discretion give notice in writing to the owners of any such obstruction requiring them to remove it: *And provided further,* That the expense of removing any such obstruction as aforesaid shall be a charge against such craft and cargo; and if the owners thereof fail or refuse to reimburse the United States for such expense within 30 days after notification, then the officer or agent aforesaid may sell the craft or cargo, or any part thereof that may not have been destroyed in removal, and the proceeds of such sale shall be covered into the Treasury of the United States.

The United States district engineer, Washington, D. C., who has immediate supervision over such matters in this vicinity, was advised by Mr. Ketcham that he was without funds to salvage the vessel and requested that the salvage operations be conducted in such a way as to damage the vessel as little as possible. Thereupon the district engineer was authorized to remove the vessel under the provisions of the afore-mentioned statute. The vessel was raised and towed to the mud flats near Gravelly Point and there beached. Upon refusal of Mr. Ketcham to pay the cost of removal of the *J. J. Underhill,* it was subsequently advertised for sale, with a requirement that the successful bidder furnish bond to protect the United States against the possibility that it would sink before reaching a marine railway for repairs.

Mr. Ketcham was the only bidder; but being unable to furnish the necessary bond, his proposal was rejected. A few days later the storm of August 22, 1933, caused such an opening of the seams of the hull that its removal was impracticable.

For the above reasons I am withholding my approval of the act.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 20, 1938.*

H. R. 1363. I have withheld approval of bill No. H. R. 1363, entitled "An act for the relief of the estate of Milton L. Baxter" in the sum of $2,500, in settlement of all claims against the United States arising from the death of Mr. Baxter, formerly of Hyannis, Mass., who was drowned on October 13, 1929, when an automobile which he was driving went off the Bourne Bridge across the Cape Cod Canal.

House Report No. 645, Seventy-fifth Congress, first session, sets forth the report of the Secretary of War with respect to H. R. 10220, for the relief of the estate of Mr. Baxter, introduced in the Seventy-second Congress, first session. During the period from June 1, 1928, to February 29, 1932, more than 4,000,000 vehicles crossed the Bourne Bridge. The only serious accident was that in which Mr. Baxter lost his life. Drivers were warned by signs which were illuminated at night to drive not in excess of 15 miles per hour while crossing the bridge. The Bourne Bridge roadway is 30 feet wide with a 5-foot sidewalk on the easterly side. It is believed that Mr. Baxter's car was being operated at an excessive rate of speed. The impact tore away 52 feet of railing. Had the car been driven at the prescribed rate of 15 miles per hour, it is not considered that the machine could have climbed the 6-inch sidewalk and crashed through the railing as stated. The large number of vehicles which safely crossed the bridge during the period immediately preceding and following this accident is evidence that the structure was safely constructed and traffic over the bridge properly regulated. On October 13, 1929, the date on which Mr. Baxter was drowned, 3,649 automobiles crossed the bridge.

For the above reasons I am withholding my approval of the bill.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 25, 1938.*

H. R. 1543. I have withheld approval of the bill (H. R. 1543) entitled "An act to amend section 24 of the Immigration Act of 1917, relating to the compensation of certain Immigration and Naturalization employees, and for other purposes," which bill provides as follows:

> (1) That field employees other than immigrant inspectors of the United States Immigration and Naturalization Service having 2 years of service to their credit, with satisfactory efficiency ratings, shall be paid at no less than the average rates of compensation specified for the grade to which their positions are specifically allocated under the Classification Act of 1923, as amended, provided the average of the salaries of employees in any grade shall not

exceed the average of the rates specified for the grade by the Classification Act, as amended.

(2) That the first limitation of the proviso of section 7 of the Classification Act, which limitation states that in no case shall the compensation of any employee be increased unless Congress has appropriated money from which the increase may lawfully be paid, shall not be held to apply to the operation of this bill.

This bill is fundamentally objectionable for the reason that it runs counter to the long-established policy of the Congress that obligations shall not be incurred prior to appropriation of funds sufficient therefor, as expressed, for example, by the proviso of section 7 of the Classification Act of 1923, relative to salary increases within grades, and the act of February 27, 1906, generally known as the Antideficiency Act, relating to all operations of the Government. Furthermore, it would provide for a group of approximately 2,500 employees mandatory benefits not accorded to many thousands of employees under the Classification Act in the same and other agencies of the Government, and for this separate group would, therefore, in effect amend the Classification Act of 1923, which was enacted for the particular purpose of establishing uniform pay rates and salary increases in the Government service.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 22, 1938.*

H. R. 1948. I find it necessary to withhold my approval of H. R. 1948, conferring jurisdiction upon the United States District Court for the District of Massachusetts to hear, determine, and render judgment upon the claims of certain property holders within the Old Harbor Village area of Boston, Mass.

The United States may abandon condemnation proceedings at any time before the acquisition of title and possession without liability for compensation for damages. This principle is of great importance to the Government as it permits the Government to abandon condemnation proceedings whenever it appears that such proceedings may result in prolonged litigation, that an amount must be paid for the property sought to be condemned which is considered exorbitant, or for any other sufficient reason. It is extremely important to the economical development of low-rent housing and the safeguarding of public funds that when proceedings reveal an excessive cost, or when other obstacles arise to prevent the successful prosecution of a project, the Government should be allowed to withdraw without unusual statutory liability which might destroy the value of prudence. Moreover, no reason appears why preferential treatment should be extended to a group of property owners involved in a particular proceeding, which is not accorded to parties to other condemnation proceedings.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 25, 1938.*

H. R. 2171. I am withholding my approval of H. R. 2171, Seventy-fifth Congress, third session, "An act for the relief of Frank Burgess Bruce."

This bill authorizes and directs the Administrator of Veterans' Affairs to pay the remaining amount of the insurance under the Government life-insurance policy (T–1016361) of Ashmead Ferguson Bruce to Frank Burgess Bruce, his father and designated beneficiary, in accordance with the terms of the policy.

After reviewing all of the facts of this case, the Administrator of Veterans' Affairs is of the opinion that approval of the proposed legislation would effect an injustice as to other cases wherein similar circumstances exist, where an award has been properly discontinued, and where insurance is not payable under existing law, and recommends that the measure be not approved.

For these reasons I am withholding my approval of this bill.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 23, 1938.*

H. R. 2487. I am withholding approval of H. R. 2487, a bill entitled "An act for the relief of Thomas J. Allen, Jr."

The bill authorizes payment to the claimant of an amount of $2,183.50 in settlement of his claim against the United States for damages to his personal property and effects inflicted by vandals in May 1929 while serving as superintendent of the Hawaii National Park, said property having been damaged in the quarters of the claimant in a Government building.

I do not believe that the Government should act as an insurer of the personal property of its officers and employees against losses or damages caused by burglary, vandalism, or other forms of depredation. Moreover, the bill proposes payment to the claimant of the full value of the personal property as appraised by him, notwithstanding the fact that he has estimated that a substantially smaller amount would repair a number of the damaged units or property, e. g., appraised value of one radio, $120; estimated cost of repair, $25; amount included in the bill, $120.

For the above reasons I do not feel that I would be justified in approving the bill.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 25, 1938.*

H. R. 2711. I have withheld my approval of H. R. 2711, "An act to create a Division of Water Pollution Control in the United States Public Health Service, and for other purposes."

This bill authorizes the appropriation of $300,000 for administrative expenses of the Division of Water Pollution Control, $700,000 for expenditure by State health authorities for the preparation of project requests, and, in addition, such amounts as may be necessary for loans and grants-in-aid of States, municipalities, public bodies, or individuals to carry out projects for treatment works to prevent water pollution.

I appreciate the importance of the results sought to be accomplished by the legislation and I fully approve the establishment of a Division of Water Pollution Control in the Public Health Service. This bill, however, provides for the direct presentation, through the Secretary of the Treasury, of the recommendations of the Surgeon General for the authorization by Congress of specific projects to be carried on under the loan or grant-in-aid provisions of the bill without any opportunity for review by the Chief Executive.

Thus, this bill provides for the legislative assumption of responsibilities of the executive branch and therefore runs counter to the fundamental concept of our Budget system that the planning of work programs of the executive agencies and their presentation to Congress in the form of estimates of appropriation is a duty imposed upon the Chief Executive and not one for exercise by the legislative branch.

I am convinced that appropriations for projects of this character should be based upon estimates submitted in the annual Budget. Only in this way can the merit of such projects be considered in their proper relation to the merits of other projects of a similar nature, and all of these projects be then considered in their relation to the needs of the other Government activities that are presented for incorporation in the annual Budgets.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 25, 1938.*

H. R. 2716. I have withheld my approval of H. R. 2716, "An act to provide for the local delivery rate on certain first-class mail matter."

It is understood the purpose of this bill is to make the 2-cent letter rate apply within the entire county of Queens, N. Y. This county is now served by four separate and independent post offices, namely, Long Island City, Jamaica, Flushing, and Far Rockaway.

Under existing law the local rate on first-class matter applies only to such matter addressed for delivery within the postal district of the mailing office. To extend it to the

matter addressed to postal districts of other offices would mark a departure from the long established basis for the application of the local rate and constitute a precedent upon which other communities served by separate post offices would justly base requests for a similar concession. It would be difficult, if not wholly impracticable, to apply the local rate under the proposed bill, for it would be an almost hopeless task to educate the public with respect to the territory entitled to the local rate.

In addition to the foregoing objections, the extension of the local rate as proposed would result in a considerable loss in revenue. The purpose of the 3-cent rate is to provide additional revenue in order to balance the postal budget, and as long as the continuance of the 3-cent rate for nonlocal first-class matter is necessary, it is felt there should be no piecemeal legislation making exceptions to its application.

For the above reasons and because of adverse recommendation of the Post Office Department, I do not feel justified in approving this bill, but I hope that in a few years the growth of Queens County and the development of consolidated postal facilities will justify applying the same rates as now exist in Kings County.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 25, 1938.*

H. R. 2734. I find it necessary to withhold my approval of enrolled bill, H. R. 2734, an act to authorize the coinage of 50-cent pieces in commemoration of the four hundredth anniversary of the journey and explorations of Francisco Vasquez de Coronado.

This enrolled bill would provide for the coinage at a mint of the United States to be designated by the Director of the Mint of not to exceed 100,000 silver 50-cent pieces in commemoration of the four hundredth anniversary of the journey and explorations of Francisco Vasquez de Coronado, such coins to be of standard size, weight, and composition, and of a special appropriate single design to be fixed by the Director of the Mint, with the approval of the Secretary of the Treasury.

Bills are being introduced in Congress with increasing frequency authorizing the minting of coins commemorating events, many of which are of no more than local significance. During the 10-year period from 1920 to 1930, 15 issues of 50-cent pieces of special design were authorized to be coined to commemorate historical events, an average of 1 issue every 8 months. The aggregate amount of the coins authorized to be struck was over 13,000,000.

On April 20, 1930, the President, at the instance of the Treasury Department, which has long been opposed to the issuance of commemorative coins, vetoed H. R. 2029, an act to authorize the coinage of silver 50-cent pieces in commemoration of the seventy-fifth anniversary of the Gadsden Purchase. The veto of this measure had the effect of discouraging for a time the enactment of legislation of this nature, and no new commemorative coins were authorized until 1933. Since that date 28 issues of such coins have been authorized, an average of 1 issue every 2 and a fraction months, notwithstanding the fact that the Treasury has consistently during this period expressed its disapproval of this type of legislation. The aggregate amount of the coins authorized to be struck was approximately 3,800,000 pieces. At the end of the last session of the Congress there were pending, I am advised, at least 66 bills to provide for the coinage of as many different issues of commemorative coins.

The rate at which new issues of commemorative coins have been authorized since 1932 has increased threefold over the 10-year period between 1920 and 1930. These coins do not have a wide circulation as a medium of exchange, and, because of the multiplicity of designs arising from the issuance of such coins, they jeopardize the integrity of our coins and cause confusion.

The Congress recognized the wisdom of maintaining uniformity in the designs of the various coins of the United States by providing in section 3510 of the Revised Statutes, as amended, that:

> * * * no change in the design or die of any coin shall be made oftener than once in 25 years from and including the year of the first adoption of the design, model, die, or hub for the same coin * * *.

Recognizing that the practice of striking special coins in commemoration of historical events and of permitting the sponsoring organization to sell them at a profit was a misuse of our coinage system, which was assuming increasingly dangerous proportions, I sent to the chairman of the Committee on Coinage, Weights, and Measures of the House of Representatives, and to the chairman of the Senate Committee on Banking and Currency, in June 1935, a proposed bill which was designed to terminate the practice of striking commemorative coins and to authorize, in substitution, the striking of appropriate commemorative medals. In January 1937 I again wrote to the chairmen of such committees with respect to this matter. Bill S. 3086 of the Seventy-fourth Congress, and bill S. 1895 of the Seventy-fifth Congress embodied those suggestions.

For the foregoing reasons I find it necessary to withhold my approval of this enrolled bill.

I have informed those interested in the celebration of this anniversary that the Mint of the United States will be glad to strike off a commemorative medal in place of the 50-cent coin.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 30, 1938.*

H. R. 2904. I have withheld my approval of the bill H. R. 2904, for the relief of officers and soldiers of the volunteer service of the United States mustered into service for the War with Spain, and who were held in service in the Philippine Islands after the ratification of the treaty of peace, April 11, 1899.

The effect of this bill is that a certain class of the approximately 15,000 volunteers "shall be entitled to the travel pay and allowance for subsistence provided in sections 1289 and 1290, Revised Statutes, as then amended and in effect, as though discharged April 11, 1899, by reason of expiration of enlistment, and appointed or reenlisted April 12, 1899, without deduction of travel pay and subsistence paid such officers or soldiers on final muster out subsequent to April 11, 1899." In this bill is a proviso "that no benefits shall accrue under any provision of this act to any person whose claim is based upon the service of any such officer or soldier discharged in the Philippine Islands at his own request."

With the exception of the above-quoted proviso, H. R. 2904 is identical with H. R. 2024, Seventy-fourth Congress, first session, which I disapproved on September 2, 1935, at which time I made the following statement:

> I have disapproved H. R. 2024, an act for the relief of officers and soldiers of the volunteer service of the United States mustered into service for the War with Spain, and who were held in service in the Philippine Islands after the ratification of the treaty of peace, April 11, 1899.
>
> The effect of this bill is that the beneficiaries thereof "shall be entitled to the travel pay and allowance for subsistence provided in sections 1289 and 1290, Revised Statutes, as then amended and in effect, as though discharged April 11, 1899, by reason of expiration of enlistment, and appointed or reenlisted April 12, 1899, without deduction of travel pay and subsistence paid such officers or soldiers on final muster out subsequent to April 11, 1899."
>
> I am advised by the Secretary of War that there were approximately 15,000 officers and soldiers of the volunteer forces of the United States in the Philippine Islands at the conclusion of peace with the Kingdom of Spain who would become beneficiaries of this act.
>
> The Comptroller General in his report on February 23, 1935, advises that the enactment of this bill would authorize payment of travel pay at the rate of 1 day's pay and 1 ration for each 20 miles, inclusive of the distance by water from the Philippine Islands to San Francisco, approximately 8,000 miles, and that such payments for the water travel alone will exceed 1 year's pay plus 1 day's ration for each day of such period. It is estimated the cost of the legislation will approximate $7,000,000.
>
> Congress has heretofore recognized the service of these officers and men by the award of a special medal, and there was also an

allowance by the act of Congress approved January 12, 1899, of 2 months' extra pay to all volunteers who served honestly and faithfully beyond the continental limits of the United States. I join most heartily in recognizing and appreciating the patriotic service of these men.

However, approval of this bill would result in the payment of a gratuity to each of the officers and men concerned, in an amount exceeding his pay for a full year, plus the value of rations for the period involved in sea travel from the Philippines to the United States, a benefit utterly without warrant, since each individual concerned has already received transportation and subsistence at Government expense for the journey performed in addition to full pay for the entire time.

I have recently signed an act restoring pensioners of the War with Spain and Philippine Insurrection to their full rate of pension. I feel that no breach of trust has been committed by the Government as regards the men who served their country in the War with Spain and Philippine Insurrection, and from the facts in this case general legislation upon this subject as provided in H. R. 2024 is not deemed advisable.

I am informed by the Secretary of War that there is no information available upon which an estimate of the number of beneficiaries entitled to the travel pay and allowance for subsistence under the provisions of the act can be determined, and it is not understood how the proponents of the legislation have estimated that approximately 7,000 of the officers and soldiers of the State volunteers have died leaving no widow, children, father, or mother. I find no change in the beneficiaries affected by H. R. 2904, other than the proviso that no benefits shall accrue under any provision of the act to any person whose claim is based upon the service of any such officer or soldier discharged in the Philippine Islands at his own request, and I am informed by the Secretary of War, also, that this proviso would affect approximately 2 percent of the 15,000 volunteers who served in the Philippine Islands, or only about 300.

Moreover, the enactment of H. R. 2904 into law would establish an undesirable precedent under which approximately 4,400 members of the Regular Army rendering similar service could demand with equal justice that legislation be enacted in their behalf and in whose behalf a similar bill, H. R. 2279, was introduced in the first session of the present Congress.

The Secretary of War strongly recommends that this bill be not favorably considered and I find nothing now in the facts in the case which would justify different action on my part.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 20, 1938.*

H. R. 3232. I have withheld my approval of bill H. R. 3232, entitled "An act of conferring jurisdiction upon the Court of Claims to hear, consider, and render judgment on the claims of Joliet National Bank, Joliet, Ill., and Commercial Trust & Savings Bank, of Joliet, Ill., arising out of loans to the Joliet Forge Co., of Joliet, Ill., for the providing of additional plant facilities and material for the construction of steel forgings during the World War."

Both the War Department and the Maritime Commission have reported to me that there is nothing in their records to show any dealings or negotiations with the Joliet Forge Co. for the increase of its plant facilities for the purposes stated, and that they had no dealings with either of the banks named in the bill in the nature of requests to such banks that they furnish money to the Joliet Forge Co. for any purpose.

It is stated that the only possible ground on which the claims might be based is the allegation that on or about July 9, 1918, the district manager of the Supply Division of the United States Shipping Board of the Emergency Fleet Corporation appears to have ordered the Joliet Forge Co. immediately to increase the facilities of its plant by not less than 300 percent in 120 days, and indicated that if the improvements could not be financed through local banks it might be possible to arrange a loan of Government funds. This official had no authority to enter into such a negotiation or to bind the Government, and in any event no agreement of any kind was made with the banks.

The claim of the Joliet Forge Co. for reimbursement on account of facilities alleged to have been installed for the purpose of filling Government contracts was heard by the War Department Claims Board, and was disallowed. It likewise appears that the company then filed a claim against the Emergency Fleet Corporation, which claim was given thorough consideration by the former Shipping Board and disallowed because of lack of merit.

Since the claim of the Joliet Forge Co. itself has been found to be without merit, it is difficult to conceive upon what possible theory of equity the claims of banks which furnished money to the Joliet Forge Co. can be favorably entertained. Certainly the loans, if any, made to the Joliet Forge Co. must have been consummated more than 18 years ago, and when consummated no right was created whereby the banks making the loans were entitled to look to the United States for payment. Yet the enrolled enactment, if approved now, some 18 years after the fact, would create a right which did not exist at the time of the loans, and would permit the Court of Claims to render judgment against the United States on the basis of the right thus created.

Allowance of such claim in the manner prescribed by this bill would establish a dangerous precedent which would encourage the presentation of unjustified claims and make it appear that the Government is assuming liability for business losses indirectly traceable to wartime transactions, for which losses the Government is neither legally nor morally responsible.

For the foregoing reasons, I am impelled to withhold my approval of the bill H. R. 3232.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 25, 1938.*

H. R. 3357. I am withholding my approval of H. R. 3357, an act conferring jurisdiction upon the United States District Court for the Northern District of California to hear, determine, and render judgment upon the claim of Fred Owens.

The claimant's principal complaint seems to be, not malpractice to the extent that no cure of a curable disease was effected, or that by treatment his condition was made worse, but simply that there was excessive heat applied which left scars on or near the knees. This could serve at the most as a basis of nominal damages only. Moreover, claimant, on the last date mentioned in the record, June 21, 1936, was still receiving treatment at Government expense. He is now, I am informed, employed at the United States Marine Hospital, Baltimore, Md., at a salary, including perquisites, of $1,200 per annum.

In view of the fact that he entered a United States hospital suffering from a self-contracted disease of venereal origin, and one which does not yield readily to treatment, that he received treatment at Government expense for more than 5 years, and that he now has a Government position suitable to his capacity, the proposal to provide for a court determination of his claim for damages on account of treatment in a Government hospital lacks, it seems to me, any satisfactory justification.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 29, 1938.*

H. R. 3618. I have withheld approval of the act H. R. 3618, to reestablish longevity pay of warrant officers. This act is intended to change the existing longevity pay system of warrant officers of the Army which was established under the Pay Readjustment Act of 1922 and which provides a 5-percent increase in pay for each 4 years of service not to exceed 25 percent to the longevity system in effect prior to 1922 under which warrant officers receive an increase of 10 percent of their base pay for each 5 years of service not to exceed 40 percent. The 1922 act increased the base pay and allowances of warrant officers. I am advised by the War Department that these increases considered in connection with additional pay for longevity have resulted in establishing pay rates for warrant officers which are relatively more

advantageous than provided for certain grades of enlisted men and officers, and that no further increase in pay for this group is justified independently of any consideration of the pay schedules of enlisted men and officers. The pay system of the armed services can be established on a proper and equitable basis only through consideration of the requirements of all classes of personnel. Legislation such as the instant bill which would grant pay increases to a particular class of individuals and which is not in accord with the views of the War Department is considered without sufficient merit to warrant my approval. If the purpose of the bill be to correct a situation of pay stagnation in the warrant-officer grade, then the present bill is without merit over existing law since it would not provide any further increases after 20 years' service. If its purpose be to afford a higher pay to warrant officers of the active list, I am constrained to withhold approval, because I do not favor such increases without regard to the compensation provided by existing law for enlisted men and officers of the Army.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 29, 1938.*

H. R. 3655. I am withholding my approval of H. R. 3655, a bill for the relief of Clarence D. Schiffman.

The bill proposes to pay the claimant $3,500 in full settlement of all claims against the Government for the loss of the sight of one eye resulting from an accident incurred in line of duty.

The Federal Employees' Compensation Act of September 7, 1916, provides for the payment of medical expenses incurred by employees injured in the line of duty, and for the payment of compensation during periods of unemployment. No provision is made for the payment of compensation of employees restored to duty at the same rate of pay which they received at the time of injury.

From information furnished by the Employees' Compensation Commission it appears that there are several hundred Government employees with partial permanent disabilities incurred as a result of injury in the line of duty. In a number of cases the disability is of a major character, such as the loss of an eye, a leg, or an arm. No one of these employees is receiving compensation, nor do I know of any case where a lump sum payment has been made as provided in this bill.

I do not feel that I would be justified in approving a bill of this character which is discriminatory in granting a special privilege to a particular individual that is not accorded by general legislation to other employees of the Government under similar conditions.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 25, 1938.*

H. R. 4285. I have withheld approval of H. R. 4285, entitled "An act to increase the salaries of letter carriers in the village delivery service."

Under existing law the annual salary rates for village delivery carriers are fixed at $1,150 for grade 1, $1,250 for grade 2, and $1,350 for grade 3. This bill proposes to increase the salary rates of each grade by $75 per year, or to $1,225 for grade 1, $1,325 for grade 2, and $1,425 for grade 3. The bill also provides for the increase in the hourly pay of substitutes in said service from 50 to 55 cents. The salary rates for postal employees at post offices of the first, second, and third classes were prescribed by the act approved February 28, 1925. Since that time the workweek was first reduced by law from 48 hours to 44 hours, and again further reduced to 40 hours, which in effect results in a decrease of 16⅔ percent in service actually rendered for the same rate of pay. Until the financial situation of the Government becomes greatly improved and until the postal receipts and expenditures are brought more nearly into balance, I cannot, as a matter of sound policy, look with favor upon any proposed legislation which would provide for an increase in the salary rates of postal employees. I do not consider that there are sufficient reasons in support of this proposal to increase the salaries of village delivery carriers to justify an exception to the above-stated policy.

The bill also contains an innovation in the form of a proviso, which reads as follows:

> That hereafter substitute carriers in the village delivery service, when appointed regular carriers in the village delivery service, shall have credit for actual time served on a basis of 1 year for each 254 days of 8 hours served as a substitute, and appointed to the grade to which such carrier would have progressed had his original appointment as substitute been to grade 1.

The proposal to allow credit of 1 year's service for each 254 days of actual service performed as a substitute is predicated on deducting from a 365-day year, 52 Sundays, 7 holidays, and 52 Saturdays or their equivalent. Substitutes in the village delivery service are not now authorized by law to count for purposes of promotion after appointment as a regular carrier time served as a substitute. But other large groups of postal employees are authorized by law to count actual service rendered as a substitute for purposes of promotion after appointment as regulars on the basis that 306 days of actual service as substitute shall be counted as 1 year's service. This definition of 1 year's service as a substitute is predicated on deducting from a 365-day year, 52 Sundays, and 7 holidays, leaving 306 days of 8 hours each of actual service required for credit of 1 year's service.

Certain large groups of postal employees holding regular appointments are entitled to automatic promotions to the next higher grade for service rendered as a regular appointee only after a 1-year period of 365 calendar days has elapsed since the last promotion. During such 1-year period a regular employee is entitled to the rate of pay established in 1925 for 306 days of actual service. While a substitute may render actual service of more or less than 306 days within a calendar period of 365 days, there appears to be no sound reason for changing existing law so as to reduce the definition of 1 year's service from 306 days to 254 days of actual service rendered as a substitute for purposes of promotion after appointment to a regular position. I would have no objection to legislation granting to substitutes in the village delivery service the same benefits as is or may be granted by law to other postal employees with respect to counting actual service rendered as a substitute for purposes of promotion after appointment to a regular position; but for the purpose in reference I am strongly opposed to a definition of 1 year's service predicated on a deduction from the 365-day year of more than 52 Sundays, together with the number of statutory national holidays in a year. Moreover, should legislation of this nature be approved granting increased benefits to this relatively small group of employees, it would establish a precedent under which all other groups of postal employees concerned would, no doubt, soon request the enactment of legislation granting them similar benefits.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 25, 1938.*

H. R. 4443. I am withholding my approval from H. R. 4443, Seventy-fifth Congress, third session, "An act for the relief of Meta De Rene McLoskey."

This bill authorizes and directs the Administrator of Veterans' Affairs to pay to Meta De Rene McLoskey, mother of Arthur Lee McLoskey, formerly a member of Company I, Forty-seventh Regiment, United States Infantry, who disappeared on May 7, 1918, all such installments of money which she would be entitled to receive as beneficiary of war-risk term insurance policy T-2024764.

Eligibility for benefits under this policy would depend among other things upon whether or not the policyholder died before the policy lapsed because of nonpayment of premiums. At the time of the soldier's disappearance there was sufficient pay due him to have taken care of his insurance until July 21, 1918. However, while it is true that a presumption of death attaches under such circumstances at the expiration of the 7-year period, there is no presumption as to the actual date of death. Whether the veteran died on or

before July 21, 1918, is the question of fact that has not been proven.

The Administrator of Veterans' Affairs advises me that approval of the above bill may well be used as a precedent in many other cases where veterans have disappeared at a time when their insurance was in force and have not since been heard from, and recommends the bill be not approved.

For these reasons I am withholding my approval of this bill.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 23, 1938.*

H. R. 4571. I am withholding my approval of H. R. 4571, "An act for the relief of the widow and children of James Patrick Mahar."

The purpose of this bill is to authorize and direct the Secretary of the Treasury to pay to the Wilber National Bank, of Oneonta, N. Y., administrator of the estate of James Patrick Mahar, the sum of $5,000, being benefits claimed under United States Government life-insurance policy No. K–812772, the same to be distributed among the heirs-at-law and next of kin of the said James Patrick Mahar, a deceased veteran of the World War.

Under date of June 29, 1936, I withheld my approval of a similar bill for the relief of the veteran's widow, Helen Mahar Johnson, who had remarried, upon the primary ground that the decisions of the circuit court of appeals and the Supreme Court of the United States held that the Government was without liability; that it did not appear that the judgments were based upon purely technical grounds; and that there did not appear to be sufficiently extenuating circumstances to warrant the enactment of special legislation for relief in this case.

The present bill differs from the previous bill only in that it provides for the distribution of the $5,000 among the heirs-at-law and next of kin instead of providing payment to the widow. My objection to the former bill still applies with equal force to the present proposed legislation, and I feel compelled to adhere to my previous position with respect to this case.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 25, 1938.*

H. R. 4864. I have found it necessary to withhold my approval of bill H. R. 4864 for the relief of Helen Rauch in the amount of $2,132.20, and her husband, Max Rauch, in the amount of $500, in full settlement of their claims against the United States for judgments obtained against the Director General of Railroads as the result of personal injuries received by Helen Rauch on May 11, 1919, when a passenger on the Hudson & Manhattan Railroad, which was being operated by the Director General of Railroads, acting for the United States.

On May 19, 1920, Helen Rauch instituted a suit in the Supreme Court of New York County, State of New York, naming as defendant "Walker D. Hines, Director General, Hudson & Manhattan Railway Co.," in which she sought to recover $10,000 for personal injuries alleged to have been received on May 11, 1919, while alighting as a passenger on a railroad known as the Hudson Tube at Sixth Avenue and Thirty-third Street, city of New York, then being operated by the Government.

Walker D. Hines had resigned as Director General and as agent to be sued and John Barton Payne had been appointed and qualified as successor on May 18, 1920. The suit should, therefore, have been brought against John Barton Payne, Director General and agent, as provided in section 206 of the Transportation Act of 1920. As brought, the suit was not in accordance with the consent of Congress and was not a suit against the United States. Process was served on an agent of the Hudson & Manhattan Railway Co. and an appearance was entered for Walker D. Hines by the regular attorneys of the railway company. An answer and trial notices were filed and the case came on for trial on October 5, 1922. Counsel for the defendant failed to appear and the case was tried ex parte to a jury. Judgment was entered on the jury's verdict on the said date for $2,132.20. It was not until the receipt of a letter dated May 28, 1923, from the attorneys for the plaintiff that the Railroad Administration had notice of the pendency of the suit. The matter was then investigated and the foregoing facts developed.

The Railroad Administration refused to pay the judgment on the ground that the court was without jurisdiction to enter a judgment against the Government and that the judgment was therefore a nullity. In December 1923 the plaintiff made application to amend the proceedings and judgment entered against Hines by substituting the name of James C. Davis for that of Hines and thus make the judgment a judgment against James C. Davis as Director General and agent. At such time the consent of the Government to be sued in causes of action arising out of Federal control, contained in section 206 of the Transportation Act of 1920, had expired. There was a resistance to the application by the Railroad Administration, but the court made the order of substitution. The Railroad Administration declined to recognize the validity of this order, and on June 11, 1924, the plaintiff instituted mandamus proceedings in the Supreme Court of the District of Columbia for the purpose of compelling the Director General to pay the alleged judgment. Upon demurrer the Director General was sustained and the case dismissed on the ground that the original suit was not a suit against the United States and the court was without jurisdiction to substitute the representative of the United States as defendant after the consent of the Government to be sued had expired. Appeal was taken to the Court of Appeals of the District of Columbia, where the judgment of the Supreme Court of the District of Columbia was affirmed on November 2, 1925. Thereafter petition for writ of certiorari was filed by Helen Rauch in the Supreme Court of the United States, and on March 1, 1926, such petition was denied.

The result of the litigation in this matter is that suit was not brought in harmony with the consent of Congress permitting suits to be brought on causes of action growing out of the operation of the railroads during Federal control. As brought, the suit was not against the United States, and when it was attempted to make the proper representative of the Government a defendant the consent to be sued had expired and the court was without jurisdiction to make such substitution. In effect, Helen Rauch is in the same situation as any other party who had a claim which was not adjusted or sued within the time prescribed by Congress.

Even if liability should be assumed by the United States in this case, the amount allowed by the jury in ex parte proceedings should not, under the circumstances, be treated as a definite measure of such liability. By not complying with the requirements of the Congress, the parties here afforded the Government no opportunity to present an adequate defense to the merits of the case.

There are a large number of similar claims of varying degrees of merit and there is no known reason why the proposed beneficiaries of bill H. R. 4864 are entitled to preferential treatment. If, however, Congress should undertake to afford relief in all such cases, the Government would be subjected to substantial financial liability and major injustices would be done in many cases. After this lapse of time records are largely destroyed, witnesses have disappeared, and the protection of the Government's interests in such cases would be exceedingly difficult, if not entirely impossible.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 25, 1938.*

H. R. 4941. I am withholding my approval of H. R. 4941 for the relief of Rogowski Bros., South St. Paul, Minn.

This enrolled enactment would authorize and direct the Secretary of the Treasury to pay to Rogowski Bros. the sum of $1,281.25 in full satisfaction of their claim against the United States for the refund of an illegal tax assessment wrongfully collected by the collector of internal revenue at

St. Paul, Minn., on March 8, 1920. The assessment was made in December 1919, in the sum of $1,281.25, and consisted of the following items:

Special tax as retail liquor dealer under section 3244, Revised Statutes	$25.00
25-percent penalty under section 3176, Revised Statutes	6.25
Special tax under section 1001 of the Revenue Act of 1918	1,000.00
25-percent penalty under section 3176, Revised Statutes	250.00
	1,281.25

Section 1001 (12) of the Revenue Act of 1918, approved February 24, 1919 (under which the $1,000 special tax was assessed and collected) provided that every person carrying on the business of a retail liquor dealer (among other businesses) in any State, Territory, or District of the United States contrary to the laws of such State, Territory, or District, or in any place therein in which carrying on such business was prohibited by local or municipal law, should pay $1,000, in addition to all other taxes, special or otherwise, imposed by law.

Rogowski Bros. engaged in the business of a retail liquor dealer on November 15, 1919 (1) in violation of the prohibition law of the State of Minnesota, and (2) without having paid special taxes under the internal-revenue laws.

The allegation of wrongful collection of the amount of the assessment under the Revenue Act of 1918 apparently is based upon the decision of the Supreme Court in the case of *Constantine* v. *United States* (296 U. S. 287, 80 L. ed. 233), decided December 9, 1935, in a case arising under section 701 of the Revenue Act of 1926. Section 1001 (12) of the Revenue Act of 1918 was succeeded, in identical language, by section 1001 (12) of the Revenue Act of 1921. This latter section was in turn succeeded by section 701 of the Revenue Act of 1924 and section 701 of the Revenue Act of 1926. In the Constantine case above, involving alleged liability to the $1,000 special tax accruing after adoption of the twenty-first amendment, the Supreme Court held that the imposition of the $1,000 special tax depended for its validity upon the eighteenth amendment; that such an imposition was unconstitutional after repeal of that amendment. There are no decisions as to the validity of the statute under which Rogowski Bros. are alleged to have incurred liability. At the time they incurred liability the wartime Prohibition Act was in effect. It is believed that the decision in the Constantine case does not control as to the liability of Rogowski Bros. under the Revenue Act of 1918. It certainly would not have been controlling during the period of prohibition; and in the absence of decisions to the contrary, it may be assumed that it would not have been controlling during prior prohibition under the war powers.

Section 3226 of the Revised Statutes, as amended by section 1318 of the Revenue Act of 1921 (the act in force at the date of the rejection of the claim), recognized that taxes might be illegally and erroneously assessed and collected, but provision was made therein for refunds in such cases only if application for refund was made within the time fixed. Under section 3226, Revised Statutes, above, Congress also provided, in 1921, for suits to recover the amounts involved only if commenced within 5 years.

On July 6, 1921, within the period prescribed by law, a claim for refund was filed by Rogowski Bros. and was rejected on December 1, 1921. No suit has been filed by Rogowski Bros. for the recovery of the tax and penalty.

It appears, therefore, that Rogowski Bros. were assessed in the manner provided by law; that the assessment was paid and Rogowski Bros. failed to avail themselves of their rights and privileges under the law to bring suit within the time prescribed by statute to recover after disallowance of the claim.

This bill for the private relief of one taxpayer who did not avail himself of the remedies provided by law is in derogation of the laws applicable to all claimants and suitors for refund.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 25, 1938.*

H. R. 5006. I am withholding my approval of H. R. 5006, Seventy-fifth Congress, "An act for the relief of Dewitt F. McLaurine."

This bill would require the Administrator of Veterans' Affairs to pay to Mr. McLaurine, during his life, and to his designated beneficiary or estate after his death, insurance benefits under a United States Government life-insurance policy which was issued in his favor but which has been canceled by the Veterans' Administration on finding that the insured procured the policy through fraud.

This finding and action of the Veterans' Administration has been sustained by a Federal court, after a hearing on the merits, in a judgment from which Mr. McLaurine did not appeal.

After careful review of this case, I can find no unusual facts or circumstances which would justify consideration of the finding of the court as other than final, and for that reason I am withholding approval of the bill.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 23, 1938.*

H. R. 5743. I am withholding my approval of H. R. 5743, for the relief of Haffenreffer & Co., Inc., of Boston, Mass.

This enrolled enactment would authorize and direct the Commissioner of Internal Revenue to receive and consider the claim of Haffenreffer & Co., Inc., for a refund of the fermented malt-liquor tax paid by it on certain unmarketable ale, in accordance with the provisions of section 327 of the Liquor Tax Administration Act, approved June 26, 1936, but without regard to the fact that said liquor was removed from the company's bottling house and sold.

Section 327 of the act authorizes refunds of taxes paid on fermented malt liquor which became unsalable after March 22, 1933, by reason of its condition, upon the filing of a claim therefor by the brewer and proof by him to the satisfaction of the Commissioner of Internal Revenue that, among other facts, such fermented malt liquor never was removed from the brewer's bottling house, except in the process of destruction or for return to the brewery.

It appears from the files of the Bureau of Internal Revenue that Haffenreffer & Co., Inc., withdrew by pipe line from its brewery to its bottling house, and tax paid, certain Pickwick Ale which was subsequently bottled; and that 37,560 cases of such Pickwick Ale, representing 2,731 barrels, in respect of which the brewer had paid $13,655 in taxes, were removed from its bottling house and sold to bona fide customers.

The removal of the fermented malt liquor from the brewery bottling house effectively bars the allowance of the claim filed by Haffenreffer & Co., Inc., for refund under section 327.

This bill, authorizing receipt of the claim and action thereon without regard to one of the items required by section 327 to be proved by all other claimants under the section, is in derogation of the law applicable to all claimants for refund under section 327.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 25, 1938.*

H. R. 6374. I am withholding my approval of H. R. 6374, a bill for the relief of Lena R. Burnett.

The bill proposes to extend the provisions of the Federal Employees' Compensation Act, as limited by section 2 of the Emergency Relief Appropriation Act of April 8, 1935, to Mrs. Burnett, the widow of a former Works Progress Administration employee.

It appears that the claimant's husband was employed on a non-Federal project at Rosenberg, Tex.; that on or about February 20, 1936, Federal funds became exhausted and the project would have been closed on that date had not the city decided to continue it and meet the necessary expenditure for the salary of the claimant's husband with its own funds. Thereafter, until the time of the injury, which took place on April 25, 1936, his salary was paid by the city.

The theory behind this proposed legislation appears to be that though Federal funds for a particular project are exhausted, the project, if continued and paid for with sponsor's funds, is still in fact a Works Progress Administration project and that persons employed on such project by the sponsor should, if injured, become eligible for Federal benefits.

While I regret the unfortunate accident which resulted in the death of Mrs. Burnett's husband, I cannot agree with the theory of the proposed legislation, and, therefore, I do not feel that I would be justified in approving the bill.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 25, 1938.*

H. R. 6713. I am withholding my approval from H. R. 6713, a bill for the relief of the Genesee Brewing Co., Inc., Rochester, N. Y.

The enrolled enactment would authorize and direct the Secretary of the Treasury to pay to the Genesee Brewing Co., Inc., the sum of $1,050 in full satisfaction of its claim against the United States for refund of the amount paid for fermented malt-liquor stamps which were canceled under protest by the company on July 26, 1936, to constitute a payment of tax on fermented malt liquor of the volume of 210 barrels, although the beer had been destroyed on May 12, 1936, when the tank containing it collapsed.

The files of the Bureau of Internal Revenue make it clear that an employee of the Genesee Brewing Co., Inc., failed to exercise care in filling a tank with fermented malt liquor being withdrawn from the brewery by pipe line, with the result that the tank was filled beyond capacity and collapsed (to quote the brewer's own explanation) "from excess pressure." The reason for the loss was solely the negligent performance of duty by the brewer's employee. No officer or employee of the Treasury Department had any part in the operation.

There is now no authority in the law for the refund to all brewers indiscriminately of taxes paid on fermented malt liquor destroyed under circumstances similar to those of this case. The taxes on the fermented malt liquor destroyed were not erroneously or illegally assessed or collected so as to be refundable under section 3220 of the Revised Statutes (U. S. C., title 26, sec. 1670). The fermented malt liquor in question did not "become unsalable by reason of its condition" within the meaning of that language contained in section 327 of the Liquor Tax Administration Act approved June 26, 1936 (U. S. C., Supp. II, title 26, sec. 1330 (b)); neither was it "destroyed in the bottling house in the presence of a representative of the Bureau of Internal Revenue" as contemplated by the same section, as a condition precedent to the granting of a refund.

This bill authorizes private relief for the Genesee Brewing Co., Inc., under conditions which Congress failed to include within the terms of the section granting relief to brewers in general. It is, therefore, in derogation of the laws applicable to all claimants and suitors for refund.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 25, 1938.*

H. R. 6951. I have withheld approval of H. R. 6951, entitled "An act for the relief of Harold Price."

This bill proposes to authorize and direct payment in the sum of $244.68 to Harold Price for expenses incident to the last illness and death and burial of his son, Jack Sterling Price, formerly of the United States Navy, who was discharged March 7, 1936, and died March 10, 1936, from a disease allegedly incurred prior to such discharge.

The report of the Committee on Claims, House of Representatives, House Report No. 1933, contains, among other things, pertinent statements regarding this claim, as follows:

Jack Sterling Price was honorably discharged March 7, 1936, from the Navy, after a 4-year enlistment, at San Pedro, Calif. * * * Price was stricken with bronchial pneumonia within 48 hours of his discharge and died March 10. As he died after discharge, the Navy Department was without authority to pay funeral expenses and those for shipment of the remains. The question presented by this claim is, therefore, whether Price was stricken by a disease incurred while on duty, and it has been raised because of the nature of the disease and the short time which elapsed between discharge and death. * * * While no effort is made to declare it as a positive medical opinion that this disease was contracted during Price's service, your committee believes there is reasonable presumption to that effect and we further feel that based on such presumption, the Government might properly bear the expenses attendant upon Price's death, insofar as funeral and transportation items are concerned. This action is justified in view of the short period of time which had elapsed since discharge, the nature of the disease, and the absence of any indication that it was contracted elsewhere than in the service. * * * The Navy Department reports that, had this man died while in service, $99 for embalming, casket, health permit, and delivery to shipping point would have been allowable, plus the expense of transportation of the remains, $145.68, to the place designated by the next of kin. * * * Thus the two items total $244.68, the amount carried in the amended bill.

From that part of the committee report quoted above it would appear that this claim is predicated on the presumption that when a former enlisted man dies after discharge from the Navy as the result of disease contracted prior to discharge, the expenses incident to the preparation of the remains for burial and the cost of their transportation to the place designated by the next of kin represent charges which may properly be met from naval appropriations. Such presumption is entirely erroneous. Such charges are not allowable in the case of a man who dies after discharge on account of disability incurred in line of duty, even though it is definitely determined that such disability was incurred prior to discharge, and not presumed as in this case.

The approval of this bill would set an undesirable precedent, and, in addition, would grant preferential benefits in this one case as distinguished from numerous other cases which are denied similar benefits under existing law. I regret, therefore, that I cannot sign this bill.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 25, 1938.*

H. R. 8176. I am withholding approval of H. R. 8176, "An act providing for continuing retirement pay, under certain conditions, of officers and former officers of the Army, Navy, and Marine Corps of the United States other than officers of the Regular Army, Navy, or Marine Corps, who incurred physical disability while in the service of the United States during the World War, and for other purposes."

The purpose of the bill is to liberalize section 10, Public, No. 2, Seventy-third Congress, approved March 20, 1933, which restricted retirement pay to emergency officers of the World War who could prove at least 30 percent disability directly resulting from performance of military or naval duty, by granting claims for disabilities arising while in service instead of restricting them as under present law to disabilities caused by service.

The Emergency Officers' Retirement Act, enacted by Congress over the President's veto, May 24, 1928, introduced the principle of rank into the World War compensation structure and approximately 6,300 emergency officers were placed on retirement pay. Public, No. 2, approved March 20, 1933, restricted these retirement benefits to those cases where disability was caused by military or naval service, so that some 4,700 cases were removed from the rolls. The proposed legislation would put back some 3,050 of the 4,700 previously removed at an annual initial cost to the United States Treasury of $3,000,000.

In enacting Public, No. 2, restricting retirement benefits to those whose disabilities directly resulted from the performance of military or naval duty, Congress clearly indicated that to continue to receive retirement pay, an emergency officer theretofore on the rolls was required to show a causative factor arising out of the performance of duty.

There is ample provision under existing law for approval of emergency officers' retirement with pay in meritorious cases, including review in doubtful cases where it may be urged that disallowance thereof does not accord with present law. Such reconsiderations are being given at the present time. Moreover, those emergency officers who cannot meet

the requirements of existing law for entitlement to retirement pay receive compensation at the same rates for their service-connected disabilities as are paid to nonofficers.

After reviewing the entire history of this legislation, it is my view that no liberalization in the existing law is warranted.

For these reasons I am withholding my approval of the above bill.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 25, 1938.*

H. R. 8515. I am withholding my approval of H. R. 8515, "An act to amend the act entitled 'An act for the relief of Harry Bryan and Alda Duffield Mullins, and others', approved August 28, 1937."

The bill proposes to pay all hospital, medical, and other expenses necessarily incurred by claimants named in the act of August 28, 1937.

The act of August 28, 1937, provided that the sums contained therein, totaling $52,925, would be in full settlement of all claims against the Government for personal injuries and death caused by the accident which resulted in the filing of said claims.

In view of this provision of the act of August 28, 1937, and of my belief that the amounts therein appropriated for the purpose represent adequate compensation in these cases, I do not feel that I would be justified in approving the bill.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 25, 1938.*

H. R. 8567. I have withheld my approval of H. R. 8567, a bill for the relief of Margaret B. Nonnenberg, for the following reasons:

The bill provides for the payment to the claimant of $3,565.76 as damages for injuries sustained by her on November 16, 1936, when an automobile in which she was riding was struck by a Government vehicle. Negligence on the part of the Government driver is conceded, but the extent of the damages suffered as represented by the amount fixed in the bill is open to serious question. The medical and hospital expenses incurred, including loss of earnings, amounted to but $565.76; and the attending physician stated that when discharged on February 5, 1937, the claimant's injury showed only a tenderness and discoloration which he felt would clear up entirely.

If the bill had been drafted to allow a sum more commensurate with the injury sustained, I would not have withheld my approval.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 25, 1938.*

H. R. 8729. I have withheld approval of the bill (H. R. 8729, 75th Cong.) entitled "An act granting pensions and increases of pensions to needy war veterans."

This bill proposes to redefine permanent and total disability and to increase from $30 to $40 the monthly rate of pensions allowable in non-service-connected permanent and total disability cases and almost exclusively affects World War veterans.

The first provision of this bill redefining permanent and total disability purposes to liberalize the standards by which permanent and total disability should be judged. I believe that present standards are sufficiently liberal. These standards are now applied to both service-connected and non-service-connected cases and since this bill deals exclusively with non-service-connected cases it contemplates, in the light of the reports which accompanied it, a preferment to the type of case which has lesser merit than others, and further, would tend to add confusion to an already complex administrative problem.

The second provision of this bill, increasing the monthly pension rate from $30 to $40 a month, would constitute a 33⅓-percent increase, would practically equal the average rate of compensation for all classes of World War service-connected disabilities, which is now $40.10 per month, and would approximate the present peacetime service-connected total disability pension rate of $45 per month.

Since approval of this bill would add $5,182,000 to the recurring pension increases, which amount to $16,000,000, already granted by the Seventy-fifth Congress and would undoubtedly entail dissatisfaction among the directly service-connected and peacetime groups and cause further demands for pension legislation and increases in rates now authorized, I feel compelled to withhold my approval from the above measure.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 20, 1938.*

H. R. 8744. I have withheld my approval of H. R. 8744, "An act for the relief of J. G. Bucklin."

The bill proposes payment to the claimant of an amount of $516.12 for destruction of 243 turkey eggs alleged to have been caused by blasting in connection with a project of the Works Progress Administration near the premises of the claimant. Of a total of 260 eggs there were only 17 hatched.

Payment of the amount proposed assumes that, but for the blasting, each egg would have hatched, which is extremely questionable; that had each egg hatched, there would have been a loss of only 10 percent in the number of fowls raised to a marketable growth, which is also questionable; and that each fowl placed on the market would have brought an average of $6, which is a further speculation.

I do not feel that I would be justified in approving a bill based upon such speculative conclusions.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 25, 1938.*

H. R. 8799. I have withheld my approval of H. R. 8799, an enrolled enactment entitled "An act for the relief of William B. Blaufuss."

This bill authorizes me to summon First Lt. William B. Blaufuss, United States Army, retired, before a retiring board to inquire whether at the time of his retirement he was incapacitated for active service and whether such incapacity was a result of an incident of service and to further determine if he is incapacitated for active service at the present time and if not this measure provides that he be reinstated on the active list of the Army.

Aside from the undesirability of legislation seeking to nullify the considered action of legally constituted agencies of the Government, there are further considerations which influence me in withholding approval of this measure.

Lieutenant Blaufuss, Air Corps, was retired July 31, 1934, after having been found permanently incapacitated for active service by an Army retiring board because of epilepsy, grand mal, idiopathic. Although Lieutenant Blaufuss now feels that he is entirely recovered from this ailment, it is the opinion of the War Department that since this malady is the outward manifestation of a nervous disorder, active service as an Air Corps officer might cause a recurrence. This matter was fully considered by the Army retiring board at the time Lieutenant Blaufuss was retired.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 29, 1938.*

H. R. 8922. I have withheld my approval of H. R. 8922, "An act for the relief of E. E. Johnson."

This claim grows out of a contract for the sale of certain timber which was the property of Indians on the Grand Portage Indian Reservation in Minnesota. The timber was not cut as rapidly as was originally contemplated, and the contract was extended from time to time until June 1, 1936, when it expired. Prior to that date certain payments amounting to $3,739.39 were made in advance and the funds distributed to the Indians who were entitled to receive them.

The Indians are reported to be without funds from which to make restitution of these advance payments, and it is therefore proposed to appropriate for the benefit of the claimant, and from the general fund of the Treasury, a sum equal to the amount of such payments. I am unable to find any justification for such an appropriation of Treasury funds.

If it is considered appropriate that relief should be afforded the claimant in this case, such relief should be provided from funds realizable from the timber or other assets of these Indians.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 25, 1938.*

H. R. 9448. I am withholding my approval of H. R. 9448, entitled "An act for the relief of Charles G. Bostwick."

The purpose of this bill is to authorize and direct the Administrator of Veterans' Affairs to furnish to Charles G. Bostwick hospital treatment or domiciliary care (medical services in connection therewith) in a Veterans' Administration hospital or home.

The records show Carlos G. Bostwick enlisted February 28, 1871, at Milwaukee, Wis., giving his age as 21 years, and was assigned to Company I, Second United States Infantry, to serve 5 years. On July 27, 1871, J. H. Bostwick, father of the soldier, made application for his discharge, stating that he was a minor, 18 years of age on April 17, 1870, and that he had enlisted without the knowledge or consent of his parents. The soldier also made application for his discharge on account of minority, and on the personal solicitation of Hon. William M. Stoughton, Representative in Congress, the Secretary of War ordered his discharge. He was accordingly discharged from the service March 16, 1872, at Chattanooga, Tenn., per S. O. 31, A. G. O., series 1872, on account of minority. In accordance with the long-established practice of the War Department in cases of soldiers who were discharged at that time on account of fraudulent enlistment, it is held that his discharge was not honorable. He was sentenced by a garrison court martial February 25, 1872, to forfeit to the United States $1 of his pay for 1 month. Nothing has been found of record to show that this soldier served in the zone of or in connection with active Indian hostilities.

It appears that the veteran never filed claim for pension benefits for the reason that he had no title under existing law. However, on May 28, 1928, Private, No. 210, an omnibus pension bill, was enacted which granted Mr. Bostwick a pension at the rate of $12 per month. This act entitled the veteran to a pension only and did not authorize the extension of hospitalization or domiciliary care. The veteran is not eligible to receive hospitalization or domiciliary care under existing law. Inasmuch as the veteran is already enjoying pension benefits which transcend the laws granting such benefits generally, it is not believed equitable to extend further benefits administered by the Veterans' Administration to this claimant. There is no greater merit in this case than in other similar cases where hospital treatment or domiciliary care must be denied because the requirements of the law have not been met.

For these reasons, I am withholding my approval of the bill.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 30, 1938.*

H. R. 10051. I have withheld approval of H. R. 10051, entitled "An act to provide travel allowance to railway mail clerks assigned to road duty."

This bill would provide that the Postmaster General shall make travel allowance to railway postal clerks after beginning duty at the initial terminal of run, unless returning to their initial terminal within 8 hours, under such regulations as he may prescribe, and in no case shall such an allowance exceed $3 per day. In other words, railway postal clerks would be allowed travel allowances for the entire period commencing with the beginning of duty at the initial terminal of run and ending at the time of return to their initial terminal in all cases where such period exceeds 8 hours. Under existing law, the first period up to 10 hours from beginning of duty is not included under any circumstances in computing the time for which travel allowances may be paid, and for periods of over 10 hours only the time in excess of 10 hours is considered for purposes of computing such allowances. The beginning of the initial run has always been construed to mean the time at which the clerk reports for duty which, as a rule, is from 30 minutes to 4 hours in advance of the actual departure of the train.

Out of approximately 13,161 road clerks, 12,360 are now drawing travel allowance, in numerous instances, in excess of $400 per annum per clerk. The approximate cost for travel allowance for road clerks for the fiscal year 1938 will be $2,980,000, not including about $130,000 for substitutes. Railway postal clerks are included under and receive the benefits granted by the 40-hour week law for postal employees, and those assigned to road duty automatically advance to salaries of $2,450 and $2,600, depending upon the classification of the run to which assigned. These salaries are already well above the average of other postal employees. The increase of the present travel allowance of railway mail clerks, as proposed in this bill, which would subject the Post Office Department to an additional annual charge of more than $1,000,000, is considered as not justified.

For the reasons set forth above, I am convinced that H. R. 10051 should not become law, and approval is accordingly withheld.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 29, 1938.*

H. R. 10076. I have withheld my approval of H. R. 10076, entitled "An act to create the White County Bridge Commission; defining the authority, power, and duties of said commission; and authorizing said commission and its successors and assigns to purchase, maintain, and operate a bridge across the Wabash River at or near New Harmony, Ind."

I cannot give my approval to this bill because of the inclusion therein of the following provision:

> The bridge acquired under the authority of this act shall be deemed to be an instrumentality for interstate commerce, the Postal Service, and military and other purposes authorized by the Government of the United States, and said bridge and ferry or ferries and the bonds issued in connection therewith and the income derived therefrom shall be exempt from all Federal, State, municipal, and local taxation.

Under date of June 30, 1936, I withheld my approval of S. 3107, Seventy-fourth Congress, a bill to exempt publicly owned interstate highway bridges from State, municipal, and local taxation, for reasons stated in my press release of that date, as follows:

> The effect of this bill would be that, by declaring publicly owned interstate highway bridges to be Federal instrumentalities, such bridges would thereby be exempt from all State and local taxation. I cannot give my approval to this bill, first, because I can find no compelling reason for making publicly owned interstate highway bridges Federal instrumentalities, and, secondly, because relieving such bridges of all State and local taxation would, in the majority of cases, result in loss of revenue by States and their political subdivisions, necessitating material curtailment of necessary activities, or the imposition of increased tax burdens upon other taxpayers to make up the deficit.

For the same reasons, and the added reason that the present bill, H. R. 10076, would exempt Federal taxation in addition to State, municipal, and local taxation, I cannot give the bill my approval.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 20, 1938.*

H. R. 10261. I have withheld my approval of H. R. 10261, entitled "An act creating the Arkansas-Mississippi Bridge Commission; defining the authority, power, and duties of said commission; and authorizing said commission and its successors and assigns to construct, maintain, and operate a bridge across the Mississippi River at or near Friar Point, Miss., and Helena, Ark.; and for other purposes."

I cannot give my approval to this bill because of the inclusion therein of the following provision:

> The bridge constructed under the authority of this act shall be deemed to be a Federal instrumentality for interstate commerce,

the Postal Service, and military and other purposes authorized by the Government of the United States, and said bridge and the bonds issued in connection therewith and the income derived therefrom shall be exempt from all Federal, State, municipal, and local taxation.

Under date of June 30, 1936, I withheld my approval of S. 3107, Seventy-fourth Congress, a bill to exempt publicly owned interstate highway bridges from State, municipal, and local taxation, for reasons stated in my press release of that date, as follows:

The effect of this bill would be that, by declaring publicly owned interstate highway bridges to be Federal instrumentalities, such bridges would thereby be exempt from all State and local taxation. I cannot give my approval to this bill, first, because I can find no compelling reason for making publicly owned interstate highway bridges Federal instrumentalities, and, secondly, because relieving such bridges of all State and local taxation would, in the majority of cases, result in loss of revenue by States and their political subdivisions, necessitating material curtailment of necessary activities, or the imposition of increased tax burdens upon other taxpayers to make up the deficit.

For the same reasons, and the added reason that the present bill, H. R. 10261, would exempt Federal taxation in addition to State, municipal, and local taxation, I cannot give the bill my approval.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 20, 1938.*

H. R. 10650. I have withheld approval of the bill (H. R. 10650) entitled "An act to provide for a 5-year building program for the United States Bureau of Fisheries," which bill would authorize appropriation of $3,260,000 over a 5-year period beginning with July 1, 1939.

It is estimated that the cost of operating the completed facilities authorized in the bill would be $514,820 per annum.

The various States now maintain 388 fish-cultural stations, and the United States Bureau of Fisheries operates 100 such stations and substations while 4 now under construction will be completed and 4 more begun, with funds appropriated for 1939.

In view of the large existing program of the Bureau of Fisheries, and in view of recent approval of an allotment of $1,055,350 from the recently enacted Public Works Administration Act of 1938 for improving and extending existing fish-cultural facilities of the Bureau, I think that further authorizations should wait for a while.

I feel, therefore, that the expenditures contemplated by this bill are not justified.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 24, 1938.*

H. R. 10842. I have withheld my approval of H. R. 10842, entitled "An act creating the Cassville-Guttenberg Bridge Commission and authorizing said commission and its successors to construct, maintain, and operate a bridge or bridges across the Mississippi River at or near Cassville, Wis., and Guttenberg, Iowa."

I cannot give my approval to this bill because of the inclusion therein of the following provision:

The bridge or bridges constructed under the authority of the act shall be deemed to be Federal instrumentalities * * * and said bridge or bridges and the bonds issued in connection therewith and the income derived therefrom shall be exempt from all Federal, State, municipal, and local taxation.

Under date of June 30, 1936, I withheld my approval of S. 3107, Seventy-fourth Congress, a bill to exempt publicly owned interstate highway bridges from State, municipal, and local taxation, for reasons stated in my press release of that date, as follows:

The effect of this bill would be that, by declaring publicly owned interstate highway bridges to be Federal instrumentalities, such bridges would thereby be exempt from all State, and local taxation. I cannot give my approval to this bill, first, because I can find no compelling reason for making publicly owned interstate highway bridges Federal instrumentalities, and secondly, because relieving such bridges of all State and local taxation would, in the majority of cases, result in loss of revenues by States and their political subdivisions, necessitating material curtailment of necessary activities, or the imposition of increased tax burdens upon other taxpayers to make up the deficit.

For the same reasons, and the added reason that the present bill, H. R. 10842, would exempt Federal taxation in addition to State, municipal, and local taxation, I cannot give the bill my approval.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 28, 1938.*

H. R. 10935. I have withheld approval of H. R. 10935, Seventy-fifth Congress, authorizing the Secretary of War to lend War Department equipment for use at the convention of the American Legion of New York during the month of August 1938.

This measure would make available certain Federal property in as yet undetermined quantity for use by a State department of the American Legion.

The depreciation in value of the property loaned will lead to an equal increase in subsequent Federal appropriations for support of the Military Establishment.

Legislation of this character in behalf of national conventions of recognized organizations of veterans has been enacted and approved from time to time, but such approval cannot be extended wisely to legislation in behalf of sectional and subordinate organizations. These exist in such great number that impartial treatment of all would inevitably lead to demands too numerous to be supplied without serious diversion of military supplies from essential needs and purposes. A precedent in such legislation is therefore to be avoided.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 29, 1938.*

H. J. Res. 663. I have withheld my approval of H. J. Res. 663, entitled "Joint resolution to provide for the operation of the Peru and Indianapolis railway post office by motor vehicle over the public highways."

The resolution would authorize the Postmaster General to contract for the transportation, including facilities for distribution in transit, of mail matter by means of motor vehicle operated over the public highways between Peru and Indianapolis, Ind. It is provided that, for administrative purposes, such service shall be a part of the Railway Mail Service and that compensation to the contracting carrier shall be at rates fixed by the Interstate Commerce Commission in force for the transportation of mail by railroad. No appropriation is provided for the special type of service, nor does the resolution authorize payment out of any current appropriation. With whom the contract shall be made is not specified, nor is the duration thereof.

It is recognized that with the curtailment of train service on many trunk lines and the widespread abandonment of all train service on branch lines, we are approaching the time when consideration must be given to the type of service proposed in the resolution, but it is believed that the authorization should be general and that the Post Office Department should be left free to select the routes on which the experimental service shall be inaugurated. When the Rural Free Delivery Service and the Air Mail Service were established, experimentally, in both instances the places where it was to be tried out was left to the discretion of the Postmaster General. There are only 11 post offices on the proposed route, and 4 of the largest of these are supplied by other railroad lines and supplemental star routes. The volume of the mail which is now being handled on the interurban line between Peru and Indianapolis and which is to be superseded by the proposed route is insufficient to provide an adequate and satisfactory test of the new service. There are throughout the country many routes where conditions for such an experiment are much more favorable and from which the public would receive greater benefit.

Should the proposed service be established it would doubtless be followed by many other requests and petitions for similar service in other parts of the country. It is, therefore, important that the law should prescribe definite procedure for the inauguration of such service. If rates fixed

by the Interstate Commerce Commission for transportation of mail by railroads are to apply, the element of competition would be removed and it would be manifestly impracticable to award contracts by competitive bidding. If there should be two or more bus companies having franchises to operate over the same route, the Post Office Department would be confronted with the problem of deciding which of them should have the contract.

If a service of this kind is to be inaugurated it is believed that the Post Office Department should prepare specifications for the type of vehicle that is to be used, having due regard to the accommodation and security of the mails and ample protection for its employees and that the route should be advertised in the same manner as is done for the Star Route Service, the contract being awarded to the lowest responsible bidder who may furnish sufficient guaranty for the faithful performance of the service.

The measure is also subject to criticism on the ground that while it attempts to assimilate the proposed service to railroad transportation so far as the carrier is concerned, and to the Railway Mail Service so far as the postal personnel is concerned, it does not make the agreement or contract subject to the numerous provisions contained in the act of July 28, 1916 (39 Stat. 419; 39 U. S. C. 523, et seq.). Among the provisions of this general act applying to the carriage of mail by railroads is the one giving the Postmaster General authority with respect to the construction, style, etc., of cars; the provision requiring station space in rooms for handling, transfer, and storing of mail in transit; the provision making a carrier subject to a fine of $1.000 for refusing to perform service; and the provision authorizing the Postmaster General to assess fines and make deductions. If carriers performing service such as is contemplated by this resolution are to be treated as railroads with respect to compensation, it is my view that they should also be subject to the control and requirements now applicable to the railroads.

For the above reasons and because of objections made by the Post Office Department to the measure, I have withheld approval of this resolution.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 30, 1938.*

TEMPORARY NATIONAL ECONOMIC COMMITTEE

Pursuant to the provisions of Public Resolution 113, Seventy-fifth Congress, the Chair appoints as members of the temporary National Economic Committee the following Members of the House: Mr. SUMNERS of Texas, Mr. EICHER, Mr. REECE of Tennessee.

COMMITTEE TO INVESTIGATE CAMPAIGN EXPENDITURES

Pursuant to the provisions of House Resolution 291, Seventy-fifth Congress, the Chair appoints as members of the Committee to Investigate Campaign Expenditures the following Members of the House: Mr. LEWIS of Colorado, Mr. DEROUEN, Mr. O'MALLEY, Mr. KRAMER, Mr. O'TOOLE, Mr. HANCOCK of New York, Mr. MICHENER.

CELEBRATION OF THE ONE HUNDRED AND TWENTY-FIFTH ANNIVERSARY OF THE BATTLE OF LAKE ERIE

Pursuant to the provisions of Public Resolution 119, Seventy-fifth Congress, the Chair appoints as members of the commission to prepare and bring about a suitable celebration of the one hundred and twenty-fifth anniversary of the Battle of Lake Erie the following members of the House: Mr. HARTER, Mr. THOM, Mr. MCSWEENEY, Mr. MAPES, and Mr. WHITE of Ohio.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1432. A letter from the Chairman of the Board of the Tennessee Valley Authority, transmitting a report on the investment and the allocation of the investment of the Authority in the Wilson, Norris, and Wheeler projects, pursuant to section 14 of the Tennessee Valley Authority Act of 1933; to the Committee on Military Affairs.

1433. A letter from the Acting Comptroller General of the United States, transmitting a report under section 207 of the Merchant Marine Act, 1936 (49 Stat. 1988); to the Committee on Merchant Marine and Fisheries.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. LORD: A bill (H. R. 10935) to authorize the Secretary of War to lend War Department equipment for use at the convention of the American Legion of New York, during the month of August 1938; to the Committee on Military Affairs.

By Mr. LEWIS of Maryland: A bill (H. R. 10936) to protect the public interest in connection with the practice of law by officials of the United States; to the Committee on the Judiciary.

By Mr. JOHNSON of Oklahoma: A bill (H. R. 10937) to promote farm ownership by amending the Bankhead-Jones Farm Tenant Act to provide for Government-insured loans to farmers; to encourage sale of farms held by absentee owners to farm tenants; and to enable tenant farmers to become owners of farm homes through long-term low-interest-rate loans on farms, and for other purposes; to the Committee on Agriculture.

By Mr. WHITE of Idaho: A bill (H. R. 10938) to authorize the construction of a lock and dam at Umatilla, Oreg., on the Columbia River, and four locks and dams and channel improvement on the Snake River, Oreg., Wash., and Idaho; to the Committee on Rivers and Harbors.

By Mr. DINGELL: A bill (H. R. 10940) authorizing special-delivery messengers to be covered into the classified civil service as substitute clerks and carriers, and for other purposes; to the Committee on the Civil Service.

By Mr. BLAND: Joint resolution (H. J. Res. 723) to amend H. R. 10672, Seventy-fifth Congress, third session, entitled "An act to amend section 4197 of the Revised Statutes, as amended (U. S. C., 1934 ed., title 46, sec. 91), and section 4200 of the Revised Statutes (U. S. C., 1934 ed., title 46, sec. 92), and for other purposes," so as to correct a typographical error; to the Committee on Rules.

By Mr. RANDOLPH: Joint resolution (H. J. Res. 724) proposing that the Secretary of Labor shall investigate the effects of technological changes on the employment of labor; to the Committee on Labor.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. RAMSAY introduced a bill (H. R. 10939) for the relief of Tarring W. Heironimus, Elsworth Croston, Lora B. Mayle, James W. and Alma M. Haddix, Dorsey and Leota Mayle, and C. C. Whitescarver, all of Grafton, W. Va., which was referred to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

5366. By Mr. GAVAGAN: Petition of Hungarian Jews of America, urging utilization of the unused allotted quotas of immigration visas to the United States for religious and persecuted people; to the Committee on the Judiciary.

5367. By Mr. KENNEDY of New York: Petition of American Road Builders' Association, protesting against the further expansion of the Works Progress Administration in competitive construction fields, which is detrimental to the organized construction industry, and urging the liquidation of the Works Progress Administration as far as possible in those fields through the adjustment and extension of normal existing agencies; to the Committee on Ways and Means.

5368. By Mr. SUTPHIN: Petition of Retail Grocers Association of New Jersey, opposing taxes on oleomargarine; to the Committee on Ways and Means.

5369. By the SPEAKER: Petition of American Road Builders' Association, Washington, D. C., urging consideration of their resolution with reference to the Works Progress Administration; to the Committee on Appropriations.